



**STANISLAUS COUNTY
EMPLOYEES' RETIREMENT ASSOCIATION**
1010 10th Street, Suite 5800
P.O. Box 859
Modesto, CA 95353-0859

Phone (209) 525-6393
Fax (209) 525-4334
www.stancera.org
e-mail: retirement@
mail.co.stanislaus.ca.us

PLEASE POST FOR EMPLOYEE VIEWING

BOARD OF RETIREMENT MINUTES

March 28, 2000

Members Present: Lyn Bettencourt, Maria DeAnda, Wes Hall, Thomas Keating, Joash Paul, Al Sarina, Virgil Thompson, Steve Yauch, and Tom Watson

Members Absent: Nick Blom

Others Present: Victoria Halliday, Robert Harmon, Lois Ertel; John McLaughlin of Capital Resource Advisors

1. Meeting called to order at 2:00 p.m. by Chairman Joash Paul.

2. **ANNOUNCEMENTS**

FPPC Form 700 from Lyn Bettencourt, Maria DeAnda, Virgil Thompson, Robert Harmon and Linda Stotts are still needed by Friday 3/31/00 in order to file timely.

CALAPRS Stanford Trustee training book is available in the retirement office library for any interested Board members.

A poll of Board members indicated approval of changing the 4/25/00 Board meeting location (Ceres City Council Chambers at 2nd Street and Magnolia) and time of meeting. This will be an agenda item for the April 12, 2000 meeting.

3. **PUBLIC COMMENT**

None

4. **CONSENT ITEMS**

Motion was made by Virgil Thompson and seconded by Steve Yauch to approve the following items as listed.

Motion carried.

a. Approval of the March 8, 2000 Regular and Closed Session Minutes.

b. Receipt of Statement of Retirement System as of January 31, 2000 and February 29, 2000.

c. Receipt of Report of Investment Activities for January and February, 2000.

5. **CAPITAL RESOURCE ADVISORS PRESENTATION**

- a. In bringing the Board up to date, John McLaughlin reported that Capital Resource Advisors had acquired the Wellesley Group which has provided consultant services for mostly foundation and endowment clients. Although a small group, their depth of knowledge will be beneficial to CRA (Capital Resource Advisors). He also reported David Russell had left Capital Resource Advisors to work for someone else.

John McLaughlin stated that Capital Resource Advisors has a multi-manager philosophy. They recommend the Board move toward diversifying into a neutral position which will result in more balanced rates of returns. In attaining this position, John McLaughlin recommends the Board further diversify by adding a large cap equity manager with a growth style of management and allocate equal amounts to the new manager and Dodge and Cox. Dodge and Cox (value style of management) has been the large cap equity manager for StanCERA since February, 1968.

After discussion and an informal poll, the Board directed John McLaughlin to begin looking for large cap growth managers and the Board will put this on the agenda for a formal vote, deciding the allocation amount at a later time. A review of Candidate Criteria with specific directions on the type of manager desired gave John McLaughlin the information needed to begin a search.

John McLaughlin also recommended a review and revision of the Investment Policy. He will present a written recommendation at a special investment meeting to be set for April 24, 2000. This meeting date will be on the April 12, 2000 agenda for approval by the Board.

- b. Directed Brokerage - John McLaughlin was not prepared to discuss this topic at this time.

6. **ADMINISTRATOR**

- a. Bank of New York's update on Securities Lending reported earnings as of February, 2000 were \$16,934. They will be providing a monthly report on these earnings.

7. **MEMBERS' FORUM (Information and Future Agenda Requests Only)**

Wes Hall would like information on what is involved in firing an investment manager. Virgil Thompson would like a discussion of an actuarial audit to be on the May 23, 2000 agenda. Virgil thanked Lyn Bettencourt for his report on the Public Pension Plan Forum he attended in December, 1999.

Robert Harmon reported flyers would be distributed with payroll to Ceres employees and special districts to advise them of the Board meeting to be held in Ceres. This is to be an all day information fair for City of Ceres with at least 3 representatives from the

7. **MEMBERS' FORUM (Information and Future Agenda Requests Only)**

retirement office in attendance to present information and answer questions.

8. **ADJOURNMENT**

Meeting adjourned at 3:55 p.m.

Respectfully submitted,

Tom Watson, Secretary
Board of Retirement

APPROVED AS TO FORM:
MICHAEL KRAUSNICK
County Counsel

Victoria Halliday, Deputy County Counsel