



## MINUTES OF THE SUPPLEMENTAL PENSION BOARD CITY OF HUNTINGTON BEACH

Thursday, November 21, 2024  
11:00 am – 12:00 pm  
Via Zoom Teleconference

### **CALL TO ORDER**

The meeting was called to order at 11:11 am.

### **ROLL CALL**

Present: Ms. Alisa Backstrom, City Treasurer  
Mr. David Cain, Interim Chief Financial Officer  
Mr. Travis Hopkins, Assistant City Manager

Absent: None

Guests: Mr. Colin Stevens, City of Huntington Beach  
Ms. Marissa Sur, City of Huntington Beach  
Mr. Darren Stewart, Benefit Financial Services Group (“BFSG”)  
Ms. Antonia Lipovac, BFSG  
Mr. Tim Banach, US Bank  
Mr. Keith Stribling, US Bank

### **PUBLIC COMMENTS**

None

### **APPROVAL OF PRIOR MEETING MINUTES**

The Board reviewed and approved the minutes from the regular meeting held on August 6, 2024, without any revisions. Mr. David Cain abstained from the vote due to his absence at the previous meeting.

### **BFSG PORTFOLIO REVIEW**

The Board received and filed the Retirement Plan Quarterly Investment Review (the “Report”) for the quarter ending September 30, 2024. BFSG provided a brief overview of economic and market conditions as they related to the performance of the Supplemental Retirement Plan (the “Plan”) investments.

As of September 30, 2024, the portfolio deviated from the asset allocation ranges in the Investment Policy Statement (“IPS”) due to the addition of the NYLI CBRE Global Infrastructure Fund. The fund’s lead manager has overseen its performance for over a decade. The portfolio is allocated 60% equity and 40% non-U.S. equity, with 50% in utilities, 10% in energy, 10% in real estate, and 5% in industrials. It offers a lower standard deviation, higher dividend yield, and more than an 80% correlation with the broad global equity index. While Morningstar classifies the fund as an infrastructure fund, U.S. Bank views it as a commodities fund. U.S. Bank’s decision was revisited later in the meeting, and the Board will review the IPS asset allocation ranges at a future meeting.

During the quarter, the portfolio maintained a slight underweight position in fixed income along with a slight overweight position in both domestic and foreign equity.

As of September 30, 2024, the portfolio outperformed its custom passive benchmark across the 5- and 10-year periods noted in the Report but trailed on a 3-year basis.

### **U.S. BANK PORFOLIO REVIEW**

The Board received and filed U.S. Bank's Portfolio Review for the period ending September 30, 2024. As of the end of the quarter, the portfolio value was \$70.3 million consisting of 53.7% equity, 40.5% fixed income, 4.5% real estate, and 1.4% cash.

Mr. Stribling reviewed the portfolio summary, highlighting the current yield of 2.65%. As of quarter end, the portfolio netted 6.47%.

After discussion, the Board agreed to have US Bank exit the NYLI CBRE Global Infrastructure Fund due to it falling outside of the IPS asset allocation ranges. As of the end of the quarter, the fund made up 1.02% of the portfolio. Mr. Stribling will evaluate a REIT fund as a potential replacement.

### **ADJOURNMENT**

With no further issues to discuss the meeting was adjourned at 11:40 am. The next meeting will be scheduled for the first quarter of 2025.