
LOS RIOS COMMUNITY COLLEGE DISTRICT
RETIREE HEALTH BENEFITS OVERSIGHT COMMITTEE

May 12, 2014
Business Services Conference Room
11:15 a.m.
(Approved 11/13/14)

Present: LRCCD: Katie DeLeon, Kathleen Kirklin, Tracy Clark, Theresa Matista, Jon Sharpe
WFB: Eric Lee, Tom Thurston, Todd Noetzelman

Welcome

Theresa called the meeting to order at 11:25am and welcomed everyone to the meeting.

February 10, 2014 Minutes

The February 10, 2014 minutes were approved by consensus.

Review of 1st Quarter 2014 (calendar year) Results

Eric Lee announced Tom Thurston will be retiring at the end of this week. He introduced Todd Noetzelman as our new relationship manager.

Eric Lee presented the 1st quarter Investment Report for 2014. Eric started by reviewing the Asset Allocation Investment Policy and noted that the benchmark of 30% equity, and 70% fixed income instead of 75% fixed income provides a broader benchmark and provides more diversification. Looking at page 7 of the report, Eric noted there was a large increase in money from June to September due to a large contribution made in the 3rd quarter.

Asset Allocation

Eric reviewed page 9 of the investment report highlighting the 1st quarter of 2014 market values outflows and inflows. He explained that there was not much change in this time frame. Growth in the 1st quarter has slowed down due to the overall economy, creating a better market for bonds and tougher market for stocks.

Performance Review

Eric reviewed page 13 of the investment report and explained that our performance was just under the benchmark for the 1st quarter of 2014. Foreign stocks have not been performing well. We remain selective in using active managers since they are more costly, but the returns they have provided are beneficial despite the costs. In discussing the stock funds, Eric went over the index characteristics. He likes our position of the portfolio and it is doing well.

Retiree Health Benefit Contribution Agenda Item

Theresa will take the Retiree Health Benefit Contribution Policy to the Board of Trustees for approval on May 14, 2014 of an increase of \$10 totaling \$235 per month. This is consistent with actuarial studies and

is the equivalent of 4.5% increase. The majority of our retirees are with Kaiser Senior Advantage (435). This change was approved effective July 1, 2014.

Future Meeting Dates/Agenda Items

The next meeting will be held on August 11, 2014.

The meeting ended at 12:30pm.