

**Section 115 Post-Retirement Medical Plan & Trust**

*a single employer plan sponsored by  
Truckee Meadows Water Authority*



---

**AUGUST 15, 2017 MINUTES**

---

The meeting of the TMWA Section 115 Post-Retirement Medical Plan and Trust (Trust) Trustees was held on Tuesday, August 15, 2017 in the Truckee Meadows Water Authority Independence Room, 1355 Capital Blvd., Reno, Nevada.

Michele Sullivan, Chairman, called the meeting to order at 1:37 p.m.

1. ROLL CALL AND DETERMINATION OF PRESENCE OF A QUORUM.

A quorum was present.

Voting Members Present:

Michele Sullivan  
Charles Atkinson  
Sandra Tozi

Voting Members Absent:

George Gaynor

Members Present

Rosalinda Rodriguez  
Gus Rossi

Members Absent:

Pat Waite  
Jessica Atkinson

2. PUBLIC COMMENT

There was no public comment.

3. APPROVAL OF THE AGENDA

**Upon motion made and seconded, and carried by unanimous consent of the Trustees present, the Trustees approved the agenda.**

4. APPROVAL OF THE MAY 16, 2017 MINUTES

**Upon motion made and seconded, and carried by unanimous consent of the Trustees present, the Trustees approved the May 16, 2017 meeting minutes.**

5. REVIEW OF CURRENT PEBPS SUBSIDY CALCULATIONS AND DISCUSS OPTIONS FOR CALCULATING BENEFITS FOR TIER 2 RETIREES GOING FORWARD.

In the absence of Jessica Atkinson, HR Manager, this item was presented by Rosalinda Rodriguez, HR Coordinator.

Ms. Rodriguez advised that when the trust was originally formed after the Merger in 2015 with Washoe County, they adopted the subsidy calculations being used by the 2015 Public Employees' Benefits Program (PEBP) at the time for Tier 2 retiree's. Since then the PEBP's has changed their subsidy calculations. The new calculations are vastly different then what was originally adopted. Ms. Atkinson wanted the Trustees to consider options going forward, which would be to adopt the 2018 subsidy calculation PEBP's is using, or possibly adopt the current Washoe County Schedule, or if possible, continue with the PEBP's schedule that was adopted at the time of the merger.

Discussion ensued and Trustee's ultimately decided that a proposal should be brought to the next scheduled meeting for review in adopting Washoe County's subsidy schedule. Mr. Rossi advised that the language in the document would need to be revised regardless of what option is selected to use for Tier 2 retiree's. The Washoe County schedule was used for the audit and actuarial evaluation assumptions.

**Upon motion made and seconded, and carried by unanimous consent of the Trustees present, the Trustees approved a draft proposal be brought to the next scheduled meeting with adopting the Washoe County's current subsidy schedule.**

6. REQUIRED COMMUNICATION FROM EXTERNAL TRUST AUDITORS EIDE BAILLY

**This was for informational purposes no motion for approval needed.**

7. PRESENTATION OF TRUCKEE MEADOWS WATER AUTHORITY POST-RETIREMENT MEDICAL PLAN AND TRUST'S AUDITED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMEBER 31, 2016 AND 2015.

Ms. Sullivan reviewed the Financial statements. The account has increased by \$152,000 in the last year. Investment income is \$35,000 and former employer contributions were \$127,000 in 2016. TMWA funds the Annual Required Contribution (ARC) on a biannual basis, to ensure funds are accumulated on a regular and systematic basis.

**Upon motion made and seconded, and carried by unanimous consent of the Trustees present, the Trustees approved the audited Financial Statements for the years ended December 31, 2016 and 2015.**

8. PRESENTATION OF GASB 74 UPDATE

Ms. Sullivan advised she wanted to have an update for the Trustee's regarding GASB 74, which defines whether or not the Trust would meet the qualification as a standalone financial statement or whether the Trust's financials would roll up into the parent company's financial statements. Previously, this Trust has functioned as a standalone Trust and has been audited separate from the TMWA financials. At this time, Ms. Sullivan did not have any updates to present as Trust auditors are waiting on guidance from the regulatory body as well as waiting to see what the City of Reno does with their plan as this would likely be the model our auditors would recommend we follow. If it is determined that it should continue to be treated as its own separate plan then it is possible the Annual Required Contribution (ARC) rate could increase. This does not affect any plan member, but would affect the financials for the Trust. This should be clarified and finalized by December, and Ms. Sullivan advised she would present that formally once completed.

9. REVIEW OF RETIREMENT BENEFITS INVESTMENT FUND (RBIF) PERFORMANCE REVIEW

Ms. Sullivan advised the fiscal year to date return on investments is 8.81% and 8.39% over the last five years and based on TMWA's actuarial assumption of 6% return, the Trust investments have been performing better than expected.

**Upon motion made and seconded, and carried by unanimous consent of the Trustees present, the Trustees approved RBIF performance review.**

10. TRUSTEE COMMENTS AND REQUESTS FOR FUTURE AGENDA ITEMS

GASB 74 update

RBIF investment/return analysis next quarter.

11. PUBLIC COMMENT – LIMITED TO NO MORE THAN THREE MINUTES PER SPEAKER

There was no public comment.

12. ADJOURNMENT

With no further business to discuss, Chairperson Sullivan adjourned the meeting at 2:05 p.m.

Minutes were approved by the Trustees in session on \_\_November 21, 2017\_\_\_\_\_.

Respectfully Submitted,

---

Rosalinda Rodriguez, Recording Secretary