

OXNARD UNION HIGH SCHOOL DISTRICT
RETIREE HEALTH BENEFITS TRUST
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BOARD MEETING MINUTES

March 25, 2016 - 2:00 P.M.

OXNARD UNION HIGH SCHOOL DISTRICT
BOARD ROOM

220 South "K" Street, Oxnard, California 93030

The Benefits Trust was established as a cooperative organization between The Oxnard Federation of Teachers and School Employees (OFTSE) and the Oxnard Union High School District (OUHSD). The mission of the Trust shall be to financially ensure, through investment of Trust funds and the cooperative efforts of the OFTSE and OUHSD, a comprehensive health and benefits program for every eligible retiree of the OUHSD at the most efficient cost achievable through unity of design, purchase and administration. In accordance with requirements of the Americans with Disabilities Act and related federal regulations, individuals who require special accommodation, including but not limited to an American Sign Language interpreter, accessible seating or documentation in accessible formats, should contact the District Superintendent's office at least two days before the meeting date.

I. OFFICIAL OPENING OF MEETING

The regular Board meeting of the Oxnard Union High School District Retiree Health Benefits Trust was called to order by Board chair Jan Henry at 2:00PM on March 25, 2016 in the Oxnard Union High School District Board Room at 220 South K Street, Oxnard, California 93030.

Trustees present: Jan Henry, Rob Evans, Wes Davis (Federation Alternate), Bill Dabbs, Steve Dickinson

Trustees absent: Eric Ortega, Joe Carroll

Legal Counsel Present: Anthony Trembley

Guests present: Michael Laven via phone and several members of the public

II. PLEDGE OF ALLEGIANCE

Alternate Trustee Davis led the Pledge of Allegiance.

III. ADOPTION OF AGENDA

Upon motion of Trustee Davis, seconded by Trustee Dabbs, the Board on a 5-0 vote adopted the agenda.

IV. AUDIENCE TO ADDRESS BOARD OF TRUSTEES CONCERNING ANY AGENDA ITEMS:

Those persons wishing to address the Board may do so at this time. Individual presentations are limited to three (3) minutes each, or in the case of a group of people speaking on a specific item, ten (10) minutes will be permitted.

John Grisafe requested clarification on the Closed Session and the Trustee appointments and terms.

V. CONSENT AGENDA ITEMS

- a. Approval of Meeting Minutes: December 4, 2015

Upon motion of Trustee Dickinson, seconded by Trustee Davis, the Board on a 5-0 vote approved the December 4, 2015 minutes.

- b. Consideration of Approval Of Current Invoices: Walthall Enterprises, Inc. Invoice #012ouhsdrhbt for \$150; Canterbury Consulting, Incorporated, Inv. #1-19489-H5W0 for \$16,906.03; Musick, Peeler & Garrett LLP Invoice # 288416 for \$979, Invoice #289304 for \$1392.40, Invoice #290276 for \$2,500.20, Invoice #291496 for \$1314.40 and Invoice #292747 for \$2,070; Vance, Thrift and Biller LLP Inv.#54657 for \$970; Keenan & Associates for Invoice #182508 for \$5,000 and Invoice #182509 for \$3,000; Tolman & Wiker Insurance Services LLC Invoice #1246814 for \$8,511, Invoice #1247505 for \$400 and Invoice #1247507 for \$266.

Upon motion of Trustee Dickinson, seconded by Trustee Evans, the Board on a 5-0 vote approved the current invoices, with the exception of the two invoices from Keenan & Associates. Consideration of these invoices will be deferred.

VI. ACTION ITEMS

- a. Trust Investment Assets—Approval of: (1) a share class change for the EuroPacific Growth Fund, and (2) a change in real assets investment from Sailingstone Natural Resource Fund to Van Eck Global Hard Asset Fund.

Michael Laven, of Canterbury Consulting, was present via phone and made these recommended changes. Upon motion of Trustee Dickinson, seconded by Trustee Dabbs, the Board on a 5-0 vote approved the two changes as presented.

- b. Approval of Reallocation of Funds from Checking to Investment Account

No action was taken.

- c. Approval of new Asset Custody Agreement and Related Services (Including checking services) with U.S. Bank, and related actions thereto (including transfer of custody of Trust assets from City National Bank to U.S. Bank)

Upon motion of Trustee Dickinson, seconded by Trustee Evans, the Board on a 5-0 vote approved the U.S. Bank agreements as presented.

- d. Acceptance of Financial Statements from VTB for July-September 2015

Upon motion of Trustee Evans, seconded by Trustee Davis, the Board on a 5-0 vote accepted the July-September 2015 financial statements.

- e. 2015-2016 VTB Agreement for Financial Services

Upon motion of Trustee Dickinson, seconded by Trustee Evans, the Board on a 5-0 vote approved the 2015-2016 Financial Services Agreement with VTB. Mr. Trembley will follow-up to confirm the 2015-2016 VTB rates.

- f. Setting of Future Board Meeting Dates/Times [note: Friday, May 20, 2016 at 2:00PM is already approved/scheduled] and Wednesday, August 24, 2016 at 2:00PM

Upon motion by Trustee Dickinson, seconded by Trustee Evans, the Board on a 5-0 vote approved future meeting dates of May 20, 2016 at 2:00PM and August 24, 2016 at 2:00PM.

VII. INFORMATION ITEMS

- a. Canterbury Consulting Investment Performance Review—Fourth Quarter 2015 and Update through January 31, 2016

Michael Laven was present via phone to present the performance review. Trust market assets (ending as of December 31, 2015) are \$49 million.

- b. City National Bank Checking Account Statements (November 2015 thru February 2016)

The Board reviewed these items.

- c. City National Bank Investment Statements (November 2015 thru February 2016)

The Board reviewed these items.

- d. CSEBO Cash Balance Reports

Trustee Dickinson reported that the CSEBO medical balance was approximately \$4.7 million, less IBNR. Trustee Dickinson also reported that OUHSD was now completely part of the CSEBO pool and that this balance would no longer be increasing.

- e. Recent Check Authorization Forms

The Board reviewed these items.

- f. Review of Retiree Health Benefits Trust Trustee Appointments and Terms

Trustee Dickinson reported that the OUHSD Board acted to change the structure of its Trustee appointments to be: 1) the Asst. Supt. of Administrative Services (currently Steve Dickinson), the Asst. Supt. of Human Resources (currently Dr. Rocky Valles), and a vested, active, classified management employee – Patsy Thomas, Director of Fiscal Services; the District’s alternate will be Corina Cherry. These changes will be effective July 1, 2016. At the May meeting, the Federation will provide information on their Trust member appointments and terms.

- g. Utilization of Trust Funds (Continuing Agenda Item)

Trustee Dickinson stated that this will be the topic of Closed Session.

- h. Oxnard Union High School District Retiree Health Benefits Trust Insurance Coverage Information

The Board reviewed this information provided by Tolman & Wiker Insurance Services

VIII. CLOSED SESSION

Conference with Legal Counsel – Anticipated Litigation. Significant exposure to litigation pursuant to Government Code Section 54956.9(d): 1 case [Utilization of Trust Funds]. The Board met in Closed Session from 3:27pm to 4:34pm. The Board returned to open Session at 4:34pm. Chair Henry reported that there was no action to report from Closed Session.

IX. ITEMS FOR FUTURE CONSIDERATION

1. Minutes of the March 25, 2016 Board meeting.
2. Approval of pending invoices.
3. First Quarter 2016 Investment Performance Review (Canterbury Consulting).
4. Trust Investment Assets – Rebalancing, Diversification, Purchase of Sale of Investments, and Potential Change(s) to Allocations
5. Trust Financial Statements (Vance Thrift & Biller)
6. Checking and Investment Statements (City National Bank)
7. U.S. Bank Agreements for Checking and Investment Account Custody Services – Update on Transition
8. Update on Vance Thrift & Biller Rates
9. Recent Check Authorization Forms
10. Utilization of Trust Funds (continuing agenda item)
11. Review of Federation Trustee Terms and Alternates
12. Setting Future Meeting Dates

- X. FUTURE MEETINGS: FRIDAY, MAY 20, 2016 AT 2:00PM AND WEDNESDAY, AUGUST 24, 2016 AT 2:00PM

XI. ADJOURNMENT

Upon motion of Trustee Dabbs, seconded by Trustee Evans, the Board on a 5-0 vote adjourned the meeting at 4:37PM.