



Executive Staff:

Eric Stern
Chief Executive Officer

Steve Davis
Chief Investment Officer

Kathryn T. Regalia
Chief Operations Officer

Stephen Hawley
Chief Strategy Officer

AGENDA

REGULAR MEETING OF THE BOARD OF RETIREMENT

SACRAMENTO COUNTY EMPLOYEES' RETIREMENT SYSTEM

Members of the Board of Retirement:

Rick Fowler, President
Appointed by the Board of Supervisors

John B. Kelly, Vice President
Appointed by the Board of Supervisors

Keith DeVore, Vice President
Appointed by the Board of Supervisors

James A. Diepenbrock
Appointed by the Board of Supervisors

Diana Gin
Elected by the Miscellaneous Members

Ben Lamera
Ex Officio, Director of Finance

Alan Matré, CPA
Elected by the Miscellaneous Members

Kathy O'Neil
Elected by the Retired Members

Matt Petersen
Elected by the Safety Members

John Conneally
Elected by the Safety Members

Martha J. Hoover
Elected by the Retired Members

WEDNESDAY, FEBRUARY 20, 2019

10:00 A.M.

**Location: SCERS Board Room
980 9th Street, 19th Floor
Sacramento, California 95814**

OPEN SESSION

Item 1. **Call to Order**

Item 2. **Public Comment**

Matters under the jurisdiction of the Board may be addressed by the general public at the start of the meeting. Total meeting time allotted for the Public Comment item is up to fifteen (15) minutes.

Item 3. **Minutes**

The Minutes of the January 16, 2019 regular meeting to be approved.

CONSENT MATTERS – Items 4 - 10:

Consent matters are acted upon as one unit. If the Chair removes an item from the Consent Calendar for discussion, it will be heard as the last item(s) of the Administrative Matters, Benefit Matters, Investment Matters, or Closed Session, as appropriate. If a Consent item containing one or more recommendations to the Board is approved on Consent the recommendation(s) therein are approved.

Item 4. **Disability Retirement Applications**

- A. BEM, Christine; Staff recommendation dated February 20, 2019.
- B. CATTUZZO, Debra; Proposed decision of Administrative Law Judge dated November 30, 2018.
- C. ESPARZA, Adela; Proposed decision of Administrative Law Judge dated December 5, 2018.
- D. GUTIERREZ, Carla; Staff recommendation dated February 20, 2019.
- E. Reference: General Law and Authorized Board Actions on Disability Retirement Proposed Decisions

Item 5. **Ratification of Service Retirement Applications – January 2019**

Item 6. **Cost-of-living adjustment (COLA) effective April 1, 2019, for SCERS' monthly benefit payments**

Item 7. **Portfolio Rebalancing Report – Fourth Quarter 2018**

Item 8. **Trading Activity and Commission Recapture Report – Fourth Quarter 2018**

Item 9. **Monthly Investment Manager Activity, Compliance and Watch List Report – January 2019**

Item 10. **Monthly Report of New Investment Activity – January 2019**

EXECUTIVE REPORTS:

Item 11. **Chief Executive Officer's Report (no action requested)**

Item 12. **Chief Investment Officer's Report (no action requested)**

INVESTMENT MATTERS:

Item 13. **Amendment to Investment Management Agreement with JP Morgan – Domestic Equity 130/30 Equity Extension**

Staff to recommend amending the fee structure with JP Morgan regarding 130/30 active equity extension investment strategy. Deliberation and action.

Item 14. **Quarterly Investment Performance Report – Fourth Quarter 2018**

Verus Advisory, Inc. to present the performance report for the quarter ended December 31, 2018. Receive and file.

Item 15. **Investment Year in Review and 2019 Annual Investment Plan Investment**

Staff and consultants to present 2018 Year in Review and 2019 Annual Investment Plan. Receive and file, and deliberation and action on any recommendations made in the report.

CLOSED SESSION

Item 16. **Conference with Legal Counsel – Existing Litigation**

Existing litigation pursuant to subdivision (a) of Section 54956.9 of the Government Code (one case):

- *In re Tribune Company Fraudulent Transfer Litigation*
11-md-2296-RJS; 12-cv-02652-RJS

Item 17. **Conference with Legal Counsel – Anticipated Litigation**

Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9 of the Government Code (one case).

OPEN SESSION

Any actions taken in closed session to be reported in open session.

ADJOURNMENT