



MINUTES FROM MEETING ON SEPTEMBER 14, 2017

Chairman Smith called into the conference line and Mr. Kaufman and Mr. Stronkowsky joined the meeting by telephone. Chairman Smith called the meeting to order on Thursday, September 14, 2017 in the Sustainability Conference Room, 2nd floor, City Hall at 9:33 AM. There was a quorum.

Board Members

Jay L. Smith, Chairman
 Jose Vicente, Vice-Chairman
 Laurie Botts, Secretary (Absent)
 Mathew Fleury, Trustee
 Christopher McCullion, Trustee

Others Present

Katrina Laudeman, Executive Director
 Michelle McCrimmon, Deputy CFO
 Matt Dickey, Deputy Executive Director
 Randy Thames, FOP
 Stu Kaufman, Board Attorney (via phone)
 Keith Stronkowsky, NEPC (via phone)
 Shannon Hetz, Police Advocate
 Dolores Bracero, Police Officer
 Michele Keane, Pension Coordinator

1. PUBLIC COMMENT

Chairman Smith asked if there was any public comment. There was none.

2. APPROVAL OF MINUTES OF AUGUST 10, 2017

A MOTION TO APPROVE THE MINUTES OF AUGUST 10, 2017 was made by Mr. Fleury and seconded by Mr. Vicente; **MOTION CARRIED UNANIMOUSLY.**

3. APPROVAL OF CONSENT AGENDA

A MOTION TO APPROVE THE CONSENT AGENDA was made by Chairman Smith and seconded by Mr. Fleury; **MOTION CARRIED UNANIMOUSLY.**

4. PENDING / OLD BUSINESS

a. Asset Allocation / Comvest IV and EnTrust Discussion

Mr. Stronkowsky reviewed asset allocation mix "C" which will increase the equity allocation from 37% to 41% and decrease the fixed income allocation from 32% to 26%. In the alternatives investments, the private debt allocation will be increasing from 3% to 5%.

A MOTION TO APPROVE MIX "C", AS PROVIDED BY NEPC, AS THE NEW ASSET ALLOCATION was made by Chairman Smith and seconded by Mr. Fleury; **MOTION CARRIED UNANIMOUSLY.**

Mr. Stronkowsky then spoke about EnTrust. Mr. McCullion and Ms. Laudeman confirmed with Mr. Stronkowsky that the EnTrust Special Opportunity Funds are considered to be hedge funds and not private equity. Mr. Stronkowsky suggested NEPC have a conversation with EnTrust regarding moving the money between the two in-house funds, the EnTrust Diversified Fund and Special Opportunity Fund IV.

A MOTION TO ACCEPT INVESTING IN THE ENTRUST SPECIAL OPPORTUNITY FUNDS IV, AND REQUEST STAFF TO MOVE THE FUNDS FROM THE ENTRUST DIVERSIFIED FUND AND DRAW IT DOWN TO THE ENTRUST SPECIAL OPPORTUNITY FUND IV AS NEEDED, UPON AGREEMENT WITH THE CONTRACTS AND OUR ATTORNEY’S REQUIREMENTS was made by Chairman Smith and seconded by Mr. Fleury. Some discussion ensued. **THE MOTION WAS AMENDED TO INCLUDE REBALANCING GROSVENOR TO TWO AND A HALF PERCENT BEFORE MOVING THE FUNDS TO ENTRUST’S SPECIAL OPPORTUNITY FUND IV; MOTION CARRIED UNANIMOUSLY.**

Mr. Stronkowsky next spoke about the success of Comvest Fund III and the upcoming Comvest Fund IV. Mr. McCullion asked for a pacing plan that would include the mix “C” changes that were just approved. Mr. Stronkowsky will provide the pacing information. Chairman Smith asked NEPC to contact Comvest and notify them we are interested in participating in Comvest Fund IV. (Mr. Stronkowsky left the meeting at 9:58 AM.)

b. Volkswagen Discussion

Mr. Kaufman stated neither he nor Mr. Klausner recommends the Board participate in the Volkswagen litigation as there is no value to us and the loss is minimal. (Ms. McCrimmon and Mr. McCullion left the meeting at 9:59 AM.)

c. Disability Update

Ms. Keane stated that Officer Briscoe’s attorney, Mr. Brown, filed for a continuance for his hearing. The Chairman granted the continuance until November 9, 2017 and requested an email be sent to Mr. Brown notifying him it had been granted.

Mr. Thames advised the Board that Officer Middleton is seeking reassignment to new physicians for her injuries. The depositions were cancelled because Drs. McBride and Christensen will no longer need to complete the Pension Board forms as new doctors are being sought.

Mr. Thames stated Officer Kenneth Brown’s application is still delayed while waiting for his widow to be appointed as his personal representative.

d. Securities Litigation Update

Chairman Smith noted the report provided by Ms. Laudeman.

e. Final Review of Policies & Procedures 6 – 10

The review is delayed until the next meeting to allow all of the Board members to take part.

Mr. Thames asked a question pertaining to abstaining from a vote in Policy 6. Mr. Kaufman responded that it is unnecessary to change the policy. Mr. Thames then asked about a possible inconsistency about the repayment timeframe in Policy 10. Some discussion ensued. Ms. Laudeman will check the Plan language to see if it states 90 days and advise the Board at the next meeting.

5. **NEW BUSINESS**

Mr. Kaufman informed the Board that the application for federal death benefits for Lieutenant Clayton's family has been approved. Chairman Smith thanked Mr. Kaufman for handling the case and for doing so on a pro bono basis.

Ms. Laudeman stated the share plan calculations are almost complete pending Mr. McCullion and Ms. McCrimmon's review. Chairman Smith requested copies of the report and also a copy of the ICMA-RC contract, once completed. Ms. Laudeman added that the accounts and templates still need to be set up for ICMA-RC.

The Plan Summary is being reviewed by Mr. Kaufman and will be available soon.

6. **ADJOURNMENT**

A MOTION TO ADJOURN was made by Mr. Fleury and seconded by Mr. Vicente. The meeting adjourned at 10:18 AM.

Respectfully submitted,

Michele Keane

Michele Keane
Pension Coordinator