

**SONOMA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
RETIREMENT BOARD MEETING MINUTES**

Thursday, July 18, 2024

9:02 a.m.

Presiding: Brian Williams, Chair

Present: Trustees Neil Baker (Alternate Retiree - voting), Travis Balzarini, Chris Coursey, Greg Jahn, Erick Roeser, Joe Tambe, and Bob Williamson; Chief Executive Officer Julie Wyne, Assistant CEO/Chief Legal Counsel Cristina Hess, Member Services Manager Jackie Purter, Finance and Retiree Services Manager Cheryl Enold, Retirement Analyst Rebecca Gay, and Administrative Aide Julia Smith; Paul Angelo and Emily Klare (of Segal)

Absent: Trustees Amos Eaton and Mark Walsh

Public comments were solicited prior to the meeting by emailing Rebecca.Gay@sonoma-county.org. Members of the public that joined the Zoom meeting via the app or dial in were provided opportunity to submit live public comment for each agenda item after the Board and staff provided their comments.

I. CONSENT CALENDAR

A. Retirement Board Meeting Minutes – June 20, 2024

Recommendation: Approve the Retirement Board meeting minutes of June 20, 2024.

A motion was made by Trustee Williamson, seconded by Trustee Baker, to approve the Retirement Board meeting minutes of June 20, 2024. The motion carried 8-0-0-1 with voting as follows:

Mr. Baker	Aye
Mr. Balzarini	Aye
Mr. Coursey	Aye
Mr. Eaton	Absent
Mr. Jahn	Aye
Mr. Roeser	Aye
Mr. Tambe	Aye
Mr. Williams	Aye
Mr. Williamson	Aye

The Board of Retirement moved into Executive Session and closed the meeting to all attendees who were not necessary for the determination of a disability retirement or a discussion with Counsel regarding significant exposure to litigation. Those attendees physically exited the Board room and/or were placed in the virtual Zoom lobby by the host and neither heard nor saw the meeting. All meeting attendees were re-admitted to the meeting when the Board returned to open session.

II. EXECUTIVE SESSION

Executive Session. Meeting closed pursuant to Government Code section 54957(b) to consider the employment status and evaluation of performance of a SCERA member or members as concerns eligibility for a disability retirement.

Disability Committee Chair reported on recommendations made by the Committee at the July 18, 2024, meeting:

A. Disability Applications:

1. LESLIE BOTTOMLEY, Sergeant filed 1/29/24 for a service connected disability retirement.

A motion was made by Trustee Williamson, seconded by Trustee Baker, to grant the application of Leslie Bottomley, Sergeant, for a service connected disability retirement. The motion carried 8-0-0-1 with voting as follows:

Mr. Baker	Aye
Mr. Balzarini	Aye
Mr. Coursey	Aye
Mr. Eaton	Absent
Mr. Jahn	Aye
Mr. Roeser	Aye
Mr. Tambe	Aye
Mr. Williams	Aye
Mr. Williamson	Aye

2. NICHOLAS MAIKRANZ, Deputy Sheriff II filed 03/04/24 for a service connected disability retirement.

A motion was made by Trustee Tambe, seconded by Trustee Williamson, to grant the application of Nicholas Maikranz, Deputy Sheriff II, for a service connected disability retirement. The motion carried 8-0-0-1 with voting as follows:

Mr. Baker	Aye
Mr. Balzarini	Aye
Mr. Coursey	Aye
Mr. Eaton	Absent
Mr. Jahn	Aye
Mr. Roeser	Aye
Mr. Tambe	Aye
Mr. Williams	Aye
Mr. Williamson	Aye

B. Proposed Decision:

JAIME RODRIGUEZ, Correctional Deputy II filed 11/01/22 for a service connected disability retirement. On August 24, 2023, the Retirement Board denied the application for a service connected disability as applicant is not considered permanently incapacitated.

A motion was made by Trustee Baker, seconded by Trustee Williamson, to adopt the recommendation of the Administrative Law Judge to grant the application of Jaime Rodriguez, Correctional Deputy II, for a service connected disability retirement. The motion carried 8-0-0-1 with voting as follows:

Mr. Baker	Aye
Mr. Balzarini	Aye
Mr. Coursey	Aye
Mr. Eaton	Absent
Mr. Jahn	Aye
Mr. Roeser	Aye
Mr. Tambe	Aye
Mr. Williams	Aye
Mr. Williamson	Aye

The Board of Retirement moved out of Executive Session and reopened the meeting to all attendees that were placed in the lobby during the closed session period.

III. EXECUTIVE SESSION REPORT OUT

Chair Williams reported the Board unanimously granted the service connected disability retirement applications of Leslie Bottomley, Sergeant and Nicholas Maikranz, Deputy Sheriff II.

The Board unanimously voted to adopt the recommendation of the Administrative Law Judge to grant the application of Jaime Rodriguez, Correctional Deputy II, for a service connected disability retirement.

IV. REGULAR CALENDAR

A. Actuarial Risk Assessment Report for the Plan year ended December 31, 2023.

Actuaries Paul Angelo and Emily Klare of Segal presented the Actuarial Risk Assessment Report for the Plan year ended December 31, 2023, highlighting the quantitative analysis of several potential risk factors, including projections demonstrating investment returns above and below the actuarially assumed investment rate of return, liability and asset volatility ratios and gain/loss layers being fully amortized. Trustees asked about indicators of plan financial health and Mr. Angelo indicated his recommendation is to think of the plan in terms of dollars and funded ratio which captures the progress towards full funding. CEO Wyne indicated she also looks at contribution rate changes year over year to ensure they are reasonable and not trending upwards too sharply. The final discussion point was

surplus management, which was distinguished from excess earnings. Mr. Angelo noted that surplus exists when on a cumulative basis assets exceed liabilities and in contrast excess earnings are measured on an annual basis.

Recommendation: Accept the Actuarial Risk Assessment Report.

A motion was made by Trustee Tambe, seconded by Trustee Baker, to accept the Actuarial Risk Assessment Report. The motion carried 8-0-0-1 with voting as follows:

Mr. Baker	Aye
Mr. Balzarini	Aye
Mr. Coursey	Aye
Mr. Eaton	Absent
Mr. Jahn	Aye
Mr. Roeser	Aye
Mr. Tambe	Aye
Mr. Williams	Aye
Mr. Williamson	Aye

B. Investment Committee Charter

Ms. Wyne presented proposed changes to the Investment Committee Charter to bring it in line with current practices. Trustees suggested a language change to section III.C. related to bringing a final investment manager candidate recommendation to the Committee for a vote.

Recommendation: Approve amendments to the Investment Committee Charter with the suggested changes to section III.C. regarding finalist investment manager candidate recommendations coming to the Investment Committee for a vote.

A motion was made by Trustee Jahn, seconded by Trustee Williamson, to approve amendments to the Investment Committee Charter with the noted language changes to section III.C. The motion carried 8-0-0-1 with voting as follows:

Mr. Baker	Aye
Mr. Balzarini	Aye
Mr. Coursey	Aye
Mr. Eaton	Absent
Mr. Jahn	Aye
Mr. Roeser	Aye
Mr. Tambe	Aye
Mr. Williams	Aye
Mr. Williamson	Aye

C. Optional Settlement 4 Policy

Ms. Wyne presented proposed amendments to the policy highlighting the cost of an actuarial study and the requirement that a study be obtained to ensure the selection of this option does not put any financial burden on the plan. Ms. Wyne noted the capabilities of the plan's pension administration system to provide an estimate of the impact of an Option 4 selection on a member's benefit and noted that the only time staff would request payment from the member for the actuarial study cost was when the estimate provided by staff was not sufficient to the member and the member requested a formal actuarial study prior to selecting Option 4.

Recommendation: Approve amendments to the Optional Settlement 4 Policy.

A motion was made by Trustee Baker, seconded by Trustee Williamson, to approve amendments to the Optional Settlement 4 Policy. The motion carried 8-0-0-1 with voting as follows:

Mr. Baker	Aye
Mr. Balzarini	Aye
Mr. Coursey	Aye
Mr. Eaton	Absent
Mr. Jahn	Aye
Mr. Roeser	Aye
Mr. Tambe	Aye
Mr. Williams	Aye
Mr. Williamson	Aye

D. Communications

1. Service Retirements July 2024
2. Budget to Actual Report through June 30, 2024
3. Member Interest Crediting Rate June 30, 2024
4. Trustee Education Report – Q2 2024
5. SACRS Legislative Update July 2024

V. Trustee/Staff Training & Conferences

Notify Julia Smith if you plan to attend any future event. Please note, if out of state travel to attend a conference is not approved in the Budget separate approval from the Board must be obtained prior to attending the conference.

1. CALAPRS Principles of Pension Governance, August 26 to 29, 2024, Tiburon, CA.

2. IFM Global Infrastructure Fund Annual General Meeting, October 28 to 30, 2024, Four Seasons Hotel, Las Vegas, NV.
3. SACRS Fall Conference, November 12 to 15, 2024, Hyatt Regency Hotel and Spa, Monterey, CA.
4. AON Wealth Insight Series – Miami Conference, December 9 to 11, Miami, FL.

VI. GENERAL DISCUSSION ITEMS

Opportunity was given to advise the Board of new matters and for Trustees to ask questions for clarification, provide information to staff, request staff to report back on a matter or direct staff to place a matter on a subsequent agenda.

There were no general discussion items.

VII. PUBLIC COMMENT

Opportunity was given for public comment on non-agenda items within the jurisdiction of the Retirement Board.

There were no public comments.

VIII. NOTICE OF NEXT MEETINGS

All meetings are held at SCERA in the Board Room at 433 Aviation Boulevard, Suite 100, Santa Rosa, CA, and broadcast via Zoom unless otherwise noted.

Investment Committee
July 25, 2024
8:30 a.m.

Disability Committee
August 22, 2024
8:30 a.m.

Retirement Board
August 22, 2024
9:00 a.m.

Investment Committee
August 29, 2024
8:30 a.m.

Disability Committee
September 19, 2024

8:30 a.m.

Retirement Board

September 19, 2024

9:00 a.m.

Investment Committee

September 26, 2024

8:30 a.m.

Educational Forum at the DoubleTree Hotel in Rohnert Park

October 9 and 10, 2024

9:15 a.m. on October 9

9:30 a.m. on October 10

IX. ADJOURNMENT

With no further business to conduct, the meeting adjourned at 10:33 a.m.

X. APPROVAL

The above minutes from the July 18, 2024, Retirement board meeting were approved at the Retirement Board meeting on August 22, 2024.

BOB WILLIAMSON, VICE CHAIR