

**SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION  
FEBRUARY 22, 2022 – REGULAR BOARD MEETING MINUTES**

**2202.1 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 10:01 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: Elaine Orr and Susan Lee.

Alternates: Alma Salas.

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

Consultants and speakers: Joe Abdou, Marc Gesell, Margaret Jadallah, and Faraz Shooshani (Verus).

**2202.2.1 Oral Communications from the Board:** None.

**2202.2.2 Oral Communications from the Public:** Mr. Raw asked if there was any public comment from those individuals participating on the telephone or via Zoom. Ms. Smith introduced Charlyn He, SamCERA's newest Retirement Senior Accountant, to the Board. Ms. Trujillo reported there were no written comments received ahead of the meeting.

**2202.3.1 Approval of Special Board Meeting Minutes from January 25, 2022:** Mr. Raw asked if there were any changes or corrections, or objections, to the minutes from the special meeting held on January 25, 2022. There were no changes, corrections, or objections presented.

**Action:** Mr. Hoefer moved to approve the minutes from the special meeting on January 25, 2022. The motion was seconded by Mr. David and carried with a vote of 7-0, with trustees Arnott, Battey, Bowler, David, Hackleman, Hoefer, and O'Malley all in favor; Raw abstained; none opposed.

**2202.3.2 Approval of Regular Board Meeting Minutes from January 25, 2022:** Mr. Raw asked if there were any changes or corrections, or objections, to the meeting minutes from the regular Board meeting held on January 25, 2022. There were no changes, corrections, or objections presented.

**Action:** Mr. David moved to approve the minutes from the regular Board meeting on January 25, 2022. The motion was seconded by Mr. Hackleman and carried with a vote of 7-0, with trustees Arnott, Battey, Bowler, David, Hackleman, Hoefer, and O'Malley all in favor; Raw abstained; none opposed.

**2202.4.0 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. Hackleman moved to approve the items on the Consent Agenda. The motion was seconded by Ms. Arnott 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.

**2202.4.1 Disability Retirements:**

- a) The Board found that **Mary Sholaas** (1) is 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.

2202.4.2 **Survivor Death Benefits:** None.

2202.4.3 **Service Retirements:**

<b>Name</b>	<b>Effective Retirement Date</b>	<b>Department</b>
Aquino, Alvin	December 7, 2021	Deferred - Behavioral Health
Barulich, Mary	December 31, 2021	Treasurer's
Becker-Raudales, Vannessa	January 1, 2022	District Attorney's Office
Dahl, Donna	December 21, 2021	Courts
Dones, Lapaz	January 1, 2022	San Mateo County Health
Espinosa, Gary	January 1, 2022	Probation
Folena-Schauchulis, Sandra	December 31, 2021	Aging & Adult Services
Graebe, Kirk	January 1, 2022	Information Services
Guerrero, Moises	December 9, 2020	Human Services
Hackett, Karen	December 17, 2021	Def'd - San Mateo County Health
Hurley, Lynda	January 1, 2021	Def'd - San Mateo County Health
Jones, Allen	January 1, 2022	Public Works
Karim, Zander	December 31, 2021	Deferred - Environmental Health
Koon, Helen	December 4, 2021	San Mateo County Health
Machen, Marguerite	December 12, 2021	Def'd - San Mateo County Health
Mealey, Jeannine	December 31, 2021	Behavioral Health
Miller, Richard	December 28, 2021	Deferred - Environmental Health
Moulton, Alycia	December 31, 2021	County Manager's Office
Nastari, Jerry	December 28, 2021	Deferred - Probation
Parsons, Patricia	December 4, 2021	Aging & Adult Services
Peardon, Jason	December 31, 2021	Sheriff's Office
Perez, Mark	December 31, 2021	Public Works
Poyatos, Martha	December 31, 2021	County Manager's Office
Puck, Stanton	December 17, 2021	Deferred - Controller's
Robertson, Bernadette	December 5, 2021	Public Safety Communications
Rostron, Leslie	December 4, 2021	Assessor Clerk Recorder Elections
Rugama, Candida	December 15, 2021	Deferred - Human Services
Salazar, Karen	December 31, 2021	Deferred - Environmental Health
Strehle, Michael	December 26, 2021	Deferred - Sheriff's Office
Tee, Mary Lou	January 1, 2022	Human Services Agency
Vozikes, Mary	January 1, 2022	Behavioral Health

2202.4.4 **Continuances:** None.

#### 2202.4.5 **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>
Adeniji, Adebowale	G4, Vested - Reciprocity
Carbajal, Alexa	G7, Non-Vested – Reciprocity
Chacon, Marcos	G7, Vested - Auto Defer - Code 31700
Conde, Wende	G4, Vested - Auto Defer - Code 31700
Evers, Mari	G4, Vested
Gomez, Devin	G7, Non-Vested – Reciprocity
Goyal, Dolly	G4, Vested – Reciprocity
Herbst, Erin	G4, Vested – Reciprocity
Janowczyk, Joseph	S7, Non-Vested - Reciprocity
Laib, Yuki	G7, Vested
Lamsen, Dianaliza	G7, Vested - Auto Defer - Code 31700
Le, John	G7, Vested
Lim, Paul	G7, Non-Vested – Reciprocity
Ling, Tina	G7, Vested
Long, Jonathan	G4, Vested - Auto Defer - Code 31700
Newland, Casey	G7, Non-Vested – Reciprocity
Novelo, Yolanda	G4, Vested - Auto Defer - Code 31700
Rogers, Jennifer	G4, Vested - Reciprocity
Romero, Rolly	P4, Non-Vested – Reciprocity
Sweeney, Kristin	G7, Vested - Auto Defer - Code 31700

#### 2202.4.6 **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>
Alba, Arik	G7, Non-vested
Barnfield, Tiffany	G7, Non-vested
Basler, Jennifer	G7, Non-vested
Benitez, Lysette	G7, Non-vested
Campos, Carolina	G7, Non-vested
Contreras-Delgado, Alejandra	G7, Non-vested
Hightower, Genevieve	G7, Non-vested
Kalinowski, Mikaila	G7, Non-vested
Lopez-Betancourt, Francisco	G7, Non-vested
Malfatti, James	S7, Non-vested
Morales, Joselyn	G7, Non-vested
Soriano, Valentino	G7, Non-vested
Smith, Ava	G4, Non-vested

2202.4.7 **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>
Crawford, Jason (DRO)	G4, Non-vested
Lee, Alan	G4, Non-vested
Lo, Jonathan	G7, Non-vested
Morales, Joselyn	G7, Non-vested
Von Almen, Travis	G7, Vested

2202.4.8 **Member Account Redeposits:** None.

2202.4.9 **Acceptance of Trustees' Reports of Educational Activities:** None.

2202.4.10 **Acceptance of Annual Proxy Voting Report for the Period Ended December 31, 2021:** The Board accepted the Proxy Voting Summary Report for the year ended December 31, 2021.

2202.4.11 **Acceptance of Semi-Annual Compliance Certification Statements for the Period Ended December 31, 2021:** The Board accepted the semi-annual compliance certification statements for SamCERA's non-alternative investment managers as of December 31, 2021.

2202.4.12 **Adopt a Resolution Finding that Conducting In-person Meetings Would Present an Imminent Risk to the Health and Safety of Attendees:** The Board approved a resolution finding that the COVID-19 pandemic state of emergency continues to present imminent risks to the health or safety of in-person attendees and authorizes the use of teleconferencing for Board and Committee meetings pursuant to Government Code Section 54953(e).

2202.4.13 **Acceptance of Preliminary Semi-Annual Budget-to-Actual Report for Period Ended December 31, 2021:** The Board accepted the preliminary semi-annual budget-to-actual report for period ended December 31, 2021.

2202.4.14 **Acceptance of Preliminary Semi-Annual Budget-to-Actual Report for Period Ended December 31, 2021:** The Board accepted the preliminary semi-annual financial report for period ended December 31, 2021.

2202.4.15 **Reaffirm Securities Litigation Policy:** The Board reaffirmed the Board's Securities and Other Investment-Related Legal Actions Policy.

2202.5.1 **Consideration of Agenda Items, if any, Removed from the Consent Agenda:** None.

2202.6.1 **Report on Preliminary Monthly Portfolio Performance Report for the Period Ended January 31, 2022:** Mr. Coultrip discussed the preliminary monthly performance report with the Board. He reported that SamCERA's net preliminary return for January was -1.8% bringing the preliminary trailing twelve month return ending January 2022 to 9.6% net, which is below SamCERA's Plan Benchmark return of 11.9% but above SamCERA's Actuarial Assumed Earnings Rate of 6.25%. This item was informational and for discussion only, no action was taken.

2202.6.2 **Report on Quarterly Investment Performance for the Period Ended December 31, 2021:** Mr. Coultrip reported that the 4<sup>th</sup> quarter net total return for the SamCERA portfolio was 2.9%, which was 0.7% below the policy benchmark return of 3.6%. Ms. Jadallah and Mr. Abdou presented the quarterly report to the Board. This item was informational and for discussion only, no action was taken.

- 2202.6.3 **Approval of Updated Asset Allocation Policy Portfolio:** Mr. Coultrip discussed the changes between SamCERA's current policy to the proposed long-term policy portfolio. The changes include a 1% increase to private equity and a corresponding 1% decrease to public equity; addition of a 1.5% allocation to a short-term cash low match liquidity portfolio, funded from core fixed income; and 1% increase to private real assets (infrastructure) and a corresponding 1% decrease to core fixed income. Mr. Abdou and Ms. Jadallah presented the capital market assumption and asset allocation report to the Board.
- Action:** Mr. David moved to approve the proposed updated asset allocation policy portfolio after reviewing the capital market assumption and asset allocation report from Verus. The motion was seconded by Mr. Hackleman and carried with a vote of 8-0, with trustees Arnott, Battey, Bowler, David, Hackleman, Hoefler, O'Malley, and Raw, all in favor; none opposed.
- 2202.6.4 **Report on SamCERA's Risk Dashboard as of December 31, 2021:** Mr. Gesell of Verus presented the SamCERA Risk Dashboard with data as of December 31, 2021. This item was informational and for discussion only, no action was taken.
- 2202.6.5 **Approval of Proposed Purchase and Sale of Alternative Investments (to be heard in Closed Session, Confidential Under Gov. Code §54956.81 and §6254.26, see item C2):** The Board met in Closed Session at 10:56 a.m. and reconvened in Open Session at 11:41 a.m. See Closed Session report under C2.
- 2202.7.1 **Discussion of Board-Staff Retreat Topics:** Mr. Hood reviewed the proposed agenda for the 2022 Board-Staff Retreat and gave the Board an opportunity to provide their feedback. This item was informational and for discussion only, no action was taken.
- 2202.8.1 **Chief Executive Officer's Report:** Mr. Hood informed the Board that the approval of the employer and employee contribution rates will be on the Board of Supervisors March 8<sup>th</sup> agenda. He shared that staff is currently reviewing an updated proposal to upgrade the Boardroom technology. He also shared that staff plans to hold a hybrid staff retreat. Mr. Hood informed the Board that an update to the pensionable compensation and compensation earnable will be on next month's agenda to include the new Supplemental COVID-19 Emergency Sick Leave. Mr. Hood mentioned the upcoming CALAPRS General Assembly and SACRS Spring Conference to the Board.
- 2202.8.2 **Assistant Executive Officer's Report:** Ms. Smith provided the Board with an update on the Retirement Support Specialist recruitment. She reported that the renewal application for the fiduciary liability insurance was submitted and the nonrecourse check will be requested from each Trustee in May. She provided the Board with an update on the search for a new medical disability review organization and shared that staff had selected Managed Medical Review Organization, Inc. (MMRO). Ms. Smith informed the Board that staff released a Request for Proposal (RFP) last Thursday for a financial education provider and that proposals are due by March 24<sup>th</sup>. She shared that staff has been working on a project to create a video library for members and announced that the first video is available on the website. She thanked staff members that were involved in the project. Ms. Smith informed the Board that the third, eighth, and retiree alternate seats are set to expire in June as well as the fifth and ninth appointed seats. She reported that the MySamCERA mobile app will be going live tomorrow and thanked those involved in the project. Mr. Ali provided the Board with details on the launch plan. Ms. Trujillo shared upcoming educational opportunities with the Board.
- 2202.8.3 **Chief Investment Officer's Report:** Mr. Coultrip reported that staff and Verus will hold annual manager reviews on March 3<sup>rd</sup> with overlay manager, Parametric at 8:00 a.m. and custodian, Northern Trust at 9:30 a.m.

2202.8.4 **Chief Legal Counsel’s Report:** Mr. Okada informed the Board that the current suspension of Brown Act teleconferencing requirements will expire upon the termination of the state of emergency originally declared by the Governor in March 2020. He shared that, with the State’s recent lifting of mask mandates, the timing of the termination of the state of emergency is unclear but staff is closely monitoring the status and will provide updates as more information becomes available. Mr. Okada informed the Board that he would be reaching out to Trustees individually regarding whether any trustees have additional training hours required prior to the Trustee’s March retreat.

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

C2 **Approval of Proposed Purchase and Sale of Alternative Investments (to be heard in Closed Session, Confidential Under Gov. Code §54956.81 and §6254.26, see item C2):** The Board met in Closed Session regarding the approval of proposed alternative investments:

Regarding the “re-up” commitment to Altas Partners Fund III, LP, in the amount of \$25 million as part of SamCERA’s Buyout portfolio within Private Equity, a motion was made by Battey, and seconded by Hoefler, and approved by a vote of 8-0-0.

Ayes:	Arnott, Battey, Bowler, David, Hackleman, Hoefler, O’Malley, and Raw (Chair),
Nos:	None
Abstain:	None
Absent:	Orr

No other reportable action was taken.

2202.10 **Adjournment:** Mr. Raw adjourned the meeting at 11:57 a.m. in memory of the deceased members listed below.

Cunha, Robert	January 5, 2022	Public Works
Hartung, Jurgen	January 8, 2022	Mental Health
Buttram, Mary	January 8, 2022	Mental Health
Hallenbeck, Wilma	January 13, 2022	Assessor's
Creigh, Donna	January 15, 2022	Social Services
Lee, Shirley S	January 23, 2022	Courts
McCrae, William	January 23, 2022	Sheriff's
Alamar Pulvers, Joy	January 25, 2022	Mental Health
Slaiter, Donald	January 29, 2022	Agriculture
Gibson, Dayna	January 30, 2022	Human Services
Medina, Douglas	February 5, 2022	Sheriff's
Lazaro, Lee	February 11, 2022	Sheriff's

Robert Raw  
Board Chair