



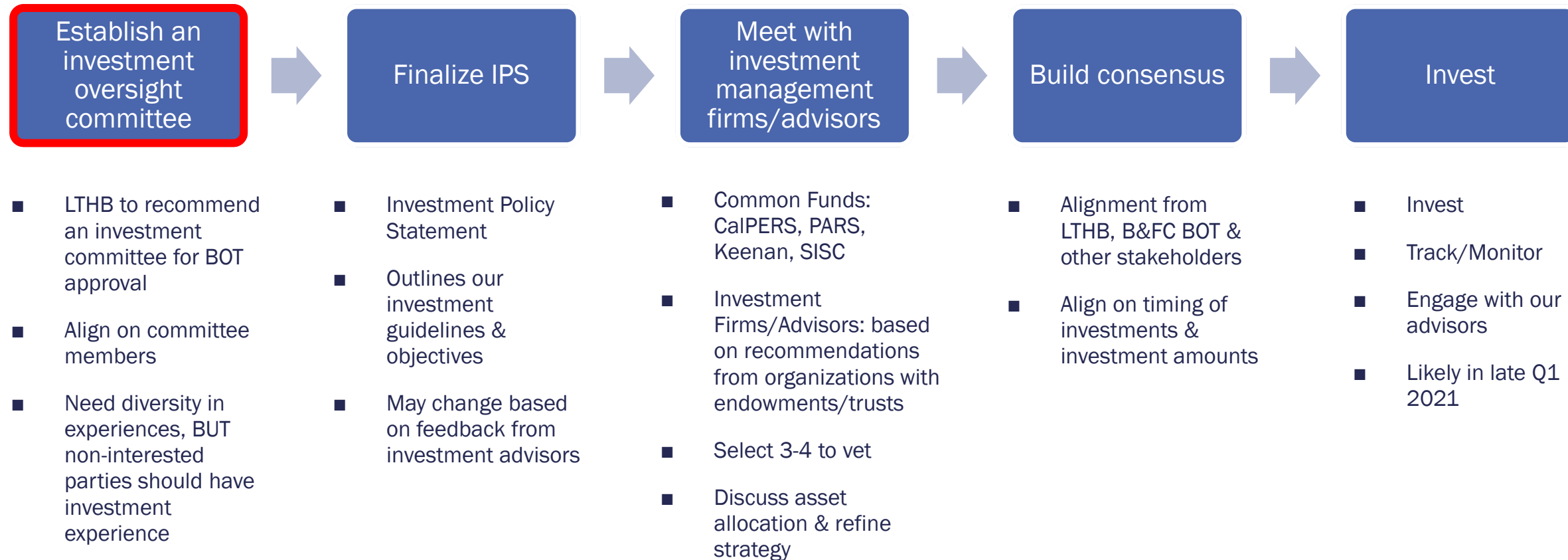
# INVESTING LTHB FUNDS



# LTHB Fund Overview

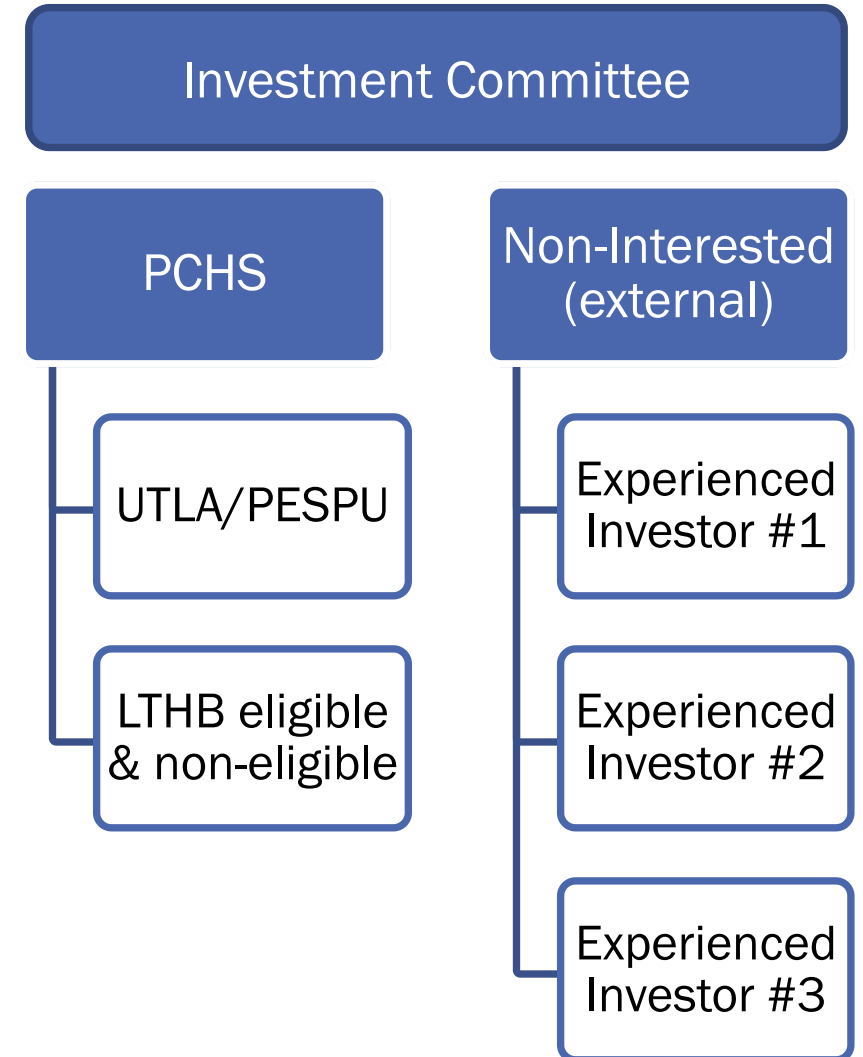
- Funds set aside to address PCHS Other Post-Employment Benefits (OPEB) liability
  - *Pays for lifetime health benefits for eligible employees (currently retired & future retirees)*
- Moving forward, if there is a desire to borrow funds, need LTHB, B&F & BOT approval
- Currently operating on a “pay-as-you go basis”
  - *Paying the minimum amount owed each year which does not reduce the liability. This is not sustainable.*
- \$5.3+ Million of funds sitting in the County Treasury Office, earning 1.5% interest
- Opportunity to invest these funds in order to achieve a much higher rate of return (5% target)
  - *PCHS would still contribute to the fund annually*
  - *Actuarial report & investment advisor can help determine the funding rate*

# Process for Investing LTHB Funds



# Investment Committee

- Recommendation is to have representation from stakeholder groups
- Need at least 3 non-interested parties with investment experience\*
- Juan Pablo Herrera and Michael Rawson to also contribute
- Objectives of the committee:
  - 1) *Review and finalize the Investment Policy Statement*
  - 2) *Vet/meet with investment advisors/partners*
  - 3) *Select/Recommend an investment advisor/partner*
  - 4) *If recommendation is approved by LTHB & BOT, then meet quarterly with investment advisor to review status of investments and performance*



\* Investment management, wealth management, financial advisor, etc.



# DISCUSSION

