

District Retirement Board

2016 Agendas

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AGENDA

SAN JOSE / EVERGREEN COMMUNITY COLLEGE DISTRICT RETIREMENT BOARD OF AUTHORITY MEETING

April 28, 2016
1:00 PM–3:00 PM

Evergreen Valley Community College District
Library – Mishra Room
3095 Yerba Buena Road
San Jose, CA 95135
(408) 274-6700

I. CALL TO ORDER

II. ROLL CALL

RETIREMENT BOARD OF AUTHORITY (“Board”) MEMBERS

Vice Chancellor, Administrative Services

Douglas Smith

Vice Chancellor, Human Resources

Kim Garcia

Executive Director, Fiscal Services

Peter Fitzsimmons

Faculty and President, AFT 6157

David Yancey

Faculty and Member of AFT 6157

Mark Newton

Retired Faculty and Member of AFT 6157

Phil Crawford

Staff and Member CSEA, Chapter 363

Yolanda Talavera

Staff and Member CSEA, Chapter 363

Maria Holguin

Retired Staff and Former Member CSEA, Chapter 363

Arlene Amelia

PROGRAM COORDINATOR

Senior Vice President, Keenan Financial Services

Gail Beal

Senior Account Manager, Keenan Financial Services

Roslyn Washington

CONSULTANTS

Morgan Stanley Wealth Management (MS)

Cary Allison

Benefit Trust Company (BTC)

Scott Rankin

GUESTS

Faculty and Member AFT 6157 (Alternate)

Barbara Hanfling

Staff and Member CSEA, Chapter 363 (Alternate)

Elaine Chapman

OTHER

San Jose/Evergreen CCD Controller

Linda Wilczewski

III. PUBLIC COMMENTS

**Information
2015/2016-019**

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

IV. APPROVAL OF AGENDA

**Action
2015/2016-020**

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, 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:

V. APPROVAL OF MINUTES

**Action
2015/2016-021**

The Retirement Board of Authority will review the Minutes from the previous meeting on October 8, 2015 for any adjustments and adoption.

PUBLIC COMMENTS:

BOARD CONSIDERATION:

VI. INVESTMENTS

PORTFOLIO PERFORMANCE REVIEW

**Action
2015/2016-022**

Morgan Stanley Wealth Management (MS) will review the portfolio's fund construction and the portfolio performance of the District's Public Entity Investment Trust (the "Trust").

PUBLIC COMMENTS:

BOARD CONSIDERATION:

MARKET OVERVIEW

**Information
2015/2016-023**

Morgan Stanley Wealth Management (MS) will provide an analysis of global capital market conditions since the last Retirement Board of Authority meeting.

PUBLIC COMMENTS:

BOARD CONSIDERATION:

INVESTMENT POLICY STATEMENT REVIEW

**Action
2015/2016-024**

The Retirement Board of Authority shall, with the assistance of Benefit Trust Company (BTC) and Morgan Stanley Wealth Management (MS), review the Investment Policy Statement setting forth the investment objectives for the Trust. Key to this process is a review of the Board's time horizon for investment, short-term liquidity needs, attitudes, as well as the capacity to accept investment risk as measured through the completion of a **Risk Tolerance Questionnaire**, the expected rate of return of the Board taking into

account the discount rate and assumptions contained in the most recent Actuarial Valuation Study, as well as any other information the Board Members feel pertinent to the discussion.

PUBLIC COMMENTS:

BOARD CONSIDERATION:

VII. ADMINISTRATION

THE DISTRICT'S OPEB PLAN INDEPENDENT AUDITOR'S REPORT

**Information
2015/2016-025**

The Retirement Board of Authority (RBOA) membership shall discuss the most recent Independent Auditor's Report which provides the District's OPEB Plan with independent third party certifications relative to governance protocols, accounting standards, financial statements, funding progress, fiduciary structures and controls.

PUBLIC COMMENTS:

BOARD CONSIDERATION:

DISBURSEMENT REPORT

**Action
2015/2016-026**

The Retirement Board of Authority (RBOA) membership shall analyze and ratify annual reimbursement expenses, provider remittance, account transfers and fiduciary governance fees associated with GASB 43/45 compliance and the Management/Operation of the District's OPEB Investment Trust.

PUBLIC COMMENTS:

BOARD CONSIDERATION:

TRANSFER OF ASSETS

**Action
2015/2016-027**

A key element in the Investment Trust administrative process is the District's OPEB reimbursement and expense requirements. In this connection, the Retirement Board of Authority (RBOA) will act to transfer fiduciary assets from the Trust's Long-Term Account to the Short-Term Account to meet the District's refund and expense schedules.

PUBLIC COMMENTS:

BOARD CONSIDERATION:

RETIREE HEALTH BENEFITS REIMBURSEMENT EXPENSES

**Information
2015/2016-028**

The Retirement Board of Authority (RBOA) membership shall review a list of itemized expenditures associated with Retiree Health Benefits in relation with GASB 43/45 compliance and the Management/Operation of the District's OPEB Investment Trust for Plan Year January 1, 2015 to December 31, 2015.

PUBLIC COMMENTS:

BOARD CONSIDERATION:

RETIREE BENEFIT COST DATA FOR FISCAL YEAR 2016-2017

**Information
2015/2016-029**

The District's Vice Chancellor of Human Resources, Kim Garcia shall provide rate schedules associated with Retiree Benefit costs for fiscal year 2016-17.

PUBLIC COMMENTS:

BOARD CONSIDERATION:

ANNUAL REPORT TO THE GOVERNING BOARD OF TRUSTEES UPDATE Information
2015/2016-030

An Annual Report regarding the current status of the District's Public Entity Investment Trust shall be presented to the San Jose/Evergreen Community College Board of Trustees at their meeting of May 10, 2016. Cary Allison will provide an update to the RBOA membership regarding the receipt of the Annual Report by the Board of Trustees.

PUBLIC COMMENTS:

BOARD CONSIDERATION:

PRIVATE LETTER RULING UPDATE Information
2015/2016-031

The Retirement Board of Authority will be given an update on the Private Letter Ruling from the Internal Revenue Service regarding the Section 115 Trust arrangement.

PUBLIC COMMENTS:

BOARD CONSIDERATION:

VIII. INFORMATION REPORTS

RETIREMENT BOARD OF AUTHORITY COMMENTS Information
2015/2016-032

Each member may report about various matters involving the Retirement Board of Authority. There will be no Board 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
2015/2016-033

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

IX. DATE, TIME AND AGENDA ITEMS FOR NEXT MEETING Action
2015/2016-034

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 Retirement Board of Authority meeting.

X. ADJOURNMENT

Americans with Disabilities Act: The San Jose/Evergreen Community College District 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 San Jose/Evergreen Community College District Retirement Board of Authority meeting, shall be made to: Peter Fitzsimmons, Director of Fiscal Services, San Jose/Evergreen Community College District, 4750 San Felipe Rd, San Jose, CA 95128.

AGENDA

SAN JOSE / EVERGREEN COMMUNITY COLLEGE DISTRICT RETIREMENT BOARD OF AUTHORITY MEETING

October 27, 2016

1:00 PM–3:00 PM

San Jose City College
Technology Building Room T-415
2100 Moorpark Avenue
San Jose, CA 95128
(408) 288-3708

I. CALL TO ORDER

II. ROLL CALL

RETIREMENT BOARD OF AUTHORITY (“Board”) MEMBERS

Vice Chancellor, Administrative Services

Douglas Smith

Vice Chancellor, Human Resources

Kim Garcia

Executive Director, Fiscal Services

Peter Fitzsimmons

Faculty and Member, AFT 6157

David Yancey

Faculty and Member, AFT 6157

Mark Newton

Retired Faculty and Member, AFT 6157

Phil Crawford

Staff and Member CSEA, Chapter 363

Yolanda Talavera

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Senior Vice President, Keenan Financial Services

Gail Beal

Senior Account Manager, Keenan Financial Services

Roslyn Washington

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Morgan Stanley Wealth Management (MS)

Cary Allison

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Scott Rankin

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Barbara Hanfling

Staff and Member CSEA, Chapter 363 (Alternate)

Elaine Chapman

OTHER

San Jose Evergreen CCD Controller

Linda Wilczewski

**AGENDA - San Jose/Evergreen Community College District
Retirement Board of Authority (RBOA) Meeting
October 27, 2016**

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III. PUBLIC COMMENTS

**Information
2016/2017-001**

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

IV. APPROVAL OF AGENDA

**Action
2016/2017-002**

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, 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:

V. APPROVAL OF MINUTES

**Action
2016/2017-003**

The Retirement Board of Authority will review the Minutes from the previous meeting on April 28, 2016 for any adjustments and adoption.

PUBLIC COMMENTS:

BOARD CONSIDERATION:

VI. INVESTMENTS

PORTFOLIO PERFORMANCE REVIEW

**Action
2016/2017-004**

Morgan Stanley Wealth Management (MS) will review the portfolio's fund construction and the portfolio performance of the District's Public Entity Investment Trust (the "Trust").

PUBLIC COMMENTS:

BOARD CONSIDERATION:

MARKET OVERVIEW

**Information
2016/2017-005**

Morgan Stanley Wealth Management (MS) will provide an analysis of global capital market conditions since the last Retirement Board of Authority meeting.

PUBLIC COMMENTS:

BOARD CONSIDERATION:

VII. ADMINISTRATION

ANNUAL REPORTING ON THE STATUS OF THE TRUST

**Action
2016/2017-006**

California Government Code 53216.4 requires an annual reporting of the funds held in the District's OPEB Trust to beneficiaries of the Trust. The Retirement Board of Authority shall acknowledge District procedures for Annual Report promulgation to Trust beneficiaries for fiscal year ending June 30, 2016.

PUBLIC COMMENTS:

BOARD CONSIDERATION:

DISBURSEMENT REPORT

**Action
2016/2017-007**

The Retirement Board of Authority (RBOA) membership shall analyze and ratify annual reimbursement expenses, provider remittance, account transfers and fiduciary governance fees associated with GASB 43/45 compliance and the Management/Operation of the District's OPEB Investment Trust.

PUBLIC COMMENTS:

BOARD CONSIDERATION:

**UPDATING THE "SUBSTANTIVE PLAN" ANNUALLY, AN ESSENTIAL COMPONENT OF
THE COMPREHENSIVE COMPLIANCE PLAN**

**Information
2016/2017-008**

The Comprehensive Compliance Plan is a summary of the State of California regulatory mandates and GASB requirements applicable to the District's Public Entity Investment program. As an essential protocol of this framework, Keenan Financial Services provides a written summary of the "Substantive Plan" for fiscal 2015/2016 which acts as both a road map and a record of the Retirement Board of Authority's compliance with its governance and fiduciary duties.

PUBLIC COMMENTS:

BOARD CONSIDERATION:

ANNUAL REPORT TO THE GOVERNING BOARD OF TRUSTEES UPDATE

**Information
2016/2017-009**

The Annual Report regarding the status of the District's Public Entity Investment Trust was presented to the San Jose / Evergreen Community College District Board of Trustees at their meeting of May 10, 2016. Cary Allison will provide an update to the Retirement Board of Authority (RBOA) membership regarding the receipt of the Annual Report by the Board of Trustees.

PUBLIC COMMENTS:

BOARD CONSIDERATION:

TRANSFER OF ASSETS

**Action
2016/2017-010**

A key element in the Investment Trust administrative process is the District's OPEB reimbursement and expense requirements. In this connection, the Retirement Board of Authority (RBOA) will act to transfer fiduciary assets from the Trust's Long-Term Account to the Short-Term Account to meet the District's refund and expense schedules.

PUBLIC COMMENTS:

BOARD CONSIDERATION:

PRIVATE LETTER RULING APPLICATION UPDATE

**Information
2016/2017-011**

The Retirement Board of Authority will be given an update on the Private Letter Ruling from the Internal Revenue Service regarding the Section 115 Trust arrangement including correspondence dated June 22, 2016 received from Mr. Brian M. Johnston.

PUBLIC COMMENTS:

BOARD CONSIDERATION:

**AGENDA - San Jose/Evergreen Community College District
Retirement Board of Authority (RBOA) Meeting
October 27, 2016**

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VIII. INFORMATION REPORTS

RETIREMENT BOARD OF AUTHORITY COMMENTS

**Information
2016/2017-012**

Each member may report about various matters involving the Retirement Board of Authority. There will be no Board 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
2016/2017-013**

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

IX. DATE, TIME AND AGENDA ITEMS FOR NEXT MEETING

**Action
2016/2017-014**

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 Retirement Board of Authority meeting.

X. ADJOURNMENT

Americans with Disabilities Act: The San Jose/Evergreen Community College District 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 San Jose/Evergreen Community College District Retirement Board of Authority meeting, shall be made to: Peter Fitzsimmons, Director of Fiscal Services, San Jose/Evergreen Community College District, 4750 San Felipe Rd, San Jose, CA 95128.