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LOS RIOS COMMUNITY COLLEGE DISTRICT  
**RETIREE HEALTH BENEFITS OVERSIGHT COMMITTEE**

May 13, 2020  
Teleconference

1:30 p.m.

*(Approved 2/11/21)*

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Present: LRCCD: Tracy Clark, Jamie Ruggles, Katie DeLeon, Carrie Bray, Mario Rodriguez  
WFB: Eric Lee, Todd Noetzelman

Absent: None

### **Welcome**

Mario called the meeting to order at 1:30 p.m. and welcomed everyone to the meeting.

### **November 5, 2019 and February 10, 2020 Minutes**

The November 5, 2019 and February 10, 2020 meeting minutes were approved.

### **Review of 1st Quarter 2020 (calendar year) Results**

Eric reviewed the investment report for the period ending March 31, 2020. In the first quarter, equity investments posted negative returns. Large caps were the best performing equity class in the quarter, but all sectors in the S&P 500 index had negative returns. The fixed income returns were generally positive. The markets are bracing for a shut down due to the Corona virus. The projections for year-end equity return rates are mostly in the negative ranges with fixed income in the 0 to 2% range.

On the cash flow page, Eric noted the portfolio suffered a net valuation loss of \$7.8 million in the current calendar year. He also reviewed the target allocations of each of the various investments. Overall, the portfolio was slightly below the 30% equity target allocation at 28.04%. In the current quarter, the portfolio underperformed the custom benchmark with a 5.64% loss as compared to the benchmark loss of 4.98%. Equities had a difficult quarter down 22.02% year-to-date. Fixed income was up 1.89% over the quarter. Eric quickly reviewed the performance summary and Portfolio Profile as of March 31, 2020 and highlighted a few of the items. He shared the total annualized investment costs of 0.283%

Finally, Eric reviewed the Portfolio and Market Perspective. He noted that Los Rios' investment objective was Moderate. He shared the pitfalls of trying to time the market and while we are expecting a bear market in light of the current facts, this is not the time to get out of the market. The best path forward is to stay the course.

### **Future Meeting Dates/Agenda Items**

The next meeting is August 10, 2020 by teleconference.

The meeting ended at 2:30 pm.