



San Joaquin County Employees Retirement Association

MINUTES

**BOARD MEETING
SAN JOAQUIN COUNTY EMPLOYEES RETIREMENT ASSOCIATION
BOARD OF RETIREMENT
FRIDAY, FEBRUARY 12, 2021
AT 9:00 AM
Location: Via Zoom**

1.0 ROLL CALL

1.01 MEMBERS PRESENT: Phonxay Keokham, Emily Nicholas, Jennifer Goodman, Michael Duffy (out at 11:45 a.m.), Katherine Miller, Chanda Bassett, Adrian Van Houten, Margo Praus, Raymond McCray, and Michael Restuccia presiding

MEMBERS ABSENT: None

STAFF PRESENT: Chief Executive Officer Johanna Shick, Assistant Chief Executive Officer Kathy Herman, Retirement Investment Office, Paris Ba, Accounting Manager Carmen Murillo, Management Analyst III Greg Frank, Department Information Systems Analyst II Lolo Garza, Information Systems Specialist II Jordan Regevig, Retirement Services Associate Andrea Bonilla, and Administrative Secretary Kendra Fenner

OTHERS PRESENT: Deputy County Counsel Jason Morrish, David Sancewich and Ryan Lobdell of Meketa Investment Group, Graham Schmidt of Cheiron, Ashley Dunning of Nossaman LLP, and Disability Counsel Vivian Shultz

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 January 8, 2021

3.02 Approval of the minutes for the CEO Performance Review Committee of January 29, 2021

3.03 The Board voted 8-0 to approve the minutes for the Board Meeting of January 8, 2021 and the CEO Performance review Committee Meeting of January 29, 2021. (Motion: Bassett; Second: McCray; Abstain: Nicholas)

4.0 PUBLIC COMMENT

4.01 Gene Neely of Lathrop Manteca Fire District commented on agenda item 7.0 and thanked the Board for the discussion. He stated it was very informative and he supports the Board's work in keeping the fund sustainable.

4.02 Adriene Thompson, retired SJCERA member, commented on agenda item 7.0 stating she was directly affected by the Alameda decision. While she understands the need for sustainability, recruitment salaries are low and contractors do not pay into the retirement system. She thought it would be interesting to see the cost of those contracted workers.

5.0 CONSENT ITEMS

5.01 Service Retirement (21)

5.02 General (1)

01 Retiree Cost-of-Living Adjustment (COLA) as of April 1, 2021

5.03 **The Board voted unanimously (9-0) to approve the Consent Items. (Motion: Bassett; Second: Van Houten)**

6.0 COMMITTEE REPORTS

6.01 CEO Performance Review Committee Meeting - January 29, 2021

01 Committee Chair Goodman stated the committee met in closed session and there was nothing to report out.

6.02 Alameda Decision Ad Hoc Committee Meeting - January 21, 2021

01 Memo from Committee - February 12, 2021

Committee Chair Bassett reported the committee worked diligently to get through the pay codes and thanked staff and counsel for their contributions. She also stated the committee has completed its work.

7.0 ALAMEDA DECISION TIER 2B EDUCATION SESSION

7.01 Board discussed and directed staff to obtain feedback from employers, making sure they understand the impact this will have on them, provide additional specific examples and bring their findings back to the Board for consideration.

8.0 CONSULTANT REPORTS PRESENTED BY DAVID SANCEWICH OF MEKETA INVESTMENT GROUP

8.01 Monthly Investment Performance Updates

01 Receive and File Manager Performance Flash Report - December 2020

02 Receive and File Capital Markets Outlook and Risk Metrics - January 2021

8.02 Benchmark Review

01 **The Board accepted the consultant's recommendation and voted unanimously (9-0) to approve the benchmark changes. (Motion: McCray; Second: Bassett)**

8.03 2021 Capital Market Assumptions Expected Return

8.04 Board accepted and filed reports

9.0 INVESTMENT RETURN REVIEW AND COST PROJECTIONS

9.01 Presentation by Graham Schmidt, Consulting Actuary

10.0 STAFF REPORTS

10.01 Legislative Summary Report - None

10.02 Trustee and Executive Staff Travel

01 Conferences and Events Schedule for 2021

a CALAPRS General Assembly

02 Summary of Pending Trustee and Executive Staff Travel

03 Summary of Completed Trustee and Executive Staff Travel

10.03 Board accepted and filed reports

10.04 CEO Report

CEO Shick highlighted the following from the CEO Report: staff has adjusted benefits for approximately 30% of the 127 retirees affected by the Alameda decision; social distancing allowed SJCERA to reach more than 340 members at the most recent benefits webinar; the Communication Officer interviews have been completed and an announcement regarding the selected applicant and start date is expected shortly.

01 Declining Employer Payroll Report

11.0 CORRESPONDENCE

11.01 Letters Received

11.02 Letters Sent

11.03 Market Commentary/Newsletters/Articles

01 NCPERS The Monitor January 2021

02 NCPERS 2020 Public Retirement Systems Study

12.0 COMMENTS

12.01 The Chair disbanded the Alameda Decision Ad Hoc Committee.

13.0 CLOSED SESSION

THE CHAIR CONVENED CLOSED SESSION AT 11:25 A.M. AND ADJOURNED THE CLOSED SESSION AND RECONVENED THE OPEN SESSION AT 12:32 P.M.

13.01 PERSONNEL MATTERS

CALIFORNIA GOVERNMENT CODE SECTION 54957 EMPLOYEE DISABILITY RETIREMENT APPLICATIONS (2)

01 Disability Retirement Consent (2)

Counsel reported that in Closed Session the Board took the following action on personnel matters:

- a Probation Unit Supervisor
Service-Connected Disability

The Board voted unanimously (9-0) to accept the findings and recommendation of the Administrative Law Judge and deny the application for a Service-Connected Disability Retirement. (Motion: McCray; Second: Van Houten)

- b Correctional Officer
Service-Connected Disability

The Board voted unanimously (9-0) to grant the applicant a Service-Connected Disability Retirement. (Motion: McCray; Second: Van Houten)

13.02 CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

CALIFORNIA GOVERNMENT CODE SECTION 54956.9(d)(4)

Initiation of Litigation - 1 Case

01 *Counsel noted there was nothing to report from closed session regarding this subject.*

**13.03 PUBLIC EMPLOYEE PERFORMANCE EVALUATION
CALIFORNIA GOVERNMENT CODE SECTION 54957
TITLE: RETIREMENT ADMINISTRATOR/CHIEF EXECUTIVE OFFICER**

01 *Counsel noted there was nothing to report from closed session regarding this subject.*

14.0 CALENDAR

14.01 Board Meeting, March 12, 2021 at 9:00 AM

14.02 Audit Committee Meeting, March 12, 2021 upon adjournment of the Board Meeting


15.0 ADJOURNMENT

15.01 There being no further business the meeting was adjourned at 12:34 p.m.

Respectfully Submitted:



Michael Restuccia, Chair

Attest:


Raymond McCray, Secretary