

OPEB TRUST COMMITTEE
City Conference Room
260 Constitution Plaza
Friday, July 29, 2016
9:00 a.m.

MINUTES

OPEB TRUST

MEMBERS PRESENT: Peter Stevens, Chairman; Frank Lord; Gene Goldman; Nicholas Trigila, Employee Representative; Adam Cloud, Secretary; Darrell Hill, Mayor's Designee; John Griffin, Superintendent's Designee

STAFF PRESENT: Donna Parker, Plan Administrator; Wendy Bond, Assistant Plan Administrator; Lisa Silvestri, Assistant Corporation Counsel; Gary Draghi, Director of Investments; P. Wayne Moore, Assistant Director of Investments; Carmen Sierra, Assistant City Treasurer; Terry Williams, Senior Administrative Assistant; Chelsea Mott, Accountant

OTHERS PRESENT: Richard Pokorski, Employee Benefits

Chairman Peter Stevens called the meeting to order at 9:06 a.m.

I. Minutes of the Meeting of June 24, 2016

There were no changes or corrections to the minutes as presented.

A motion was made, seconded and unanimously adopted to accept the minutes of the June 24, 2016 meeting.

II. Update on RFI Process

Chairman Stevens introduced the item. Secretary Adam Cloud stated that the staff, Assistant Treasurer Carmen Sierra, and Plan Administrator Donna Parker evaluated three possible candidates for the OPEB investment consultants: NEPC, Morgan Stanley, and Fiduciary Investment Advisors (FIA). Secretary Cloud recommended NEPC as the OPEB Investment Consultant. Secretary Cloud added that NEPC had the lowest price compared to the other competitors and NEPC had a synergy with the defined benefit plan which should dovetail directly into assistance with the OPEB Trust. Chairman Stevens inquired if there were any differences between the candidates relative to the scope and staffing. Secretary Cloud responded that FIA and NEPC fees were similar and Morgan Stanley was higher. Secretary Cloud continued to explain that while NEPC and FIA were similar in their capabilities, NEPC was familiar with the City and staff and had a national foot print. Secretary Cloud stated that NEPC would begin work on the OPEB Trust once Hooker & Holcombe completed working on the OPEB liabilities, which were expected to be completed for the September meeting. Chairman Stevens asked Assistant Corporation Counsel Lisa Silvestri if she had any concerns and she responded that she did not.

A motion was made, seconded and unanimously adopted to accept the recommendation of NEPC as the Investment Consultant for the OPEB Trust.

III. Other Business

Chairman Stevens introduced the item. Secretary Cloud stated that he attended the Economic and Financial Development Conference sponsored by the Atlantic Connection recently where they discussed US and Caribbean health care and pension issues. Secretary Cloud continued to explain that after many conversations at the conference, the attendees concluded that they all had similar issues about how to reduce health care costs and the funding of OPEB. Secretary Cloud added that, since he returned, several representatives of these countries have called him asking for our assistance regarding these matters.

There being no further business, Chairman Stevens adjourned the OPEB Trust portion of the meeting at 9:16 a.m.

Attest:



Adam M. Cloud, Secretary