

**SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**

FEBRUARY 23, 2021 – REGULAR BOARD MEETING MINUTES

**2102.1 Call to Order, Roll Call and Miscellaneous Business**

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

**Roll Call:**

Present: Sandie Arnott, Mark Battey, Ben Bowler, Al David, Paul Hackleman, Kurt Hoefer, Katherine O'Malley, and Robert Raw.

Absent: Eric Tashman.

Alternates: Susan Lee and Alma Salas.

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

Consultants and speakers: Joe Abdou and Margaret Jadallah (Verus); Mac Clemmens and Lindsay Hardy (Digital Deployment).

**2102.2.1 Oral Communications from the Board:** Mr. David welcomed Mr. Okada and thanked Ms. Carlson for the outstanding and dedicated service she has provided to SamCERA and the County.

**2102.2.2 Oral Communications from the Public:** Mr. David asked if there was any public comment from those individuals participating on the telephone or via Zoom. There were no public comments.

**2102.3.1 Approval of Regular Board Meeting Minutes from January 26, 2021:** Mr. David asked if there were any changes or corrections, or objections, to the meeting minutes from the Board meeting held on January 26, 2021. Ms. Arnott noted a typo on agenda item 8.2 which should be corrected to "Retirement Senior Accountant".

**Action:** Ms. Arnott moved to approve the minutes as noted from the Board meeting on January 26, 2021. The motion was seconded by Mr. Raw and carried with a vote of 8-0, with trustees Arnott, Battey, Bowler, David, Hackleman, Hoefer, O'Malley, and Raw all in favor; none opposed.

**2102.4.0 Approval of the Consent Agenda:** Mr. David asked if there were any items to be removed for discussion from the Consent Agenda. No items were removed.

**Action:** Mr. Hackleman moved to approve the items on the Consent Agenda. The motion was seconded by Mr. Raw and carried with a vote of 8-0, with trustees Arnott, Battey, Bowler, David, Hackleman, Hoefer, O'Malley, and Raw all in favor; none opposed.

**2102.4.1 Disability Retirements:**

- a) The Board found that **Robert Rosenthal** (1) is permanently incapacitated from the performance of his usual and customary duties as a Group Supervisor II, (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.

**2102.4.2 Survivor Death Benefits:** None.

2102.4.3 **Service Retirements:**

<b>Name</b>	<b>Effective Retirement Date</b>	<b>Department</b>
Beaudette, Eileen	January 1, 2021	San Mateo County Health
Buenaventura, Rosauro	December 23, 2020	San Mateo County Health
Cazzalli, Delmy	January 1, 2021	Assessor's Office
Chandler, Tammy	December 27, 2020	Deferred Child Health Services
Cohen, Elisabeth	January 1, 2021	Assessor's Office
De Los Santos, Alex	January 1, 2021	Human Services Agency
DiNapoli, Lorraine	December 4, 2020	Def'd - Public Safety Comm.
Fok, Minnie	January 1, 2021	Child Health Services
Liao, Yuwen	December 3, 2020	San Mateo County Health
Lucett, Matthew	November 14, 2020	Deferred - Sheriff's Office
Oster, Eric	December 22, 2020	Deferred - Sheriff's Office
Wang, Huimin	January 1, 2021	Aging and Adult Services

2102.4.4 **Continuances:**

<b>Survivor's Name</b>	<b>Beneficiary of:</b>
Hekker, Henry	Hekker, Janice
Zahradnik, Catherine	Zahradnik, David

2102.4.5 **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>
Hannagan, Brooke	G5, Vested - Auto Defer - Code 31700
Kohler, Carly	G7, Vested
Martin, Maricela Segura	G7, Non-vested - Reciprocity
Nardi, Elizabeth	G5, Vested - Auto Defer - Code 31700
Pettit, Stephen M	S5, Vested - Reciprocity
Sebay, Megan	G7, Vested
Spataro, Jenny	G7, Vested
Strandberg, Lindsey	G7, Non-vested - Reciprocity
West, Alison	G7, Non-vested - Reciprocity

2102.4.6 **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>
Camarena Chavez, Cristian	G7, Non-vested
Carlay, Christopher	G7, Non-vested
Folauoo, Patsy	G4, Vested
Hart, Ashley	G4, Vested
Jacobs, Jay	G4, Vested
Marquez, Jackie	G7, Non-vested

2102.4.7 **Member Account Rollovers:**

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

<b>Name</b>	<b>Retirement Plan Type</b>
Wong, Rodney	S4, Non-vested

2102.4.8 **Member Account Redeposits:** None.

2102.4.9 **Acceptance of Trustees' Reports of Educational Activities:** None.

2102.4.10 **Acceptance of Semi-Annual Compliance Certification Statements for the Period Ended December 31, 2020:** The Board accepted the semi-annual compliance certification statements for SamCERA's non-alternative investment managers, as of December 31, 2020.

2102.4.11 **Acceptance of Preliminary Semi-Annual Financial Report for the Period Ended December 31, 2020 Financials:** The Board accepted the preliminary semi-annual financial report for the period ended December 31, 2020.

2102.4.12 **Acceptance of Preliminary Semi-Annual Budget-to-Actual Report for the Period Ended December 31, 2020:** The Board accepted the preliminary semi-annual budget-to-actual report for the period ended December 31, 2020.

2102.5.1 **Consideration of Agenda Items, if any, Removed from the Consent Agenda:** None.

2102.6.1 **Report on Preliminary Monthly Portfolio Performance Report for the Period Ended January 31, 2021:** Mr. Coultrip reported that SamCERA's net preliminary return for January was 0.2% bringing the preliminary trailing twelve month return ending January 2021 to 10.1% net, which is above SamCERA's Plan Benchmark return of 9.0% and above SamCERA's Actuarial Assumed Earnings Rate of 6.5%. Mr. Coultrip also answered questions from the Board. This item was informational and for discussion only, no action was taken.

2102.6.2 **Report on Quarterly Investment Performance for the Period Ended December 31, 2020:** Mr. Coultrip reported SamCERA's net 4<sup>th</sup> quarter total return was +9.5%, which was 150 bps higher than the +8.0% policy benchmark return. He noted that much of the out-performance was due to private equity. In addition, international equity, fixed income and absolute return also contributed to performance over the period. Ms. Jadallah and Mr. Abdou presented the 4<sup>th</sup> Quarter 2020 Performance Report and answered questions from the Board. This item was informational and for discussion only, no action was taken.

2102.7.1 **Report on March 23, 2021 Virtual Board-Staff Retreat Planning:** Mr. Hood reviewed the proposed Board-Staff agenda and timeline with the Board. He also provided the Board with a final opportunity to provide additional topics and recommend feedback. This item was informational only, no action was taken.

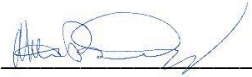
2102.7.2 **Approval of Resolution Temporarily Suspending Requirement of Nomination Signatures for the June 2021 Election:** Ms. Smith reviewed the upcoming term expirations of the Second, Seventh and Seventh Alternate seats on the Board of Retirement. She informed the Board that due to the current COVID-19 pandemic, staff recommends suspending the requirement to obtain nomination signatures set forth in Regulation 4.5 and the disqualification of candidates for failure to submit the required qualified nomination signatures set forth in Regulation 4.7 for the upcoming June 14, 2021.

**Action:** Mr. Hackleman moved to approve a resolution temporarily suspending the requirement of nomination signatures contained in Regulation Section 4.5 and suspending the disqualification of candidates for failure to submit the required qualified nomination signatures set forth in Regulation 4.7 of Article IV Election of Trustees for the June 14, 2021 election for the Second, Seventh and Seventh Member Alternate seats due to the continued State of Emergency as a result of the threat of COVID-19. The motion was seconded by Ms. Arnott and carried by a vote of 8-0, with trustees Arnott, Battey, Bowler, David, Hackleman, Hoefer, O'Malley, and Raw all in favor; none opposed.

- 2102.7.3 **Report on Status of Trustee Elections:** Ms. Smith informed the Board that Mr. Hood has reached out to Mr. Canepa's office regarding the expiring Fourth and Sixth appointed seats. She noted the Election is scheduled for June 14, 2021 and that changes will be made to the Election Calendar based on the resolution that had just passed. Mr. Hood and Ms. Smith answered questions from the Board. This item was informational only, no action was taken.
- 2102.7.4 **Presentation of SamCERA Mobile Application by Digital Deployment:** Mr. Ali expressed his excitement for the new SamCERA mobile app. He shared that working with the Digital Deployment Team has been fantastic and he thanked them for all their efforts. He also thanked Ms. Smith, Ms. LeNguyen, Ms. Jeong and Mr. Nagal for all their hard work in developing the new app, as well as Vitech for their support and coordination in the redesign. Mr. Clemmens and Mr. Hardy provided a demo of the new app, thanked Trustees involved in the testing and answered questions from the Board. This item was informational only, no action was taken.
- 2102.8.1 **Chief Executive Officer's Report:** Mr. Hood reported that the employer and employee contribution rates were approved by the Board of Supervisors on February 9, 2021. He also reported that staff is working on updates to a few regulations that will be brought to the Board in the coming months. Mr. Hood shared details on staff's first virtual Staff Retreat. He thanked the Board for their feedback regarding the March Special Board Meeting and informed them that based on responses, the meeting will be held on Monday, March 8<sup>th</sup> at 2:30 p.m.
- 2102.8.2 **Assistant Executive Officer's Report:** Ms. Smith provided the Board with an update on the recruitment for the Senior Retirement Accountant position. She shared that SamCERA did not receive as many applications as anticipated therefore, the recruitment has been extended to March 1<sup>st</sup> and is also being advertised on additional recruitment sites. Ms. Smith informed the Board that SamCERA was contacted by the Deputy Chief of Health Services, Srija Srinivasan, to assist in notifying retirees regarding the COVID vaccination clinic at SFO Long Term Parking. She reported that staff had sent out an email to retirees that were age 65 and older and living in San Mateo County. Lastly, Ms. Smith informed the Board that SamCERA received a heartfelt voicemail message from a member's spouse, expressing his gratitude for the "Certificate of Adjournment" for his late wife. Ms. Trujillo informed Board members about an educational opportunity and reported there were no written public comments received ahead of the meeting.
- 2102.8.3 **Chief Investment Officer's Report:** Mr. Coultrip reported that staff will be holding annual manager reviews on March 4th with Parametric at 8:00 a.m. and Northern Trust at 9:30 a.m.; and April 1<sup>st</sup> with Invesco at 8:00 a.m. and Harrison Street at 10:30 a.m. Mr. Coultrip also reported that SamCERA has received the County's January prepayment and reported how the funds were allocated.
- 2102.8.4 **Chief Legal Counsel's Report:** None.
- C1 **Consideration of Disability Items, if any, removed from the Consent Agenda:** None.

2102.10 **Adjournment:** Mr. David adjourned the meeting at 11:30 a.m. in memory of the deceased members listed below.

Janatpour, Danna	January 5, 2021	Hospital
Dunn, Peter	January 9, 2021	Assessor's
Cattich, Pamela	January 15, 2021	Planning & Building
Weise, Philip	January 11, 2021	Vocational Rehab
Cooper, Ethel	January 20, 2021	Chope Hospital
Connolly-Overbey, Marilyn	December 19, 2020	Correctional Health
Duterte, Ildefonso	January 11, 2021	Controller's
Webster, Edward	January 21, 2021	General Services
Modica, Frances	January 20, 2021	Mental Health
Waters, Gail	January 21, 2021	Social Services
Sisneros, Tony	January 24, 2021	Pharmacy



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Al David  
Board Chair