

VIRGINIA: At the FIRST Meeting of the Accomack County Local Finance Board held in the Board of Supervisors Chambers in Accomac, Virginia on the 21st day of January, A.D., 2015 at 3:00 p.m.

Members Present:

**Beth O. Charnock, CPA
Dana Bundick, County Treasurer
Mike Mason, Finance Director**

Other Staff Present:

Amy Ford, County Deputy Finance Director

Call to Order:

The meeting was called to order Mr. Mason.

Election of Chairperson

Mr. Mason stated that since this was the first meeting of the Accomack County Local Finance Board, the first order of business should be to elect a chairperson. Mrs. Bundick made a motion that Mr. Mason be elected as chairperson. Mrs. Charnock seconded the motion. The motion was unanimously approved.

Adoption of Agenda

Mrs. Bundick made a motion to adopt the agenda. The motion was unanimously approved.

New Business

A. Recent Board Actions Pertaining to the Local Finance Board

Mr. Mason went over the July 16, 2014 actions approved by resolution of the Board of Supervisors that created the Local Finance Board and established a trust for accumulating funds to pay for other post employment benefits. He read the specific actions taken verbatim from the approved resolution.

1. The Board of Supervisors established a trust pursuant to Section 15.2-1544 of the Code of Virginia for the purpose of accumulating and investing assets to fund the County's future other post employment health insurance benefits.
2. The Board of Supervisors agreed to become a "participating employer" in the Virginia Pooled OPEB Trust Fund.
3. The Board of Supervisors created and appointed individuals to the Local Finance Board.

B. Explanation of the County's Other Post Employment Benefits (OPEB)

Mr. Mason explained that the "other post employment benefits" referenced in the Board of Supervisor's resolution is limited to the County Health Insurance Credit which is a monthly reimbursement paid to qualifying County retirees. Mr. Mason stated the amount of this monthly reimbursement is equal to \$2.50 times the retiree's years of service.

He explained that the LFB serves as the trustee of the County with respect to the Virginia Pooled OPEB Trust Fund. He further explained that he believes the LFB's main task is investing the appropriation for this benefit with the Virginia Pooled OPEB Trust Fund and monitoring the performance of the funds invested.

C. Meeting Schedule

Mr. Mason stated that he had been advised by VACo/VML that quarterly meetings of LFB would suffice and that they should be scheduled so that they occurred shortly after the quarterly investment performance reports were issued. A discussion ensued regarding scheduling of future meetings. Mrs. Bundick made a motion to schedule meetings of the LFB quarterly on the 3rd Thursday in February, May, August and November. The motion was unanimously approved.

D. *Trust Joinder Agreement Execution*

Mr. Mason stated that resolution approved by the Board of Supervisors directed the LFB to execute and deliver a trust joinder agreement to the Virginia Pooled OPEB Trust. He passed out the agreement and further stated that he had sent it by email previously to all LFB members. Mrs. Charnock made a motion to execute and deliver the Trust Joinder Agreement. The motion was unanimously approved.

E. *Investment Option Selection*

Mr. Mason stated that the LFB also needed to select which Virginia Pooled OPEB Trust investment option to was invest the County funds in. He stated that there were only two options. Portfolio 1 had a targeted rate of return of 7.5% and Portfolio II had a targeted rate of return of 6.5%. He stated that a representative of VACo/VML had advised him that only one locality was investing in Portfolio II and that all others were in Portfolio I. A discussion ensued. Mr. Mason made a motion to choose Portfolio I. The motion was unanimously approved.

F. *Fee Structure Selection*

Mr. Mason stated that the next order of business was to select which Trust fee option to use. He passed out VACo/VML fee schedule. He stated that the "alternate fee structure" what meant for localities who invested less than \$150,000 annually. A discussion ensued regarding how much the County would be investing. Mr. Mason stated that the County's annual contribution will be less than that. Mr. Mason made a motion to choose the "alternate fee structure". The motion was unanimously approved.

G. *OPEB related County Appropriations*

Mr. Mason stated that the Board of Supervisors still had only appropriated $\frac{3}{4}$ of the OPEB annual contribution and that the LFB would have to wait until the fourth quarter before funds could be invested. Mrs. Bundick asked how much the appropriation is for. Mr. Mason stated it was \$64,333. A discussion ensued about where the appropriation was in the County budget. No action was taken.

Adjournment

Mr. Mason motioned to adjourn the meeting. The motion was unanimously approved.


Approved


Date