

MINUTES

METROPOLITAN EMPLOYEE BENEFIT SYSTEM INVESTMENT COMMITTEE

October 19, 2017 at 11:30 a.m.
Howard Office Building, 700 Second Avenue South, 1st Floor

The Investment Committee met on Thursday, October 19, 2017 at 11:30 a.m.

Those Investment Committee members present were:

Members: Christine Bradley, G. Thomas Curtis, and Talia Lomax-O'dneal

Other attendees:

NEPC: Keith Stronkowsky

Staff: Katelyn Arnold, Finance Officer, Fadi BouSamra, CIO, Tom Eddlemon, Treasurer, and Kim McDoniel, Deputy Finance Director

Metro Legal: Jason Bobo, Metro Assistant Attorney

- **Establish a quorum:** Mrs. Lomax-O'dneal established that a quorum was present, and the meeting was called to order.
- **Approval of minutes from the September 9, 2017 meeting:** Ms. Bradley made a motion to approve the September 9, 2017 minutes. Mr. Curtis seconded the motion. The motion passed unanimously.
- **Secondary Sale Recommendation:** Mr. BouSamra discussed the pricing for the secondary sale. The recommendation was made to approve staff moving forward with the sale at the presented pricing. Mr. Curtis made a motion to approve the recommendation; Ms. Bradley seconded the motion. The motion passed unanimously.
- **Consultant Transition Update:** Mr. Stronkowsky reviewed NEPC's consulting process and presented a timeline for delivery. Mr. Stronkowsky reviewed NEPC's process for providing consulting services including: Investment Policy Development, Asset Allocation, Risk Measurement, Manager Research & Selection, and Monitoring & Reporting.

Additionally, Mr. Stronkowsky presented a timeline for deliverables:

- Performance & Due Diligence is current and ongoing monthly & quarterly.
- The Liquidity Study will be presented at the November meeting. The study will include a liquidity profile, base case, and stressed case taking into consideration all plan cash flows.
- Asset Allocation using risk budgeting and factor analysis will be covered at the December meeting.

- The Investment Policy will be revived in January and is expected to cover manager requirements as well as structure and roles.
- Treasury is taking the lead role on reviewing Transparency & Communication and is expected to have some recommendations at the December meeting.

Mr. Stronkowsky discussed comparisons between the peer universes used by NEPC and Summit. The two are very similar with no notable differences.

Communication Strategy Discussion: Mr. BouSamra explained there is a lot of duplication on the Investment pages on Nashville.gov, staff is working on updating the pages, consolidating information, and making the page more visual to better communicate with all constituents. Mr. BouSamra also informed the committee of the possibility of switching the data room to a Microsoft SharePoint system, as suggested by ITS.

The meeting adjourned at 12:15 a.m. The next meeting is scheduled for November 7, 2017.

Approved 11-7-17 by Talia Lomax-O'dneal
(Date) Talia Lomax-O'dneal, Chair