

MEETING MINUTES

VENTURA COUNTY COMMUNITY COLLEGE DI

IV. CORRESPONDENCE

As no correspondence was presented, Gail Beal of Keenan Financial Services suggested that Service Agreement and Administrative Documentation be signed and executed at this point in the meeting.

Scott Rankin of Benefit Trust Company provided Board members with an overview of the Service Agreements with the following entities and providers:

- Ventura County Community College District Futuris Public Entity Investment Trust Program Sponsor.
- Keenan Financial Services Futuris Public Entity Investment Trust Program Coordinator.
- Benefit Trust Company as Discretionary Trustee Futuris Public Entity Investment Trust Custodian.

Scott also delineated the issues surrounding certain Administrative Documentation for the District's Futuris Public Entity Investment Trust as follows:

- Signature Authorization Form.
- Internet Account Access Agreement.

Relative to Board members executing the above named Service Agreements and Administrative Documentation, Board member Sue Johnson advised that all Service Agreements and Administrative Documentation had been reviewed by Counsel. She also advised that Director and Officer Liability Insurance had been purchased by the District for the protection of Board members.

There were no inquiries from Board members and all Service Agreements and Administrative Documentation was signed and executed.

V. ADMINISTRATION

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The primary role and responsibilities of Benefit Trust Company (BTC) as Discretionary Trustee Program Custodian were outlined by Scott Rankin of BTC as follows:

- Selection of the District's OPEB Trust investments pursuant to advice received from the Registrar

Scott Rankin of Benefit Trust Company (BTC) provided a review of the Board's fiduciary mandate in the context of the provisions of the State of California Constitution as follows:

- Determine the anticipated liability for future benefits.
- Prudently invest the funds in order to safeguard principal, meet liquidity needs and achieve an appropriate investment return.
- Administer the program for the exclusive purpose of providing benefits to participants and their beneficiaries; and
- Engage in a prudent process for making all decisions related to the operation of the plan, including (1) selection of investments and services for the program, (2) monitoring of the decisions periodically to ensure that they remain prudent and (3) documenting the process used to make the decisions.

Board member Patricia Parham made inquiries relative to the two signatures required for the Investment Account Access Agreement and the actions needed to change the Investment Policy Statement (IPS) if the Board wish to make changes. Scott Rankin of Benefit Trust Company advised that changing the provisions of the IPS would require Board action.

DESIGNATION OF RETIREMENT BOARD OF AUTHORITY MEMBERS AND ELECTION OF CHAIRPERSON

A motion was made by Board member Patricia Parham to nominate Sue Johnson as Chairperson of the Board, seconded by Board member Jay Wysard and unanimously carried by the Board.

REVIEW OF THE FUTURIS IMPLEMENTATION TIMELINE

Gail Beabf Keenan Financial Services (KFS) provided the Board with a review of the District's Futuris Public Entity Investment Trust implementation timeline and advised that the timeline should be viewed as a guideline rather than being set in stone.

Board member Sue Johnson advised the District has a \$147,000,000.00 OPEB liability as of December 2010. Recently, the District's OPEB liability exposure has grown significantly. Sue noted the District has about \$900,000.00 to \$10,000,000.00 to transfer OPEB Investment Trust.

Sue provided a brief overview of the District's intent relative to funding the OPEB Investment Trust. The intent of the District is to make transfers to the OPEB Investment Trust approximately twice a year and they do not anticipate withdrawals from the Investment Trust except for the reasonable costs of managing the funds.

In this connection, Roslyn Washington of Keenan Financial Services provided a brief review of the OPEB Investment Trust's Remittance form.

THE FUTURIS INVESTMENT PROCESS

Cary Allison of Morgan Stanley Smith Barney (MSSB) provided the Board an overview regarding the process of portfolio selection for the Futuris Public Entity Investment Trust. Cary also reviewed the Futuris portfolio models.

COMPLETION OF RISK TOLERANCE QUESTIONNAIRE

Cary Allison continued by acquainting the Board with the Risk Tolerance Questionnaire. She indicated that Board members should view the Risk Tolerance Questionnaire as a tool to gauge the risk attitude and risk capacity of the Board members. Risk Tolerance Questionnaire protocols require members respond to each question independent of each other.

PRIVATE LETTER RULING

Scott Rankin of Benefit Trust Company delineated the validity of the District's Code section 115 Public Entity Trust and reviewed the Private Letter Ruling 4

