

# MINUTES

## CALIFORNIA PUBLIC ENTITY PENSION STABILIZATION TRUST (PST) BOARD OF AUTHORITY MEETING

March 10, 2021

12:30 PM – 1:00 PM

This meeting was held via Zoom:

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<https://zoom.us/j/97265993476>

Meeting ID: 972 6599 3476

### **I. CALL TO ORDER**

1. The meeting was called to order at 1:01 pm by Roslyn Washington.

### **II. ROLL CALL**

1. **All Board of Authority (RBOA) members were present:**

Kim McCord, South Orange County CCD, (Board of Authority Chair)

Anita Undercoffer, Chaffey CCD

Kim Erickson, Chaffey CCD

Dr. Abdul Nasser, Compton CCD

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

Roslyn Washington, Assistant Vice President, Keenan Financial Services,

Cary Allison, Executive Director, Morgan Stanley (MS),

Scott Rankin, Senior Vice President, Benefit Trust Company (BTC).

### **III. PUBLIC COMMENTS**

1. None

### **IV. APPROVAL OF AGENDA**

1. Kim McCord moved to approve the agenda as presented; motion was seconded by Anita Undercoffer and was unanimously approved by all of the BOA members present.

### **V. APPROVAL OF MINUTES**

1. Roslyn Washington presented the Minutes from the **March 25, 2020** meeting.
2. Kim McCord moved to approve the Minutes, Motion was seconded by Kim Erickson and unanimously approved by all members of the Board Authority.

### **VI. INVESTMENTS**

1. **Portfolio Performance Review**

- a. Cary Allison presented a review of the comparative benchmarks and asked that each district review their individual return info that was provided in their packet.

- b. Cary advised that the committee made changes to the portfolio by adding in the Guggenheim Macro Opportunity Fund. And for the clients that have equities in their portfolios, we added in a Mid Cap Focus Fund.
- c. Each participant moved to accept their performance reports, and the comparatives were unanimously approved by the entire Board of Authority.

## **2. Market Overview**

- a. Cary Allison of Morgan Stanley (MS) discussed the current market conditions.
- b. Morgan Stanley and economist expect U.S GDP will be 12.4% in Q2 2021, and forecast positive GDP growth for 2021 as economic recovery continues, with an estimate of 8.1% GDP growth in Q4 2021.
- c. There is an historic amount of money being poured into the market now.
- d. When we met last year, the pandemic had actually accelerated growth of certain industries.
- e. Anything technical, home improvement, or online retail sales related spiked is sales. Whereas, other industries like travel took a huge decline in growth and earnings.
- f. Shopify, an online retailer reported about 10yrs worth of growth in a 3month time span.
- g. Morgan Stanley has been quite “Bullish” in the past 9 months.
- h. The Fed Fund short term interest rate is currently at zero, and should remain there until approximately 2023.
- i. MS feels inflation will remain low, but may peak at 2% and slowly go back down.
- j. This is an information item only.

## **3. Review of Investment Policy Statement**

- a. Scott Rankin reviewed the Investment Policy Statement with the Board of Authority. Although this document still outlines the rules of investing, district has multiple portfolio models to choose from.
- b. Kim McCord motioned to reaffirm the IPS, motion was seconded by Dr. Nasser, and unanimously approved by all members of the Board of Authority.

# **VII. ADMINISTRATION**

## **1. Designation of new Board of Authority Member**

- a. The Board of Authority would like to formally acknowledge Dr. Abdul Nasser of Compton Community College District as a member of the California Public Entity Pension Stabilization Trust Board of Authority (BOA).
- b. This is an information item only.

## **2. Disbursement Report**

- a. Disbursement Report presented by Roslyn Washington, Keenan to each PST participant showing all fees paid to the consulting firms.
- b. Each participating member confirmed their fees are correct based on end of month market value.
- c. Each participant moved to ratify their fees reports, and the fee schedule was

unanimously approved by the entire Board of Authority.

**VIII. INFORMATION REPORTS**

**1. Retirement Board of Authority Comments**

No comments.

**1. Program Coordinator/Consultant Comments**

No comments.

**IX. DATE, TIME AND AGENDA ITEMS FOT NEXT MEETING**

- a. March 2022
- b. This item is information only.

**X. ADJOURNMENT**

- a. The Meeting was adjourned by Roslyn Washington at 1:36 PM.