

MINUTES

METROPOLITAN EMPLOYEE BENEFIT SYSTEM INVESTMENT COMMITTEE

Monday, March 11, 2024 @ 1 p.m.
Investment Committee Meeting

Lindsley Hall – Peabody Conference Room
730 President Ronald Regan Way, Nashville, TN 37210

The Investment Committee met on Monday, March 11, 2024 @ 1:00pm.

Those Investment Committee members present were:

Christine Bradley, Kevin Crumbo, G. Thomas Curtis, and Gilbert Gonzales

Other attendees:

Staff: Kevin Brown, Deputy Finance Director, Michell Bosch, Treasurer, Sharon Sepik, Assistant Treasurer, Fadi BouSamra, Finance Manager, Katelyn Richie, Senior Treasury Analyst, and Ariana Brooks, Treasury Analyst

Others Attending: Josh Thomas and Lexie Ward, Metro Legal & Loan Huynh and Keith Stokes, Metro Finance

- **Establish a quorum:** Ms. Bosch established a quorum was present, and the meeting was called to order.
- **Public Comment Period:** Ms. Bosch noted no participants signed up for the public comment period.
- **Response to Investment Policies, Procedures, and Practices Review:** Ms. Bosch summarized the three recommended options made by The Hackett Group as a result of the Pension Plan Review:

Option A – Engage an OCIO, build an internal Compliance Team, and procure a compliance software system.

Option B – No OCIO, expand Investment Team structure, build an internal Compliance Team, and procure a compliance software. system.

Option C – Do not move forward with any options previously listed.

The Treasurer and Finance Director recommend moving forward with Option B which includes building an internal Compliance Team and procuring a compliance software system. Ms. Bosch outlined potential job titles and costs to the Committee. It would be beneficial to increase investment staff and create a compliance team to help support the Office of the Treasurer. The Compliance Team would also need a compliance system. These steps will take time to both hire qualified individuals and procure a software system that can be fitted to match the needs of

the investment portfolio. A multi-year approach is needed to add a Compliance Manager and two Sr. Analysts, one to support our risk management efforts and one to support our investment accounting function.

In addition to a compliance team, additional investment managers and analysts will be added to support the investment function. This would result in specialized personnel in the areas of Equities, Fixed Income and Alternative Investments for three additional Investment Managers and one additional Sr. Analyst. Ms. Bosch expects this to be a multi-year effort and take 3-4 years to fully implement.

Mr. Crumbo highlighted he is supportive of the recommendation of Option B. He stated this recommendation is a result of the success of the plan and is proactive versus being reactive, and he outlined the process for including the new positions in the budget request for FY25.

After the Committee discussed potential cost of adding seven positions, process, and timeline of implementing option B, Mr. Curtis made a motion to approve the Treasurer's recommendation of Option B. Ms. Bradley seconded the motion. The Committee voted and the vote was unanimous.

• **Meeting dates for 2024:**

- March 20, 2024 9-10:30am (Regular Meeting – Review of Q4 2023)
- May 23, 2024 9-10:30am (Regular Meeting – Review of Q1 2024)
- August 21, 2024 11-1:00pm (Educational Session Lunch)
- September 26, 2024 9-10:30am (Regular Meeting – Review of Q2 2024)
- November 20, 2024 9-10:30am (Regular Meeting – Review of Q3 2024)

Approved 3/22/2024 | 7:08 AM PDT by Kevin Crumbo
(Date)