

**SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**

FEBRUARY 25, 2020 – REGULAR BOARD MEETING MINUTES

**2002.1 Call to Order, Roll Call and Miscellaneous Business**

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

**Roll Call:**

Present: Sandie Arnott, Mark Battey, Al David, Kurt Hoefer, Katherine O'Malley, Robert Raw, Alma Salas (for Paul Hackleman) and Eric Tashman.

Absent: Ben Bowler and Paul Hackleman.

Alternates present: Susan Lee and Alma Salas

Staff: Brenda Carlson, Michael Coultrip, Lili Dames, Scott Hood, Elizabeth LeNguyen, JulieAnne Nagal, Doris Ng, Gladys Smith and Anne Trujillo.

Consultants and speakers: Joe Abdou, Marc Gesell, Margaret Jadallah and John Nicolini (via phone) (Verus).

**2002.2.1 Oral Communications from the Board:** None.

**2002.2.2 Oral Communications from the Public:** None.

**2002.3.1 Approval of Regular Board Meeting Minutes from January 28, 2020:** Mr. Hoefer asked if there were any changes or corrections, or objections, to the meeting minutes from the Board meeting held on January 28, 2020.

**Action:** Mr. David moved to approve the minutes from the Board meeting on January 28, 2020. The motion was seconded by Ms. O'Malley and carried with a vote of 5-0, with trustees David, Hoefer, O'Malley, Raw and Salas all in favor; Battey and Tashman abstained; none opposed.

**2002.4.0 Approval of the Consent Agenda:** Mr. Hoefer asked if there were any items to be removed for discussion from the Consent Agenda. Ms. Smith informed the Board that Rosa Marcello's disability application will be continued to next month's meeting. No additional items were removed.

**Action:** Mr. Raw moved to approve the remaining items on the Consent Agenda, and the motion was seconded by Ms. Salas. The motion carried with a vote of 7-0, with trustees Battey, David, Hoefer, O'Malley, Raw, Salas and Tashman all in favor; none opposed.

**2001.4.1 Disability Retirements:**

- a) The Board found that **Neali Cordano** (1) is permanently incapacitated from the performance of her usual and customary duties as a Sheriff's Correctional Officer, (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.

**2002.4.2 Survivor Death Benefits:** None.

2002.4.3 **Service Retirements:**

<b>Name</b>	<b>Effective Retirement Date</b>	<b>Department</b>
Aleman, Norman	December 21, 2019	Deferred from Superior Court
Arceo, Nuria	December 28, 2019	Deferred from Superior Court
Atkins, Kelly	December 31, 2019	Library
Barringer, Danielle	December 28, 2019	QDRO
Etcheto, Victoria	January 1, 2020	San Mateo Medical Center
Floendo, Ana Lourdes	December 24, 2019	Human Services Agency
Leonard, Kim	December 9, 2019	Sheriff's Office
Maninger, Gary	December 21, 2019	Sheriff's Office
Misener, Brian	December 18, 2019	Public Health
Neri, Stephen	December 17, 2019	Def'd from Assessor Recorder's Office
Ramirez, Mary	December 6, 2019	Assessor Recorder's Office
Rangel, Humberto	December 30, 2019	Deferred from Library
Sakumoto, Jinny	December 27, 2019	Superior Court
Scott, Janice	December 28, 2019	Dept. of Public Works
Scott, Willie	December 28, 2019	Sheriff's Office
Sherman, Chonne	January 1, 2020	Superior Court
Soletti, Virginia	December 28, 2019	Deferred from Controller's
Sutherland, Lynda	December 29, 2019	Mental Health
Taiby, Hussain	December 29, 2019	Def'd from San Mateo Medical Cntr
Zaru, Donna	December 12, 2019	Human Services Agency

2002.4.4 **Continuances:**

<b>Survivor's Name</b>	<b>Beneficiary of:</b>
Anderson, Bobby Joe	Anderson, Pamela

2002.4.5 **Deferred Retirements:**

The Board ratified the actions as listed below for the following members regarding deferred retirements:

<b>Name</b>	<b>Retirement Plan Type</b>
Aparicio-Mercado, Anapatricia	G4, Vested - Auto Defer - Code 31700
Arechiga, Theresa	G7, Vested - Auto Defer - Code 31700
Carlisle, Siwen	G7, Vested - Reciprocity
Degodoy, Rebecca	G7, Non-vested - Reciprocity
Escobar, Tanya	G4, Vested - Reciprocity
Gonzalez, Nidia	G4, Vested
Ko, Grace	G7, Non-vested - Reciprocity
Landa Zamora, Fernando	G7, Non-vested - Reciprocity
Macedo, Brenda	G4, Vested
Olshaskie, Robert	S4, Non-vested - Reciprocity
Pita, Sosefina	G4, Vested - Auto Defer - Code 31700
Salazar, Lissete	G4, Vested - Auto Defer - Code 31700
Williams, Danielle	G4, Vested - Reciprocity
Williams, Jacklyn	S4, Vested - Auto Defer - Code 31700

2002.4.6 **Member Account Refunds:**

The Board ratified the actions as listed below for the following members regarding refunds:

<b>Name</b>	<b>Retirement Plan Type</b>
Cortes, Jose	S7, Non-vested
Du, Nang (FBO: Du, Phuong)	G4, Vested
Du, Nang (FBO: Vo, Nguyet)	G4, Vested
Ganapathy, Bhuvanewari	G7, Non-vested
Gottuso, Nicholas	G7, Non-vested
Hale, Nathan	G7, Non-vested
Heyer, Patrick	G7, Non-vested
Long, Brandi	G7, Non-vested
Seymour, Jeffrey	S4, Vested

2002.4.7 **Member Account Rollovers:**

<b>Name</b>	<b>Retirement Plan Type</b>
Kemberling, Paul (FBO: Willey, Vicky)	G2, Vested
Rozycki, Rhoda	G7, Non-vested
Seymour, Jeffrey	S4, Vested
Tan, Arnold	G4, Non-vested
Wong, Lauren	G7, Non-vested

2002.4.8 **Member Account Redeposits:** None.

2002.4.9 **Acceptance of Trustees' Reports of Educational Activities:** The Board accepted the submitted reports for educational activities attended by Mr. Raw.

2002.4.10 **Approval of Reinstatement of Retired Member to Active Status:**

<b>Name</b>	<b>Retirement Plan Type</b>
Halpern, Kent	Behavioral Health and Recovery Systems

2002.5.1 **Consideration of Agenda Items, if any, removed from the Consent Agenda:** None.

2002.6.1 **Report on Preliminary Monthly Portfolio Performance Report for the Period Ended January 31, 2020:** Mr. Coultrip informed the Board that due to accounting delays at Northern Trust, the January Performance Report was not ready in time for the February Board mailing and that a copy can now be found in Dropbox and in their Day of Folders. Mr. Coultrip reported that SamCERA's net preliminary return for January was down -0.3% bringing the preliminary trailing twelve month return ending January 2020 to 10.9% net. This item was informational and for discussion only, no action was taken.

Ms. Arnott arrived at 10:06 a.m. and took a seat at the dais.

2002.6.2 **Report on Quarterly Investment Performance Report for the Period Ended December 31, 2019:** Ms. Jadallah and Mr. Abdou reviewed the quarterly investment report with the Board and reported that the 4<sup>th</sup> quarter net total return was 3.9%, which was 80 bps lower than the 4.7% policy benchmark return. Mr. Coultrip, Ms. Jadallah and Mr. Abdou also answered questions from the Board. This item was informational only, no action was taken.

- 2002.6.3 **Report on SamCERA's Risk Dashboard:** Ms. Jadallah and Mr. Gesell presented SamCERA's risk dashboard using index level holdings highlighting various risk exposures of the plan from data as of December 31, 2019. This item was information only, no action was taken.
- 2002.6.4 **Report on Core Fixed Income Manager Structure:** Ms. Jadallah and Mr. Abdou reviewed the report on the core fixed income manager structure and answered questions from the Board. This item was informational only, no action was taken.
- 2002.6.5 **Approval of Proposed Alternative Investment (to be heard in Closed Session, Confidential Under Gov. Code §54956.81 and §6254.26, see item C2):** The Board adjourned into Closed Session at 11:00 a.m. to hear item 6.5. Upon completion of the Closed Session, the Board took a 10 minute break at 11:31 a.m. then reconvened in Open Session at 11:42 a.m. See Closed Session report under C2.
- 2002.7.1 **Report on March 24, 2020 Board-Staff Retreat Planning:** Mr. Hood reviewed the proposed agenda on the upcoming Board-Staff Retreat in March and provided the Board a final opportunity to recommend additional topics. This item was informational and for discussion only, no action was taken.
- 2002.7.2 **Approval of Change to Start Time of the March 24, 2020 Regular Board Meeting:** Mr. Hood discussed staff's recommendation to formally set the start time of the March 24, 2020 meeting to 8:30 a.m. and cancel the March 25, 2020 meeting.
- Action:** Mr. David moved to approve the change in start time and cancel the March 25, 2020 meeting. The motion was seconded by Mr. Battey and carried with a vote of 8-0, with trustees Arnott, Battey, David, Hoefer, O'Malley, Raw, Salas and Tashman all in favor; none opposed.
- 2002.8.1 **Chief Executive Officer's Report:** Mr. Hood informed the Board of the upcoming CALAPRS Advanced Principles of Pension Governance for Trustees at UCLA. He called to attention a copy of the course agenda as well as the SACRS Election form found in the Trustees' Day of Folder. Mr. Hood informed the Board of additional upcoming education courses: CALAPRS General Assembly, Pension Bridge, SACRS Spring Conference and the Wharton Alternative Investment Strategies Course. Mr. Hood mentioned to the Board that Mr. Collier and Mr. Glyde of Milliman will be present at the April meeting to discuss actuarial assumptions prior to the approval of the actuarial valuation. Mr. Hood asked for the Board's thoughts on changing the September meeting from the 4<sup>th</sup> Tuesday to the 5<sup>th</sup> Tuesday to provide Cheiron and Milliman additional time to complete the actuarial valuation and actuarial audit. He mentioned that a survey will be sent out in the near future to obtain feedback. Mr. Hood reported that SamCERA staff will be holding their annual Staff Retreat the following day. Mr. Hood informed the Board that review of the Disclosure Placement Agent Policy and Portable Electronic Device Policy will be on next month's Board agenda.
- 2002.8.2 **Assistant Executive Officer's Report:** None.
- 2002.8.3 **Chief Investment Officer's Report:** Mr. Coultrip requested the Board's feedback on potentially condensing the quarterly performance reports. He also informed the Board that staff is in the process of updating the Investment Policy. He also reported that staff will be holding their first set of manager reviews for the year and will be meeting with Parametric and Northern Trust on March 5<sup>th</sup>.
- 2002.8.4 **Chief Legal Counsel's Report:** None.
- C1 **Consideration of Disability Items, if any, removed from the Consent Agenda:** Rosa Marcello's disability application will be moved to next month's meeting.

C2 **Approval of Proposed Alternative Investment (to be heard in Closed Session, Confidential Under Gov. Code §54956.81 and §6254.26):** Ms. Carlson reported that the Board approved a motion to invest \$30 million in the Brookfield Super Core Infrastructure fund. The motion passed a vote of 6-2, with trustees Arnott, Battey, David, Hoefler, O'Malley and Salas all in favor; Raw and Tashman opposed. No other reportable action was taken.

2002.10 **Adjournment:** Mr. Hoefler adjourned the meeting at 11:50 a.m. in memory of the deceased members listed below.

Rizzo, Richard	November 22, 2019	Food Services
Fox, James	January 9, 2020	District Attorney's Office
Stoia, Giordano	January 15, 2020	DPW
Shives, John	January 19, 2020	DPW
Liikane, Juhan	January 20, 2020	Mental Health
Timm, Elaine	January 23, 2020	Social Services
Buddress, Loren	January 24, 2020	Probation
Kaur, Seerada	January 24, 2020	HOS - Case Mgmt
Romano, Ethel	January 25, 2020	Sanatorium
Kramer, Mary	January 27, 2020	Controller's
Fristrup, Jean	February 6, 2020	Mental Health
Gomes-Baisden, Gladys	February 7, 2020	Child Health Services
Thomas, Nancy	February 13, 2020	Sheriff's Office



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Kurt Hoefler  
Board Chair