

MINUTES

NORTH ORANGE COUNTY COMMUNITY COLLEGE DISTRICT RETIREMENT BOARD OF AUTHORITY MEETING

April 1, 2020

1:30 PM–2:30 PM

Meeting ID: 572 802 338

<https://cccconfer.zoom.us/j/aegD37dCU1>

I. CALL TO ORDER

1. Meeting was called to order at 1:31 PM by RBOA Chair, Fred Williams.

II. ROLL CALL

1. **All Retirement Board members were present:**

Fred Williams, Vice Chancellor, Finance & Facilities
Irma Ramos, Vice Chancellor, Human Resources
Fola Odeunmi, Full-time Faculty Representative
Markus Burger, Full-time Faculty Representative
Theresa Johnston, Classified Representative
Gail Smead, Classified Representative
Jacqueline Rodarte, Board of Trustee Representative
Joe Boyle, Retiree Representative
Jim Phillips, Retiree Representative

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

Roslyn Washington, Assistant Vice President, Keenan Financial Services
Scott Rankin, Senior Vice President, Benefit Trust Company (BTC)
Cary Allison, Executive Director, Morgan Stanley (MS)

III. PUBLIC COMMENTS

1. There were no public comments.

IV. APPROVAL OF AGENDA

1. Board member Jacqueline Rodarte moved to approve the Agenda as presented; Motion was seconded by board member Joe Boyle and was unanimously carried by all members present.

V. APPROVAL OF MINUTES

1. Board member Joe Boyle moved to approve the Minutes from the **September 25, 2019** meeting as presented; Motion was seconded by board member Jacqueline Rodarte and was unanimously carried by all members present.

VI. INVESTMENTS

1. **Portfolio Performance Review**

- a. Cary Allison of Morgan Stanley (MS) reviewed the performance of the

- Investment Trust's portfolio account as of **February 29, 2020**.
- b. The portfolio value as of February 29, 2020 was **\$106,534,240.99**.

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
-3.82	-3.32	-3.32	6.13	5.71	-	6.67

- c. The Portfolio Value as close of 3/31/20 was **\$94,256,687**.
- d. We have not rebalanced but will at some point.
- e. Board member Joe Boyle moved to approve the Portfolio Performance Review as presented; Motion was seconded by board member Jim Phillips and was unanimously carried by all 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 Review

- a. Scott Rankin discussed the Investment Policy Statement.
- b. Fred Williams asked do we stay the course?
- c. Cary Allison responded: we are not encouraging anyone to change their portfolio, but we aren't telling folks to be more aggressive either.
- d. Fred Williams moved to reaffirm the Investment Policy Statement as presented; Motion was seconded by Jim Phillips and was unanimously approved by all members present.

VIII. ADMINISTRATION

1. Designation of New Retirement Board of Authority (RBOA) Faculty Member

- a. The Retirement Board of Authority acknowledges new board members Markus Burger and Fola Odebunmi as their Full-time faculty Representatives.
- b. This item is information only.

2. 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 September 15, 2019 – March 23, 2020.
- b. Board member Fred Williams moved to ratify the Disbursement Report as presented; Motion was second by board member Jaqueline Rodarte and was unanimously carried by all RB members present

3. Actuarial Valuation Study Update

- a. A new Actuarial Valuation study is scheduled for June 30, 2020.
- b. This is an information item only.

4. Future Transfer of Assets into the Trust

- a. The district plans to transfer 1 million dollars into the trust this fiscal year.
- b. This item is information only.

IX. INFORMATION

1. NOCCCD Retirement Board Comments

- a. There were no NOCCCD Retirement Board comments.
- b. This item is information only.

2. Program Coordinator/Consultant Comments

- a. There were no Program Coordinator/Consultant comments.
- b. This item is information only.

X. DATE, TIME AND AGENDA ITEMS FOR NEXT MEETING

- a. A date will be selected in the near future.
- c. This is an information item only.

XI. ADJOURNMENT

1. The meeting was moved to adjourned at 2:29 P.M by Jaqueline Rodarte; Motion seconded by Jim Phillips and unanimously approved by all RBOA Members present.