



Retirement Board of Authority (RBOA) Meeting MINUTES

September 23, 2020

11:30 am – 12:30 pm
28000 Marguerite Parkway
Mission Viejo, CA 92692-3635
(949) 582-4999

Zoom Meeting:

<https://zoom.us/j/97943078512?pwd=NWpyRTUzV0IwK25jVGdDbIBwZWE5dz09>

Meeting ID: 979 4307 8512

Passcode: 386172

The Retirement Board of Authority (the “Board”) members: Ann-Marie Gabel; Dr. Cindy Vyskocil; Kim McCord; Davit Khachatryan; Cory Wathen.

Program Coordinator: Keenan Financial Services: Gail Beal, Roslyn Washington.

Consultants: Scott Rankin, Benefit Trust Company; Cary Allison, Morgan Stanley.

Roll Call: The RBOA meeting was called to order at 11:36 am by Ann-Marie Gabel.

Roll-call was conducted with all RBOA members reporting their presence. All the OPEB Trust's “service entity” representatives indicated their presence, except Gail Beal.

Retirement Board of Authority (RBOA) Charge: The Retirement Board of Authority is charged with ongoing Governance of the District’s OPEB Trust. Effective Governance for the District’s OPEB Trust requires the delineation of plan-related roles and responsibilities; the capture of key delegations and appointments in writing; the creation of reporting protocols across all plan-related parties; the use of applicable metrics to monitor and measure investment performance; the management of administration and compliance milestones; the maintenance of robust documentation to support, guide and demonstrate prudence ; while RBOA members keep fiduciary skills sharp and investment knowledge current.

01. Public Comments; Meeting on September 23, 2020: (Information)

No Public Comment

02. Approval of Agenda for RBOA meeting on September 23, 2020: (Action)

A motion was made by RBOA member Kim McCord to approve the Agenda as presented. Motion was seconded by Dr. Cindy Vyskocil and was unanimously carried by all the RBOA members present.

03. Approval of Minutes from March 25, 2020 RBOA Meeting: (Action)

A motion was made by RBOA member Ann-Marie Gabel to approve the Minutes for the previous RBOA meeting on March 25, 2020. Motion was seconded by Dr. Cindy Vyskocil and was unanimously approved by a roll call vote of all RBOA members present. Cory Wathen abstained.

04. Review of Action Items from Previous Meeting on March 25, 2020:

	Actions:	Assigned to:	Deadline:	Status/Comments:
A.	No items were reviewed			

05. Portfolio Performance Review: (Action)

- a. Cary Allison of Morgan Stanley (MS) reviewed the performance of the District's Investment Trust portfolio account as of August 31, 2020.
- b. The Portfolio Value of the Trust as of **August 31, 2020 was \$137,434,681.94**

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 Latest 10 Year	Annualized Inception to Date
2.40	6.38	6.19	11.11	6.56	7.03	6.83	6.02

- c. A motion was made by RBOA member Kim McCord to accept the Portfolio Performance Review as presented. The motion was seconded by RBOA member Dr. Cindy Vyskocil and was unanimously approved by a roll call vote of all of the RBOA members present.

06. Market Overview: (Information)

- a. Cary Allison of MS gave a market update.
- b. Our global investment committee thinks that we are in a V-shaped recovery.
- c. MS initially thought that we would not return to a Pre-Covid environment until the end of 2021, or early 2022. Now we think we will actually be fully recovered by the 2nd quarter of 2021.
- d. Technology has boomed during the Covid-19 correction period because of companies like Amazon, Zoom & DocuSign that are up 500% while other industries like airlines & travel related businesses like cruise lines are doing horribly.
- e. MS believes there is a fair amount of value in Corporate Bonds.
- f. We also think that long-term rates will stay low because there isn't much inflation or global growth at this time.
- g. Short Term rates will probably stay at zero until at least end of 2022.
- h. Fed Chair Powell said they will not raise short term rates up from the current zero until 2023.
- i. There is a great anticipation that we will have a vaccine for the COVID-19 virus by the end of the year.
- j. This is an information item only.

07. Investment Policy Statement Review: (Action)

- a. Scott Rankin presented the Investment Policy Statement with redline changes.
- b. The Target rate of return is still at 6%, however the new language will replace the Target Rate of Return with Target Asset Allocation.
- c. A motion was made by RBOA member Davit Khachatryan to accept the Investment Policy with language changes. The motion was seconded by RBOA member Kim McCord and unanimously carried by a roll-call vote of the RBOA membership present.

08. Annual Reporting on the Status of the Trust: (Information)

- a. Roslyn Washington of Keenan presented the cover letter that is posted annually with the annual statement and confirmed that the report has been posted to the SOCCCD website.
- b. This item is information only.

09. Disbursement Report: (Action)

- a. Roslyn Washington presented the Disbursement Report reflecting fees paid to the District's OPEB Trust service entities for the period of October 2019 thru March 2020.
- b. A motion was made by RBOA member Ann-Marie Gabel to ratify the District's Disbursement Report as presented. The motion was seconded by Davit Khachatryan and was unanimously carried by all the RBOA membership present.

10. Updates to the Comprehensive Compliance/Substantive Plan)

- a. Roslyn Washington presented the Comprehensive Compliance Plan update to the RBOA and advised that the new Substantive Plan listing Retiree Health benefits effective June 30, 2020 was in a flash drive format instead of CD-ROM and was already delivered to the district.
- b. This is an information item only.

11. Information Report: RBOA Comments

- a. No RBOA comments were made.
- b. This item is information only

12. Information Report: Program Coordinator/Consultant Comments

- a. No Program Coordinator/Consultant Comments were made.
- b. This item is information only

13. Information Report: Public Comments

- a. No public comments were made.
- b. This item is information only

14. Date, Time and Agenda Items for Next Meeting

Future Retirement Board of Authority (RBOA) Meetings are scheduled as follows:

- a. March 17, 2021: 11:30am-12:30pm
- b. This item is information only

<p>Summary of Recommendations/Decisions Made Today (Action Items):</p> <ul style="list-style-type: none"> 1. Approval of Agenda for RBOA Meeting on September 23, 2020. 2. Approval of Minutes from RBOA Meeting on March 25, 2020. 3. RBOA acceptance of the District's Investment Trust Portfolio Performance Review for period ended August 31, 2020. 4. The District's Disbursement Report ratified as presented.
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Action Items (September 23, 2020)

	Action:	Assigned to:	Deadline:	Status/Comments:
1.	None Assigned			

15. Adjournment:

There being no further business to conduct, the Retirement Board of Authority meeting was adjourned by Ann-Marie Gabel at 12:34 pm.

Americans with Disabilities Act: The South Orange County Community College District Retirement Board of Authority conforms to the protections and prohibitions contained in Section 202 of the Americans with Disabilities Act of 1990 and the federal rules and regulations adopted in implementation thereof. A request for disability-related modification or accommodation, in order to participate in a public meeting of the South Orange County Community College District Retirement Board of Authority meeting, shall be made to: Kim McCord, District Director, Fiscal Services, South Orange County Community College District, 28000 Marguerite Parkway, Mission Viejo, CA. 92692-4999.