



STANISLAUS COUNTY
EMPLOYEES' RETIREMENT ASSOCIATION
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BOARD OF RETIREMENT MINUTES

August 14, 2013

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

Members Absent: None

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
Doris Foster, County Chief Executive Office

1. Meeting Called to Order

Meeting called to order at 2:01p.m. by Darin Gharat, Chair.

2. Roll Call

3. Announcements

None

4. Public Comment

None

5. Consent Items

Motion was made by Maria De Anda and seconded by Jeff Grover to approve the following Items:

Motion carried

- a. Approval of the July 23, 2013 Investment Meeting Minutes

5. Consent Items (Cont.)

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

1. Connie Chase, Sheriff, Effective 08-06-2013
2. Elaine Emery, HSA, Effective 08-17-2013
3. Karen Francis, HSA, Effective 08-10-2013
4. David Gavett, BHRS, Effective, 08-10-2013
5. Edward Judy, Probation, Effective 08-25-2013
6. Sylvia Murillo, CEO, Effective 08-10-2013
7. Barbara Pearce-Chiesa, BHRS, Effective 08-16-2013
8. Silvia Tijerina, Superior Court, Effective 08-10-2013
9. Karin Tramel, Public Works, Effective 08-01-2013
10. Hiep Voquy, BHRS, Effective 08-03-2013

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

1. Anthony Bejaran, Sheriff, Effective 07-12-2013
2. Daniel W. Fairchild, City of Ceres, Effective 07-21-2013
3. Mandy Smith, Sheriff, Effective 06-01-2013
4. Augusto F. Solidum, Superior Court, Effective 07-11-2013

d. Approval of Disability Retirement – **Section 31724**

1. Arlene Cross, CSA, Service Connected, Effective 03-29-12
2. Raymond Kiernan, Sheriff, Service Connected, Effective 04-06-13

6. Committee Reports and Recommendations for Action

STANDING COMMITTEES

a. Internal Governance Committee

- i. Annual Financial Audit - Macias Gini & O'Connell, CPAs Entrance Conference for year ending June 30, 2013.

Trustee De Anda reported that The Committee met with Rick Green from the auditing firm MGO. Mr. Green discussed how the audit will proceed and their processes for certifying StanCERA's financial statements. Time was also spent discussing the implementation of GASB 67/68 which sets new standards for Governmental accounting pension standards. The Annual Financial Audit will begin on August 19, 2013.

6. Committee Reports and Recommendations for Action (Cont)

STANDING COMMITTEES

a. Internal Governance Committee

ii. Discussion and Action regarding Salary Band for Executive Director.

Motion was made by Jim DeMartini and seconded by Jeff Grover to accept the Internal Governance Committee's recommendation to reassign the Executive Director's Salary Band to M01 H with an annual salary as follows:

Min Rate \$128,252.80 - Mid Rate \$160,305.60 - Max Rate \$ 192,358.40.

This band most closely matches the responsibilities, qualifications, credentials and education level required of the position of Executive Director. This band is within the County's current Salary Classification system.

Motion carried

7. Executive Director

a. Discussion and Action to Appoint a Board of Retirement Trustee to the Custody Bank Search/Request for Proposal Evaluation Team – Kathy Herman

Trustee Donna Riley was appointed to the custodial bank evaluation team

b. Discussion and Action Regarding White Oak Pinnacle Fund Investment Advisory Committee

Motion was made by Jeff Grover and seconded by Mike Lynch to authorize Rick Santos, Director, to consent to the appointment of DMS Offshore Investment Services as an independent third party advisory committee, to oversee governance issues for the Pinnacle Fund pending further review of the fund.

Motion carried

c. Discussion and Action Regarding Active Manager Excess Cash Holdings

A study session regarding the cash holdings of our active managers and potential solutions for equitizing such was discussed. The study session focused on a cash overlay solution which would entail the use of futures contracts. The Board directed staff to include this service in the RFP for a new custodian bank and to have SIS bring to the Board potential managers regarding this strategy for discussion.

9. Members' Forum (Information and Future Agenda Requests Only)
(Heard Out of Order to Accommodate Recused Closed Session Trustees)

Trustee Ford asked the Director to request any side letters of investors that may have joined the Medley and White Oak funds after StanCERA's initial commitment.

It was requested that approval for attendance of the Investment Funds Summit sponsored by the Opal Financial Group be calendared for our next meeting on the 27th.

8. Closed Session

- a. 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)
- 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)

Trustee Micheal O'Neal and Joan Clendenin recused themselves at 3:29 p.m

Motion was made by Jeff Grover and seconded by Maria DeAnda to move in to closed session at 3:30 p.m.

Motion carried

Motion was made by Maria DeAnda and seconded by Donna Riley to move out of closed Session at 3:31p.m.

Motion carried

No matters to report for closed session.

10. Adjournment

Meeting adjourned at 3:31 p.m.

Respectfully submitted,

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

Rick Santos, Executive Director

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

By: 
Fred A. Silva, General Legal Counsel

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