

**Peralta Community College District
Retirement Board Meeting Minutes
August 28, 2025**

Present Board Members: William (Bill) Withrow (Chair), William (Bill) Riley, Jamila Buckner

Absent Board Members: Meredith Brown, Greg Nelson,

Absent Advisory Members:

Present Advisory Members: Michael Wirth, Michael Mills, Jerry Hermann, Tim Hackett

Present Board Advisors: Ms. Christine Williams, Lisel Wells, Nixon Peabody LLP; Blake Biscotti; Neuberger Berman; Sultan Khan, Neuberger Berman

| Agenda Item | Discussion | Follow-Up |
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| I. Call to order | Meeting called to order at 4:05p.m.by Chair Withrow. | |
| II. – VI. | Board Members, Advisory Members, Advisors present and absent – listed above. | |
| VII. Approval of Agenda | Motion to approve August 28, 2025, meeting agenda. Approved. AYES: 3 NOES: 0 ABSTAIN: 0 ABSENT: 2 | |
| VIII. Approval of Meeting Minutes | Motion to approve May 29, 2025, and June 06, 2025 minutes. Approved. AYES:3 NOES: 0 ABSTAIN: 0 ABSENT: 2 | |

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| IX. Report on Closed Session | Chair Withrow acknowledged the roll call and called the meeting to order at 4:08pm with a request for a report from Closed Session. The Retirement Board Members discussed continue the actuarial business services with Total Compensation. The Board reviewed administrative matters including board appointments, updating the bylaws and making the necessary adjustment to the agenda in lieu of the Deputy Chancellor and COO's absence as the first presentation on the agenda. | |
| X. Open Session Discussion | Board Appointments and Agenda Updates Retirement Board Chair Bill Withrow made a recommendation for a deputy chair and nominated Dr. Bill Riley. Chair Withrow opened the nomination for a deputy chair, and proposed to schedule the vote for the September 25, 2025 meeting. The Retirement Board Members adjusted the agenda due to Greg Nelson's absence. Retirement Board Chair, Bill Withrow introduced the new Retirement Board Member, Human Resource Vice Chancellor S. Jamila Buckner. Vice Chancellor Buckner provided background on her experience in human resources and her recent appointment to the district. Retirement Board Appointment Process Review Advisory Board Member Michael Mills raised concerns about the appointment process for the retirement board, specifically questioning why a retiree could not serve as a permanent voting member, as suggested in his email following Ron McKinley's departure. He noted that while it was tradition to fill positions with the Vice Chancellor of Finance and the Vice Chancellor of Human Resource, he wanted clarification on whether this was a requirement, as the original documentation confirmed these two positions must be voting members. Mr. Mills also suggested that the new Vice Chancellor of Human Resources could serve as an advisor to the Healthcare Committee, given their expertise in healthcare matters. Advisory Board Composition Discussion Retirement Board Chair Bill Withrow discussed the composition of the Retirement Board and the Advisory Board, noting that the original resolution prescribed the board's structure. Mr. Withrow | |

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| <p>XII. Neuberger Berman Investment Performance Review</p> | <p>agreed to draft a formal response to Mr. Mills request and commissioned the executive director and legal counsel to execute the response on behalf of the Retirement Board. The response would address the board's current positions and future vacancies. Mr. Mills further explained that since the funds held in the Trust are dedicated to paying retiree healthcare benefits. He stated that a retiree should have a voting right on the Board to impact decision that impact retirees. Retirement Board Member Dr. Bill Riley acknowledged and thanked Mr. Mills for being one of the original members who established the Trust and his long-term dedication supporting the monetary commitment to retirees.</p> <p>Global Markets and AI Optimism</p> <p>The current value of Trust I is 168,371.138. This amount reflects the balance after recent withdrawals of 21.3 million dollars for OPEB Bond related expenses.</p> <p>Mr. Sultan Khan, Head of Investment Strategy Group, Neuberger Berman presented a performance review highlighting resilient financial markets despite global uncertainties and trade tensions, noting strong returns in U.S. and international equities, as well as fixed income markets.</p> <p>He emphasized the positive impact of artificial intelligence on investor optimism, comparing it to the internet revolution of the 1990s. Sultan also touched on underlying labor market challenges, including supply-demand imbalances and difficulties faced by recent graduates.</p> <p>Global Economic Slowdown and Fed Response</p> <p>Mr. Khan discussed the slowing global economy, particularly noting the impact of the U.S. economy's slowdown on the rest of the world. He explained that the Federal Reserve is likely to cut interest rates in the coming months, though the exact number of cuts remains uncertain. Sultan predicted a broadening of equity market performance, with small caps and international stocks expected to rally as the economy stabilizes. He also touched on the impact of tariffs on inflation and the weakening U.S. dollar, which is beneficial for international markets.</p> | |
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Tariffs and Market Economic Insights

Mr. Khan discussed the current market conditions, noting strong credit fundamentals and attractive yields, while advising caution on credit risk and duration. He addressed the impact of tariffs on inflation, explaining that while there will likely be a one-time jump in costs, the extent of absorption by consumers and corporations varies by industry. Sultan also touched on the potential effects of tariffs on small and large caps, suggesting that small caps might be more insulated due to their domestic focus, but could be more sensitive to interest rates. He advised tuning out daily headlines and focusing on long-term trends when navigating the current economic environment.

Portfolio Strategy and Market Outlook

Mr. Khan discussed the impact of the current administration's policies on markets, noting that while pro-business measures like lower regulations and potential interest rate cuts are positive for equities and fixed income, concerns about rising U.S. debt and its long-term implications for the term premium exist. He outlined the portfolio's positioning, including reducing equity exposure due to the recent rally, adding to fixed income, and introducing a small-cap ETF to capitalize on potential rate cuts. Sultan also highlighted strong portfolio performance year-to-date, driven by a higher quality bias, and explained that underperformance relative to benchmarks was mainly due to small-cap and international equity strategies, which may improve as tariffs influence global markets.

U.S. Dollar's Global Rebalancing Impact

Mr. Khan explained that the weakening U.S. dollar is due to global investors rebalancing their investments, particularly in response to U.S. market changes and technological innovations. He noted that while the dollar has declined by about 10% this year, the U.S. remains the world's reserve currency and a strong economic power. Sultan suggested that the long-term impact of U.S. policies on the global economy is still uncertain, but he emphasized that a stronger global economy benefits everyone.

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Style Weighted Benchmark consists of: 2.5% MSCI ACWI Ex-U.S. Index, 1.5% Russell 2000 Growth Index, 1.3% Russell 2000 Value Index, 14.9% Russell 1000 Index, 23.6% Bloomberg US Aggregate Index, 0.0% Russell 1000 Growth Index, 10.8% Cambridge Associates US Private Equity Index, 5.2% MSCI EM IMI NET USD Index, 1.5% 50%PUT/50%WPUT BLEND Index, 3.0% Bloomberg Commodity Index, 4.0% MSCI ACWI Net Index, 6.3% Bloomberg US Gov/Credit 1-3Y Index, 2.3% HFRX Equity Hedge Index, 3.6% MSCI EAFE Index-Net,USD, 0.6% JPM EM Markets Bond Index Global, 3.2% MSCI EAFE Net Index (USD), 4.9% ICE US Treasury 3-Month Bill Index, 5.5% Russell 2000 Index, 2.3% 50% (GBLDIV), 25% (JPMEMB) and 25% (CEMBI) Index and 3.0% ICE BB-B US Cash Pay HY Constrained Index.

Investment Policy Benchmark From 05/01/2025 to current consists of: 3% ICE US Treasury 3-Month Bill Index, 32% Bloomberg U.S. Aggregate Index, 3% Bloomberg U.S. Corporate BB & B High Yield Index, 0% Bloomberg Global Agg ex. US Index, 3% EMD Blended Index, 15% S&P 500 Index, 7% Russell 2000 Index, 9% MSCI EAFE Index, 5% MSCI Emerging Markets Index, 4% MSCI All Country World Index, 3% Bloomberg Commodity Index, 4% HFRX Global Hedge Fund Index, and 12% Burgiss PE Index. From 12/31/2021 to 4/30/2025 3% ICE US Treasury 3-Month Bill Index, 26% Bloomberg U.S. Aggregate Index, 8% Bloomberg U.S. Corporate High Yield Index, 8% EMD Blended Index, 16% S&P 500 Index, 8% Russell 2000 Index, 8% MSCI EAFE Net USD Index, 4% MSCI Emerging Markets Index, 4% MSCI All Country World Index, 3% Bloomberg Commodity Index, 4% HFRX Global Hedge Fund Index, and 8% Cambridge Associates PE Index.

**XIII.
Meketa Investment Group Inc.
Investment Performance Review**

Trust II Performance and Updates

The performance of Trust II, which has grown from \$1 million in 2019 to **\$1,578,285.00** exceeding the initial investment value without any dips since inception. Mr. Ryan Farrell, Investment Analyst, Meketa Investment Group Inc. presented a comprehensive overview of the Trust's performance, highlighting that ex-U.S. equities outperformed U.S. equities year-to-date, with developed markets gaining 18% and emerging markets 17.5%. He noted that U.S. small caps were flat, while large caps and growth stocks performed well, with technology and utilities being the best-performing sectors. Mr. Farrell also discussed credit spreads, which were at all-time lows, and the Trust's asset allocation, which was close to targets

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with a slight overweight in credit. The Trust's performance was strong, with a 12.5% return for the fiscal year and 8% net return as of July, trailing the policy benchmark by a small margin.

Benchmark history:

Total Fund (net of plan fees)

03/01/2019 Present 35.0% Blmbg. U.S. Aggregate Index, 53.0% MSCI AC World IMI Index (Net), 5.0% 50% BBg US High Yield TR/50% S&P UBS Leveraged Loans, 7.0% 90 Day U.S. Treasury Bill

Inflation Hedges

03/01/2019 Present 23.0% MSCI U.S. REIT Index (Net), 8.0% MSCI AC World Energy Index (Net), 8.0% MSCI U.S. IMI Materials 25/50 Index (Net), 15.0% FTSE Gold Mines Index (Price), 46.0% Blmbg. U.S. TIPS Index

Advisory Board Member Jerry Herman inquired about retirees in Trust II. Ms. Christine Williams clarified that while there are eligible retirees, the district has paid their benefits through another financial vehicle, with no current activity on Trust II.

The meeting also covered upcoming events, including a Foster and Foster Retiree Health Benefit School Valuation on September 25th and a presentation by AB Bernstein Private Wealth Management in October. Determining that all business had concluded, Retirement Board Chair Bill Withrow confirmed the next meeting is September 25, 2025 and adjourned the meeting.

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| XIV. Schedule Future Board Meetings | The next Retirement Board meeting schedule to be determined for September 25, 2025, via Zoom and in person: DGS Building B Conference Room 1 333 East 8 th Street Oakland, CA 94606 From: 3 p.m. to 6 p.m. | |
| XV. Adjournment | After determination that all Retirement Board business had concluded Retirement Board Chair Bill Withrow adjourned the meeting at 5:15pm | |

Minutes taken: Ms. Christine Williams

Meeting minutes and agendas are available on the Retirement Board website: <http://web.peralta.edu/retirement-board>.