

● **Board of Directors**
Audit, Budget and Finance Committee

July 10, 2001 Board Meeting

10-2

Subject

Issuance of a Request for Proposal to hire an investment management firm(s) to manage the long-term portion of Metropolitan's investment portfolio

Description

In conjunction with discussions and analysis presented to the Subcommittee on Investments and Bond Financing, Metropolitan is considering outsourcing the investment management of the long-term portion of Metropolitan's investment portfolio. A Request for Proposal (RFP) needs to be prepared to solicit proposals from eligible registered investment management firms. To be eligible, the firm(s) must be a registered investment advisor with the Securities and Exchange Commission and have assets under management of \$1 billion or greater for the last five years. The following services are to be provided by the investment management firm(s):

- Active management of the long-term portion of Metropolitan's investment portfolio to a benchmark;
- Management of the portfolio within Metropolitan's investment policy guidelines;
- A performance benchmark for the funds to measure the performance of the investment firm(s); and
- Other reporting and performance requirements and services as directed by Metropolitan.


Staff anticipates a significant number of responses to the investment manager RFP, and in conjunction with a financial consultant, staff will review and evaluate the investment manager RFP responses to select the investment management firm(s).

Policy

Board request

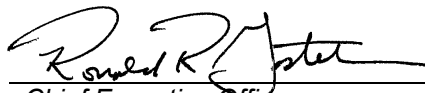
Fiscal Impact

To be determined



Brian G. Thomas
Chief Financial Officer

6/21/2001
Date



Ronald R. Jester
Chief Executive Officer

6/29/2001
Date