



Board of Retirement Regular Meeting

Sacramento County Employees' Retirement System

Agenda Item 5

MEETING DATE: June 20, 2018

SUBJECT: Correction to Minutes of the April 18, 2018 Regular Meeting

SUBMITTED FOR: X Consent Deliberation and Action Receive and File

RECOMMENDATION

Staff recommends that the Board adopt a correction to the April 18, 2018 minutes of the regular Board meeting to accurately reflect the action taken by the Board on its disability decisions.

DISCUSSION

At the May 23, 2018, Board meeting, the Board approved minutes from the April 18, 2018 Board meeting. Item 4 of those minutes reflected the Board action regarding the disposition of disability retirement applications. The minutes approved by the Board read as follows:

- A. BARRINO, Sharon; Referred back to Administrative Law Judge for clarification on a nonservice-connected disability retirement application, as recommended by staff.
- B. BELL, Carla; Denied a service-connected disability retirement per proposed decision of Administrative Law Judge.
- C. Reference; General Law and Authorized Board Actions on Disability Retirement Proposed Decisions.

After approval, Staff discovered that due to a word processing error, the minutes did not accurately reflect the recommendations made by Staff to the Board. The minutes should have reflected the following Board actions (minute corrections are denoted in red):

- A. BARRINO, Sharon; Referred back to Administrative Law Judge for clarification on a nonservice-connected disability retirement application, as recommended by staff.
- B. BELL, Carla; **Granted a nonservice-connected disability retirement as recommended by staff.**
- C. CLEMENT, Jenean; **Denied a service-connected disability retirement per proposed decision of Administrative Law Judge and granted a nonservice-connected disability retirement.**

D. Reference: General Law and Authorized Board Actions on Disability Retirement Proposed Decisions.

In all other respects, the May 23, 2018 minutes accurately reflected what transpired at the meeting.

ATTACHMENTS

Corrected April 18, 2018 minutes.

/S/

Robert Gaumer
General Counsel

/S/

Eric Stern
Chief Executive Officer

ATTACHMENT 1



Executive Staff:

Eric Stern
Chief Executive Officer

Steve Davis
Chief Investment Officer

Robert L. Gaumer
General Counsel

Kathryn T. Regalia
Chief Operations Officer

John W. Gobel, Sr.
Chief Benefits Officer

Stephen Hawley
Chief Strategy Officer

CORRECTED MINUTES

**REGULAR MEETING
OF THE
BOARD OF RETIREMENT**

**SACRAMENTO COUNTY
EMPLOYEES' RETIREMENT
SYSTEM**

**WEDNESDAY, APRIL 18, 2018
10:00 A.M.**

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

OPEN SESSION

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

Steven L. Baird
Elected by the Miscellaneous Members

James A. Diepenbrock
Appointed by the Board of Supervisors

Ben Lamera
Ex Officio, Director of Finance

Alan Matré, CPA
Elected by the Miscellaneous Members

Kathy O'Neil
Elected by the Retired Members

Chris A. Pittman
Elected by the Safety Members

John Conneally
Elected by the Safety Members

Martha J. Hoover
Elected by the Retired Members

Item 1. Call to Order

The meeting was convened at 10:02 a.m.

Item 2. Public Comment

Michael Pineschi of Unite Here, and Roviélinda Quero, a housekeeper at the Hyatt Centric Waikiki Beach Hotel, addressed the Board regarding an ongoing unionization effort at the hotel, in which SCERS invests through KKR Real Estate Partners America.

Sharon Barrino addressed the Board regarding her disability retirement application.

Item 3. The Board unanimously approved the Minutes of the March 21, 2018 meeting. (7-0)

CONSENT MATTERS- ITEMS 4-10:

The Board unanimously approved the Consent Matters Items 4-10. (7-0)

Item 4. Disability Retirement Applications

- A. BARRINO, Sharon; Referred back to Administrative Law Judge for clarification on a nonservice-connected disability retirement application, as recommended by staff.
- B. BELL, Carla; Granted a nonservice-connected disability retirement as recommended by staff.
- C. CLEMENT, Jenean; Denied a service-connected disability retirement per proposed decision of Administrative Law Judge and granted a nonservice-connected disability retirement.
- D. Reference: General Law and Authorized Board Actions on Disability Retirement Proposed Decisions.

Item 5. SACRS Spring 2018 Conference- Direction to SCERS Voting Delegate

Item 6. Affirmation of Existing SCERS Policies

- **Directed Brokerage Transactions and Commissions Recapture Policy**
- **Prime Broker and Counterparty Risk Policy**

Item 7. 2018 Annual Investment Plan for Private Equity – Confirmation of March 2018 Action

Item 8. Placement Agent Disclosure Report – First Quarter 2018

Item 9. Investment Portfolio Activity Report – March 2018

Item 10. Monthly Investment Manager Activity, Compliance, and Watch List Report– March 2018

ADMINISTRATIVE MATTERS:

Item 11. Chief Executive Officer's Report

Chief Executive Officer Eric Stern provided the following update on developments affecting public retirement systems and on miscellaneous system and staff activities:

- Mr. Stern acknowledged and thanked Sr. Account Manager T. Dang for her 15 years of service with SCERS.
- SACRS Spring Conference will be held May 15-18, 2018 in Anaheim.
- SACRS Public Pension Investment Management Program will be held July 15-18 at UC Berkeley.

Item 12. Actuarial Valuation and Review as of June 30, 2017, with Revised Contribution Rates for Rep Unit #25

Chief Operations Officer Kathy Regalia presented the revised actuarial valuation and review for the period of June 30, 2017, which contains revised contribution rates pertaining to members covered by the Welfare Supervisory Unit, Representation Unit 025, to conform to the unit's labor agreement.

The Board adopted Resolution 2018-03 to the actuarial valuation and review as of June 30, 2017, with revised contribution rates for Rep Unit #25. (7-0)

Item 13. Delegation of Authority for Contracts and Claims Policy

Assistant Retirement Administrator Annette St. Urbain provided an overview of the Delegation of Authority for Contracts and Claims Policy. Ms. St. Urbain stated that the three separate current delegation of authorities would be combined into one policy, with the following updates:

- Specifies that the dollar limits on the delegation for entering into contracts applies to the total amount of the contract for the full term of the contract, rather than on a fiscal year basis.
- Clarifies that the delegated authority to enter into contracts is not conditioned upon time constraints preventing submission of the contract to the Board in advance.
- Updates the reporting requirement to establish that the CEO will provide a quarterly report to the Board of any contract entered into for an amount greater than \$5,000 and any claim settled pursuant to the delegation policy.

The Board unanimously affirmed the Delegation of Authority for Contracts and Claims policy. (7-0)

Item 14. Membership Policy- Discussion Draft

Chief Executive Officer Eric Stern and General Counsel Robert Gaumer provided an overview of SCERS' discussion draft of the proposed membership policy. Mr. Stern stated that a meeting with the employers to discuss the draft membership policy will be held on May 4th, with the goal of finalizing the policy at the June Board meeting. Mr. Stern stated that the policy clarifies the existing standard that employees who work more than half-time are eligible for SCERS membership.

The Board unanimously approved staff recommendation for the Membership Policy Discussion Draft. (7-0)

CLOSED SESSION

No closed session was convened.

ADJOURNMENT

There being no further business, the meeting was adjourned at 10:47 a.m.

MEMBERS PRESENT: John B. Kelly, Keith DeVore, Steven L. Baird, Alan Matré, John Conneally, Martha Hoover, Chris Pittman, and Rick Fowler presiding

MEMBERS ABSENT: James A. Diepenbrock, Ben Lamera, Kathy O'Neil

OTHERS PRESENT: Eric Stern, Chief Executive Officer; Steve Davis, Chief Investment Officer; Robert L. Gaumer, General Counsel; Kathryn T. Regalia, Chief Operations Officer; John W. Gobel, Sr., Chief Benefits Officer; Stephen Hawley, Chief Strategy Officer; Annette St. Urbain, Assistant Retirement Administrator; Mario Sierras, Retirement Service Manager; JR Pearce, Investment Officer; Brian K. Miller, Investment Officer; John Lindley, IT Administrator; Debbie Musilli-Sidhu, Executive Assistant; John Kennedy, Nossaman, LLP; Sharon Barrino; Michael Pineschi; Roviélinda Quero

Respectfully submitted,

/S/

Eric Stern
Chief Executive Officer and
Secretary of the Retirement Board

APPROVED: _____
Richard B. Fowler II, President

DATE: _____