

**WASHOE COUNTY, NEVADA OPEB TRUST FUND BOARD OF TRUSTEES**

**DRAFT of Minutes**

**Thursday ~ January 26, 2017 ~ 9:00 a.m.**

**Washoe County Administrative Complex**

**Comptroller's Large Conference Room**

**2<sup>nd</sup> Floor Building D,**

**1001 E. 9th Street - Reno, Nevada**

Mark Mathers – Chair

Cathy Hill – Vice-chair

Darrell Craig – Trustee

Dania Reid – Legal Counsel

**1. ROLL CALL \***

Chair Mathers called the meeting to order at 9:00 a.m. A quorum was established.

**PRESENT:** Darrell Craig, Mark Mathers and Cathy Hill.

**ABSENT:** None.

Keith Munro – Deputy District Attorney, was also present.

**2. PUBLIC COMMENTS \***

There were no public comments.

**3. APPROVAL OF MINUTES OF THE October 27 and December 15, 2016 meetings.**

Member Hill asked that the word “complaint” on page 3 of the October 27, 2016, minutes be changed to read “compliant”.

***It was moved by Member Craig, seconded by Member Hill, to approve the October 27, 2016, as amended and the December 15, 2016, minutes, as submitted. The motion carried unanimously.***

**4. REVIEW AND APPROVAL OF YEAR-TO-DATE ADMINISTRATIVE EXPENDITURES AND REQUESTED REIMBURSEMENTS TO EMPLOYERS THROUGH DECEMBER 31, 2016.**

Mary Solorzano provided an overview of the year-to-date administrative expenditures noting that trustee fees would be correct in the next quarterly update. Ms. Solorzano drew attention to the Washoe County request for reimbursement and modification in the format of the report. Ms. Solorzano noted that staff has started finalization of the audited 6/30/16 OPEB Trust financial statements and they should be ready for the next quarterly meeting of the OPEB Trustees. Ms. Solorzano noted that reimbursement to Washoe County from the Trust is being done on a quarterly basis and drew attention to TMFPD figures.

Russ Morgan noted that one of the larger TMFPD payments to the City of Reno covers former TMFPD employees that transferred to the City of Reno. The total payment for those former employees is  $\pm$ \$50,000.00 quarterly. No such payments have been made by TMFPD this fiscal year; two payments will likely be paid in the 3<sup>rd</sup> quarter. Reimbursement will be requested next quarter.

\* denotes NON-action item

***It was moved by Member Hill, seconded by Member Craig, to approve the year-to-date expenditures and requested reimbursements to employers through December 31, 2016, as presented. The motion carried unanimously.***

**5. ACKNOWLEDGE RECEIPT OF INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDING DECEMBER 31, 2016.**

Mary Solorzano outlined the financial statements, noting the consolidation of SFPD and TMFPD into a single plan as of July 1, 2016 and pointed out that the net assets of the plan are \$185-million with an increase of \$8.5-million. The investment in RBIF reflects an increase of 3.1 percent and that monthly transfers are made for plan members. To date, \$5.6-million has been paid to the County.

There was some discussion about the mortality rate and whether or not the crest date is known. As the discussion continued, it was noted that Milliman, Inc., could most likely provide that information. However, there may be an additional charge to determine the crest and an annual cash flow projection. The intent is to better understand the investment structure and liability flows over time. Other discussion suggested that the crest date may be in 2023 with an additional 25 years of cash flow for the remainder to the trust. Other discussion suggested that the format be modified to show whole numbers for ease of Trustee review.

***It was moved by Member Craig, seconded by Member Hill, to accept and acknowledge receipt of the statements, as presented. The motion carried unanimously.***

**6. REVIEW AND DISCUSSION OF PROPOSED CASH TRANSFER TIMING TO THE NEVADA RETIREE BENEFITS INVESTMENT FUND FOR THE REMAINDER OF THE FISCAL YEAR.**

Mary Solorzano drew attention to the update and the reallocation column. The intent is to ensure that there is sufficient cash on hand to meet obligations. Ms. Solorzano explained that historically the intent has been to maintain sufficient cash on hand to cover direct expenses and noted that the Board of Trustees typically approves a transfer of funds in July.

Russ Morgan noted that the pre-funding contribution is now made monthly; in previous years it was made quarterly.

During the discussion it was suggested that perhaps the RBIF contribution should be increased by \$250,000 or \$300,000 thus resulting in an approximate \$1.5-million monthly transfer. It is thought that the increase by \$300,000 can start in February and continue through June. Other discussion noted that there can be additional discussion at the next quarterly meeting.

***It was moved by member Hill, seconded by Member Craig, to increase the RBIF contribution to \$1,385,000 per month for February 2017 through June 2017. The motion carried unanimously.***

**7. TRUSTEES'/STAFF ANNOUNCEMENTS, REQUESTS FOR INFORMATION, AND TOPICS FOR FUTURE AGENDAS, STATEMENTS RELATING TO ITEMS NOT ON THE AGENDA AND ANY IDEAS AND SUGGESTIONS FOR GREATER EFFICIENCY, COST EFFECTIVENESS AND INNOVATION IN PROVIDING FOR THE BENEFITS OF WASHOE COUNTY, NEVADA OPEB TRUST PARTICIPANTS IN ACCORDANCE WITH THE BENEFIT PLANS. (NO DISCUSSION ON THIS ITEM WILL TAKE PLACE AMONG TRUSTEES.)**

The agenda for the next quarterly OPEB meeting may include, but is not limited to a report on the anticipated crest and cash flows for the anticipated life of the trust fund. The OPEB Trust report will be modified to show whole numbers as identified earlier in the meeting.

**8. PUBLIC COMMENTS \***

There were no public comments.

**9. ADJOURN \***

Chair Mathers adjourned the meeting at 9:32 a.m.