

HYBRID INVESTMENT COMMITTEE MEETING
Blowfish Conference Room, with Zoom Option
June 5, 2023
10:00 a.m.

A meeting of the Investment Committee was held on Monday, June 5, 2023 at 10:02 a.m. The meeting was called to order by Mr. McCullion who determined enough members were present for a quorum.

Members present: Christopher McCullion, CFO
Michelle McCrimmon, Deputy CFO
Katrina Laudeman, Treasurer
Martin Carmody, Budget Division Manager

Also present: Shannon Hicks, Treasury Manager
Keith Stronkowski, NEPC (via Zoom)
Michele Keane, Recording Secretary

1. PUBLIC COMMENT – There was none.
2. ACCEPTANCE OF OPERATING REPORTS – (Attachment “2”) – March 2023

Mr. McCullion turned the meeting over to Mr. Stronkowski of NEPC. Mr. Stronkowski spoke about the shift to safety with the asset allocation change in 2019 and reviewed the performance of the Operating reports for the quarter ending March 31, 2023. No recommendations.

A MOTION TO ACCEPT THE OPERATING REPORTS FOR MARCH 2023, was made by Ms. McCrimmon and seconded by Mr. Carmody; MOTION CARRIED UNANIMOUSLY.

3. OPEB – MARCH 2023

Mr. Stronkowski noted the OPEB fund had a positive quarter, with the portfolio up 4.2% for the quarter ending March 31, 2023.

4. ASSET ALLOCATION – OPEB

Mr. Stronkowski stated elevated inflation and monetary policy is the primary focus for the market outlook. He noted the forty-year super cycle has ended and the economy saw rapid rise in inflation since 2020. He reviewed five major themes, noting stagflation and the possible recession being the major concerns. Mr. Stronkowski reviewed the current OPEB policy and suggested “Mix A”. This would consist of increasing core bonds from 10% to 15%, increasing private debt from 5% to 7% and decreasing the commitment to the PIMCO All Asset fund from 20% to 15%. Some discussion ensued.

A MOTION TO ACCEPT “MIX A” AS THE OPEB ASSET ALLOCATION, AS RECOMMENDED BY NEPC was made by Ms. Laudeman and seconded by Ms. McCrimmon; MOTION CARRIED UNANIMOUSLY.

PRIVATE DEBT – OPEB

Mr. Stronkowsky reviewed the private debt and private equity commitments and performance, and then explained NEPC's recommendations for the fund.

A MOTION TO APPROVE ADDING \$2 MILLION TO THE EXISTING COMMITMENT TO THE PIMCO PRIVATE INCOME FUND AND COMMIT \$3 MILLION TO THE HARBOURVEST DIRECT LENDING FUND II was made by Ms. Laudeman and seconded by Ms. McCrimmon; MOTION CARRIED UNANIMOUSLY.

PRIVATE EQUITY – OPEB

Mr. Stronkowsky spoke about the current allocations and made his recommendations for the fund.

A MOTION TO APPROVE \$3.5 MILLION TO THE HARBOURVEST DOVER STREET XI was made by Ms. Laudeman and seconded by Ms. McCrimmon; MOTION CARRIED UNANIMOUSLY.

Some discussion ensued regarding sending the minutes to the City Council and adding this information to the upcoming Finance Committee meeting. (Mr. Stronkowsky left the meeting at 10:49 AM.)

5. APPROVAL OF MINUTES - (Attachment "1") – March 6, 2023

A MOTION TO APPROVE THE MINUTES OF MARCH 6, 2023, was made by Ms. McCrimmon and seconded by Mr. Carmody; MOTION CARRIED UNANIMOUSLY

6. ADJOURNMENT

There being no further business, Mr. McCullion adjourned the meeting at 10:50 a.m.

Respectfully submitted,

Michele Keane

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Recording Secretary