

UNOFFICIAL MINUTES

MINUTES OF THE RETIREMENT BOARD MEETING OF THE SHASTA-TEHAMA-TRINITY JOINT COMMUNITY COLLEGE DISTRICT WEDNESDAY, DECEMBER 19, 2023

The Retirement Board of the Shasta-Tehama-Trinity Joint Community College District held their annual meeting on Tuesday, December 19, 2023, 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 1:05 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, Assistant Superintendent/Vice President of Administrative Services	JPA Designated Member	x	
Ms. Teri Lewallen, Director of Business Services	JPA Designated Alternate	x	
Mr. Kendall Pierson, Area A Trustee	Board of Trustees Representative	x	
Ms. Michelle Hickok, Area F Trustee	Board of Trustee 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 14, 2022**

It was moved by Mr. Pierson and seconded by Ms. Hickok TO APPROVE THE MINUTES OF THE RETIREMENT BOARD'S REGULAR MEETING HELD DECEMBER 14, 2022. The matter passed 5-0.

5. **REPORTS**

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

Dr. Wyse stated we would be reviewing the portfolio and Ms. Ault would be speaking to the hand-outs attached hereinto as **Exhibit A**.

Ms. Ault reviewed the attachments starting with the Economic and Market Update Summary. She said all the information was as of September 30th and provided by Meketa Investment Group (MIG) who we work with on investment policies. Ms. Ault stated that MIG has played an active role in managing the almost \$200 million assets and has been great with communication.

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She stated that in late 2020, we were offered the recommendation to pull some of the funds out and place them in liquidity as the advisors were not sure how COVID would affect our assets. In the last report, we are at about 62%-63% funded. Dr. Wyse added that we would want to withdraw if we were 75%-80% funded as we would not want to go over.

Ms. Ault stated that through the payroll process, small amounts are accrued each year with incremental growth, and when the books were closed last year, a million dollars has been accrued.

Mr. Pierson asked if the determination of liability varies from year to year. Ms. Ault answered that it does not as folks are retiring and the new generations do not have as rich of a retirement, and that there will be a drop-off. Dr. Wyse added that at some point, the college will be able to withdraw funds each year and put it into ongoing cost and bringing down liability.

Dr. Pierson asked if our budget reflects pay as we go for retiree benefits. Ms. Ault answered yes.

Dr. Wyse asked if there were any further questions or comments; there were none.

6. **DISCUSSION/ACTION AGENDA**

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

Dr. Wyse recommended the Board maintain the current form and format of the District's investment portfolio which has about 22% of its asset in the Liquidity Plus Fund and 78% of its assets in the Balanced Portfolio.

It was moved by Mr. Pierson and seconded by Ms. Ault 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 stated that the tentative date of the next regular meeting of the Retirement Board is December 11, 2024.

9. **ADJOURN**

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

Dr. Joe Wyse adjourned the meeting at 1:19 p.m.

Respectfully submitted,

Mimi B. Koh

Mimi B. Koh
Recorder

Shasta-Tehama-Trinity Community College District

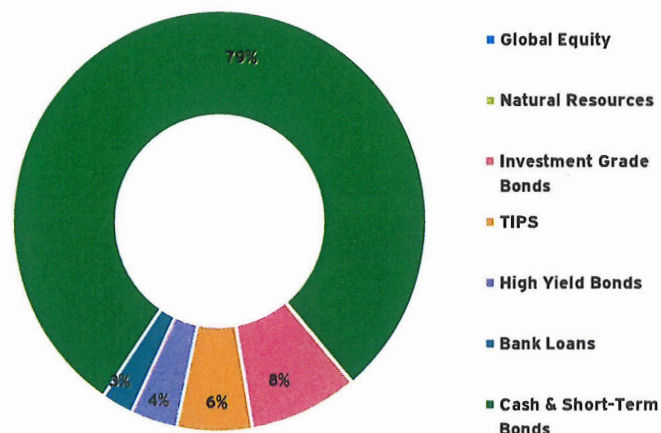
Liquidity Plus (100% Fixed Income)

9/30/2023

Change in Portfolio - 1st Quarter of Fiscal Year 2024

Asset Allocation

Portfolio Value on 6/30/2023	4,963,395
Contributions	0
Withdrawals	0
Change in Market Value	(16,689)
Income Received	32,253
Portfolio Fees	(2,397)
Portfolio Value on 9/30/2023	4,976,562



Trailing Period Performance

	1Q24 (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	Inception Date	Since Inception (%)
Shasta-Tehama-Trinity CC District	0.3	2.9	NA	NA	NA	1/1/2021	-1.4
Policy Benchmark ²	0.2	2.6	-1.2	1.2	NA		2.0

Fiscal Year Performance

	Fiscal Year 2024 (%)	Fiscal Year 2023 (%)	Fiscal Year 2022 (%)	Fiscal Year 2021 (%)	Fiscal Year 2020 (%)	Fiscal Year 2019 (%)	Fiscal Year 2018 (%)	Fiscal Year 2017 (%)	Fiscal Year 2016 (%)	Fiscal Year 2015 (%)
Shasta-Tehama-Trinity CC District	0.3	0.8	NA	NA	NA	NA	NA	NA	NA	NA

¹ 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

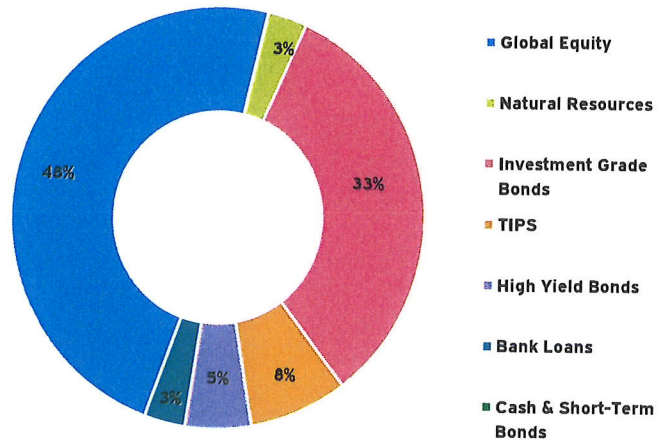
Balanced (50% Fixed Income, 50% Equity)

9/30/2023

Change in Portfolio - 1st Quarter of Fiscal Year 2024

Asset Allocation

Portfolio Value on 6/30/2023	18,031,730
Contributions	458,905
Withdrawals	0
Change in Market Value	(648,296)
Income Received	117,876
Portfolio Fees	(5,940)
Portfolio Value on 9/30/2023	17,954,274



Trailing Period Performance

	1Q24 (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	Inception Date	Since Inception (%)
Shasta-Tehama-Trinity CC District	-2.9	11.3	1.7	3.5	4.4	10/1/2006	4.7
Policy Benchmark ¹	-2.9	11.0	2.0	4.2	NA		NA

Fiscal Year Performance

	Fiscal Year 2024 (%)	Fiscal Year 2023 (%)	Fiscal Year 2022 (%)	Fiscal Year 2021 (%)	Fiscal Year 2020 (%)	Fiscal Year 2019 (%)	Fiscal Year 2018 (%)	Fiscal Year 2017 (%)	Fiscal Year 2016 (%)	Fiscal Year 2015 (%)
Shasta-Tehama-Trinity CC District	-2.9	8.0	-12.2	20.2	4.3	5.9	7.0	9.3	-2.2	2.0

¹ 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



Calendar Year Returns								
	2022	2021	2020	2019	2018	2017	2016	2015
Balanced Fund	-14.2	8.9	11.9	18.7	-5.0	13.1	7.7	-4.3
<i>CPI - Medical Care</i>	<i>4.0</i>	<i>2.2</i>	<i>1.8</i>	<i>4.6</i>	<i>2.0</i>	<i>1.8</i>	<i>4.1</i>	<i>2.6</i>
Liquidity Plus Fund	-5.1	-0.1	3.9	4.4	0.8	1.1	--	--
<i>CPI - Medical Care</i>	<i>4.0</i>	<i>2.2</i>	<i>1.8</i>	<i>4.6</i>	<i>2.0</i>	<i>1.8</i>	<i>4.1</i>	<i>2.6</i>

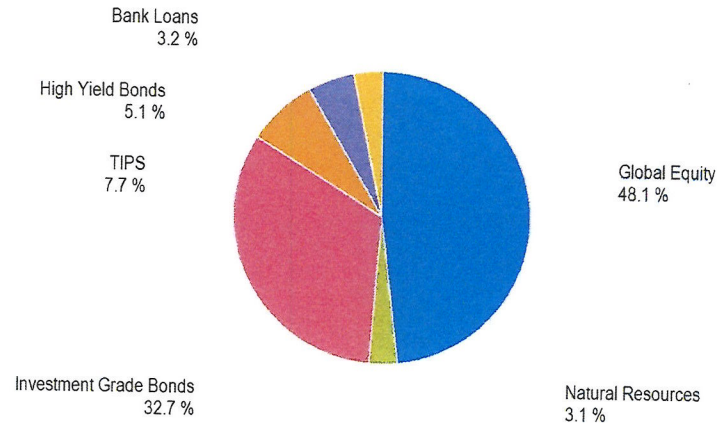
Fiscal Year Returns								
	Fiscal 2023 (%)	Fiscal 2022 (%)	Fiscal 2021 (%)	Fiscal 2020 (%)	Fiscal 2019 (%)	Fiscal 2018 (%)	Fiscal 2017 (%)	Fiscal 2016 (%)
Balanced Fund	8.0	-12.1	20.3	4.5	5.9	7.0	9.2	-1.9
<i>CPI - Medical Care</i>	<i>0.1</i>	<i>4.5</i>	<i>0.4</i>	<i>5.1</i>	<i>2.0</i>	<i>2.5</i>	<i>2.7</i>	<i>3.5</i>
Liquidity Plus Fund	1.0	-4.6	1.3	4.1	4.0	0.0	--	--
<i>CPI - Medical Care</i>	<i>0.1</i>	<i>4.5</i>	<i>0.4</i>	<i>5.1</i>	<i>2.0</i>	<i>2.5</i>	<i>2.7</i>	<i>3.5</i>

Fiscal year starts 7/1.

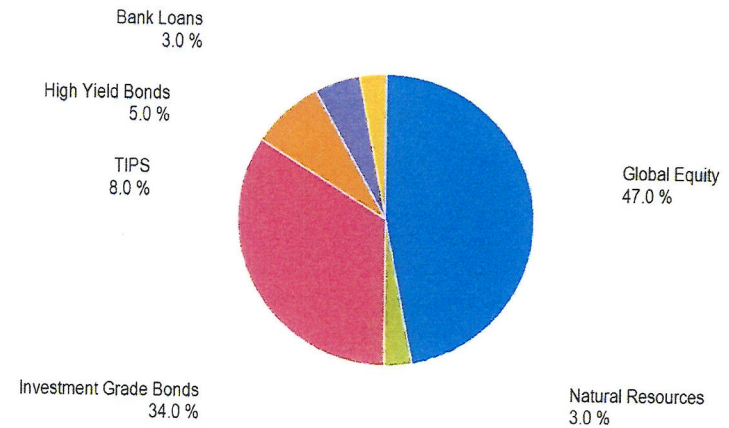
Community College League of California Aggregate

Balanced Fund | As of September 30, 2023

Current Allocation

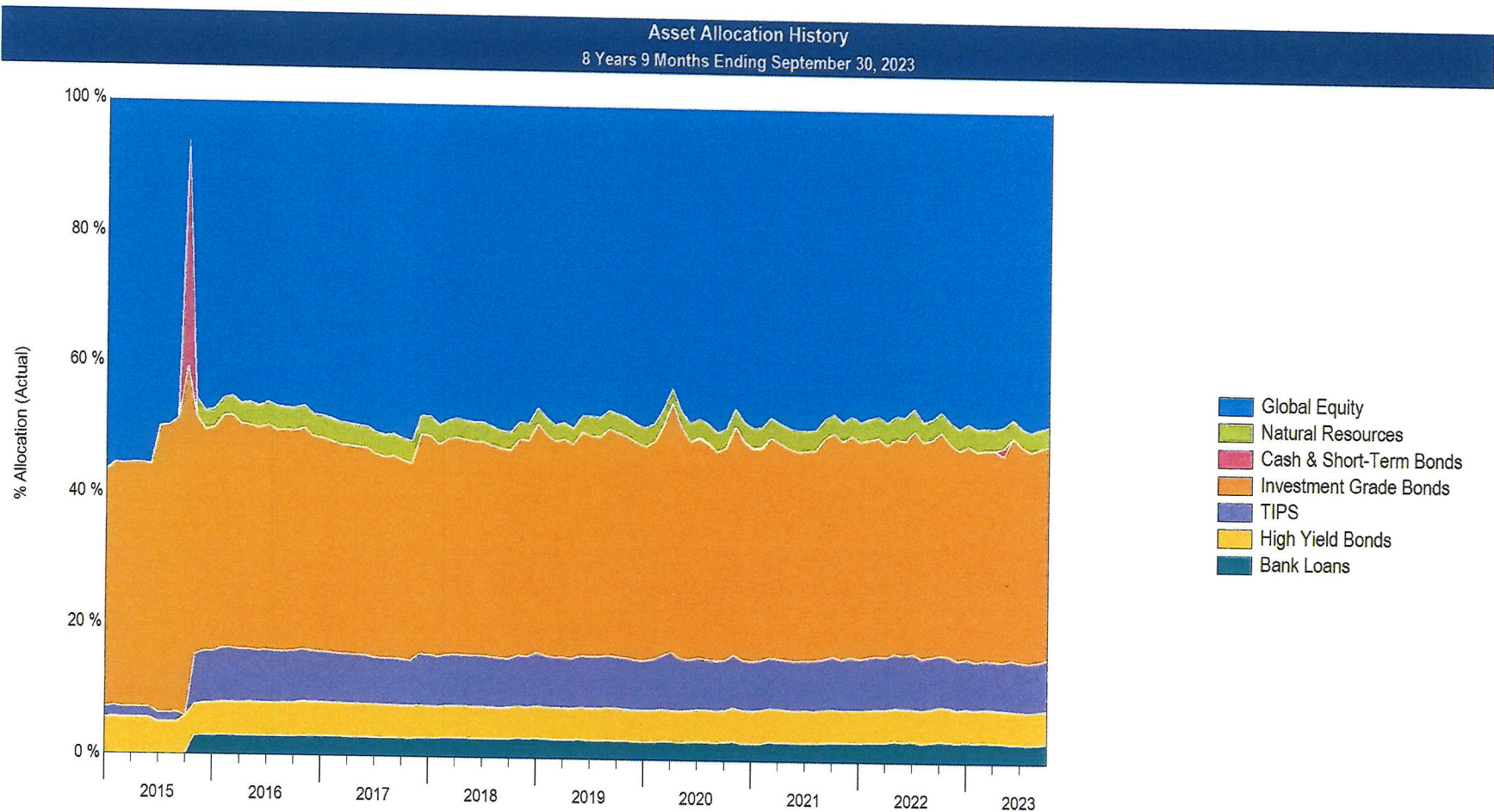


Target Allocation



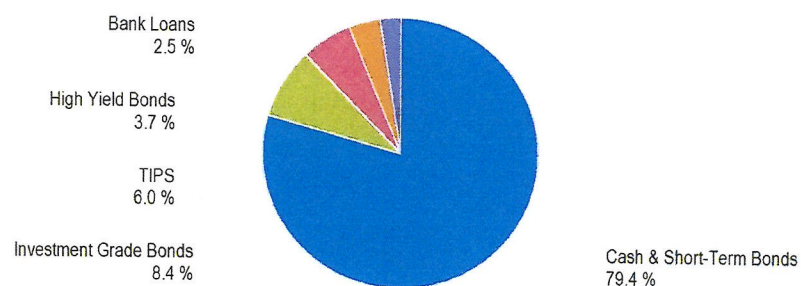
Asset Allocation on September 30, 2023

	Actual	Actual	Target
Global Equity	\$88,514,810	48.1%	47.0%
Natural Resources	\$5,697,937	3.1%	3.0%
Cash & Short-Term Bonds	\$320	0.0%	0.0%
Investment Grade Bonds	\$60,254,087	32.7%	34.0%
TIPS	\$14,237,651	7.7%	8.0%
High Yield Bonds	\$9,449,997	5.1%	5.0%
Bank Loans	\$5,865,693	3.2%	3.0%
Total	\$184,020,495	100.0%	100.0%

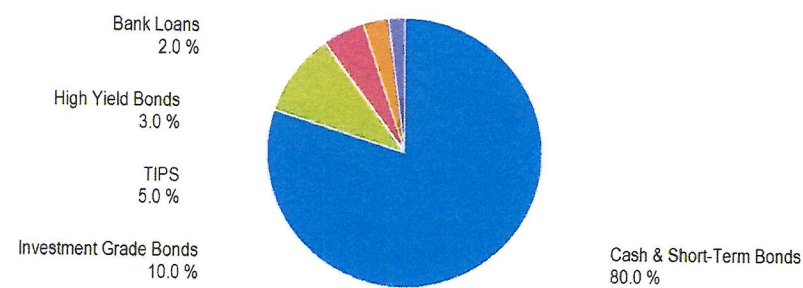


Asset Class Performance Summary									
	Market Value (\$)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Balanced Fund	184,020,495	100.0	-2.9	11.4	1.8	3.6	4.5	4.2	Jul-07
<i>Balanced Fund Policy Benchmark</i>			<i>-2.9</i>	<i>11.0</i>	<i>2.0</i>	<i>4.2</i>	<i>--</i>	<i>--</i>	<i>Jul-07</i>
<i>CPI - Medical Care</i>			<i>0.2</i>	<i>-1.4</i>	<i>1.6</i>	<i>2.5</i>	<i>2.5</i>	<i>2.8</i>	<i>Jul-07</i>
Equity	94,212,747	51.2	-3.1	20.9	7.3	6.3	--	8.6	Nov-15
Global Equity	88,514,810	48.1	-3.3	20.9	6.7	6.3	--	8.6	Nov-15
<i>MSCI ACWI IMI Net USD</i>			<i>-3.4</i>	<i>20.2</i>	<i>6.9</i>	<i>6.1</i>	<i>7.4</i>	<i>7.9</i>	<i>Nov-15</i>
Natural Resources	5,697,937	3.1	-0.8	20.5	16.1	6.2	--	7.6	Nov-15
<i>Natural Resources Custom Index</i>			<i>-1.8</i>	<i>17.8</i>	<i>11.8</i>	<i>3.9</i>	<i>--</i>	<i>7.3</i>	<i>Nov-15</i>
Fixed Income	89,807,749	48.8	-2.6	2.5	-3.7	0.8	--	--	Nov-15
Cash Equivalents	320	0.0	1.3	4.5	1.7	1.6	--	1.3	Nov-15
<i>91 Day T-Bills</i>			<i>1.3</i>	<i>4.5</i>	<i>1.7</i>	<i>1.6</i>	<i>1.1</i>	<i>1.4</i>	<i>Nov-15</i>
Investment Grade Bonds	60,254,087	32.7	-3.6	0.5	-5.9	-0.2	--	--	Nov-15
<i>Bloomberg US Aggregate TR</i>			<i>-3.2</i>	<i>0.6</i>	<i>-5.2</i>	<i>0.1</i>	<i>1.1</i>	<i>0.6</i>	<i>Nov-15</i>
TIPS	14,237,651	7.7	-2.6	1.0	-2.0	2.0	--	2.0	Nov-15
<i>Bloomberg US TIPS TR</i>			<i>-2.6</i>	<i>1.2</i>	<i>-2.0</i>	<i>2.1</i>	<i>1.7</i>	<i>2.1</i>	<i>Nov-15</i>
High Yield Bonds	9,449,997	5.1	0.4	11.0	2.6	3.1	--	4.0	Nov-15
<i>Bloomberg US High Yield Ba (BB) TR</i>			<i>-0.4</i>	<i>8.4</i>	<i>0.8</i>	<i>3.7</i>	<i>4.6</i>	<i>4.4</i>	<i>Nov-15</i>
Bank Loans	5,865,693	3.2	3.3	13.4	6.1	3.8	--	4.2	Nov-15
<i>Credit Suisse Leveraged Loans</i>			<i>3.4</i>	<i>12.5</i>	<i>5.9</i>	<i>4.3</i>	<i>4.3</i>	<i>4.8</i>	<i>Nov-15</i>

Current Allocation



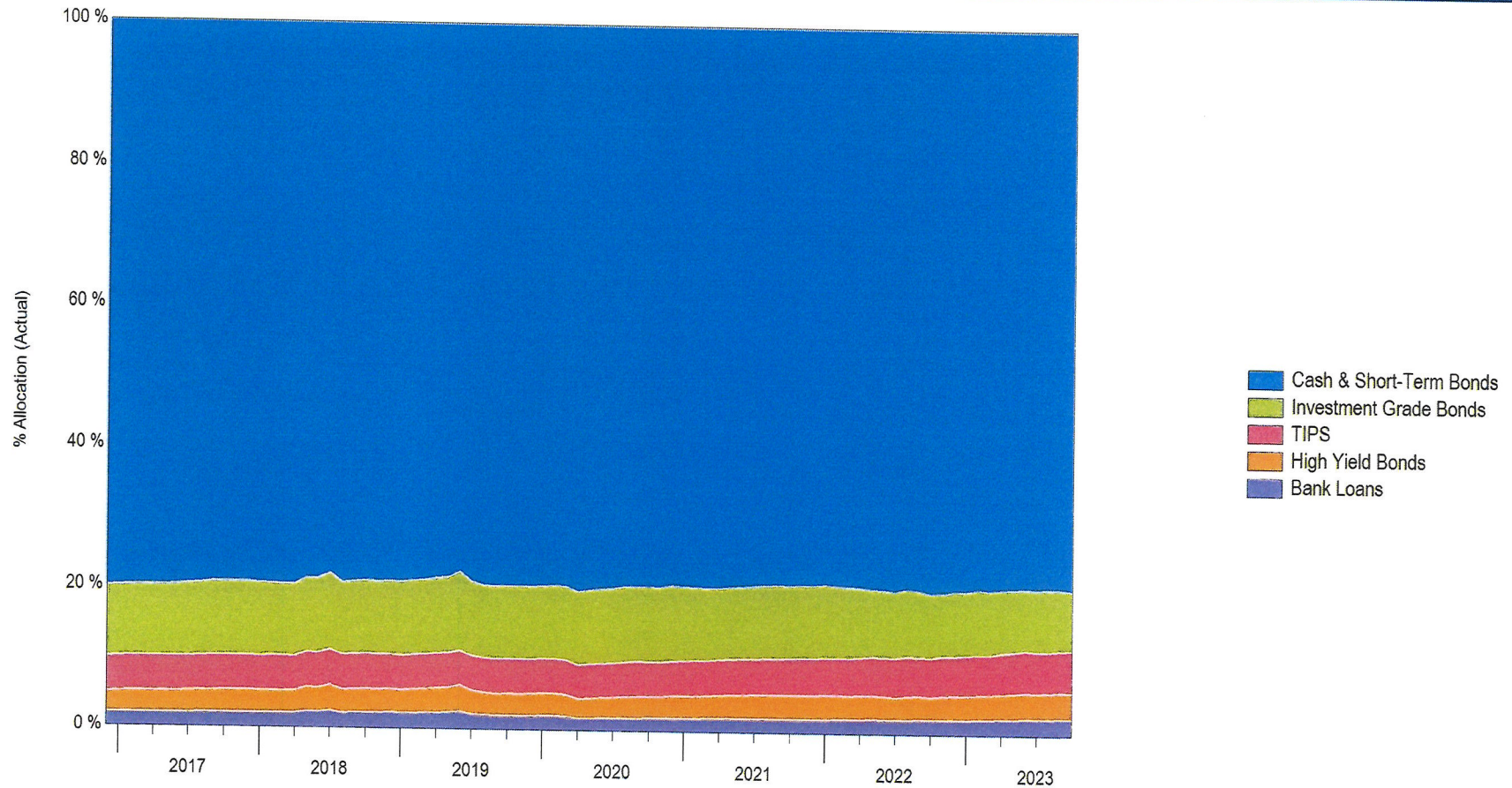
Target Allocation



Asset Allocation on September 30, 2023

	Actual	Actual	Target
Cash & Short-Term Bonds	\$4,514,060	79.4%	80.0%
Investment Grade Bonds	\$477,980	8.4%	10.0%
TIPS	\$338,267	6.0%	5.0%
High Yield Bonds	\$211,439	3.7%	3.0%
Bank Loans	\$142,482	2.5%	2.0%
Total	\$5,684,227	100.0%	100.0%

Asset Allocation History 6 Years 10 Months Ending September 30, 2023



Asset Class Performance Summary									
	Market Value (\$)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Liquidity Plus Fund	5,684,227	100.0	0.3	3.1	-0.9	1.1	--	1.0	Dec-16
<i>Liquidity Plus Fund Policy Benchmark</i>			<i>0.2</i>	<i>2.6</i>	<i>-1.2</i>	<i>1.2</i>	<i>--</i>	<i>1.1</i>	<i>Dec-16</i>
<i>CPI - Medical Care</i>			<i>0.2</i>	<i>-1.4</i>	<i>1.6</i>	<i>2.5</i>	<i>2.5</i>	<i>2.3</i>	<i>Dec-16</i>
Fixed Income	5,684,227	100.0	0.3	3.1	-0.9	1.2	--	1.0	Nov-16
Cash & Short-Term Bonds	4,514,060	79.4	0.7	2.8	-0.7	1.1	--	0.9	Nov-16
<i>Bloomberg US Govt 1-3 Yr TR</i>			<i>0.7</i>	<i>2.5</i>	<i>-0.9</i>	<i>1.0</i>	<i>0.8</i>	<i>0.8</i>	<i>Nov-16</i>
Investment Grade Bonds	477,980	8.4	-3.7	0.5	-5.9	-0.2	--	-0.1	Nov-16
<i>Bloomberg US Aggregate TR</i>			<i>-3.2</i>	<i>0.6</i>	<i>-5.2</i>	<i>0.1</i>	<i>1.1</i>	<i>0.0</i>	<i>Nov-16</i>
TIPS	338,267	6.0	0.4	3.2	1.8	2.7	--	2.1	Nov-16
<i>Bloomberg US TIPS TR</i>			<i>-2.6</i>	<i>1.2</i>	<i>-2.0</i>	<i>2.1</i>	<i>1.7</i>	<i>1.5</i>	<i>Nov-16</i>
High Yield Bonds	211,439	3.7	0.4	11.0	2.6	3.1	--	3.3	Nov-16
<i>Bloomberg US High Yield Ba (BB) TR</i>			<i>-0.4</i>	<i>8.4</i>	<i>0.8</i>	<i>3.7</i>	<i>4.6</i>	<i>3.8</i>	<i>Nov-16</i>
Bank Loans	142,482	2.5	3.3	13.4	6.1	3.8	--	4.0	Nov-16
<i>Credit Suisse Leveraged Loans</i>			<i>3.4</i>	<i>12.5</i>	<i>5.9</i>	<i>4.3</i>	<i>4.3</i>	<i>4.6</i>	<i>Nov-16</i>