



## Legislation Text

File #: ID#17-3940, Version: 1

### SUBJECT/RECOMMENDATION:

Approve investment of up to \$40,000,000 in the Dimensional Fund Advisors (DFA) Emerging Markets Core Equity Portfolio mutual fund and authorize the appropriate officials to execute same.

### SUMMARY:

The plan's emerging markets international equity money manager has been recommended for termination per a previous agenda item.

At the May 2017 pension investment committee quarterly meeting, the committee requested the plan's investment performance consultant, CapTrust Advisors, to conduct a manager search for a replacement emerging markets equity manager. At a special meeting of the committee on June 19, 2017, the committee unanimously selected DFA Emerging Markets Core Equity Portfolio for a due diligence interview of the firm, which was subsequently conducted at the committee's August 2017 quarterly meeting.

The pension investment committee unanimously recommends DFA Emerging Markets Core Equity Portfolio mutual fund to the Trustees for an investment of up to \$40 million, or approximately 4% of the total plan investment portfolio.

As of July 31, 2017, DFA Emerging Markets Core Equity Portfolio's performance over the past ten years has been as follow:

	<u>Performance</u>	<u>Benchmark</u>
Last 3 years	2.98%	2.39%
Last 5 years	5.69%	4.76%
Last 10 years	2.92%	1.98%

The DFA Emerging Markets Core Equity Portfolio mutual fund is only available to institutional investors. It has a management fee of 0.47% and a net expense ratio of 0.53% per the fund's February 2017 prospectus.

### APPROPRIATION CODE AND AMOUNT:

0646-07410-530100-585-000-0000 \$188,000 annually