

OPEB BOARD OF TRUSTEES MEETING

Minutes  
May 19, 2022  
8:00 AM  
Via Webinar

OPEB Board of Trustees Members in Attendance:

Sandra L. Dennies – Chair	Director of Administration
Alfred Cava	Director of Human Resources
David Yanik	Controller
Joshua Esses	Board of Education Appointee
Ryan Fealey	SPS Director of Finance
Todd Williams	Custodians’ Pension Appointee
Eric Newman – Vice Chair	CERF Pension Appointee
Josh Fedeli	Fire Pension Appointee
Michael Noto	Police Pension Appointee
Mary Lou Rinaldi	Board of Finance Appointee
Mary Fedeli	Board of Representatives Appointee
Lindsey Miller	Board of Representatives Appointee

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

The following materials were distributed in advance of the meeting: agenda, minutes of the February 17, 2022 meeting, Principal report, Morgan Stanley report, Financial Reports and Human Resources item.

**Approval of Minutes** – Mr. Cava moved, and Mr. Miller seconded, a motion to approve the minutes for February 17, 2022. **The motion carried 9-0-0.**

**Accounting Adjustment** – Mr. Cava explained that there was an error in accounting for repayment of retirement funds from an individual per an agreement with the Law Department. The amount in question was miscoded as a medica deduction.

Ms. Dennies moved, and Mr. Miller seconded, a motion to make an accounting edit in the amount of \$1,750.00 from the OPEB account to the City’s General Fund. **The motion carried 9-0-0.** Mr. J. Fedeli entered the meeting. 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. In light of the current market, it is Morgan Stanley’s opinion that the short-term bond market is a better place to be than long duration bonds. They suggest selling all shares of the MetWest bond fund (approximately \$29 million) and investing half of the proceeds in the JP Morgan Short-Term Fixed Income Fund and half into the Vanguard Short-Term Corporate Bond Fund. Also discussed was investment of the cash available in the OPEB Trust Short-Term account. Ms. M. Rinaldi, in attendance since the beginning of the meeting, was admitted to the panel.

**Report of Bills Paid and Financial Reports – David Yanik** – Mr. Yanik discussed the Summary and Detail Schedule of Expenses for Fiscal 2022 as of March 31, 2022. Mr. Yanik recommended leaving \$4 million from the end of F2022 plus \$2 million from the beginning of

F2023 in cash until the annual contribution is made in late July or early August to cover obligations. Morgan Stanley recommended investing \$2 million of available cash in short-term investments.

Mr. Yanik moved and Ms. Rinaldi seconded a motion to consider investment of approximately \$2 million of the cash in the OPEB Short-Term account at the next meeting. **The motion carried 12-0-0.**

Mr. Newman moved and Mr. Williams seconded a motion to sell all shares of the MetWest T/R Bond Fund MWTSX (approximately \$29 million) and invest half of the proceeds in the JP Morgan Short-Term Fixed Income Fund (JPST) and half into the Vanguard Short-Term Corporate Bond Fund (VCSH). **The motion carried 12-0-0.**

**Principal Report – Joseph DePalma** – Mr. DePalma reported on OPEB Trust funds as of April 30, 2022.

**Other Business** – After discussion, Mr. Cava moved and Mr. Newman seconded a motion to cancel the July 21, 2022 meeting and hold the next regular meeting on August 11, 2022. **The motion carried 12-0-0.**

The meeting adjourned at approximately 8:56 a.m.

**Next Regular meeting is scheduled for  
August 11, 2022 at 8:00 a.m.  
Via webinar**