The meeting was called to order at 8:31 A.M.

1. **Acceptance of OPEB Meeting Minutes**

Upon a motion by Mr. Ferdinand, seconded by Mr. Pellegrino, the Board voted 3-0 to accept the Minutes of the December 10, 2019 Meeting. Motion carried.

2. **Review performance of Trust as of the end of December 2019**

The Board reviewed OPEB Trust investment performance reports for December 2019 and related materials. Ms. Yemets remarked that U.S. and international stocks experienced solid gains in December: S&P 500 Index rose 3.02%; MSCI All Country World ex US Index advanced 4.33%; Emerging Markets led with a return of 7.46% for the month. Impressive one-year returns were all double-digits ranging from 18.42% posted by Emerging Markets to 36.39% generated by U.S. Large Cap Growth stocks.

Focusing on the OPEB Trust Rebalancing Analysis, Ms. Yemets reported that in December the OPEB Trust gained $675,633 or 2.21%, ending the month with a balance of $33,621,877 before operating cash. Fiscal Year gain was $1,902,038 or 6.04%. The asset allocation on 12/31/2019 was 45.1% to Domestic Equities, 10.2% to International Equities and 44.7% to Fixed Income. All allocations were within IPS guidelines.

The OPEB Trust Portfolio with the return of 2.21% outperformed its blended benchmark by 24 bps in December but was still behind the benchmark for longer-term periods. Domestic Equities rose 2.90%, in line with the S&P 500. International Equities gained 6.22%, 189 bps ahead of the benchmark. Domestic Fixed Income outperformed its benchmark by 82 bps.

3. **Discussion of market conditions and investment strategy, including asset allocations, potential investments in REIT and healthcare funds**

The discussion was focused around what the adequate equity/fixed income allocation would be under current market conditions. Mr. Ferdinand commented that he believed the market
was not at its peak yet. He commented that the market was over-bought short-term, but expected it to still rally. He recommended increasing the equity allocation to 60% now, with further increases during market corrections. Mr. Pellegrino stated that U.S. equities was the best performing asset class and suggested that it would be more appropriate for an institutional plan with a long term horizon to have higher exposure to equities. He recommended increasing equity weighting to 70%. Mr. Stricker argued that any impact from the Chinese trade deal was already reflected in the market and that the bull market might be at its end. He warned of a potential market correction and insisted that short-term risk management cannot be ignored. The Board’s consensus was to add to U.S. Equities so that the total Equities exposure of the OPEB Trust Portfolio is 60%.

Mr. Ferdinand made a motion, seconded by Mr. Stricker, to increase the Total OPEB Trust Portfolio equity allocation to 60% by selling sufficient amount of U.S. Treasury Bills and investing the proceeds into SPDR S&P 500 ETF Trust (SPY). The Board voted 3-0-0 in favor of the motion. Motion carried.

The Board considered a variety of business development and healthcare funds but decided to hold off investing in sector funds at this time.

4. Review international equity mutual funds and ETFs

The Board reviewed performance of Oakmark International Fund (OANIX) and compared its holdings and performance to other international funds. It was decided that Vanguard FTSE All-World Ex-US ETF (VEU) provided a better investment opportunity.

Mr. Stricker made a motion, seconded by Mr. Pellegrino, to sell 100% of Oakmark International Fund (OANIX) and invest the proceeds in Vanguard FTSE All-World ex-US ETF (VEU). The Board voted 3-0-0 in favor of the motion. Motion carried.

5. Update on Interactive Brokers

Ms. Yemets reported that she had reviewed an option of opening a brokerage account with InteractiveBrokers (IB) and advised the Board against it due to the following reasons:

- Having multiple brokerage accounts would make monthly reporting more cumbersome;
- Negotiating IB’s Customer Agreement could potentially present challenges due to the indemnification, options trading, securities landing and some other clauses;
- Even though IB’s Platform offers some of the money market funds that cannot be purchased through Vanguard, many of the funds that the Board was interested in are not available at IB.

The Board agreed that challenges outweigh advantages of entering into a relationship with IB and decided not to pursue it at this time.

6. Schedule OPEB Trust Board Meetings for calendar year 2020 at 8:30 A.M.

<table>
<thead>
<tr>
<th>Date</th>
<th>Location</th>
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<tbody>
<tr>
<td>February 11, 2020</td>
<td>(Tuesday) – Mazza Conference Room, 1st Floor</td>
</tr>
<tr>
<td>March 12, 2020</td>
<td>(Thursday) – Mazza Conference Room, 1st Floor</td>
</tr>
<tr>
<td>April 7, 2020</td>
<td>(Tuesday) – Human Services Conference Room, 3rd Floor</td>
</tr>
<tr>
<td>May 7, 2020</td>
<td>(Thursday) – Mazza Conference Room, 1st Floor</td>
</tr>
<tr>
<td>June 11, 2020</td>
<td>(Thursday) – Mazza Conference Room, 1st Floor</td>
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</tbody>
</table>
July 16, 2020 (Thursday) – Mazza Conference Room, 1st Floor
August (no meeting)
September 17, 2020 (Thursday) – Mazza Conference Room, 1st Floor
October 15, 2020 (Thursday) – Mazza Conference Room, 1st Floor
November 10, 2020 (Tuesday) – Human Services Conference Room, 3rd Floor
December 8, 2020 (Tuesday) – Mazza Conference Room, 1st Floor

7. **Discussion of topics for future Meetings**

Mr. Duus asked what TOG’s contribution to the OPEB Trust for FY 2021-2022 would be under different rate of return assumptions. Mr. Mynarski suggested that the Actuary could calculate those numbers once Mr. Duus specifies the assumptions.

8. **Adjournment**

The Board voted unanimously to adjourn the meeting at 9:52 A.M.

Next OPEB meeting is scheduled for February 11, 2020 at 8:30 A.M. in the Mazza Conference Room, 1st Floor.

Catherine Sidor, Recording Secretary

Robert Stricker, OPEB Trust Board Chairman