Employees' Retirement Fund of the City of DALLAS

Building on a Strong Foundation In 2017

Strategic Plan

Mission - Provide retirement benefits and superior service to advance the financial security of its members

ERF Guiding Principles and Core Values

Guiding Principles

- We are committed to excellence, quality and value in everything we do through the most effective use of our resources.
- We focus on the needs of our members and deliver consistent and timely information to our members about their retirement benefits.
- We are committed to public trust by being an ethical, sensitive, and cost efficient organization.
- We continually evaluate our business processes to support a user friendly environment that improves member satisfaction.
- We support open communication.

Core Values

The ERF Staff is committed to reflecting these core values in all we say and do:

- Fulfilling fiduciary responsibilities with the utmost integrity and accountability;
- Thinking independently, respecting individuality, and working as a team;
- Encouraging open communication and collaboration;
- Continuously expanding our knowledge; and
- In all endeavors, act in an ethical, honest, and professional manner.

Strategic Plan – Business Objectives

The Employees' Retirement Fund of the City of Dallas focuses on six key business objectives. They are the following:

- **Customer Service** - Provide high quality customer service that enables members to make informed and timely retirement decisions;
- **Communications/Education** – Create and deliver informative communications and pension education through print and digital mediums;
- **Benefits Management** - Administer benefit programs and business processes in an innovative, effective and efficient manner;
- **Investment Management** - Maintain an investment management program that will provide funding for the benefit obligations of the Fund;
- **Financial Management** - Develop and maintain financial and accounting processes that support ERF's business objectives and initiatives;
- **Operations Management** - Develop and maintain a secure technology infrastructure and operations that will support ERF business objectives and initiatives; and
- **Talent Management** - Provide ERF staff with training in the skill sets, policies, and procedures that enables them to perform their respective functions.

Customer Service

Provide high quality customer service that enables members to make informed and timely retirement decisions

Initiatives	Project Manager(s)	Timing/Cost	Metric
Benefit Statements **- Active Members** **- Deferred Vested**	David / Melissa	2017 Low	Provide access to benefit statements through the portal. Paperless process
Improve online experience with ERF Portal	Melissa / Duc	2017 Medium	Provide additional features (i.e. online form submission) and increase number of users
Conduct Tier B training for city management and human resources	David / Melissa	2017 Low	Reach 10% of active members.
Improve office experience for members	David	2017 Low	Customer Survey Ratings. Ratings of 90%+
Initiate retiree portal service (ability to print 1099's and monthly benefit information)	Melissa / Duc	2Q - 2017 Low	Provide access to my ERF

Cost Scale
Low = <$10,000
Medium = $10,001 - $50,000
High = >$50,001+

Communications / Education

Create and deliver informative communications and pension education through print and digital mediums

Initiatives	Project Managers	Timing / Cost	Metrics
Quarterly Newsletters for Active members and retirees	David / Melissa	2017 High	Reach 100% of attendees
Special Edition Newsletter for Retiree Meetings	David / Melissa	2Q – 2017 Low	Reach 100% of attendees
Enhance pre- retirement and pre-financial planning classes.	David / Melissa	2017 Medium	Hold 6 classes per year
Enhance the summer educational series – outreach program to active members to make sure that they understand ERF benefits.	David / Melissa	3Q – 4Q 2017 Medium	Reach 10% of active members

Cost Scale
Low = <$10,000
Medium = $10,001 - $50,000
High = >$50,001+

Benefits Administration

Administer benefit programs in an innovative, effective and efficient manner

Initiatives	Project Manager	Timing / Cost	Metrics
Pension Accounting System (CPAS) Upgrade	David	1H – 2017 High	Develop and execute project plan
Enhance data feeds from City	David	2Q – 2017 Medium	Original File Feed is Complete. Measure to new HRIS system.

Cost Scale
Low = <$10,000
Medium = $10,001 - $50,000
High = >$50,001+

Investment Management

Maintain an investment management program that will provide funding for the benefit obligations of the Fund

Initiatives	Project Manager	Timing / Cost	Metrics
Asset Allocation Review **Conduct investment manager searches according to timeline**	Natalie	1Q - 2017 Medium	Complete searches and successful transitions
Conduct quarterly conference calls with all investment managers **Board presentations bi-monthly**	Natalie	2017 Low	Meet with 100% of managers 4x a year
Due Diligence Trips to existing managers	Natalie	2017 Medium	Conduct due diligence meetings on 1/3rd of managers every year
Enhance ERF Risk Management System	Natalie	2017 High	Enhance risk management metrics, system and reporting

Cost Scale
Low = <$10,000
Medium = $10,001 - $50,000
High = >$50,001+

Timeline

ERF plans to conduct key searches for investment managers and professional service providers

January 2017
- Search – Legal RFP

February 2017
- Asset Allocation Review
- Search – Legal RFP

March 2017
- Search – Legal RFP
- Search – Next Generation

April 2017
- Search – Next Generation

May 2017
- Search – Next Generation

June 2017
- Search – Next Generation

July 2017
- Search – New Asset Class

August 2017
- Search – New Asset Class

September 2017
- Search – New Asset Class

October 2017
- Search – New Asset Class

November 2017
- Search – New Asset Class

December 2017
- Search – New Asset Class

Financial Management
Develop and maintain financial accounting processes that support ERF's business objectives and initiatives

Initiatives	Supervisor	Project Manager(s)	Timing	Cost	Metrics
CAFR Software Implementation	Deirdre	Deirdre / Naveed	2Q – 2017	Medium	CAFR Software implemented and 2016 financials are prepared and reviewed using cloud technology.
Accounts Payable Best Practices	Deirdre	Deirdre / Jennifer	2Q – 2017	Low	Invoices, receipts and manual reports are paperless;
Due diligence trip to new investment accountant	Deirdre	Deirdre / Saki	2Q – 2017	Low	Observation of STP Investment Services (merger with FCS)
Implement GASB 72 – Fair Value Measurement	Deirdre	Deirdre / Naveed	1Q – 2017	Low/Medium	Fair value disclosures and schedules accurately reported in CAFR

Cost Scale
Low = <$10,000
Medium = $10,001 - $50,000
High = >$50,001+

Operations Management

Develop and maintain a secure technology infrastructure and operations that will support ERF's business objectives and initiatives

Initiatives	Project Manager	Timing / Cost	Metrics
Continue Cloud Migration **- Hosting Migration for ERF websites** **- Business applications** **- Relevant documents**	Duc	2017 High	100% migration to cloud
Increase technical support and service call tracking system for myERF	Duc	2Q - 2017 Medium	Hire dedicated resource
Complete Tier B Implementation in CPAS and myERF	Duc/Melissa	1Q - 2017 High	Complete installation
Network / System Security Enhancement	Duc	2017 Medium	Complete security review

Cost Scale
Low = <$10,000
Medium = $10,001 - $50,000
High = >$50,001+

Talent Management

Provide ERF staff with training in the skill sets, policies and procedures that enables them to perform their respective functions

Initiatives	Project Managers	Timing / Cost	Metrics
Create individual development plans for all ERF employees	All Managers	1H – 2017 Low	Completed plans for 100% of employees
Enhance cross-training and succession plan for each department	All Managers	2017 Low	1-2 people are cross trained for every function
Develop in-house training program	All Managers	2017 Medium	Hold 3-5 training sessions
Hire and train additional staff	All Managers	2017	Fill 100% of openings

Cost Scale
Low = <$10,000
Medium = $10,001 - $50,000
High = >$50,001+

Workforce Diversity Overview

- Our strategic approach to integrate Diversity and Inclusion into our business is focused on three core areas:

  - **Workforce Recruitment** — We recruit and retain a high-performance team representative of our nation's rich diversity.

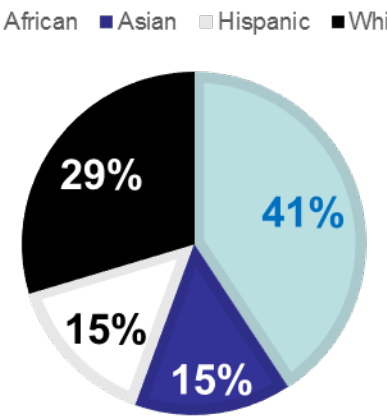
  - **Workplace Accountability** — We actively educate our leadership and staff to increase awareness and create a culture that embraces inclusion and understands the skills that lead to greater quality, respect, and accountability.

  - **Family Friendly** — ERF fosters an environment that make it possible for employees to more easily balance family and work and to fulfill both their family and work obligations. "*Results Oriented, Family Friendly*"

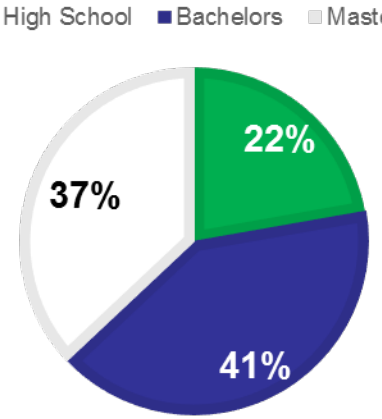
  - **ERF Workforce At A Glance**
    - ERF currently employs 27 full time staff
    - 71% of the workforce are people of color
    - 70% of the workforce are women
    - 78% of the workforce have a bachelor's degree
    - 37% of the workforce have a master's degree

Workforce Diversity Overview

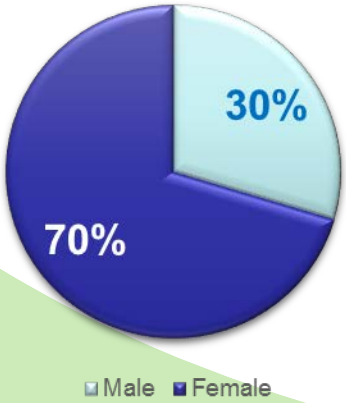
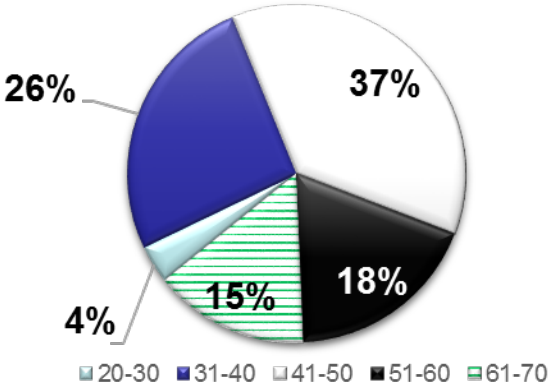
WORKFORCE BY ETHNICITY



WORKFORCE BY EDUCATION



Workforce by Gender



Workforce by Age