**Call to Order, Roll Call and Miscellaneous Business**

**Call to Order:** Ms. Sandie Arnott, Chair, called the Regular Meeting of the Board of Retirement to order at 10:00 a.m.

**Roll Call:**
Absent: Alma Salas.
Alternates present: Susan Lee.
Staff: Scott Hood, Gladys Smith, Michael Coultrip, Elizabeth LeNguyen, Tat-Ling Chow, Brenda Carlson, Doris Ng and Anne Trujillo.
Consultants and speakers: Margaret Jadallah and Faraz Shooshani (Verus).

**Appointment by Chair of Ad Hoc Nominating Committee for Board Officers:** Ms. Arnott announced the appointment of Kurt Hoefer, Katherine O’Malley (Chair) and Robert Raw to the Ad Hoc Nominating Committee for Board Officers.

**Oral Communications from the Board:** None.

**Oral Communications from the Public:** None.

**Approval of the Minutes:** Ms. Arnott asked if there were any changes or corrections, or objections, to the meeting minutes from the Board meeting held on April 23, 2019.

**Action:** Mr. David moved to approve the minutes from the Board Meeting on April 23, 2019. The motion was seconded by Mr. Hackleman and carried with a vote of 8-0, with trustees Arnott, Battey, David, Hackleman, Hoefer, O’Malley, Raw and Tashman all in favor; none opposed; and Mr. Bowler abstained.

**Approval of the Consent Agenda:** Ms. Arnott removed the disability application of Anna Stock from the Consent Agenda. This item will be continued to next month’s Board meeting. Ms. Arnott asked if there were additional items to be removed.

**Action:** Mr. Hackleman moved to approve the remaining items on the Consent Agenda, and the motion was seconded by Mr. Bowler. The motion carried with a vote of 9-0, with trustees Arnott, Battey, Bowler, David, Hackleman, Hoefer, O’Malley, Raw and Tashman all in favor; none opposed.

**Disability Retirements:**

a) The Board found that Samantha Fireman is (1) permanently incapacitated from the performance of her usual and customary duties as a Deputy Probation Officer III, (2) found that her disability was not a result of an injury/illness arising out of and in the course of her employment, (3) denied her application for a service-connected disability and (4) granted her a non-service-connected disability retirement.

b) The Board found that Diana Herrera is (1) permanently incapacitated from the performance of her usual and customary duties as a Patient Services Assistant II, (2) found that her disability
was the result of an injury arising out of and in the course of her employment and (3) granted her application for a service-connected disability retirement.

c) The Board found that Eddie McKague is (1) not permanently incapacitated from the performance of her usual and customary duties as a Correctional Officer and (2) denied her application for a service-connected disability retirement.

d) The Board found that Patrick Moran is (1) permanently incapacitated from the performance of his usual and customary duties as a Sheriff Sergeant, (2) found that his disability was the result of an injury arising out of and in the course of his employment and (3) granted his application for a service-connected disability retirement.

1906.4.2 **Survivor Death Benefits:** None.

1906.4.3 **Service Retirements:**

<table>
<thead>
<tr>
<th>Name</th>
<th>Effective Retirement Date</th>
<th>Department</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aguirre, Alfredo</td>
<td>March 29, 2019</td>
<td>Def’d from Human Services Agency</td>
</tr>
<tr>
<td>Alfajora, Francisco</td>
<td>March 31, 2019</td>
<td>Public Works</td>
</tr>
<tr>
<td>Bognaanno, Antonette</td>
<td>March 30, 2019</td>
<td>Probation</td>
</tr>
<tr>
<td>Brasil, Roy</td>
<td>March 30, 2019</td>
<td>Probation</td>
</tr>
<tr>
<td>Brown, Marlin</td>
<td>March 28, 2019</td>
<td>Probation</td>
</tr>
<tr>
<td>Browne, Daryl</td>
<td>March 30, 2019</td>
<td>Behavioral Health</td>
</tr>
<tr>
<td>Burket, Randi</td>
<td>March 30, 2019</td>
<td>Def’d from Aging &amp; Adult Services</td>
</tr>
<tr>
<td>Calhoun, Sheree</td>
<td>March 30, 2019</td>
<td>Probation</td>
</tr>
<tr>
<td>Carreira, Glynis</td>
<td>March 30, 2019</td>
<td>San Mateo Medical Center</td>
</tr>
<tr>
<td>Castle, Nancy Chiao</td>
<td>March 30, 2019</td>
<td>San Mateo Medical Center</td>
</tr>
<tr>
<td>Cayabab, Marcela</td>
<td>March 28, 2019</td>
<td>San Mateo Medical Center</td>
</tr>
<tr>
<td>Cherniss, David</td>
<td>March 30, 2019</td>
<td>Courts</td>
</tr>
<tr>
<td>Christensen, Patrice</td>
<td>March 30, 2019</td>
<td>San Mateo Medical Center</td>
</tr>
<tr>
<td>Cogliati, Jane</td>
<td>March 8, 2019</td>
<td>Superior Court</td>
</tr>
<tr>
<td>Cowan, Denise</td>
<td>March 29, 2019</td>
<td>Deferred from Sheriff’s Office</td>
</tr>
<tr>
<td>Cuevas, Leticia</td>
<td>March 30, 2019</td>
<td>Human Services Agency</td>
</tr>
<tr>
<td>Echarte, John</td>
<td>March 29, 2019</td>
<td>Human Services Agency</td>
</tr>
<tr>
<td>Ednoff, Michael</td>
<td>March 23, 2019</td>
<td>Probation</td>
</tr>
<tr>
<td>Ehinger, Chris</td>
<td>March 30, 2019</td>
<td>Human Services Agency</td>
</tr>
<tr>
<td>Eppley, Michael</td>
<td>March 24, 2019</td>
<td>Library</td>
</tr>
<tr>
<td>Fennelly, Maria</td>
<td>March 29, 2019</td>
<td>Family Health</td>
</tr>
<tr>
<td>Fernandez, Federico</td>
<td>March 30, 2019</td>
<td>San Mateo Medical Center</td>
</tr>
<tr>
<td>Finck, Peter</td>
<td>March 30, 2019</td>
<td>County Counsel</td>
</tr>
<tr>
<td>Fleming, Jacqueline</td>
<td>March 23, 2019</td>
<td>Coroner</td>
</tr>
<tr>
<td>Foster, Janet</td>
<td>March 30, 2019</td>
<td>San Mateo Medical Center</td>
</tr>
<tr>
<td>Galatolo, Brenda</td>
<td>March 30, 2019</td>
<td>Probation</td>
</tr>
<tr>
<td>Garcia, Mark</td>
<td>March 24, 2019</td>
<td>Sheriff’s Office</td>
</tr>
<tr>
<td>Gonzales, Cefirino</td>
<td>March 13, 2019</td>
<td>Sheriff’s Office</td>
</tr>
<tr>
<td>Guevara, Maria Cecilia</td>
<td>March 5, 2019</td>
<td>San Mateo Medical Center</td>
</tr>
<tr>
<td>Hansell, Mary</td>
<td>March 29, 2019</td>
<td>Def’d from Family Health</td>
</tr>
<tr>
<td>Hite, Sharon</td>
<td>March 23, 2019</td>
<td>Probation</td>
</tr>
<tr>
<td>Holbrook, David</td>
<td>March 30, 2019</td>
<td>Planning &amp; Building</td>
</tr>
<tr>
<td>Holman, Linda</td>
<td>March 30, 2019</td>
<td>Human Services Agency</td>
</tr>
<tr>
<td>Holowaty, Janelle</td>
<td>March 16, 2019</td>
<td>Probation</td>
</tr>
</tbody>
</table>
Janjua, Seema
Jaramillo, Eduardo
Jennings, Faye
Jimenez, Martha
Jimenez-Huffman, Marta
Johnson, Dewayne
Johnson, William
Jukich, Douglas
Kang, Tyrus
Kefu, Fusipala
Kunst, Jennifer
Kuwahara, Leonard
Kwong, Eddy
Lepe, Laura
Limaco, Flor
Littlefield, Nancy
Magill, Tammy
Maher, Richard
McKay, Nicole
McLain, Virginia
McLaughlin, Rita
Melendez Turcios, Rosa
Membreno, Hugo
Mendoza, Rosaura
Meria, Marilou
Montoya, Jorge
Moore, Roberta
Mota, Thomas
Nabong, Nicolas
O'Donnell, Sean
Patterson, Mary
Pharo-Petiti, Marsha
Ramirez, Rosa M
Rothaus, Margaret
Schumacher, Mary
Sheets, Lorrie
Simmons, Diane
Smith, Venita
Sutter, Henry
Swanson, Bob
Tatola, Elenoa
Taylor, William
Thomas, Carolyn
Tovstein, Charles
Valencia, Bianca
Van Arkel, Julie
Whitney, Carmen
Wilkinson, Kathleen

March 30, 2019
March 30, 2019
March 30, 2019
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March 30, 2019
March 30, 2019
March 30, 2019
March 27, 2019

Behavioral Health
Superior Court
Family Health Services
Human Services Agency
Human Services Agency
Dept. of Public Works
Probation
Sheriff’s Office
Parks
San Mateo Medical Center
Human Services Agency
Agriculture
Information Services
Human Services Agency
Revenue Services
Behavioral Health
Superior Court
District Attorney
Human Resources
Library
Planning & Building
Human Services Agency
Human Services Agency
Housing Dept.
Correctional Health
Behavioral Health
Def’d from District Attorney
Sheriff’s Office
San Mateo Medical Center
Sheriff’s Office
Library
Sheriff’s Office
San Mateo Medical Center
San Mateo Medical Center
San Mateo Medical Center
Public Health
Superior Court
District Attorney
Sheriff’s Office
Agriculture
Sheriff’s Office
Correctional Health
Sheriff’s Office
Treasurer
Sheriff’s Office
Information Services
Revenue Services
QDRO of Sharon Henry

1906.4.4 Continuances: None.
1906.4.5 **Deferred Retirements:**
The Board ratified the actions as listed below for the following members regarding deferred retirements:

<table>
<thead>
<tr>
<th>Member Name</th>
<th>Retirement Plan Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adair, Tatiana</td>
<td>G4, Vested - Reciprocity</td>
</tr>
<tr>
<td>Bautista, Jessica M.</td>
<td>G3, Vested - Reciprocity</td>
</tr>
<tr>
<td>Blanc, Brian A.</td>
<td>S7, Vested - Reciprocity</td>
</tr>
<tr>
<td>Burns, Olga X.</td>
<td>G7, Non-vested- Reciprocity</td>
</tr>
<tr>
<td>Gomez, Francisco J.</td>
<td>G7, Non-vested- Reciprocity</td>
</tr>
<tr>
<td>Hosseini-Bidokhti, Eman D.</td>
<td>G7, Non-vested- Reciprocity</td>
</tr>
<tr>
<td>Howard, Trisha</td>
<td>G7, Non-vested- Reciprocity</td>
</tr>
<tr>
<td>Lambert, Kelly M.</td>
<td>G4, Vested - Reciprocity</td>
</tr>
<tr>
<td>Monheit, Juliette C.</td>
<td>G4, Vested - Reciprocity</td>
</tr>
<tr>
<td>Morales, Carmelisa J.</td>
<td>G7, Non-vested- Reciprocity</td>
</tr>
<tr>
<td>Peterson, Stacy M.</td>
<td>G4, Vested - Reciprocity</td>
</tr>
<tr>
<td>Young, David A.</td>
<td>G7, Non-vested- Reciprocity</td>
</tr>
</tbody>
</table>

1906.4.6 **Member Account Refunds:**
The Board ratified the actions as listed below for the following members regarding refunds:

<table>
<thead>
<tr>
<th>Member Name</th>
<th>Retirement Plan Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brogden, Christina</td>
<td>G7, Non-vested</td>
</tr>
<tr>
<td>Fuentes, Stefany</td>
<td>G7, Non-vested</td>
</tr>
<tr>
<td>Kirkpatrick, Colton</td>
<td>S7, Non-vested</td>
</tr>
<tr>
<td>Saah, Rami</td>
<td>G7, Non-vested</td>
</tr>
<tr>
<td>Soto, Ana</td>
<td>G7, Vested</td>
</tr>
<tr>
<td>Thorpe, Kimberly</td>
<td>G7, Non-vested</td>
</tr>
<tr>
<td>Vaquerano, Rafael</td>
<td>G4, Vested</td>
</tr>
</tbody>
</table>

1906.4.7 **Member Account Rollovers:**
The Board ratified the actions as listed below for the following members regarding rollovers:

<table>
<thead>
<tr>
<th>Member Name</th>
<th>Retirement Plan Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Biear, Catrina</td>
<td>G5, Non-vested</td>
</tr>
</tbody>
</table>

1906.4.8 **Member Account Redeposits:** The Board approved a five-year payment period for a redeposit of retirement funds by Roberto Manchia pursuant to Government Code Section 31685.2.

1906.4.9 **Acceptance of Trustees’ Reports of Educational Activities:** The Board accepted the submitted report for educational activities attended by Paul Hackleman, Susan Lee and Robert Raw.


1906.5.1 **Consideration of Agenda Items, if any, removed from the Consent Agenda:** Ms. Arnott removed the disability application of Anna Stock from the Consent Agenda. This item will be continued to next month’s Board meeting.
1906.5.2 **Discussion of Actuarial Assumptions for the June 30, 2019 Actuarial Valuation:** Mr. Hood reviewed with the Board the informational sheet prepared by Mr. Collier (Milliman). It included the impact of lowering the assumed earning rate from 6.75% to 6.5%, the expected return over the next ten and thirty years and the expected financial impact of lowering the assumed rate of return. Discussion with the Board members followed. The Board requested that Milliman also provide projected contribution rates for a discount rate of 6.25%. Mr. Hood informed the Board that Mr. Collier will be present at the July Board meeting to present additional information. This item was informational and for discussion only, no action was taken.

1906.6.1 **Report on Preliminary Monthly Portfolio Performance for the Period Ended April 31, 2019:** Mr. Coultrip discussed the preliminary monthly performance report with the Board. He reported that SamCERA’s net preliminary return for April 2019 was 1.8%, while the preliminary trailing twelve-month return ending April 2019 was 4.0% net. This item was informational and for discussion only, no action was taken.

1906.6.2 **Report on Quarterly Investment Performance for the Period Ended March 31, 2019:** Ms. Jadallah discussed the 1st quarter net total return for the SamCERA portfolio was 7.1% which was 60 bps higher than the 6.5% policy benchmark return. Alternatives and Risk Parity were the main sources of relative performance, while Public Equity and Fixed Income were the primary detractors of relative performance during the quarter. This item was informational and for discussion only, no action was taken.

1906.6.3 **Report on Real Estate Manager Annual Reviews:** Ms. Ng reported that staff met with real estate managers, INVESCO and PGIM on April 4, 2019. The discussion included a firm/organizational update, investment process review, performance review and attribution, and current positioning/market outlook. There were no significant concerns identified during the portfolio reviews. This item was informational and for discussion only, no action was taken.

1906.6.4 **Report on the Core Equity and Passive Manager Annual Reviews:** Ms. Ng reported that staff met with representatives from QMA and Blackrock. The discussion included a firm/organizational update, investment process review, performance review and attribution, and current positioning/market outlook. There were no significant concerns identified during the portfolio review. Ms. Ng reported the annual review for SamCERA’s other core equity manager, D.E. Shaw, took place on May 16th and will be reported at the next Board meeting. This item was informational and for discussion only, no action was taken.

1906.6.5 **Presentation of Private Asset Semi-Annual Performance Reports as of December 31, 2018:** Mr. Shooshani reviewed the report on private equity and private real assets portfolio in detail with the Board. This item was informational and for discussion only, no action was taken.

This item was taken out of order.

1906.6.6 **Approval of Proposed Alternative Investment (to be heard in Closed Session, Confidential Under Gov. Code sections 54956.81 and 6254.26, see item C2)**

1906.6.7 **Approval of Potential Sale of Alternative Investment (to be heard in Closed Session, Confidential Under Gov. Code sections 54956.81 and 6254.26, see item C3)**

1906.7.1 **Approval of SamCERA Fiscal Year 2019-20 Budget:** Ms. Chow reviewed the three components of SamCERA’s budget (Professional Services, Administrative and Technology) and discussed the changes from last year within each category. SamCERA’s FY 2019-20 budget totals $37 million, which is a 5% increase from the prior fiscal year due to an increase in the professional services budget.
**Action:** Mr. David motioned to approve the budget as presented for FY 2019-20. The motion was seconded by Mr. Hoefer and carried by a vote of 9-0, with trustees Arnott, Battey, Bowler, David, Hackleman, Hoefer, O’Malley, Raw and Tashman all in favor; none opposed.

The meeting then went into closed session at 11:36 a.m. and reconvened in open session at 12:44 p.m. to consider items 1906.6.6 and 1906.6.7. See reports C2 and C3 below.

1906.7.2 **Approval to Reschedule the Regular July Meeting of the Board of Retirement:** Mr. Hood and the Board discussed rescheduling the Board of Retirement regular meeting date from July 23rd to July 16th due to two pre-approved educational activities taking place the week of the 22nd. Staff surveyed the Board members and found that rescheduling the meeting to July 16th would allow for more Board members to attend the July meeting and also allow them to attend either course.

**Action:** Mr. Battey motioned to approve a change to the date of the July 23, 2019 meeting to July 16, 2019. The motion was seconded by Mr. David and carried by a vote of 9-0, with trustees Arnott, Battey, Bowler, David, Hackleman, Hoefer, O’Malley, Raw and Tashman all in favor; none opposed.

The meeting was adjourned for a break at 11:01 a.m. and reconvened at 11:07 a.m. At that time, item 7.1 was heard out of order.

1906.8.1 **Chief Executive Officer’s Report:** Mr. Hood called attention to the SACRS magazine in the Board’s Day of folder. He mentioned two educational courses taking place during the week of July 22nd. Mr. Hood noted a few topics for next month’s meeting, including the Election of Board Officers and Appointment of Committees, further discussion of actuarial assumptions by Milliman, Inc. and an update on SamCERA’s lease status.

1906.8.2 **Assistant Executive Officer’s Report:** Ms. Smith updated the Board on SamCERA’s recruitment for two Retirement Support Specialists. Ms. Smith provided an update on the Board elections and announced Mr. David, Mr. Hackleman and Ms. Salas ran unopposed and will be deemed elected to the Board of Retirement as of election day, June 10, 2019. She also mentioned appointed members, Mr. Bowler and Mr. Hoefer have been reappointed by the Board of Supervisors. Ms. Smith announced SamCERA will be celebrating its 75th anniversary next month. Ms. Trujillo shared the upcoming educational events with the Board.

1906.8.3 **Chief Investment Officer’s Report:** Mr. Coultrip reminded the Board to complete the Enterprise Risk Tolerance Survey that was sent out last week. He informed the Board that SamCERA staff will be meeting with international equities strategies, Baillie Gifford, Parametric and Mondrian this Thursday. Mr. Coultrip also mentioned that there may be a potential recommendation for a real estate manager at next month’s Board meeting.

1906.8.4 **Chief Legal Counsel’s Report:** None.

**C1 Consideration of Disability Items, if any, removed from the Consent Agenda:**

**C2 Approval of Proposed Alternative Investment (to be heard in Closed Session, Confidential Under Gov. Code sections 54956.81 and 6254.26):** Ms. Carlson reported that the Board (1) approved a re-up commitment of $20 million in Great Hill Partners VII. The motion unanimously passed with a vote of 9-0. Ayes: Arnott, Battey, Bowler, David, Hackleman, Hoefer, O’Malley, Raw and Tashman. Noes: None. (2) approved an investment of $10 million in Altas Partners III. The motion carried with a vote of 9-0.

C3 Approval of Potential Sale of Alternative Investment (to be heard in Closed Session, Confidential Under Gov. Code sections 54956.81 and 6254.26): No reportable action was taken.

1904.10 Adjournment: Ms. Arnott adjourned the meeting at 12:53 p.m. in memory of the deceased members listed below.

Dunnick, Barbara
Gatchel, Barbara
Longbehn, John
Maze, Joann
McCormick, Michael
Mercado, Genoveva
Miraglia, James
Obayashi, Taihei
Supplee, Alice
Walton, James
Wright, Donnie

April 19, 2019
May 8, 2019
May 22, 2019
April 26, 2019
May 5, 2019
April 1, 2019
May 12, 2019
May 1, 2019
April 28, 2019
April 19, 2019
May 3, 2019

Aging & Adult Services
Health Services
County Clerk
Sheriff’s
DPW
Medical Center
Chope Hospital
Assessor
Chope
Sheriff’s
Sheriff’s

Scott Hood
Chief Executive Officer

Anne Trujillo
Retirement Executive Secretary