

## AGENDA

### SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT RETIREMENT BOARD OF AUTHORITY MEETING

February 20, 2013  
10:00 AM – 12:00 PM.

### SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

District Board Room  
3401 CSM Drive  
San Mateo, CA. 94402  
(650) 358-6828

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#### I. CALL TO ORDER

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#### II. ROLL CALL

##### MEMBERS

Chief Financial Office, Interim  
Vice Chancellor of Human Resources  
Controller, Interim  
Classified Representative  
Academic Representative

Ray Chow  
Harry Joel  
Anita Leong  
Stephanie Samuelsen  
Vacant

##### PROGRAM COORDINATOR

Senior Vice President  
Account Manager  
Account Manager

Gail Beal  
Roslyn Washington  
Kenneth Threeths

##### CONSULTANTS

Morgan Stanley  
Benefit Trust Company

Cary Allison  
Scott Rankin

##### GUESTS

Vavrinek, Trine, Day & Company, LLP

Xiupin Gillaume

##### OTHER

None

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#### III. APPROVAL OF AGENDA

Action  
2012/2013-014

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**  
**2012/2013-015**

The Retirement Board of Authority will review the minutes from the previous meeting, August 22, 2012, for any adjustments and adoption.

PUBLIC COMMENTS:

BOARD CONSIDERATION:

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**V. THE DISTRICT'S OPEB PLAN INDEPENDENT AUDITOR'S REPORT**

**Action**  
**2012/2013-016**

The Independent Auditors Report provides the District's OPEB Plan with an independent third party certification of GASB accounting standards and financial reporting for OPEB expenses, OPEB liabilities, note disclosures and required supplementary information (RSI)

PUBLIC COMMENTS:

BOARD CONSIDERATION:

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**VI. INVESTMENTS**

**PORTFOLIO REVIEW**

**Action**  
**2012/2013-017**

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

PUBLIC COMMENTS:

BOARD CONSIDERATION:

**INVESTMENT POLICY STATEMENT REVIEW**

**Action**  
**2012/2013-018**

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:

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**VII. ADMINISTRATION**

**FUTURE TRANSFER OF ASSETS INTO THE TRUST**

**Action**  
**2012/2013-019**

Based on the current Actuarial Valuation Study, the Retirement Board of Authority (RBOA) will discuss the percentage of the District's Annual Required Contribution (ARC) scheduled by the District to be transferred into the Investment Trust.

PUBLIC COMMENTS:

BOARD CONSIDERATION:

**DISBURSEMENTS**

**Action  
2012/2013-020**

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

PUBLIC COMMENTS:

BOARD CONSIDERATION:

**ACTUARIAL VALUATION STUDY PROCESS UPDATE**

**Information  
2012/2013-021**

The Retirement Board of Authority members will discuss the status of the District's current Actuarial Valuation Study and review the processes and procedures attendant to obtaining a new Actuarial Valuation Study.

PUBLIC COMMENTS:

BOARD CONSIDERATION:

**STATUS OF UPDATES TO THE COMPREHENSIVE COMPLIANCE PLAN,  
INCLUDING THE SUBSTANTIVE PLAN**

**Information  
2012/2013-022**

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 discuss the current updates to the "Substantive Plan".

PUBLIC COMMENTS:

BOARD CONSIDERATION:

**PUBLIC EMPLOYEE PENSION REFORM ACT OF 2013 UPDATE**

**Information  
2012/2013-023**

The Public Employee Pension Reform Act of 2013 ("PEPRA") went into effect January 1, 2013, and amends various provisions of the Public Employees' Retirement Law, Teachers' Retirement Law and County Employees' Retirement Law of 1937. The pension reform law requires current state employees and all new public employees to pay at least 50 percent of their pensions and establishes this as the norm for all public workers in California. These new reforms eliminate state-imposed barriers that have prevented local governments from increasing employee contributions. The new law also bans abusive practices used to enhance pension payouts.

PUBLIC COMMENTS:

BOARD CONSIDERATION:

**STAFF ON-LINE ACCESS TO OPEB TRUST ACCOUNT**

**Action  
2012/2013-024**

The Retirement Board of Authority may provide authorization to Benefit Trust Company for District staff to have access to the books and records of the District's OPEB Trust through the Benefit Trust Company website. All access to the books and records of the District's OPEB Trust must be approved by the Retirement Board of Authority.

PUBLIC COMMENTS:

BOARD CONSIDERATION:

**VIII. EDUCATION**

**Information  
2012/2013-025**

For OPEB plan governance, the Retirement Board of Authority is mandated to use the “prudent person” standard as codified by California’s Constitution and Governmental Codes. 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 Investment Trust standards.

PUBLIC COMMENTS:

BOARD CONSIDERATION:

**MARKET OVERVIEW**

**Information  
2012/2013-026**

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

PUBLIC COMMENTS:

BOARD CONSIDERATION

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**IX. INFORMATION REPORTS**

**RETIREMENT BOARD OF AUTHORITY COMMENTS**

**Information  
2012/2013-027**

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  
2012/2013-028**

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  
2012/2013-029**

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.

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**X. DATE, TIME AND AGENDA ITEMS FOR NEXT MEETING**

**Information  
2012/2013-030**

In addition to standing Agenda items, members and visitors may suggest additional items for consideration at the next Retirement Board of Authority meeting.

PUBLIC COMMENTS:

BOARD CONSIDERATION:

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**XI. ADJOURNMENT**

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**Americans with Disabilities Act** The San Mateo County 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 Mateo County Community College District Retirement Board of Authority meeting, shall be made to: Ray Chow, Interim Chief Financial Services, San Mateo County Community College District, 3401 CMS Drive, San Mateo, CA 94402.