

**LOCATION: LACC Foundation**  
Student Union Building  
855 N Vermont Avenue  
Los Angeles, CA 90029

**1 669 900 6833 (US Toll)**  
**Meeting ID: 854 1131 4018**

**TIME: 11:30 A.M.**

### MINUTES

#### Attendance:

**Members Present:** Bob Winters (Chair); Danny Chan (Vice Chair); Edward Dilkes, via conference Call; Robert Reeves; Marvin Hoffman, via Conference Call; Jerrod McClung, via Conference Call; Gerard Tamparong, via Conference Call; Robert Schwartz and Lisa C. Nashua (Executive Director)

**Guests Present:** Robert Nichols (Windward Capital); Don Bessler (Windward Capital); Joseph Robillard (Windward Capital), via Conference Call; and Silvia Martinez

#### **I. CALL TO ORDER**

**B. WINTERS**

- a. The meeting was called to order at 11:42 A.M.

#### **II. APPROVAL OF MINUTES**

**B. WINTERS**

- a. Minutes of July 18, 2023, meeting.
  - i. Bob Winters moved to accept the minutes as presented.
  - ii. Robert Schwartz seconded.
  - iii. **Motion Passed MSP**

#### **III. REVIEW OF WINDWARD CAPITAL SUMMARY**

**R. NICHOLS**

- a. Dr. Nichols gave a brief overview of the current financial markets.
  - i. He started by looking at the economy. This economy has been much, much stronger and has by far exceeded any expectations that he thinks most investors have had for it. However, they are very troubled about this budget deficit. It's doubled this fiscal year and it's hitting \$2.02 trillion right now. The spending has been robust and thanks that the Biden Student Loan forgiveness package didn't pass the Supreme Court because it could have been a whole lot worse. But the gap between this year's ending in September and last year is \$2.02 trillion. That's a lot of money spent in one year.
    1. He also said that there's some better news, and the news basically is that this deficit will probably shrink. In 2024, due to the positive performance of the financial markets this year, so that we taxed our higher rate taxes on investor stock sales and the delayed California receipts will also help.
    2. Dr. Nichols talked more about the current economy and about their expectations for 2024.
  - ii. Danny Chan asked the Windward representatives how they see the housing market affecting not just the Foundation's portfolio, but the overall economic environment, especially given the situation that September had one of the highest pricings for supposedly more affordable type housing, even though interest rate is at all-time high, he has been seeing the top coming down, but the bottom is still up.
  - iii. Some Committee members had some disagreement on how Windward is managing the Foundation portfolio. They discussed moving towards fixed income, which was suggested by the Finance and Investment Committee.
    1. Danny Chan commented that the message has been delivered to Windward and asked them to please do investigate it, use their expert opinion on what we should do and present it back to the Committee.
- b. The Committee received the LACCF Portfolio report which covered the performance for the 3<sup>rd</sup> quarter as of September 30, 2023.

i. LACCF Portfolio #1 Growth	
1. <b>Total Cost:</b> \$12,681,275.24	<b>Market Value:</b> \$17,731,753.66
a) <b>Yield:</b> 2.1	<b>Estimated Annual Income:</b> \$262,851.31
ii. LACCF Portfolio #2	
1. <b>Total Cost:</b> \$4,222,257.74	<b>Market Value:</b> \$5,526,860.07
a) <b>Yield:</b> 3.3	<b>Estimated Annual Income:</b> \$145,566.66
iii. Herb Alpert Portfolio #1	
1. <b>Total Cost:</b> \$5,792,954.43	<b>Market Value:</b> \$8,935,095.48
a) <b>Yield:</b> 2.1	<b>Estimated Annual Income:</b> \$128,062.65
iv. Herb Alpert Portfolio #2	
1. <b>Total Cost:</b> \$4,411,750.41	<b>Market Value:</b> \$5,804,484.87
a) <b>Yield:</b> 3.3	<b>Estimated Annual Income:</b> \$152,126.07
v. Nick Beck Journalism Lecture	
1. <b>Total Cost:</b> \$444,236.53	<b>Market Value:</b> \$544,332.91
a) <b>Yield:</b> 3.3	<b>Estimated Annual Income:</b> \$14,270.04
vi. LACCF Operating Endowment	
1. <b>Total Cost:</b> \$686,567.20	<b>Market Value:</b> \$830,017.98
a) <b>Yield:</b> 2.1	<b>Estimated Annual Income:</b> \$12,265.66
vii. LACCF STEM	
1. <b>Total Cost:</b> \$2,262,126.90	<b>Market Value:</b> \$2,646,553.81
a) <b>Yield:</b> 2.1	<b>Estimated Annual Income:</b> \$38,086.97

#### IV. DIVERSIFYING NEW DOLLARS TOWARDS FIXED INCOME

D. CHAN

- a. Danny Chan reported on the idea of diversifying new dollars towards fixed income. The Committee has broached this topic already. They understand that a good portion of the Committee is very happy with the way things are right now and another good portion of the Committee do want to see a little bit more hedging and diversification. So, Danny had an idea to start looking into some of the new dollars or some of the money that the Foundation currently has. Like the various accounts, such as City National Money Market to moved towards the fixed income side, especially since the money market is just a form of fixed income.
  - i. Danny Chan moved to diversify new dollars or some existing dollars sitting at bank accounts.
  - ii. Ed Dilkes seconded.
  - iii. **Motion Passed MSP**

#### V. REVIEW OF FINANCIALS

D. CHAN

- a. The Finance and Investment Committee members approved the September 2023 financials.
  - i. Danny Chan moved to accept the September 2023 financials as presented.
  - ii. Robert Reeves seconded.
  - iii. **Motion Passed MSP**

#### VI. NEXT MEETING AND ADJOURNMENT

- a. Next meeting will be on January 23, 2024, at 11:30 AM.
- b. Meeting adjourned at 12:47 PM