

**BOARD OF RETIREMENT
FRESNO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**

"Our mission is to administer the retirement benefits for the members and beneficiaries in a prudent, accurate, timely and cost-effective manner, while administering fund assets in a manner that achieves investment and funding objectives within prudent levels of risk."

June 21, 2017

**REGULAR MEETING
ACTION SUMMARY MINUTES**

[AN AUDIO RECORDING OF THE OPEN SESSION DISCUSSION ITEMS CAN BE FOUND ON OUR WEBSITE AT
WWW.FCERA.ORG](http://WWW.FCERA.ORG)

Trustees Present:

Laura P. Basua
Dr. Rauden Coburn, III
Steven J. Jolly

Gregory Baxter
Oscar Garcia
Nathan Magsig

Alan Cade, Jr.
Eulalio Gomez
Mary Ann Rogozinski, Alternate

Trustees Absent:

Robert Dowell

Staff and Service Providers Present:

Donald Kendig, Retirement Administrator
Doris Rentschler, Assistant Retirement Administrator
Elizabeth Avalos, Executive Assistant
Kenneth Price, Board Counsel – via teleconference
Craig Armstrong, Board Counsel
Deborah Coe, Board Counsel

Members of the Public that Addressed the Board:

Hipolito Fernandez, FCERA Member

1. CALL TO ORDER

Chair Coburn called the meeting to order at 8:32 AM.

2. PLEDGE OF ALLEGIANCE

Recited.

3. PUBLIC COMMENT

None.

4. CONSENT AGENDA

A MOTION WAS MADE BY TRUSTEE GARCIA, SECONDED BY TRUSTEE GOMEZ, TO ACCEPT CONSENT ITEMS 4.A. THROUGH 4.D. AS PRESENTED. VOTE: UNANIMOUS. ABSENT: CADE.

- A. Receipt and Filing of Public Records Requests and/or Retirement Related Correspondence – **RECEIVED AND FILED**
- B. Receipt and Filing of the May 2017 Activity Report – **RECEIVED AND FILED**
- C. Receipt and Filing of the Business Expense Account Statements for May 2017 – **RECEIVED AND FILED**
- D. Receipt and Filing of the Site Visit Report for the Fresno County Auditor-Controller-Treasurer-Tax Collector and Interim Due Diligence Status report for 2016-17 – **RECEIVED AND FILED**

Chair Coburn noted that, due to timing issues, Item 7.D. would be heard following Item 7.B.

5. MINUTES

- A. Consideration of the June 7, 2017 Retirement Board Regular Meeting Minutes

PRESENTED AND DISCUSSED. AN OPPORTUNITY WAS PROVIDED FOR PUBLIC COMMENT. A MOTION WAS MADE BY TRUSTEE GOMEZ, SECONDED BY TRUSTEE BASUA, TO APPROVE ITEM 5.A. AS PRESENTED. VOTE: UNANIMOUS. ABSTAIN: ROGOZINSKI. ABSENT – CADE.

6. DISCUSSION

- A. Consideration of FCERA Budget for Fiscal Year 2017-2018

PRESENTED AND DISCUSSED. AN OPPORTUNITY WAS PROVIDED FOR PUBLIC COMMENT. PRIOR TO APPROVING ITEM 6.A., IT WAS NOTED THAT THE PROPOSED BUDGET INCLUDES TENANT IMPROVEMENT COSTS FOR THE PALM BLUFF PROPERTIES AND EMPLOYEE APPRECIATION FUNDS AND EXCLUDES CII MEMBERSHIP DUES AS PREVIOUSLY DIRECTED BY THE BOARD. A MOTION WAS MADE BY TRUSTEE MAGSIG, SECONDED BY TRUSTEE GARCIA, TO APPROVE ITEM 6.A. AS PRESENTED. VOTE: UNANIMOUS. ABSENT – CADE.

- B. Consideration of Audit Engagement Letters

PRESENTED AND DISCUSSED. AN OPPORTUNITY WAS PROVIDED FOR PUBLIC COMMENT. PRIOR TO APPROVING ITEM 6.B., THE BOARD WAS INFORMED OF RECENT ASSIGNMENT CHANGES TO THE BROWN ARMSTRONG STAFF THAT WILL BE PERFORMING FCERA'S ANNUAL AUDIT. A MOTION WAS MADE BY TRUSTEE MAGSIG, SECONDED BY TRUSTEE GARCIA, TO APPROVE ITEM 6.B. AS PRESENTED. VOTE: UNANIMOUS. ABSENT – CADE.

C. Consideration of Updates to FCERA Funding Policy

PRESENTED AND DISCUSSED. AN OPPORTUNITY WAS PROVIDED FOR PUBLIC COMMENT. PRIOR TO APPROVING ITEM 6.C., THE BOARD REQUESTED MINOR CHANGES/REFINEMENTS TO THE POLICY INCLUDING CHANGING THE PAYMENT DUE DATE TO JULY 30. A MOTION WAS MADE BY TRUSTEE MAGSIG, SECONDED BY TRUSTEE ROGOZINSKI, TO APPROVE ITEM 6.C. AS PRESENTED. VOTE: UNANIMOUS. ABSENT – CADE.

7. FCERA REALTY GROUP, LLC

A. Consideration of Lease Approval for Palm Bluffs Tenants

PRESENTED AND DISCUSSED. AN OPPORTUNITY WAS PROVIDED FOR PUBLIC COMMENT. A MOTION WAS MADE BY TRUSTEE JOLLY, SECONDED BY TRUSTEE BASUA, TO APPROVE ITEM 7.A. AS PRESENTED. VOTE: UNANIMOUS. ABSENT – CADE.

B. Consideration of FCERA Realty Group LL Audit Engagement Letter

PRESENTED AND DISCUSSED. AN OPPORTUNITY WAS PROVIDED FOR PUBLIC COMMENT. A MOTION WAS MADE BY TRUSTEE GOMEZ, SECONDED BY TRUSTEE GARCIA, TO APPROVE ITEM 7.B. AS PRESENTED. VOTE: UNANIMOUS. ABSENT – CADE.

D. CLOSED SESSION

1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION: Significant exposure to litigation pursuant to subdivision (d) of Government Code section 54956.9. Number of Cases: 1

E. REPORT OUT OF CLOSED SESSION

7.D.1. No reportable action.

Trustee Cade joined the Board at 8:48 AM.

C. Consideration of Modification of Contract Authorization for Mold Remediation

PRESENTED AND DISCUSSED. AN OPPORTUNITY WAS PROVIDED FOR PUBLIC COMMENT. PRIOR TO APPROVING ITEM 7.C., THE BOARD HEARD A BRIEF SUMMARY OF THE EVENTS LEADING UP TO THE PALM BLUFF PROPERTY MOLD ISSUES. A MOTION WAS MADE BY TRUSTEE GOMEZ, SECONDED BY TRUSTEE BASUA, TO AUTHORIZE DONALD KENDIG, RETIREMENT ADMINISTRATOR, TO CONTRACT FOR MOLD REMEDIATION SERVICES NOT TO EXCEED \$500,000. VOTE: UNANIMOUS.

8. CLOSED SESSION:

- A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (pursuant to Gov. Code § 54956.9(a)): *Rodriguez v. Board of Retirement of FCERA* (Case No. 17CECG01497)

B. DISABILITY RETIREMENT APPLICATIONS – PERSONNEL EXCEPTION (pursuant to G.C. §54957)

1. Jennie Anaya
2. Hipolito Fernandez
3. Yvonne Foster
4. Robin Gross

9. **ORAL REPORTS:**

A. Report out of Closed Session

8.A. No reportable action.

8.B.1 **ANAYA – DECISION – A MOTION WAS MADE BY TRUSTEE JOLLY, SECONDED BY TRUSTEE ROGOZINSKI, TO DENY SERVICE CONNECTED DISABILITY BENEFITS AS RECOMMENDED. VOTE: UNANIMOUS.**

8.B.2 **FERNANDEZ – DECISION – A MOTION WAS MADE BY TRUSTEE JOLLY, SECONDED BY TRUSTEE GARCIA, TO DENY SERVICE CONNECTED DISABILITY BENEFITS AS RECOMMENDED. VOTE: UNANIMOUS.**

8.B.3 **FOSTER – DECISION – A MOTION WAS MADE BY TRUSTEE BASUA, SECONDED BY TRUSTEE ROGOZINSKI, TO APPROVE THE EFFECTIVE DATE OF THE APPLICANT’S SERVICE CONNECTED DISABILITY BENEFITS RETROACTIVE TO APRIL 26, 2006, THE DATE OF UNPAID LEAVE. VOTE: YES – BASUA, BAXTER, COBURN, GARCIA, JOLLY, MAGSIG, ROGOZINSKI. NO – CADE, GOMEZ. MOTION PASSED.**

8.B.4 **GROSS – DECISION – A MOTION WAS MADE BY TRUSTEE GOMEZ, SECONDED BY TRUSTEE BASUA, TO GRANT SERVICE CONNECTED DISABILITY BENEFITS. VOTE: UNANIMOUS.**

B. FCERA Administration

1. The FCERA Portal has 2,236 registered users and growing.
2. Chair Coburn will be absent from the July 19 and August 2 meetings.

C. Board Counsel

Counsel had nothing to report.

D. Committee Reports

A Disability Committee meeting is scheduled to immediately follow this meeting.

E. Board Members

Trustee Magsig gave a brief verbal report on his recent attendance at the PIMCO Institute in Newport Beach CA.

There being no further business, the meeting adjourned at 10:08 AM.

Donald C. Kendig, CPA
Secretary to the Board