

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

Friday, October 11, 2019

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 Board meeting of the Oxnard Union High School District Retiree Health Benefits Trust was called to order by Board Chair Jeffrey Weinstein at 1:10 PM on October 11, 2019 in the Oxnard Union High School District Board Room at 220 South K Street, Oxnard, California 93030.

Trustees present: Wes Davis, Jeffrey Weinstein, Julie Cole, Dr. Thomas McCoy, Ted Lawrence

Trustees absent: Shawn Near

Legal Counsel Present: Laura McAvoy (Counsel)

Guests present: Several members of the public (see sign in sheet attached)

II. PLEDGE OF ALLEGIANCE

Chair Jeffrey Weinstein led the Pledge of Allegiance

III. ADOPTION OF AGENDA

Agenda items may be reordered by the Board.

Upon motion of Trustee Dr. McCoy, seconded by Trustee Davis, the Board on a 2-0 vote adopted the agenda, as presented.

IV. INTRODUCTION OF NEW TRUSTEES

Chair Jeffrey Weinstein introduced the new Trustees. Representing Oxnard Federation of Teachers and School Employees (Federation) are: Julie Cole, VP of the Federation, Wes Davis, Regional Representative OFTSE and Shawn Near, Adolfo Camarillo High School Teacher. Representing the OUHSD District are Jeffrey Weinstein, Assistant Superintendent of Business Services, Dr. Thomas McCoy, Assistant Superintendent of Education Services and Ted Lawrence, Principal at Pacifica High School.

V. 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.

Tom McCollum addressed the Board with his concerns regarding the handling of the Trust funds.

Attorney Christopher Nissen from Rains Lucia Stern St. Phalle & Silver PC (RLS) representing the OUHSD Retirees' Association addressed the Board referencing his September 9, 2019 letter regarding Breach of Fiduciary Duties.

VI. CONSENT AGENDA ITEMS:

- a. Approval of Meeting Minutes:
 - i. June 27, 2019 Special Board Meeting Minutes
- b. Consideration of Approval of Current Invoices: Canterbury Consulting, Incorporated Inv. #I-26671-L7H7 for \$20,567.38 and Inv. #I-26957-N5D6 for \$21,229.07; Musick, Peeler & Garrett LLP Invoice #337613 for \$690.00, Invoice #340651 for \$3,956, Invoice #341698 for \$5319.40, Invoice #343029 \$395.40 and Invoice #344136 for \$299.00; Vance, Thrift and Biller LLP, Invoice #63750 for \$1,550, Invoice #64459 for \$2,500; Walthall Enterprises, Inc. Invoice #031ouhsdrhbt for \$225.00; and Franchise Tax Board for \$10.00.

Upon motion of Trustee Davis, seconded by Trustee Dr. McCoy, the Board on a 2-0 vote approved the Consent Agenda Items a and b, as presented.

VII. INFORMATION ITEMS

- a. Canterbury Consulting Investment Performance Review – (Second Quarter ending June 30, 2019)

Chair Weinstein noted that due to the fires, traffic and Mr. Michael Laven's commute from Irvine, we had decided to postpone his presentation until next meeting.

- b. City National Bank Checking Account Statements (May, June, July and August 2019)

The Board reviewed these items.

- c. US Bank Investment Statements (July 1-June 30, 2019 fiscal year and July and August 2019)

The Board reviewed these items.

- d. Trust Financial Statements – Vance, Thrift and Biller (June 30, 2019)

The Board reviewed these items.

- e. Previously Authorized Check Payments

The Board reviewed these items.

- f. Copy of Fund Transfer Request to City National Bank Checking Account

The Board reviewed these items.

- g. August 26, 2019 OUHSD Letter from Dr. Davis Regarding Trust Board Representatives

The Board reviewed these items.

- h. September 10, 2019 The Association letter Naming of Representatives

The Board reviewed these items.

- i. 2018 Federal Tax Returns

The Board reviewed these items.

- j. Deposit check to RHBT Fund Part D Reimbursement

The Board reviewed these items.

- k. June 27, 2019 Letter from OUHSD to RHBT requesting assistance with premium payments for retirees

The Board reviewed these items.

- l. July 8, 2019 Letter on behalf of RHBT to OUHSD requesting additional information

The Board reviewed these items.

- m. Retiree benefit informational presentation to OUHSD Board, August 2019

The Board reviewed these items.

- n. September 9, 2019 Letter from Rains Lucia Stern (RLS)

The Board reviewed these items.

VIII. 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 litigation pursuant to Government Code Section 54956.9(d)(2): one case [Utilization of Trust assets].

The Board met in Closed Session at 1:25pm.

IX. RECONVENE INTO OPEN SESSION

The Board returned to open Session at 2:17pm. Chair Weinstein reported out that during Closed session no action was taken.

X. 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) of Managers

Chair Jeffrey Weinstein reported that Canterbury is not here today; however, there are no recommendation for changes at this time.

- b. Consideration of Proposed First Amendment of Trust

Upon Motion of Trustee Davis, seconded by Trustee Dr. McCoy, the Board on a 2-0 vote adopted the First Amendment to Revised and Amended Agreement Establishing the OUHSD Retiree Health Benefits Trust Effective October 11, 2019.

Dr. Gary Davis approached the microphone as the President of OUHSD Board and asked for clarification of Item b. motion and adoption.

Chair Jeffrey Weinstein reported that Item b. is an Amendment to the Retiree Health Benefits Trust Agreement to use part of the investment income not the principal of the Retiree Health Benefits Trust to help the District pay for medical benefits for the Retirees. Trustee Wes Davis reiterated that the District will be using the investment income to pay for retirees only and not current employees. Chair Jeffrey Weinstein confirmed the investment income will only be used to pay the medical benefits of the retirees.

- c. RFQ/P #577-R Legal Services Update

Chair Jeffrey Weinstein reported the applications received for legal firms did not have experience working with a Trust and he would like to go out again for bid.

Upon motion of Trustee Davis, seconded by Trustee Dr. McCoy, the Board on a 2-0 vote approved going out for bid for Legal Services Firms, as presented.

- d. Setting of Future Board Meeting Dates/Times

Chair Jeffrey Weinstein reported he will reach out to Michael Laven from Canterbury Consulting to make sure he is available.

XI. ITEMS FOR FUTURE CONSIDERATION

- a. RFP CPA firms for Audit of Trust

Chair Weinstein noted that although an RFP for the services of an auditor to audit the records of the Trust was sent out, no proposals were received in response to that RFP. Chair Weinstein reported will go out again for bid again next year.

- b. Website Update
Chair Weinstein noted that the website subcommittee with Co-Chair Near, Ms. McAvoy and himself have met several times. Chair Weinstein encouraged members to provide input.
- c. Actuarial Update
Chair Weinstein reported that the Actuarial should be available at the next meeting in November.

XII. LIST OF CORRESPONDENCE – (AVAILABLE FOR REVIEW AT THE DISTRICT OFFICE)

- a. WCM Investment Management Semi-Annual Report April 30, 2019
- b. PIMCO Funds Annual Report March 31, 2019
- c. Metwest Funds Annual Report March 31, 2019 and July 29, 2019
- d. Templeton Global Bond Fund May-June 2019
- e. EuroPacific Growth Fund Annual Report March 31st and June 1, 2019
- f. DoubleLine Summary Prospectus – July 31, 2019
- g. BostonPartners Large Cap Value Equity – May-August 2019
- h. Vanguard 500 Index Fund – April 26, 2019 and June 30, 2019
- i. Brandywine Global – June 30, 2019

Items a. through i. were noted as listed as correspondence available for review at the District office.

XIII. FUTURE MEETINGS

Wednesday, November 20, 2019, at 1:00 p.m.

XIV. ADJOURNMENT

On motion duly made, seconded and passed unanimously, the meeting was adjourned at approximately 2:25 p.m.