

**UNIVERSITY STUDENT UNION
CALIFORNIA STATE UNIVERSITY NORTHRIDGE
RETIREMENT PLAN COMMITTEE
SEPTEMBER 26, 2022
MINUTES**

<https://csun.zoom.us/j/85263743301?pwd=czZWNEUcFhOdk5hTjNEczk4WFNGQT09>

I. Call to Order

Chair, C. Lipton called the meeting to order at 12:32 P.M.

II. Roll Call

Present	Absent	Guests
Debra Hammond, Executive Director (voting)		Dennis DeYoung, Certified Financial Planner
Joseph Illuminate, Associate Director, Accounting & Finance (voting)		Sallie DeYoung, Certified Financial Planner
Christian Lipton, Committee Chair (voting)		Gregory Guajardo, Student Administrative Assistant II, Accounting & Finance
Kristen Pichler, Associate Director, Human Resources & Professional Development (voting)		
Dr. Freddie Sanchez, Interim Asst VP, Student Affairs, Equity & Inclusion (voting)		
Adrian Hernandez, Student Board Representative (voting)		

**Kristen Pichler Joined the meeting at 12:45 P.M.*

III. Approval of Agenda

M/S/P (J. Illuminate/ F. Sanchez) Motion to approve the Agenda for September 26, 2022.

Motion approved by General Consensus.

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IV. Approval of Minutes

M/S/P (D. Hammond / F. Sanchez) Motion to approve the Minutes for May 13, 2021.

Motion approved by General Consensus.

V. Chair's Report

Chair, C. Lipton expressed his excitement to be chair and have the opportunity to learn about an important topic for his future. He also introduced the new student board representative to the committee, Adrian Hernandez.

VI. Action Items

A. Retirement Plan Committee Goals (2022-23)

M/S/P (J. Illuminate/ F. Sanchez) Move to accept the 2022-23 Retirement Plan Committee goals as presented.

The three committee goals are listed in the table below.

No.	GOALS
1	Create multiple scenarios to determine how much money would be required to fully fund the Retirement Health Benefit Plan (RHBP)* in five years, 10 years, and fifteen years*.
2	Provide a general training for employees interested in learning about the Retirement Health Benefits Plan (RHBP).
3	Provide a general training for employees interested in learning about the 401(a) and 403(b) plans and familiarize them with The Standard's website.

**These scenarios created are for illustrative purposes only. No actual funding decisions will be made until it is known how much funding will be available once the financial plan for the New Heart of Campus is completed.*

Motion passes 6-0-0

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VII. Discussion Items

A. Second Quarter 2022 Retirement Plan Review

Financial Planners, Dennis and Sallie DeYoung, led the discussion.

As of June 30, 2022, the cash balance in the 403(b) Plan is \$4,061,968 and the cash balance in the Money Purchase Pension Plan (MPPP) is \$2,936,566. The total cash balance of the two plans is \$6,998,534 which does not consider \$146,132 in 403(b) participant loans.

The steep losses in the both the stock bond markets have had a major impact on the overall cash balance of the two plans. The cash balance as of June 30, 2022 was \$8,468,248 and as of June 30, 2022, the cash balance is only \$6,998,534. This is a decrease of approximately \$1.5 million in market value.

This has been the first year since at least 2015 that the cash balance in the retirement plans have decreased.

The overall investment performance for the second quarter was a negative **13.43%**. The average performance for the last twelve months was a negative **18.95%**.

Twenty-four funds in both plans have FI360 scores in the green and light green zones with scores ranging from 0 to 50. The best FI360 score is 0 and the worst FI360 score is 100. Funds in the green zone meet the majority of the FI360 Fiduciary Score Criteria.

The Vanguard extended Market Index Admiral (73) and the Invesco Global R6 (75) funds are in the yellow zone.

S. DeYoung reported that plan participants, on their own initiative, have moved \$340,000 into the Standard Stable Asset Fund seeking safety from the market volatility.

B. Voluntary Employer Beneficiary Association (VEBA) Update

Executive Secretary, J. Illuminate led the discussion and informed the committee that the same decline in the stock and bond markets that have negatively impacted the cash balances in the 403(b) and MPPP plans, has also created havoc with the cash balance of the VEBA.

The balance of the VEBA, as of August 31, 2022, was \$2,191,167. The balance of

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the VEBA in December 2021 was \$2,416,178.

The VEBA has experienced investment losses of \$496,697 from January to June reducing the inception to date total investment gains to only \$55,889. Six months of losses has nearly wiped out four years of steady investment gains.

VIII. Announcements

Chair, C. Lipton expressed his appreciation to Joseph Illuminate for preparing him to lead this meeting. He also thanked Dennis and Sallie DeYoung for their clear explanation of the financial trends in the markets that are having a negative impact on the USU's retirement funds.

IX. Adjournment

The meeting was adjourned by Chair, Christian Lipton at 1:03 P.M.

Respectfully submitted by,



Joseph Illuminate,
Associate Director, Accounting & Finance