

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

February 8, 2022

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The regular meeting of the Center Line Other Post Employees Benefit Trust Committee was called to order at 1:02 p.m. on February 8, 2022 by Chairman Robert Binson.

Members Present: Robert Binson, Dennis Champine and Deputy Treasurer Gregory Suma.

Also Present: Tim Brice of the Brice Group via zoom conference call and Jason Elkin from the Partners Group via zoom conference and Shana Neeson from Gabriel, Roeder, Smith & Co.

1. Roll call:

All present

2. Approval of Agenda:

MOTION by G. Suma to approve the agenda was supported by D. Champine.

AYES: 3 NAYS: NONE

MOTION CARRIED

3. Public Comment:

None

4. Approval of minutes:

a. OPEB Regular Meeting Minutes – December 14, 2021

MOTION by, G. Suma supported by D. Champine to approve the minutes from the December 14, 2021 meeting.

AYES: 3 NAYS: NONE

MOTION CARRIED

5. For your information:

a. Correspondence from Gregory T. Suma to Timothy Brice of Morgan Stanley dated: December 15, 2021. Re: Board action terminating Great Lakes and hiring Kayne Anderson.

MOTION by, G. Suma supported by D. Champine to receive and file item 5a.

AYES: 3 NAYS: NONE

MOTION CARRIED

6. Presentations:

a. Tim Brice from Morgan Stanley Graystone Consulting:

i. On The Markets – February 2022 – A Cycle Like No Other.

ii. 4th Qtr. 2021 Money Manager performances.

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Mr. Brice spoke to the *On the Markets* handout. The markets finished the 2021 year up strong but had some volatility. The FED has said recently there will be more than likely four interest rate hikes in 2022 and will be wrapping up quantitative easing as the USA inflation rate is at 7.50%. As interest rates rise the bond market is not where you want to be. Equities can still perform well during a higher interest rate and high inflation environment. Morgan Stanley feels the rise in inflation is because there is a strong demand and limited supply of goods and services because of the broken supply chain. Morgan Stanley sees the inflation rate coming down to 3.50% to 4.00%. The markets are down in the early part of 2022 but Morgan Stanley sees a leveling off after the FED makes its moves. Morgan Stanley like strong defensive stocks.

The NASDAQ is down around 13.00%, the S & P is down 6.00% and the 30 Dow industrial stocks are down 4.00%. The Bond market is down 3.00%. These are from all their peaks.

The FED may raise interest rates maybe six times this year. Fourth quarter 2021 had companies reporting very good earnings and revised earnings were good too.

The portfolio was up 4.45% in the fourth quarter 2021 and the portfolio for the year was up 12.86%. The portfolio is up 16.84% for 3 years beating its benchmark of 15.37% and for a five-year return of 11.52% beating the benchmark of 10.71%. Mr. Brice gave praise to Board for the work they have done and it is indicative by the return on the portfolio after five years.

Clearbridge LG has been conservative as a growth manager and their returns have not met with the benchmark returns. Polen LG had a bad fourth quarter 2021 but for the year returned 24.88%. Clearbridge International has been added to the watch list. For 2021 they were up 5.04% while the benchmark was up 11.26%. For three years, they were up 21.04% while their benchmark was up 13.54%. The Master limited partner, EIP Energy, was up 5.82% for fourth quarter 2021 while the benchmark was up .55%. For one year, they returned 22.07% with the benchmark returned 40.17%. This higher return was due to oil price increases and our manager has a lot of investments in the infrastructure side of MLP's.

Through February 1, 2022, the portfolio is valued at \$ 9,985,252.06. The portfolio so far into 2022 is down 4.50%.

7. Old Business:

a. None.

8. New Business:

a. None.

9. Approval of vouchers:

a. Money Manager fees: October 2021 - \$ 2,152.92, November 2021- \$ 2,026.71,
December 2021 - \$ 2,204.71 Total: \$ 6,384.34.

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Trustee D. Champine made a motion to pay the money manager was seconded by G. Suma

AYES: 3 NAYS: None
ABSENT: None
MOTION CARRIED

**b. Graystone Consulting fees 4th Quarter 2021 Invoice # 10050522007, dated:
January 7, 2022 ~ \$ 13,184.74.**

A motion by D. Champine to pay the consulting fees was seconded by G. Suma.

AYES: 3 NAYS: None
ABSENT: None
MOTION CARRIED

10. Commissioner comments:

a. None.

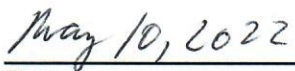
11. Adjournment:

MOTION by Trustee D. Champine, supported by G. Suma to adjourn the meeting at 2:05 pm

AYES: 3 NAYS: NONE
ABSENT: Champine
MOTION CARRIED



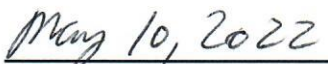
Chairman



Date



Secretary



Date