



STANISLAUS COUNTY
EMPLOYEES' RETIREMENT ASSOCIATION
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BOARD OF RETIREMENT MINUTES

AUGUST 10, 2005

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

Alternate Members Present: Linda Stotts-Burnett

Others Present: Kelly Cerny, Deirdre McGrath, Michele Silva, and Tom Watson

1. Meeting called to order at 2:01 p.m. by Chair Steve Yauch

2. **Announcements**

Kelly Cerny distributed an attendance form for the StanCERA 2005 Strategic Planning Sessions. She asked the Board to complete the form with the dates each member would be attending, and return the form to her.

Gordon Ford arrived at 2:05 p.m.

Tom Watson, Administrator announced that Benefit Management Technology, Inc., (BMTI), StanCERA's health insurance broker, experienced a burglary over the weekend. Some personal computers were taken that contained routine information. Although the main information is kept on a separate computer server, BMTI will notify each insured retiree by letter of the incident and how to protect against the potential risk of identity fraud, and the credit agencies to notify.

3. **Public Comment**

None.

4. **Consent Items**

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

Motion carried.

a. Approval of the July 26, 2005 Minutes

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

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

1. Maureen Bookman, Effective 08-08-05
2. Chom Cavan, Effective 08-30-05
3. Shirley Denney, Effective 08-01-05
4. Dana Dulaney, Effective 08-02-05
5. Joyce Goudie, Effective 07-15-05
6. Winona Henderson, Effective 08-02-05
7. Maria Herrera, Effective 08-03-05
8. Maryann Lucas, Effective 08-20-05
9. Monica Martinez, Effective 08-02-05
10. Janet Rice, Effective 08-30-05
11. Kathy Silva, Effective 08-03-05
12. Anthony Daniel Souza, Effective 08-06-05
13. Janice Toledo, Effective 08-02-05
14. Barbara Torres, Effective 08-27-05
15. Darryl Wagoner, Effective 08-19-05
16. Leslie Weidman, Effective 08-06-05
17. Larry Wendel, Effective 07-14-05

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

1. Joseph Distaso, Effective 07-23-05
2. Leo Horne, Effective 07-02-05
3. Dan Kavarian, Effective 07-06-05

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

1. Debbie Davis
2. Valerie Hines

e. Approval of Death Benefit(s)

1. Linda W. Miller, Deceased July 28, 2005, Active Member, Options Pursuant to Government Code Sections 31781, 31781.1 and 31781.3
2. Victoria L. Stevens, Deceased July 22, 2005, Active Member, Options Pursuant to Government Code Sections 31781, 31781.1 and 31781.3

5. **Closed Session**

Motion was made by Darin Gharat and seconded by Mike Fisher to adjourn to Closed Session at 2:05 p.m.

Motion carried.

After returning to Regular Session at 2:10 p.m., Tom Watson, Administrator, read the findings of the Closed Session.

5. **Closed Session (cont.)**

Upon discussion of the hearing officer's decision, the application of Michael Bennett for a service-connected disability retirement was denied.

Upon discussion of the hearing officer's findings and recommendations, the applications of Virginia Phinney for service-connected disability and non-service-connected disability retirement benefits were denied.

6. **Administrator**

a. Update of Administrative Staff Move to 832 12th Street Office

Tom Watson, Administrator, gave the Board an update of the move to 832 12th Street. There are two entrances to the building, and StanCERA's entrance will be on the 12th Street side. The interior structural design plans remain the same and are close to being finalized. 4,000 square feet is still available for a tenant.

b. Discussion & Approval of Support of Los Angeles County Employees' Retirement Association's (LACERA) Comment Letter Regarding the Internal Revenue Code (IRS) Section 415 Proposed Regulations

Tom Watson, Administrator, shared a letter received from LACERA asking for public retirement systems to add support to their comment letter to the IRS regarding proposed changes to IRS Section 415. Three areas of concern in the proposed regulations are rehired participants, cost-of-living increases, and rollover contributions.

Motion was made by Wes Hall and seconded by Maria DeAnda to support LACERA's Comment Letter regarding Internal Revenue Code Section 415 Proposed Regulations and direct the Administrator to send the supporting comment letter on behalf of StanCERA to the IRS.

Motion carried.

7. **Correspondence**

None.

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

STANDING COMMITTEES

a. Retiree Benefits Committee - Wes Hall, Chair

Chair Wes Hall announced the Retiree Benefits Committee met earlier today and would share its recommendations at the next Retirement Board meeting on August 23, 2005.

b. Bylaws Committee – Ron Martin, Chair

No Report.

8. **Committee Reports and Recommendations for Action (cont.)**

STANDING COMMITTEES (cont.)

- c. Due Diligence Committee – Darin Gharat, Chair

No Report.

- d. Education Committee, Maria DeAnda, Chair

Maria DeAnda, Chair, distributed recommendations for three potential educational opportunities for the Board's approval:

- *“Currency Management Forum”* – Presented by GlobalPensions
September 8, 2005, San Francisco, California
- *“13th Annual Guns and Hoses 2005 Annual Reunion of the Nation's Police & Fire Pension Leaders & Their Advisors”* - Presented by Institute for International Research
September 25 – 28, 2005, Las Vegas, Nevada
- *“Public Funds Symposium: A Voice in Washington and a Focus on America's Public Pension Funds”* – Presented by Institutional Investor
October 25 – 26, 2005, Washington D.C.

Motion was made by Ron Martin and seconded by Mike Fisher to approve attendance at these three conferences. Members interested in attending any of these conferences should contact Kelly Cerny for registration and arrangements.

Motion carried.

Deirdre McGrath's Report on the National Association of Public Pension Attorneys (NAPPA) 2005 Legal Education Conference

Deirdre McGrath, Deputy County Counsel, gave a brief overview of her report distributed to board members on her experience at the NAPPA Legal Education Conference, June 28 through July 1, 2005.

Across the country, topics of interest facing retirement systems include fiduciary responsibilities of retirement systems, conflict of interest, defined benefits versus defined contributions, due diligence of real estate transactions, public records, open meeting laws; plan governance-principles guidelines and structures, and federal and state legislation. Deirdre said trustees should educate themselves and develop their education. Deirdre stated members interested in viewing the conference binder in its entirety may contact her. Steve Yauch added that as the new Chair he too shares the commitment of continuous education for trustees.

AD-HOC COMMITTEES

- a. Independence Committee – Darin Gharat, Chair

No Report.

8. **Committee Reports and Recommendations for Action (cont.)**

AD-HOC COMMITTEES (cont.)

b. Disability Retirement Accountability Committee – Mike Fisher, Chair

Mike Fisher, Chair, reviewed the written recommendations of the Committee. One recommendation was to report the status of disability retirement applications and any exceptions, in the monthly Administrative Update. The other recommendation was to place the disability retirement applications that have been investigated and reviewed and are ready for Board approval on the consent item portion of the agenda.

Wes Hall expressed concern that with this approach the Retired Employees of Stanislaus County (RESCO) organization would not continue to receive the list of retirees. Staff assured Wes Hall that RESCO would continue receiving a list of all retirees. The only difference is the disability retirements ready to be granted will not be discussed in closed session unless the item is removed from the consent items by a board member or applicant. Retirement Board members will continue to receive the summary confidential information on disability retirement applications placed on an agenda.

Motion was made by Darin Gharat and seconded by Maria DeAnda to approve the placement on the consent calendar of disability retirement applications ready for approval after investigation and review; and approve the reporting of the number of pending disability retirement applications and any exceptions in the Monthly Administrative Update.

Motion carried.

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

Wes Hall thanked Deirdre McGrath for her comprehensive report on the NAPPA conference.

Jim DeMartini inquired as to the progress of an issue addressed in closed session at the July 13, 2005, Retirement Board meeting. The Administrator responded that an update at a future meeting would occur when there was more information.

10. **Adjournment**

Meeting adjourned at 2:52 p.m.

Respectfully submitted,

Tom Watson, Retirement Administrator

By: _____
Michele Silva, Benefits Manager

APPROVED AS TO FORM:
MICHAEL KRAUSNICK, COUNTY COUNSEL

Deirdre McGrath, Deputy County Counsel