

MINUTES

CHAFFEY COMMUNITY COLLEGE DISTRICT RETIREMENT BOARD OF AUTHORITY MEETING

March 15, 2022

1:00 PM–2:00 PM

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 Susan Hardie, Director of Human Resources:**

Lisa Bailey, Assoc. Superintendent of Business Services & Economic Development

Patrick Cabildo, Interim Executive Director, Budgeting & Fiscal Services

Kim Erickson, Executive Director of Business Services

Tim Dominguez, Interim Internal Auditor

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

Roslyn Washington, Assistant Vice President, Keenan Financial Services

Scott Rankin, Senior Vice President, Benefit Trust Company

Cary Allison, Executive Director, Morgan Stanley

3. **Guests:**

Dan Keenan, Keenan Financial Services

Amanda Allison, Keenan Financial Services

Kristin Cooper, Keenan Financial Services

III. PUBLIC COMMENTS

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

IV. DECLARATION

1. Due to the current state of emergency pertaining to Covid-19, the Retirement Board of Authority (RBOA) oversight committee has concluded, by a majority vote, that meeting in person presents imminent risks to the health or safety of attendees. Therefore, it is desired and approved by the RBOA to conduct this “Brown Act” meeting via teleconference. This declaration will remain in force until further notice and alternate action taken by the RBOA.
2. Lisa Bailey Moved to approve the declaration as presented; Motion was seconded by Kim Erickson and was unanimously approved by all of the RBOA members present.

V. APPROVAL OF AGENDA

1. Lisa Bailey Motioned to approve the Agenda with a spelling correction to Tim Dominguez in the Roll Call section; Motion was seconded by Patrick Cabildo and was unanimously approved by all of the Retirement Board members present.

VI. APPROVAL OF MINUTES

1. Kim Erickson Motioned to accept the Minutes as presented; Motion was seconded by Patrick Cabildo and was unanimously approved by all of the Retirement Board members present.

VII. INVESTMENTS

1. Portfolio Performance Review

- a. Cary Allison of Morgan Stanley (MS) reviewed the performance of the Trust's accounts as of February 28, 2022.
- b. The Portfolio Value as of **February 28, 2022, was \$14,751,989.56**

Time weighted return net of fees

Month to Date	Quarter to Date	Year to Date	Latest 1 Year	Annualized latest 3 Year	Annualized latest 5 Year	Annualized Inception to Date
-2.60	-7.36	-7.36	-1.34	7.28	6.03	5.30

- c. The Portfolio Value as of **March 14, 2022, was \$13,900,717.14**
- d. There were no changes to your portfolio mix since we last met.
- e. Kim Erickson Motioned to approve the Portfolio Performance Review as presented; Motion was seconded by Lisa Bailey and was unanimously approved by all of the Retirement Board 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. Before the war in Ukraine, we believed the inflation would slow down by summertime 2022, but now we are not sure.
- e. 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.
- f. We have seen a lot of corrections in the stock market over the past few weeks. Today the Dow was down 800.
- g. Typically, when Stocks are down, Bonds do well. However, both Bonds & Stocks have been doing poorly this quarter.
- h. We just increased your exposure to REITS and decreased your international equities.

3. Investment Policy Statement

- a. Scott Rankin presented the district's current Investment Policy Statement.
- b. Scott asked if there were any plans to withdraw from the trust to cover expenses?
- c. Kim said no, not for a couple of years.
- d. Patrick Cabildo moved to reaffirm the IPS in its present state. Lisa Bailey seconded the motion, and it was approved by all other RBOA members present.

VIII. ADMINISTRATION

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

- a. The board acknowledges and welcomes Tim Dominguez, Interim Internal Auditor as new RBOA member.
- b. This item is information only.

2. Election of RBOA Chairperson

- a. Kim Erickson moved to nominate Patrick Cabildo as RBOA Chair; motion was seconded by Lisa Bailey and unanimously carried by all RBOA members.

3. Election of RBOA Vice-Chairperson

- a. Kim Erickson moved to nominate Tim Dominguez as RBOA Vice-Chair; motion was seconded by Lisa Bailey and unanimously carried by all RBOA members.

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 March 04, 2021 – February 24, 2022.
- b. Kim Erickson moved to ratify the Disbursement Report as presented; Motion was seconded by Patrick Cabildo and was unanimously carried by all RBOA members present.

4. Actuarial Valuation Study Update

- a. Actuarial Valuation Study has an effective date of July 20, 2021.
- b. This item is information only.

5. Transfer of Assets into the Trust

- a. Roslyn Washington asked the RBOA if they could advise the amount that the district would be funding for Fiscal Year 2021/2022? The board advised that they were not certain of the exact amount, but Patrick said he will be looking at the budget to determine if a deposit will be made.
- b. This item is information only.

IX. INFORMATION

1. Retirement Board of Authority Comments

- a. No Comments.
- b. This is information only.

2. Program Coordinator/Consultant Comments

- a. No Comments.
- b. This is information only.

X. DATE, TIME AND AGENDA ITEMS FOR NEXT MEETING

- a. March 14, 2023, from 1:00-2:00pm.
- b. This is information only.

XI. ADJOURNMENT

- a. Roslyn Washington adjourned the meeting at 1:51 PM.