



**STANISLAUS COUNTY
EMPLOYEES' RETIREMENT ASSOCIATION**
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BOARD OF RETIREMENT MINUTES

January 10, 2001

Members Present: Nick Blom, Kent Crawford, Wes Hall, Al Sarina, Virgil Thompson, Steve Yauch, and Tom Watson

Members Absent: Lyn Bettencourt, Maria DeAnda

Others Present: Victoria Halliday, Robert Harmon, Lois Ertel; Chief William Houk of the Oakdale Rural Fire Protection District; Gina Leguria of the CEO's office

1. Rotation of Officers: Pursuant to bylaws Section 1.5, Lyn Bettencourt (Seat #7) is Chairman for 2001 and Wesley Hall (Seat #8) is Vice-Chairman.
2. Meeting called to order at 2:00 p.m. by Vice-Chairman Wesley Hall.
3. Roll Call
4. **ANNOUNCEMENTS**
5. **PUBLIC COMMENT**
6. **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 December 13, 2000 Regular Session Minutes.
- b. Approval of Service Retirement(s) - Sections 31760.1 and 31810
 1. Michele Sackman, Environmental Resources, Effective 12-15-00
 2. Delores Kelley, Mental Health, Effective 01-02-01
 3. Nancy Kramarz, Dept. of Employment & Training, Effective 01-06-01
 4. Joyce Shelton, Auditor/Controller, Effective 01-07-01
 5. Diane Martin, Public Works, Effective 01-08-01
 6. Lionel Amarelo, Public Works, Effective 01-14-01
- c. Approval of Deferred Retirement(s) - Section 31700
 1. Benny Leija, Juvenile Hall/Probation, Effective 05-08-00
 2. Alicia Salinas, Public Defender, Effective 12-02-00

7. **ADMINISTRATOR**

- a. Virgil Thompson asked that the Report on Examination for the year ended June 30, 2000 be placed on the agenda of the January 23, 2001 meeting for review.
- b. The Oakdale Rural Fire Protection District (ORFPD) terminated membership with StanCERA effective January 31, 2000 and began retirement benefit coverage with CalPERS effective February 1, 2000. This left an unfunded benefit liability for future retirement benefits for one retired member and six active members with the ORFPD. Based on an updated actuarial analysis dated December 1, 2000, the District proposes and agrees to make annual payments to StanCERA in the amount of \$8,564.00 per year for 22 years on or before January 31 of each year beginning with January 31, 2001. This will meet the requirements for fully funding their benefits and will relieve them of any further obligation due to this issue.

Chief Houk expressed his appreciation and the appreciation of the ORFPD Board to Tom Watson for meeting with them and their attorney to explain and work with them to resolve this issue. Tom Watson explained to the Board the new study done by Buck Consultants used CalPERS' inflation assumption of 3.5% and assumed the three non vested members were to be refunded their contributions pursuant to Government Code Section 31564. These employees will not be eligible for any benefits from StanCERA in the future.

Motion was made by Virgil Thompson and seconded by Steve Yauch to authorize the Board Vice-Chairman, Wesley Hall, to accept the agreement as presented.

Motion carried.

- c. Stanislaus Council of Governments (StanCOG), previously known as Stanislaus Area Association of Governments, is in the process of becoming an agency independent from the County of Stanislaus. A copy of their resolution authorizing and requesting inclusion of StanCOG in the Stanislaus County Employees' Retirement Association (StanCERA) has been received. This is based on the actuarial study completed and reviewed which their Governing Board finds in the best interest of the agency and its employees. Based on Government Code Section 31557, motion was made by Steve Yauch and seconded by Nick Blom to accept StanCOG as a special district member of StanCERA to be effective January 1, 2001.

Motion carried.

7. **ADMINISTRATOR-Continued**

- d. The County has requested several special actuarial studies to determine the cost of enhanced benefits for all active County members. The information from these studies will help the CEO's office in their plans and negotiations. Reagan Wilson, CEO, has asked the Retirement Association to share in the cost of these studies which relate to enhanced retirement benefits.

Motion was made by Steve Yauch and seconded by Nick Blom to approve paying 50%, not to exceed \$25,000, of the costs for the actuarial studies to be conducted by Buck Consultants, Inc. to determine the cost of enhanced benefits for active members.

Motion carried

- e. In an update, Robert Harmon reported everything was on track for the RFP from actuarial firms to conduct an audit. January 31, 2001 is the deadline for receipt of proposals and he requested the Board meet on February 21, 2001 to interview candidates.

Motion was made by Virgil Thompson and seconded by Al Sarina to approve a special Retirement Board meeting on February 21, 2001 at 2:00 p.m. for the purpose of actuary audit finalist interview and selection process.

Motion carried.

8. **COMMITTEE REPORTS and RECOMMENDATIONS FOR ACTION**

- a. Benefits Committee - Wesley Hall, Chairman

A special COLA was paid to retirees that retired prior to April 1, 1981 on their January 2, 2001 checks. Approximately 283 retirees received this benefit at a cost of \$996 thousand for this non-vested benefit payment.

- b. By-Laws Committee - Steve Yauch, Chairman
No report.

- c. Due Diligence Committee - Wesley Hall, Chairman

Board members were reminded of the special meeting called for March 22, 2001 at 9:00 a.m. for the purpose of interviewing consultants. Due diligence visits will be made prior to a decision in May. The contract with Capital Resource Advisors, our current consultant, expires June 30, 2001.

8. COMMITTEE REPORTS and RECOMMENDATIONS FOR ACTION-Continued

d. Education Committee - Virgil Thompson, Chairman

1. Al Sarina, Kent Crawford, and Virgil Thompson indicated an interest in attending a CALAPRS Trustees' Roundtable scheduled for February 9, 2001 in Oakland. Staff will provide registration materials when they become available.

Motion was made by Virgil Thompson and seconded by Tom Watson to approve reasonable travel expenses for any Board members that want to attend the CALAPRS Trustees' Roundtable in Oakland on February 9, 2001.

Motion carried.

2. Communication has been received from Bev Finley, Managing Director of HSA, on the availability of media training. These sessions will be provided by Chuck Rossie with CMR Group. Mr. Rossie has an extensive background in this field and is now specializing in media training. The classes will last 8 hours and be offered at an approximate cost of \$250.00 per person.

Virgil Thompson thought the cost was a little high and is beyond the scope of the Board's needs. He recommends the Board amend the Bylaws to reflect a policy of "No Comment" from Retirement Board members to "confidential/closed session" inquiries. If someone is persistent, they should be referred to the Administrator. It was suggested staff draft such an amendment and put it on the March 14, 2001 administrative meeting agenda for action.

Virgil Thompson asked Board members to review the Calendar for Educational Opportunities to determine which events they would like to attend. Calendars so marked should be given to him to review. He will provide a report of requests for the Board to review and approve at their next administrative meeting.

9. MEMBERS FORUM (Information and Future Agenda Requests Only)

Al Sarina apologized to the Board for being late. He was at a meeting in Stockton which lasted longer than anticipated.

10. **ADJOURNMENT**

Meeting adjourned at 3:05 p.m.