

MINUTES

EL CAMINO COMMUNITY COLLEGE DISTRICT RETIREMENT BOARD OF AUTHORITY MEETING

February 09, 2022

1:00 PM– 2:30 PM

Zoom Meeting ID: 955 8552 9523

I. CALL TO ORDER

1. The meeting was called to order at 1:02 PM by Roslyn Washington.

II. ROLL CALL

1. **All Retirement Board of Authority (RBOA) members were present except Jane Myashiro and Maria Smith:**

Loic Audusseau, Interim Vice-President, Administrative Services

Danny Villanueva, Interim Director, Purchasing and Risk Management

Jeffrey Hinshaw, Business Manager, Fiscal Services

2. **All Coordinators/Consultants were present:**

Roslyn Washington, Assistant Vice President, Keenan Financial Services

Cary Allison, Executive Director, Morgan Stanley

Scott Rankin, Senior Vice President, Benefit Trust Company

III. PUBLIC COMMENTS

1. There were no public comments.
2. This item is information only.

IV. APPROVAL OF AGENDA

1. Danny Villanueva moved to approve the agenda as presented; motion was seconded by Jeffrey Hinshaw and was unanimously approved by all RBOA members present.

V. APPROVAL OF MINUTES

1. A recommendation was presented by Roslyn Washington to adopt the previous minutes as submitted as no one currently at this meeting was available to attend the last meeting. All board members present agreed. Motion to approve made by Jeff Hinshaw, Motion seconded by Danny Villanueva.

VI. INVESTMENTS

1. **Portfolio Performance Review**

- a. Cary Allison of Morgan Stanley (MS) reviewed the performance of the Trust's accounts as of December 31, 2021.

- b. The Portfolio Value as of **December 31, 2021, was \$30,413,956.427**

- c. The Portfolio Value as of February 8, 2022, was \$28,761,018.

Time weighted return net of fees

Month to Date	Quarter to Date	Year to Date	Latest 12 Months	Annualized latest 3 Years	Annualized latest 5 Years	Annualized Inception to Date
1.28	2.01	7.64	7.64	12.60	7.19	5.00

- d. We moved from a conservative portfolio in 2012 to more equities in 2018.
- e. The market was way up today. Your portfolio was down about 5%, but after today you will probably only be down about 4%.
- f. Loic Audusseau Moved to approve the Portfolio Performance Review as presented; motion was seconded by Jeffrey Hinshaw and was unanimously carried by all RBOA members present.

2. Market Overview

- a. Cary Allison of Morgan Stanley (MS) gave an update on the current market conditions.
- b. The Federal Reserve said last year (early 2021) that they were not going to raise short term interest rates until 2024 and that they would remain at zero. However, after the end of year (Dec 2021) meeting, they quoted in their Minutes that they now had plans to raise the short-term interest rates at least 3 times this year to thwart off rising inflation. Morgan Stanley believes that inflation is at its peak now.
- c. MS believed most of the inflation was due to the supply chain issue. But we now believe the supply chain issues are more transient.
- d. The Fed Chair is now talking about raising rates 2-3 more times this year. However, if they raise them too fast, we can possibly move into a recession.
- e. We have seen a lot of corrections in the stock market over the past few weeks. Today the Dow was down 800.
- f. We just increased your exposure to REITS and decreased your international equities.

3. Investment Policy Review

- a. Scott Rankin presented the current IPS.
- b. Scott Rankin said the asset allocation in the current IPS works well in up markets and down markets because it is a 50/50 split.
- c. Jeffrey Hinshaw moved to reaffirm the IPS; motion was seconded by Loic Audusseau and unanimously approved by all RBOA members present.

VII. ADMINISTRATION

1. Designation of a New Member to the Retirement Board of Authority

- a. The board acknowledges and welcomes new RBOA Member Loic Audusseau, Interim Vice President of Administrative Services.

2. Election of Vice-Chair of the Retirement Board of Authority

- a. Daniel Villanueva nominated Jeffrey Hinshaw to serve as the RBOA Vice-Chair; motion was seconded by Loic Audusseau and unanimously approved by all RBOA members present.

3. Annual Reporting on the Status of the Trust

- a. Roslyn Washington presented the Annual Report on the Status of the Trust.
- b. Changes will be made to the cover letter to reflect corrected extension 3160, the letter will be resent for posting.
- c. This item is for information only.

4. Disbursement Report

- a. Roslyn Washington presented a Trust Disbursement Report reflecting fiduciary withdrawals and fees paid to Keenan, BTC & Morgan Stanley for their services for the period January 21, 2021 – January 20, 2022.
- b. Jeffrey Hinshaw Moved to ratify the Disbursement Report as presented; motion was seconded by Loic Audusseau and was unanimously approved by all RBOA members present.

5. Updating the Substantive/Comprehensive Compliance Plan.

- a. Roslyn Washington presented the RBOA with the signed OPEB Questionnaire.
- b. The updated information was updated in the Substantive Plan and a new E-Library was sent to the district at the end of last year.
- c. This is information only.

6. Actuarial Valuation Study Update

- a. The RBOA was presented with the most current Actuarial Study dated January 9, 2020.
- b. The district is currently in compliance.
- c. This item is information only.

7. Future Transfer of Assets into the Trust

- a. There will be no contributions made into the Trust for this fiscal year 2021-2022.
- b. This is an information item only.

VIII. INFORMATION REPORTS

1. Retirement Board of Authority Comments

- a. None comments.
- b. This item is information only.

2. Program Coordinator/Consultant Comments

- a. No comments.
- b. This item is information only.

IX. DATE, TIME AND AGENDA ITEMS FOR NEXT MEETING

- a. Roslyn will coordinate with Shobhana to set a new meeting date.
- b. This item is information only.

X. ADJOURNMENT

- a. Roslyn Washington moved to adjourn the meeting at 1:46 PM.