

**SONOMA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
INVESTMENT COMMITTEE MEETING AGENDA**

Thursday, March 30, 2023
8:30 a.m.

The March 30, 2023, Sonoma County Employees' Retirement Association Investment Committee meeting will be facilitated through WebEx Meetings for those members of the public who wish to attend virtually.

Members of the public can watch or listen to the meeting using one of the two following methods:

1. Join the WebEx meeting application on your computer, tablet, or smartphone:

<https://sonomacounty.webex.com/sonomacounty/j.php?MTID=mb57d0e610cb9ddefdf8eece78c71e90>

2. Call-in and listen to the meeting:

Dial 1-408-418-9388

Enter meeting ID: 2484 969 9898

Enter password: 033023

PUBLIC COMMENT PRIOR TO THE MEETING

Email Public Comment: To submit an emailed public comment to the Investment Committee, in advance of the meeting, email rebecca.gay@sonoma-county.org by 7:30 a.m. March 30, 2023. Please provide your name, the agenda number(s) on which you wish to speak, and your comment. These comments will be provided to the Committee members prior to the start of the meeting.

PUBLIC COMMENT DURING THE MEETING

The public may address the Investment Committee regarding any agenda item during the Committee's consideration of the item.

Public Comment Using WebEx: Members of the public who join the WebEx meeting, either through the WebEx app or by calling in, will be able to provide live public comment for each agenda item, after the Investment Committee and staff have provided their comments.

Non-confidential materials distributed with the agenda packet and/or related to an item on this agenda submitted to SCERA after distribution of the agenda packet are available for public inspection electronically. Please send an email request for non-confidential materials to julia.smith@sonoma-county.org.

ACCOMMODATION: If you have a disability which requires an accommodation, an alternative format, or requires another person to assist you while attending this meeting, please contact the Retirement Office at (707) 565-8100, at least 72 hours in advance to ensure arrangements for accommodations.

The Investment Committee maintains and reserves the right to take action on any item agendized for discussion. Topics are generally ordered by priority and less pressing items may be dropped or postponed if time constraints require.

I. MINUTES APPROVAL

Approval of the February 23, 2023, Investment Committee meeting minutes

Recommendation: Approve the February 23, 2023, Investment Committee Minutes.

II. PRESENTATIONS

A. Systematic – CIO and Portfolio Manager Ken Burgess and Managing Director Client Service Steve Shaw will provide an organizational update and comment on the performance and positioning of the Small Cap Free Cash Flow portfolio the firm manages for SCERA.

[BREAK]

B. Securities Lending Review – Senior Consultant Tom Daniels of Aon's Custody & Lending Advisory Services Group will discuss the findings from their review of SCERA's securities lending and enhanced custody programs.

Recommendation: Approve changes to SCERA's securities lending program and the delegation of discretion, as detailed in staff's recommendation.

III. INVESTMENT STAFF AND CONSULTANT

The Investment Committee will move into Executive Session and close the meeting to all attendees who are not necessary for the consideration of existing litigation. While the meeting is closed, those attendees will be placed into the WebEx lobby by the WebEx host and will not hear or see the meeting. The WebEx screen will indicate that the attendees are in the lobby and, if still present, will be re-connected to the meeting once the Board returns to open session.

A. Executive Session

Executive Session. Meeting closed pursuant to Government Code Section 54956.9(d)(1) to confer with legal counsel – existing litigation, *Iowa Public Employees' Retirement System, et al. v. Bank of America, et al.*

The Investment Committee will move out of Executive Session and reopen the meeting to all WebEx attendees who were placed in the lobby during the closed session period.

- B. Executive Session Report Out
- C. Recent Developments in the Banking Industry – portfolio impacts
- D. Aon’s Investment Program Analyzer Results - review
- E. SCERA Due Diligence Travel Schedule – update

IV. COMMUNICATIONS

- A. SCERA Investment Performance Report for February 2023.
- B. Aon AA View, “Silicon Valley Bank and Credit Suisse”, March 20, 2023.
- C. UBS News Flash, “Planned acquisition of Credit Suisse”, March 20, 2023.
- D. Wall Street Journal, “China’s New Way to Control Its Biggest Companies: Golden Shares”, March 8, 2023.
- E. Wall Street Journal, “Some Public Pension Funds Are Pulling Back on Private Equity”, March 20, 2023.

V. GENERAL DISCUSSION MATTERS

Opportunity to advise the Investment Committee of new matters and for Committee members 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.

VI. PUBLIC COMMENT

Opportunity for public comment on non-agenda items within the jurisdiction of the Investment Committee.

VII. NEXT MEETING

The next Investment Committee meeting is scheduled for Thursday, April 27, 2023, at 8:30 a.m. Planned topics for this meeting include a presentation by Systematic. All meetings are held at SCERA in the Board Room at 433 Aviation Boulevard, Suite 100, Santa Rosa, CA, and broadcast via WebEx unless otherwise noted.

VIII. ADJOURNMENT