

---

Los Rios COMMUNITY COLLEGE DISTRICT  
**RETIREE HEALTH BENEFITS OVERSIGHT COMMITTEE**  
August 19, 2020  
Teleconference  
2:00 p.m.  
*(Approved 2/11/21)*

---

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 2:00 p.m. and welcomed everyone to the meeting.

### **Review of 2nd Quarter 2020 (calendar year) Results**

Eric reviewed the investment report for the period ending June 30, 2020. In the second quarter, equity investments posted positive returns. Large caps growth and small caps were the best performing equity class in the quarter, but all sectors in the S&P 500 index had positive returns. The S&P had a 20.5% return over the second quarter, but year to date was still down 3.1%. The fixed income returns were all positive with high yield and emerging markets posting double digit returns for the second quarter. At this point in time, the monthly economic data is confirming a "V" shaped recovery during the second quarter. There was solid job growth in manufacturing and housing. The pandemic is still very much of an unknown and how it plays out will affect the economy's strength.

Turning to the cash flow page, Eric noted the portfolio experienced a valuation gain of 11.8 million as contrasted with the first quarter loss of \$7.8 million. He also reviewed the target allocations of each of the various investments. Overall, the portfolio was slightly above the 30% equity target allocation at 30.26% due to the market fluctuations. In the current quarter, the portfolio outperformed the custom benchmark with an 8.98% return as compared to the benchmark return of 8.19%. Equities had a strong quarter up 21.61% but still down 5.18% year to date. Fixed income was up 4.18% over the quarter and 6.15% year to date. Eric reviewed the performance summary as of June 30, 2020 and highlighted a few of the items.

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

The next meeting is November 16, 2020 by teleconference.

The meeting ended at 3:00 pm