



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

March 13, 2013

Members Present: Gordon Ford, Maria De Anda, Donna Riley, Mike Lynch,
Jim DeMartini, Darin Gharat, Michael O'Neal

Members Absent: Jeff Grover and Ron Martin

Alternate Member Joan Clendenin, Alternate Retiree Representative

Staff Present: Rick Santos, Executive Director
Kellie Gomes, Executive Board Secretary
Luiana Irizarry, Investment/Accounting Technician
Dawn Lea, Benefits Manager
Kathy Herman, Operations Manager

Others Present: Fred Silva, General Legal Counsel
Nate Pratt, Strategic Investment Solutions (SIS), Inc.
Doris Foster, County Chief Executive Office
Jeanine Bean, Superior Court

1. Meeting called to order at 2:00 p.m. by Darin Gharat, Chair.
2. Meeting Called to Order
2. Roll Call
3. Announcements
 - Kathy Herman announced that staff will formally be bringing an agenda item on the 26th laying out what the Strategic Planning Objective Committee voted on recently. She also announced that the Committee chose the firm Cortex to facilitate the Strategic Plan for 2013-2016. She iterated that the Board will be doing formal interviews with staff from Cortex and participating in a Board workshop later this year culminating the entire process.
4. Public Comment

None.

5. Consent Items

Motion was made by Maria DeAnda and seconded by Donna Riley to approve the following Items:

Motion carried.

- a. Approval of the February 26, 2013 Investment Meeting Minutes
- b. One Year Extension of Investment Consultant Service Contract with Strategic Investment Solutions (SIS) Primary Consultant - Paul Harte
- c. Approval of Service Retirement(s) – **Sections 31499.14, 31670, 31662.2 & 31810**
 1. Carol Baker, CSA Effective 3/30/2013
 2. Laurie Barton, Public Works, Effective 03-30-2013
 3. Gerard Begen, District Attorney, Effective 03-30-2013
 4. Gary Caseri, Ag Commissioner, Effective 03-02-2013
 5. Mary Clendenen, CSA, Effective 03-02-2013
 6. Cynthia Colenbaugh, CSA, Effective 03-19-2013
 7. Mark Copeland, Sheriff, Effective 03-22-2013
 8. Fay Craft, CEO, Effective 03-02-2013
 9. Anne Marie Danhoff, CSA Effective 3/30/2013
 10. Joyce DI Menco, BHRS, Effective 03-30-2013
 11. Carol Gaska-Elsayed, CSA, Effective 03-09-2013
 12. Eva Hepler, CSA, Effective 03-30-2013
 13. Samuel Houston, BHRS, Effective 03-30-2013
 14. Margaret Howell, HSA Effective 3/1/2013
 15. Bryan Hunt, City Of Ceres, Effective 03-17-2013
 16. Cynthia Jim, Library, Effective 03-29-2013
 17. David Lawrence Jones, Environmental Resources, Effective 03-23-2013
 18. Jean Jones, City Of Ceres, Effective 03-30-2013
 19. Shelley Krepela, Child Support Services, Effective 03-01-2013
 20. James Kwartz, CEO Effective 3/30/2013
 21. Manuel Martinez JR, Sheriff, Effective 03-29-2013
 - 22.. Helen Merrick, HSA, Effective 03-23-2013
 23. Maria Munoz, Sheriff, Effective 03-08-2013
 24. Sary Man, CSA, Effective 03-30-2013
 25. Mary Oakes, BHRS, Effective 03-30-2013
 26. Charlotte Paden, District Attorney, Effective 03-01-2013
 27. Marjorie Peters, HSA, Effective 03-30-2013
 28. Donna Robinson, District Attorney, Effective 03-30-2013
 29. Steven Sather, Environmental Resources, Effective 3/4/2013
 30. Kathleen Satterlee, CSA, Effective 3/30/2013
 31. Judth Swisher, Courts, Effective 03-30-2013
 32. Pamela Tennis, Courts, Effective 03-29-2013
 33. Michael Tozzi, Courts, Effective 03-30-2013
 34. Mary Elizabeth Tryon, Public Defender, Effective 03-01-2013

5. Consent Items (Cont.)

35. Dennis Underwood, Sheriff, Effective 03-03-2013
36. Janice Weatherill, Courts, Effective 03-30-2013
37. Celeste Wheeler, Courts, Effective 03-30-2013
38. Leslie Wilkinson, Stanislaus Regional 911 Effective 03-23-2013
39. Nancy Williamsen, Courts, Effective 03-30-2013
40. Michael Wilson, Public Works Effective 3/30/2013
41. Jacquelyn Yard, Courts, Effective 03-30-2013

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

1. Scott Criswell, Sheriff, Effective 2-15-2013
2. Christopher Espino, CSA, Effective 2-9-2013
4. Gregory Gaudio, Alliance WorkNet, Effective 2-2-2013
5. Christopher Michaels, Agricultural Commissioner, Effective 2-2-2013
6. Juan Munoz, Courts, Effective 1-12-2013
7. Brandi Schultz Corvey, BHRS, Effective 9-8-2012
8. Peter Villalobos, Ceres, Effective 2-2-2013
9. Robert B. Westbrook, Public Defender, Effective 12-5-2012

Jim DeMartini Arrived 2:05pm

6. Executive Director

a. New Legislation Update

Jamie Borba announced updates as follows:

AB 382 allows Real Estate Investments to fall under the current disclosure rules

AB 1390 allows new members under the PEPRA legislation to retire at age 70 regardless of years of service and affirms that new Safety members cannot retire before age 50 regardless of service years; General members cannot retire before age 52 regardless of service years

b. Discussion and Action on the State Association of County Retirement System' (SACRS) May 13-17, 2013, Spring Conference Voting Proxy Form

Motion was made by Mike Lynch and seconded by Mike O'Neal to approve Trustee Gharat and Trustee Ford to be the voting delegate and alternate voting delegate, respectively, at this year's Spring 2013 SACRS Conference

Joan Clendenin Arrived 2:08pm

6. Executive Director (Cont.)

- c. Discussion and Action on the State Association of County Retirement System' (SACRS) Nominating Committee's Recommended Ballot for the Board of Directors' Elections at the May 17, 2013 Business Meeting

Motion was made by Gordon Ford and seconded by Maria DeAnda to approve the proposed SACRS Nominating Committee's recommendations for SACRS Executive staff for the coming year

Motion carried

- d. Update on Direct Lending Fund Candidate Review

The Board was given an update on the transition to Direct Lending by the Director

7. Closed Session

Motion was made by Maria DeAnda and seconded by Michael Lynch to enter into closed session at 2.17pm

Motion carried.

- a. Conference with Legal Counsel – Personnel Matter Pursuant to Government Code Section 54957(b)

Motion was made by Michael O'Neal and seconded by Maria DeAnda to return from closed session at 2:46pm

Motion carried

No report other than what is reported under Item 8

Joan Clendenin and Michael O'Neal recused themselves at 2:46 p.m

Motion was made by Maria DeAnda and seconded by Michael Lynch to enter into closed session at 2.47pm

Motion Carried

- b. 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)

7. Closed Session (Cont.)

- c. 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)
- d. 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
Government Code Section 54956.9(d)(1)

Motion was made by Maria DeAnda and seconded by Michael Lynch to return from closed session at 3:06pm

Motion carried

Trustee Gharat reported the motion made by Mike Lynch and seconded by Donna Riley to retain EFI for a consulting agreement with a fee ceiling of \$20,000.

Motion carried

8. Executive Director Review Committee

- a. Discussion and Action Regarding Report from Executive Director's Review Committee – Darin Gharat, Chair

Motion was made by Michael O'Neal and seconded by Mike Lynch to increase the Directors salary by 2.18%. This increase represents an annual salary of \$150,010 minus the 6% furlough salary deduction bringing the total annual salary after the 6% deduction to \$141,009. This increase will be retroactive to November 19, 2012. Furlough time will be added back into Mr. Santos furlough bank and reconciled to time already used as vacation for that time period. The Director will be held harmless for the unused furlough time that will need to be adjusted. Staff to survey other System's to ascertain salary levels and ranges for the similar types of positions related to the functions that the Director is currently performing. Counsel will work with County Staff to increase salary band for Executive Director if necessary

Motion carried

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

Trustee Gharat complemented staff on the large number of retirements processed this agenda period

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

Trustee Clendenin commented that she would have preferred to pull Item 5B for discussion

Trustee Riley stated she would be in Sacramento on March 21 to visit several members of the State Legislature

10. Adjournment

Meeting adjourned at 3:08 p.m.

Respectfully submitted,



Rick Santos, Executive Director



APPROVED AS TO FORM:
FRED A. SILVA, GENERAL LEGAL COUNSEL