

BCC Meeting May 26, 2022

Attendance: Andrews, Sonia; Barczak, Amy, Beebe, Lauran, Biesemeyer, Brian, Corsette, Kelly, Doyle, Judy, Ganger, Darlene, Jensen, Troy (Innovest), Johnson, Ana Lia, Keeler, Jim (Nationwide), Keller, Katie, Morris, Kent, Murphy, Bill, Nacario, Paul (Innovest), Valliere, Eric, Worth, Daniel, Tewell, Gordon (Innovest), Thompson, Jim

- Meeting was called to order by Lauran Beebe at 2:01pm
- Gordon Tewell from Innovest began the meeting with a discussion on the replacement of the Cambiar International Equity Fund for the international value category. Cambiar has been under review due to performance, departures from the portfolio management team and assets being withdrawn. Gordon reviewed the manager search process for the BCC, including their fiduciary role, duties and metrics when considering replacement options. Gordon led a discussion on two replacement funds, the Artisan International Value Fund and the Dodge and Cox International Stock Fund. After addressing portfolio characteristics, construction, investment process and each fund's pros and cons, the BCC unanimously selected the Artisan International Value Fund. Jim Keeler from Nationwide added that August 16, 2022, would be the target date for replacement and communications to plan participants would occur 30 days prior.
- Paul Nacario from Innovest began their 2nd Quarter Report with a review of milestones accomplished in 2021 and discussion on topics and trends, focusing on regulatory and litigation updates. Paul addressed updates on Secure Act provisions that took effect in 2022, an update on Secure 2.0 and trends with litigation in the retirement plan marketplace. Paul finished with a summary of the deliverables for 2022, fee review, and plan asset allocation
- Troy Jensen from Innovest reviewed the capital markets for the 2nd quarter of 2022, addressing the geopolitical environment, the impact of the Fed's tightening, labor market shortages, inflation, the fixed income market and the equity markets. Troy concluded with a review of the Manager Scorecard, overall very strong given the markets. Relative performance over 3-, 5-, 7- and 10-year performance remains strong with no recommended changes but a few minor points on personnel changes and short-term performance.
- Nationwide began their report with Jim Keeler and Andee Gravitt reviewing their Plan Sponsor Health Dashboard. Jim addressed the activity for their representative for the 2nd quarter, reviewed the plan's assets, participant count, new enrollments, deferrals, roll-ins, and rollouts. Jim finished with comments on the Nationwide Cavasson office in Scottsdale, giving the City's participants the option for 1 on 1 meetings at the new office space. Andee provided an update on the Franklin Pilot with the City, a financial wellness program Nationwide has piloted with 4 other plans in the country. Andee concluded with phase 2 communications and its rollout to participants.

- Luran and Innovest updated the BCC on conducting a Request for Information, RFI, on recordkeeping services to benchmark the City's plan fees and services with the Nationwide contract expiring on December 31, 2022. Innovest will initiate the RFI and bring results to the BCC at the August BCC meeting.
- Meeting was adjourned at 3:18pm