

Monday, December 12, 2022
3:30 p.m.
Audit and Finance Meeting
NOTES

Members Present: David Couch, Greg Orsini

Staff Present: Nicole Alvarado, Pat Kaspari, April Sousa

Meeting Called to Order at 3:35 p.m..

Public Comment

- None

Establish Section 115 Trust for Other Post-Employment Benefits (OPEB)

Finance Director Nicole Alvarado reviewed the agenda item and the calculations found within the packet.

- She noted that the District is currently 100% funded in all reserve categories except OPEB, which is at 43%.
- Options and investment strategies were reviewed and discussed.
- It was noted that funding at 100% was not an efficient use of funds.
- Staff suggests a funding target of 60%
- The difference between “Pay Go” and a 115 Section trust was discussed
- Finance committee agreed to the following to be recommended to the Board
 - 60% funding level target
 - Initial Transfer of \$2.5 M
 - Initial contribution of \$200,000 “Pay Go” and \$200,000 of reserves
 - To be reviewed annually
 - Investment Strategy to us – Strategy 3 – more conservative, expected return of 5%, risk 8.4%
- The committee asked to review the staff note prior to the February Board meeting, when this item will go to the Board for approval.
- Upcoming meeting items were discussed – next meeting on December 21 for Audit review. Other upcoming meetings needed to discuss a Single Audit review and information regarding California CLASS.
- Director Orsini asked for information on the Fixed Costs during the Budget process.

Adjourn – 4:53 p.m.