

AGENDA

SOUTH ORANGE COUNTY COMMUNITY COLLEGE DISTRICT RETIREMENT BOARD OF AUTHORITY MEETING

July 15, 2011
2:00 PM – 4:00 PM

DISTRICT OFFICE
CHANCELLOR'S CONFERENCE ROOM #324
28000 MARGUERITE PARKWAY
MISSION VIEJO, CA. 92692--3635
(949) 582-4999

I. CALL TO ORDER

II. ROLL CALL

RETIREMENT BOARD OF AUTHORITY ("BOARD") MEMBERS

Vice Chancellor of Business Services
Vice Chancellor of Human Resources
District Director of Fiscal Services
Director of Fiscal Services Saddleback College
Director of Fiscal Services Irvine Valley College

Dr. Debra Fitzsimmons
Dr. David Bugay
Beth Mueller
Carol Hilton
Davit Khachatryan

PROGRAM COORDINATOR

Senior Vice President
Account Manager
Senior Service Representative

Gail Beal
Roslyn Washington
Yvette Jenkins

CONSULTANTS

Morgan Stanley Smith Barney
Benefit Trust Company
RPM Consultant Group

Cary Allison
Scott Rankin (*via telephone*)
Chuck Thompson

GUESTS

None

III. APPROVAL OF AGENDA

Action
2011/2012-001

The Retirement Board of Authority retains the right to change the order in which agenda items are discussed. Subject to review by the Retirement Board of Authority, the agenda is to be approved as presented. Items may be deleted or added for discussion only according to G.C. Section 54954.2.

PUBLIC COMMENTS:

BOARD CONSIDERATION:

IV. APPROVAL OF MINUTES

Action
2011/2012-002

The Retirement Board of Authority will review the minutes from the previous meeting held on March 30, 2011, for any adjustments and adoption.

PUBLIC COMMENTS:

BOARD CONSIDERATION:

V. INVESTMENTS

PORTFOLIO REVIEW

Action
2011/2012-003

Morgan Stanley Smith Barney (MSSB) will review the overall performance of the District's Futuris Public Entity Investment Trust (the "Trust") portfolio.

PUBLIC COMMENTS:

BOARD CONSIDERATION:

VI. ADMINISTRATION

RETIREMENT BOARD OF AUTHORITY (RBOA) BYLAWS

Action
2011/2012-004

The current Trust document provides provisions to operate the Trust. RBOA Bylaws provide additional direction for issues not discussed in the provisions of the Trust Document. The Bylaws were updated at the March 30, 2011 meeting and are presented here for review and approval.

PUBLIC COMMENTS:

BOARD CONSIDERATION:

FUTURE WITHDRAWALS OF OPEB ASSETS FROM THE TRUST

Action
2011/2012-005

The Retirement Board of Authority will discuss the establishment of a process to identify future liabilities and withdrawals from the Investment Trust fund.

PUBLIC COMMENTS:

BOARD CONSIDERATION:

THE RETIREMENT BOARD OF AUTHORITY (RBOA) ELECTION OF A VICE-CHAIRPERSON

Action
2011/2012-006

The Retirement Board of Authority has been duly appointed by the South Orange County Community College District Board of Trustees. The RBOA will elect a Vice-Chairperson.

PUBLIC COMMENTS:

BOARD CONSIDERATION:

THE DISTRICT'S OPEB PLAN INDEPENDENT AUDITOR'S REPORT

Action
2011/2012-007

The Independent Auditors Report provides the District's OPEB Plan with an independent third party certification of GASB accounting standards and financial reporting for OPEB expenses, OPEB liabilities, note disclosures and required supplementary information (RSI)

PUBLIC COMMENTS:

BOARD CONSIDERATION:

RETIREMENT BOARD OF AUTHORITY FIDUCIARY AND CONFLICT OF INTEREST PROTECTION FOR OPEB PLANS

Information
2011/2012-008

The California's Constitution positions the Retirement Board of Authority with "sole an exclusive" authority over the assets of the OPEB Plan. The Retirement Board of Authority can be relieved of the responsibility to manage the OPEB Trust's portfolio; the selection of investment providers & investment platforms by shifting these responsibilities to a full-service discretionary trustee. The Retirement Board of Authority ensures "conflict of interest" protection by administering the OPEB Plan per the "exclusive purpose" standard of providing benefits promptly to participants and monitoring all OPEB Trust activity per the "prudent person" standard of care.

PUBLIC COMMENTS:

BOARD CONSIDERATION:

REVIEW OF THE COMPREHENSIVE COMPLIANCE PLAN, INCLUDING THE SUBSTANTIVE PLAN

Information
2011/2012-009

The Retirement Board of Authority (RBOA) will accept the updated data disc that is electronically storing all Volumes of the Comprehensive Compliance Plan, including the Substantive Plan that Keenan has prepared for them.

PUBLIC COMMENTS:

BOARD CONSIDERATION:

THE COMPREHENSIVE COMPLIANCE PLAN POLICIES AND PROCEDURES FOR MAINTENANCE OF THE DISTRICT'S COMPREHENSIVE COMPLIANCE PLAN AND SUBSTANTIVE PLAN

Action
2011/2012-010

The Retirement Board of Authority will review the Policies and Procedures for Maintenance of the comprehensive Compliance Plan and provide input and approval for use.

PUBLIC COMMENTS:

BOARD CONSIDERATION

STATUS OF ACTUARIAL STUDY

Information
2011/2012-011

The Retirement Board of Authority members will discuss the status of future Actuarial Valuation Study in light of the Exposure Draft from the Governmental Accounting Standards Board (GASB).

PUBLIC COMMENTS:

BOARD CONSIDERATION:

PRIVATE LETTER RULING

**Information
2011/2012-012**

The Retirement Board of Authority will discuss the status of the Private Letter Ruling submission from the Internal Revenue Service regarding the Section 115 Trust arrangement.

PUBLIC COMMENTS:

BOARD CONSIDERATION:

THE DISTRICT'S OPEB PLAN INDEPENDENT AUDIT OF VENDORS

**Information
2011/2012-013**

The Retirement Board of Authority (RBOA) prohibits the Discretionary Trustee and Registered Investment Advisor from investing the District's Trust assets in their own investment products so as to avoid any potential Conflicts of Interest. Verification of Conflict of Interest free status is to be provided to the RBOA annually.

PUBLIC COMMENT:

BOARD CONSIDERATION:

VII. EDUCATION

**Information
2011/2012-014**

For OPEB plan governance, the Retirement Board of Authority is mandated to use the "prudent person" standard as codified by the California's Constitution and Governmental Code. This standard requires that plan fiduciaries be (1) "familiar with such matters" as managing investments in a plan that pays OPEB benefits and they take into account (2) "the circumstances then prevailing" relative to keeping abreast of changes occurring in the economy, the marketplace for investment products and services to OPEB plans.

The Education Agenda item is for the furtherance of these OPEB Plan requirements.

PUBLIC COMMENTS:

BOARD CONSIDERATION:

VIII. INFORMATION REPORTS

MARKET OVERVIEW

**Information
2011/2012-015**

Morgan Stanley Smith Barney (MSSB) will provide an overview of the activity of the capital markets since the last Retirement Board of Authority meeting.

PUBLIC COMMENTS:

BOARD CONSIDERATION:

RETIREMENT BOARD OF AUTHORITY COMMENTS

**Information
2011/2012-016**

Each member may report about various matters involving the Retirement Board of Authority. There will be no Retirement Board of Authority discussion except to ask questions or refer matters to staff, and no action will be taken unless listed on a subsequent agenda.

PROGRAM COORDINATOR/CONSULTANT COMMENTS

**Information
2011/2012-017**

The Program Coordinator and Consultants will report to the Retirement Board of Authority about various matters involving the Retirement Board of Authority. There will be no discussion except to ask questions, and no action will be taken unless listed on a subsequent agenda.

VISITORS COMMENTS

**Information
2011/2012-018**

The public may address the Retirement Board of Authority on any matter pertaining to the Retirement Board of Authority that is not on the agenda. The Chairperson reserves the right to limit the time of presentations by individual or topic.

IX. DATE, TIME AND AGENDA ITEMS FOR NEXT MEETING

**Information
2011/2012-019**

The Agenda Items for the next meeting will be the same as for this meeting. Members and visitors may suggest additional items for consideration at the next Futuris Retirement Board of Authority meeting.

PUBLIC COMMENTS:

BOARD CONSIDERATION:

X. ADJOURNMENT

Americans with Disabilities Act The South Orange County Community College District Futuris Retirement Board of Authority conforms to the protections and prohibitions contained in Section 202 of the Americans with Disabilities Act of 1990 and the federal rules and regulations adopted in implementation thereof. A request for disability-related modification or accommodation, in order to participate in a public meeting of the South Orange County Community College District Futuris Retirement Board of Authority meeting, shall be made to: Dr. David Bugay, Vice Chancellor of Human Resources, South Orange County Community College District, 28000 Marguerite Parkway, Mission Viejo, CA. 92692-4999.