The meeting was called to order at 8:30 A.M.

1. **Acceptance of OPEB Meeting Minutes**

   Mr. Ferdinand made a motion, seconded by Mr. Pellegrino, to accept the Minutes of April 9, 2019. The Board voted 3-0-0. Motion carried.

2. **Review Performance of Trust as of the end of April 2019**

   Ms. Yemets reported that OPEB's Total Trust Portfolio generated a gain of approximately $670 thousand, or 2.01% in April, ending the month with a balance of $31,068,702 before operating cash. In April, the Board decided to reduce the Portfolio's equity position to 50% by selling S&P 500 ETF (SPY) and investing the proceeds in a 3-month Treasury Bill. At the end of the month, 44.9% of the Portfolio was in Fixed Income and Cash, 43.4% in Domestic Equities, 6.8% in International Equities, and 4.9% in Alternatives. All allocations were close to targets and within the guidelines of OPEB's Investment Policy Statement.

   The Portfolio's total return of 2.01% for April slightly underperformed the blended benchmark, while the three-year return was 9.30%, which is 30 bps above the benchmark. Domestic Equities returned 3.55% in April, Emerging Markets generated 2.35%; Domestic Fixed Income had a return of 0.51%; and Alternatives posted a negative return of (0.45%) for the month.

   Focusing on sector allocations, Ms. Yemets indicated that the Portfolio's Domestic Equities plus RE and MLP ETFs segment was overweight in real estate by 5.3%, energy by 2.8% and healthcare by 2.3% when compared to the S&P 500 Index sector weights. Technology was in-line with the benchmark weight, all other sectors were underweight. The segment’s exposure to small cap equity was 12.9%.

3. **Discussion of market conditions and investment strategy, including asset allocations and sector weightings**

   The Board reviewed charts prepared by Mr. Ferdinand and discussed market movement indicators. The conclusion was that the market indicators were weak but not negative. The Board Members also commented that the economy and corporate profits were strong and the unemployment levels were low; however, they did not feel this was the right time to increase the Portfolio's equity allocation. Potential strategies for achieving the actuarial investment return of 7% were discussed, including rules-based rebalancing, sector betting, and indexing.
It was decided that in such a volatile market, largely driven by algorithm trading, it would be best to stay with indexing for domestic equities, even though in certain market environments this strategy might not yield the goal of 7%.

Mr. Pellegrino made a motion, seconded by Mr. Ferdinand, to sell 100% of SPDR S&P Biotech ETF (XBI) and T. Rowe Price Health Sciences Fund (PRHSX) and invest all proceeds in SPDR S&P 500 ETF (SPY). The Board voted 3-0-0. Motion carried.

4. Discuss the strategy and timing for emerging markets as well as other international markets
   - The Board agreed to retain the topic for future discussion when economic factors are clearer.

5. Discussion of topics for future meetings
   - Discussion of timing for changing the Portfolio's equity exposure.
   - Discussion of Mr. Stricker's intentions for re-election to a new three-year term beginning July 1, 2019.

Scheduled OPEB Board Meetings through December 2019 to be held at 8:30 A.M.

June 6, 2019 (Thursday)
July 16, 2019 (Tuesday)
August – no meeting
September 11, 2019 (Wednesday)
October 8, 2019 (Tuesday)
November 12, 2019 (Tuesday)
December 10, 2019 (Tuesday)

6. Adjournment

The Board voted unanimously to adjourn the meeting at 9:42 A.M.

Next OPEB meeting scheduled for June 6, 2019 at 8:30 A.M. in the Mazza Conference Room, 1st Floor.

Catherine Sidor, Recording Secretary

Robert Stricker, OPEB Trust Board Chairman