



San Joaquin County Employees Retirement Association

MINUTES

**BOARD MEETING
SAN JOAQUIN COUNTY EMPLOYEES RETIREMENT ASSOCIATION
BOARD OF RETIREMENT
FRIDAY, APRIL 9, 2021
AT 9:00 AM
Location: Via Zoom**

1.0 ROLL CALL

1.01 MEMBERS PRESENT: Phonxay Keokham, Emily Nicholas, Jennifer Goodman, Katherine Miller, Chanda Bassett, Adrian Van Houten, Margo Praus, and Michael Restuccia presiding

MEMBERS ABSENT: Michael Duffy and Ray McCray

STAFF PRESENT: Chief Executive Officer Johanna Shick, Assistant Chief Executive Officer Kathy Herman, Retirement Investment Officer, Paris Ba, Financial Officer Carmen Murillo, Department Information Systems Analyst II Lolo Garza, Information Systems Analyst II Jordan Regevig, and Administrative Secretary Kendra Fenner

OTHERS PRESENT: Deputy County Counsel Jason Morrish, David Sancewich of Meketa Investment Group, and Sean Byrne of Rimon Law

2.0 PLEDGE OF ALLEGIANCE

2.01 Led by Michael Restuccia

3.0 APPROVAL OF MINUTES

3.01 Approval of the minutes for the Board Meeting of March 12, 2021

3.02 Approval of the minutes for the Audit Committee Meeting of March 11, 2021

3.03 The Board voted unanimously (7-0) to approve the Minutes of the Board Meeting of March 12, 2021 and the Audit Committee Meeting of March 11, 2021. (Motion: Van Houten; Second: Keokham)

4.0 PUBLIC COMMENT

4.01 There was no public comment.

5.0 CONSENT ITEMS

5.01 Service Retirement (22)

5.02 General (1)

01 Return to active membership - Emad Abbas

5.03 The Board voted unanimously (7-0) to approve the Consent Items. (Motion: Bassett; Second: Goodman)

6.0 STRATEGIC ASSET ALLOCATION POLICY

6.01 Proposed revisions to Strategic Asset Allocation Policy - Mark-up

6.02 Proposed revisions to Strategic Asset Allocation Policy - Clean

- 6.03 The Board made a minor wording change and voted unanimously (7-0) to adopt proposed policy revisions as recommended by staff and consultant. (Motion: Keokham; Second: Van Houten)**

7.0 CONSULTANT REPORTS PRESENTED BY DAVID SANCEWICH OF MEKETA INVESTMENT GROUP

7.01 Monthly Investment Performance Updates

- 01 Receive and File Manager Performance Flash Report - February 2021
- 02 Receive and File Economic and Market Update - March 2021

7.02 Real Estate Review

- 01 Presentation by Christy Fields and David Glickman of Meketa
- 02 Board to discuss and provide direction as necessary

7.03 Board accepted and filed reports.

8.0 SACRS BOARD OF DIRECTORS ELECTIONS

8.01 SACRS Board of Director Elections - 2021 - 2022 - Final Ballot

- 01 **CEO Shick verbally corrected the incumbency status of candidates listed in the memo and the Board voted unanimously (7-0) to approve candidates for SACRS 2021 - 2022 Board of Directors. (Motion: Keokham; Second: Van Houten)**

9.0 STAFF REPORTS

9.01 Pending Retiree Accounts Receivable - First Quarter 2021

9.02 Disability Quarterly Report - Statistics

9.03 Legislative Summary Report

9.04 Trustee and Executive Staff Travel

- 01 Conferences and Events Schedule for 2021
 - a SACRS Spring Conference
 - b CALAPRS Advanced Principles of Pension Governance for Trustees
- 02 Summary of Pending Trustee and Executive Staff Travel - None
- 03 Summary of Completed Trustee and Executive Staff Travel and Travel Reports

9.05 Board accepted and filed reports

9.06 CEO Report

In addition to the CEO report, CEO Shick stated SJCERA prevailed in their lawsuit against Travelers and plans to submit our legal bills to Travelers. Since the CEO report was written, the Actuarial files have been submitted and there are three Board of election seats up in May. CEO Shick went on to explain this is a challenging time at SJCERA. In addition to the normal busy retirement season, staff is implementing *Alameda*, the system enhancements are being refined, and four staff members have retired since October, equating to 25 percent of SJCERA's staff. Two of those positions have been filled and SJCERA is actively recruiting for the other two. While this was expected, CEO Shick wanted the Board to be aware of the potential impact on goals and budget. SJCERA staff is staying focused on our mission and prioritizing legally mandated items.

9.07 Report from Committee(s)

01 Investment Contract Requirements Ad Hoc Committee - March 24, 2021

10.0 CORRESPONDENCE

10.01 Letters Received

10.02 Letters Sent

10.03 Market Commentary/Newsletters/Articles

01 NCPERS The Monitor March 2021

02 NEPC Total Return and Asset Allocation Analysis Fourth Quarter 2020

03 Business Insider Second Investment Consultant Puts PIMCO on Watch March 2021

11.0 COMMENTS

11.01 Comments from the Board of Retirement

01 In regard to CEO Shick's update about staff, Chair Restuccia thanked CEO Shick and the staff for their hard work and he couldn't be prouder.

02 Trustee Bassett congratulated staff on resolving the top four accounts on the pending receivables report. Overall looks like a lot of work. Great job.

03 Trustee Keokham inquired about possibly returning to in person board meetings. The topic will be placed on an upcoming agenda for discussion.

12.0 CLOSED SESSION

12.01 PURCHASE OR SALE OF PENSION FUND INVESTMENTS CALIFORNIA GOVERNMENT CODE SECTION 54956.81

12.02 PERSONNEL MATTERS CALIFORNIA GOVERNMENT CODE SECTION 54957 EMPLOYEE DISABILITY RETIREMENT APPLICATION(S) (0)

12.03 CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION CALIFORNIA GOVERNMENT CODE SECTION 54956.9(d)(4) Initiation of Litigation - 1 Case

12.04 Counsel noted there was nothing to report out from closed session.

13.0 REPORT OF CLOSED SESSIONS

13.01 At the meeting of December 11, 2020, the Board elected to redeem its \$103.3 million allocation in Prima Mortgage Investment Trust. SJCERA reinvested \$50 million with Dodge & Cox, \$50 million with Bloomberg Barclays Aggregate Index, and retained \$3.3 million in cash.

14.0 CALENDAR

14.01 Board Meeting April 9, 2021, at 9:00 AM

01 Counsel noted the agenda inadvertently identified the next Board meeting date as April 9, 2021; it should have listed May 7, 2021.

02 Board Meeting May 7, 2021, at 9:00 AM

15.0 ADJOURNMENT


15.01 There being no further business the meeting was adjourned at 11:26 a.m.

Respectfully Submitted:



Michael Restuccia, Chair

Attest:



Raymond McCray, Secretary