



STANISLAUS COUNTY
EMPLOYEES' RETIREMENT ASSOCIATION
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BOARD OF RETIREMENT MINUTES

FEBRUARY 8, 2006

Members Present: Maria DeAnda, Jim DeMartini, Mike Fisher, Gordon Ford, Darin Gharat, Wes Hall, Ron Martin and Steve Yauch

Members Absent: Mike Lynch

Alternate Members Present: Linda Stotts-Burnett (Alternate Retiree Representative)

Others Present: Edward R. Burroughs, Kelly Cerny, Michele Silva, and Tom Watson

1. Meeting called to order at 2:01 p.m. by Chair Darin Gharat

2. **Announcements**

Tom Watson, Administrator, announced that Board members received the most recent edition of the 1937 Act County Employees Retirement Law binder as of January 1, 2004.

3. **Public Comment**

None.

4. **Consent Items**

Motion was made by Maria DeAnda and seconded by Mike Fisher to approve the following items as listed.

Motion carried.

- a. Approval of the January 24, 2006 Minutes
- b. Approval of Service Retirement(s) – Sections 31499.14, 31760.1, 31662.2 & 31810
 1. Nancy Barone, Sheriff, Effective 02-02-06
 2. Emi Fujii, Sheriff, Effective 02-25-06
 3. Jimmy Levingston, Hill Ferry Cemetery District, Effective 02-01-06
 4. Elizabeth McDonough, CSA, Effective 02-02-06
 5. Rebecca Neira, CSA, Effective 02-02-06
 6. La Nette Pezzoni, Agricultural Commissioner, Effective 02-04-06

4. **Consent Items (cont.)**

b. Approval of Service Retirement(s) – Sections 31499.14, 31760.1, 31662.2 & 31810 (cont.)

7. Jane Ryan, Courts, Effective 02-02-06
8. Lydia Toledo, CSA, Effective 02-02-06

c. Approval of Deferred Retirement(s) – Section 31700

1. Susan L. Blair, CSA, Effective 12-31-05
2. Douglas Dormandy, Probation, Effective 12-13-05
3. Andrea Fantacone, Courts, Effective 10-15-05
4. Tina Marie Foster, Treasurer-Tax Collector, Effective 12-29-05
5. Heather Hajek, Library, Effective 07-08-05
6. Latisha Leap, Probation, Effective 01-09-06

d. Approval of Deferred Retirement Refund(s) **Section 31701**

1. Megan Morriss, Child Support Svcs.
2. Robert E. Patterson, Probation

5. **Administrator**

a. Discussion and Action on the Cost of Living Increases for Retirees Effective April 1, 2006

Tom Watson, Administrator, read as follows from Buck Consultants' January 24, 2006, letter regarding the automatic cost of living adjustment recommendation effective April 1, 2006:

- Retirees who retired on or before April 1, 1990, receive a 3.0% increase
- Retirees who retired April 2, 1990 through April 1, 1998, receive a 2.5% increase
- Retirees who retired April 2, 1998 through April 1, 2006, receive a 2.0% increase

These increases will appear on the retirees' May 1, 2006 check.

Motion was made by Steve Yauch and seconded by Maria DeAnda to approve the cost of living increase for retirees as recommended, effective April 1, 2006.

Motion carried.

b. StanCERA Complaint Log – October 1 through December 31, 2005

Tom Watson, Administrator, gave the Board a brief overview of StanCERA's quarterly complaint log. The Board expressed their appreciation to staff for compiling the log and quickly responding to members.

5. **Administrator (cont.)**

c. BMTI Complaint/Contact Log – October 1 through December 31, 2005

Tom Watson, Administrator, briefly discussed the complaint/contact log of StanCERA's insurance broker, BMTI, Inc. The log was for the quarter ending December 31, 2005.

Edward Burroughs arrived at 2:09 p.m.

d. Discussion and Action on Brown Armstrong's Letter Dated January 12, 2006, Requesting a Three-Year Extension of their Current Contract

Board members are pleased with Brown Armstrong's audit services and would like to continue the contract. The Board directed county counsel and staff to formulate a current version of the initial July 2003 contract.

Motion was made by Gordon Ford and seconded by Ron Martin to extend the audit services with Brown Armstrong for three years, at an annual cost of \$26,250.00, a 5% increase over the prior three years.

Motion carried.

6. **Correspondence**

a. Buck Consultants' Letter Dated January 26, 2006 – Retirement Board's Requests for Additional Information on Contingency Reserve Percentage and County Contribution Rate

Board members reviewed Buck Consultants' response to the Board's request for additional information regarding the impact on the employer contribution rates if the contingency reserve is reduced to 2% from the current 3%. The Board also reviewed information Buck Consultants provided about the possible cumulative impact on county contribution rates due to the historical asset smoothing adopted by the Board.

b. Staff's January 27, 2006 Response Letter to Retiree Paul Gieke's Letter Dated December 8, 2005

The Board reviewed staff member Hank Skau's response letter to retiree member Paul Gieke's letter of December 8, 2005. Board members found the response to be well written, thorough and complete. The Board directed staff that no further action was needed.

c. Notes of Appreciation (3) from Retirees for the Special Cost of Living Adjustment (COLA)

Three notes of appreciation from retirees were circulated for review by Board members.

7. **Committee Reports and Recommendations for Action**

STANDING COMMITTEES

a. Retiree Benefits Committee - Wes Hall, Chair

i. Report of Retiree Health Insurance Issues

Wes Hall, Chair, reported that the Committee had met today. He distributed to Board members materials discussed at the meeting and mentioned the Board would receive committee meeting minutes and recommendations at the March 8, 2006 Board meeting. Wes informed the Board that the committee was making good progress. Darin Gharat, Chair, commended the committee for their dedication and hard work, particularly, Linda Stotts-Burnett and Wes Hall.

8. **Members' Forum (Information and Future Agenda Requests Only)**

Tom Watson thanked the Board for his recent performance evaluation and wage increase.

Michele Silva mentioned a tour of the sixth floor 12th Street office is scheduled for 11:00 a.m., Friday, February 10, 2006. Board members who are interested may contact staff.

Wes Hall said he appreciated receiving the Administrative Update.

9. **Adjournment**

Meeting adjourned at 2:40 p.m.

Respectfully submitted,

Tom Watson, Administrator

APPROVED AS TO FORM:
MICHAEL KRAUSNICK, COUNTY COUNSEL

Edward R. Burroughs, Deputy County Counsel