

**Peralta Community College District
Retirement Board Meeting Minutes
December 15, 2022**

Present Board Members: William (Bill) Withrow (Chair), Meredith Brown, William (Bill) Riley, Nathaniel Jones III (via Zoom), Adil Ahmed (via Zoom),

Absent Board Members: Ronald McKinley

Present Advisory Members: Tim Hackett, Jerry Herman (via Zoom), Michael Wirth (via Zoom), Michael Mills (via Zoom),

Present Board Advisors: Christine Williams, Katuri Kaye, Director Trucker Huss APC; Nicholas Deguines, Associate Trucker Huss APC; Cheryl Cannistra, Ed Berman, Sultan Khan (via Zoom),

Special Guests: PCCD Board of Trustee Linda Handy

Agenda Item	Discussion	Follow-
I. Call to order	Meeting called to order at 4:05 p.m. by Chair Withrow.	
II. – VI.	Board Members, Advisory Members, Advisors present and absent – listed above.	
VII. Approval of Agenda	Motion to approve the March 24, 2022, meeting agenda. Approved. AYES: 4 NOES: 0 ABSTAIN: 0 ABSENT: 1	
VIII. Approval of Meeting Minutes	Motion to approve the November 16, 2022, minutes. Approved. AYES: 4 NOES: 0 ABSTAIN: 0 ABSENT: 1	

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<p>IX. Report from Closed Session</p>	<p>Chair Withrow called the meeting to order at 4:05pm. He began by acknowledging the Board Members and Advisory Board members and then asked Christine Williams, Executive Administrator to report out from Closed Session.</p> <p>Ms. Williams began with providing a summary of the legal obligations of the Board when responding to request for Retiree Health Benefit Reimbursement request from the District. Ms. Williams assured the Board that she had validated the integrity of the request and that it met the condition of the 2005 Indenture of Trust, which allowed for Retiree Health Benefit Reimbursements. Ms. Williams’ agreed to submit request to the Board as an action item in Open Session. Having no further business to discuss, Chair Withrow called the Closed Session to an end at 3:56 p.m.</p> <p>Chair Withrow called for a Motion to approve the Pre-2004 \$7,527,797 reimbursement for Retiree Health Benefits from Trust I. Motion Approved. AYES: 4 NOES: 0 ABSTAIN: 0 ABSENT: 1</p> <p>Chair Withrow asked Mr. Sultan Khan to begin with the Neuberger Berman investment performance report of Trust I.</p>	
<p>X. Neuberger Berman Investment Performance Review</p>	<p>Mr. Sultan Khan joined the meeting via Zoom. Mr. Khan provided an update on Trust I’s performance. Mr. Khan presented the challenging YTD environment amidst market volatility and explained the most recent risk-on rally provided some relief to this year’s performance as the US dollar’s weakness in November boosted non-US risk assets over US. September was impacted by the UK market and positioning was relatively bearish. Risk assets and equities in general had a solid bounce back. The Fed is possibly slowing the pace of the rate hikes, and that carried through the month of November. Emerging markets did extremely well in November up about 15%. US developed markets were up about 11.3%. We still presented a case to be cautious with Chairman Powell highlighting</p>	

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	<p>the fact that interest rates are going to continue rising further than the market was expecting and higher than the Fed’s own expectations. We have about 8% allocated to cash and underweight in equities, overweight in investment grade so very defensive positioning. Given the strong market has rallied up about 4.5%, the benchmark has done slightly better about 4.7%. The date of presentation portfolio current value 190, 845,559 with a change of (7,527,797) for District Pre 7/01/2004- 7/01/2021 through 06/30/2022 Retiree Health Benefits reimbursement and updated value 183,317.762.</p> <p>Investment Policy Benchmark From 12/31/2021 to current consists of: 3% ICE US Treasury 3-Month Bill, 26% Bloomberg U.S. Aggregate, 8% Bloomberg U.S. Corporate High Yield, 8% EMD Blended, 16% S&P 500, 8% Russell 2000, 8% MSCI EAFE, 4% MSCI Emerging Markets, 4% MSCI All Country World, 3% Bloomberg Commodity, 4% HFRX Global Hedge Fund, and 8% Cambridge Associates PE Index. From 6/30/2021 to 12/31/2021 consists of: 3% ICE US Treasury 3-Month Bill, 26% Bloomberg U.S. Aggregate, 8% Bloomberg U.S. Corporate High Yield, 8% EMD Blended, 16% S&P 500, 8% Russell 2000, 8% MSCI EAFE, 4% MSCI Emerging Markets, 4% MSCI All Country World, 3% S&P GSCI Commodity, 4% HFRX Global Hedge Fund, and 8% Cambridge Associates PE Index. From 10/31/2013 to 6/30/2021 consists of: 30% Bloomberg U.S. Aggregate, 5% Bloomberg U.S. Corporate High Yield, 3% Bloomberg Global Aggregate Ex-USD, 21% Russell 1000, 7% Russell 2500, 10% MSCI EAFE, 5% MSCI Emerging Markets, 4% NAREIT Equity, 3% Bloomberg Commodity, 6% HFRI FoF Composite, and 6% Cambridge Associates U.S. PE.. From 5/31/2012 to 10/31/2013 consists of: 35% Bloomberg U.S. Aggregate, 5% Bloomberg U.S. Corporate High Yield, 23% Russell 1000, 8% Russell 2500, 15% MSCI EAFE, 7% MSCI Emerging Markets, 4% NAREIT Equity, and 3.0% Bloomberg Commodity. From 1/31/2006 to 5/31/2012 consists of: 35% Bloomberg U.S. Aggregate, 30% S&P 500, 10% Russell 2000, 20% MSCI EAFE, and 5% NAREIT Equity.</p> <p>Chair Withrow asked Ms. Williams to present the Trust II performance report provided by Meketa Investment Group and the Executive Administrator’s end of year report.</p>	
<p>XI. Executive Administrator Meketa Investment Performance Review and</p>	<p>Christine Williams presented the Meketa Investment Group’s performance report for Trust II Post 2004 Retirees. The most recent report goes through October. The cash flow summary as of October 31, 2022 beginning market value \$1,081,368 with an ending market value of \$1,117,269. The overall period return was 3.3%. Ms. Williams pointed out</p>	

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End of Year Report	<p>that the portfolio has never dropped below the initial investment of 1 million dollars. Total Fund Investments 3/1/2019 Present 53% MSCI ACWI IMI Net USD / 5% 50% BBg US High Yield TR/50% Credit Suisse Leveraged Loans / 7% Inflation Hedges Custom Index / 35% Bloomberg US Aggregate TR. Inflation Hedges 3/1/2019 Present 23% MSCI US REIT / 46% Bloomberg US TIPS TR / 8% MSCI ACWI Energy NR USD / 8% MSCI US IMI Materials NR USD / 15% FTSE Gold Mines PR USD.</p> <p>Ms. Williams provided the 2022 Operational Objectives which included the following: Establishing an annual calendar per the request of Board Members and Advisory Board Members. Eliminating meetings that run over the designated time by remaining organized and on topic. Implement workshops throughout the year that are easy to attend while providing relevant information regarding market performance and industry impact Accountability procedures that protects the integrity of Trust I and Trust II: Updated Bylaws that governs the Board’s practices Updated Investment Policy Statement Closed Session accountability with legal counsel that educates, advise and protect the Board from exposure to litigation Annual site visits and due diligence reports Two signatures required for requesting reimbursement payments, debt service payment, independent contractor payments and other vendor payments More transparency and accountability for transactions allowed by the Indenture of the OPEB Trust established in 2005 Validating transactions with the County ledger and journal entries for reimbursement request Locked location with limited access that protects the Retirement Board’s paper documents</p> <p>Chair Withrow began the end of year award presentation by acknowledging the Advisory Board members contribution and dedication of service to the Retirement Board. The Advisory Board Members, Jerry Herman, Michael Wirth, Michael Mills and Timothy Hackett, presented with Service Appreciation Award in recognition of their astonishing accomplishments and dedication to PCCD community. Jerry Herman, Michael Wirth and</p>
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	<p>Michael Mills acknowledged for over 59 years of service and for pioneering many of the institutions still in progress.</p> <p>Retirement Board Member Meredith Brown, Esquire, presented a Certificate of Appreciation to Director T. Katuri Kaye. Ms. Kaye recognized for her contributions to the Retirement Board and her outstanding reputation. Attorney T. Katuri Kaye selected to Rising Stars for 2020, which means she is a top rated attorney as recognized by peers. Board Member Brown thanked Ms. Kaye on behalf of the Retirement Board Members as she presented her with the PCCD Service Appreciation Award.</p> <p>Retirement Board Member, Dr. William (Bill) Riley presented PCCD Board of Trustee Ms. Linda Handy with a Service Appreciation Plaque for twenty years of unparalleled outstanding leadership to the Peralta Community College District and the community at large. Dr. Riley shared that Ms. Handy was the PCCD Governing Board President at the inception of the Retirement Board in 2011. Ms. Handy continued uninterrupted service to the District in a variety of areas until her decision to retire in 2022.</p>	
<p>Schedule Future Board Meetings</p>	<p>The next Retirement Board meeting is scheduled for January 26, 2023, from 3 p.m. to 6 p.m. via Zoom</p>	
<p>XIII. Adjournment</p>	<p>The meeting was adjourned at 6:00 p.m.</p>	
<p>XIII. Adjournment</p>	<p>The meeting was adjourned at 6:00 p.m.</p>	

Minutes taken: Christine Williams

Meeting Materials are posted on the Retirement Board website: <http://web.peralta.edu/retirement-board/meeting-materials/>.

Agenda Posted: 333 E. 8th Street, Oakland, CA 94606