



STANISLAUS COUNTY
EMPLOYEES' RETIREMENT ASSOCIATION
1010 10th Street, Suite 5800
P.O. Box 3150
Modesto, CA 95353-3150

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

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BOARD OF RETIREMENT MINUTES

OCTOBER 13, 2004

Members Present: Kent Crawford, Maria DeAnda, Gary Dial, Darin Gharat, Wes Hall, Ron Martin and Linda Stotts-Burnett

Members Absent: Nick Blom, Mike Fisher and Tom Watson

Others Present: Karen Gonzales, Victoria Halliday, Michele Silva, Hank Skau, Jamie Borba, and Paul Harte of SIS

1. Meeting called to order at 2:01 p.m. by Chair, Maria DeAnda.

2. **Announcements**

Maria DeAnda, Chair introduced the new board member, Ron Martin.

Karen Gonzales distributed the new schedule for money manager presentations.

3. **Public Comments**

None

4. **Consent Items**

Motion was made by Darin Gharat and seconded by Wes Hall to approve the following items listed.

Motion carried.

a. Approval of the September 28, 2004 Regular Session Minutes

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

1. Barbara Aja, Effective 10-02-04
2. Marilyn Anderson, Effective 10-10-04
3. Gayle Bondy, Effective 10-02-04
4. Kathleen Koester, Effective 10-30-04
5. Shirley Martin, Effective 10-30-04
6. Douglas Mitchell, Effective 10-01-04
7. Marilyn Rix, Effective 10-01-04

4. **Consent Items - Continued**

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

8. Lynda Terry, Effective 10-10-04
9. Gordon Walk, Effective 10-05-04
10. Donna Webster, Effective 10-05-04

b. Approval of Deferred Retirement(s) – Sections 31700

1. Lisa Bouchell, Effective 09-11-04
2. Wendy Burns, Effective 09-03-04
3. Linda Castillo, Effective 07-24-04
4. Gary Dickson, Effective 09-18-04
5. Lisa Gregory, Effective 01-15-04
6. Michael Grice, Effective 07-16-04
7. Jennifer Hazelbaker, Effective 09-04-04
8. Catherine Hemphill, Effective 09-01-04
9. Phillip Irons, Effective 08-21-04
10. Shelley Mc Cutcheon, Effective 08-26-04
11. Katherine Stikes, Effective 09-11-04
12. Tammy Whitman, Effective 08-21-04
13. Wendy Wycoff, Effective 07-06-02

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

1. Alma D. Ruiz
2. Alfred Tyree

5. **Discussion and Action on Hiring Mazama Asset Management and Terminating Contract with Trust Company of the West (TCW)**

a) Report and Recommendation from Due Diligence Committee

Paul Harte distributed a memorandum regarding the recent due diligence visit to Mazama Asset Management. Paul stated that Mazama was a high quality shop with good long-term returns. Paul stated that Mazama was founded in 1993. They have had no staff turnover and never lost a client. Paul stated that Mazama's small-cap is closed but their small-mid cap remains open. Victoria Halliday is currently reviewing their contract and is very impressed with the legal side of the contract.

After discussion, motion was made by Wes Hall and seconded by Darin Gharat to terminate StanCERA's contract with Trust Company of the West and hire Mazama Asset Management

Motion carried.

5. **Discussion and Action on Hiring Mazama Asset Management and Terminating Contract with Trust Company of the West (TCW) - Continued**

- b) Approval to use Bank of New York for Transition Management and Custodial Services.

Motion was made by Kent Crawford and seconded by Wes Hall to transfer StanCERA's portfolio from Trust Company of the West to Mazama Asset Management and to use Bank of New York for the transition.

It was noted that there is a 30-day opt out clause in StanCERA's contract with Trust Company of the West. Paul Harte was to verbally contact TCW the following day and a formal letter was to be sent to TCW overnight to arrive Friday, October 15, 2004.

Motion Carried

6. **Closed Session**

Motion was made by Darin Gharat and seconded by Kent Crawford to adjourn to Closed Session at 2:16 p.m.

At this time, staff removed themselves from the first item on the closed session and Paul Harte from SIS remained as he was on the Administrator recruitment application review committee.

After returning to regular session at 3:40 p.m., Michele Silva, Benefits Manager read the findings of the closed session.

A Report and Recommendation from the Administrator Recruitment Application Review Committee was given.

The application of Candi J. Cook for a Service-Connected Disability Retirement benefit was granted effective July 29, 2004.

The application of Vena Volz for a Service-Connected Disability Retirement benefit was set for hearing before a hearing officer.

Discussion and action was recommended regarding investigation into two applicants receiving service-connected disability retirement benefits.

Discussion and action was made on medical-call backs for disability applicants under the age of 55 years.

7. **Administrator**

- a. Discussion, Action and Adoption of StanCERA Conflict of Interest Code

Motion was made by Wes Hall and seconded by Gary Dial to adopt the conflict of interest code for StanCERA.

Motion carried.

- b. Discussion and Action to Schedule Interviews and/or Hiring of Administrator

This item was discussed under Closed Session. Interviews have been set for October 29, 2004. Victoria Halliday is handling the recruitment.

- c. Discussion, Action and Approval to Enter New Contract with Strategic Investment Solutions (SIS)

Motion was made by Wes Hall and seconded by Kent Crawford to enter into a new three-year contract with SIS.

Motion carried.

8. **Correspondence**

- a. Notice of Resignation from Executive Secretary

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

STANDING COMMITTEES

- a. Benefits Committee – Wes Hall, Chair

Wes informed the Board of Retirement that on October 11th, several volunteers from RESCO came in to help stuff envelopes with the health insurance open enrollment packets. These packets were mailed to retirees' on October 12th.

- b. Bylaws Committee – Nick Blom, Chair

No Report

- c. Due Diligence Committee – Gary Dial, Chair

No Report

- d. Education Committee – Mike Fisher, Chair

No Report

9. **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

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

Maria DeAnda Chair requested to place updated committee assignments on the October 26, 2004 Board of Retirement Agenda and Discussion and Action on Purchasing Card Expenditures for StanCERA.

Maria also requested a review of the notification regarding the Pre-retirement seminar. It appears that the notification goes only to department heads and the information is not being shared to eligible members.

Vicki Halliday stated she was glad to be back from vacation and asked the Board of Retirement if they would like for her to withdraw the open offer with the prior Administrator in regards to open information technology processes. The Board informed Vicki to withdraw the offer since StanCERA approved to hire a Information Technology person to work on these processes in conjunction with staff at the last board meeting.

Vicki Halliday also reminded the board members and staff regarding the procedure on giving out personal and professional references on prior employees.

Wes Hall mentioned an advertisement in the Pension and Investments magazine for the Merced County Employees' Retirement Association Administrator.

Paul Harte informed the board that he would not be present at the October 26, 2004 Board meeting and requested the planned educational workshop be moved to the November meeting. Paul stated another representative would be present from SIS to provide the monthly report.

Darin Gharat mentioned a nice article in the Pension and Investments magazine on public pension plans. Darin also thanked retirement staff and wished Karen Gonzales well in her new endeavor.

Kent Crawford requested Paul Harte review the recent BNY Global Transition Management report that was distributed.

10. **Members' Forum (Information and Future Agenda Requests Only**
- Continued -

Karen Gonzales informed the Board that the recruitment to fill her position would be opened within a week. Karen also suggested that the Board create an oversight committee for disaster recovery and if there is going to be a safety member election, volunteers from the board would be needed to canvass the vote. Karen also thanked the board again for her going away luncheon and plaque.

11. **Adjournment**

Meeting adjourned at 4:20 p.m.

Respectfully submitted,

Michele Silva, Benefits Manager

APPROVED AS TO FORM:
MICHAEL KRAUSNICK
County Counsel

Victoria Halliday, Deputy County Counsel