



## INVESTMENT MANAGEMENT

### MEMORANDUM

TO: Supplemental Retirement Board of Trustees

FROM: Loren de Mey, Assistant Investment Director

DATE: May 27, 2021

SUBJECT: Stable Value Fund Custodian Transition Update

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#### Overview

The total value (\$2.1 billion) of the underlying assets previously held at Wells Fargo Institutional Retirement and Trust (Wells Fargo) as part of the Stable Value Fund were successfully transitioned from Wells Fargo to The Bank of New York Mellon (BNY Mellon) on April 1, 2021.

#### Transition Details

All assets and cash successfully transitioned from Wells Fargo to BNY Mellon on April 1, 2021 or shortly thereafter depending on settlement date and status. In total, approximately 2,239 positions were transitioned over to BNY Mellon. Wells Fargo and BNY Mellon worked together to reconcile all positions. Any residual cash will continue to be wired to BNY Mellon with the appropriate supporting documentation. Residual cash may occur due to residual interest or corporate action proceeds. All of the separate accounts that were previously custodied at Wells Fargo have now transitioned over to BNY Mellon. This includes the separate accounts of five investment managers, including Galliard. One separate account, managed by Dodge & Cox, continues to be custodied at BNY Mellon but did not transition over as part of this transition. This is due to the account's structure as a Separate Account Guaranteed Investment Contract. This account has been and will continue to be custodied with MetLife's custodian, which is also BNY Mellon. MetLife is the insurance company providing the wrapper for the Dodge & Cox separate account. Galliard continues to provide the book value valuation for the entire Stable Value Fund (including the separate account GIC), as a line item, totaling \$2.36 billion.

#### Outstanding Items

BNY Mellon will provide audited monthly accounting reporting to the Supplemental Retirement Plans commencing month-end April 30, 2021. Additionally, CliftonLarsonAllen will be performing a full reconciliation of the transition. SRP staff and BNY Mellon will work with Wells Fargo to transfer historical holdings and transactions to BNY Mellon.