

**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."*

**November 1-2, 2017**

**BOARD OFF-SITE EDUCATIONAL 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  
Eulalio Gomez

Dr. Rauden Coburn, III  
Steven Jolly

Robert Dowell  
Mary Ann Rogozinski, Alternate

**Trustees Absent:**

Oscar Garcia

Nathan Magsig

**Staff and Service Providers Present:**

Donald Kendig, Retirement Administrator  
Doris Rentschler, Assistant Retirement Administrator  
Elizabeth Avalos, Executive Assistant  
Kimberly Zepeda, Systems & Procedures Analyst  
Maria Baker, Communications Officer  
Merelle Sanderson, Office Assistant  
Ken Price, Board Counsel  
Paul Angelo, Segal Company  
Jeffrey MacLean, Verus  
Michael Kamell, Verus  
Richard Lawrence, Brandywine  
Greg Savoyna, Brandywine  
Matt Clark, PIMCO  
Brent Ledbetter, Research Affiliates  
Eugene Maloney, Federated Investors  
Crystal Kwok, Federated Investors

**Members of the Public that Addressed the Board:**

None.

1. **CALL TO ORDER**

Chair Coburn called the meeting to order at 9:12 AM.

2. **PLEDGE OF ALLEGIANCE**

Recited.

3. **PUBLIC COMMENT**

None. Meeting logistics were reviewed.

4. **Consent Agenda**

Alternate Trustee Rogozinski pulled Consent Items 4.A., 4.C. and 4.D. for discussion.

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

A. Receipt and Filing of the FCERA Cash Flow Position as of September 2017

Item 4.A. was pulled for clarification and tabled until the December 6, 2017 Regular meeting.

B. Receipt and Filing of the Budget Status for the Quarter ended September 30, 2017 – **RECEIVED AND FILED**

C. Receipt and Filing of Quarterly Investment & Information Technology Status Report

The Board received clarification on the technology consulting expenses.

**A MOTION WAS MADE BY TRUSTEE GOMEZ, SECONDED BY TRUSTEE DOWELL, TO ACCEPT CONSENT ITEM 4.C. AS PRESENTED. VOTE: UNANIMOUS. ABSENT: GARCIA, MAGSIG.**

D. Receipt and Filing of the Revised Quarterly Trustee Travel Report and Anticipated Trustee Travel

Staff clarified that the Quarterly Trustee Travel Report is based on a calendar year to match the training reporting law requirements.

**A MOTION WAS MADE BY TRUSTEE BASUA, SECONDED BY TRUSTEE GOMEZ, TO ACCEPT CONSENT ITEM 4.D. AS PRESENTED. VOTE: UNANIMOUS. ABSENT: GARCIA, MAGSIG.**

E. Receipt and Filing of Education Attendance Report from Gerding Edlen Green Cities III Annual Meeting and Advisory Committee: Trustee Robert Dowell – **RECEIVED AND FILED**

- F. Receipt and filing of State Association of County Retirement Systems (SACRS) Business Meeting Agenda and Board of Directors Proposed Bylaw Amendments – **RECEIVED AND FILED**
- G. Approval of Service Retirement and Disabilities: October 2017 – **APPROVED**

5. **Minutes**

- A. October 18, 2017 Retirement Board Regular Meeting Minutes – RECEIVE AND FILE; APPROVE

**PRESENTED AND DISCUSSED. AN OPPORTUNITY WAS PROVIDED FOR PUBLIC COMMENT. A MOTION WAS MADE BY TRUSTEE GOMEZ, SECONDED BY TRUSTEE DOWELL, TO APPROVE ITEM 5.A. AS PRESENTED. VOTE: UNANIMOUS. ABSENT: GARCIA, MAGSIG.**

6. **Demonstrations, Presentations, and Discussion**

- A. Educational Presentation: *FCERA's Funding Policy, including Asset Smoothing and Corridors, and UAAL Amortization*

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

- B. Educational presentation: *Brandywine Global Portfolio Update*

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

- C. Educational presentation: *Investment/Operational Due Diligence Policy Review, Update, and 2018 Plan*

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

- D. Educational presentation: *Research Affiliates Portfolio Update and Factor Investing (Smart Beta)*

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

- E. Educational presentation: *Asset Liability Study: Further Background and Data, Proposed Schedule, and Results of the Enterprise Risk Survey*

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

F. Educational presentation: Educational presentation: *2018 Investment Plan Review*

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

**Thursday, November 2, 2017**

**9. Call to Order**

Chair Coburn called the meeting to order at 8:35 AM.

**10. Pledge of Allegiance**

Recited.

**11. Educational Presentations**

A. Educational presentations: *An Overview of "Reasonable Compensation" of Trustees, Fiduciary Investing in the Aftermath of the Financial Crisis – Is the UPIA Still Valid?, and Asset Retention – Performance-Related Issues*

**PRESENTED AND RECEIVED. AN OPPORTUNITY WAS PROVIDED FOR PUBLIC COMMENT. ITEM 11.A. WAS RECEIVED AND FILED WITH NO ACTION TAKEN.**

B. Educational presentation: *Local Investment/Re-investment Options*

**PRESENTED AND RECEIVED. AN OPPORTUNITY WAS PROVIDED FOR PUBLIC COMMENT. ITEM 11.B. WAS RECEIVED AND FILED WITH NO ACTION TAKEN.**

C. Educational presentation: *Investment and Other Vendor Engagement Strategies*

**PRESENTED AND RECEIVED. AN OPPORTUNITY WAS PROVIDED FOR PUBLIC COMMENT. ITEM 11.C. WAS RECEIVED AND FILED WITH NO ACTION TAKEN.**

D. Educational presentation: *Communications Policy and Plan Introduction*

**PRESENTED AND RECEIVED. AN OPPORTUNITY WAS PROVIDED FOR PUBLIC COMMENT. ITEM 11.D. WAS RECEIVED AND FILED WITH NO ACTION TAKEN.**

E. Educational presentation: *Strategic Planning Session*

**PRESENTED AND RECEIVED. AN OPPORTUNITY WAS PROVIDED FOR PUBLIC COMMENT. ITEM 11.E. WAS RECEIVED AND FILED WITH NO ACTION TAKEN.**

F. Educational presentation: *2018 Rolling Calendar Debut and 2018 Other Vendor Due Diligence Plan*

**PRESENTED AND RECEIVED. AN OPPORTUNITY WAS PROVIDED FOR PUBLIC COMMENT. ITEM 11.F. WAS RECEIVED AND FILED WITH NO ACTION TAKEN.**

**12. Oral Reports**

A. FCERA Administration

1. A site visit to Baker Manock is scheduled for November 29, 2017 at 8:30 AM.

B. Board Counsel

Counsel had nothing to report.

C. Committee Reports

There were no Committee reports.

D. Board Members

The Board thanked Staff for another successful Off-site Educational meeting.

There being no further business, the meeting adjourned at 2:39 PM.

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Donald C. Kendig, CPA  
Secretary to the Board