

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

November 30, 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 IN MEMORY OF JAN HENRY

The regular Board meeting of the Oxnard Union High School District Retiree Health Benefits Trust was called to order by Board chair Steve Dickinson at 2:00PM on November 30, 2016 in the Oxnard Union High School District Board Room at 220 South K Street, Oxnard, California 93030.

Trustees present: Joe Carroll, Wes Davis, Shawn Near, Rocky Valles, Patsy Thomas and Steve Dickinson

Trustees absent: None

Legal Counsel Present: Anthony Trembley

Guests present: Jason Levy (Canterbury) and several members of the public

II. PLEDGE OF ALLEGIANCE

Wes Davis led the Pledge of Allegiance.

III. ADOPTION OF AGENDA

Upon motion of Trustee Valles, seconded by Trustee Carroll, the Board on a 6-0 vote adopted the agenda as presented.

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 quoted excerpts from the Trust Agreement and expressed his concerns including: the Trust Board should focus on growing the fund with additional deposits, the recent MOU does not authorize a Request for Proposals and that the MOU does not request a plan.

Becky Buettner expressed her concerns about the recent MOU, and reminded the Trustees of the purpose of the Trust and their duties as Trustees.

V. CONSENT AGENDA ITEMS:

Upon motion of Trustee Davis, seconded by Trustee Thomas, the Board on a 6-0 vote approved the Consent Agenda items, including:

- a. Approval of Meeting Minutes:
 - i. August 24, 2016 Regular Meeting
 - ii. September 28, 2016 Special Meeting
- b. Consideration of Approval Of Current Invoices: Walthall Enterprises, Inc. Invoice #016ouhsdrhbt for \$150, #017ouhsdrhbt for \$75, #018ouhsdrhbt for \$75, #019ouhsdrhbt for \$75; Canterbury Consulting,

Incorporated, Inv. #I-20866-MOQ2 for \$17,333.20; Musick, Peeler & Garrett LLP Invoice # 299980 for 1,274.40 and Invoice #300969 for \$2,372.20; Oxnard Union High School District Invoice #ARI7-00011 for \$10; Vance, Thrift and Biller LLP Invoice #56750 for \$1,510; and Keenan & Associates Invoice #192761 for \$10,300.

VI. ITEMS FOR DISCUSSION/POSSIBLE ACTION BY THE BOARD

- a. Trust Investment Assets—Rebalancing, Diversification, Purchase or Sale of Investments, Potential Change(s) to Allocations, and/or Change(s) to Management.

Jason Levy presented the performance review information item together with this item. Canterbury did not make any recommendations for changes; no action was taken.

- b. Trust Request for Proposals (RFP) for Designing Plan for Partial Distribution of Trust Assets to Fund Retiree Health Benefits – Status Update and Discussion:

Mr. Trembley reported that proposals were due on November 7th, but no proposals were received. A Special Meeting of the Trust had been scheduled for November 17th, but was canceled.

The Board discussed many topics and questions about the RFP process and the negotiated MOU including: the intent of the MOU, what is meant by “a” plan versus creating a “sample” plan for the Court to consider; the MOU says “what” to do, but “how” to do it is the responsibility of the Trust; and will the Trust need separate legal counsel for this specific process.

Upon motion by Trustee Near, seconded by Trustee Carroll, the Board on a 6-0 vote approved the RFP to be re-released on December 15, 2016 and be due on February 15, 2017.

- c. Review of 2016 Memorandum of Understanding Between Oxnard Union High School District and Oxnard Federation of Teachers and School Employees (Certificated Bargaining Unit) [re: filing action/petition court for instructions concerning utilization of Trust assets]

No action was taken.

- d. Election of Trust Chair and Co-Chair:

Upon motion by Trustee Valles, seconded by Trustee Davis, the Board on a 5-0 vote approved Trustee Dickinson as Chair for 2017. Trustee Dickinson abstained.

Upon motion by Trustee Davis, seconded by Trustee Valles, the Board on a 5-0 vote approved Trustee Near as Co-Chair for 2017. Trustee Near abstained.

- e. Setting of Future Board Meeting Dates/Times:
i. Regular – Wednesday, February 22, 2017 at 2:00PM (previously approved/scheduled)
ii. Regular – Wednesday, May 24, 2017 at 2:00PM (tentative)

Upon motion by Trustee Carroll, seconded by Trustee Davis, the Board on a 6-0 vote approved the future meeting dates as presented.

VII. INFORMATION ITEMS

- a. Canterbury Consulting Investment Performance Review—Second Quarter 2016 and October 2016

Jason Levy presented the performance review as part of Item VI. a.. Trust market assets as of October 31, 2016 are \$50.57 million.

- b. City National Bank Checking Account Statements (August – October 2016)

The Board reviewed these items.

- c. U.S. Bank Investment Statements (August – October 2016)

The Board reviewed these items.

- d. Recent Check Authorization Forms

The Board reviewed these items.

- e. Status Update – New Asset Custody Agreement with U.S. Bank

Mr. Trembley reported that the transition for these services has proceeded satisfactorily. Checking services have reverted back to City National Bank.

- f. OFTSE Trustee Appointments and Terms

Trustee Davis reported that the OFTSE Trustees are Shawn Near (4 years), Wes Davis (3 years), Joe Carroll (2 years), and Preston Lanning as the OFTSE Alternate.

VII. CLOSED SESSION

- a. Conference with Legal Counsel – Anticipated Litigation. Initiation of litigation pursuant to Government Code Section 54956.9(d)(4): one case [Utilization of Trust assets].
- b. Conference with Legal Counsel – Anticipated Litigation. Significant exposure to litigation pursuant to Government Code Section 54956.9(d)(2): one case [Utilization of Trust assets].

VIII. RECONVENE INTO OPEN SESSION IGOVERNMENT CODE SECTION 54957.71

The Board met in Closed Session from 3:10pm to 4:00pm. There was no action to report.

IX. ITEMS FOR FUTURE CONSIDERATION

- 1. Minutes of the November 30, 2016 Board meeting
- 2. Approval of pending invoices
- 3. Fourth Quarter 2016 Investment Performance Review (Canterbury Consulting)
- 4. Trust Investment Assets – Rebalancing, Diversification, Purchase of Sale of Investments, Potential Change(s) to Allocations and/or Change(s) to Management
- 5. Status Update on Request for Proposals Process
- 6. Trust Financial Statements (Vance Thrift & Biller)
- 7. Checking and Investment Statements (City National Bank and U.S. Bank)
- 8. Recent Check Authorization Forms
- 9. Setting Future Meeting Dates

X. FUTURE MEETINGS:

- A. REGULAR – WEDNESDAY, FEBRUARY 22, 2017 AT 2:00PM
- B. REGULAR – WEDNESDAY, MAY 24, 2017 AT 2:00PM

XI. ADJOURNMENT IN MEMORY OF JAN HENRY

The meeting was adjourned at 4:03PM.