

**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."

September 6, 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:

Dr. Rod Coburn, III
Steven J. Jolly

Robert Dowell
Nathan Magsig

Oscar Garcia
Mary Ann Rogozinski, Alternate

Trustees Absent:

Laura Basua

Gregory Baxter

Eulalio Gomez

Staff and Service Providers Present:

Donald Kendig, Retirement Administrator
Doris Rentschler, Assistant Retirement Administrator
Elizabeth Avalos, Executive Assistant
Conor Hinds, Supervising Accountant
Kenneth Price, Board Counsel
Craig Armstrong, Board Counsel
Jeffrey MacLean, Verus
Casey Jones, White Oak
Darius Mozaffarian, White Oak
Ted Aronson, Aronson Johnson Ortiz
Gina Moore, Aronson Johnson Ortiz

Members of the Public that Addressed the Board:

Thomas Tusan, Counsel for Sem Bravo and Aaron Grinstead; FCERA Members

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 MAGSIG, SECONDED BY TRUSTEE GARCIA, TO APPROVE/ACCEPT CONSENT ITEMS 4.A. THROUGH 4.G. AS PRESENTED. VOTE: UNANIMOUS. ABSENT: BASUA, BAXTER, GOMEZ.

- A. Receipt and Filing of the FCERA Cash Flow Position as of July 2017 – **RECEIVED AND FILED**
- B. Receipt and Filing of Annual Proxy Voting Report as of June 30, 2017 – **RECEIVED AND FILED**
- C. Receipt and Filing of the Business Expense Account Statements for July 2017 – **RECEIVED AND FILED**
- D. Approval of Retirements for August 2017 – **APPROVED**
- E. Approval of the Installation of Building Dedication Plaques Co-funded by RDT Architecture & Interior Design, Inc., Architect, and Divcon Inc., General Contractor – **APPROVED**
- F. Approval of Reimbursement Agreement by and between the County of Fresno and the Fresno County Employees' Retirement Association regarding Board of Retirement Elections – **APPROVED**
- G. Approval of a Complimentary Audit of the Fund's Custodial Banks' Claims-filing Processes by Robbins Geller – **APPROVED**

5. MINUTES

- A. Consideration of the August 2, 2017 Retirement Board Regular Meeting Minutes

ITEM 5.A. WAS CONTINUED TO THE SEPTEMBER 20, 2017 REGUALR MEETING.

6. DISCUSSION

- A. Educational Presentation on Direct Lending, White Oak Global Advisors

PRESENTED AND DISCUSSED. AN OPPORTUNITY WAS PROVIDED FOR PUBLIC COMMENT. NO ACTION TAKEN.

- B. Performance and Economic Summary Report and Presentation, Aronson Johnson Ortiz

PRESENTED AND DISCUSSED. AN OPPORTUNITY WAS PROVIDED FOR PUBLIC COMMENT. NO ACTION TAKEN.

- C. Consideration of Holding the Majority of FCERA Cash in the Treasurer Cash Account

PRESENTED AND DISCUSSED. AN OPPORTUNITY WAS PROVIDED FOR PUBLIC COMMENT. THE BOARD DEFERRED THE ITEM BACK TO STAFF AND COUNSEL FOR FURTHER REFINEMENTS AND CLARIFICATION WITH DIRECTION TO REVISIT THE ISSUE AT THE OCTOBER 18, 2017 REGULAR MEETING. NO FORMAL ACTION TAKEN.

- D. Consideration of Short Duration Fixed Income Search

ITEM 6.D. WAS PRESENTED TO THE BOARD AS REFERENCE ONLY. NO ACTION TAKEN.

- E. Review of Quarterly Investment Reports for the Period Ended March 31, 2017

1. Investment Landscape
2. Investment Performance
3. Compliance Evaluation Report

PRESENTED AND RECEIVED. AN OPPORTUNITY WAS PROVIDED FOR PUBLIC COMMENT. ITEM 6.E. WAS RECEIVED AND FILED WITH NO ACTION TAKEN.

- F. Board Standing Committee Appointments

- Audit Committee
- Budget Committee

THE BOARD CONTINUED THE ITEM AND WILL REVISIT THE ISSUE AT THE JANUARY 3, 2018 REGULAR MEETING.

7. FCERA REALTY GROUP, LLC

- A. 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
2. CONFERENCE WITH REAL PROPERTY NEGOTIATORS (pursuant to G.C. §54956.8)

- A. Property: 7766 N. Palm Ave. Fresno, CA 93711
Agency Negotiators: Donald Kendig, Kenneth Price, Beau Plumlee and Brian Decker
Under Negotiation: Lease

8. CLOSED SESSION:

- A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Subdivision (a) of Section 54956.9):
1. *Facebook, Inc., IPO Securities and Derivative Litigation, SDNY (Case No. 1:12-md-02389-RWS)*
 2. *Fresno County Employees’ Retirement Association et al. v. comScore et al., SDNY (Case No. 1:16-cv-01820-JGK)*
- B. Consideration of Purchase or Sale of Particular, Specific Pension Fund Investments (pursuant to G.C. §54956.81) (one investment) – APPROPRIATE ACTION(S)
- C. CONFERENCE WITH REAL PROPERTY NEGOTIATORS (pursuant to G.C. §54956.8)
- A. Property: 1111 H Street, Fresno, CA 93721
Agency Negotiators: Donald Kendig, Kenneth Price
Under Negotiation: Sale
- D. 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. DISABILITY RETIREMENT APPLICATIONS – PERSONNEL EXCEPTION (pursuant to G.C. §54957)
1. Sem Bravo
 2. Aaron Grinstead

9. ORAL REPORTS:

- A. Report out of Closed Session
- 7.A.1. No reportable action.
 - 7.A.2. No reportable action.
 - 8.A.1. No reportable action.
 - 8.A.2. No reportable action.
 - 8.B. No reportable action.
 - 8.C. No reportable action.
 - 8.D. No reportable action.
 - 8.E.1. **BRAVO – DECISION – A MOTION WAS MADE BY TRUSTEE ROGOZINSKI, SECONDED BY TRUSTEE DOWELL, TO GRANT SERVICE CONNECTED DISABILITY BENEFITS BASED ON THE PROPOSED RECOMMENDATION OF THE HEARING OFFICER. VOTE: UNANIMOUS. ABSENT: BASUA, BAXTER, GOMEZ.**
 - 8.E.2. **GRINSTEAD – DECISION – A MOTION WAS MADE BY TRUSTEE GARCIA, SECONDED BY TRUSTEE DOWELL, TO GRANT SERVICE CONNECTED DISABILITY BENEFITS BASED ON THE IME OPINION OF DR. D’AMICO. VOTE: UNANIMOUS. ABSENT: BASUA, BAXTER, GOMEZ.**
- B. FCERA Administration
1. Staff introduced and welcomed Steve Mayer to the FCERA team.
 2. The September 20, 2017 Regular Meeting will include up to 13 disability applications.

3. Staff has arranged to hold the next 3 Board meetings at the current location on H street. The November 1-2, 2017 will be held offsite and Wonder Valley and the second meeting in November will be dark due to the SACRS Conference. The December 6, 2017 Regular Meeting is scheduled to be held at the new Palm Bluffs location.
- C. Board Counsel
Counsel had nothing to report.
 - D. Committee Reports
 1. The Personnel Committee will meeting immediately following the September 20, 2017 Regular Meeting.
 - E. Board Members
Chair Coburn thanked Jeffrey MacLean of Verus for hosting the Annual Verus Client Summit noting that it was informative and timely.

There being no further business, the meeting adjourned at 12:45 PM.

Donald C. Kendig, CPA
Secretary to the Board