

MCERA INVESTMENT RETIREMENT BOARD AGENDA
THURSDAY, JANUARY 23, 2020
MERCED COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
3199 M STREET, MERCED, CA 95348

CALL TO ORDER: 8:15 A.M.

Board Members Present: Ryan Paskin, Scott Johnston, Al Peterson, David Ness, Scott Silveira, Michael Rhodes, Janey Cabral (arrived 8:24am), Karen Adams, Kalisa Rochester, Jason Goins.
Counsel: Forrest Hansen. **Staff:** Kristen Santos, Alexis Curry, Mark Harman, Ninebra Maryoonani and Martha Sanchez. **Absent:** Darlene Ingersoll (*Kalisa Rochester taking vote for Darlene Ingersoll*)

APPROVAL OF MINUTES – January 9, 2020.

Motion to approve the January 9, 2020 meeting minutes.

Peterson/Silveira U/A (8-0)

PUBLIC COMMENT

None.

CLOSED SESSION

Meeting went into closed session.

RETURN TO OPEN SESSION

BOARD ACTION¹/DISCUSSION

Pursuant to Govt. Code § 31594 and MCERA's Investment Objectives & Policy Statement due diligence analysis requirement:

1. Discussion and adoption of annual audit by Brown Armstrong – Brown Armstrong. **The MCERA Board voted to accept the annual audit by Brown Armstrong. Adams/Cabral U/A (9-0)**
2. Discussion and possible action to accept the MCERA CAFR – Staff. **The MCERA Board voted to accept the MCERA CAFR. Adams/Goins U/A (9-0)**
3. Presentation and discussion of the 2019/2020 Monthly Investment Performance Report for November and December with update on capital markets and possible board action on any item or funds/managers – Meketa. **No action taken.**
4. Discussion and possible action to adopt Meketa's recommendation to rebalance MCERA's US equity allocation – Meketa.
 - **The MCERA Board voted to approve Meketa's rebalancing proposals with the following changes:**
 - **Sell \$16M from Mellon Large Cap**
 - **Sell \$2M from DFA Small Cap**
 - **Sell \$2M from PanAgora Small Cap**
 - **Buy \$5M Artisan Developing World Trust**
 - **Buy \$5M Barrow Hanley**
 - **Buy \$5M Vanguard Total Bond Market**
 - **Buy \$5M PIMCO Income Fund Institutional Class (PIMEX)**

¹ "Action" means that the Board may dispose of any item by any action, including but not limited to the following acts: approve, disapprove, authorize, modify, defer, table, take no action, or receive and file.

- **MCERA Board approved action to sell \$24M from Vanguard ST Treasury and buy \$24M to Vanguard Total Bond Market. Ness/Rhodes U/A (9-0)**
5. Discussion and possible action to update MCERA's benchmarks in the Investment Policy Statement document – Meketa.
The MCERA Board voted to approve new/updated benchmarks proposed by Meketa. Adams/Cabral U/A (9-0)
 6. Discussion and possible action to appoint permanent MCERA Investment Subcommittee – Chair.
The MCERA Board Chair appointed a new permanent Investment Subcommittee with the following Trustees:
 - **Ryan Paskin (Chair)**
 - **David Ness**
 - **Michael Rhodes**
 - **Karen Adams**
 7. Discussion and possible action to authorize staff to work with the county to release an RFP for new website design, branding and hosting for MCERA – Staff.
The MCERA Board voted to approve staff to work with the county to release an RFP for new website design, branding and hosting for MCERA. Goins/ Silveira U/A (9-0)
 8. Discussion and possible action to approve CPAS contract amount for 2020 which will be paid annually – Staff.
The MCERA Board approved the CPAS Maintenance Extended Warranty amount for \$23,496 and Software Support Services contract for \$162,000 for 2020 which will be paid annually. Cabral/Goins U/A (9-0)
 9. Review calendar of any training sessions and authorize expenditures for Trustees and Plan Administrator. Pursuant to Govt. Code § 31522.8 and MCERA's Trustees Education and Training Policy requirements. Examples of upcoming training and educational sessions:
 - a. 2020 PIMCO Institute, Newport Beach, CA: February 24-27, 2020 or June 8-11, 2020 or October 19-22, 2020.
 - b. Carmel Partners Annual Investors Conference, March 5-6, 2020, San Francisco, CA.
 - c. CALAPRS General Assembly, March 7-10, 2020, Rancho Mirage, CA.
 - d. TCV Annual Investor Meeting, March 24, 2020, San Francisco, CA.
 - e. Advanced Principles of Pension Management for Trustees, March 30–April 1, 2020, Los Angeles, CA.
 - f. Pension Bridge Annual Conference, April 14-15, 2020, San Francisco, CA.
 - g. NCPERS Trustee Educational Seminal, May 9-10, 2020, Las Vegas, NV.
 - h. NCPERS Accredited Fiduciary Program (Modules 1&2 and 3&4), May 9-10, 2020, Las Vegas, NV.
 - i. NCPERS Annual Conference & Exhibition, May 10-13, 2020, Las Vegas, NV.
 - j. SACRS Spring Conference, May 12-15, 2020, San Diego, CA.
 - k. KKR's 2020 Global Investor Meeting, July 29 – July 1, 2020, Rancho Palos Verdes, CA.
 - l. SACRS Public Pension Investment Management Program, July 26-29, 2020, Berkeley, CA.
 - m. Principles of Pension Governance for Trustees, August 25-28, 2020 Malibu, CA.
 - n. Nossaman Fiduciary Forum, October 1-2, 2020, Los Angeles, CA.
 - o. SACRS Fall Conference, November 10-13, 2020, Indian Wells, CA.

No Action.

INFORMATION ONLY

- The majority of 1099's were mailed this week to Retirees.

ADJOURNMENT

The Meeting adjourned at 10:27 A.M.

Respectfully submitted,



Ryan Paskin, Chair



Al Peterson, Secretary

2/13/2020
Date