



Executive Staff:

Eric Stern
Chief Executive Officer

Margo Allen
Chief Operations Officer

Steve Davis
Chief Investment Officer

Keith Riddle
Chief Benefits Officer

Timothy Taylor
Chief Technology Officer

Jason Morrish
General Counsel

MINUTES

REGULAR MEETING OF THE BOARD OF RETIREMENT

SACRAMENTO COUNTY EMPLOYEES' RETIREMENT SYSTEM

Members of the Board of Retirement:
Chris Giboney, President
Elected by the Safety Members (Alternate)

Robert Aguillo, Jr., Vice President
Appointed by the Board of Supervisors

Keith DeVore
Appointed by the Board of Supervisors

Cyril Shah
Appointed by the Board of Supervisors

Ronald Suter
Appointed by the Board of Supervisors

Chad Rinde
Ex Officio, Director of Finance

Alina Mangru
Elected by the Miscellaneous Members

M. Tapa Banda
Elected by the Miscellaneous Members

Brandon Gayman
Elected by the Safety Members

Martha Hoover
Elected by the Retired Members

Dave Irish
Elected by the Retired Members (Alternate)

WEDNESDAY, February 18, 2026

10:00 A.M.

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

Live-stream at www.scers.gov

OPEN SESSION

Item 1. Call to Order/Roll Call

President Giboney called the meeting to order at 10:00 a.m. Eric Stern, Chief Executive Officer, took roll call.

Board Members Present: Giboney, Aguillo, DeVore, Banda, Mangru, Gayman, Hoover, Shah, Suter, Aspesi (Ex-Officio Designee), Irish

Board Members Absent:

Also present: Eric Stern, Chief Executive Officer; Margo Allen, Chief Operations Officer; Steve Davis, Chief Investment Officer; Tim Taylor, Chief Technology Officer; Keith Riddle, Chief Benefits Officer; Jason Morrish, General Counsel; Jim Donohue, Deputy Chief Investment Officer; Omar Martin, Senior Retirement Investment Officer; Karen McMillen, Retirement Investment Officer; Marilee Mitchell, Senior Office Specialist (c).

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.

None.

CONSENT MATTERS—Items 3-11:

Consent matters are acted upon as one unit. If the Chair removes an item from the Consent Calendar for discussion, it will be heard at the appropriate time. If an item containing one or more recommendations to the Board is approved on Consent, the recommendation(s) therein are approved.

A motion was made by Board Member Shah, seconded by Board Member Hoover, to approve the recommendations on Consent Calendar Items 4-11. Calendar Consent Item 3 was pulled for separate consideration as referenced below. **(Adopted 9-0.)**

Item 3. Minutes of the January 21, 2026 Regular Meeting

Approve the minutes of the January 21, 2026 Regular Meeting.

Vice President Aguallo requested that specific language be added to the January Board meeting minutes for Item 24 regarding his request to Townsend about additional information on institutional investors and managers in the affordable housing space, as well as performance data and risk analysis compared to other real estate sectors. Mr. Stern and Mr. Morrish indicated that such an amendment would be appropriate in Item 25, where the minutes indicated that Townsend would return for the March Board meeting to extend the discussion regarding affordable housing. A motion was then made by Vice President Aguallo, seconded by Board Member Hoover, to approve the recommendation on Item 3 as amended. **(Adopted 9-0.)**

Item 4. Disability Retirement Applications

Adopt Staff's recommendations for the following Disability Retirement Applications:

- A. MADU, Nneka (Mental Health Worker, Sacramento County Health Department):
Grant a service-connected disability retirement.

Item 5. Ratification of Service Retirement Application Approvals—January 2026

Ratify the service retirement applications that were finalized in January 2026.

Item 6. State Association of County Retirement Systems Legislative Update—February 2026

Receive and file the State Association of County Retirement Systems Legislative Update for February 2026.

Item 7. SACRS Board of Directors Nominations

Support nomination of Chris Giboney to serve on SACRS Board of Directors.

Item 8. Annual Cost-of-Living Adjustment (COLA)

Approve COLA adjustments effective April 1, 2026.

Item 9. Conflict of Interest Code

Approve amendments to the Conflict of Interest Code.

Item 10. Portfolio Allocation and Rebalancing Report—Fourth Quarter 2025

Receive and file the Portfolio Allocation and Rebalancing Report for the quarter ended December 31, 2025.

Item 11. Monthly Report of Investment Activity—January 2026

Receive and file the Monthly Report of Investment Activity for January 2026.

EXECUTIVE REPORTS:

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

Mr. Stern provided the following legislative updates, as detailed in Item 6. AB 1439, which would require retirement systems that invest in development projects to require labor protection standards, was amended to apply only to CalPERS and CalSTRS and now requires those systems to study the impact of such a policy. AB 1383, which rolls back several PEPRA provisions to enhance benefits, was amended to delete a provision that would have allowed the current 50-50 cost sharing requirement to be subject to bargaining, and to adjust the compensation cap (currently \$160,000) to the Social Security contribution limit (\$184,500), instead of the IRC 415(b) limit (\$290,000) as originally proposed. The bill would also prospectively lower the retirement age for Safety plan members from 57 to 55, and it would allow PEPRA members to negotiate a 3% at age 55 formula on a go-forward basis. AB 1619, sponsored by OCERS, would allow county boards of supervisors to authorize retirement boards to increase the meeting per diem from \$100 up to \$320.

Mr. Stern also provided updates on current and upcoming RFPs. The Ad Hoc General Investment Consultant Committee met on February 10 to discuss the timeline and process for releasing an RFP and evaluating responses. The committee designated Brandon Gayman as chair and is targeting late March to release the RFP. The RFP for an independent financial auditor was released on February 2 with a deadline of March 4. The RFP for a compensation consultant is expected to be released on Friday (February 20). Finally, Mr. Stern reminded Board members that the deadline to file their Form 700 disclosures is April 1.

Item 13. Chief Investment Officer's Report (no action requested)

Mr. Davis provided an update on physical rebalancing within the Global Equity portfolio. In March, Townsend will provide a presentation on Affordable Housing. He prefaced that Verus changes would be addressed in Item 16. He concluded by introducing Omar Martin, Senior Investment Officer. Mr. Martin, who joined SCERS on February 17, previously served 17 years with CalPERS in the real estate program and will be leading SCERS' real estate and real assets portfolio in addition to broad coverage across the portfolio.

Item 14. Chief Benefits Officer’s Report

Receive and file CBO Report for the quarter ended December 31, 2025.

Mr. Riddle presented this item. Following discussion, a motion was made by Board Member Suter, seconded by Board Member DeVore, to receive and file the CBO Report for the quarter ended December 31, 2025. **(Adopted 9-0.)** Mr. Morrish confirmed that President Giboney voted in the affirmative in Board Member Banda’s temporary absence from the Board Room.

ADMINISTRATIVE MATTERS:

Item 15. Strategic Management Plan

Receive and file the Strategic Management Plan Annual Report for 2025 and Strategic Management Plan for 2026.

Mr. Stern presented this item. Following discussion, a motion was made by Board Member Gayman, seconded by Board Member Mangru, to receive and file the Strategic Management Plan Annual Report for 2025 and Strategic Management Plan for 2026. **(Adopted 9-0.)**

INVESTMENT MATTERS:

Item 16. Total Fund Investment Performance Review Report—Fourth Quarter 2025

Receive and file the total fund investment performance report for the quarter ended December 31, 2025, as presented by Verus.

Mr. Davis introduced John Nicolini of Verus, who presented this item. In addition to the performance report, Mr. Nicolini announced that Cerity Partners would be acquiring Verus, and he fielded questions from the Board regarding that transaction. Following discussion, a motion was made by Board Member Suter, seconded by Board Member Gayman, to receive and file the total fund investment performance report for the quarter ended December 31, 2025, as presented by Verus. **(Adopted 9-0.)**

Item 17. Investment Performance Report Structure

Discuss potential changes to quarterly total fund investment performance report structure.

Mr. Davis presented this item. Following discussion, no formal action was taken by the Board.

OTHER MATTERS:

Item 18. Comments from Members of the Board of Retirement

None.

At 12:17 p.m., President Giboney requested clarification from Mr. Morrish regarding closed session. Mr. Morrish indicated that Items 19 and 20 would be discussed, and that Item 21 was withdrawn as a result of the Board’s action on

Item 4. President Giboney called for a brief recess prior to reconvening the meeting in closed session at 12:30 p.m.

CLOSED SESSION

Item 19. CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION

Pursuant to Government Code Section 54956.9(d)(1), this session shall be closed for the Board to discuss formally initiated litigation to which SCERS is a party: *SCERS vs. Telus Health (US) Ltd.*, United States District Court, Eastern District of California, Case No. 2:24-cv-01431-JAM-DB.

Item 20. CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION

Pursuant to Government Code Section 54956.9(d)(1), this session shall be closed for the Board to discuss formally initiated litigation to which SCERS is a party: *Tidwell v. SCERS*, Superior Court of California, County of Sacramento, Case No. 25WM000037.

Item 21. PERSONNEL MATTERS—EMPLOYEE DISABILITY RETIREMENT APPLICATIONS

Pursuant to Government Code Section 54957(b), this session shall be closed for the Board to discuss the employment of public employees, specifically, the disability retirement applicants referenced in Item 4, above.

At 12:59 p.m., President Giboney reconvened the meeting in open session and announced that there was nothing to report out of closed session.

ADJOURNMENT

President Giboney adjourned the meeting at 1:00 p.m.



Retirement Board Order

Sacramento County Employees' Retirement System

**Before the Board of Retirement
March 18, 2026**

AGENDA ITEM:

Minutes of the February 18, 2026 Regular Meeting

THE BOARD OF RETIREMENT hereby approves the Staff recommendation to approve the minutes of the February 18, 2026 Regular Meeting.

I HEREBY CERTIFY that the above order was passed and adopted on March 18, 2026 by the following vote of the Board of Retirement, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

ALTERNATES (Present but not voting):

Chris Giboney
Board President

Eric Stern
Chief Executive Officer and
Board Secretary`