

**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."

October 18, 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
Oscar Garcia
Nathan Magsig

Dr. Rauden Coburn, III
Eulalio Gomez
Mary Ann Rogozinski, Alternate

Robert Dowell
Steven Jolly

Trustees Absent:

Gregory Baxter

Staff and Service Providers Present:

Donald Kendig, Retirement Administrator
Doris Rentschler, Assistant Retirement Administrator
Elizabeth Avalos, Executive Assistant
Craig Armstrong, Board Counsel
Michael Kamell, Verus

Members of the Public that Addressed the Board:

None.

1. CALL TO ORDER

Chair Coburn called the meeting to order at 8:33 AM.

2. PLEDGE OF ALLEGIANCE

Recited.

3. PUBLIC COMMENT

None.

4. CONSENT AGENDA

Items 4.F. and 4.H. were pulled for comment/clarification.

A MOTION WAS MADE BY TRUSTEE DOWELL, SECONDED BY TRUSTEE GARCIA, TO APPROVE/ACCEPT CONSENT ITEMS 4.A. THROUGH 4.E, 4.G, AND 4.I. AS PRESENTED. VOTE: UNANIMOUS. ABSENT: BAXTER.

- A. Receipt and Filing of the Business Expense Account Statement for September 2017 – **RECEIVED AND FILED**
- B. Receipt and Filing of Site Visit Attendance Report from London trip: Trustee Steven Jolly – **RECEIVED AND FILED**
- C. Receipt and Filing of Site Visit Attendance Reports – **RECEIVED AND FILED**
 - 1. Artisan Partners
 - 2. Foster Pepper
- D. Receipt and Filing of Education Report from Kennedy Wilson: Retirement Administrator Donald Kendig – **RECEIVED AND FILED**
- E. Receipt and Filing of Education Attendance Reports from Council of Institutional Investors and CALAPRS Administrators' Institute: Donald Kendig – **RECEIVED AND FILED**
- F. Receipt and Filing of the Quarterly Trustee Travel Report and Anticipated Trustee Travel

It was noted that several of the travel calculation totals were incorrectly reflected on the report. Staff agreed to review and revise the report accordingly.

A MOTION WAS MADE BY TRUSTEE GOMEZ, SECONDED BY TRUSTEE MAGSIG, TO ACCEPT CONSENT ITEM 4.F. WITH CORRECTIONS. VOTE: UNANIMOUS. ABSENT: BAXTER.

- G. Receipt and Filing of Quarterly Written Administrator Report – **RECEIVED AND FILED**
- H. Receipt and Filing of Duties of Elected Active Member Trustees County Guidelines

Trustee Coburn expressed concern with the language “during normal working hours” noted on page 2, section II, paragraph 1 of the guidelines. He noted that there is an expectation that some meeting preparation could take place on one’s own time.

A MOTION WAS MADE BY TRUSTEE GOMEZ, SECONDED BY TRUSTEE BASUA, TO ACCEPT CONSENT ITEM 4.H. AS PRESENTED. VOTE: UNANIMOUS. ABSENT: BAXTER.

- I. Approval of FCERA Member Handbook - **APPROVED**

5. MINUTES

- A. Consideration of the October 4, 2017 Retirement Board Regular Meeting Minutes

Typing errors were noted on the page 5 of the minutes. Staff agreed to correct the errors prior to posting on the website.

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. ABSENT: BAXTER.

6. DISCUSSION

- A. Consideration of Holding FCERA Cash in the County Treasury Not to Exceed \$150,000,000 (continued)

PRESENTED AND DISCUSSED. AN OPPORTUNITY WAS PROVIDED FOR PUBLIC COMMENT. A MOTION WAS MADE BY TRUSTEE MAGSIG, SECONDED BY TRUSTEE DOWELL, TO APPROVE THE HOLDING OF THE MAJORITY OF FCERA CASH IN THE COUNTY TREASURY, NOT TO EXCEED \$150M, WITH PARAMETRIC HOLDING A MINIMUM OF TWO TIMES THE MINIMUM OVERLAY RESERVES FOR THE OVERLAY AND NORTHERN TRUST HOLDING \$25 MILLION MINIMUM FOR EMERGENCIES AND TO MAINTAIN AUTHORITY WITH THE RETIREMENT ADMINISTRATOR TO ADJUST PARAMETRIC HOLDINGS AND NORTHERN TRUST HOLDINGS AS NECESSARY FOR MARKET AND OTHER EVENTS, WITHIN THE MINIMUMS AND MAXIMUMS SPECIFIED. VOTE: YES – BASUA, COBURN, DOWELL, GARCIA, GOMEZ, MAGSIG. NO – JOLLY. ABSENT: BAXTER. MOTION PASSED.

- B. Consideration of Disability Medical Services

PRESENTED AND DISCUSSED. AN OPPORTUNITY WAS PROVIDED FOR PUBLIC COMMENT. A MOTION WAS MADE BY TRUSTEE MAGSIG, SECONDED BY TRUSTEE GOMEZ, TO APPROVE NATIONAL DISABILITY EVALUATIONS (NDE) AS THE CONTRACTED PROVIDER OF DISABILITY MEDICAL SERVICES BASED ON THE RATING OF THE EVALUATION COMMITTEE AND RECOMMENDATION OF THE DISABILITY COMMITTEE. VOTE: UNANIMOUS. ABSENT: BAXTER

- C. Consideration of Hamilton Lane Separate Account IMA

PRESENTED AND DISCUSSED. AN OPPORTUNITY WAS PROVIDED FOR PUBLIC COMMENT. A MOTION WAS MADE BY TRUSTEE DOWELL, SECONDED BY TRUSTEE BASUA, TO APPROVE THE HAMILTON LANE SEPARATE ACCOUNT IMA INVESTMENT MANAGEMENT AGREEMENT AS PRESENTED. VOTE: UNANIMOUS. ABSENT: BAXTER

7. FCERA REALTY GROUP, LLC – DISCUSSION:

- A. Receipt and Filing of Quarterly Staff Reporting on Revenues and Expenditures, and Investment Performance – **RECEIVED AND FILED**

8. FCERA REALTY GROUP, LLC – CLOSED SESSION:

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

9. CLOSED SESSION:

- A. Consideration of Purchase or Sale of Particular, Specific Pension Fund Investments (pursuant to G.C. §54956.81. Number of Investments: 1
- B. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION: Significant exposure to litigation pursuant to subdivision (d) of Government Code section 54956.9. Number of Cases: 1
- C. DISABILITY RETIREMENT APPLICATIONS – PERSONNEL EXCEPTION (pursuant to G.C. §54957)
1. Frank Puente
 2. Patricia Robertson

10. ORAL REPORTS:

- A. Report out of Closed Session
- 8.A. No reportable action.
 - 9.A. No reportable action.
 - 9.B. No reportable action.
 - 8.C.1. PUENTE - **A MOTION WAS MADE BY TRUSTEE GOMEZ, SECONDED BY TRUSTEE MAGSIG, TO GRANT THE APPLICANT SERVICE CONNECTED DISABILITY BENEFITS. VOTE: UNANIMOUS. ABSENT: BAXTER.**
 - 8.D.2. ROBERTSON - **A MOTION WAS MADE BY TRUSTEE MAGSIG, SECONDED BY TRUSTEE BASUA, TO GRANT THE APPLICANT SERVICE CONNECTED DISABILITY BENEFITS. VOTE: UNANIMOUS. ABSENT: BAXTER.**
- B. FCERA Administration
1. FCERA will host an open house on December 13th, immediately following the Regular Board meeting.
 2. The Trustees will host an employee appreciation lunch on December 13th.
 3. The Member handbook will be made available to the Trustees later in the day along with a redline version.
- C. Board Counsel
- Craig Armstrong will attend the CALAPRS Attorneys' Roundtable on October 27th.

D. Committee Reports

The Committee members had nothing to report.

E. Board Members

The Trustees had nothing to report.

There being no further business, the meeting adjourned at 10:05 AM.

Donald C. Kendig, CPA
Secretary to the Board