

SAN MATEO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
JUNE 4, 2024 – REGULAR BOARD MEETING MINUTES

2406.1 Call to Order, Roll Call and Miscellaneous Business

Call to Order: Mr. Battey, Chair, called the Regular Meeting of the Board of Retirement to order at 9:59 a.m.

Roll Call:

Present: Sandie Arnott, Mark Battey, Al David, Kurt Hoefer, Kimathi Marangu, Katherine O'Malley, Elaine Orr, Robert Raw, and Alma Salas.

Absent: None.

Alternates: April DeCarsky and Nicole McKay.

Staff: Michael Coultrip, Lili Dames, Scott Hood, Jenny Lukan, Elizabeth LeNguyen, Doris Ng, Paul Okada, and Gladys Smith.

Consultants and speakers: Joe Abdou and John Nicolini (Verus); and Craig Glyde (Milliman).

2406.1.1 Appointment by Chair of Ad Hoc Nominating Committee for Board Officers: Mr. Hood announced that Alma Salas, Kimathi Marangu, and Kurt Hoefer have been appointed to the Ad Hoc Nominating Committee.

2406.2.1 Oral Communications from the Board: Ms. O'Malley reported that on the November ballot, there will be an initiative called the "Taxpayer Protection and Government Accountability Act", that would amend the California Constitution to change the rules for how the state and local governments can impose taxes, fees, and other charges. Ms. O'Malley read statements made at the March 20th CalPERS Board meeting which opposed the initiative. Ms. Arnott reported that she attended the SACRS Spring Conference.

2406.2.2 Oral Communications from the Public: None.

2406.3.1 Approval of Board Meeting Minutes from April 23, 2024: Mr. Battey asked if there were any changes or corrections, or objections, to the minutes from the regular meeting held on April 23, 2024. There were no changes, corrections, or objections presented.

Action: Mr. David moved to approve the minutes from the April 23, 2024 regular Board meeting. The motion was seconded by Mr. Hoefer and carried with a vote of 7-0-2, with trustees Battey, David, Hoefer, Marangu, O'Malley, Raw, and Salas all in favor; none opposed; Arnott and Orr abstained.

2406.4.0 Approval of the Consent Agenda: Mr. Battey asked if there were any items to be removed for discussion from the Consent Agenda. No items were removed.

Action: Ms. Salas moved to approve the items on the Consent Agenda. The motion was seconded by Mr. Marangu and carried with a vote of 9-0-0, with trustees Arnott, Battey, David, Hoefer, Marangu, O'Malley, Orr, Raw, and Salas all in favor; none opposed; none abstained.

2404.4.1 Disability Retirements:

- a) The Board (1) accepted the proposed findings and decision of the Hearing Officer, Barbara Kong-Brown, (2) found that **Janine Brewer** is permanently incapacitated for the performance of her usual and customary duties as a Workers' Compensation Coordinator/ADA Manager, (3) found that her disability was not a result of an injury arising out of and in the course of her employment, and (4) denied her application for a service-connected disability.

2406.4.2 Survivor Death Benefits: None

2406.4.3 **Service Retirements:**

Name	Effective Retirement Date	Department
Aguilar, Joehl	March 30, 2024	Human Services Agency
Albertson, Ron	March 29, 2024	Sheriff's Office
Arcamo, Adelfa	March 30, 2024	Assessor's Office
Archibald, Geri	April 1, 2024	San Mateo County Health
Astudillo, Jose	March 30, 2024	Health Information Services
Avila, Abel	March 29, 2024	Sheriff's Office
Baluom, Jumana	March 12, 2024	Def'd - San Mateo County Health
Barrera, Carmen	March 30, 2024	San Mateo County Health
Bell, Tina	March 16, 2024	Sheriff's Office
Bonzani, Ellen	March 30, 2024	San Mateo County Health
Booker, Yolanda	March 29, 2024	Behavioral Health
Boyd, Carol	March 29, 2024	San Mateo County Health
Boyle, Matthew	March 2, 2024	Behavioral Health
Broad, Matthew	March 29, 2024	District Attorney's Office
Caballero, Anthony	March 29, 2024	Aging & Adult Services
Carrasco, Melissa	March 7, 2024	Deferred - Sheriff's Office
Chin, Cyndy	March 30, 2024	Health Information Services
Clark, Lillian	March 30, 2024	Sustainability Department
Crossan, Gary	March 30, 2024	Controller's Office
Cullen, Darrell	March 28, 2024	Environmental Health
Cullen, Deborah	March 28, 2024	Child Support Services
DeMartini, John	March 30, 2024	Sheriff's Office
Donovan, Joel	March 27, 2024	Sheriff's Office
Downard, Elizabeth	April 26, 2024	Behavioral Health
Ellis, Brendan	March 30, 2024	Probation
Fahey, Mary Anne	March 31, 2024	Correctional Health
Fastovskaya, Marina	April 1, 2024	San Mateo County Health
Floresca-Arsalane, Maricar	March 23, 2024	Family Health
Foiles, Robert	March 6, 2024	Def'd - District Attorney's Office
Garrett, Samuel	March 28, 2024	QDRO of Debra Vely
Gomez, Janet	March 30, 2024	Superior Court
Gomez, Jorge	March 30, 2024	Human Services Agency
Gonzales, Maria Charito	March 30, 2024	San Mateo County Health
Grasty, Robert	March 30, 2024	Sheriff's Office
Guisasola, Annelys	March 30, 2024	Behavioral Health
Harrington, Margarita	March 30, 2024	San Mateo County Health
Hoss, Daniel	March 29, 2024	Sheriff's Office
Huntington, Gregory	March 30, 2024	Probation
Kimmel, Elizabeth	March 30, 2024	Planning & Building
Krahn, Karen	March 30, 2024	Behavioral Health
Lara, Geraldine	March 2, 2024	San Mateo County Health
Lemke, Leslie	March 30, 2024	Information Services Department
Leon, Michael	March 18, 2024	Probation
Lipat, Myrlene	March 30, 2024	Controller's Office
Lockett, Cassius	March 31, 2024	Deferred - Public Health
Loo, Dominic	March 30, 2024	Human Services Agency
Lopez, Lisandro	March 31, 2024	Sheriff's Office
Louie, Happy	March 30, 2024	Health Information Services
Loum, Tracy	March 30, 2024	Behavioral Health

Mancini, Elisabeth	March 30, 2024	Aging & Adult Services
McCarthy, Nancy	March 30, 2024	Health Information Services
McCourtie, Jeffrey	March 31, 2024	Sheriff's Office
Mellin, Randall	March 30, 2024	Assessor's Office
Mih, Sabrina	March 21, 2024	Environmental Health
Mihos, Elizabeth	April 27, 2024	Deferred - Probation
Montenegro, Isela	March 30, 2024	San Mateo County Health
Morineau, Michelle	March 30, 2024	Deferred - Human Services Agency
Munemitsu, Amanda	March 30, 2024	Sheriff's Office
Myers, Meyilo	April 1, 2024	Sheriff's Office
Nolte, Deborah	March 23, 2024	Deferred - Aging & Adult Services
O'Dell, Stephen	March 30, 2024	Sheriff's Office
Ovalle, Anthony	March 29, 2024	Sheriff's Office
Page-Broughton, Mignon	March 16, 2024	Probation
Parker, Shawn	March 30, 2024	Sheriff's Office
Pobre, Perla	March 30, 2024	Controller's Office
Postigo, Maria	March 30, 2024	Superior Court
Preston, Rena	March 30, 2024	District Attorney's Office (retire)
Quezada, Raul	March 27, 2024	Probation
Rabe-Culas, Theresa	March 30, 2024	Human Resources
Radetic, Fred	March 29, 2024	Sheriff's Office
Ramirez, Ed	March 29, 2024	Information Services Department
Rivera, Ma Grace	March 30, 2024	Controller's Office
Rozzi, Christine	March 29, 2024	San Mateo County Health
Runneals, Robine	March 30, 2024	San Mateo County Health
Sainez-Becerra, Estela	March 30, 2024	Human Services Agency
Sakayama, Donna	March 29, 2024	Human Resources
San Miguel, Raquel	March 30, 2024	Family Health
Santana-Mora, Sandra	March 30, 2024	San Mateo County Health
Santos, Carlito	March 30, 2024	Human Services Agency
Shu, Diana	March 30, 2024	Public Works
St Claire, Agatha	March 30, 2024	Probation
Stockstill, Stefani	March 30, 2024	San Mateo County Health
Storm, Pamela	March 30, 2024	Information Services Department
Supanich, Michael	March 29, 2024	Sheriff's Office
Synten, Yvonne	March 16, 2024	San Mateo County Health
Tello, Martina	March 30, 2024	Library
Torres, Maria D	March 30, 2024	Probation
Triplitt, Aileen	March 29, 2024	Child Support Services
Valencia, Kevin	March 31, 2024	Sheriff's Office
Vega, Rosa	March 30, 2024	Superior Court
Vigil, Jenifer	March 30, 2024	San Mateo County Health
Volotikin, Alexander	March 31, 2024	Probation
Wood, Tracy	March 30, 2024	Deferred – Superior Court
Yue, Yim Mei	March 30, 2024	Assessor's office
Zometa, Patricia	March 30, 2024	Human Services Agency (retire)
Zuker, Albert	March 21, 2024	Parks Department

2406.4.4 **Continuances:**
Survivor's Name

Beneficiary of:

Alzugaray, Javier
Beukers, Robert
Britzman, Thomas
Caton-Darby, Celine
Farrell, Tracilyn
Hood, Joanne
King, Anne
Krenzer, Charlotte
Lumm, Ha Kim
Nicewonger, Bettie
Taylor, Maureen

Alzugaray, Pilar
Beukers, Margaret
Britzman, Jean
Darby, John
Farrell, James
Hood, William
Rogers, Ralph
Krenzer, Thomas
Lumm, George
Nicewonger, Richard
Taylor, George

2406.4.5 **Deferred Retirements:**

Name

Bussey, Christopher
George, Jacob
Gurley, Kristin
Kiapi, Sandra
McAlpin, Jenna
Patino, Colin
Tsachres, Elizabeth
Tubig, Ezra

Retirement Plan Type

G4/P4, Vested Auto Defer – Code 31700
G7, Vested - Reciprocity
G7, Vested
G7, Vested Auto Defer – Code 31700
G4, Vested - Reciprocity
S5, Vested - Reciprocity
G7, Non-Vested - Reciprocity
G7, Vested

2406.4.6 **Member Account Refunds:**

Name

Allen, Anre'a
Bakovic, Dragan
Barker, Preston
Bautista, Alberto Gonzalo
Breedon, Darian
Chin-Agustin, Cassandra
Dingler, Serena
Duba, Ronald
Garcia, Elizabeth M
Hill, Diana
Jackson, Brittany
Miller, Michael G
Navarro, Maria del Carmen
Nguyen, An T
Ottinger, Caroline
Phy, Heng (FBO:Lawyer, Casey)
Rabago, Veronica
Stone, Gary
Valadez, Adriana
Vaughn, Dominic
Velazquez, Ruben
Wadleigh, James-Ernest
Watson, Andria

Retirement Plan Type

G7, Non-vested
G5, Vested
G7, Non-vested
G7, Non-vested
G7, Non-vested
G7, Vested
G7, Non-vested
G4, Non-vested
G7, Non-vested
G4, Vested
G7, Non-vested
G7, Non-vested
G7, Vested
G7, Non-vested
G7, Non-vested
G7, Vested
G7, Non-vested
G4, Non-vested
G7, Non-vested
S7, Non-vested
G7, Non-vested
G4, Vested
G7, Non-vested

2406.4.7 **Member Account Rollovers:**

Name	Retirement Plan Type
Gonzalez-Lombera, Esveide	G7, Non-vested
Ho, Helen	G4, Non-vested
John, Renny	G4, Non-vested
Ladcani, Rosario	G2, Non-vested
Pena, Joe	G7, Non-vested
Yi, Paul	G7, Non-vested

2406.4.8 **Member Account Redeposits:** None.

2406.4.9 **Acceptance of Trustees' Reports of Educational Activities:** The Board accepted the submitted report for educational activities attended by Ms. Arnott, Mr. Battey, Mr. David, Ms. DeCarsky, Mr. Marangu, Ms. O'Malley, Ms. Orr, Mr. Raw, and Ms. Salas.

2406.4.1 **Approval to Renew Fiduciary Liability Insurance Policy:** The Board authorized the County's Risk Manager to renew fiduciary liability insurance coverage with RLI/Chubb Insurance Corporations through May 27, 2025.

2406.5.1 **Consideration of Agenda Items, if any, Removed from the Consent Agenda:** None.

2406.5.2 **Review of Funding Dashboard:** Mr. Hood reported on the Quarterly Funding Progress Dashboard for the Period Ended March 31, 2024, which showed projected funded status and employer contribution rate. This item was informational and for discussion only, no action was taken.

2406.5.3 **Approval of Economic Assumptions to be used in the June 30, 2024 Actuarial Valuation:** Mr. Glyde from Milliman Inc. presented Milliman's May 2024 Presentation on Economic Assumptions for the 2024 Valuation to the Board. The Board discussed the recommendation.

Action: Mr. Hoefler moved to approve the Milliman recommendation that no changes be made to the assumptions used for last year's valuation. The motion was seconded by Mr. David and carried with a vote of 8-0-0, with trustees Arnott, Battey, David, Hoefler, Marangu, Orr, Raw, and Salas all in favor; none opposed; none abstained. Ms. O'Malley stepped out of the boardroom at 10:29 a.m. until 10:31 a.m. and was not present for the vote.

2406.6.1 **Report on Preliminary Monthly Portfolio Performance for the Period Ended April 30, 2024:** Mr. Coultrip reported that SamCERA's preliminary return for April was -1.6%, bringing the preliminary trailing twelve-month net return ending April to 7.6%, which is below our benchmark return of 8.8% but above our assumed earnings rate of 6.25%. SamCERA's estimated market value as of April was \$6.31 billion, while the actuarial funded ratio as of June 30, 2023 was 88.3%.

Ms. Arnott stepped out of the boardroom at 10:33 a.m. until 10:36 a.m. Mr. Raw stepped out of the board room at 10:34 a.m. until 10:36 a.m.

2406.6.2 **Report on Quarterly Investment Performance for the Period Ended March 31, 2024:** Mr. Coultrip reported that the 1st quarter net total return for the SamCERA portfolio was 3.3%, which was lower than the 4.7% policy benchmark return. Joe Abdou and John Nicolini from Verus presented the Verus Quarterly Performance Report Ending 03/31/24 to the Board. This item was informational and for discussion only, no action was taken.

2406.6.3 **Report on Real Estate Manager Annual Reviews:** Ms. Ng reported that SamCERA staff and consultant held annual review meetings with real estate managers, PGIM and Harrison Street on April 4th and April 11th, respectively. There were no major concerns identified during the review.

- 2406.6.4 **Report on Core Equity Manager Annual Reviews:** Ms. Ng reported that staff and consultant held annual review meetings with core equity index manager, Blackrock, and small-cap core equity manager, PGIM Quantitative Solutions LLC on April 29th. Ms. Ng reviewed the meetings, stated there were no significant concerns and answered questions from the Board. This item was informational and for discussion only, no action was taken.
- 2406.6.5 **Approval of Proposed Alternative Investments (to be heard in Closed Session, Confidential Under Gov. Code §54956.81 and §7928.710, see item C2):** This item was heard in Closed Session at 11:39 a.m. and Open Session was reconvened at 12:38 p.m. See Closed Session report under C2.
- 2406.8.1 **Chief Executive Officer’s Report:** Mr. Hood reported to the Board that for 21st straight year in a row, SamCERA has been awarded the GFOA Certificate of Achievement for Excellence in Financial Reporting (for the fiscal year ended June 30, 2023. Mr. Hood thanked Ms. Chow, Ms. Milan, Ms. Jeong, Ms. Smith, and Mr. Okada for their work on the Annual Comprehensive Financial Report. Mr. Hood reported to the Board that Brown-Armstrong has already begun work on the audit for the fiscal year ending June 30, 2024. Mr. Hood informed the Board that the next board meeting will be held in the new fiscal year on July 23rd and on the agenda is the election of Board Officers and committee selections. Mr. Hood mentioned to the Board that SACRS publishes a monthly legislative report that he will begin sending out to the Board. Lastly, Mr. Hood reported that Roederfinancial.com published their annual rankings of California retirement systems, ranked from most optimistic to most conservative assumptions, are out and SamCERA was ranked as the second most conservative system. SamCERA is the only system in the state with a 6.25% assumed rate of return.
- 2406.8.2 **Assistant Executive Officer’s Report:** Ms. Smith reported to the Board that the election is currently taking place. For the safety seat, the candidates are Ms. DeCarksy and Mr. Raw. There are two candidates running for the “Second Member” Board seat (elected by general members). The election concludes on Monday, June 10th and results will be provided on June 14th. Ms. Smith also reported to the Board that she attended a SCORPA meeting a couple months ago and a few members requested assistance in using the Member Self-Service Portal in the mobile app; as a result, the Benefits team is hosting an open house on June 5th from 2-5 p.m. for retirees to drop in and learn how to use the mobile app and/or the member self-service portal. Lastly, Ms. Smith reported to the Board that Ms. Orr will be reappointed by the County Board of Supervisors as her term is expiring on June 30, 2024. Mr. Battey’s term is also expiring, however there have been no applications yet that have investment qualifications, thus the application process for the “Sixth Member” Board Seat held by Mr. Battey is still ongoing. Ms. Lukan reported to the Board on upcoming education opportunities including IFEBP Annual Conference and SACRS, both around the same time in November, as well as SACRS UC Berkeley in July, and NCPERS in October, she and will send an email with the information.
- 2406.8.3 **Chief Investment Officer’s Report:** Mr. Coultrip reported to the Board that staff and Verus will be bringing an liquidity analysis to the Board in July. Mr. Coultrip also informed the Board of upcoming Manager Reviews on June 6, 2024, with International Equity Mangers Baillie Gifford and Mondrian; and June 18, 2024, with Core Bonds & Long Treasury Managers DoubleLine, NISA Investment Advisors, and Fidelity.
- 2406.8.4 **Chief Legal Counsel’s Report:** Mr. Okada thanked all the trustees for submitting their responses to the Portable Electronics Survey. Mr. Okada reported to the Board that SamCERA will be doing the survey for staff as well and then will bring the Portable Electronics Policy to the Board in July or August.
- C1 **Consideration of Disability Items, if any, removed from the Consent Agenda:** None.
- C2 **Approval of Proposed Alternative Investment (Confidential Under Gov. Code §54956.81 and §7928.710 – see also item 6.5):**

The Board entered Closed Session at 11:39 a.m.

The Board met in Closed Session for the approval of proposed alternative investments:

Regarding a \$35MM commitment to Beach Point Capital Real Estate Debt Fund, L.P., as part of SamCERA's Debt portfolio within Real Estate under the Inflation Hedge category, there was a motion and a second to approve such commitment.

Ayes: Arnott, Battey (Chair), David, Hoefer, Marangu, O'Malley, Orr
(Secretary), Raw, and Salas (Vice Chair)
Nos: None
Abstain: None
Absent: None
Motion carried 9-0-0

Regarding a commitment of \$25 million to Quantum Energy Partners VIII, L.P. as part of SamCERA's Natural Resources portfolio within Private Real Assets under the Inflation Hedge category, there was a motion and second to approve such commitment.

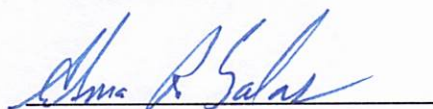
Ayes: Arnott, Battey (Chair), David, Hoefer, Marangu, O'Malley, Orr
(Secretary), Raw, and Salas (Vice Chair)
Nos: None
Abstain: None
Absent: None
Motion carried 9-0-0

No other matters were heard in Closed Session and the Board exited Closed Session at 12:28 p.m.

2406.9.0 **Reports on Actions Taken in Closed Session:** Mr. Okada reported on Items C1 and C2 above. There were no additional closed session items.

2406.10 **Adjournment:** Mr. Hoefer presented to Mr. Battey a commemorative Resolution passed by the Board honoring Mr. Battey and his service to SamCERA for the last nine years. Mr. Battey adjourned the meeting at 12:41 p.m. in memory of the deceased members listed below.

Lind, Paul	March 31, 2024	Employee & Public Service
Wells, William	April 5, 2024	Human Services
La Voy, Lois	April 7, 2024	Health Services
Hanson, Lorraine	April 17, 2024	Probation
Britzman, Jean	April 22, 2024	Human Services
Sampson, Shirley	April 23, 2024	Library
Stagner, Frank	May 3, 2024	Public Works
Rodriguez, Beatriz	May 6, 2024	Family Health
Robinson, Helena	May 18, 2024	Chope Hospital


Alma Salas
Chair