

# MINUTES

## CHAFFEY COMMUNITY COLLEGE DISTRICT RETIREMENT BOARD OF AUTHORITY MEETING

April 15, 2020  
1:30 PM–2:30 PM

### I. CALL TO ORDER

1. The meeting was called to order at 1:33 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  
Anita D. Undercoffer, Executive Director, Budgeting & Fiscal Services  
Kim Erickson, Executive Director of Business Services  
Patrick Cabildo, 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, Senior Vice President, Morgan Stanley

### III. PUBLIC COMMENTS

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

### IV. APPROVAL OF AGENDA

1. Kim Erickson Motioned to approve the Agenda as presented; Motion was seconded by Lisa Bailey and was unanimously approved by all of the Retirement Board members present.

### V. APPROVAL OF MINUTES

1. Anita Undercoffer Motioned to accept the Minutes with correction to Kim Erickson's name in #4 from the previous RBOA meeting April 16, 2019; Motion was seconded by Kim Erickson and was unanimously approved by all of the Retirement Board members present. Kim Erickson abstained.

### VI. INVESTMENTS

1. **Portfolio Performance Review**

- a. Cary Allison of Morgan Stanley (MS) reviewed the performance of the Trust's accounts as of March 31, 2020.
- b. The Portfolio Value as of **March 31, 2020 was \$8,100,391.87**

### 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
-2.94	-2.27	-2.27	6.18	4.84	-	4.20

- c. The Portfolio Value as of **April 14, 2020** was **\$8,502,874.89**
- d. Last night you were up \$400,000. That's up 5% and over 8.5 million.
- d. Changes were made to the fixed income by adding two global funds.
- e. Patrick Cabildo 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 discussed the current market conditions.
- b. The S&P 500 started off the year with a historic quarter following a historic 2019 year.
- c. Equities were down 19.6% on the quarter following a year in which they gained 32.6%
- d. The Global Equity Markets declined sharply as the spread of COVID-19 and the oil prices collapse brought the economies to a halt and caused investors to sell out of risky assets.
- e. As for the US Equity markets, the Dow lost on average of 22.7%.
- f. The US Bond Market was positive the first quarter outperforming equities as investors looked for less risky assets.
- g. Interest rates fell during the first quarter, dropping to zero as the 10-year Treasury note fell from 1.92% in December 2019 to 0.61% at the end of the first quarter.
- h. Energy fell the most by 50.5% which was exacerbated by the initiation of the oil price war.
- i. The MSCI EAFE Index, (the benchmark for international developed markets) lost over 22.7%.
- j. The MSCI Emerging Markets Index lost 23.6%
- k. Morgan Stanley expect U.S. real GDP will be -0.6% in the first quarter of 2020 due to the halt in economic growth around the world and amid concerns of a deeper recession surrounding COVID-19.

### 3. Investment Policy Statement

- a. Scott Rankin noted that the district was in accumulation stage when the IPS was signed. We are currently ahead of where you were last April.
- b. I don't recommend any changes at this point.
- c. Kim Erickson moved to reaffirm the IPS in its present state. Lisa Bailey seconded the motion, and it was approved by all other RBOA members present.

## **VII. ADMINISTRATION**

### **1. Election of RBOA Chairperson**

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

### **2. Election of RBOA Vice-Chairperson**

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

### **3. 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 21, 2019 – March 26, 2020.
- b. Kim Erickson moved to ratify the Disbursement Report as presented; Motion was seconded by Anita Undercoffer and was unanimously carried by all RBOA members present.

### **4. Actuarial Valuation Study Update**

- a. Actuarial Valuation Study has an effective date of February 22, 2019.
- b. The newest study is in draft form, but there should be no changes.
- c. New age and gender tables used raised the district's liability by \$4.4 million putting the liability over \$14 million
- d. This item is information only.

### **5. Transfer of Assets into the Trust**

- a. Roslyn Washington, Keenan asked the RBOA if they could advise the amount that the district would be funding for Fiscal Year 2020/2021? The board advised that they were not certain of the exact amount but will know after the end of the fiscal year 2019/2020.
- b. This item is information only.

## **VIII. 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.

## **IX. DATE, TIME AND AGENDA ITEMS FOR NEXT MEETING**

- a. Roslyn Washington will send a few dates to coordinate the next the next meeting.
- b. If the district would like to have an additional meeting before next year, one can easily be added.
- c. This is information only.

**XI. ADJOURNMENT**

- a. Roslyn Washington adjourned the meeting at 2:11 PM.