

# MINUTES

## VENTURA COUNTY COMMUNITY COLLEGE DISTRICT RETIREMENT BOARD OF AUTHORITY MEETING

December 7, 2022  
10:00 AM –11:00 AM

### **I. CALL TO ORDER**

1. The meeting was called to order at 10:03 PM by Dr. David El Fattal.

### **II. ROLL CALL**

1. **All Retirement Board of Authority (RBOA) members were present except for Michael Sheetz and Laura Barroso:**  
Dr. David El Fattal, Vice Chancellor, Business & Administrative Services,  
Emily Day, Director of Fiscal Services  
Gloria Banuelos, Director of Employee Relations & 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,  
Kristin Cooper, Senior Service Analyst, Keenan Financial Services,  
Scott Rankin, Senior Vice President, Benefit Trust Company,  
Cary Allison, Executive Director, Morgan Stanley.

### **III. DECLARATION**

1. Due to the current state of emergency pertaining to Covid-19, the Retirement Board of Authority (RBOA) oversight committee has concluded, by a majority vote, that meeting in person presents imminent risks to the health or safety of attendees. Therefore, it is desired and approved by the RBOA to conduct this “Brown Act” meeting via teleconference. This declaration will remain in force until further notice and alternate action taken by the RBOA.
2. A motion was made by Emily Day and seconded by Gloria Banuelos to accept the declaration to conduct this Brown Act meeting via teleconference; motion unanimously carried.

### **IV. PUBLIC COMMENTS**

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

### **V. APPROVAL OF AGENDA**

1. A motion was made by Kirk Norris and seconded by Emily Day to approve the agenda as presented; motion unanimously carried.

### **VI. APPROVAL OF MINUTES**

1. A motion was made by Gloria Banuelos and seconded by Emily Day to approve the minutes from the last meeting December 3, 2021, as presented; motion unanimously carried.

## VII. INVESTMENTS

### 1. Portfolio Performance Review

- a. Cary Allison of Morgan Stanley (MS) reviewed the performance of the Trust's accounts as of **October 31, 2022**.
- b. The Portfolio Value as of **October 31, 2022, was \$22,648,526,76**.

#### **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
3.21	3.21	-23.28	-23.89	0.34	1.92	4.37	4.23

- c. Cary Allison of Morgan Stanley went over the portfolio summary. The first quarter of 2022 was the worst in history.
- d. We made a few changes to the asset mix since we last met, adding more into Real Estate Investments (REITS) and increasing our investments to the mutual funds that provide dividends.
- e. Dr. David El Fattal motioned, and Emily Day seconded the motion to accept the Performance Review as presented; motion unanimously approved.

### 2. Market Overview

- a. Cary Allison shared the market update report.
- b. There have now been 3 negative quarters of returns in 2022. This includes both bonds and stocks. This has never happened in history. It is unprecedented.
- c. The 10-year treasury is now at 3.5%. At the beginning of the year, the 10-year treasury was yielding at 2.25%
- d. Gross Domestic Product (GDP) was at 7%, but the estimates for 2023 are now more like 4%.
- e. Remember stocks typically follow earnings and earnings have not been very good this year.
- f. Morgan Stanley feels that the 2023 earnings are already priced into the market.
- g. Inflation is at an all-time high of about 8%. We are hoping it will lower to around 3% by end of 2023.
- h. Morgan Stanley is very bullish on our forecast now, but hopefully we can start to see earnings go up.
- i. Alger Small Cap & Mid Cap focused funds that are managed by Amy Zang have never been cheaper.
- j. Morgan Stanley predicts the Feds will raise short-term interest rates 2 more times this year before December and probably 1 more time in Jan 2023 to counterattack the rising inflation.
- k. Morgan Stanley also believes the current long-term interest rates are about as high as they are going to get.
- l. Gas consumption is down 6% from where it was 1 year ago.
- m. This is an information item only.

**3. Investment Policy Statement Review (IPS)**

- a. Scott Rankin presented the Investment Policy Statement to the Board of Authority. Benefit Trust Company does not have any recommended changes at this time.
- b. You are currently in 61% equities and 39% fixed income split.
- c. A motion was made by Emily Day and seconded by Kirk Norris to reaffirm the Investment Policy Statement; motion unanimously carried.

**VII. ADMINISTRATION**

**1. Election of Vice-Chair of the Retirement Board of Authority**

- a. Dr. David El Fattal motioned, and Emily Day seconded to nominate Laura Barroso as RBOA Vice-Chair; motion passes with three ayes and one nay from Gloria Banuelos.

**2. 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.

**3. 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 November 2021 – November 2022.
- b. Kirk Norris motioned, and Emily Day seconded the motion to ratify the Disbursement Report for the period as presented; motion unanimously approved.

**4. Future Transfer of Assets into the Trust**

- a. No transfer is currently planned for Fiscal Year 2022/2023.
- b. This item is information only.

**5. Updates to the Comprehensive Compliance Plan Including the “Substantive Plan”.**

- a. Roslyn Washington presented the OPEB Questionnaire for Fiscal Year 2021-2022.
- b. An updated E-Library was delivered to the district.
- c. This is an informational item only.

**IX. INFORMATION**

**1. Retirement Board of Authority Comments**

- a. No Comments.

**2. Program Coordinator/Consultant Comments**

- a. No Comments.

**4. DATE, TIME AND AGENDA ITEMS FOR NEXT MEETING**

- a. Wednesday, December 6, 2023, 11:00 AM-12:00
- b. This is information only.

**X. ADJOURNMENT**

- a. Dr. David El Fattal adjourned the meeting at 10:34 AM