



Executive Staff:

Eric Stern  
Chief Executive Officer

Steve Davis  
Chief Investment Officer

Stephen Lau  
General Counsel

Stephen Hawley  
Chief Strategy Officer

Mario Sierras  
Chief Benefits Officer

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

Dave Comerchero  
Elected by the Miscellaneous Members

Martha Hoover  
Elected by the Retired Members

Matt Petersen  
Elected by the Safety Members

Kathy O'Neil  
Elected by the Retired Members

## AGENDA

### REGULAR MEETING OF THE BOARD OF RETIREMENT

### SACRAMENTO COUNTY EMPLOYEES' RETIREMENT SYSTEM

WEDNESDAY, DECEMBER 9, 2020

10:00 A.M.

BlueJeans Teleconference

**(Please see public participation information at the bottom of this Agenda)**

### 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.

### CONSENT MATTERS—Items 3–14:

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 3. Disability Retirement Applications**

- A. BAKER, Donnell; Staff recommendation dated December 9, 2020.
- B. DUBAY, Melissa; Staff recommendation dated December 9, 2020.
- C. FERNANDEZ, Christal J.; Staff recommendation dated December 9, 2020.
- D. HERRINGTON, Lee Roy; Staff recommendation dated December 9, 2020.
- E. MOEN, Paul; Staff recommendation dated December 9, 2020
- F. SCHATZ, Valerie; Proposed Decision of Administrative Law Judged dated September 21, 2020.
- G. SEVAAETASI, Vaamai; Staff recommendation dated December 9, 2020.
- H. Reference: General Law and Authorized Board Actions on Disability Retirement Proposed Decisions

**Item 4. Minutes of the October 21, 2020 regular meeting**

**Item 5. Minutes of the November 18, 2020 special meeting**

**Item 6. Minutes of the November 19, 2020 Audit Committee**

**Item 7. Ratification of Service Retirement Application Approvals—October and November 2020**

**Item 8. State Association of County Retirement Systems Legislative Update—December 2020**

**Item 9. Board Meeting Calendar 2021**

**Item 10. Proxy Voting Activity Report—Third Quarter 2020**

**Item 11. Monthly Investment Manager Activity, Compliance and Watch List Report—October 2020**

**Item 12. Monthly Report of Investment Activity—October and November 2020**

**Item 13. Trading Cost Analysis and Commission Recapture—Third Quarter 2020**

**Item 14. Portfolio Allocation and Rebalancing Report—Third Quarter 2020**

**EXECUTIVE REPORTS:**

**Item 15. Chief Executive Officer's Report (no action requested)**

**Item 16. Chief Investment Officer's Report (no action requested)**

## **ADMINISTRATIVE MATTERS:**

### **Item 17. Actuarial Valuation and Review and GASB 67 Report as of June 30, 2020**

Staff to recommend the Board adopt the 2021-22 fiscal year employer and member contribution rates recommended by Segal Consulting; receive and file the Actuarial Valuation and Review as of June 30, 2020; and receive and file the Governmental Accounting Standards Board Statement 67 Actuarial Valuation as of June 30, 2020. Deliberation and action.

### **Item 18. Annual Independent Financial Statement Audit**

Presentation by the SCERS' Audit Committee of the June 30, 2020 Independent Auditor's Report on the Comprehensive Annual Financial Report; Required Communication in Accordance with Professional Standards (SAS 114); and Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters. Receive and file.

## **BENEFITS MATTERS:**

### **Item 19. Felony Forfeiture Policy**

Staff to recommend Board approve amendments to Felony Forfeiture Policy that provide additional procedural options for determining whether a member felony warrants pension forfeiture under Government Code sections 7522.72 and 7522.74. Deliberation and action.

## **INVESTMENT MATTERS:**

### **Item 20. Investment Manager Recommendation—Domestic Equity Small Cap Value**

Staff to recommend the Board: (1) Invest approximately \$110 million with Snyder Capital Management in its Small Cap Value strategy, and (2) Authorize Staff to determine the most effective method for transitioning the assets and execute any necessary documents or agreements to effectuate the transition. Deliberation and action.

### **Item 21. Education: Asset Liability Modeling Study**

Verus Advisory, Inc. and Staff to provide overview and timeline for 2021 Asset Liability Modeling Study. Receive and file.

### **Item 22. Quarterly Investment Performance Report—Alternative Assets**

Cliffwater, LLC to present the performance report for the Absolute Return asset class for the period ending September 30, 2020, and for the Private Equity, Private Credit Assets, and Opportunities asset classes for the period ended June 30, 2020. Receive and file.

Item 23. **Quarterly Investment Performance Report—Real Estate**

Townsend Group to present the performance report on real estate investments for the quarter ended September 30, 2020. Receive and file.

Item 24. **Quarterly Investment Performance Report—Third Quarter 2020**

Verus Advisory, Inc. to present the performance report for the quarter ended September 30, 2020. Receive and file.

**ADJOURNMENT**

**Public Participation Information**

Pursuant to Governor Newsom’s Executive Order N-29-20, the Board of Retirement shall hold its December 9, 2020 meeting via teleconferencing and without a physical meeting location. Members of the public have several options for observing and/or addressing the meeting:

*If you wish to listen to the meeting only, you can call in at +1 (800) 520-9950 and use the Participant Pin 8731816.*

*If you wish to watch the meeting and/or address the Board, you can connect using the BlueJeans video-conferencing system. In order to do so, you must have an Internet-connected PC or Mac, or an Internet-connected mobile device. If you wish to address the Board, you will also need a microphone. If connecting from a mobile device, please download the necessary BlueJeans app in advance of the meeting. You can access the meeting [here](#). Further detailed instructions on using BlueJeans can be found at this link: <https://www.scers.org/post/bluejeans-instructions>.*

*If you do not have access to BlueJeans video-conferencing and wish to address the Board, please contact SCERS at [SacRetire@saccounty.net](mailto:SacRetire@saccounty.net) by no later than December 8, 2020 at 12:00 p.m. so that arrangements can be made for you to address the Board by telephone at a pre-determined time.*

*If you are an individual with a disability, and you require a modification or accommodation to the above procedures in order to observe or address the meeting, please contact General Counsel Stephen Lau at [laus@saccounty.net](mailto:laus@saccounty.net) or (916) 874-5706.*

Out of an abundance of caution, and as a precaution against technical difficulties, we strongly recommend that any member of the public who wishes to address the Board email their comments to SCERS in advance to ensure that the Board will receive and consider them. Such comments may be emailed to SCERS at [SacRetire@saccounty.net](mailto:SacRetire@saccounty.net). Failure to submit comments in advance would not preclude addressing the Board during the meeting.

Please be advised that the Board meeting will be recorded in its entirety.