

**OPEB TRUST COMMITTEE MINUTES  
WEDNESDAY, JULY 26, 2017 2:00 P.M.  
CITY HALL, CITY MANAGER'S CONFERENCE ROOM, VERO BEACH, FLORIDA**

**PRESENT:** James O'Connor, City Manager; Cindy Lawson, Finance Director and Gabrielle Manus, Human Resource Director **Also Present:** Tammy Bursick, City Clerk

**1. CALL TO ORDER**

**A) Roll Call**

Today's meeting was called to order at 2:00 p.m.

**2. ELECTION OF OFFICERS**

**A) Chairman**

Ms. Lawson nominated Mr. Jim O'Connor for Chairman. Nominations were closed. Mr. O'Connor was unanimously appointed as Chairman.

**B) Vice Chairman**

Mr. O'Connor nominated Ms. Lawson as Vice Chairman. Nominations were closed. Ms. Lawson was unanimously appointed as Vice Chairman.

**3. PUBLIC COMMENT**

None

**4. NEW BUSINESS**

**A) Investment allocation for OPEB Trust funding**

Ms. Lawson provided the Committee with a copy of the Ordinance that created the OPEB Trust, a copy of the Resolution that created the documents that they have with ICMA, and the most recent actuarial. She said according to the Ordinance this Committee will probably only need to meet once a year. They may need a quick meeting to approve their actuarial engagement because the Committee is in charge of selecting the actuaries, etc., to fulfill their obligations. She said this Committee only has to do an OPEB actuarial evaluation once every two (2) years. She said as far as the money goes, at the beginning of the year she will put in the dollar amount recommended by the actuary for these contributions. Then quarterly she will take out the amount that the actuary says they are allowed to have back as reimbursement for their actual costs. She showed the Committee where they would find this information in the document that she provided to them. She said what this leaves them with every year is the residual earnings that eventually offsets after 27 years, which is their full OPEB liability.

Mr. O'Connor said the way he is reading this is that there will be \$900,000 left in there and whatever interest is generated that is the wealth they are creating.

Ms. Lawson stated in accordance with the Resolution the City Manager has signed all of the documents and the accounts have been created. She said they have an Advantage Trust Participation Account and essentially there are three (3) fund choices for their investments. There is a moderate fund, an aggressive fund, and a conservative fund. Right now the actuarial evaluation assumes a 6% rate of return so when she set the account up she went ahead and made the selection for 100% of their monies to go into the moderate portfolio. She wanted the Committee to see this and if they want to diversify that or change the percentages or allocations that could be done. She simply filled in a number so that they could get the account established, but she has not funded it yet.

Mr. O'Connor and Mrs. Manus said that they both agreed with the moderate funding allocation.

**Ms. Lawson made a motion to invest 100% of the funds for the current year in the moderate portfolio. Mrs. Manus seconded the motion and it passed unanimously.**

**5. OLD BUSINESS**

None

**6. ADJOURNMENT**

Today's meeting adjourned at 2:05 p.m.

/tv