



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

AGENDA

REGULAR MEETING OF THE BOARD OF RETIREMENT

SACRAMENTO COUNTY EMPLOYEES' RETIREMENT SYSTEM

WEDNESDAY, AUGUST 19, 2020

10:00 A.M.

Location:

BlueJeans Teleconference

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

OPEN SESSION

Item 1. **Call to Order**

Item 2. **Election of Board Officers**

Board to nominate and elect officers for 2020-21.

Item 3. **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.

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 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 J. Hoover
Elected by the Retired Members

Matt Petersen
Elected by the Safety Members

Kathy O'Neil
Elected by the Retired Members

CLOSED SESSSION

Item 4. CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION

Pursuant to Government Code section 54956.9(d)(1), this session shall be closed to discuss formally initiated litigation to which SCERS is a party. The cases to be discussed are as follows: (1 case)

Codog v. SCERS (County of Sacramento Superior Court, Case No. 34-2019-80003055)

Item 5. PURCHASE OR SALE OF PENSION FUND INVESTMENTS

Pursuant to Government Code Section 54956.81, this session shall be closed to consider the purchase or sale of a particular, specific pension fund investments.

OPEN SESSION

Any actions taken in Closed Session will be announced.

CONSENT MATTERS – Items 6 - 18:

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 6. Minutes of the June 17, 2020 regular meeting

Item 7. Disability Retirement Applications

- A. BRAZELL, Ronald; Staff recommendation dated August 19, 2020.
- B. CODOG, Marcello; Staff recommendation dated August 19, 2020.
- C. DOWELL, Michelle; Staff recommendation dated August 19, 2020.
- D. MEDINA, Isabel; Proposed decision of Administrative Law Judge dated May 4, 2020.
- E. SCHILLIZZI, Darren; Staff recommendation dated August 19, 2020.
- F. WILBOURN, Katheleen; Proposed decision of Administrative Law Judge dated June 23, 2020.
- G. Reference: General Law and Authorized Board Actions on Disability Retirement Proposed Decisions

Item 8. Ratification of Service Retirement Application Approvals—June and July 2020

- Item 9. **State Association of County Retirement Systems Legislative Update – July and August 2020**
- Item 10. **CEO Delegated Authority Expense Report**
- Item 11. **IT Modernization Project Quarterly Report**
- Item 12. **Proxy Voting Activity Report – Second Quarter 2020**
- Item 13. **Placement Agent Disclosure Report—Second Quarter 2020**
- Item 14. **Portfolio Allocation and Rebalancing Report—Second Quarter 2020**
- Item 15. **Trading Cost Analysis and Commission Recapture—Second Quarter 2020**
- Item 16. **2019 Alternative Asset Fee and Expense Report**
- Item 17. **Monthly Investment Manager Activity, Compliance, and Watch List Report— June and July 2020**
- Item 18. **Monthly Report of Investment Activity—June and July 2020**

EXECUTIVE REPORTS:

- Item 19. **Chief Executive Officer’s Report (no action requested)**
- Item 20. **Chief Investment Officer’s Report (no action requested)**

ADMINISTRATIVE MATTERS:

- Item 21. **Audit Committee Members**

Board to select members of Audit Committee for 2020-21. Deliberation and action.

- Item 22. **Strategic Management Plan Quarterly Update**

Staff to provide update on activities and progress related to the 2019-20 Strategic Management Plan. Receive and file.

INVESTMENT MATTERS:

- Item 23. **Securities Litigation Claim-Filing Services**

Staff to recommend Board authorize CEO to extend contract with Financial Recovery Technologies (FRT) through December 31, 2023 for securities litigation claim-filing services. Deliberation and action.

Item 24. **Withholding Tax Recovery Services**

Staff to recommend Board authorize CEO to engage WTax for a period not to exceed three years to provide foreign tax withholding recovery services. Deliberation and action.

Item 25. **Quarterly Investment Performance Report—Second Quarter 2020**

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

BENEFITS MATTERS: (ESTIMATED START TIME: 1 P.M.)

Item 26. **Sick Leave Conversion Policy – Second Discussion Draft**

Staff to recommend Board approve second discussion draft of Sick Leave Conversion Policy for dissemination to stakeholders. Deliberation and action.

Item 27. **Update on New California Supreme Court Decision Upholding PEPR**

Staff to discuss the potential impact on SCERS policies and practices from the California Supreme Court opinion in *Alameda County Deputy Sheriffs' Association et al. v. Alameda County Employees' Retirement Association and Board of Retirement of ACERA*. No action is anticipated. An additional public comment period will be provided. Receive and file.

CLOSED SESSION

Item 28. **CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION**

Pursuant to Government Code section 54956.9(d)(1), this session shall be closed to discuss formally initiated litigation to which SCERS is a party. The cases to be discussed are as follows: (1 case)

DSA v. SCERS (County of Sacramento Superior Court, Case No. 34-2019-80003132)

Item 29. **CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION**

Pursuant to Government Code section 54956.9(d)(2), this session shall be closed to discuss significant exposure to litigation to which SCERS may be a party. The cases to be discussed are as follows: (1 case)

OPEN SESSION

Any actions taken in Closed Session will be announced.

ADJOURNMENT

Public Participation Information

Pursuant to Governor Newsom's Executive Order N-29-20, the Board of Retirement shall hold its April 15, 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 1099258.

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 by no later than August 18, 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 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. 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.