

OPEB BOARD OF TRUSTEES MEETING  
Minutes  
November 14, 2013  
8:00 AM  
Mayor's Conference Room, 10<sup>th</sup> FLOOR  
GOVERNMENT CENTER  
888 Washington Boulevard  
Stamford, CT

OPEB Board of Trustees Members in Attendance:

Michael E. Handler	Director of Administration
David Yanik	Controller
Geoff Alswanger	President, Board of Education
Hugh Murphy	Superintendent's Appointee (for COO, SPS)
Mike Briscoe	CERF Pension Appointee
James Hricay	Fire Pension Appointee
Mary Lou Rinaldi	Board of Finance Appointee
Kathleen Murphy (by phone)	Board of Finance Appointee
Mary Fedeli	Board of Representatives Appointee
Randall M. Skigen – Vice Chair	Board of Representatives Appointee

The meeting of the OPEB Board of Trustees was called to order at 8:05 a.m. by Mr. Skigen. A quorum was present. The following materials were distributed in advance: meeting agenda, August 15, 2013 meeting minutes, Third Quarter 2013 Executive Summary for OPEB Trust, schedule of expenses, bill exceeding authorized amount, proposed 2014 meeting dates.

**Approval of Minutes** – After discussion, a motion made and seconded to approve the August 15, 2013 minutes with the following changes: three references to 2013 changed to FY2014, sentence containing reference to interest rate expectations deleted, and insertion of “(PIMCO All Asset and GMO Fund)” in paragraph 7. **The motion passed 7-0-3. Mr. Alswanger, Mr. Briscoe, and Mr. Hricay abstained.**

**Report on Investments of the OPEB Trust** – Mark Wetzel, of Fiduciary Investment Advisors, LLC (FIA), reported on OPEB Trust investments. Third quarter economic review: the real GDP grew at an annual rate of 2.5% during the second quarter, unemployment rate fell to 7.3% in August, and inflation remains under control. The S&P 500 was up 5.2% for the quarter and 19.8% year to date. International markets outpaced both U.S. and emerging markets. Fixed income continued to lag behind equities.

The OPEB Plan is at \$38.852 million at the end of the quarter. This reflects the FY2014 contribution of \$9.4 million which was invested in two phases, half before the end of the quarter and half in October after the close of the quarter.

The plan is at approximately 37% fixed income, 28% domestic equity, 20.7% developed international, 8.8% emerging. The plan is up 4.8% for the quarter and up 10.1% for one year versus the benchmark of 8.9% for the year. All funds are in line or ahead of benchmarks. A .05% reduction in fees for Eaton Vance has been negotiated. A motion was made and seconded to accept the rebate and reinvest the cash in the fund. **The motion passed 10-0-0.**

Mr. Wetzel reported that all funds are doing well and the portfolio is fully invested. The Board discussed performance of the funds and strategies of investment. The short-term account was discussed.

#### **RFP for Financial Manager**

Clemon Williams, Assistant Director of Human Resources, asked the Board to select two members to participate in the RFP for financial manager selection committee along with representatives from the CERF and Custodian Pensions. The financial manager's contract expires June 30, 2014. The OPEB Board is joining the pension boards in an RFP in order to get a better price when they go out to bid. Mary Fedeli and Hugh Murphy were selected to join the committee.

#### **Report on Bills Paid and Approval of Bills Exceeding Authorized Amount**

Mr. Yanik provided a schedule of all expenses for the quarter. He asked for guidance from the Board regarding the maximum "authorized amount" that may be paid without specific Board approval. This item will be discussed at the next meeting.

#### **Other Business**

Mr. Yanik distributed a draft of the FY2013 OPEB Fund financial statements. A memo regarding the draft financials will be distributed to the Board; this item will be discussed at the next Board meeting.

#### **2014 Meeting Dates**

The Board will discuss 2014 meeting dates, including location and timing of the summer meeting relative to the distribution of the annual OPEB allocation, at the next meeting. A motion was made and seconded to set the next two meeting dates at February 13, 2014 and May 15, 2013. **The motion passed 10-0-0.**

The meeting adjourned at 8:58 a.m.

**The next meeting is scheduled for February 13, 2014 at 8:00 a.m.  
Location TBA**