

- Mr. Trevino made a motion to terminate our risk parity investment with AQR. The motion carried unanimously.
- Mr. Trevino made a motion to begin a core bond search. The motion carried unanimously.
- Second, the international equity portfolio was discussed. After the searches that concluded at the start of the year in which four new managers were selected, NEPC recommended rebalancing our international equities toward our target of 15% of the overall portfolio. The following motions were made:
 - Mr. Griffin made a motion to terminate LSV. The motion carried unanimously.
 - Mr. Griffin made a motion to rebalance our international large cap equity managers to individually equal 3% of the overall portfolio. The motion carried unanimously.
 - Mr. Griffin made a motion to rebalance the 3% allocation to international small cap equity whereby Global Alpha receives 65% and Victory Trivalent Investments receives 35% of 3%. The motion carried unanimously.

Private Markets Pacing Plan and Search

- NEPC presented their pacing plans for our private markets asset classes for 2019, as well as potential themes for future searches. The following motions were made:
 - Mr. Smith made a motion to commit \$60 million to private equity. The motion carried unanimously.
 - Mr. Smith made a motion to commit \$60 million to private debt. The motion carried unanimously.
 - Mr. Griffin made a motion to commit \$25 million to real assets. The motion carried unanimously.
 - Mr. Smith made a motion to begin a search for a private equity co-investment fund. The motion carried unanimously.

China A-shares

- NEPC made a presentation regarding the emergence of China A-shares. With recent changes to MSCI's ACWI index, China A-shares will likely make up a large portion of the index. NEPC's presentation showed projections that in 20 years, China A-shares are likely to make up 20% of the index versus the current 3.4%.

Private Markets Consulting

- Discussions were held regarding our recently completed private markets' consultant search which resulted in the hiring of NEPC. The decision to hire a general consultant versus one that specializes in private markets was discussed.

ADJOURNMENT: Mr. Griffin made a motion to adjourn at 12:29 p.m., which carried unanimously.

Approved this ____ day of _____, 2019.

Larry Reed, Investment Committee Chairman