

LOCATION: CONFERENCE CALL
1 669 900 6833 (US Toll) or
<https://laccd.zoom.us/j/97981922806>
Meeting ID: 979 8192 2806

TIME: 11:00 A.M.

MINUTES

Attendance:

Members Present: Bob Winters (Chair); Edward Dilkes; Danny Chan; Robert Reeves, Marvin Hoffman and Robert Schwartz (Executive Director)

Members Absent: Jerrod McClung and Gerard Tamparong

Guests Present: Robert Nichols and Joseph Robillard (Windward Capital), Julie Stromberg, Daren Lynne and Silvia Martinez

I. CALL TO ORDER

B. WINTERS

- a. The meeting was called to order at 11:11 A.M.

II. APPROVAL OF MINUTES

B. WINTERS

- a. Minutes of April 20, 2021
 - i. Ed Dilkes moved to accept the minutes as presented.
 - ii. Robert Reeves seconded
 - iii. **Motion Passed MSP**

III. REVIEW OF WINDWARD CAPITAL SUMMARY

J. ROBILLARD/D. BESSLER

- a. Bob Winters and Robert Reeves asked Joseph Robillard on behalf of the Finance Committee to provide them with a one-page summary of what he reports on his oral presentation. They asked if he could provide it a couple days before the next Finance meeting or any Finance meeting in the future.
 - i. Joseph Robillard mentioned that typically, what they report is going to be contained in the quarterly reports in terms of performance numbers and metrics and the economic data. It's well written in there and he sent a PDF copy of the of the quarterly commentary.
- b. Joseph Robillard and Robert Nichols reviewed the Foundation portfolio. The report covered the performance for the 2nd quarter as of June 30, 2021.
 - i. LACCF Portfolio #1 Growth
 - 1. **Total Cost:** \$8,499,591.99 **Market Value:** \$16,784,017.92
 - a) **Yield:** 0.9 **Estimated Annual Income:** \$144,142.11
 - ii. LACCF Portfolio #2 Equity Income
 - 1. **Total Cost:** \$3,722,554.94 **Market Value:** \$5,583,734.88
 - a) **Yield:** 2.3 **Estimated Annual Income:** \$129,638.95
 - iii. Herb Alpert Portfolio #1
 - 1. **Total Cost:** \$4,967,674.48 **Market Value:** \$10,058,296.27
 - a) **Yield:** 0.9 **Estimated Annual Income:** \$86,393.19
 - iv. Herb Alpert Portfolio #2
 - 1. **Total Cost:** \$4,037,255.43 **Market Value:** \$6,072,684.19
 - a) **Yield:** 2.3 **Estimated Annual Income:** \$140,889.15

- v. Nick Beck Journalism Lecture
 - 1. **Total Cost:** \$407,140.16 **Market Value:** \$548,908.45
 a) **Yield:** 2.3 **Estimated Annual Income:** \$12,726.02
- vi. LACCF Operating Endowment
 - 1. **Total Cost:** \$510,813.94 **Market Value:** \$874,129.62
 a) **Yield:** 0.9 **Estimated Annual Income:** \$7,538.19
- vii. LACCF STEM
 - 1. **Total Cost:** \$1,182,648.02 **Market Value:** \$2,087,658.75
 a) **Yield:** 0.9 **Estimated Annual Income:** \$17,893.19
- viii. Robert Nichols and Joseph gave the Committee some financial updates.
 - 1. The month of July has been particularly strong. The growth accounts are up roughly 2.3% each. Friday's close today seems like a good rebound from yesterday. It's approximately accurate. The growth accounts are up another 2.3% and the value account for the month of July is up about 1.7% to date.
 - 2. The Foundation investments have been allocated thoughtfully. The underlying investments have been selected very, very carefully and they've outperformed consistently, and they're really pleased with where the portfolio is today
 - 3. Robert Nichols mentioned that if the economic growth begins to slow, they continue to think that Tech is going to do well because that's where the growth is and that's what people are willing to pay for. They have some concerns and some of those concerns involve very large companies that have very high P E ratios. The Foundation doesn't have a lot of those in the portfolios. That's evidenced by the fact that of the 25 stocks on the S & P 500 the large CAP index of those 25 stocks that they have declined 30% from their high from their high
- ix. Robert Schwartz informed Joseph Robillard and Robert Nichols about some bequests that are coming in and will be invested. They spoke more about the different options of allocations in this era. The Committee had the opportunity to ask questions.

IV. REVIEW OF FINANCIALS

B. WINTERS

- a. Bob Winters reported that at the Executive Committee meeting, they asked for the Finance Committee to consider the Money Market account to the bank. The Money Market accounts don't make much interest and the current amount on your balance sheet is \$303,588. The Committee needs to consider what to do with it, to leave it there, or to move it to some higher paying account.
 - i. After discussing this matter. Danny Chan mentioned that we need that Money Market and potentially even a little bit of the cash sitting in Charles Schwab to back things up if we do need to. However, we shouldn't put it into the medium or long term. The Committee decided to leave the Money Market account as is.
 - 1. Danny Chan moved to leave the Money Market account as is
 - 2. Ed Dilkes seconded
 - 3. **Motion Passed MSP**
 - ii. Daren Lynne was brought back to this meeting to further explain the situation with the Fresh Success and Basic Needs program so that the Committee had a better understanding of why we need to have a certain amount of funds in the bank account.
- b. The review and approval of June 2021 financials (including bank & credit card statements) was discussed by the Executive Committee in their meeting before the Finance and Investment Committee meeting.
 - i. Bob Winters moved to accept the June 2021 financials and credit card expenses as presented.
 - ii. Ed Dilkes seconded
 - iii. **Motion Passed MSP**

V. ADJOURNMENT AND NEXT MEETING

- a. Meeting adjourned at 12:08 PM
- b. Next meeting October 19, 2021 at 11:00 AM.