

AGENDA

SOUTH ORANGE COUNTY COMMUNITY COLLEGE DISTRICT
RETIREMENT BOARD OF AUTHORITY MEETING
NOVEMBER 11, 2010
8:00 AM – 11:00 AM

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

I. CALL TO ORDER

II. ROLL CALL

MEMBERS

Deputy Chancellor	Vacant
Vice Chancellor of Human Resources	Dr. David Bugay
District Director of Fiscal Services	Beth Mueller
Director of Fiscal Services Saddleback College	Carol Hilton
Director of Fiscal Services Irvine Valley College	Davit Khachatryan

PROGRAM COORDINATOR

Senior Vice President	Gail Beal
Senior Service Representative	Yvette Jenkins
Account Manager	Roslyn Washington

CONSULTANTS

Morgan Stanley Smith Barney	Cary Allison
Benefit Trust Company	Scott Rankin
RPM Consultant Group	Chuck Thompson

GUESTS

None

III. APPROVAL OF AGENDA

Action
2010/2011-001

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.

IV. APPROVAL OF MINUTES

Action
2010/2011-002

The Retirement Board of Authority will review the minutes from the previous meeting, April 21, 2010, for any adjustments and adoption.

V. CORRESPONDENCE

Information
2010/2011-003

Correspondence will be presented and reviewed by the Retirement Board of Authority. No action may be taken in response; only referred for action on a subsequent agenda.

VI. INVESTMENTS

PORTFOLIO REVIEW

Action
2010/2011-004

Morgan Stanley Smith Barney will review the overall performance of the District's portfolio.

MARKET OVERVIEW

Information
2010/2011-005

The consultants will give an overview of the activity of the market since the last Retirement Board of Authority meeting.

REVIEW OF INVESTMENT POLICY STATEMENT

Action
2010/2011-006

The Retirement Board of Authority shall, with the assistance of Benefit Trust Company and Morgan Stanley Smith Barney, review the Investment Policy Statement setting forth the investment objectives for the Trust. Key to this process is a review of the District's time horizon for investment, short-term liquidity needs, attitudes as well as the capacity to accept investment risk, the expected rate of return of the Trust taking into account the discount rate of the most recent actuarial study, and any other information the Retirement Board of Authority members feel pertinent to the discussion. The Risk Tolerance Questionnaire offered by Morgan Stanley Smith Barney may be taken to facilitate this discussion if desired.

VII. EDUCATION

Information
2010/2011-007

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 that they take into account (2) "the circumstances then prevailing" relative to keeping abreast of changes in the economy, the marketplace for investment products and services to OPEB plans.

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

VIII. ADMINISTRATION

ANNUAL REPORTING ON THE STATUS OF THE TRUST

Action
2010/2011-008

California Government Code 53216.4 requires an annual reporting of the funds held in the Trust to beneficiaries and potential beneficiaries. The Retirement Board of Authority will accept the report posted in August, 2010.

STATUS OF ACTUARIAL STUDY

Action
2010/2011-009

The Retirement Board of Authority members will discuss the status of the Actuarial Study.

FUTURE TRANSFER OF ASSETS INTO THE TRUST

Action
2010/2011-10

The District's transfer of assets to the Investment Trust will be discussed for direction based on the actuarial study.

DISBURSEMENTS

Action
2010/2011-011

The Retirement Board of Authority members ratify all reasonable expenses associated with operating the Trust including D & O insurance, the GASB Consultant, the actuarial study and other benefit expenses.

THE DISTRICT'S OPEB PLAN INDEPENDENT AUDITOR'S REPORT

Action
2010/2011-012

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)

PRIVATE LETTER RULING

Information
2010/2011-013

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.

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

Action
2010/2011-014

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.

**REVIEW OF THE COMPREHENSIVE COMPLIANCE PLAN,
INCLUDING THE SUBSTANTIVE PLAN**

**Action
2010/2011-015**

Volumes I, II and III of the Comprehensive Compliance Plan, including the Substantive Plan, are to be reviewed.

**THE COMPREHENSIVE COMPLIANCE PLAN POLICIES
AND PROCEDURES FOR MAINTENANCE**

**Action
2010/2011-016**

The Retirement Board of Authority will review the Policies and Procedures for Maintenance of the Comprehensive Compliance Plan and provide input

TRUST BYLAWS

**Action
2010/2011-017**

The current Trust document provides provisions to operate the Trust. There will be a discussion to review the creation of bylaws for the Retirement Trust. Bylaws provide additional direction for issues not discussed in the Trust Document.

IX. INFORMATION REPORTS

RETIREMENT BOARD OF AUTHORITY COMMENTS

**Information
2010/2011-018**

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 COMMENT

**Information
2010/2011-019**

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
2010/2011-020**

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.

X. DATE, TIME AND AGENDA ITEMS FOR NEXT MEETING

**Information
2010/2011-021**

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.

XI. 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.