

**SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**  
**MARCH 22, 2022 – REGULAR BOARD MEETING MINUTES**  
**(Amended)**

**2203.1 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 8:30 a.m.

**Roll Call:**

Present: Sandie Arnott, Mark Battey, Ben Bowler, Al David, Paul Hackleman, Kurt Hoefer, Elaine Orr, and Robert Raw.

Absent: Susan Lee and Katherine O'Malley.

Alternates: Alma Salas.

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

Consultants and speakers: Joe Abdou, Margaret Jadallah, Jeff MacLean, and Ian Toner (Verus); Nick Collier (Milliman, Inc.).

**2203.2.1 Oral Communications from the Board:** Mr. Hackleman informed the Board that he does not plan to run for re-election this year.

**2203.2.2 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.

**2203.3.2 Approval of Regular Board Meeting Minutes from February 22, 2022:** Mr. Raw asked if there were any changes or corrections, or objections, to the meeting minutes from the regular Board meeting held on February 22, 2022. There were no changes, corrections, or objections presented.

**Action:** Mr. Hackleman moved to approve the minutes from the regular Board meeting on February 22, 2022. The motion was seconded by Mr. David and carried with a vote of 8-0, with trustees Arnott, Battey, Bowler, David, Hackleman, Hoefer, Orr, and Raw all in favor; none opposed.

**2203.4.0 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. David moved to approve the items on the Consent Agenda. The motion was seconded by Mr. Hoefer and carried with a vote of 8-0, with trustees Arnott, Battey, Bowler, David, Hackleman, Hoefer, Orr, and Raw, all in favor; none opposed.

**2203.4.1 Disability Retirements:** None.

**2203.4.2 Survivor Death Benefits:** None.

2203.4.3 **Service Retirements:**

<b>Name</b>	<b>Effective Retirement Date</b>	<b>Department</b>
Billingsley, Randall	December 31, 2021	Def'd – District Attorney's Office
Crivello, Michael	January 4, 2022	Planning & Building
De Nola, Rosa	January 4, 2022	Superior Court
Dionida, Jay	January 22, 2022	Sheriff's Office
Dones, Mary Ann	January 14, 2022	Def'd - Human Services Agency
Gentry, Laura	January 19, 2022	Deferred - Child Support Services
Giltz, Timothy	January 22, 2022	Sheriff's Office
Hong, Richard	January 18, 2022	Def'd - District Attorney's Office
Introcaso, Robert	January 21, 2022	Sheriff's Office
Irwin, Rebecca	December 31, 2021	Deferred – Board of Supervisors
Jaeger, Dorothy	December 29, 2021	Deferred – Superior Court
Kovach, John	January 8, 2022	Sheriff's Office
LaGrone, Mark	January 4, 2022	Public Works
Len Wai, Doreen	January 15, 2022	San Mateo County Health
Molver, Brian	January 27, 2022	County Manager's Office
Morales, Felipe	January 29, 2022	Family Health Services
Murphy, Patrick	January 8, 2022	Assessor's Office
Ngu, Khiet	January 11, 2022	Child Support Services
Prasad, Kamlesh	January 22, 2022	Aging & Adult Services
Rodriguez, Ramon	January 4, 2022	Aging & Adult Services
Smith, Susan	January 19, 2022	San Mateo County Health
Tang, Katherine	January 4, 2022	Aging & Adult Services
Taylor, Edward	January 5, 2022	Probation
Wright, Linda	January 21, 2011	Deferred – Sheriff's Office
Yu, Shurong	January 8, 2022	Assessor's Office

2203.4.4 **Continuances:**

<b>Survivor's Name:</b>	<b>Beneficiary of:</b>
Coker, Janet	Hartung, Jurgen
Shore Gonzalez, Diane	Gonzalez, Carlos
Woollum, Shirley	Woollum, Dennis

2203.4.5 **Deferred Retirements:**

<b>Name</b>	<b>Retirement Plan Type</b>
Bailey, Zoe	G7, Vested - Reciprocity
Chandler, Julie	G3, Vested – Auto Defer – Code 31700
Ford, Raysean	G7, Vested - Reciprocity
Fulbright, Charity	G3, Vested – Auto Defer – Code 31700
Garcia, Peter	G4, Vested - Reciprocity
Hu, Xiaotian	G7, Non-Vested - Reciprocity
Lau, Cathy	S7, Non-Vested -Reciprocity
Ngo, Khathy	G7, Vested – Auto Defer – Code 31700
Sandoval, Juan	G4, Vested – Auto Defer – Code 31700
Santos, Maria	G7, Vested - Reciprocity
Smith, Caroline	G4, Vested - Defer

#### 2203.4.6 **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>
Bartolome, Fortunato	G7, Non-vested
Davis, Cynthia	G7, Non-vested
Del Visco, Connor	G7/S7, Vested
Heymann, Ellie (FBO: Van Rheenens, Bernardus)	G2, Vested
Hjelm, Lauri	G7, Non-vested
Hunter, Bryan (FBO: Hunter, Matthew)	G7, Non-vested
Marshall, Marilyn	G2, Non-vested
Munoz Hernandez, Patricia	G7, Non-vested
Ortega, Jessica	G7, Vested
Restani, Mei-Li	G7, Non-vested

#### 2203.4.7 **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>
Clark, Rachel Aguirre	G7, Non-vested
Linn, Ellen (FBO:Seaman, Bruce)	G4, Non-vested
Rodriguez, Michele	G7, Non-vested

2203.4.8 **Member Account Redeposits:** None.

2203.4.9 **Acceptance of Trustees' Reports of Educational Activities:** The Board accepted the submitted reports for educational activities attended by Mr. David and Ms. Orr.

2203.4.10 **Report on the County's Prepayment of Employer Contributions:** The Board accepted the report on the County's prepayment of employer pension contributions totaling \$234,796,949 for fiscal year 2022-23.

2203.4.11 **Approval to Renew Fiduciary Liability Insurance Policy:** The Board authorized the County's Risk Manager to renew fiduciary liability insurance coverage with RLI Insurance Services through May 27, 2023.

2203.4.12 **Approval of Provision of Consultative Services to the County Counsel's Office:** The Board authorized the Chief Executive Officer to enter into a Memorandum of Understanding (MOU) with the Office of the County Counsel for the Provision of Legal Consultation Services.

2203.5.1 **Consideration of Agenda Items, if any, Removed from the Consent Agenda:** None.

2203.6.1 **Report on Preliminary Monthly Portfolio Performance Report for the Period Ended February 28, 2022:** Mr. Coultrip reported that SamCERA's net preliminary return for February was -1.2% bringing the preliminary trailing twelve month return ending February 2022 to 7.6% net, which is below SamCERA's Plan Benchmark return of 8.0% but above SamCERA's Actuarial Assumed Earnings Rate of 6.25%. This item was informational and for discussion only, no action was taken.

2203.7.1 **Approval of Resolution Temporarily Suspending Requirement of Nomination Signatures for the June 2022 SamCERA Elections:** Ms. Smith reviewed the upcoming term expirations of the Third

(General), Eighth (Retired) and Retired Alternate Board seats. With the continuing spread and uncertainty of COVID-19, she shared staff's recommendation to suspend the requirement to obtain nomination signatures for the Third Member seat set forth in Regulation 4.5 and the disqualification of candidates for failure to submit the qualified nomination signatures set for in Regulations 4.7 for the June 13, 2022 election.

**Action:** Mr. Battey moved to approve a resolution temporarily suspending the requirement of nomination signatures contained in Regulation 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 13, 2022 election for the Third Member seat due to the continued State of Emergency as result of the threat of COVID-19. The motion was seconded by Mr. Hoefer and carried by a vote of 7-1, with trustees Battey, Bowler, David, Hackleman, Hoefer, Orr, and Raw all in favor; Ms. Arnott opposed.

- 2203.7.2 **Report on Status of Trustee Elections:** Ms. Smith informed the Board that she is working with the County Elections Office regarding the Third, Eighth, and Retired Alternate expiring seats. She also informed the Board that staff has been in contact with Supervisor Horsley's office regarding the appointments for the expiring Fifth and Ninth Member seats. This item was informational and for discussion only, no action was taken.
- 2203.8.1 **Chief Executive Officer's Report:** Mr. Hood informed the Board that the employer and employee contribution rates were approved by the Board of Supervisors on March 8<sup>th</sup>. He reported on the CALAPRS General Assembly that took place a few weeks ago. He also previewed a few items on the April agenda which will include the budget for next fiscal year, approval of SACRS voting delegates, and update on the compensation earnable and pensionable compensation resolutions.
- 2203.8.2 **Assistant Executive Officer's Report:** Ms. Smith requested the Board to submit their \$25 non-recourse renewal check. Ms. Trujillo shared upcoming educational opportunities with the Board.
- 2203.8.3 **Chief Investment Officer's Report:** Mr. Coultrip reported that staff and Verus will hold annual manager reviews on Thursday, April 14<sup>th</sup> with real estate managers, PGIM at 8:00 a.m. and Harrison Street at 9:30 a.m. Mr. Coultrip also shared that staff plans to bring a recommendation for the cash flow match liquidity manager search next month.
- 2203.8.4 **Chief Legal Counsel's Report:** Mr. Okada informed the Board that there are currently two legislative bills proposing revisions to the Brown Act to allow remote meetings without imposing prior teleconferencing requirements. He stated that staff is closely monitoring the outcome and will keep the Board updated. Mr. Okada informed the Board that there will be a Special Meeting prior to the April Regular Board Meeting. Mr. Okada reported that all Trustees have recently received an email regarding their ethics requirements and mentioned that he plans to hold an ethics training course sometime in June.
- C1 **Consideration of Disability Items, if any, removed from the Consent Agenda:** None.
- 2203.9.0 **Report on Actions Taken in Closed Session:** None.

2203.2.3 **Retreat Presentations and Discussions:**

**Economic Outlook**

Mr. Toner, Chief Investment Officer of Verus, discussed the following topics with the Board: the economic impacts of the Russia-Ukraine war, inflation, the rising market rates, and the continuing effects of COVID on economic growth.

Mr. Hackleman left the meeting at 9:00 a.m. The meeting was adjourned for break at 9:53 a.m. and reconvened at 10:05 a.m.

**Discussion on Plan Maturity, Part IV**

Mr. MacLean, Chief Executive Officer of Verus, provided a recap of prior retreat discussions regarding maturation. He then presented the Enterprise Risk Tolerance survey and Asset-Liability study. He also discussed the concept of required rate of return and asset-liability risk trade off decisions.

Mr. Hackleman rejoined the meeting at 10:29 a.m. The meeting was adjourned for lunch at 11:21 a.m. and reconvened at 12:00 p.m.

**SamCERA Liabilities and Liabilities 101**


Mr. Hood, Chief Executive Officer of SamCERA, presented a historical look at SamCERA’s liabilities, returns and funding from the past 25 years. Mr. Collier, Milliman Inc., discussed the determination of liabilities and causes that may change from year to year.

**Update on Current State of Environmental, Social and Governance Issues**

Ms. Jadallah and Mr. Abdou, of Verus, presented an overview of environmental, social and governance issues and discussed the implications of integrating ESG into the portfolio.

2203.10 **Adjournment:** Mr. Raw adjourned the meeting at 2:05 p.m. in memory of the deceased members listed below.

Foster, Jenny	January 26, 2022	San Mateo Medical Center
Bouldin, Eleanor	January 29, 2022	Courts
Baker, Gloria	February 4, 2022	District Attorney's Office
Dickerson, Dolores	February 6, 2022	Human Services
Turner, Cleveland	February 10, 2022	Engineering & Roads Dept
Clements, Robert	February 11, 2022	Public Works
Ogata, George	February 12, 2022	Human Services
Clare, Ronald	February 15, 2022	Human Services
Duma, Nida	February 17, 2022	Hospital
Harris, George	February 20, 2022	Public Works
Baldwin, Beverly	February 24, 2022	Environmental Health
Noble, Candice	March 3, 2022	Planning & Building
Gatzert, Norman	March 6, 2022	Courts
Doan, Margaret	March 11, 2022	Social Services
Romine, Patricia	March 13, 2022	Mental Health




---

Robert Raw  
Board Chair