

STAFF REPORT

Date: April 9, 2025

To: Mayor and City Council

Through: Jackie Bryant, City Manager

Subject: Staff Report (For Possible Action): Discussion and potential appointment or reappointment of up to one individual to the Other Post-Employment Benefits (OPEB) Trust Fund from the following pool of applicants, listed in alphabetical order: James Johns (Reappointment).

From: Mikki Huntsman, City Clerk

Department: City Clerk

Summary:

Pursuant to Resolution No. 8762 adopted on January 22, 2020, the make-up of the Other Post-Employment Benefits (OPEB) Trust Fund includes up to five members: (1) At least one member who has a combination of education and experience of at least five years in finance or economics; (2) A public officer or employee of the Employer who manages the fiscal affairs of the Employer; and (3) A beneficiary of the Trust.

Mr. James Johns' term expired on February 28, 2025, leaving a vacancy for the position of beneficiary of the Trust. Mr. Johns is interested in and eligible for reappointment.

The term of appointment will be for the period from April 1, 2025, through March 31, 2029.

Alignment with Strategic Plan:

Governance and Organizational Effectiveness

Previous Council Action:

There is no recent Council action relevant to this item.

Background:

Resolution No. 7938, to establish and govern the OPEB Trust Fund Agreement, was adopted by Council on January 29, 2014. This agreement was amended through Resolution No. 8762, which repealed and replaced Resolution No. 7938 and which was adopted on January 22, 2020.

Discussion:

This Trust is intended to provide the means to fund the post-retirement benefits provided by the employee benefit plans described herein. The Trust is intended to qualify as a government trust established to provide an essential governmental function under Code Section 115 and is created pursuant to Nevada Revised Statutes (NRS) §287.017. The name of the Trust shall be the City of Reno, Nevada OPEB Trust Fund.

Appointment of Trustees:

This Trust shall be administered by three or more Trustees who shall be appointed by the Trust Sponsor's governing body to act in a fiduciary capacity for the beneficiaries of the Trust, pursuant to NRS 287.017(2)(e) and Nevada Administrative Code (NAC) 287.778(1)(a). No member of the Trust Sponsor's governing body that creates the Trust may be appointed as Trustee. By signing this Trust, each Trustee hereby accepts the trusteeship and agrees to receive and hold the Trust solely for the use and purposes set forth herein and solely in accordance with the terms hereof.

(a) Pursuant to Section 4.5(b), assets of the Trust Fund shall be invested in the Retirement Benefits Investment Fund established pursuant to NRS 355.220. As a result, the Trust Sponsor's governing body shall appoint at least three but no more than five Trustees who must include:

(1) At least one member who has a combination of education and experience of at least five years in finance or economics;

(2) A public officer or employee of the Employer who manages the fiscal affairs of the Employer; and

(3) A beneficiary of the Trust

(b) A person appointed as a Trustee shall not have a substantial financial interest in the ownership or negotiation of securities or other financial instruments in which monies in the Trust Fund are invested.

(c) Each Trustee that is appointed as a Trust Beneficiary (Section 5(g) of Resolution 8762) shall be appointed for a term of four years, subject to renewal, as approved by Council, for a period of one additional four-year term, but not to exceed a total period of eight years.

Method of Appointment:

Reno City Council.

Financial Implications:

None at this time.

Legal Implications:

Legal review completed for compliance with City procedures and Nevada law.

Recommendation:

Staff recommends that the Mayor and Council make the necessary appointment as noted in the staff report.

Proposed Motion:

I move to reappoint _____ to the OPEB Trust Fund.

Attachments:

RESOLUTION 8762

RESOLUTION 7938 & OPEB TRUST AGREEMENT

OPEB TRUST FUND ROSTER

JOHNS, JAMES APPLICATION FOR OPEB TRUST FUND (WARD 2)