

# MINUTES

## SAN BERNARDINO COMMUNITY COLLEGE DISTRICT RETIREMENT BOARD OF AUTHORITY MEETING

June 15, 2021

9:00 AM – 10:00 AM

Zoom ID: 951 1540 4179

### I. CALL TO ORDER

1. The meeting was called to order at 9:02 pm by Roslyn Washington.

### II. ROLL CALL

1. **All Retirement Board of Authority (RBOA) members were present except Kristina Hannon and Joe Opris:**

Jose Torres, Vice Chancellor of Business & Fiscal Services,  
Steven Sutorus, Business Manager,  
Lawrence Strong, Director of Fiscal Services,

Guest: Jim Buysse

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

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

### III. PUBLIC COMMENTS

1. None
2. This item is information only.

### IV. APPROVAL OF AGENDA

1. Steven Sutorus moved to approve the agenda as presented; motion was seconded by Lawrence Strong and was unanimously approved by all of the RBOA members present.

### V. APPROVAL OF MINUTES

1. Jose Torres moved to accept the minutes from the previous RBOA meeting held June 16, 2020 as presented; motion was seconded by Lawrence Strong and was unanimously approved by all the RBOA members present.

## VI. INVESTMENTS

### 1. Portfolio Performance Review

- a. The Portfolio Value as of May 31, 2021 is **\$10,943,955**.

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
0.32	3.66	4.10	22.39	8.87	8.32	5.84	4.88

- a. Balance as of June 14<sup>th</sup> was \$11,102,010.
- b. Bonds are down because interest rates have moved up slightly.
- c. We did a rebalance in April to move some stocks to bonds.
- d. We think short term rates will remain low another two years.
- e. Jose Torres moved to accept the portfolio review as presented; Motion was seconded by Lawrence Strong and was unanimously approved by all of the RBOA members present.

### 2. Market Overview

- a. Cary Allison of Morgan Stanley (MS) discussed the current market conditions.
- b. Morgan Stanley and economist expect U.S GDP will be 12.4% in Q2 2021, and forecast positive GDP growth for 2021 as economic recovery continues, with an estimate of 8.1% GDP growth in Q4 2021.
- c. There is an historic amount of money being poured into the market now.
- d. When we met last year, the pandemic had actually accelerated growth of certain industries.
- e. Anything technical, home improvement, or online retail sales related spiked in sales. Whereas, other industries like travel took a huge decline in growth and earnings.
- f. Shopify, an online retailer reported about 10yrs worth of growth in a 3month time span.
- g. Morgan Stanley has been quite “Bullish” in the past 9 months.
- h. The Fed Fund short term interest rate is currently at zero, and will remain there until approximately 2023.
- i. MS feels inflation will remain low, but may peak at 2% and slowly go back down.
- j. This is an information item only.

### 3. Investment Policy Statement Review

- a. Scott Rankin presented the suggested language changes to investment policy statement.
- b. Removing Target Rate or Return and replacing it with Target Allocation.
- c. Steven Sutorus moved to accept the language changes to IPS. The motion was seconded by Jose Torres and was unanimously carried by all RBOA members present.

## **VII. ADMINISTRATION**

### **1. Annual Reporting on the Status of the Trust**

- a. The Annual Report on the Status of the Trust was presented by Roslyn Washington, Keenan.
- b. This item is for information only.

### **2. Disbursement Report**

- a. Disbursement Report presented by Roslyn Washington, Keenan showing all fees paid to the consulting firms in the last 12 months.
- b. Jose Torres moved to ratify the fees; motion was seconded by Lawrence Strong and was unanimously approved by all the RBOA members present.

### **3. Actuarial Valuation Study Update**

- a. The Actuarial Valuation Study dated June 30, 2019 was presented to the RBOA showing the district is in compliance with GASB 74/75.

### **4. Updates to the Comprehensive Compliance Plan, Including the Substantive Plan**

- a. Roslyn Washington presented the RBOA with the signed OPEB questionnaire stipulating changes to the Kaiser plan design to the Retiree Health Benefits for Fiscal Year 2019-2020.
- b. This is an information item.

### **5. Future Transfer of Assets into the trust.**

- a. Jose Torres indicated no transfers are planned. The trust is still considered “fully funded”
- b. This is an information item.

## **VIII. INFORMATION REPORTS**

### **1. Retirement Board of Authority Comments**

- a. No comments.

### **2. Program Coordinator/Consultant Comments**

- a. No comments.

## **IX. DATE, TIME AND AGENDA ITEMS FOT NEXT MEETING**

- a. Dates will be sent to coordinate a 2022 meeting.
- b. This item is information only.

## **X. ADJOURNMENT**

- a. The Meeting was adjourned by Roslyn Washington at 9:51 AM.