

CENTER LINE OTHER POST EMPLOYEES BENEFIT TRUST (OPEB)  
REGULAR MEETING

May 14, 2019

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4a. ✓  
OPEB  
08/13/19

The regular meeting of the Center Line Other Post Employees Benefit Trust Committee was called to order at 1:04 p.m., May 14, 2019 by Chairman Robert Binson.

Members Present: Robert Binson, Dennis Champine and Deputy Treasurer Gregory Suma.  
Also Present: Tim Brice of the Brice Group

**Approval of Agenda**

MOTION by G. Suma, supported by D. Champine to approve the agenda as presented.

AYES: 3                      NAYS: NONE                      MOTION CARRIED

**Public Comment**

None

**Approval of minutes**

MOTION by G. Suma, supported by D. Champine to approve the minutes from the February 12, 2019 meeting.

AYES: 3                      NAYS: NONE                      MOTION CARRIED

**For your information**

a. Summary Prospectus dated: March 31, 2018 for Tortoise Capital Advisors and additional 912,185 units purchased for \$12,049.97 on February 21, 2019.

MOTION D. G. Suma, D. Champine supported by to receive and file.

b. GRS Consulting Re: February 2019 News Scan.

MOTION D. G. Suma, D. Champine supported by to receive and file.

c. Legg Mason, Western Asset Management Supplement to Prospectus dated: December 2018.

MOTION D. G. Suma, D. Champine supported by to receive and file.

d. Harding, Loevner Funds Summary Prospectus for Emerging Markets Portfolio dated: June 25, 2018 and purchases on January 3, 2019

MOTION D. G. Suma, D. Champine supported by to receive and file.

e. 2018 *Morning Star* Fee Study Finds That Fund Prices Continue to Decline Re: Open-end mutual funds and exchange-traded funds asset-weighted expense ratio was 48% a 6.00% decline from 2017.

MOTION D. G. Suma, D. Champine supported by to receive and file.

f. Correspondence from J.P Morgan Asset Management dated April 2019 Re: Material changes to their Form ADV Part 2A Firm Brochure dated: March 31, 2019.

MOTION D. G. Suma, D. Champine supported by to receive and file.

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**Presentations**

Tim Brice from Morgan Stanley to discuss Money Manager performance results through March 31, 2019, ++Asset Allocation and discussion on:

I. Morgan Stanley – On the Markets May 2019

II Morgan Stanley – Inputs for Global Investment Committee's (GIC) strategic asset Allocations.

Mr. Brice cited from the **On the Markets** where the CIO stated don't expect a flux of where the markets do very well over a short period of time. All equity indices have been very strong through the month of April since the start of 2019. When the markets move that fast, it tends to have investors on the sidelines with cash, jump in causing a melt up. The FED has not raised interest rates and if the trade and tariff issue does not get resolved it could result in the FED easing interest rates.

Mr. Brice addressed money manager performances. Through the 1<sup>st</sup> quarter of 2019 the portfolios are up 11.37%. As compared to other public pension plans under \$25 million we were in the top 5<sup>th</sup> percentile. The two fixed income managers were up 4.26% and 4.11% for the 1<sup>st</sup> quarter in 2019. Most money managers did well against their benchmarks

Cambair is down 7.96% and the style benchmark is down 6.00% - this is due true value international manager and do not tend to cheat on their style.

Clearbridge was up 14.83% for the quarter and their benchmark the EAFE, was up 12.00%.

Cushing was up for the quarter as our master limited partnership investment.

Mr. Brice went over the portfolio asset allocation. The portfolio is still heavily weighted on US Domestic equities. We are a little under weighted on small caps and international from our target asset allocation mode.

Mr. Brice distributed the asset allocation study. Morgan Stanley evaluates all market capitalization assumptions currently and then uses that to give us where we should be invested.

**Old Business**

None

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**New Business**

- A. Material changers for form ADV Brochure; Wrap Program Manager disclosures under Section 408(b)(2) of ERISA; Privacy Notice of Causeway Capital Management LLC ("Causeway"). Also, the response from Rebecca L. Wolfe from Morgan Stanley Graystone.
- B Correspondence from Great Lakes Advisors re: Brochure about the qualifications and Business practices of their firm.

MOTION by G. Suma, supported by D. Champine to receive and file  
AYES: 3      NAYS: None      MOTION CARRIED

**Approval of Vouchers**

Morgan Stanley/Graystone Consulting 1<sup>st</sup> Qtr. 2019 Investment Management Fees  
~ \$11,407.58

MOTION G. Suma, supported by D. Champine to receive and file  
AYES: 3      NAYS: 0      MOTION CARRIED

**Comments**

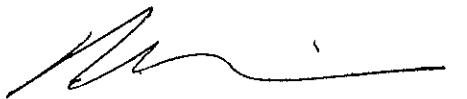
None

**Adjournment**

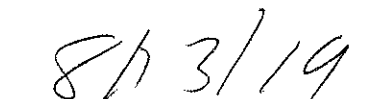
MOTION by G Suma, supported by D. Champine to adjourn the meeting at 2:16 pm

AYES: 3      NAYS: NONE      MOTION CARRIED

Adjourned 1:52 pm



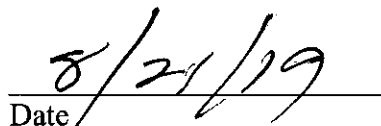
Chairman



Date



Secretary



Date