



## BOARD OF RETIREMENT MINUTES December 16, 2015

|                          |   |
|--------------------------|---|
| <b>Trustees Present:</b> | Jim DeMartini, Michael O'Neal, Jeff Grover, Donna Riley<br>Sam Sharpe and Jegan Raja (for Gordon Ford)  |
| <b>Alternate Trustee</b> | Joan Clendenin, Alternate Retiree Representative  |
| <b>Trustees Absent:</b>  | Jason Gordo, Mike Lynch and Gordon Ford   |
| <b>Staff Present:</b>    | Rick Santos, Executive Director<br>Kathy Herman, Fiscal Services Manager<br>Dawn Lea, Member and Employer Services Manager<br>Kellie Gomes, Executive Board Assistant |
| <b>Others Present:</b>   | Fred Silva, General Legal Counsel<br>Ed Hoffman, Investment Consultant<br>Bryce Haws, Linea Consultant  |

1. Meeting Called to Order

Meeting called to order 2:04 p.m. by Trustee Riley, Chair

2. Roll Call

3. Announcements

Kellie Gomes announced that Trustee Riley would assume the role of Chair for the remainder of this calendar year and all of 2016.

Kellie Gomes announced that Trustee Gordo would assume the role of Vice-Chair for the remainder of this calendar year and all of 2016.

4. Public Comment

None

5. Consent Items

Trustee Sharpe asked to be recused from voting on Item 5.f and left the room.

- a. Approval of the November 24, 2015 Meeting Minutes
- b. Monthly Staff Report
- c. Report on Earnings Allocation for Fiscal Year 2015
- d. Approval of Service Retirement(s) – **Sections 31499.14, 31670, 31662.2 & 31810**
  1. Adkins, John – City of Ceres– Effective 12-06-2015
  2. Alvarez, Marta – BHRS – Effective 12-30-2015
  3. Benjamin, Ann– CSA – Effective 12-12-2015
  4. Camelio, David – Probation– Effective 12-29-2015 \*
  5. Chmielski, Patsy – CEO – Effective 12-20-2015
  6. Edwards, Debbie– Superior Courts – Effective 11-04-2015
  7. McCandless, Martha– HSA– Effective 12-02-2015

8. Rickett, Marilyn – BHRS – Effective 12-25-2015
9. Sanson, David – Sheriff – Effective 03-21-2015 \*
10. Tarancon, Trinidad – BHRS – Effective 11-26-2015
11. Wood, Ronald – Superior Courts – Effective 12-31-2015

*\* Indicates Safety Personnel*

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

1. Foster, Jeannine – CSA – Effective 11-14-2015
2. Lagorio, Kathleen – Superior Courts – Effective 12-01-2015
3. Pen Rocha, Phannary – CSA – Effective 11-11-2015

f. Approval of Disability Retirement - **Section 31724**

1. Smith, Tonya - Police Officer, Service-Connected, Effective 12-17-2015 \*

*\* Indicates Safety Personnel*

g. Approval of Death Benefit – **Sections 31781, 31781.1, and 31781.3**

1. Fielder, Jeremy, Active Member

Motion was made by Trustee Grover and seconded by Trustee O'Neal to approve consent item 5.f as presented.

Motion carried unanimously

Trustee Sharpe returned to the room.

Motion was made by Trustee Grover and seconded by Trustee O'Neal to approve all other consent items as presented minus item 5.f.

Motion carried unanimously

6. Executive Director - Administrative

a. Discussion and Action Regarding Staffing Request

Motion was made by Trustee Grover and seconded by Trustee Sharpe to approve staffing request outlined in the staff recommendation as follows:

1. Approve the addition of two new positions, one Member and Employer Services Specialist and one Member and Employer Services Technician. (Attachment 1 & 2)
2. Approve an adjustment to the Fiscal Year 2015-2016 Administrative Budget to include \$64,938 for salary, benefits and equipment to set up and fund these positions for the five months remaining in the fiscal year.

Motion carried unanimously

b. Information Technology Solutions (ITS) Project Update

Kathy Herman and Bryce Haws from Linea gave the Board their regular monthly update on the progress of the ITS project

7. Committee Reports and Recommendations for Action

STANDING COMMITTEES

Internal Governance Committee

a. Discussion and Action regarding the following:

StanCERA Bylaws Revision  
Excess Earnings and Interest Posting Policy Update  
Wire Transfer Policy Update

Motion was made by Trustee Grover and seconded by Trustee O'Neal to approve all three items as presented.

Motion carried unanimously

8. Executive Director - Investment

a. Medley Capital Corporation – Educational Presentation

Chris Taube gave an update on the continued market dislocation in the Direct Lending market.

9. Closed Session

- a. 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)
- b. 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)

Nothing to Report

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

None

BREAK 11:42 a.m. - 12:45 p.m.

11. Asset Liability Study

- Workshop Agenda
- Workshop Introduction
- Role of Asset Classes
- Asset Liability Study
- Investment Strategy Evaluation

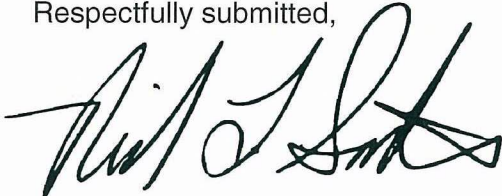
11. Asset Liability Study (Cont.)

Ed Hoffman of Verus presented the triennial asset liability study. In January, Ed will bring back the two candidate mixes for final refinement from the Board based off the discussion today.

12. Adjournment

Meeting adjourned at 3:45 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Rick Santos", with a stylized flourish at the end.

Rick Santos, Executive Director

APPROVED AS TO FORM:  
Fred Silva, GENERAL LEGAL COUNSEL

By:   
Fred Silva, General Legal Counsel