



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

**December 10, 2014**

**Members Present:** Gordon Ford, Darin Gharat, Michael O'Neal  
Jim DeMartini, Donna Riley, Jeff Grover  
Maria DeAnda, and Jason Gordo

**Member Absent:** Mike Lynch

**Alternate Member Present:** Joan Clendenin, Alternate Retiree Representative

**Staff Present:** Rick Santos, Executive Director  
Kathy Herman, Fiscal Services Manager  
Dawn Lea, Member and Employer Services Manager  
Kellie Gomes, Executive Board Secretary

**Others Present:** Jim Oliveira, General Legal Counsel  
Jody Hayes, Chief Executive Office  
Paul Harte, Strategic Investment Solutions, Inc.  
Nathan Pratt, Strategic Investment Solutions, Inc.

1. Meeting Called to Order

Meeting called to order at 2:02 p.m. by Gordon Ford, Chair.

2. Roll Call

3. Announcements

Rick Santos announced that Jim Oliveira would be sitting in for Fred Silva.

Kathy Herman introduced StanCERA's new employee Deanne Corbiser to the Board of Retirement.

4. Public Comment

None

5. Consent Items

a. Approval of the November 25, 2014 Minutes

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

1. Allen-Diaz, Cheryl – CSA – Effective 12-31-2014
2. Florez, Alex – HSA – Effective 11-24-2014
3. Funtilla, Melchor – Public Works – Effective 12-30-2014
4. Gack, Fred – HSA – Effective 12-02-2014
5. Hall, Raymond – CSA – Effective 07-05-2014
6. Harden, Lynda – City of Ceres – Effective 12-02-2014
7. Heuer, Debra – HSA – Effective 12-06-2014
8. Larkins, Doris – DA – Effective 12-31-2014
9. Martinez, Richard – BHRS – Effective 12-06-2014
10. Mc Manis, Virginia – Probation – Effective 12-20-2014
11. Merrill, Mary – Probation – Effective 12-23-2014
12. Mysouk, Liane – CSA – Effective 12-03-2014
13. Osuna-Baldwin, Maria – CSA – Effective 12-03-2014
14. Riley, Sandra – BHRS – Effective 11-01-2014
15. Wolfe, Jeanne – BHRS – Effective 12-27-2014
16. Wong, Sherre Lee – Planning – Effective 12-29-2014

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

1. Allen, Steve – CSA – Effective 11-18-2014
2. Costa, Michael – StanCOG – Effective 05-17-2014
3. Hughes, Torrie – CSA – Effective 07-19-2014

d. Approval of Death Benefit – **Section 31781**

1. Barksdale, Cammie – Deceased 11- 21-2014 – Active Member

e. Report on StanCERA earnings Allocation as of June 30, 2014

Motion was made by Maria DeAnda and seconded by Donna Riley to accept the consent items as presented.

Motion carried unanimously.

6. Executive Director

a. Discussion and Action to Adopt a Contract Governing Law and Jurisdiction Policy

Motion was made by Jeff Grover and seconded by Darin Gharat to approve the contract governing law and jurisdiction policy item as presented.

Motion carried unanimously.

b. Discussion and Action to Adopt a Contract Governing Law and Jurisdiction Policy Regarding Real Estate Investments

Motion was made by Donna Riley and seconded by Darin Gharat to approve the contract governing law and jurisdiction policy regarding real estate investments as presented.

Motion carried unanimously.

c. Discussion and Action to Accept Pyramis Global Advisors' Performance Based Fee Structure

Motion was made by Jason Gordo and seconded by Jeff Grover to enter into a performance based fee structure agreement with Pyramis Global Advisors as presented.

Motion carried unanimously.

d. Discussion and Action to Adopt the System Normal Retirement Age and Bona Fide Separation from Service Definition

Motion was made by Maria DeAnda and seconded by Darin Gharat to adopt normal retirement ages using the IRS Safe Harbor method of age 62 for General members and age 50 for Safety members and adopt the definition of a bona fide separation from service as presented.

Motion carried unanimously.

e. Discussion and Action to Adopt the Model Tax Compliance Regulations Reviewed and Approved by the IRS

Motion was made by Jeff Grover and seconded by Darin Gharat to adopt the resolution adopting tax compliance regulations for the Stanislaus County Employees' Retirement Association as presented with the effective date change of January 1, 2015.

Motion carried unanimously.

8. Members' Forum (Information and Future Agenda Requests Only) **Heard out of order**

Trustee Gharat inquired about sending out information to plan sponsors regarding the normal retirement age and definition of a bona fide separation from service.

Kellie Gomes reminded Board members to think about Committee assignments for 2015 and if the members had any preference to contact her.

7. Closed Session

Motion was made Darin Gharat and seconded by Michael O'Neal to enter into closed session at 2:42 p.m.

Motion carried unanimously.

7. Closed Session (Cont.)

- a. Discussion and Action Regarding Allocation of StanCERA's Infrastructure Assets  
Government Code Section 54956.81
- b. Discussion and Action Regarding Allocation of StanCERA's Real Estate Assets  
Government Code Section 54956.81
- c. Conference with Legal Counsel – Pending Litigation – One Case:  
Stanislaus County Employees' Retirement Association v. Buck Consultants, LLC,  
Mediation Pursuant to Evidence Code Sections 1115, 1119, 1152  
Government Code Section 54956.9(d)(4)
- d. Conference with Legal Counsel – Pending Litigation – One Case:  
O'Neal et al v. Stanislaus County Employees' Retirement Association  
Stanislaus County Superior Court Case No. 648469  
Government Code Section 54956.9(d)(1)
- e. Conference with Legal Counsel – Pending Litigation – One Case:  
Nasrawi et al v. Buck Consultants, LLC, et.al, Santa Clara County  
Superior Court Case No. 1-11-CV202224;  
Court of Appeal, Sixth Appellate District, Case No. H038894  
Government Code Section 54956.9(d)(1)

Motion was made by Maria DeAnda and seconded by Jason Gordo to enter into open session at 3:12 p.m..

Motion carried unanimously.

Kellie Gomes presented the following read out from closed session:

On May 27, 2014 in closed session action was taken on Item # 9.a. Motion was made by Jeff Grover and seconded by Jason Gordo to allocate \$15 Million to Morgan Stanley Prime Property Fund and directed staff to begin the legal review process with Hansen & Bridgett and negotiate the contract. A roll call vote carried unanimously.

Today, December 10, 2014 in closed session, action was taken on item 7.b. After legal review and the negotiation process with Hanson & Bridgett a motion was made by Jeff Grover and seconded by Michael O'Neal to commit \$15 million to Morgan Stanley Prime Property Fund and directed staff to sign the commitment letter.

Motion carried unanimously

9. Adjournment

Meeting adjourned at 3:13 p.m.

Respectfully submitted,

Rick Santos, Executive Director

A handwritten signature in blue ink, appearing to read "Rick Santos", written over a horizontal line.

APPROVED AS TO FORM:  
JIM OLIVEIRA, GENERAL LEGAL COUNSEL

By:  \_\_\_\_\_  
Jim Oliveira, General Legal Counsel