

AGENDA

**SAN BERNARDINO COMMUNITY COLLEGE DISTRICT
RETIREMENT BOARD OF AUTHORITY MEETING
MARCH 15, 2013
8:00 AM – 10:00 AM**

**SAN BERNARDINO COMMUNITY COLLEGE DISTRICT OFFICE
DISTRICT OFFICE CONFERENCE ROOM 2
114 SOUTH DEL ROSA DRIVE
SAN BERNARDINO, CA. 92408
(909) 884-2533**

I. CALL TO ORDER

II. ROLL CALL

RETIREMENT BOARD OF AUTHORITY (the “Board”) MEMBERS

Vice Chancellor, Fiscal Services
Business Manager
Director, Internal Audits
Director, Fiscal Services

Charlie Ng
Steven Sutorus
Tanya Rogers
Vacant

PROGRAM COORDINATOR

Senior Vice President
Account Manager

Gail Beal
Roslyn Washington

CONSULTANTS

Morgan Stanley (MS)
Benefit Trust Company (BTC)

Cary Allison
Scott Rankin

GUESTS

OTHER

None

III. APPROVAL OF AGENDA

**Action
2012/2013-008**

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:

IV. APPROVAL OF MINUTES

Action
2012/2013-009

The Retirement Board of Authority will review the minutes from the previous meeting, August 23, 2012, for any adjustments and adoption.

PUBLIC COMMENTS:

BOARD CONSIDERATION:

V. INVESTMENTS

PORTFOLIO REVIEW

Action
2012/2013-010

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

PUBLIC COMMENTS:

BOARD CONSIDERATION:

INVESTMENT POLICY STATEMENT REVIEW

Action
2012/2013-011

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 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:

MARKET OVERVIEW

Information
2012/2013-012

Morgan Stanley (MS) will provide an overview of the actions of the global capital markets since the last Retirement Board of Authority meeting.

PUBLIC COMMENTS:

BOARD CONSIDERATION:

VI. EDUCATION

Information
2012/2013-013

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 is for the furtherance of these OPEB requirements.

PUBLIC COMMENTS:

BOARD CONSIDERATION:

VII. ADMINISTRATION

ELECTION OF A VICE-CHAIR OF THE RETIREMENT BOARD OF AUTHORITY Action
2012/2013-014

The Retirement Board of Authority (RBOA) has been duly appointed by the Governing Board of San Bernardino Community College District and will elect a Vice-Chair of the Retirement Board of Authority.

PUBLIC COMMENTS:

BOARD CONSIDERATION:

ANNUAL REPORTING ON THE STATUS OF THE TRUST Action
2012/2013-015

California Government Code 53216.4 requires an annual reporting of the funds held in the Trust to beneficiaries and potential beneficiaries. The current annual reporting will reflect the status of the District's OPEB Investment Trust for fiscal year ending June 30, 2012.

PUBLIC COMMENTS:

BOARD CONSIDERATION:

DISBURSEMENTS Action
2012/2013-016

The Retirement Board of Authority members will ratify all reasonable expenses associated with the management and operation of the District's OPEB Investment Trust.

PUBLIC COMMENTS:

BOARD CONSIDERATIONS

FUTURE TRANSFER OF ASSETS INTO THE TRUST Information
2012/2013-017

The District's transfer of assets into the Investment Trust may require a tailored funding procedure. To meet the possibly tailored funding procedure, the Retirement Board of Authority (RBOA) will provide timing and asset transfer schedules related to the District's Actuarial Determined Contribution (ADC) and Pay-As-You-Go funding strategies based on current District financial considerations.

PUBLIC COMMENTS:

BOARD CONSIDERATION:

**STATUS OF UPDATES TO THE COMPREHENSIVE COMPLIANCE PLAN,
INCLUDING THE SUBSTANTIVE PLAN** Information
2012/2013-018

Updating the "Substantive Plan" is a dynamic process that requires an annual review to incorporate modifications to program provisions or changes to cost arrangements. The Retirement Board of Authority will review updates to the "Substantive Plan" reflecting compliance for Plan Year ending June 30, 2012.

PUBLIC COMMENTS:

BOARD CONSIDERATION:

ACTUARIAL VALUATION STUDY UPDATE

Information
2012/2013-019

The Retirement Board of Authority members will discuss the status of the District's current Actuarial Valuation Study and review the discount rate assumed relative to its impact on the District's unfunded actuarial liability.

PUBLIC COMMENTS:

BOARD CONSIDERATION:

PRIVATE LETTER RULING UPDATE

Information
2012/2013-020

In order to move through the final review and approval process, the IRS is requesting that all existing Trust agreements be amended to: a) refine the definitional criteria surrounding the Trust governance process (and thus eliminate concern that control can be exerted by other third parties, such as Benefit Trust Company, as the contracted Trustee of the Trust), including the appointment of "Board of Authority" members; b) remove prior provisions in the Trust that provide discretionary authority for Trust-related decisions to be made outside the Trust or approved Adoption Agreement; and c) clarify that all invested assets can only be used for the stated Trust purposes of funding all post-employment retiree benefit costs.

PUBLIC COMMENTS:

BOARD CONSIDERATION:

VIII. INFORMATION REPORTS

RETIREMENT BOARD OF AUTHORITY COMMENTS

Information
2012/2013-021

Each member may report about various matters involving the Retirement Board of Authority. There will be no Retirement 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
2012/2013-022

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

VISITORS COMMENTS

Information
2012/2013-023

The public may address the Retirement Board of Authority on any matter pertaining to the Retirement Board 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
2012/2013-024

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.

PUBLIC COMMENTS:

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BOARD CONSIDERATION:

X. ADJOURNMENT

Americans with Disabilities Act The San Bernardino 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 Bernardino Community College District Retirement Board of Authority meeting, shall be made to: Charlie Ng, Vice Chancellor of Fiscal Services, San Bernardino Community College District, 114 South Del Rosa Drive, San Bernardino, CA 92408