

**MINUTES OF THE RETIREMENT BOARD MEETING  
OF THE SHASTA-TEHAMA-TRINITY JOINT COMMUNITY COLLEGE DISTRICT  
THURSDAY, DECEMBER 16, 2021 [APPROVED]**

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The Retirement Board of the Shasta-Tehama-Trinity Joint Community College District held their annual meeting on Thursday, December 16, 2021, in the Board Room of the Shasta College Administration Building located at 11555 Old Oregon Trail, Redding, California.

1. **CALL TO ORDER**

The meeting was called to order by Dr. Joe Wyse, Board Chairperson, at 4:00 p.m.

2. **ROLL CALL**

Roll call indicated the following participants present:

Board Member	Member Designation	Present	Absent
Dr. Joe Wyse, Superintendent/President	Board Chairperson	X	
Ms. Jill Ault, Comptroller	JPA Designated Member	X	
Mr. Sam Osborne	JPA Designated Alternate	X	
Ms. Rhonda Nehr, Area D Trustee	Board of Trustees Representative	X	
Mr. Kendall Pierson, Area A Trustee	Board of Trustees Representative	X	

3. **CALL FOR REQUESTS FROM THE AUDIENCE TO SPEAK TO ANY ITEM ON THE AGENDA**

Dr. Wyse asked if there were any requests from the audience to speak to any item on the agenda. There were no requests.

4. **APPROVAL OF MINUTES**

4.1 **Minutes of the Retirement Board's Regular Meeting held December 4, 2020**

Dr. Wyse said that it is interesting to look at the modeling from last year when we were projecting to have a fund balance of \$21 million – and now to see that we are actually at \$24 million.

It was moved by Mr. Pierson and seconded by Ms. Nehr TO APPROVE THE MINUTES OF THE RETIREMENT BOARD'S REGULAR MEETING HELD DECEMBER 4, 2020. The matter passed 5-0.

5. **REPORTS**

5.1 **Review of District's Investment Portfolio**

Dr. Wyse said we have a review of the portfolio. Ms. Ault will speak to the hand-outs attached hereinto as ***Exhibit A***.

Ms. Ault said, twice a year we meet with the Joint Powers Agency (JPA) Board at the Association of Chief Business Officials (ACBO) meetings. The last time we met was in October. The investment advisor group goes over everything in great detail including forecasting and types of investments.

For the longest time, we were in the Balanced Fund only, and now we are in both the Balanced Fund and the Liquidity Plus Fund.

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The attachments start with reports on the total fund which has a total fund balance of \$196 million as of September 30, 2021. There are some schools that are members of the JPA who have not yet deposited anything. The fund has averaged 5.4% a year.

The second page shows the asset allocation of the Balanced Fund as of September 30, 2021. We can see that the largest allocation is in Global Equity which represents 46.6% of the fund.

The next page shows more detail on the difference in between the funds. We can see the performance by each fund. We can see that the Global Equity has had 10.7% year-to-date as of September 30, 2021.

The following page shows the assets allocations for the Liquidity Plus Fund as of September 30, 2021. Most of the Liquidity Plus Fund assets are in Cash & Short-Term Bonds (79%). On the following page we can see that Cash & Short-Term Bonds have had a 0% growth year-to-date.

On the following page, we see the report for the Shasta College assets in the Balanced Equity Fund as of September 30, 2021. We have a total of \$18.7 million in the Balanced Equity Fund. For the 2021 fiscal year, the performance was 20.2%. Comparing this rate to the previous years, we can see that this is much higher – for 2020 fiscal year, the performance rate was 4.3%

On the following page, we see the report for the Shasta College assets in the Liquidity Plus Fund as of September 30, 2021. We have a total of \$5.2 million in the Liquidity Plus Fund. For the 2021 fiscal year, the performance was 0.40%. Comparing this rate to the previous years, we can see that this is much lower.

On the following page, we see the report for the Shasta College assets for the previous year. At that time, all the assets were in the Balanced Liquidity Fund and we had a portfolio value of \$20.7 million. As of September 30, 2021, our portfolio value was \$23.9 million.

On the last page we can see our total OPEB liability. We are projecting that by 6/30/2022, our liability will be \$35.4 million. With our current assets in the funds, we are projecting that our liability will be 69% funded.

These assets can only be spent on retirement expenses. If you are over funded, you could end up with a stranded asset. We are not at risk for this, but we most likely won't be making large deposits.

We still do collect some funds from payroll on grant and categorical positions – we collect about \$80-100,000. We can keep adding this to the fund balance help soften the impact on Fund 11.

Mr. Pierson said that it would be interesting to see what the advisors are saying about interest rates and how any increases will impact the investments.

Ms. Ault said that the next meeting with JPA is in April. We will see what they advise at that point.

**MINUTES OF THE RETIREMENT BOARD MEETING  
OF THE SHASTA-TEHAMA-TRINITY JOINT COMMUNITY COLLEGE DISTRICT  
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Dr. Wyse said that when we started in 2007, there was less than a million dollars put aside for the OPEB liability. I didn't think that we would be at this point so soon.

Mr. Osborne said that having the liability so well-funded looks good when you go out for General Obligation Bonds or do anything based on credit scores.

**6. DISCUSSION/ACTION AGENDA**

**6.1 Recommendation to Maintain Current Format of Investments**

Dr. Wyse said last year we decided to be a bit more conservative. This year we think we would like to stay the course of current investments. If things change, we could always call a special meeting to change the strategy.

Mr. Pierson said that when we look at that percent funded, and since we are paying as we go, our exposure is not too great with this split. We will need to continue to pay as you go.

Ms. Ault said that we pay about \$2.5 million a year as "pay as you go." We can start to withdraw a bit each year and taper it down to help alleviate the general fund if necessary.

It was moved by Ms. Nehr and seconded by Mr. Pierson TO RECOMMEND TO THE DISTRICT'S BOARD AND THE DESIGNATED MEMBER TO MAINTAIN THE CURRENT FORMAT OF INVESTMENTS. The matter passed 5-0.

**7. COMMENTS FROM THE AUDIENCE**

Dr. Wyse asked if there were any comments from the audience. There were no comments.

**8. DATE OF NEXT REGULAR MEETING OF THE RETIREMENT INVESTMENT BOARD**

Dr. Wyse said the tentative date of the next regular meeting of the Retirement Board is December 14, 2022.

**9. ADJOURN**

It was moved by Mr. Pierson and seconded by Ms. Nehr TO ADJOURN THE MEETING. The vote was 5-0 in favor of adjournment.

Dr. Joe Wyse adjourned the meeting at 4: 25 p.m.

Respectfully submitted,

*Andree Blanchier*

Andree Blanchier  
Recorder

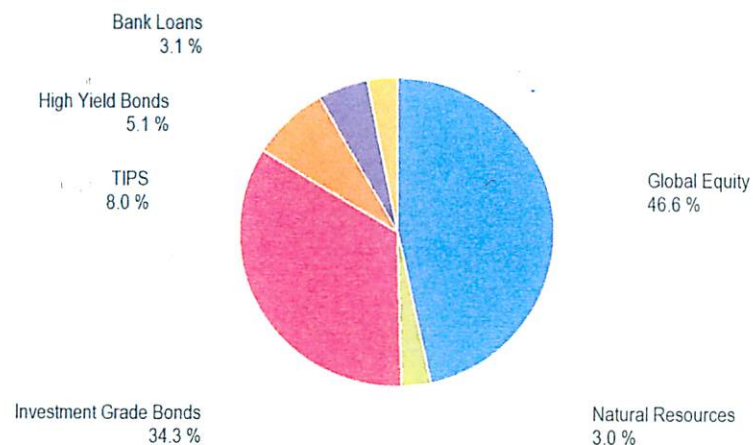
## Community College League of California Aggregate

Total Fund | As of September 30, 2021

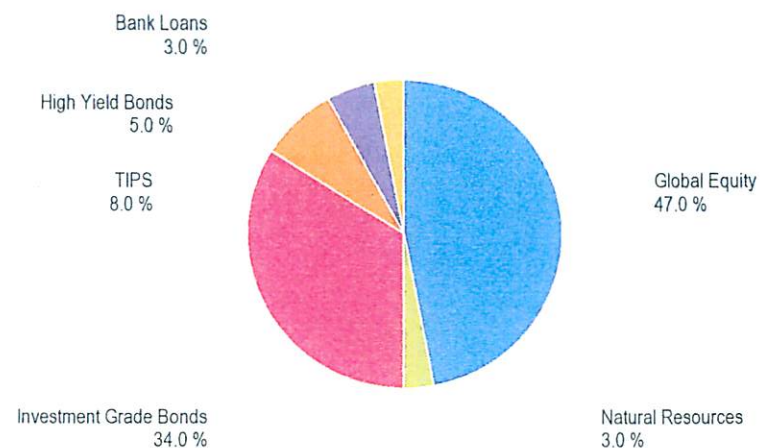
September 30, 2021

Trailing Period Returns										
	Market Value (\$)	% of Portfolio	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Total Fund</b>	<b>196,562,278</b>	<b>100.0</b>								
<b>Balanced Fund</b>	<b>183,933,100</b>	<b>93.6</b>								
Balanced Fund Policy Benchmark			-0.3	5.6	13.9	8.8	8.5	7.8	5.4	Jul-07
CPI - Medical Care			-0.3	5.7	14.8	9.9	9.2	--	--	Jul-07
			0.3	1.2	0.4	2.7	2.3	2.7	2.9	Jul-07
<b>Liquidity Plus Fund</b>	<b>12,629,178</b>	<b>6.4</b>								
Liquidity Plus Fund Policy Benchmark			0.2	0.3	0.9	3.1	--	--	2.2	Dec-16
CPI - Medical Care			0.2	0.2	0.6	3.4	--	--	2.4	Dec-16
			0.3	1.2	0.4	2.7	2.3	2.7	2.3	Dec-16

Current Allocation



Target Allocation



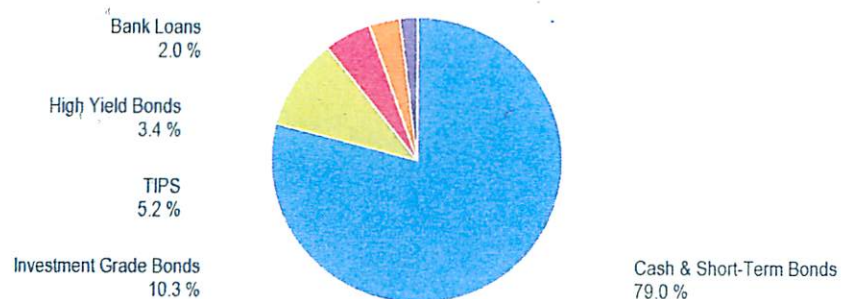
Asset Allocation on September 30, 2021

	Actual	Actual	Target
Global Equity	\$85,695,524	46.6%	47.0%
Natural Resources	\$5,450,839	3.0%	3.0%
Cash & Short-Term Bonds	\$7	0.0%	0.0%
Investment Grade Bonds	\$63,043,708	34.3%	34.0%
TIPS	\$14,715,758	8.0%	8.0%
High Yield Bonds	\$9,378,957	5.1%	5.0%
Bank Loans	\$5,648,306	3.1%	3.0%
<b>Total</b>	<b>\$183,933,100</b>	<b>100.0%</b>	<b>100.0%</b>

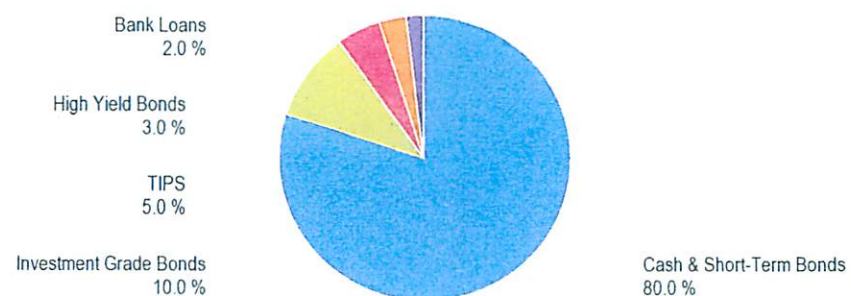


Asset Class Performance Summary										
	Market Value (\$)	% of Portfolio	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Balanced Fund</b>	183,933,100	100.0	-0.3	5.6	13.9	8.8	8.5	7.8	5.4	Jul-07
Balanced Fund Policy Benchmark			-0.3	5.7	14.8	9.9	9.2	--	--	Jul-07
CPI - Medical Care			0.3	1.2	0.4	2.7	2.3	2.7	2.9	Jul-07
<b>Equity</b>	91,146,363	49.6	-1.2	10.9	26.2	11.5	13.1	--	12.0	Nov-15
Global Equity	85,695,524	46.6	-1.2	10.7	25.8	12.0	13.8	--	12.3	Nov-15
MSCI ACWI IMI Net USD			-1.1	11.4	28.9	12.4	13.1	12.0	11.7	Nov-15
Natural Resources	5,450,839	3.0	-0.9	13.8	32.2	4.5	3.4	--	7.2	Nov-15
Natural Resources Custom Index			-1.6	12.2	29.4	3.9	5.9	--	8.5	Nov-15
<b>Fixed Income</b>	92,786,737	50.4	0.5	0.2	2.4	6.0	3.8	--	4.2	Nov-15
Cash Equivalents	7	0.0	0.0	0.0	0.0	1.0	1.0	--	0.8	Nov-15
91 Day T-Bills			0.0	0.0	0.0	1.0	1.1	0.6	1.0	Nov-15
Investment Grade Bonds	63,043,708	34.3	0.1	-1.6	-0.3	5.8	3.4	--	3.8	Nov-15
Bloomberg US Aggregate TR			0.1	-1.6	-0.9	5.4	2.9	3.0	3.4	Nov-15
TIPS	14,715,758	8.0	1.7	3.4	5.2	7.3	4.2	--	4.6	Nov-15
Bloomberg US TIPS TR			1.8	3.5	5.2	7.4	4.3	3.1	4.7	Nov-15
High Yield Bonds	9,378,957	5.1	0.9	5.8	13.6	7.0	5.8	--	6.3	Nov-15
Bloomberg US High Yield Ba (BB) TR			1.1	3.8	9.7	8.7	6.8	7.5	7.2	Nov-15
Bank Loans	5,648,306	3.1	0.9	3.8	8.3	2.9	3.7	--	4.0	Nov-15
Credit Suisse Leveraged Loans			1.1	4.7	8.5	4.1	4.6	5.0	4.8	Nov-15

#### Current Allocation



#### Target Allocation



#### Asset Allocation on September 30, 2021

	Actual	Actual	Target
Cash & Short-Term Bonds	\$9,975,375	79.0%	80.0%
Investment Grade Bonds	\$1,306,306	10.3%	10.0%
TIPS	\$657,624	5.2%	5.0%
High Yield Bonds	\$433,331	3.4%	3.0%
Bank Loans	\$256,543	2.0%	2.0%
<b>Total</b>	<b>\$12,629,178</b>	<b>100.0%</b>	<b>100.0%</b>



Asset Class Performance Summary										
	Market Value (\$)	% of Portfolio	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Liquidity Plus Fund</b>	12,629,178	100.0	0.2	0.3	0.9	3.1	--	--	2.2	Dec-16
<i>Liquidity Plus Fund Policy Benchmark</i>			0.2	0.2	0.6	3.4	--	--	2.4	Dec-16
<i>CPI - Medical Care</i>			0.3	1.2	0.4	2.7	2.3	2.7	2.3	Dec-16
<b>Fixed Income</b>	12,629,178	100.0	0.2	0.3	1.0	3.3	--	--	2.2	Nov-16
<b>Cash &amp; Short-Term Bonds</b>	9,975,375	79.0	0.0	0.0	0.2	2.7	--	--	1.8	Nov-16
<i>Bloomberg US Govt 1-3 Yr TR</i>			0.1	0.0	0.0	2.7	1.6	1.2	1.7	Nov-16
<b>Investment Grade Bonds</b>	1,306,306	10.3	0.1	-1.7	-0.4	5.7	--	--	3.5	Nov-16
<i>Bloomberg US Aggregate TR</i>			0.1	-1.6	-0.9	5.4	2.9	3.0	3.2	Nov-16
<b>TIPS</b>	657,624	5.2	1.3	4.0	5.4	4.4	--	--	3.0	Nov-16
<i>Bloomberg US TIPS TR</i>			1.8	3.5	5.2	7.4	4.3	3.1	4.5	Nov-16
<b>High Yield Bonds</b>	433,331	3.4	0.9	5.8	13.6	7.0	--	--	5.8	Nov-16
<i>Bloomberg US High Yield Ba (BB) TR</i>			1.1	3.8	9.7	8.7	6.8	7.5	6.9	Nov-16
<b>Bank Loans</b>	256,543	2.0	0.9	3.8	8.3	2.9	--	--	3.6	Nov-16
<i>Credit Suisse Leveraged Loans</i>			1.1	4.7	8.5	4.1	4.6	5.0	4.6	Nov-16



# Shasta-Tehama-Trinity Community College District

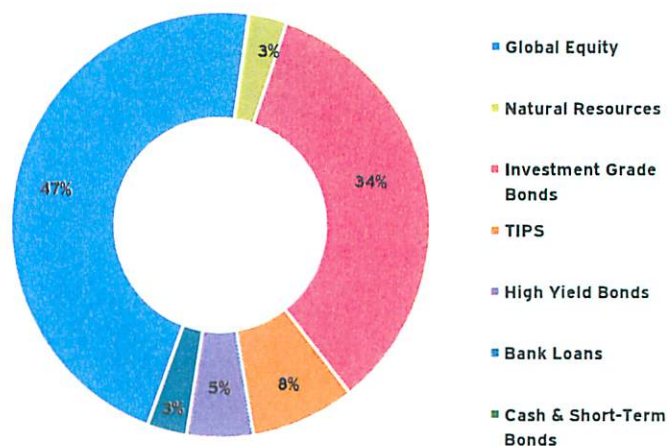
## Balanced (50% Fixed Income, 50% Equity)

9/30/2021

### Change in Portfolio - 1st Quarter of Fiscal Year 2022

### Asset Allocation

Portfolio Value on 6/30/2021	18,803,784
Contributions	0
Withdrawals	0
Change in Market Value	(155,940)
Income Received	98,502
Portfolio Fees	(6,226)
Portfolio Value on 9/30/2021	18,740,120



### Trailing Period Performance

	1Q22 (%)	Fiscal YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	Inception Date	Since Inception (%)
Shasta-Tehama-Trinity CC District	-0.3	-0.3	13.9	8.7	8.5	7.8	10/1/2006	5.9
Policy Benchmark <sup>1</sup>	-0.3	-0.3	14.8	9.9	9.2	NA		NA
CPI Medical Care (Inflation)	0.3	0.3	0.4	2.7	2.3	2.7		3.0

### Fiscal Year Performance

	Fiscal Year 2020 (%)	Fiscal Year 2020 (%)	Fiscal Year 2019 (%)	Fiscal Year 2018 (%)	Fiscal Year 2017 (%)	Fiscal Year 2016 (%)	Fiscal Year 2015 (%)	Fiscal Year 2014 (%)	Fiscal Year 2013 (%)	Fiscal Year 2012 (%)
Shasta-Tehama-Trinity CC District	20.2	4.3	5.9	7.0	9.3	-2.2	2.0	12.8	8.9	4.7
CPI Medical Care (Inflation)	0.4	5.1	2.0	2.5	2.7	3.5	2.5	2.6	2.1	4.0

<sup>1</sup> Policy Benchmark consists of 47% MSCI ACWI IMI, 1% Vanguard Spliced Global Capital Cycles Index, 1% Spliced U.S. IMI Materials 25/50, 1% Vanguard Spliced Energy Index, 34% Bloomberg Barclays Aggregate, 8% Bloomberg Barclays U.S. TIPS, 5% Bloomberg Barclays "BB" High Yield, and 3% CSFB Leveraged Loan



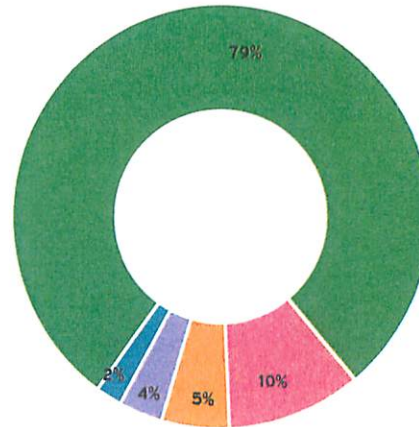
# Shasta-Tehama-Trinity Community College District Liquidity Plus (100% Fixed Income)

9/30/2021

## Change in Portfolio - 1st Quarter of Fiscal Year 2022

## Asset Allocation

Portfolio Value on 6/30/2021	5,170,261
Contributions	0
Withdrawals	0
Change in Market Value	(8,010)
Income Received	14,875
Portfolio Fees	(2,116)
Portfolio Value on 9/30/2021	5,175,010



- Global Equity
- Natural Resources
- Investment Grade Bonds
- TIPS
- High Yield Bonds
- Bank Loans
- Cash & Short-Term Bonds

## Trailing Period Performance

	1Q22 (%)	Fiscal YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	Inception Date	Since Inception (%)
Shasta-Tehama-Trinity CC District	0.1	0.1	NA	NA	NA	NA	1/1/2021	0.1
Policy Benchmark <sup>1</sup>	0.2	0.2	0.6	3.4	NA	NA		0.2
CPI Medical Care (Inflation)	0.3	0.3	0.4	2.7	2.3	2.7		1.2

## Fiscal Year Performance

	Fiscal Year 2021 (%)	Fiscal Year 2020 (%)	Fiscal Year 2019 (%)	Fiscal Year 2018 (%)	Fiscal Year 2017 (%)	Fiscal Year 2016 (%)	Fiscal Year 2015 (%)	Fiscal Year 2014 (%)	Fiscal Year 2013 (%)	Fiscal Year 2012 (%)
Shasta-Tehama-Trinity CC District	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
CPI Medical Care (Inflation)	0.4	5.1	2.0	2.5	2.7	3.5	2.5	2.6	2.1	4.0

<sup>1</sup> Policy Benchmark consists of 80% Bloomberg Barclays 1-3 Year Government, 10% Bloomberg Barclays Aggregate, 5% Bloomberg Barclays U.S. TIPS, 3% Bloomberg Barclays "BB" High Yield, 2% CSFB Leveraged Loan





# Shasta-Tehama-Trinity Community College District

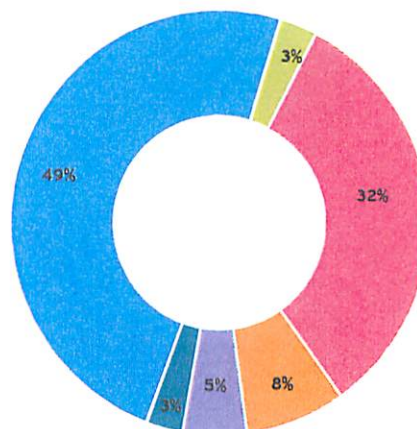
## Balanced (50% Fixed Income, 50% Equity)

9/30/2020

### Change in Portfolio - 1st Quarter of Fiscal Year 2021

### Asset Allocation

Portfolio Value on 6/30/20	19,645,137
Contributions	0
Withdrawals	0
Change in Market Value	924,926
Income Received	91,162
Portfolio Fees	(6,821)
Portfolio Value on 9/30/2020	20,654,404



- Global Equity
- Natural Resources
- Investment Grade Bonds
- TIPS
- High Yield Bonds
- Bank Loans
- Cash & Short-Term Bonds

### Trailing Period Performance

	1Q21 (%)	Fiscal YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	Inception Date	Since Inception (%)
Shasta-Tehama-Trinity CC District	5.2	5.2	8.7	6.4	6.7	6.7	10/1/2006	5.3
Policy Benchmark <sup>1</sup>	4.7	4.7	9.4	7.2	NA	NA		NA
CPI Medical Care (Inflation)	0.3	0.3	4.2	3.1	3.2	3.0		3.2

### Fiscal Year Performance

	Fiscal Year 2020 (%)	Fiscal Year 2019 (%)	Fiscal Year 2018 (%)	Fiscal Year 2017 (%)	Fiscal Year 2016 (%)	Fiscal Year 2015 (%)	Fiscal Year 2014 (%)	Fiscal Year 2013 (%)	Fiscal Year 2012 (%)	Fiscal Year 2011 (%)
Shasta-Tehama-Trinity CC District	4.3	5.9	7.0	9.3	-2.2	2.0	12.8	8.9	4.7	18.0
CPI Medical Care (Inflation)	5.1	2.0	2.5	2.7	3.5	2.5	2.6	2.1	4.0	2.9

<sup>1</sup> Policy Benchmark consists of 47% MSCI ACWI IMI, 1% S&P Global Custom Metal and Mining, 1% Spliced U.S. IMI Materials 25/50, 1% MSCI ACWI Energy, 34% Bloomberg Barclays Aggregate, 8% Bloomberg Barclays U.S. TIPS, 5% Bloomberg Barclays "BB" High Yield, and 3% CSFB Leveraged Loan



**Shasta College**  
**OPEB Actuarial Summary**

	6/30/2018	6/30/2019	6/30/2020	<i>projected</i> 6/30/2021	<i>projected</i> 6/30/2022
Total OPEB Liability (TOL) *	38,252,976	37,245,233	36,652,628	36,000,000	35,400,000
Fiduciary Net Position (FNP) **	15,654,159	17,153,145	19,643,641	24,000,000	24,300,000
Net OPEB Liability (NOL)	22,598,817	20,092,088	17,008,987	12,000,000	11,100,000
Percent Funded ***	41%	46%	54%	67%	69%

\* Total OPEB Liability determined by actuarial study

\*\* Fiduciary Net Position is the amount set aside in OPEB Trust

\*\*\* Percent Funded is FNP/TOL

	Balanced Fund	Liquidity Fund	Total
10/31/2021	19,230,393	5,162,263	24,392,656
9/30/2021	18,740,120	5,175,010	23,915,130
6/30/2021	18,803,784	5,170,261	23,974,045
3/31/2021	17,949,284	5,149,755	23,099,039
12/31/2020	17,751,141	5,170,366	22,921,507
9/30/2020	20,654,404		20,654,404