



STANISLAUS COUNTY  
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## PLEASE POST FOR EMPLOYEE VIEWING

### BOARD OF RETIREMENT MINUTES

February 13, 2008

**Members Present:**

Maria De Anda, Mike Fisher, Gordon Ford, Darin Gharat,  
Wes Hall, Mike Lynch, Ron Martin, and Steve Yauch

**Alternate Member**

**Absent:**

*Linda Stotts-Burnett (Alternate Retiree Representative)*

**Members Absent:**

*Jim DeMartini*

**Others Present:**

Kelly Cerny, Doris Foster, Deirdre McGrath, Michele Silva,  
and Tom Watson

1. Meeting called to order at 2:00 p.m. by Mike Fisher, Chair

2. **Announcements**

None.

3. **Public Comment**

None.

4. **Consent Items**

Tom Watson, Retirement Administrator, announced three amendments to the Consent Items:

Agenda Item #5b replaces the word "Acceptance" with the word Receipt"

Agenda Item #5c.9. the effective date is 03-29-08

Agenda Item #5e.1. is removed for further investigation

Motion was made by Ron Martin and seconded by Maria De Anda to approve the following items as listed and as amended here.

Motion carried.

a. Approval of the January 22, 2008 Investment Meeting Minutes

b. Receipt of the State of California's Public Employee Post-Employment Benefits Commission's (PEBC) News Release and Executive Summary of its Report on "Funding Pensions & Retiree Health Care for Public Employees"

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

c. Approval of Service Retirement(s) – **Sections 31499.14, 31670, 31662.2 & 31810**

1. John Borek, DER, Effective 01-25-08
2. Fernando Cordero, BHRS, Effective 12-27-07
3. Livia Ghisletta, HSA, Effective 02-01-08
4. Mary Guerrero, Treasurer-Tax Collector, Effective 01-25-08
5. Cheryl Guptill, SBT, Effective 01-15-08
6. Forrest Helpler, Sheriff, Effective 01-19-08
7. Barbara Leazer, Sheriff, Effective 01-11-08
8. Sheryl Morgan, Library, Effective 02-19-08
9. Janet Shummon, District Attorney, Effective 03-29-08
10. Susan Smith, HSA, Effective 01-23-08

d. Approval of Deferred Retirement(s) – **Section 31700**

1. Kathie Cordero, HSA, Effective 12-01-07
2. Christine Cover, CSA, Effective 12-22-07
3. Joan Da Cruz, DER, Effective 06-23-07
4. Nancy Fisher, HSA, Effective 12-29-07
5. Hermilo Gandarilla, Jr., Effective 12-01-07
6. Trish L. Gaudio, Assessor, Effective 12-15-07
7. Crystal Hinchman, CSA, Effective 09-12-07
8. Robert A. Jackson, Sheriff, Effective 11-16-07
9. Adrienne Kolda, Clerk-Recorder, Effective 03-31-07
10. Rebecca Lessard, Superior Court, Effective 08-17-07
11. Tim Ogden, City of Ceres, Effective 11-30-07
12. Michael D. Owen, HSA, Effective 02-07-07
13. Ruben Perez, Probation, Effective 10-13-07
14. Lantz Rey, City of Ceres, Effective 10-27-07
15. Elizabeth Robbins, City of Ceres, Effective 12-02-07
16. Orlene Sargenti, BHRS, Effective 03-10-07
17. Linda J. Silveira, Child Support Svcs., Effective 01-08-08
18. Wayne Staylon, Regional-911, Effective 12-15-07

e. Approval of Disability Retirements – **Section 31724**

1. Sherrile Thompson, BHRS, Non-Service Connected, Effective 02-04-08

f. Approval of Death Benefits

1. Robert Panos, Deceased January 22, 2008, Deferred Member,  
Lump-Sum Return of Contributions - Options Pursuant to Government  
Code Section 31781

5. **Closed Session**

Motion was made by Wes Hall and seconded by Darin Gharat to commence to Closed Session at 2:03 p.m.

Michele Silva recused herself at 2:03 p.m.

Gordon Ford arrived at 2:06 p.m.

Upon returning to Regular Session at 2:08 p.m., Mr. Watson read the findings of the Closed Session:

Michele Silva returned at 2:09 p.m.

The application of Clara Golding for a service-connected disability retirement benefit is denied. The non-service-connected disability retirement benefit granted May 22, 2007, remains in effect.

6. **Administrator**

- a. Discussion and Action on Recommended Changes to Bylaw Section 1.7 - Committees of the Board of Retirement

Mr. Watson gave a brief summary of his memorandum dated February 1, 2008, regarding the Board of Retirement's request to review its standing committee structure. At the January 9, 2008, Board meeting, two alternative committee structures were discussed. This included the current committee structure noted in Bylaw 1.7., and the committee structure that resulted from the Board's strategic planning objectives. The Board had determined for the calendar year 2008 the strategic planning objectives structure should be used, and to change the Bylaws accordingly.

Mr. Watson addressed Deputy County Counsel's concern that staff on the Internal Governance Committee would be present during internal audits. He stated staff would not attend those meetings so as not to compromise an audit. Board members reviewed and discussed the two committee structures. Steve Yauch, Trustee, requested there be continuity on the Due Diligence Committee by having at least one Board member remain on the Committee for more than one year to fully utilize the experience gained during Due Diligence visits. Ron Martin, Trustee, concurred. Wes Hall, Trustee, requested the word "are" be removed from the last sentence of the last paragraph in the proposed new language.

Mike Lynch arrived at 2:11 p.m.

Motion was made by Wes Hall and seconded by Steve Yauch to approve the new language as presented with the recommended change, for Bylaw Section 1.7 effective February 13, 2008; and to send this new language to the Stanislaus County Board of Supervisors for approval pursuant to Government Code section 31525.

Motion carried.

7. **Correspondence**

- a. Retirement Administrator's Letter Dated January 31, 2008, to Retiree Walter A. Watman, Ph.D. Regarding the Retiree Health Allowance
- b. Retirement Administrator's Letter Dated January 31, 2008, to Retiree Blanche D. Sayad Regarding Retirement Benefits

Mr. Watson gave an overview of the two letters of response to members Mr. Watman and Ms. Sayad. He informed the Board that various questions from members have arisen due to the recent changes in the retiree health allowance and the retiree health insurance premiums as of January 2008. He stated that once members receive a verbal explanation from staff, there is a better understanding of the changes. Darin Gharat, Trustee, inquired as to how many letters have been received. Mr. Watson stated Mr. Watman's email and Ms. Sayad's letter have been the only two thus far. Other members' inquiries have been resolved by staff over the telephone.

Mr. Watson noted that members were informed of these changes beginning in 2005, and continuously throughout 2006 and 2007. However, now that it is actually happening, questions are being received. Michele Silva, Benefits Manager, informed Board members that approximately 90 calls were received since January 2008. She said statistics on the amount of inquiries will be added to the next Administrative Update.

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

Gordon Ford, Vice Chair, requested an update on Structured Investment Vehicles (SIVs) at the February 26, 2008, Board meeting; that was previously given by Dodge & Cox at the December 12, 2007, Board meeting. Mr. Watson said he will notify Dodge & Cox to add A SIVs update to their semi-annual presentation scheduled for the February 26, 2008 Board meeting.

Mike Lynch, Trustee, requested the Board consider joining with other 1937 Act systems in opposition to the Orange County lawsuit filed by the current Orange County Board of Supervisors against the Orange County Employees' Retirement System (OCERS). The lawsuit was filed against OCERS to cease the 2002 approval of retroactive retirement benefits for safety members. Mr. Gharat shared he thought it was too premature to join in at this point, Ms. McGrath concurred, stating the lawsuit is not at the point where an Amicus Brief would be filed and when StanCERA could enjoin. Ms. McGrath said she would monitor the status of the Orange County lawsuit and keep the Board members informed.

Mr. Hall mentioned that StanCERA had a nice reference in an article in The Modesto Bee, about the recent State of the County Address by Tom Mayfield, Chair, of the Stanislaus County Board of Supervisors. Mr. Lynch said the speech may be heard on the County website, and had a bit more detail about the positive condition of the retirement system.

Maria De Anda, Trustee, requested to have the March 14, 2008, webinar entitled, "VEBAs and Pre-Funding Retiree Health Benefits," recorded for future viewing.

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

Ms. Cerny circulated five more notes of appreciation from retirees who received the special supplemental COLA as of January 2, 2008. To date, this brings the total to 21 notes of appreciation.

Ms. Cerny reminded Board members the FFPC Form 700 is due April 1, 2008.

Ms. Cerny noted Board members had received the State Association of County Retirement Systems' (SACRS) and UC Berkeley's Executive Development brochure for this year's Public Pension Investment Management Program, June 16-18, 2008. She asked for those who may be interested in attending to notify her prior to March 31, 2008, when the registration deadline ends.

Ms. Cerny said Board members had also received a flyer from the Government Finance Officers Association (GFOA) regarding an Internet-based course entitled, *What Every Finance Professional Needs to Know About Internal Control.* The course is offered March 19, 2008, from 11:00 a.m. to 1:00 p.m. Ms. Cerny said for anyone interested to please contact her prior to March 19, 2008.

9. **Adjournment**

Meeting adjourned at 2:40 p.m.

Respectfully submitted,

Tom Watson, Retirement Administrator

APPROVED AS TO FORM:  
MICHAEL KRAUSNICK, COUNTY COUNSEL

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Deirdre McGrath, Deputy County Counsel