



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, JUNE 19, 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.

CONSENT MATTERS – Items 3 - 8:

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.

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

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

Item 3. **Minutes of the May 15, 2019 Regular Meeting**

Item 4. **Disability Retirement Applications**

- A. HUMMELL, Judy; Proposed decision of Administrative Law Judge dated March 25, 2019.
- B. RUDDICK, Heather; Staff recommendation dated June 19, 2019.
- C. Reference: General Law and Authorized Board Actions on Disability Retirement Proposed Decisions

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

Item 6. **Fiduciary Liability Insurance Renewal**

Item 7. **Monthly Investment Manager Activity, Compliance, and Watch List Report – April and May 2019**

Item 8. **Monthly Report of New Investment Activity – May 2019**

EXECUTIVE REPORTS:

Item 9. **Chief Executive Officer’s Report (no action requested)**

Item 10. **Chief Investment Officer’s Report (no action requested)**

ADMINISTRATIVE MATTERS:

Item 11. **Legal Contract Renewal**

Staff to recommend Board authorize the CEO to enter into a consolidated legal services contract with Nossaman LLP. Deliberation and action.

Item 12. **Private Market Accounting and Reporting Services**

Staff to recommend Board authorize the CEO to contract with Colmore, Inc. for private market accounting and reporting services. Deliberation and action.

Item 13. **Pension Administration System Contract Revisions**

Staff to recommend Board authorize the CEO to revise the Morneau Shepell contract to include a production system support hours bank. Deliberation and action.

Item 14. **Interest Crediting and Unallocated Earnings Policy**

Staff to recommend Board approve technical and clarifying revisions to the Interest Crediting and Unallocated Earnings Policy. Deliberation and action.

Item 15. **Withdrawing Employer Liability Policies**

Staff to recommend Board approve the Declining Employer Payroll Policy and the Terminating Employer Policy. Deliberation and action.

INVESTMENT MATTERS:

Item 16. **Strategic Asset Allocation Revision**

Staff to recommend Board approve two revisions to the Strategic Asset Allocation: (1) Establishing a 1% cash allocation, to be funded from the U.S. large capitalization segment of the Domestic Equity Asset Class; and, (2) Converting the 2% Commodities allocation to a diversified Liquid Real Return allocation. Deliberation and action.

Item 17. **Quarterly Investment Performance Report— Alternative Assets**

Cliffwater, LLC to present the performance report for the periods ending March 31, 2019 for the Absolute Return portfolio, and the period ending December 31, 2018 for the Private Equity, Private Credit, Real Assets, and Opportunities portfolios. Receive and file.

Item 18. **Quarterly Investment Performance Report— Real Estate**

Townsend Group to present the performance report on real estate investments for the quarter ending March 31, 2019. Receive and file.

ADJOURNMENT