

OPEB BOARD OF TRUSTEES MEETING

Minutes

February 18, 2021

8:00 AM

Via Webinar

OPEB Board of Trustees Members in Attendance:

David R. Martin - Vice Chair	Mayor
Sandra L. Dennies - Chair	Director of Administration
Alfred Cava	Director of Human Resources
David Yanik	Controller
Tamu Lucero	Superintendent of Schools
Ryan Fealey	SPS Director of Finance
Jimmy Connors	Custodians' Pension Appointee
Eric Newman	CERF Pension Appointee
Jay Fountain	Fire Pension Appointee
Michael Noto	Police Pension Appointee
Mary Lou Rinaldi	Board of Finance Appointee
Gary Palomba	Board of Representatives Appointee

The meeting of the OPEB Board of Trustees was called to order by Ms. Dennies at approximately 8:01 a.m. A quorum was present. Also in attendance were David Javaheri, Joseph Matthews and Kevin Nichols from Morgan Stanley Wealth Management, Joseph DePalma of Wells Fargo and Christopher Foster, Procyon Partners.

The following materials were distributed in advance of the meeting: agenda, minutes of the December 10, 2020 meeting, Wells Fargo report, financial report, and Morgan Stanley report. Distributed after the meeting: MSCI Emerging Markets Index.

**Approval of Minutes** – Mr. Fountain moved and Ms. Rinaldi seconded a motion to approve the minutes for December 10, 2020. **The motion carried unanimously 9-0-0.**

**Custody & Pay Agent RFP – Christopher Foster, Procyon Partners** – Item 5 on the agenda was taken up out of order. Ms. Dennies reviewed the plan discussed at the December 10, 2020 meeting to realize savings on fees for all of the pensions and OPEB if they worked together to identify one custodian and one administrator of benefit payments and put out a joint RFP.

The selection committee is made up of one representative from each of the organizations. Procyon Partners was selected to organize this effort and the RFP went out today. Responses are due around March 8, 2021. Mr. Foster from Procyon outlined steps taken and described the RFP. Ms. Lucero, Mr. Connors and Mr. Noto entered the meeting.

**Report on Investments of the Funds** – The representatives from Morgan Stanley reviewed the markets and reported on OPEB Trust investments. Ms. Lucero left the meeting. Mayor Martin requested a list of emerging markets countries which was supplied and distributed to the Board immediately after the meeting. Mr. Nichols outlined Morgan Stanley's rationale for their recommendations to invest OPEB Trust cash.

**Wells Fargo Report – Joseph DePalma** – Mr. DePalma reported on OPEB Trust funds as of January 31, 2021.

**Report of Bills Paid and Financial Reports – David Yanik** – Mr. Yanik discussed the Summary and Detail Schedule of Expenses for Fiscal 2021 as of December 31, 2020 and the amount and timing of the next contributions.

Ms. Rinaldi moved and, after discussion of long-term and short-term cash balances, Mayor Martin seconded, a motion to approve Morgan Stanley's recommendations to invest approximately \$7.5 million from the OPEB Trust's long-term money market account equally (25% each) in US mid-cap, US small-cap emerging market, and developed international. **The motion carried unanimously 11-0-0.**

**Other Business** – There was no other business.

The meeting adjourned at 8:55 a.m.

**Next Regular meeting is scheduled for May 20, 2021 at 8:00 a.m.  
Via webinar**