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## PLEASE POST FOR EMPLOYEE VIEWING

BOARD OF RETIREMENT MINUTES

FEBRUARY 11, 2004

**Members Present:** Maria DeAnda, Gary Dial, Darin Gharat, Wes Hall, Al Sarina, Linda Stotts-Burnett and Tom Watson

**Members Absent:** Nick Blom, Kent Crawford and Mike Fisher

**Others Present:** Robert Harmon, Victoria Halliday, Karen Gonzales, Andrew Paulden and Amanda Wilson of Brown Armstrong, and Lyn Bettencourt, Retiree.

1. Meeting called to order at 2:03 p.m. by Chair, Maria DeAnda.

2. **Announcements**

Robert announced that an invitation for dinner was received from TACS for the General Assembly attendees'.

Robert announced that a brief visit with MFS had been scheduled for Tuesday, March 2, 2004 at 1:30 p.m.

Robert reminded trustees' to turn in their FPPC forms in a timely manner.

Robert advised the Chair that an invitation from CRCEA was received.

Karen informed the board that the retirement date of Henrietta Zarate is February 21, 2004. An incorrect date appeared on the agenda.

Karen passed out SACRS registration forms.

3. **Public Comments**

None

4. **Consent Items**

Motion was made by Wes Hall and seconded by Gary Dial to approve the following items listed.

Motion carried.

a. Approval of the January 27, 2004 Regular Session Minutes

4. **Consent Items- Continued**

b. Approval of Service Retirement(s) – Sections 31499.14, 31760.1 and 31810

1. Dorothy Adams, Effective 02-06-04
2. Constance Asbill, Effective 02-01-04
3. Dale Butler, Effective 01-31-04
4. Judith Krebsbach 02-20-04
5. Mary Leibham, Effective 02-08-04
6. Elsimae Morse, Effective 02-01-04
7. Larry Owens, Effective 025-10-04
8. Henrietta Zarate, Effective 02-21-04

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

1. Stephen Frye, Effective 02-02-04
2. Megan Morriss, Effective 02-21-01
3. Peggy Richards, Effective 01-31-04
4. Jeanne Schechter, Effective 01-16-04
5. Sandra Wilson, Effective 12-31-03

5. **Discussion and Action on the Audit of Financial Statements and Related Reports for the Fiscal Years Ending June 30, 2003.**

Andrew Paulden and Amanda Wilson were present from Brown Armstrong to give the report of the financial audit for the period ending June 30, 2003. Andrew reviewed the audit process, significant audit areas and audit reports with the board. Andrew stated that during the audit process they established a timeline and coordinated it with StanCERA staff. They reviewed the internal controls through inquiry and observation. The board was pleased to hear that the auditors issued an unqualified ("clean") opinion on the report of the financial statements for the fiscal year ending June 30, 2003.

Motion was made by Al Sarina and seconded by Darin Gharat to approve the audit report as presented.

Motion carried.

6. **Presentation and Adoption of the fiscal year 2002/2003 Comprehensive Annual Financial Report (CAFR)**

Andrew Paulden of Brown Armstrong reviewed the content of the first CAFR for StanCERA. During the review there were some questions raised by board members about information in the report. It was recommended that the final review and adoption of the CAFR be postponed until the February 24, 2004 board meeting to allow the board members time to thoroughly review it.

7. **Closed Session**

Motion was made by Al Sarina and seconded by Tom Watson to adjourn to closed session at 2:54 p.m.

Motion carried.

After returning to regular session at 3:09 p.m., Robert Harmon, Administrator read the findings of the closed session:

The application of Marilyn A. Harjo for a non-service connected disability retirement benefit was approved effective October 14, 2003.

The application of Lindsey Bertomen for a service connected disability retirement benefit pursuant to Government Code Section 31838.5 (reciprocity with CalPERS) was granted effective November 1, 2003.

8. **Administrator**

a. 2003/04 Mid-Year Budget Update

Robert Harmon gave an update on the 2003/04 mid-year Budget. Robert stated that there had been a couple changes, one being that we had changed from a special revenue fund to a trust fund. Otherwise nothing else had changed and we are on target with the current budget.

9. **Correspondence**

Maria DeAnda, Chair informed the board that her boss, Terry Platt wanted the board of retirement to know how pleased her department was with Dawn Lea's recent retirement benefits presentation held at the Department of Employment and Training. Congratulations to Dawn for a job well done!

10. **Committee Reports And Recommendations For Action**

STANDING COMMITTEES

a. Benefits Committee - Wesley Hall, Chair

Wes indicated he was waiting for information in order to set a date for the next meeting.

b. Bylaws Committee – Nick Blom, Chair

No Report

c. Due Diligence Committee – Gary Dial, Chair

No Report

d. Education Committee – Al Sarina, Chair

- i. Approval for Administrator to teach session at CALAPRS Principles of Pension Management class at Stanford on Wednesday, March 24<sup>th</sup>.

Motion was made by Al Sarina and seconded by Wes Hall to authorize the Administrator to teach at the CALAPRS Principles of Pension Management.

Motion carried.

Al Sarina also requested to have Paul Harte from SIS provide some education to the board on hedge funds, private equity and real estate. Robert Harmon will discuss with Paul Harte and schedule some dates.

10. **Committee Reports And Recommendations For Action- Continued**

**AD-HOC COMMITTEES**

e. Independence Committee – Kent Crawford, Chair

No report.

f. Disability Retirement Accountability Committee – Darin Gharat, Chair

No report.

11. **Members' Forum (Information And Future Agenda Requests Only)**

Vicki Halliday informed the board that she would present her NAPPA report at the next meeting.

Wes Hall requested due diligence questionnaires from Paul Harte, SIS, prior to the upcoming scheduled due diligence visits.

Tom Watson stated how great the recent newsletter "Looking Forward" was and that the CAFR looked good also.

Darin Gharat also stated how great the newsletter was and also gave condolences to Lyn Bettencourt on the passing of his spouse.

12. **Adjournment**

Meeting adjourned at 4:13 p.m.

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Respectfully submitted,

Robert Harmon, Administrator

APPROVED AS TO FORM:  
MICHAEL KRAUSNICK  
County Counsel

Victoria Halliday, Deputy County Counsel