



March 15, 2024

OPEB RETIREMENT INVESTMENT TRUST BOARD MEETING
THURSDAY, MARCH 21, 2024

- (3) Consent Calendar:
Approve the Minutes of the Following Meeting:
- (a) Regular Meeting of the OPEB Retirement Investment Trust Board of October 26, 2023. **Motion**

Attachment

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OPEB RETIREMENT INVESTMENT TRUST BOARD

MEMORANDUM OF MINUTES

OCTOBER 26, 2023

These minutes are supplemented by the audio recording, which is available upon request from the Office of the District Secretary.

Honorable Trust Board Members
Golden Gate Bridge, Highway
and Transportation District (District)

Honorable Members:

The Other Post-Employment Benefits (OPEB) Retirement Investment Trust Board (Trust Board) of the Golden Gate Bridge, Highway and Transportation District (District) met in regular session in the Board Room, Administration Building, Golden Gate Bridge Toll Plaza, San Francisco, CA, on Thursday, October 26, 2023, at 12:03 p.m., with Trust Board Chair Rabbitt presiding. A remote audio option for public participation was available.

- (1) **CALL TO ORDER:** 12:03 a.m.
- (2) **ROLL CALL:** Secretary of the Trust Board Amorette M. Ko-Wong

Trust Board Members Present (7): Chair Rabbitt; Members Cochran, Giudice, Grosboll, Hernández, Thériault and Wire (Ex Officio).

Trust Board Member Absent (2): Vice Chair Pahre; Member Rodoni.

Staff Present: General Manager Denis Mulligan; Secretary of the Trust Board Amorette Ko-Wong; Attorney Kimon Manolius; Senior Board Analyst Elizabeth Eells.

Visitors Present:

- Jim Link, Managing Director PFM Asset Management LLC (in-person)
- Ellen Clark, Director, PFM Asset Management LLC (in-person)
- Andrew Brown, Director, PFM Asset Management LLC (in-person)
- Directors Hill and Thier (in-person)

Copies of all reports are available upon request from the Office of the District Secretary.

- (3) **Consent Calendar** [00:54 Minutes Mark on the Audio Recording]

Secretary of the Trust Board Amorette Ko-Wong presented the Consent Calendar.

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Trust Board Members COCHRAN/GIUDICE moved and seconded to approve the Minutes of the regular meeting of the OPEB Retirement Investment Trust Board of April 27, 2023, as listed on the Consent Calendar.

Carried

AYES (6): Trust Board Chair Rabbitt; Trust Board Members Cochran, Giudice, Grosboll, Hernández and Thériault.
NOES (0): None.
ABSENT (2): Trust Board Vice Chair Pahre; Trust Board Member Rodoni.

(4) OPEB Retirement Investment Trust Board Education [01:47 Minutes Mark on the Audio Recording]

PFM Asset Management LLC (PFMAM) Director Ellen Clark stated that Managing Director Jim Link is attending today's meeting and will provide an update. She announced her retirement, and introduced Andrew Brown, who will be a PFMAM Director, as her replacement in 2024. Mr. Link spoke about PFMAM, its long history with the District, PFMAM's acquisition by U.S. Bank, and their work to integrate the two organizations. He emphasized that they would continue to focus on building relationships with District representatives. Mr. Brown spoke about his background and experience in the industry.

Ms. Clark reviewed the presentation, *Plan for Slower Economic Growth* and highlighted several sections. She spoke about some of the positive and challenging aspects of the economy.

She pointed out the OPEB Trust Investment Performance of about 9% for the current year as of June 30, 2023 (page 17) and the Compliance Certificate (page 18).

She noted the OPEB Trust total market value is \$115 million as of June 30, 2023.

She indicated that PFMAM believes the U.S. economy is not headed towards a recession.

[22:25 Minutes Mark on the Audio Recording]

District Director Thier inquired about the effect of the seven major stocks on the OPEB Trust portfolio.

Trust Board Chair Rabbitt commented about real estate and infrastructure investments, and he inquired about the OPEB Trust investments in real estate and airports. He expressed appreciation for the presentation.

Ms. Clark responded to the inquiries.

(5) Receive the Investment Advisor's Quarterly Report of the OPEB Trust for Three Months Ended June 30, 2023 [37:40 Minutes Mark on the Audio Recording]

Ms. Clark presented the Investment Advisor's Quarterly Investment Report of the OPEB Trust for the three months ended June 30, 2023. She pointed to the trust value (page 2.1) and peer group analysis (page 2.9). She said that the OPEB Trust has outperformed other public

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funds including the California Public Employees' Retirement System (CalPERS) CERBT fund.

Mr. Wire spoke about the peer group analysis and the value of the District's current approach.

Mr. Mulligan highlighted that the OPEB Trust has grown significantly and has assets to fund 70% of its liabilities to date. He expressed appreciation to the key people involved in the effort, including the Trust Board, involved staff, including Mr. Wire and Ms. Ng, and PFMAM representatives.

Chair Rabbitt expressed appreciation for the teams' work and indicated the Board looks forward to receiving more good reports in the future.

Trust Board Members GIUDICE/COCHRAN moved and seconded to receive the Investment Advisor's Quarterly Investment Report of the OPEB Trust for the three months ended June 30, 2023.

Carried

AYES (6): Trust Board Chair Rabbitt; Trust Board Members Cochran, Giudice, Grosboll, Hernández and Thériault.
NOES (0): None.
ABSENT (2): Trust Board Vice Chair Pahre; Trust Board Member Rodoni.

- (6) **Review of the Governmental Accounting Standards Board No. 75 "Accounting and Financial Reporting for Postemployment Benefits Other than Pensions," Actuarial Report for Fiscal Year Ending June 30, 2023 [46:09 Minutes Mark on the Audio Recording]**

Joseph Wire presented the staff report, which was for informational purposes only. He pointed out the Net OPEB Liability/Asset (page 2) and stated the District's OPEB liability is 70% funded.

- (7) **Conduct Annual Review of the OPEB Investment Policy, Trust Board Service Providers and the Trust Board Charter; Authorize the General Manager to Exercise the Options to Extend Professional Services Agreement No. 2007-D-7 for Two Years; Authorize Submission of the Trust Board's Annual Report to the Bridge District [48:40 Minutes Mark on the Audio Recording]**

Joseph Wire presented the staff report.

[54:42 Minutes Mark on the Audio Recording]

Trust Board Chair Rabbitt inquired about the District's actuarial report and investment returns.

Mr. Wire responded to the Trust Board Chair's inquiries.

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Trust Board Members COCHRAN/GROSBOLL moved and seconded that the Trust Board:

- (a) Conducts an Annual Review of the OPEB Investment Policy, Trust Board Service Providers, and the Trust Board Charter;
- (b) Authorizes the General Manager to exercise the options to extend Professional Services Agreement relative to Request for Proposal No. 2007-D-7, *Trust and Investment Management Services for GASB 45 (OPEB) Trust* with PFM Asset Management LLC, as amended, for two additional one-year terms; and,
- (c) Authorizes submission of the Trust Board's Annual Report to the Golden Gate Bridge, Highway and Transportation District Board of Directors.

Adopted

AYES (6): Trust Board Chair Rabbitt; Trust Board Members Cochran, Giudice, Grosboll, Hernández and Thériault.
NOES (0): None.
ABSENT (2): Trust Board Vice Chair Pahre; Trust Board Member Rodoni.

(8) Next Meeting of the OPEB Retirement Investment Trust Board: March 21, 2024
[58:24 Minutes Mark on the Audio Recording]

Ms. Ko-Wong stated the next meeting of the OPEB Trust Board would be held on Thursday, March 21, 2024.

(9) Public Comment

There were no public comments.

(10) Adjournment

The meeting was adjourned at 1:03 p.m.

Respectfully submitted,

David Rabbitt, Chair
OPEB Retirement Investment Trust Board

DAR:AMK:EIE:tnm