

**Peralta Community College District
Retirement Board Meeting Minutes
June 06, 2025**

Present Board Members: William (Bill) Withrow (Chair), William (Bill) Riley, Meredith Brown, Greg Nelson, Ron McKinley

Absent Board Members: 0

Absent Advisory Members: 0

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

Present Board Advisors: Ms. Christine Williams, Jade Turner-Bond, Nixon Peabody LLP; Lisel Wells, Nixon Peabody LLP; Blake Biscotti, Neuberger Berman; Cannistra, Neuberger Berman; Mr. Sultan Khan, Neuberger Berman;

Agenda Item	Discussion	Follow-Up Action
I. Call to order	Meeting called to order at 2:30p.m.by Chair Withrow.	
II. – VI.	Board Members, Advisory Members, Advisors present and absent – listed above.	
VII. Approval of Agenda	Motion to approve June 06, 2025, meeting agenda. Approved. AYES: 5 NOES: 0 ABSTAIN: 0 ABSENT: 0	
VIII. Approval of Meeting Minutes	No Motion to approve minutes. AYES: 0 NOES: 0 ABSTAIN: 0 ABSENT: 0	

<p>IX Closed Session</p> <p>X. Executive Administrator Request for Additional District OPEB Bond Draw Down from Trust I</p>	<p>None</p> <p>Retirement Board Chair, Bill Withrow called for a Motion to Consider the request from the District for the drawdown of \$10 million from OPEB Retiree Medical Trust I for the retirement of OPEB Bonds B4 Tranche. (Action)</p> <p>Retirement Board Member Dr. Bill Riley asked the Chair to re-introduce the motion so that the transaction would be in the recording. Chair Withrow repeated the motion.</p> <p>Motion: Greg Nelson Second: Dr. Ron McKinley Approved. AYES: 5 NOES: 0 ABSTAIN: 0 ABSENT: 0</p> <p>Dr. Bill Riley asked for clarification from the Board that the request is a one-time drawdown. Both Retirement Board Chair, Bill Withrow and Retirement Board Member, Greg Nelson confirmed the transaction to be a one-time drawdown.</p> <p>Advisory Board Member Michael Mills asked Retirement Board Member Mr. Nelson for an explanation regarding paying down the bond principal. Ms. Nelson explained that the drawdown would help provided a more favorable rating for the OPEB bonds with Moody. He asked Mr. Olson, Backstrom McCarley & Berry Inc., for clarification on the current rating. Mr. Olson couldn't guarantee the exact rating at the time and offered that one rating was at the upper end of B category and the other at the lower end of the A category.</p> <p>Dr. Bill Riley asked if the information was factual or hypothetical. Mr. Nelson further explained that if the District could flatten the curve of the bulge years by paying down the OPEB obligation and gain a more favorable rating, removing the negative outlook towards the District. He explained that the expectation was similar to previous transactions using the reserves to pay down long-term debt to obtain a more stable financial position for the District. Advisory Board Member Mills had an additional question about District Trustees' concern that the maturity of the bonds further down the road would be a much higher cost and a</p>
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negative impact on the District's ability to pay down the bonds. **Retirement Board Member Nelson** described the District's position as being much better than past years due to preparation to make 14 million in contributions to the special reserves. **Mr. Nelson** confirmed that deposits to the special reserves account had not occurred years. He continued to explain that the special reserves would eliminate the possibility of defaulting on the OPEB bonds. The reserves would sustain the District's OPEB payment in a possible drought year. **Retirement Board Chair Bill Withrow** asked Mr. Nelson if the special reserves were limited to bond principal payment only. **Mr. Nelson** deferred to Mr. Olson. **Mr. Olson** stated that funds could be transferred in or out of the account at the discretion of the Governing Board. **Mr. Olson** stated there are no restrictions on that account. **Mr. Withrow** asked if the monies could be used for Trust I and Trust II. Further discussion continued regarding the monies in the special reserves being used for both Trust I and Trust II.

Advisory Board Member Michael Wirth asked if monies from Trust I could be used for payment of interest. **Michael Wirth** indicated that the funds in Trust I were allocated for retiree healthcare benefits and it was his understanding that the monies could not be used to pay interest on the bonds. **Retirement Board Member Greg Nelson** clarified the original question was about the special reserves and this account can pay principal and interest. He explained that the account is a depository of cash and it's not monies earned by Trust I. The District is putting this money into the special reserves. Therefore, the money can be used to pay anything related to the OPEB bonds for Trust I and II. **Retirement Board Chair, Bill Withrow** said it was important to make the clarification that funds in the special reserves were not monies taken from Trust I. **Mr. Nelson** confirmed that the monies placed in the special reserves were not taken for Trust I. **Advisory Board Member, Michael Mills** asked for the timeframe of deposits to the special reserves. **Mr. Nelson** and **Mr. Olson** did not have the answer to the exact date but knew that the fund had been as high as 4 million and as low as 500k.

Mr. Olson did clarify the Moody's rating for the District as BAA1 and the S&P AA- . Further discussions about the bond ratings continued before the meeting concluded. **Retirement Board Chair, Bill Withrow** asked the **Executive Administrator, Ms. Williams**, to follow through and verify transactions in order to codify the Retirement Board records. Both **Ms. Williams** and **Retirement Board Member Greg Nelson** agreed to the process of verification. **Mr. Withrow** asked if the Board agreed to the process for a matter of record keeping. The Board agreed unanimously with **Board Member Brown** confirming her

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	<p>approval for the process. Mr. Withrow noted that the only action item was finished and the next Board meeting is on August 28th. He also stated that Total Compensation Inc. was on the agenda for the August 28th meeting to provide an update of the actuarial liabilities for Trust I and II. He mentioned having several scenarios with different discount rates indicating the possible impact to liabilities based on rate fluctuations. He asked for any comments from the Executive Administrator before concluding all business. Ms. Williams thanked the legal counsel Jade Turner-Bond, Nixon Peabody LLP Lisel Wells, Nixon Peabody LLP and Meredith Brown, Atkinson, Andelson, Loya, Ruud & Romo. She offered a special recognition of Retirement Board Member Brown for her dedication to the Board and stellar attendance record.</p> <p>Mr. Withrow adjourned the meeting at 2:45pm.</p>	
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XI. Schedule Future Board Meetings	The next regular Retirement Board meeting scheduled for August 28, 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.	
XII. Adjournment	After determination that all Retirement Board business had concluded Retirement Board Chair Bill Withrow adjourned the meeting at 2:45pm	

Minutes taken: Ms. Christine Williams

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