



Retirement Board of Authority (RBOA) Meeting MINUTES

March 17, 2021

11:30 am – 12:30 pm
Zoom/Virtual Meeting

The Retirement Board of Authority (the “Board”) members: Ann-Marie Gabel; Dr. Cindy Vyskocil; Kim McCord; Davit Khachatryan, and Cory Wathen.

Program Coordinator: Keenan Financial Services: Gail Beal, Roslyn Washington.

Consultants: Scott Rankin, Benefit Trust Company; Cary Allison, Morgan Stanley.

Roll Call: The RBOA meeting was called to order at 11:32 am by Kim McCord.

Roll-call was conducted with all RBOA members reporting their presence. All the OPEB Trust's “service entity” representatives indicated their presence, except Gail Beal.

Retirement Board of Authority (RBOA) Charge: The Retirement Board of Authority is charged with ongoing Governance of the District's OPEB Trust. Effective Governance for the District's OPEB Trust requires the delineation of plan-related roles and responsibilities; the capture of key delegations and appointments in writing; the creation of reporting protocols across all plan-related parties; the use of applicable metrics to monitor and measure investment performance; the management of administration and compliance milestones; the maintenance of robust documentation to support, guide and demonstrate prudence; while RBOA members keep fiduciary skills sharp and investment knowledge current.

01. Approval of Agenda for RBOA meeting on March 17, 2021: (Action)

A motion was made by RBOA member Ann-Marie Gabel to approve the Agenda with one change to move the Public Comment Section to the top of the Agenda after the Roll Call. Motion was seconded by Cindy Vyskocil and was unanimously carried by all the RBOA members present.

02. Approval of Minutes from September 23, 2020 RBOA Meeting: (Action)

RBOA member Ann-Marie Gabel asked that item #7b under the “Investment Policy Review” of the Minutes be restated. A motion was made by RBOA member Cindy Vyskocil to approve the Minutes for the previous RBOA meeting on September 20, 2020 with changes (below). Motion

was seconded by Davit Khachatryan and was unanimously carried by the RBOA membership present.

7b. "The Investment Policy Statement was amended to reflect that the portfolio is being invested for a Target Asset Allocation of 50% equity investments, and 50% fixed income investments."

03. Review of Action Items from Previous Meeting on September 23, 2020:

	Actions:	Assigned to:	Deadline:	Status/Comments:
A.	No items were reviewed			

04. Portfolio Performance Review: (Action)

- a. Cary Allison of Morgan Stanley (MS) reviewed the performance of the District's Investment Trust portfolio account as of February 28, 2021.
- b. The Portfolio Value of the Trust as of **February 28, 2021 was \$150,320,664.81**
- c. Cary Allison also noted that as of last night's close the asset value of the Trust was **\$150,989,702.**

Time weighted return net of fees:

Month to Date	Quarter to Date	Year to Date	Latest 1 Year	Last 12 Months	Annualized Latest 3 Year	Annualized Latest 5 Year	Annualized Latest 10 Year	Annualized Inception to Date
1.8	1.20	1.05	1.05	18.58	8.54	9.66	6.55	6.51

- c. Cary Allison directed the RBOA members to look at Barclays Aggregate. Bonds have been down quite a bit.
- d. A couple of changes were made to the asset mix with the following additions:
 Guggenheim Fixed Income was added.
 Alger Mid Cap Focus funds was added. We've owned the Alger Small Cap Focus funds in the Domestic Equity group for 5yrs.
 Legg Mason Partners was also added to the Domestic Equity group.

A motion was made by RBOA member Cindy Vyskocil to accept the Portfolio Performance Review as presented. The motion was seconded by RBOA member Davit Khachatryan and was unanimously approved by all of the RBOA members present.

05. Market Overview: (Information)

- a. Cary Allison discussed the last half of 2020 and the first quarter of 2021.
- b. When the Board of Authority last met in September 2020, that was the beginning of a "bull" market. 2020 was one of the best years ever!
- c. The economy was very strong when the pandemic began in Feb 2020. After the economic shut down in March, the economy bounced back in late April 2020.
- d. Some industries had record growth, while others like airlines and other sources of travel did not do well at all.
- e. MS predicts 7% Gross Domestic Products (GDP) in 2021. This will be the largest growth since 1984.

- f. The Federal Reserve Chair dropped interest rates to zero in March 2020 and MS predicts it will remain at zero until 2023.
- g. MS thinks inflation will grow slightly higher, but will be keeping an eye on that.
- h. MS believes the stock growth in 2021 will be just as good as they were in 2020.
- i. The bond manager at Guggenheim thinks the 10-year treasury rate is too high and predicts it will drop to about 1%.

06. Disbursement Report: (Action)

Roslyn Washington presented the Disbursement Report reflecting fees paid to the District's OPEB Trust service entities for the period of October 2020 thru March 2021.

A motion was made by RBOA member Ann-Marie Gabel to ratify the District's Disbursement Report as presented. The motion was seconded by Davit Khachatryan and was unanimously carried by all the RBOA members present.

07. Annual Actuarial Valuation Update: (Information)

The December 31, 2021 Annual Actuarial Valuation Study by Nyhart was presented as information only.

08. The District's Independent Audit Report FYE 2019-20: (Information)

The annual independent auditors report was presented to the RBOA as information only.

09. Information Report: RBOA Comments

No RBOA comments were made.

10. Information Report: Program Coordinator/Consultant Comments

No Program Coordinator/Consultant Comments were made.

11. Information Report: Public Comments

No public comments were made.

12. Date, Time and Agenda Items for Next Meeting

Future Retirement Board of Authority (RBOA) Meetings are scheduled as follows:

- a. September 22, 2021: 1:00 pm-2:00pm

<p>Summary of Recommendations/Decisions Made Today (Action Items):</p> <ul style="list-style-type: none"> 1. Approval of Agenda for RBOA Meeting on March 17, 2021. 2. Approval of Minutes from RBOA Meeting on September 23, 2020. 3. RBOA acceptance of the District's Investment Trust Portfolio Performance Review for period ended February 28, 2021. 4. The District's Disbursement Report ratified as presented.
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Action Items (September 23, 2020)

	Action:	Assigned to:	Deadline:	Status/Comments:
1.	None Assigned			

13. Adjournment:

There being no further business to conduct, the Retirement Board of Authority meeting was adjourned by Kim McCord at 11:56 a.m.