



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

June 25, 2013

- Members Present:** Gordon Ford, Maria De Anda, Donna Riley, Ron Martin,
Darin Gharat, Michael O'Neal
- Members Absent:** Jeff Grover, Jim DeMartini, Mike Lynch
- Alternate Member** Joan Clendenin, Alternate Retiree Representative
- Staff Present:** Rick Santos, Executive Director
Kellie Gomes, Executive Board Secretary
Kathy Herman, Operations Manager
Dawn Lea, Benefits Manager
- Others Present:** Fred Silva, General Legal Counsel
Paul Harte and Nate Pratt, Strategic Investment Solutions (SIS), Inc.
Doris Foster, County Chief Executive Office
Jeanine Bean, Superior Court

1. Meeting Called to Order

Meeting called to order at 2:04p.m. by Darin Gharat, Chair.

2. Roll Call

3. Announcements

Kellie Gomes announced a necessary change in retirement date for a member for the minutes of the June 12 administration meeting.

Rick Santos, Director reminded Trustees that we will be missing 4 members for our July 10th Administration meeting due to our Due Diligence trip. If any of the 5 remaining Trustees may not be able to attend the July 10th meeting, they should contact Kellie as soon as possible. If we do not have a quorum, we will have to have an Admin/Investment meeting combo on the July 23rd.

4. Public Comment

None

5. Consent Items

Motion was made by Maria De Anda and seconded by Donna Riley to approve the following items with the correction made to Kenneth Slamon Jr.'s retirement date to read **6/18/13** and not **6/17/13** as reflected in the June 12 minutes:

Motion carried

a. Approval of the June 12, 2013 Administrative Meeting Minutes

6. Semi-Annual Performance Report by Capital Prospects LLC

a. StanCERA Exhibit: Capital Prospects Quarterly Value Added

Presenters: Marilyn Freeman, CCO Principal Manager
Elizabeth Knope Principal manager, EEO Officer

Investment Style: Small Cap Value

- Initial funding and date: \$49.1 million 1/2009
- Ending Value on 5/31/13: \$83.5 million
- Recent Quarter Return Ending 3/31/13 (Net): 12.7%
- 1 Year Return: 23.9%
- 3 Year Return: 15.1%
- Since Inception Return: 19.9%

7. Semi-Annual Performance Report by Legato Capital Management LLC

a. StanCERA Exhibit: Legato Capital Management Quarterly Value Added

Presenters: Victor Hymes CEO-CIO
Doug Porter, CFA, CAIA, FRM –Senior Vice President

Investment Style: Small Cap Growth

- Initial funding and date: \$28.3 million 1/2009
- Ending Value on 5/3/13: \$74.3 million
- Recent Quarter Return Ending 3/31/13 (Net): 13.8%
- 1 Year Return: 17.6%
- 3 Year Return: 15.0%
- Since Inception Return: 21.2%