I. CALL TO ORDER
   a. The meeting was called to order at 1:12 PM by Peter Fitzsimmons.

II. ROLL CALL
   1. All Retirement Board of Authority (RBOA) members were present except Chris Frazier and Maria Holguin:
      Douglas Smith, Vice Chancellor, Administrative Services
      Peter Fitzsimmons, Executive Director, Fiscal Services
      Yolanda Talavera, Staff and Member, CSEA Chapter 363
      Maria Holguin, Staff and Member, CSEA Chapter 363
      Arlene Amelia, Retired Staff and Former Member CSEA, Chapter 363
   2. All Coordinators/Consultants were present except Gail Beal:
      Roslyn Washington, Senior Account Manager, Keenan Financial Services
      Cary Allison, Senior Vice President, Morgan Stanley
      Mark Payne, Morgan Stanley Advisor
      Scott Rankin, Senior Vice President, Benefit Trust Company
   3. Guests:
      Elaine Chapman, Staff and Member, CSEA, Chapter 363 (Alternate)
      Paul Fong, Faculty and Member, AFT 6157 (Alternate)
   4. Other:
      Linda Wilczewski, San Jose Evergreen CCD Controller

III. PUBLIC COMMENTS
   a. There were no public comments.

IV. APPROVAL OF AGENDA
   a. Dan Hawkins Moved to approve the Agenda as presented; Motion was seconded by Doug Smith and was unanimously approved by all of the Retirement Board of Authority members present.

V. APPROVAL OF MINUTES
   a. Danny Hawkins Moved to approve the Minutes as presented; Motion was seconded by Doug Smith and was unanimously approved by all of the Retirement Board of Authority members present. Paul Fong Abstained
VI. INVESTMENTS

5. Portfolio Performance Review
   a. Cary Allison of Morgan Stanley (MS) reviewed the performance of the accounts as of September 30, 2018.
   b. The Portfolio Value as of September 30, 2018 was $45,190,198.61

<table>
<thead>
<tr>
<th>Time weighted return net of fees</th>
<th>Month to Date</th>
<th>Quarter to Date</th>
<th>Year to Date</th>
<th>Latest 1 Year</th>
<th>Annualized latest 3 Year</th>
<th>Annualized latest 5 Year</th>
<th>Annualized Inception to Date</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>-0.25</td>
<td>1.70</td>
<td>2.55</td>
<td>5.90</td>
<td>9.24</td>
<td>6.60</td>
<td>9.07</td>
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</tbody>
</table>

   c. Elaine Chapman moved to approve the Portfolio Performance Review as presented; Motion was seconded by Paul Fong and was unanimously approved by all of the Retirement Board of Authority members present.

6. Market Overview
   a. Cary Allison gave an overview of the Markets since the last RBOA meeting.
   b. Why have we seen a correction? The District is worried about earnings growth next year. This year Earnings have been up 20-25% over last year. We are also concerned about tariffs. We don’t think there will be a trade war, but the fear is still affecting the market.
   c. We think they are raising rates because they are afraid of inflation.
   d. With the 10-year US Treasury yield rising more rapidly and piercing 3% for the first time since 2011, stocks have started to struggle in a way investors haven’t had to face in a long time.
   e. Rising interest rates have reached a point at which they have become a constraint on valuations.
   f. Gross domestic product is up to 4.2%. Morgan Stanley feels the GDP will hit 3% and we are not too concerned about inflation.
   g. The Federal Reserve has been the largest buyer of treasuries. You would think the cost of treasuries would go down, but it hasn’t yet.
   h. Cary also advised that short term rates are controlled by the Federal Reserve. Last year they raised interest rates 1x. This year rates have been raised 2x’s and we expect them to raise another two more times this year and 2-4 more times next year.
   i. Stocks are still controlled by earnings. Earnings are still doing very well.
   j. The mid-term elections should bring a positive effect in the market. Historically markets have always done well in the 12 months following mid-term elections.
   k. This item is information only.

7. Investment Policy Statement
   a. The Retirement Board of Authority (RBOA) was presented with a final copy of the IPS showing the changes to the Target Rate of Return that was made and approved by the RBOA at the April 2018 meeting.
   b. This was an Information Item Only.
IX. **ADMINISTRATION**

8. **Election of Chair of the Retirement Board of Authority (RBOA)**
   a. Doug Smith nominated Dan Hawkins to serve as Chair of the RBOA, motion was seconded by Arlene Amelia and approved by all RBOA members.

9. **Review of Board Resolution 091118-3**
   a. Peter Fitzsimmons presented a new Resolution signed by the SJECCD Board of Trustees showing the change in title names to represent the RBOA.
   b. This was an Information item only.

10. **Annual Report on the Status of the Trust**
    a. Trust disbursement report reflecting fiduciary withdrawals and fees paid to Keenan, BTC & Morgan Stanley for the period April 2018 - October 2018.
    b. Dan Hawkins Motioned to ratify the fees for the period as presented; Motion was seconded by Phil Crawford and was unanimously approved by all of the Retirement Board of Authority members present.

11. **Disbursement Report**
    b. Phil Crawford Motioned to ratify the fees for the period as presented; Motion was seconded by Dan Hawkins and was unanimously approved by all of the Retirement Board of Authority members present.

12. **Update to the Substantive Plan, including the Comprehensive Compliance Plan**
    a. Roslyn Washington of Keenan presented the OPEB Questionnaire and advised the RBOA that there were no significant changes to the Retiree Health Benefits offered in Fiscal Year 2017/2018 in comparison to Fiscal Year 2016/2017.
    b. Roslyn Presented the Retirement Board with a new E-Library.
    c. This was an Information item only.

13. **Annual Report to the Governing Board of Trustees**
    a. Peter Fitzsimmons advised the RBOA that he and Roslyn Washington of Keenan presented the Board of Trustees with a report on the status of the Trust and the Board acknowledged.

14. **Future Transfer of Assets into the Trust**
    a. The San Jose/Evergreen Community College District (SJECCD) received a notice of eligibility from Deutsche Bank that the district was eligible to share in an “out of court” settlement between Deutsche Bank and 45 State Attorney General, including the California Attorney General. The Settlement Agreement describes the details of an investigation by the State Attorneys General concerning alleged violation of various state and federal antitrust laws, unfair and deceptive acts and practices laws, false claims statutes, commodities and securities laws, and fraud statutes, by Deutsch Bank and others regarding London Interbank Offered Rate (“LIBOR”),
and financial instruments
b. This was an Information item only.

X. INFORMATION REPORTS

Retirement Board of Authority Comments
a. No comments.

Program Coordinator/Consultant Comments
a. No comments.

XI. DATE, TIME AND AGENDA ITEMS FOR NEXT MEETING
a. April 25, 2019 (1:30pm – 3:00pm) at San Jose City College

XII. ADJOURNMENT
a. Meeting was adjourned at 2:15 pm by Peter Fitzsimmons in memory of former Retirement Board of Authority member Mark Newton