

OTHER POST-EMPLOYMENT BENEFITS TRUSTEES

Regular Meeting of July 14, 2010
Town Hall, Meeting Room B 7:00 p.m.

MINUTES

Attendees: Warren Serenbetz, Gil Bray, Ken Post, Sandra Dennies,
Guests: Bill Brennan, Hal Clark, Richard Creeth, Carol Misus (Vanguard), Paul Connors (Vanguard), members of the Investment Committee, Rich McArdle

Call to order:

Mr. Serenbetz called the meeting to order at 7:15 P.M.

April 14, 2010 Meeting Minutes

The Minutes from the April 14, 2010 Meeting were approved unanimously.

Review Funds Available for Investment

Ms. Dennies said that \$1 million of OPEB funds were placed with Vanguard at the end of June and that the total OPEB funds available for investment in fiscal year '11 are \$566,713. Mr. Serenbetz said that as far as investing the funds, they should continue the policy of mirroring the Pension Trust. He added that the Investment Committee had a discussion as to whether the OPEB Trust could handle investments that were more long-term and potentially less liquid because cash needs were being met out of the STIF account; it appears that these funds are not needed the same way that the funds are needed in the Pension Trust.

Since the Investment Committee planned to have the actuaries (Hooker and Holcombe) make a presentation at the next Investment Committee meeting it was suggested that the OPEB Committee be invited to attend. Bill Brennan indicated that the assumptions used by the actuary are the decision of the Retirement Trust. He indicated that he wished to explore with the Retirement Trust the assumptions that are being used as many articles have been written of late indicating that assumptions on interest earnings may be too high although Vanguard has indicated that they are not uncomfortable with the parameter that is currently used in the calculation, 7.8% earnings – over the long term. Bill followed comments by Carol Misus indicating that if we did change the parameters, the change should be incremental.

The meeting adjourned at 7:35 PM.