

Board Agenda
September 2, 2016 (continued)

VII. REPORTS OF BOARD MEMBERS

VIII. FUTURE AGENDA ITEMS

- IX. CONSIDERATION OF CONSENT AGENDA [16-63HR through 16-67HR]
[16-101G through 16-113G]

X. GENERAL

- A. Public Hearing and Adoption of 2016-2017 Final Budget [16-40] Ed Eng
- B. Consideration to Adopt Resolution Certifying All Proceedings in the June 7, 2016, General Obligation Bond Election (Tabled in August) [16-41] Ed Eng
- C. Consideration to Appoint Committee Members to the Measures E and C Citizens' Bond Oversight Committee [16-42] Ed Eng
- D. Consideration to Adopt Public Agencies Post-Employment Benefits Trust Administered by Public Agency Retirement Services (PARS); and Authorize Transfer of District Assets from California School Boards Association Trust to PARS Trust [16-43] Ed Eng
- E. Consideration to Accept Proposed Revised BP 1200, "District Mission, Vision and Core Values" [16-44] Paul Parnell
- F. First Reading of Clovis Community College Accreditation Follow-up Report [16-45] Lori Bennett

XI. ADJOURNMENT

Any person with a disability may request this agenda be made available in an appropriate alternative format. A person with a disability who requires a modification or accommodation in order to participate in the public meeting must address a request as soon as possible before the meeting to the Chancellor's Office, 1525 E. Weldon Avenue, Fresno, CA 93704, (559) 244-5902, 8:00 a.m. to 5:00 p.m., Monday – Friday. Under Board Policy 2350, there is a limit of three minutes per speaker per topic, and thirty minutes is the maximum time allotment for public speakers on any subject, regardless of the number of speakers; these time limits may be extended at the discretion of the Board of Trustees. Individuals wishing to address the Board should fill out a request form and submit it to Interim Vice Chancellor of Human Resources Annette Loria before the beginning of the meeting.

STATE CENTER COMMUNITY COLLEGE DISTRICT
1525 E. Weldon
Fresno, California 93704

PRESENTED TO BOARD OF TRUSTEES

DATE: September 6, 2016

SUBJECT: Consideration to Adopt Public Agencies Post- ITEM NO. 16-43
 Employment Benefits Trust Administered by Public
 Agency Retirement Services (PARS); and Authorize
 Transfer of District Assets from California School
 Board Association Trust to PARS Trust

EXHIBIT: Resolution No. 2016.21

Background:

On August 7, 2007, the Board of Trustees approved the district's participation in the California School Boards Association (CSBA) GASB 45 Solutions Program Trust and Plan. This trust and plan set in motion the district's commitment to address the long-term obligation of retiree health benefits. The trust administrator hired by CSBA was Public Agency Retirement Services (PARS) and the trustee was US Bank. Also approved in that board meeting was the establishment of a Retirement Board to provide oversight to the work of PARS and US Bank and provide direction to the district's plan administrator. The Retirement Board is made up of one trustee (Mr. John Leal), the director of finance (Mr. Wil Schofield), and the chair of the Retirement Board, the vice chancellor of finance and administration (Mr. Edwin Eng).

The Retirement Board met on August 16, 2016 to review the performance of the trust and to review some recent developments with the CSBA GASB 45 Solutions Program Trust and Plan. CSBA's role is changing. CSBA is no longer going to maintain the trust and intends to terminate the Trust effective December 31, 2016. CSBA has requested that PARS, the trust administrator since inception take over the program and that all members be transitioned to the PARS Trust for continuity of services by PARS and US Bank, which will still be the trust administrator and the trustee respectively, with the same investment portfolio and management. In fact, the PARS Trust has grown the program so much, with over 230 clients and well over \$1 billion in assets, so that it now exceeds the size of the CSBA Trust. Due to this size increase and the economies of scale, PARS is able to reduce fees while still maintaining the same team and service level for the district

Recommendation:

In accordance with Board Policy 6320, the Retirement Board and administration recommends the Board of Trustees:

- a) adopt Resolution No. 2016.21 selecting the Public Agencies Post-Employment Benefits Trust administered by PARS;
- b) appoint the vice chancellor of finance and administration to serve as the plan administrator;
- c) authorize the plan administrator to complete and sign the related necessary documents on behalf of the district to adopt the new trust and plan; and
- d) transfer the district assets from the CSBA Trust to the PARS Trust.

RESOLUTION NO. 2016.21

RESOLUTION OF THE GOVERNING BOARD
OF TRUSTEES OF STATE CENTER COMMUNITY COLLEGE DISTRICT
APPROVING THE ADOPTION OF THE
PUBLIC AGENCIES POST-EMPLOYMENT BENEFITS TRUST
ADMINISTERED BY PUBLIC AGENCY RETIREMENT SERVICES (PARS)

WHEREAS the State Center Community College District (the "District") is currently participating in the CSBA GASB 45 Solutions Program for the pre-funding of its retiree health benefits and other post-employment benefits other than pension benefits ("OPEB"); and

WHEREAS the CSBA GASB 45 Solutions Program is administered by PARS as Trust Administrator and U.S. Bank as Trustee; and

WHEREAS PARS has made available the Public Agencies Post-Employment Benefits Trust (the "Program") for the purpose of pre-funding OPEB obligations, and pension obligations, if elected by the District, as specified in the District's plans, policies and/or applicable collective bargaining agreements; and

WHEREAS the District is eligible to participate in the Program, a tax-exempt trust performing an essential governmental function within the meaning of Section 115 of the Internal Revenue Code, as amended, and the Regulations issued there under, and is a tax-exempt trust under the relevant statutory provisions of the State of California; and

WHEREAS the Program is also administered by PARS as Trust Administrator and U.S. Bank as Trustee; and

WHEREAS the District, upon adopting the Program, desires to withdraw from the CSBA GASB 45 Solutions Program, and transfer all account assets and records to the OPEB account established in the name of the District under the PARS Public Agencies Post-Employment Benefits Trust; and

WHEREAS the terms and conditions of post-employment benefit entitlement, if any, are governed by contracts separate from and independent of the Program; and

WHEREAS the District's funding of the Program does not, and is not intended to, create any new vested right to any benefit nor strengthen any existing vested right; and

WHEREAS the District's adoption and operation of the Program has no effect on any current or former employee's entitlement to post-employment benefits; and

WHEREAS the District reserves the right to make contributions, if any, to the Program.

NOW THEREFORE, BE IT RESOLVED THAT:

1. The Governing Board hereby adopts the PARS Public Agencies Post-Employment Benefits Trust, effective September 6, 2016; and

2. The Governing Board hereby appoints the Vice Chancellor, Finance and Administration, or his/her successor or his/her designee, as the District's Plan Administrator for the Program; and
3. The Governing Board hereby appoints the Retirement Board for the CSBA GASB 45 Solutions Program, to continue in its capacity as the Retirement Board for the PARS Public Agencies Post-Employment Benefits Trust, and to act on behalf of the District in selecting the investment approaches and providing direction to the Plan Administrator in matters related to the operation of the trust in accordance with the By-Laws of the Retirement Board.
4. The Governing Board hereby authorizes the Plan Administrator, in accordance with Section 3.3 of the CSBA GASB 45 Solutions Program Trust Agreement, adopted effective August 8, 2007, to withdraw from said trust and direct the transfer of assets and records held in said trust to the OPEB Account established in the name of the District under the PARS Public Agencies Post-Employment Benefits Trust, adopted herewith.
5. The District's Plan Administrator is hereby authorized to execute the PARS legal and administrative documents on behalf of the District and to take whatever additional actions are necessary to maintain the District's participation in the Program and to maintain compliance of any relevant regulation issued or as may be issued; therefore, authorizing him/her to take whatever additional actions are required to administer the District's Program.

AYES: 6

NOES: 0

ABSENT: 1

STATE OF CALIFORNIA
COUNTY OF FRESNO

Robert (Bobby) Kahn, the Secretary of the Governing Board of the State Center Community College District, hereby certifies that the above foregoing resolution was duly and regularly adopted by said District at a regular meeting thereof held on the 9/6/16, and passed by a 6-0 vote of said Board.

IN WITNESS WHEREOF I have hereunto set my hand and seal this September 6, 2016.


Secretary of the Governing Board