

FINANCE & INVESTMENT COMMITTEE MEETING
PASADENA CITY COLLEGE FOUNDATION
REGULAR BUSINESS MEETING
Thursday, October 31, 2019 | 4:00 p.m. Open Session
Pasadena City College
Foundation Conference Room
1324 E. Green Street CDC 212, Pasadena, California 91106

AGENDA

Notice: Members of the public may request the opportunity to address the Board regarding any item on the agenda. To do so, please complete a "Request to Address the Board" form and give it to the Board Secretary prior to the deliberation of the agenda item. Individual speakers are limited to five minutes; total audience participation on any agenda item is limited to thirty minutes.

- I. CALL TO ORDER, ROLL CALL

- II. OPEN SESSION (4:00 p.m.)
 - A. ANNOUNCEMENTS AND RECOGNITIONS

 - B. PUBLIC COMMENT ON NON-AGENDA ITEMS
The Brown Act prohibits the Board from discussing or taking action on any item not on the agenda.

 - C. CLIFFORD SWAN REPORT
 - 1. Quarterly Report

 - D. DISCUSSION ITEMS WITH POSSIBLE ACTION
 - 1. Approval of Minutes August 1, 2019 Meeting
 - 2. Discussion about Payout Rate

 - E. REPORTS
 - 1. Financials (Handout)

- III. ADJOURNMENT

FUTURE MEETING DATES

Thursday, January 30, 2020

4:00 p.m., Foundation Conference Room

Thursday, April 30, 2020

4:00 p.m., Foundation Conference Room

**FINANCE & INVESTMENT COMMITTEE MEETING
PASADENA CITY COLLEGE FOUNDATION
Thursday, August 1, 2019
4:00 p.m.
Foundation Conference Room CDC 212
1324 E. Green Street, Pasadena, California 91106**

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The Finance and Investment Committee of the Pasadena City College Foundation met on Thursday, August 1, 2019, in the Foundation Conference Room CDC 212, Pasadena City College, 1324 E. Green St., Pasadena, California 91106.

I. CALL TO ORDER, ATTENDANCE

The meeting was called to order at 4:04 p.m. by Mr. Wade Winter.

Finance & Investment Committee Members Present

Mr. Wade Winter (Chair)
Mr. Bill Hawkins
Mr. Michael Mitchell
Ms. Gloria Pitzer
Ms. Diane Rankin
Mr. Lonnie Schield

Finance & Investment Committee Members Absent

Mr. Jon Fuhrman
Mr. Jim Sarni

Foundation Staff Present

Ms. Bobbi Abram, Executive Director
Ms. Dolores Ybarra, Development Manager
Ms. Patricia Pejoumand, Accountant (conference call)
Ms. Ocie Kara-Simonyan, Administrative Assistant II

Clifford Swan Investment Counsel Present

Mr. Randy Zaharia, CFA, Principal
Mr. Anil Kapoor, Principal, Equity Analyst

II. OPEN SESSION

A. ANNOUNCEMENTS AND RECOGNITIONS

There were no announcement nor recognitions.

B. PUBLIC COMMENT ON NON-AGENDA ITEMS

There were no members of the public who made comments.

C. DISCUSSION ITEMS WITH POSSIBLE ACTION

1. Approval of the Amendments to the Financial Operations Policies

MOTION: ON MOTION OF Mr. Schield and seconded by Ms. Pitzer, the Finance and Investment Committee voted by a unanimous vote (Hawkins, Mitchell, Pitzer, Rankin, Schield, and Winter) of the six members present to approve the Amendments to the Financial Operations Policies.

2. Approval of Minutes May 2, 2019

MOTION: ON MOTION OF Mr. Hawkins and seconded by Mr. Schield, the Finance and Investment Committee voted by a unanimous vote (Hawkins, Mitchell, Pitzer, Rankin, Schield, and Winter) of the six members present to approve the minutes of the Finance & Investment committee meeting held on May 2, 2019.

D. REPORTS

1. Clifford Swan Report

The Clifford Swan Report was presented and discussed and is incorporated with these minutes by reference. Stocks continue on a path of strong performance. The domestic market hovers near all-time highs. They note a resurgence of interest rate volatility. The Federal Reserve's actions seem to have a strong hold on equity and fixed income markets. Looking specifically at fixed income investments, 10-year U.S. Treasury rates recently dipped below 2%, which is lower than we've seen in some time. Clifford Swan is officially in the longest U.S. economic expansion, now clocking in at 120 months. Current GDP growth appears healthy, with the first quarter of this year measuring above 3%.

2. Payout Rate

The committee discussed the payout rate and whether to keep it at the current rate of 4% or to change it to 3.5%. The committee would like to continue discussion at the next meeting.

3. Financials

Mr. Winter presented the financials to the committee; he stated we are right on target for the budget.

Mr. Winter noted on pg.8 – the \$300K has already been spent on replacing the turf in the Robinson stadium.

III. ADJOURNMENT

Mr. Winter adjourned the meeting at 5:34 p.m.

MOTION: ON MOTION OF Ms. Pitzer and seconded by Mr. Hawkins, the Finance and Investment Committee voted by a unanimous vote (Hawkins, Mitchell, Pitzer, Rankin, Schield, and Winter) of the six members present to adjourn the Finance and Investment Committee meeting held on August 1, 2019.

Respectfully submitted by:

Wade Winter

Pasadena City College Foundation Fund Balances & Performance

	Market Value (\$)		Performance (%) - thru 9/30/2019	
	9/30/2019	8/31/2019	YTD Return	Last FY
Foundation Funds - Short-term				
Charles Schwab	71,449.63	71,334.20	1.5%	n.a.
Bank of the West - General	324,863.42	577,376.02		0.5%
Bank of the West - Debit	8,501.37	10,986.06		
Bank of the West - Merchant	15,157.84	113,824.23		
Bank of the West - Money Market	100.00	100.00		
	420,072.26	773,620.51		
		1,164,861.32		
Foundation Funds - Long-term				
Charles Schwab	26,590,294.98	26,177,857.36	14.8%	6.5%
Osher Scholarship Funds*	2,086,155.68	2,086,155.68		1.1%
	28,676,450.66	28,264,013.04		
	29,096,522.92	29,037,633.55		
	29,504,501.73			
Total Funds				

* Value provided by 3rd party sources

Long-term Funds^ - Manager Performance Fund Balances & Performance

	Market Value (\$)		Performance (%) - thru 9/30/2019	
	9/30/2019	8/31/2019	YTD Return	Last FY
Cash & Equivalents				
Long-term	62,244.89	60,306.34	1.3%	n.a.
		310,697.76		0.2%
Stocks				
Clifford Swan Investment Counsel	14,288,168.99	13,875,427.54	20.7%	7.8%
Glennmede Small Cap	384,609.12	379,852.76	9.8%	-8.5%
iShares Russell 2000	378,350.00	372,100.00	14.1%	-3.7%
Matthews Pacific Tiger	650,067.12	643,980.79	3.5%	-2.3%
MFS International Value Fund	1,621,417.49	1,596,165.04	17.2%	1.3%
Invesco Oppenheimer Developing Mkts	961,324.33	954,423.22	11.2%	6.8%
	18,283,937.05	17,821,949.35	18.1%	3.0%
		18,114,835.27		0.6%
Fixed Income				
Clifford Swan Investment Counsel	6,991,517.45	7,030,395.05	8.5%	8.0%
Doubleline Total Return	415,733.27	418,440.37	6.0%	2.5%
Vanguard Inflation-Protected Sec Fund	345,319.07	349,193.96	7.6%	1.6%
	7,752,569.79	7,798,029.38	7.9%	1.4%
		7,336,302.06		2.4%
Alternatives				
DWS Enhanced Commodity Strategy	111,443.71	112,410.68	-1.5%	-9.5%
Franklin K2 Alternative Strategy Fund	129,374.03	130,160.84	6.3%	3.1%
Principal Global Multi-Strategy Fund	125,742.51	125,625.75	6.1%	-0.3%
SPDR Gold Trust	124,983.00	129,375.00	14.5%	0.5%
	491,543.25	497,572.27	4.1%	n.a.
		491,649.64		4.3%
				-0.1%
Total Funds				
	26,590,294.98	26,177,857.36		
		26,253,484.73		

^ excluding Osher Scholarship Funds

* Performance figures are time weighted rate of return (annualized for periods greater than 1 year). These figures are gross of fees with the exception of mutual funds which are net of fees.

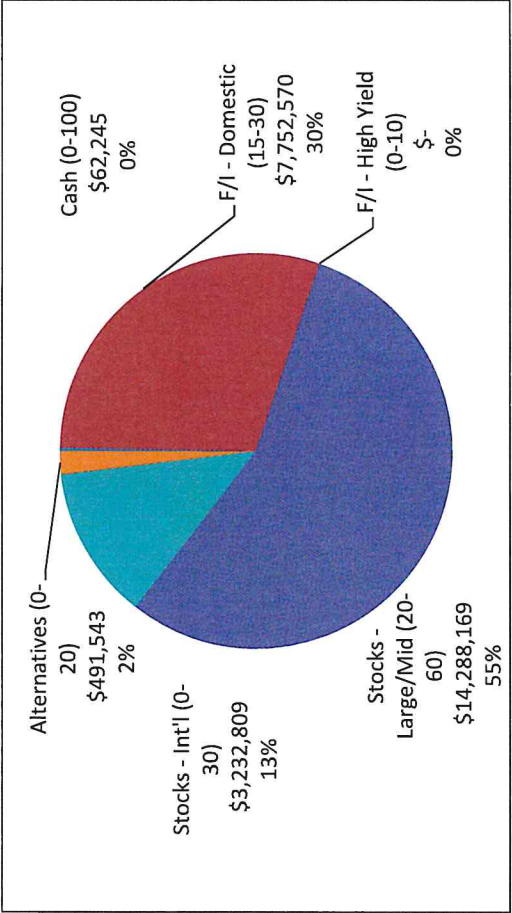
Pasadena City College Foundation Asset Allocation

9/30/2019

Foundation Asset Balance: \$29,096,522.92

Long-term Funds - Schwab*

Fund Balance: \$26,590,294.98



* excluded Osher Scholarships

Short-term Funds

Fund Balance: \$420,072.26

