

**MINUTES OF THE
WASHOE COUNTY SCHOOL DISTRICT (WCSD)
OTHER POST-EMPLOYMENT BENEFITS (OPEB)
BOARD OF TRUSTEES MEETING
February 23, 2023**

1. OPENING ITEMS

1.01 CALL TO ORDER

The meeting of the Washoe County School District Other Post-Employment Benefits (OPEB) Board of Trustees meeting called to order at 3:32 pm.

1.02 ROLL CALL

PRESENT: Chairman Mark Mathers, Vice-Chair Fran McGregor, Mary Lamont and Jeffrey Kirst
ALSO PRESENT: Mindy Caporin, Assistant Controller and Dawn Gordillo (Recording Secretary)

1.03 PUBLIC COMMENT - No public comment

2. DISCUSSION, PRESENTATION AND ACTION ITEMS

2.01 Approval of the Minutes for the OPEB Trustees Committee meeting on November 28, 2022, as presented.

On Motion by Fran McGregor, second by Mary Lamont, the OPEB Trustees Committee approved the November 28, 2022, OPEB minutes.

(Yea: Mary Lamont, Jeffrey Kirst, Mark Mathers, and Fran McGregor. Final Resolution: Motion Carries 4-0).

2.02 Presentation and Discussion of the Other Post-Employment (OPEB) Trustees Committee Meeting Fund FY (FY) 2023 First and Second Quarter Financial Statements (FOR PRESENTATION AND DISCUSSION ONLY)

Mindy Caporin, Assistant Controller led the discussion. Second quarter was presented which includes First Quarter. As of December 31, 2022, Cash was \$3,814,00, RBIF participation Account had \$73,184,559. Change to the RBIF account Net Assets was a \$881,000 increase. It is not as good as last year but the market has not done well; the realized gain/loss is a loss this year as opposed to gain last year.

Ms. Caporin then reviewed the Statement of Revenues and Expenditures. There were revenues of \$1.891 million, expenditures of \$510,00. The change in position was \$1,380,872. The earnings and realized loss is causing the difference from last year. Also, the unrealized gain is less than what was in the budget causing a deficit.

Mark Mathers: Investments returns are fairly flat, but positive. Contributions by the District are tracking to budget. Net investment income overall was \$881,000.

There were no questions from the Trustees.

2.03 Presentation and Discussion of the Quarterly Public Employee Retirement System (PERS) Retirement Benefits Investment Fund Report, for the period ended December 31, 2022 (FOR PRESENTATION AND DISCUSSION ONLY)

Chair Mark Mathers led the discussion and reviewed a report from Nevada PERS, which manages the Retired Retirement Benefits Investment Fund for OPEB entities across the state. On page two they provide investment returns through the first half of FY23. US Stocks had a net return of 2.4 %, Non-U.S. Stocks outperformed U.S. Stocks with a net return of 5.6% and Bonds had a negative return as the Fed continues to raise interest rates. While bonds are generating coupon payments, the market value of the fixed income securities have declined as interest rates rise existing. Bonds showed a loss of -3.9%. Overall, the net return for the entire RBIF portfolio is 1.2%.

Actual asset allocation is 50% US Stock, 23% International stocks and Bonds 26%, close to their target asset allocations.

Page three is a comparison of the portfolio returns against peer agencies, other mid-sized public funds. For fiscal year to date, the fund is tracking close to the median; historically performance has been better and top quartile compared to other public funds included in this benchmark group.

Page Four provides the return and standard deviation or measure of risk for the portfolio., The RBIF fund being less diversified has greater risk. This is because the RBIF fund can statutorily be invested in fewer assets classes then the PERS portfolio. Thus, more risk and slightly lower return than PERS.

Jeff Kirst: Question. Are numbers given with the duration of the bonds in the bond portfolio? Do they ever give that to us?

Mark Mathers: Will follow up with that information.

3. CLOSING ITEMS

3.01 Next Meeting: Thursday, May 25, 2023, at 3:30 p.m. Dates for FY24 meetings will be Thursday, August 24, 2023, Monday, November 27, 2023, Thursday, February 22, 2024, and Thursday, May 23, 2024.

3.02 No Public Comment

3.03 Meeting adjourned at 3:30 p.m.