



CalTRUST Board of Trustees Meeting

**April 10, 2017
Sacramento, CA**

MINUTES

The meeting was called to order by President Lomeli at 3:02 p.m.

1. Roll Call

- Charles Lomeli (**President**), Solano County
- Glenn Duncan (**Vice President**), City of Chino
- Dave Ciapponi (**Secretary**), Westlands Water District
- Dan McAllister (**Treasurer**), San Diego County (via teleconference)
- John Colville, City of Sacramento
- Rod Dole, Public Member (via teleconference)
- Don Kent, Riverside County (via teleconference)
- Geoffrey Kiehl, City of Palm Springs (via teleconference)
- Brian Mayhew, Bay Area Toll Authority (via teleconference)
- Russell "Rusty" Watts, Contra Costa County
- Mary Zeeb, Monterey County (via teleconference)

Other Attendees:

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| Amanda Cadelago | League of California Cities |
| Norman Coppinger | League of California Cities |
| Alan Fernandes | CSAC Finance Corporation |
| Laura Labanieh | CSAC Finance Corporation |
| David McMurchie | McMurchie Law |
| Kyle Tanaka | CSAC Finance Corporation |
| Rick Wood | California Special Districts Association |
| Sendy Young | CSAC Finance Corporation |

2. Update on Investment Management RFP Process

CalTRUST issued a request for proposal for their investment management services in February 2017. They received 11 proposals for investment management. The CalTRUST Product Review Committee reviewed all proposals and met to discuss the proposals and discuss from which firms they would like to hear additional information. They then met again over the course of two days to meet with four investment management firms and to discuss the evaluation of the proposals. The Committee is recommending that the CalTRUST Board take action at their April 19th meeting to select BlackRock for investment management services. The Committee will also be conducting a due diligence visit to the BlackRock offices on April 27, 2017. The annual savings to CalTRUST participants will be roughly \$1 million compared to current fees.

3. Update on Custody Services RFP Process

CalTRUST issued a request for proposal for their custody services in February 2017. They received 6 proposals for custody. Of those, 3 of the proposals were contingent upon selection of another service as well (either fund accounting or investment management). The CalTRUST Product Review Committee reviewed all proposals and met to discuss them. The Committee felt that custody was a less subjective service and focused on fees and specifics such as cut-off times. Additionally, the

Committee queried the investment management firms they interviewed as to their preferred custodians. The Committee is recommending that the CalTRUST Board take action at their April 19th meeting to select U.S. Bank for custody services. The Committee will also be conducting a due diligence visit to the U.S. Bank offices on April 28, 2017. The annual cost to CalTRUST participants will be roughly \$90,000.

4. Update on Fund Accounting RFP Process

CalTRUST issued a request for proposal for their fund accounting services in February 2017. They received 7 proposals for fund accounting. The CalTRUST Product Review Committee reviewed all proposals and met to discuss the proposals and discuss from which firms they would like to hear additional information. They then met again over the course of two days to meet with three fund accounting firms and to discuss the evaluation of the proposals. The Committee is recommending that the CalTRUST Board take action at their April 19th meeting to select NorthStar for fund accounting services. The Committee will also be conducting a due diligence visit to the NorthStar offices on April 14, 2017. The annual savings to CalTRUST participants will be roughly \$200,000 compared to current fees.

5. Other Business

Chuck Lomeli reminded the Board that election of a new CalTRUST President will be on the April 19th Board Meeting agenda. He suggested that any Trustees interested in serving as President submit a letter of interest to Laura Labanieh for distribution to the full Board. This is a suggestion and not mandatory.

Laura Labanieh reported that current assets were at \$2.8 Billion. The CalTRUST Annual Meeting will be held at The Clement Intercontinental in Monterey next week.

6. Public Comment

There was no public comment.

7. Adjourn

The meeting was adjourned at 3:51 p.m.