

MINUTES

VENTURA COUNTY COMMUNITY COLLEGE DISTRICT RETIREMENT BOARD OF AUTHORITY MEETING

August 16, 2017

1:30 PM – 3:30 PM

I. CALL TO ORDER

1. The meeting was called to order at 1:33 PM by Dr. David El Fattal.

II. ROLL CALL

1. **All Retirement Board of Authority (RBOA) members were present:**
Dr. David El Fattal, Vice Chancellor, Business & Administrative Services,
Michael Shanahan, Vice Chancellor, Human Resources,
Emily Day, Director of Fiscal Services,
Gary Maehara, Director of Human Resources Operations,
Dr. Steve Hall, American Federation of Teachers Local 1828/AFL-CIO,
Kirk Norris, Service Employee International Union Local 99.
2. **All Coordinators/Consultants were present, except Gail Beal:**
Roslyn Washington, Senior Account Manager, Keenan Financial Services,
Karen Goodsite, Account Executive, Keenan & Associates,
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. Michael Shanahan Motioned to approve the Agenda as presented; Motion was seconded by Gary Maehara and was unanimously approved by all of the Retirement Board of Authority members present.

V. APPROVAL OF MINUTES

1. Dr. Steve Hall Motioned to accept the Minutes from the previous RBOA meeting as presented; Motion was seconded by Emily Day and was unanimously approved by all of the Retirement Board of Authority members present.

VI. INVESTMENTS

1. **Portfolio Performance Review**
 - a. Cary Allison of Morgan Stanley (MS) reviewed the performance of the Trust's accounts as of June 30, 2017.
 - b. The Portfolio Value as of **June 30, 2017 was \$19,744,169.65.**

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
0.80	3.21	7.67	12.21	4.01	7.01	5.67

- c. The Portfolio Value as of **July 31, 2017** was **\$20,059,000**.
- d. The Portfolio Value as of **August 15, 2017** was **\$19,927,000**.
- e. Cary explained the asset mix. and the TRR net of fees.
- f. We had June report in the packet.
- g. For the first time in seven years International markets beat domestic markets. MS thinks the economy is starting to see a turn.
- h. Gary Maehara Motioned to approve the Portfolio Performance Review as presented; Motion was seconded by Dr. Steve Hall and was unanimously approved by all of the Retirement Board of Authority members present.

2. Market Overview

- a. Cary Allison gave an overview of the Markets since the last RBOA meeting.
- b. Risk markets globally continued to gain in the second quarter of 2017. Led by international markets it appears we are in the midst of the most synchronous global economic upturn since 2009.
- c. Our bullish global equity outlook assumes earnings estimates will continue to move higher as the global economic recovery persists.
- d. We are watching the Federal Open Market Committee, which hiked rates for the third meeting in a row this quarter and signaled at least 1 further hike in 2017.
- e. For the quarter, US equities posted strong performance.
- f. The largest returns for the quarter actually came from abroad. For the one-year period ending June 30, 2017, global equities rallied with double-digit returns exceeding 20% in most regions.
- g. The bond market registered slightly positive returns during the second quarter.
- h. Morgan Stanley & Co. economists expect US real GDP will be 2.2% in 2017. They forecast global GDP growth to be 3.6% in 2017.
- i. In the second quarter, emerging markets (EM) and international developed regions both delivered positive returns.
- j. The US bond market registered positive returns during the second quarter. Interest rates decreased during the second quarter, as the yield on the 10-year US Treasury note declined to a quarter-end 2.30% from 2.38% at the end of the first quarter of 2017.
- k. This item is information only.

3. Investment Policy Statement Review

- a. Scott Rankin reviewed the Investment Policy Statement.
- b. Michael Shanahan Motioned to reaffirm the Investment Policy Statement as presented; Motion was seconded by Dr. Steve Hall and was unanimously approved by all of the Retirement Board of Authority members present.

VII. ADMINISTRATION

1. Designation of New Retirement Board of Authority Member and RBOA Chair Acknowledgement

- a. Kirk Norris was acknowledged and welcomed as a new member of the RBOA.
- b. This item is information only

2. Annual Reporting on the Status of the Trust

- a. Roslyn Washington presented the Annual Report on the Status of the Trust.
- b. Dr. Steve Hall Motioned to ratify the Annual Report on the Status of the Trust; Motion was seconded by Gary Maehara and was unanimously approved by all of the Retirement Board of Authority members present.

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 September 1, 2016 – July 11, 2017.
- b. Emily Day Motioned to ratify the Disbursement Report as presented; Motion was seconded by Michael Shanahan and was unanimously carried by all RBOA members present.

4. Actuarial Valuation Study Update

- a. The current report is as of October 1, 2016 and is based on GASB 43/45. A new report is being done soon and will be based on 74/75.
- b. Dr. Steve Hall noted the data Geoff used is wrong. The cost went up but it should not have because the Health Care costs/claims went down.
- c. This item is information only.

5. Future Transfer of Assets into the Trust

- a. No transfer is currently planned.
- b. This item is information only.

6. Updates to the Comprehensive Compliance Plan Including the “Substantive Plan”

- a. Roslyn Washington addressed the RBOA and advised that the Service Rep will be working with the District to gather information to update the Substantive Plan.
- b. This 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. March 20, 2018 1:30 PM-3:00 PM.
- b. This is information only.

X. ADJOURNMENT

- a. Dr. Dave El Fattal adjourned the meeting at 2:45 PM.