



# San Joaquin County Employees Retirement Association

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## MINUTES

### BOARD MEETING SAN JOAQUIN COUNTY EMPLOYEES RETIREMENT ASSOCIATION BOARD OF RETIREMENT FRIDAY, SEPTEMBER 8, 2023 AT 9:00 AM

Location: SJCERA Board Room, 6 S. El Dorado Street, Suite 400, Stockton, California

#### 1.0 ROLL CALL

**1.01 MEMBERS PRESENT:** Phonxay Keokham, Emily Nicholas, Chanda Bassett, JC Weydert, Steve Ding, Michael Duffy, Steve Moore, Raymond McCray and Michael Restuccia presiding

**MEMBERS ABSENT:** Jennifer Goodman

**STAFF PRESENT:** Chief Executive Officer Johanna Shick, Retirement Investment Officer Paris Ba (via Zoom), Management Analyst III Greg Frank, Information Systems Analyst II Lolo Garza, Information Systems Specialist II Jordan Regevig, Administrative Secretary Elaina Petersen, Retirement Technician Bethany Vavzincak, Retirement Technician Vickie Monegas

**OTHERS PRESENT:** Counsel Ashley Dunning of Nossaman, David Sancewich of Meketa

#### 2.0 PLEDGE OF ALLEGIANCE

**2.01** Led by JC Weydert

#### 3.0 MEETING MINUTES

**3.01** Minutes for the Board Meeting of August 11, 2023

**3.02** The Board voted unanimously (8-0) to approve the Minutes of the Board meeting of August 11, 2023 (Motion: Duffy; Second: Weydert)

#### 4.0 PUBLIC COMMENT

**4.01** There was no public comment

#### 5.0 CONSENT ITEMS

**5.01** Service Retirements (18)

**5.02** The Board voted unanimously (8-0) to approve the consent items (Motion: Bassett; Second: Nicholas)

#### 6.0 LOOMIS SAYLES: FIXED INCOME MANAGER UPDATE

**6.01** Presentation by Mirsada Durakovic and Stephanie Lord of Loomis Sayles

**6.02** The Board received and filed the report

#### 7.0 INVESTMENT CONSULTANT REPORTS

**7.01** Presented by David Sancewich of Meketa Investment Group

- 01 Quarterly Reports from Investment Consultant for period ended June 30, 2023
  - a Quarterly Investment Performance Analysis

- b Manager Certification Report
- c Manager Review Schedule
- 02 Monthly Investment Performance Updates
  - a Manager Performance Flash Report - July 2023
  - b Economic and Market Update - July 2023
- 03 The Board received and filed reports

## **8.0 2023 ANNUAL INVESTMENT ROUNDTABLE**

- 8.01** Update for Investment Roundtable
- 8.02** The Board reviewed information regarding the Investment Roundtable

## **9.0 FACILITIES UPDATE**

- 9.01** The Board received and filed report

## **10.0 STAFF REPORTS**

- 10.01** Trustee and Executive Staff Travel
  - 01 Conference and Events Schedule 2023
  - 02 Summary of Pending Trustee and Executive Staff Travel
    - a Travel requiring approval (1)
  - 03 Summary of Completed Trustee and Executive Staff Travel
- 10.02** The Board voted unanimously (8-0) to approve an exception to the \$2,500 annual travel cap for Trustee Weydert to attend IREI Annual Meeting September 12-14, 2023 (Motion: Keokham; Second: Bassett)
- 10.03** Legislative Report
- 10.04** CEO Report

In addition to her written report, CEO Shick reported 1) the pension administration system (PRIME) project is on track and testing is going smoothly; 2) the three policies affected by the Board's adopted ESG and Proxy Voting decisions have been updated and posted; she commended the Board for accomplishing both Action Plan goals at the Special Board meeting on September 1, 2023 and thanked the consultants and staff who helped make the meeting effective; 3) the contract with Linea Secure to expedite implementation of the remaining cybersecurity recommendations, including third-party vendors, will be signed by end of day; 4) Melinda DeOliveira has been promoted to Retirement Services Supervisor; 5) the job descriptions for the Retirement Services Manager and Chief Legal Officer have been developed; on October 24 the Board of Supervisors is scheduled to approve the adjustments to the County salary schedule to include these two new positions, and recruitment for both positions can begin shortly thereafter; 5) she will reach out to each County Supervisor in advance of the September 12, 2023 Board of Supervisors meeting when the 2024 Contribution Rates go to the Board for approval.

- 10.05** The Board received and filed reports

## **11.0 REPORT OUT OF PRIOR CLOSED SESSION**

- 11.01** On January 20, 2023, the Board voted unanimously to approve Resolution 2023-09 -01 titled "Silver Point Specialty Credit Fund III" and to authorize the CEO to sign the necessary documents to invest up to \$62 million in the fund.

## **12.0 CORRESPONDENCE**

**12.01** Letters Received (0)

**12.02** Letters Sent (0)

**12.03** Market Commentary/Newsletters/Articles

- 01 J.P. Morgan  
The Paradox of Private Credit  
July 31, 2023
- 02 Nossaman  
SEC Adopts New Rules to Better Protect Institutional Investors in Private Funds  
August 25, 2023
- 03 FundFire  
SEC Adopts Sweeping Final Private Fund Disclosure Rule  
August 24, 2023
- 04 MFS Investment Management  
Fixed Income is Attractive, but Beware of “Fake” Yield  
February 2023
- 05 MorningStar  
Don't Neglect Investments Outside the U.S.  
June 2023
- 06 Pensions & Investments  
MOVEit Cyperattack Ignites Worry about Fiduciary Responsibility  
August 17, 2023

### **13.0 COMMENTS**

- 13.01** Trustee Duffy suggested purchasing all pertinent internet domain suffixes for SJCERA including SJCERA.gov and SJCERA.ca.gov if we do not already own them. Trustee Duffy, Chair of the Administrative Committee, proposed forming an Ad Hoc Committee of the Administrative Committee to work on succession and organizational transition planning. Board Chair Restuccia established the Ad Hoc Committee to the Administrative Committee which will consist of Trustee Duffy and himself. Counsel noted that the Ad Hoc Committee must be limited to two members to avoid having a quorum of the Administrative Committee. Trustee Ding thanked staff for the great job they do, they are the front line for this organization. Trustee Bassett requested staff assess whether the Administrative Committee Charter should be amended to include a role in the recruitment and hiring of all SJCERA's exempt positions rather than just the CEO. Chair Restuccia suggested staff assess whether the \$2,500.00 annual travel limit should be increased.

### **14.0 CALENDAR**

- 14.01** Board Meeting October 11, 2023 at 9:00 a.m.
- 14.02** Special Meeting October 12, 2023 at 8:00 a.m.
- 14.03** Board Meeting November 3, 2023 at 9:00 a.m.
- 14.04** Board Meeting December 8, 2023 at 9:00 a.m.

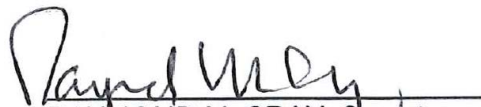
### **15.0 ADJOURNMENT**

**15.01** There being no further business the meeting was adjourned at 10:55 a.m.

Respectfully Submitted:

  
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Michael Restuccia, Chair

Attest:

  
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RAYMOND McCRAY, Secretary