



October 18, 2024

OPEB RETIREMENT INVESTMENT TRUST BOARD MEETING
THURSDAY, OCTOBER 24, 2024

- (3) Consent Calendar:
Approve the Minutes of the Following Meeting:
- (a) Regular Meeting of the OPEB Retirement Investment Trust Board of March 21, 2024. **Motion**

Attachment

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OPEB RETIREMENT INVESTMENT TRUST BOARD

MEMORANDUM OF MINUTES

MARCH 21, 2024

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, March 21, 2024, at 11:16 a.m., with Trust Board Chair Rabbitt presiding. A remote audio option for public participation was available.

(1) **CALL TO ORDER:** 11:16 a.m.

(2) **ROLL CALL:** Secretary of the Trust Board Amorette M. Ko-Wong

Trust Board Members Present (10): Chair Rabbitt; Vice Chair Pahre, Members Cochran, Dorsey, Giudice, Grosboll, Hernández, Mastin, Rodoni, and Wire (Ex Officio).

Trust Board Members Absent (0): None.

Staff Present: Secretary of the Trust Board Amorette Ko-Wong; Attorney Julie Sherman; Senior Board Analyst Elizabeth Eells.

Visitors Present:

- General Manager Denis Mulligan; Andrew Brown, Director, PFM Asset Management LLC (in-person)

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

(3) **Consent Calendar** [00:51 Minutes Mark on the Audio Recording]

[01:09 Minutes Mark on the Audio Recording]

The following individual spoke under public comment:

- David Pilpel (Remotely)

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Secretary of the Trust Board Amorette Ko-Wong presented the Consent Calendar.
Trust Board Members GROSBOLL/COCHRAN moved and seconded to approve the Minutes of the regular meeting of the OPEB Retirement Investment Trust Board of October 26, 2023, as listed on the Consent Calendar.

Carried

AYES (9): Trust Board Chair Rabbitt; Trust Board Vice Chair Pahre; Trust Board Members Cochran, Dorsey, Giudice, Grosboll, Hernández, Mastin, and Rodoni.

NOES (0): None.

(4) OPEB Retirement Investment Trust Board Education
[02:04 Minutes Mark on the Audio Recording]

PFM Asset Management LLC (PFMAM) Director Andrew Brown presented.

Mr. Brown reviewed the Trust Board Education information provided.

Trust Board Member Mastin inquired about the standard deviation on page 8. Mr. Brown responded, and Mr. Wire added to his response.

Mr. Wire requested explanation of the long-term probability of achieving this number. Mr. Brown responded and added that he expects the OPEB Trust to be able to achieve the 6.75% return.

(5) Receive the OPEB Trust's Investment Advisor's Investment Performance Report for the Quarter Ended December 31, 2023 [27:10 Minutes Mark on the Audio Recording]

Mr. Brown presented the report. He pointed out the performance of stock managers and noted that the California Public Employees' Retirement System (CalPERS) California Employers' Retiree Benefit Trust (CERBT) Fund had an excellent fourth quarter. Mr. Wire highlighted that the District outperformed CalPERS CERBT.

Trust Board Member Pahre noted that in the beginning the District modelled the OPEB Trust after the CalPERS CERBT.

Trust Board Chair Rabbitt expressed appreciation for the team's work.

Trust Board Members GROSBOLL/PAHRE 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 (9): Trust Board Chair Rabbitt; Trust Board Vice Chair Pahre; Trust Board Members Cochran, Dorsey, Giudice, Grosboll, Hernández, Mastin and Rodoni.

NOES (0): None.

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(6) Receive the OPEB Trust's Audited Financial Statements for the Fiscal Year Ended June 30, 2023 [38:10. Minutes Mark on the Audio Recording]

Director of Fiscal Resources Alice Ng introduced herself. She pointed out the market value of the OPEB Trust of \$115,501 as of June 30, 2023, and reported the OPEB Trust is funded at 71%.

Trust Board Member Mastin inquired about the unfunded liability. Ms. Ng responded to the inquiry. Mr. Mulligan added that the District started with a 100% unfunded OPEB liability and now is at 71% funded.

Trust Board Chair Rabbitt inquired about the future prospects for the funding levels. Ms. Ng and Mr. Wire responded. Mr. Mulligan spoke about the selection of PFMAM.

Trust Board Chair Rabbitt also commented about the Sonoma County excess earnings.

Trust Board Member Cochran commented on the excitement at the start of the fund and the effect of the 2008 recession on it.

Trust Board Member Grosboll inquired about the Actuarial Determined Contribution (ADC) and commented that the Trust Board members were concerned about the returns in 2008. Ms. Ng responded that the District has made the ADC each year. Mr. Wire added that the District Board has a policy of budgeting the ADC and commented about the volatility of the market, losses and gains.

[54:18 Minutes Mark on the Audio Recording]

The following individual spoke under public comment:

- David Pilpel (Remotely)

Trust Board Members GROSBOLL/GIUDICE moved and seconded to receive the OPEB trust's audited financial statements for the Fiscal Year ended June 30, 2023.

Carried

AYES (9): Trust Board Chair Rabbitt; Trust Board Vice Chair Pahre; Trust Board Members Cochran, Dorsey, Giudice, Grosboll, Hernández, Mastin and Rodoni.

NOES (0): None.

(7) Receive the July 1, 2023 OPEB Actuarial Valuation Report [55:54 Minutes Mark on the Audio Recording]

Ms. Ng presented the staff report. She stated the District's policy is to make the Actuarially Determined Contribution (ADC) and added that staff strategizes how to reduce medical benefit costs. She also reviewed the components of the increased unfunded liability and highlighted the OPEB Trust valuation growth. Mr. Wire noted the cost of District provided benefits. Mr. Mulligan expressed appreciation for the contributions of the various unions.

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[01:09:27 Hour Mark on the Audio Recording]

Trust Board Member Pahre commented about the smoothing technique.

Trust Board Member Mastin inquired about how the benefits change when retirees are Medicare eligible and requested demographic data pre-COVID. Mr. Mulligan responded and spoke about differences between Bus Operator eligibility for medical benefits.

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

Trust Board Members GROSBOLL/MASTIN moved and seconded to receive the July 1, 2023 OPEB Actuarial Valuation Report, as submitted by the District's OPEB Actuary, Bartel Associates.

Carried

AYES (9): Trust Board Chair Rabbitt; Trust Board Vice Chair Pahre; Trust Board Members Cochran, Dorsey, Giudice, Grosboll, Hernández, Mastin and Rodoni.

NOES (0): None.

(8) Next Meeting of the OPEB Retirement Investment Trust Board: October 24, 2024

[01:12:20 Hour Mark on the Audio Recording]

Ms. Ko-Wong stated the next meeting of the OPEB Trust Board would be held on Thursday, October 24, 2024.

(9) Public Comment [01:12:37 Minutes Mark on the Audio Recording]

The following individual spoke under public comment:

- David Pilpel (Remotely)

(10) Adjournment

The meeting was adjourned at 12:31 p.m.

Respectfully submitted,

David Rabbitt, Chair
OPEB Retirement Investment Trust Board

DAR:AMK:EIE:tnm