

**NATIVITY JESUIT ACADEMY**  
**Minutes**  
**Investment Subcommittee Meeting**

Friday, November 6, 2020  
Held Virtually via Google Meet

Members Participating: Jeff Ruidl (Chair), Ed Kitz, Brian Griffiths, Andrew Robbins, Maureen Schuerman, Jesus Torres

Members Excused: None

Guests Participating: Christopher Merker and Michael Klein

The meeting began at 7:32 a.m. Mr. Torres led the group in prayer.

**School Update**

Ms. Schuerman provided a general update re: the student assessments, attendance, and overall virtual instruction. Aggregate results from student reading assessments were being tabulated at the time of the meeting. Virtual attendance has averaged 97%, which is 2% higher than in-person. With tech issues from the start of the year resolved, and teachers being creative, engagement has been high with students. Have retained three academic aides leading to smaller group sessions.

**Investment Summary Update**

Mr. Torres presented the investment summary breakdown by restriction as of September 30, 2020. He noted that the portfolio's total balance is at \$6.4M, of which \$3.8M is unrestricted. The remaining \$2.6M is permanently restricted.

**Baird Presentation**

Mr. Klein discussed the general economic state of the US and the world. He stated that the third quarter ended September 30, 2020 had the best GDP growth in history, which is notably the largest rebound over a prior quarter. Mr. Klein stated that perspective of near and intermediate terms is important to recognize the markets behavior. Near term there is a potential for volatility from elections (Georgia senate runoffs) and additional stimulus is needed to cushion industries that have been most impacted, such as airlines, hospitality, and entertainment. As for the intermediate term consumer spend is improving, manufacturing is rebounding, corporate earnings are healthy, and borrowing rates remain low. Important to highlight that over 80% of the economy is doing well, while the remaining 20% is not. Other metrics that can increase volatility are COVID caseloads and mortality rates. Continued recovery can be hampered if countries implement lockdowns. There's concern that France may lockdown shortly and Germany's decision is pending. If there is a significant uptick on death counts in the US, and there is a partial or full economic stop, it could add 10 to 12 weeks to the recovery.

Mr. Merker provided an Investment Policy Statement Review, noting that NJA continues to comply with all its investment policies. Mr. Merker then discussed NJA portfolio's performance as of September 30, 2020, noting that the portfolio is up 2.1%, but up 6.06% during Q3. The performance since inception is at 6.00%, which is approaching the Balanced Index benchmark. Mr. Merker also added that returns during the first

couple of days of November had been robust, resulting a 7% year to date increase and 6.6% growth since inception. Asset allocations were rebalanced earlier in year and will be reassessed. SRI/ISG compliance testing will be performed as of December 31, 2020.

Meeting adjourned at 8:23 am.

**Action Items - Ongoing**

- Monitor Investment Policy compliance

Minutes prepared and respectfully submitted by Jesus Torres, NJA Director of Finance.