

MINUTES

METROPOLITAN EMPLOYEE BENEFIT SYSTEM INVESTMENT COMMITTEE

Tuesday, September 9, 2025 @ 2 p.m.
Investment Committee Meeting

Howard Office Building – Sonny West Conference Room
700 President Ronald Reagan Way, Nashville, TN 37210

The Investment Committee met on Tuesday, September 9, 2025 @ 2:00 p.m.

Those Investment Committee members present were:

Christy Pruitt-Haynes, G. Thomas Curtis, and Jenneen Reed

Other attendees:

Meketa: Aaron Lally and Molly Lestage

Voya: Jonathan Cox and Len Goff

Staff: Kevin Brown, Finance Deputy Director, Seth Pilkington, Treasurer, Sharon Sepik, Assistant Treasurer, Katelyn Richie, Finance Manager, Dan Zarling, Risk and Compliance Officer, and Cole Davis, Treasury Analyst

Metro Legal: Joshua Thomas and Samuel Keen

- **Call the meeting to order:** Ms. Reed called the meeting to order and noted there was not yet a quorum, and the meeting would begin with a non-voting agenda item.
- **Voya 457b Activity Report:** Mr. Cox gave an overview of Voya's activity in the last quarter noting increased appointments and outreach at the local field office and all-time high payroll contributions, plan participation, and plan assets. Roth participation has also seen an increase in both participation and contribution. Discussion was held around automatic enrollments for new hires being modified to an automatic contribution system with future investigation into the matter being considered.
- **Establish a Quorum:** Ms. Reed established a quorum was present.
- **Public Comment Period:** Ms. Reed noted no participants signed up for the public comment period.
- **Approval of Minutes from the Meeting on June 13, 2025:** Ms. Pruitt-Haynes made a motion to accept the minutes as written. Mr. Curtis seconded the motion. The motion passed unanimously.
- **Treasury Staff Update:** Ms. Richie noted that several meetings had been held with investment managers, contract work was completed, and a new private market consultant was added to Nashville's team after Tad Fergusson's departure from Meketa, Molly LeStage.

- **Considerations for Investment Staff Structure:** Mr. Pilkington gave details of the budgeted amount for Investment staff in the current fiscal year and approved positions within the staffing budget that sit unfilled. He outlined the plan at this point is to hire less people than originally budgeted for and titles and the way the positions are broken up is still to be determined.
- **2nd Quarter 2025 Pension Performance:** Ms. LeStage introduced herself to the committee and delivered an overview of her work both past and present. Mr. Lally detailed the quarterly market update, portfolio performance, current market positioning, and under-performing managers. He noted liberation day in April and the tariff reprieve that came after. Market volatility has subsided, and positive results have been seen. Moving forward there are signs of job market weakness but believe that rate cuts will occur to help offset the weakening job market. Mr. Lally noted that private market allocations for the MEBS are at approximately 40% and noted that historically this allocation has served the plan well. In the last 3 years performance has lagged due to lack of exposure to public markets, however in the 5-, 7-, and 10-year range outperformance has been seen on both a relative and absolute basis. Ending balance for fiscal year was \$4.4b and all IPS policy targets are in range.

An update was given on the segregation of assets for the 5 closed pension plans. The amount allocated for these plans has now been separated from the primary MEBS plan.

Public equity managers were noted to have been underperforming relative to their public market indexes. Mr. Lally noted the longevity of relationships with the managers, historical performance, strategies, and thoughts on future performance. Ms. Richie noted that quarterly meetings are planned to be held with these managers to monitor performance.

- **Investment Recommendations:** Ms. LeStage presented the following new investment recommendations to the committee and shared details of the recommendations as they were brought forward to the committee for consideration.

Private Equity:

➤ **StepStone Accel Leaders Fund V** Is a Venture Capital strategy focusing on Series C and later stage investments. Metro has invested in all prior Accel Leaders' funds via a Stepstone-sponsored vehicle "wrapper" and has a longstanding relationship with StepStone Group.

Recommendation: Commit up to \$10 million to StepStone Accel Leaders Fund V.

Motion: Ms. Pruitt-Haynes made a motion to accept the recommendation as presented. Mr. Curtis seconded the motion. The vote passed unanimously.

- **457b Performance Report:** Mr. Fitzgerald presented the 457b performance report and noted that there are no recommendations to change any investment selections at this time. From a legal and regulatory stance, a new executive order has been issued to incentivize alternative assets within defined contribution plans, but no action has been taken at this time regarding the Metro 457b plan. Contributions grew in the quarter and performance was mostly positive. A future review of investment selections and fees will be given at the next meeting.

- **Meeting dates for 2025:**

- November 21, 2025, 9:00-10:30am (Regular Meeting – Review of Q3 2025)

Approved 11/24/2025 | 6:21 AM CST by Jenneen Reed
(Date)