

MINUTES

VENTURA COUNTY COMMUNITY COLLEGE DISTRICT RETIREMENT BOARD OF AUTHORITY MEETING

December 3, 2019

1:00 PM – 2:00 PM

I. CALL TO ORDER

1. The meeting was called to order at 1:10 PM by Dr. David El Fattal.

II. ROLL CALL

1. **All Retirement Board of Authority (RBOA) members were present except for Michael Sheetz and one vacant position held by the Vice Chancellor of Human Resources:**

Dr. David El Fattal, Vice Chancellor, Business & Administrative Services,

Emily Day, Director of Fiscal Services

Laura Barroso, Director of Human Resources Operations

Kirk Norris, Service Employee International Union Local 99.

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. Emily Day Moved to approve the Agenda; Motion was seconded by Kirk Norris, and unanimously approved by all of the other Retirement Board of Authority members present.

V. APPROVAL OF MINUTES

1. Emily Day Moved to accept the Minutes from the previous RBOA meeting **March 27, 2019** as presented; Motion was seconded by Laura Barroso 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 **October 31, 2019**.

b. The Portfolio Value as of **October 31, 2019** was **\$22,802,578**.

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
1.49	1.49	14.06	10.12	7.37	5.14	5.62

- c. Cary Allison of Morgan Stanley went over the portfolio summary.
- d. The “Alternatives” section of the portfolio summary
- e. In March the portfolio value was \$21.2 million, up \$1.6 million since we last met.
- f. The portfolio value as of November 30, 2019 was \$22,802,578.
- g. Kirk Norris moved to accept the report, Emily Day Motioned to second with all Retirement Board of Authority in approval.

2. Market Overview

- a. Cary Allison gave an overview of the Markets since the last RBOA meeting.
- b. Cary advised that the information you hear in the news regarding a recession is basically due to what is called an “inverted yield curve”. This is when the 2-year treasury return is slightly higher than the 10-year treasury return.
- c. Central Banks are buying up a lot of bonds which is causing the inverted yield curve.
- d. The U.S. buying power is still very strong. We are nowhere near a recession.
- e. Two months ago the Fed reduced rates .25%, and another .25% recently this month. Jerome Powell, Fed Chair, may reduce them 1 more time before the end of year but Morgan Stanley thinks rates will remain where there are after that.
- f. Moving forward we think we are just in a slow growth environment.
- g. The behavior of spending has changed with consumers, however, there is also a growth trend of consumer savings on average of approximately 9% of salary.
- h. Morgan Stanley feels that we are about a 5% into a 10% correction right now.
- i. We are still waiting on a China trade deal, but we think that will take much longer than originally anticipated.
- j. Morgan Stanley still prefers stocks over bonds.
- k. This item is information only.

3. Investment Policy Statement Review

- a. Scott Rankin went over the investment policy statement.
- b. The net OPEB liability is \$175 million.
- c. Kirk Norris Moved to reaffirm the IPS in its current status, the motion was seconded by Emily Day and unanimously approved by the Retirement Board members present.

VII. ADMINISTRATION

1. Annual Reporting on the Status of the Trust

- a. Roslyn Washington, Keenan presented the annual notice cover letter and advised that the letter and the annual statement have been placed on the District website for plan participants and their beneficiaries.
- b. This item is for information only.

2. Disbursement Report

- a. Roslyn Washington presented a Trust Disbursement Report reflecting fees paid to Keenan, Benefit Trust Company (BTC) & Morgan Stanley for their services for the period March 2019 – November 2019.
- b. Emily Day moved to ratify the fees; motion was seconded by Kirk Norris and unanimously approved by all board members present.

3. Future Transfer of Assets into the Trust

- a. No transfer is currently planned for Fiscal Year 2019/2020.
- b. This item is information only.

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

- a. Roslyn Washington presented the Electronic Library for Fiscal Year 2018-2019.
- b. This is an informational item only.

VIII. INFORMATION

1. Retirement Board of Authority Comments

- a. No Comments.

2. Program Coordinator/Consultant Comments

- a. No Comments.

IX. DATE, TIME AND AGENDA ITEMS FOR NEXT MEETING

- a. April 16, 2020 2:00PM-3:00 PM.
- b. This is information only.

X. ADJOURNMENT

- a. Dr. David El Fattal adjourned the meeting at 1:45PM