

**SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
SEPTEMBER 28, 2021 – REGULAR BOARD MEETING MINUTES**

2109.1 Call to Order, Roll Call and Miscellaneous Business

Call to Order: Mr. Raw, Chair, called the Regular Meeting of the Board of Retirement to order at 10:05 a.m. via Zoom.

Roll Call:

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

Absent: Ben Bowler, Paul Hackleman, Kurt Hoefer, and Susan Lee.

Alternates: None.

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

Consultants and speakers: Nick Collier and Craig Glyde (Milliman, Inc.); and Joe Abdou and Margaret Jadallah (Verus).

2109.2.1 Oral Communications from the Board: None.

2109.2.2 Oral Communications from the Public: Mr. Raw asked if there was any public comment from those individuals participating on the telephone or via Zoom. There were no public comments. Ms. Trujillo reported there were no written comments received ahead of the meeting.

2109.3.1 Approval of Regular Board Meeting Minutes from August 24, 2021: Mr. Raw asked if there were any changes or corrections, or objections, to the meeting minutes from the Board meeting held on August 24, 2021. There were no changes, corrections, or objections presented.

Action: Mr. David moved to approve the minutes from the Board meeting on August 24, 2021. The motion was seconded by Ms. Arnott and carried with a vote of 7-0, with trustees Arnott, Battey, David, O'Malley, Orr, Raw, and Salas all in favor; none opposed.

2109.4.0 Approval of the Consent Agenda: Mr. Raw asked if there were any items to be removed for discussion from the Consent Agenda. No items were removed.

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

2109.4.1 Disability Retirements:

- a) The Board found that **Yuwen Liao** (1) is permanently incapacitated from the performance of her usual and customary duties as a Nurse Practitioner, (2) found that her disability was not the result of an illness arising out of and in the course of her employment and (3) granted her application for a non-service-connected disability retirement.

2109.4.2 Survivor Death Benefits: None.

2109.4.3 **Service Retirements:**

Name	Effective Retirement Date	Department
Acha, Roderick	July 20, 2021	Deferred - District Attorney's Office
Amador, Josephine	July 31, 2021	San Mateo County Health
Banuelos, Regina	July 16, 2021	Deferred - Treasurer's
Baxter, Michelle	July 17, 2021	Deferred - Sheriff's Office
Carlos, Guadalupe	July 31, 2021	San Mateo County Health
Chavez, Erika	July 24, 2021	Probation
Corpus, Rhonda	July 31, 2021	Probation
DeRocher, Frank	July 25, 2021	Sheriff's Office
Feely, Annemarie	July 15, 2021	Human Services Agency
Ferreira, Alisa	July 31, 2021	San Mateo County Health
Green, Steven	July 31, 2021	Information Services
Grindrod, Ronald	July 31, 2021	Building and Planning
Hebert, Michelle	July 15, 2021	Already retired - Plan 3 Portion
Kabasares, Kristian	June 25, 2021	Deferred - Social Services
Maharaj, Umesh	July 15, 2021	Deferred - Probation
Paz, Gloria	July 31, 2021	Mental Health
Peltz, Charles S	July 31, 2021	Behavioral Health
Porter, James	July 3, 2021	Public Works
Rodriguez, Rebecca	July 26, 2021	Deferred - Child Support Services
Tierney, Mary Jo	July 31, 2021	San Mateo County Health
Tolentino, Gerardo	July 17, 2021	Superior Court
Wegner, Grazyna	July 24, 2021	Information Services
Yang, Chin-Po	July 17, 2021	Behavioral Health

2109.4.4 **Continuances:** None.

2109.4.5 **Deferred Retirements:**

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

Name	Retirement Plan Type
Briscoe, Kristin	G7, Non-vested - Reciprocity
Bursten, Juliana	G5, Vested - Auto Defer - Code 31700
Dixon, Rochelle	G7, Vested - Auto Defer - Code 31700
Eggers, Brian	G7, Vested - Auto Defer - Code 31700
Fernandez, Oscar	G7, Non-vested - Reciprocity
Selvy, Vernon	G5, Vested

2109.4.6 **Member Account Refunds:**

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

Name	Retirement Plan Type
Casey, Brian	S5, Non-vested
Thorpe, Kimberly	G7, Non-vested

2109.4.7 **Member Account Rollovers:**

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

Name	Retirement Plan Type
Bauzon, Jeannie	G7, Non-vested
Chow, Lucas	G4, Non-vested
Harrison, Adam	G7, Non-vested
Hollomon, Carl (FBO: Ellingberg, Frances)	G4, Vested
Pasch, Jaclyn	G7, Non-vested
Siva, Carl	G7, Non-vested

2109.4.8 **Member Account Redeposits:** None.

2109.4.9 **Acceptance of Trustees' Reports of Educational Activities:** None.

2109.4.10 **Approval of Questions for Annual Review of Brown Armstrong:** The Board approved the evaluation questions in the "Questions for Annual Auditor Consultant Evaluation."

2109.4.11 **Approval of Resolution Amending Policy on Records Retention:** The Board approved a resolution amending the Board of Retirement's Records Retention Policy.

2109.4.12 **Approval of Resolution Authorizing CEO to Execute Contract with Buchalter for Tax Counsel Services:** The Board approved a resolution authorizing the Chief Executive Officer to execute an agreement with Buchalter, P.C. for Tax Counsel Services.

2109.5.1 **Consideration of Agenda Items, if any, Removed from the Consent Agenda:** None.

2109.5.2 **Presentation of the June 30, 2021 Annual Actuarial Valuation by Milliman, Inc.:** Mr. Collier and Mr. Glyde presented the results and recommendations of SamCERA's Actuarial Valuation Report and answered questions from the Board. A few key points included: A decrease in the Employer Statutory Contribution rate from 38.91% to 38.33%, an increase in the member contribution rates for all plans, and an increase in the funded ratio of the system from 86.4% as of June 30, 2020 to 88.1% as of June 30, 2021. This report was accepted without objection by the Board.

2109.5.3 **Approval of Resolution Accepting the Fiscal Year 2022-2023 Employer and Member Contribution Rates and Recommendation:** Mr. Hood informed the Board that the packet was recently updated to include the attachments to the resolution and is available online. The attachments had already been included in the agenda packet as part of Milliman's Annual Actuarial Valuation, but selected pages from the valuation were reattached to the resolution for clarity. Mr. Raw then called for a motion on the resolution accepting recommendation made for fiscal year 2022-2023 employer and member contribution rates.

Action: Ms. Salas moved to approve the “Resolution Accepting Contribution Rates to Recommend to the Board of Supervisors for the 2022-2023 Fiscal Year.” The motion was seconded by Mr. David and carried with a vote of 7-0, with trustees Arnott, Battey, David, O’Malley, Orr, Raw, and Salas all in favor; none opposed.

2109.6.1 **Report on Preliminary Monthly Portfolio Performance Report for the Period Ended August 31, 2021:** Mr. Coultrip reported that SamCERA’s net preliminary return for August was 1.6% bringing the preliminary trailing twelve month return ending August 2021 to 19.2% net, which is above SamCERA’s Plan Benchmark return of 18.3% and above SamCERA’s Actuarial Assumed Earnings Rate of 6.25%. This item was informational and for discussion only, no action was taken.

2109.6.2 **Report on Opportunistic Credit Manager Annual Review:** Ms. Ng reported that staff held an annual review meeting on September 2nd with SamCERA’s opportunistic credit manager, Brigade Capital Management. The discussion included a firm/organizational update, investment process review, performance review and attribution, and current positioning/market outlook. This item was informational and for discussion only, no action was taken.

2109.6.3 **Approval of Resolution Amending SamCERA’s Investment Policy Statement:** Mr. Coultrip discussed the proposed changes to sections 6.0 and 9.0-11.0 of the Investment Policy Statement.

Action: Mr. Battey moved to adopt a resolution amending SamCERA’s Investment Policy Statement. The motion was seconded by Ms. Arnott and carried with a vote of 7-0, with trustees Arnott, Battey, David, O’Malley, Orr, Raw, and Salas all in favor; none opposed.

2109.7.1 **Discussion of AB 361 Brown Act Requirement for Telemeetings:** Mr. Hood and Mr. Okada provided the Board with an overview of AB 361 and discussed the requirements that must be fulfilled at future Board meetings in order to continue meeting via Zoom videoconference.

Ms. Orr left the Zoom meeting at 11:00 a.m.

2109.8.1 **Chief Executive Officer’s Report:** Mr. Hood thanked Mr. Collier and Mr. Glyde for their work on the valuation. Mr. Hood shared a few items for the October agenda including a presentation of the Annual Comprehensive Financial Reports, Board schedule for 2022, and a few SACRS related agenda items. He shared that Board Chair, Mr. Raw, has added Ms. Orr to the Investment and Ad-Hoc CEO Review Committees. He also shared that staff will be returning to the office next week on a permanent, hybrid work schedule. Mr. Hood informed the Board that due to an administrative error, the December 2019 and January 2020 minutes have been updated to correct the agenda item number sequence. Mr. Hood reported that SamCERA is in the final stages of the VoIP installation. He also shared that SACRS is offering an Ethics and Sexual Harassment Training on November 9th for those that are interested.

2109.8.2 **Assistant Executive Officer’s Report:** Ms. Smith reported that she will be sending out the survey link to the annual actuarial survey for Milliman, Inc. Ms. Trujillo reminded Board members about upcoming educational opportunities.

2109.8.3 **Chief Investment Officer’s Report:** Mr. Coultrip reported that staff will hold annual manager reviews on September 30th with opportunistic credit managers: Angelo Gordon at 9:00 a.m., and White Oak at 12:00 p.m. He also reported that staff will also hold annual reviews on October 7th with absolute return managers: CFM Global Macro at 8:00 a.m., PIMCO Mars at 9:30 a.m., and Acadian MARS at 11:00 a.m. He added that Ms. Ng will send an email out to the Board with all the information.

2109.8.4 **Chief Legal Counsel’s Report:** None.

C1 **Consideration of Disability Items, if any, removed from the Consent Agenda:** None.

2109.10 **Adjournment:** Mr. Raw adjourned the meeting at 11:21 a.m. in memory of the deceased members listed below.

Molinari, Shirley	March 16, 2021	Treasurer's
Hollimon, Dolores	August 1, 2021	Hospital
Markovitz, Judith	August 11, 2021	Crystal Springs Rehab
Bernier, Eleanor	August 11, 2021	Mental Health
Buriani Ioli	August 12, 2021	Aging & Adult Services
Patla, Robert	August 16, 2021	Behavioral Health
Mitchell, Sara	August 21, 2021	Sheriff's
Baker, Maureen	August 25, 2021	Controller's
Jones, Richard	August 27, 2021	Probation
Lopez, Victor R.	August 27, 2021	Parks
Recio, Justa	August 28, 2021	San Mateo County Health
Robinson, Mary	August 28, 2021	Vocational Services
Raabe, Anita	August 29, 2021	Probation
Fontenna, Regino	August 31, 2021	General Services
Garrison, David	August 31, 2021	Controller's
Herring, Ester	August 31, 2021	Controller's



Robert Raw
Board Chair