



BOARD OF ADMINISTRATION

Meeting Minutes Federated Investment Committee

Tuesday, August 25, 2020

11:00 AM

MEETING HELD BY ZOOM CONFERENCE IN LIEU OF PHYSICAL LOCATION

Dial In: +1 669 219 2599 US (San Jose)

Meeting ID: 980 6305 0143

Password: 112606

CALL TO ORDER AND ROLL CALL

The Federated Investment Committee met on Tuesday, August 25, 2020. The meeting was held via Zoom conference. Chair Chandra called the meeting to order at 11:04 a.m.

Federated Committee Members Present via Teleconference: Anurag Chandra, Qianyu Sun and Elaine Orr.

Retirement Staff Present via Teleconference: Roberto L. Peña, Prabhu Palani, Brian Starr, Jay Kwon, Dhinesh Ganapathiappan, Christina Wang, David Aung, Arun Nallasivan, Linda Alexander, Ron Kumar, Julie He and Ellen Lee.

Also Present via Teleconference: Laura Wirick, Meketa Investment Group, Chris Theodor, Meketa Investment Group, Eileen Neill, Verus Investments, Danny Sullivan, Verus Investments, Matt McCue, FinDaily, Luther Yost, Clearwater Analytics.

• **ORDERS OF THE DAY**

Chair Chandra read the following ground rules into the record for Orders of the Day.

- All votes will be roll call votes.
- If you are not speaking, please be on mute to cut the background noise.
- For matters of discussion and debate, I will call the roll and each person will have a turn to ask questions.
- Please do not interrupt the speaker, take notes and have questions to be asked later.

• **OPEN SESSION**

1. Approval of minutes of the May 26, 2020 Federated Investment Committee meeting.

A motion was made to approve the minutes.

Approved (M.S.C. Sun/Orr) Motion passed 3-0-0 on a roll call vote

2. Oral Update by CIO, Prabhu Palani

CIO Palani discussed the agenda for today's meeting. Investment Officer Brian Starr will give an overview of venture capital strategies. Investment Officer Christina Wang will give an

update on public equity and Verus Investments will follow with a risk overview. It is the intent to have Verus present a high level risk overview on a quarterly basis. In the Communications section, there is a report of all manager decisions for the first half of 2020.

3. Overview of Venture Capital Strategy by Brian Starr, Senior Investment Officer

Investment Officer Brian Starr gave an overview of the venture capital strategy. In the pacing plan passed by the Federated Investment Committee and the Federated board, it included a venture capital commitment. Brian discussed the unique qualities in investing in venture capital. At this point, there are some potential investments. The Investment staff will continue to perform due diligence and make recommendations in the coming months.

4. Overview of Public Equity by Christina Wang, Investment Officer

Investment Officer Christina Wang presented the public equity plan. The overview included a review of the objectives of the public equity plan, a summary of the public equity portfolio, market update in light of the Covid impact and a manager review. The objective of public equity is to maximize returns net of the fees but done in a way to minimize volatility. She spoke to portfolio construction and manager selection. Finally, she discussed building risk management into the process.

5. Risk Overview by Verus Investments.

Eileen Neill and Danny Sullivan from Verus Investments provided a risk analysis discussion. The plan is to provide a quarterly risk report to the Investment Committee. Eileen gave an overview of the risk perspective in the market environment and risk attributes of the portfolio. Eileen and Danny answered questions from the committee.

• **COMMUNICATIONS**

6. Manager decisions for the first half of 2020

• **ADJOURNMENT**

The Federated meeting adjourned at 12:54 p.m.