A regular meeting of the DART Defined Benefit Retirement Plan and Trust was held on Tuesday, May 28, 2019, at 10:00 a.m. in the HC Training Room, 1401 Pacific Avenue, 4th Floor, Dallas, Texas.

Present were Committee Members: Patrick Kennedy, Joe Costello, Larry Knott (via phone), Reginald Moore, Nicole Fontayne-Bárdowell

Retirement Committee Secretary: Blake Horton

Retirement Plan Consultants: Robert Longfield, Curtis Williams (Gavion)

Presenters: Gilbert Garcia, Ruby Dang (Garcia Hamilton)

Others: Lisa Revell (Human Capital)
Dwight Burns (Finance)
Gene Gamez, Peter Brannan (Legal)
David Schulze (Executive)

Visitors: None

Item #1: Determination of Quorum
It was determined a quorum was present at 10:03 a.m. Listed above are the members of the Committee who attended the meeting.

Item #2: Approval of Minutes for the Regular Meeting held April 23, 2019
Mr. Moore moved the minutes be accepted. Mr. Kennedy seconded the motion. The motion was approved unanimously.

Item #3: Approval of Retirements
Mr. Horton presented the retirements of Donnie Anderson, Michael Banks and Johnny Haggerty (Normal). Mr. Moore moved the retirements be accepted. Mr. Knott seconded the motion. The motion was approved.

Item #4: Approval of Expenses
Ms. Fontayne-Bárdowell moved the expenses be accepted. Mr. Moore seconded the motion. The motion was approved.

Item #5: Gavion
a) Fund Manager Presentation (Garcia Hamilton)
Mr. Garcia and Ms. Dang gave an overview of the Garcia Hamilton Fund.
b) Monthly Performance Update
Mr. Williams made the following comments on the Monthly Performance Update:

- The Total Fund was up 2.0% for the month of April and the preliminary month end market value for the Total Fund was approximately $188.8 million with a $3.8 million market value increase
- Total Domestic Equity was the best performing component of the Total Fund, with a return of 4.7% beating the 4.0% return of the Russell 3000 Index, Seizert Capital returned 4.8%, beating the S&P 500 by 80 basis points
- The best performing domestic equity manager was Earnest Partners with a return of 6.7% beating the Russell 2000 Value Index by almost 300 basis points
- Within Total International Equity, Oppenheimer had the best return for the month (5.3% vs. 2.6%, for the index) and all three managers had a positive return for the month of April
- Although, Total Fixed Income had a return of -0.1% for the month, it beat the index’s return of -0.3% with Guggenheim being the bright spot a 0.4% return, beating the index’s 0.1% return
- Lastly, Total Real Estate was flat for the month and the Vanguard REIT ETF was slightly negative for the month with a return of -0.1%

There was a discussion on finding an additional Fund manager to balance the existing Fund management portfolio. Gavion committed to presenting information on possible Fund managers for Large-Cap core with growth, Mid-Cap active and Emerging Markets Equities.

Item #6 Other Business
a) Retirement Administration Report
This item was not addressed.
b) Discussion & Vote to Reduce Number of Fund Litigation Firms
Mr. Knott moved for the Committee to continue the relationship with Cohen Milstein, Motley Rice and to retain Kessler Topaz, then drop the remainder of the Fund litigation firms. Mr. Moore seconded the motion. The motion passed unanimously.
c) Ongoing Litigation
Mr. Gamez gave an update on the ongoing litigation against Bank of America. He informed the Committee that the City of Birmingham (AL) and the Commonwealth of Pennsylvania have filed a complaint. Mr. Gamez gave the Committee its options to either stay in the position it is currently in or file a motion to dismiss. He told the Committee he contacted Cohen Milstein for more information and was told they would get back with him later. Mr. Costello asked if Mr. Gamez could do more research and get back to the Committee in June.

Item #7 Comments
None

Item #8: Adjournment
The meeting adjourned at 11:36 a.m.