PLEASE POST FOR EMPLOYEE VIEWING

BOARD OF RETIREMENT MINUTES April 28, 2015

Trustees Present: Maria DeAnda, Donna Riley, Gordon Ford, Mike Lynch, Jim DeMartini, Michael O’Neal

Trustees Absent: Jeff Grover and Jason Gordo

Alternate Trustee: Joan Clendenin, Alternate Retiree Representative

Staff Present: Rick Santos, Executive Director
Kathy Herman, Fiscal Services Manager
Dawn Lea, Benefits Manager
Kellie Gomes, Executive Board Secretary

Others Present: Fred Silva, General Legal Counsel
Nathan Pratt, Strategic Investment Solutions
John Meier, Strategic Investment Solutions

1. Meeting Called to Order

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

2. Roll Call

3. Announcements

None

4. Public Comment

None

5. Consent Items

a. Approval of the March 24, 2015 Meeting Minutes

b. Approval of the April 8, 2015 Meeting Minutes

Motion was made by Trustee Riley and seconded by Trustee O’Neal to approve consent items as presented.

Motion carried unanimously
6. **Annual Performance Report PIMCO**
   
a. Value Added Report

7. **Executive Director**
   
a. Discussion and Action Regarding Information Technology Solutions

   An Ad Hoc Committee comprised of Trustee O’Neal, Trustee De Annda was established to assist and guide staff through the implementation of multiple technology solutions.

   Board requested to hear Items and motion on items 7.d and 7.b out of order.

b. Discussion and Action Regarding Direct Lending Asset Class (Item heard in order and vote postponed after 7.d was heard.)

   Motion was made by Trustee Riley and seconded by Trustee DeMartini to accept staff recommendation to commit $15,000,000 to the Raven III Fund and wait until the asset liability study in the fall before deciding on whether to continue to fund this asset class.

   Roll call vote passed 4/2.

<table>
<thead>
<tr>
<th>Trustee</th>
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<tbody>
<tr>
<td>Ford</td>
<td>No</td>
</tr>
<tr>
<td>DeAnda</td>
<td>Yes</td>
</tr>
<tr>
<td>Riley</td>
<td>Yes</td>
</tr>
<tr>
<td>Lynch</td>
<td>No</td>
</tr>
<tr>
<td>DeMartini</td>
<td>Yes</td>
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<tr>
<td>O’Neal</td>
<td>Yes</td>
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   c. Discussion and Action Regarding Financial Auditor Services

   Motion was made by Trustee O’Neal and seconded by Trustee Riley to accept the Evaluation Team’s recommendation to retain Brown Armstrong for financial auditor services.

   Motion was made by Trustee Riley and Seconded by Trustee O’Neal to authorize the Executive Director to sign all documents and enter into a three year agreement with an option to extend for another three years.

d. Discussion and Action Regarding Portfolio Rebalancing

   1. Strategic Investment Solutions Memo

   Motion was made by Trustee De Martini and seconded by Trustee Riley to approve the recommendation as stated by Consultants, John Meier and Nathan Pratt, to reduce US Equity by $40 million, $7 million from Legato, $13 million from Capital Prospects and $20 million from Mellon Capital and increase International Equity by $40 million, $22 million to LSV and $18 million to Pyramis.
d. Discussion and Action Regarding Portfolio Rebalancing (cont.)

Roll call vote passed 4/2

Trustee Ford  No
Trustee DeAnda  Yes
Trustee Riley  Yes
Trustee Lynch  No
Trustee DeMartini  Yes
Trustee O'Neal  Yes

8. Strategic Investment Solutions (SIS), Inc.

Nate Pratt and John Meier presented March 31 2015, reports on StanCERA’s investments.


   Monthly Performance:  -0.38%
   Active Return:  0.00%
   Fiscal YTD Return:  3.54%
   Total Fund Value as of 3/31/2015:  $1,825,620,100


9. Closed Session


b. 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)

c. 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)

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

   None
11. **Adjournment**

Meeting adjourned at 4:23 p.m.

Respectfully submitted,

[Signature]

Rick Santos, Executive Director

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

By: [Signature]
Fred A. Silva, General Legal Counsel