

**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"*

**February 17, 2016**

**REGULAR MEETING AGENDA MINUTES**

**Trustees Present:**

Laura P. Basua	Greg Baxter
Dr. Rod Coburn, III	Alan Cade, Jr.
Vicki Crow	Robert Dowell
Eulalio Gomez	Steven Jolly
Mary Rogozinski, Alternate	

**Trustees Absent:**

Vacant Seat

**Staff and Service Providers Present:**

Donald Kendig, Retirement Administrator  
Becky Van Wyk, Assistant Retirement Administrator  
Elizabeth Avalos, Executive Assistant  
Maria Millburg, Retirement Communications Officer  
Ken Price, Board Counsel  
Craig Armstrong, Board Counsel  
Rafael Stone, Foster Pepper  
Brian Decker, Colliers International  
Beau Plumlee, Colliers International

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

Robert Skowronski, FCERA Member  
Thomas Tusan, Attorney at Law

**1. Call to Order**

Chair Jolly called the meeting to order at 8:33 AM, noting the current vacancy.

**2. Pledge of Allegiance**

Recited.

### 3. Public Comment

Robert Skowronski, FCERA Member, addressed the Board regarding overall Investment Returns, Hedge Fund Investment Returns, Hedge Fund fees as they relate to transparency and the selection of Grosvenor to provide Hedge Fund consulting services. In addition, Mr. Skowronski commented on the audio difficulties at the February 3<sup>rd</sup> meeting and suggested that the minutes contain more detail when audio is not available.

Donald Kendig, Retirement Administrator, welcomed Maria Millburg to the FCERA team. Ms. Millburg was hired as FCERA's Retirement Communications Officer.

### 4. Consent Agenda

Consent Item 4.G. was modified to exclude Trustee Robert Dowell from the Travel Request as he does not plan to attend.

Trustee Gomez pulled Item 4.E. for discussion.

- A. Receipt and Filing of the January 2016 Activity Report – **RECEIVED AND FILED**
- B. Receipt and Filing of Public Records Requests and/or Retirement Related Correspondence – **RECEIVED AND FILED**
- C. Receipt and Filing of the December 2015 and January 2016 Business Expense Account Statements – **RECEIVED AND FILED**
- D. Receipt and Filing of the Budget Status for the Quarter ended December 31, 2015 – **RECEIVED AND FILED**
- F. Approval of Optional Settlement 4 Calculation Request, Maria Benningfield – **RECEIVED AND FILED; APPROVED**
- G. Approval of Travel Request from Trustee Gregory Baxter to attend the 2016 Pension Bridge Annual on April 5-6, 2016 in San Francisco CA – **RECEIVED AND FILED; APPROVED**
- H. Receipt and Filing of Educational Attendance Reports from Trustees Basua, Jolly, Rogozinski, and Donald Kendig, Retirement Administrator – **RECEIVED AND FILED**
- I. Approval of the FCERA Board Counsel Contract – **RECEIVED AND FILED; APPROVED**
- J. Authorization to execute potential conflict of interest waiver regarding representation of FCERA in with purchase agreement with Boardwalk at Palm Bluffs, LP – **RECEIVED AND FILED; APPROVE**

**A motion was made by Trustee Gomez, seconded by Trustee Coburn, to accept/approve Consent Items 4.A. – 4.D. and 4.F. – 4.J. as modified. VOTE: Unanimous (Absent – Baxter)**

E. Receipt and Filing of Annual Investment Manager Proxy Voting Reports – **RECEIVED AND FILED**

Trustee Baxter joined the Board at 8:45 AM.

Trustee Gomez commented on the Manager Proxy voting process and suggested that the Board revisit its Investment Policy Statement and Proxy Voting Policy in order to gain a better understanding of the vendor selection process and a desire to become more involved in voting.

**A motion was made by Trustee Gomez, seconded by Trustee Dowell, to accept Consent Item 4.E. as presented. VOTE: Unanimous**

Staff noted it will work with the consultant during the year on proxy voting issues.

5. **Minutes**

A. Consideration of the February 3, 2016 Retirement Board Regular Meeting Minutes – **APPROVED**

Mr. Skowronski commented on the audio difficulties at the February 3<sup>rd</sup> meeting and suggested that the minutes contain more detail when audio is not available. Chair Jolly duly noted Mr. Skowronski's concerns.

**A motion was made by Trustee Coburn, seconded by Trustee Crow, to approve Item 5.A. as presented. VOTE: Unanimous**

6. **Closed Session:**

A. Consideration of Purchase or Sale of Particular, Specific Pension Fund Investments, pursuant to G.C. §54956.81 (three investments)

B. CONFERENCE WITH REAL PROPERTY NEGOTIATORS (pursuant to G.C. §54956.8)  
Negotiators: Donald Kendig, Brian Decker, Beau Plumlee, Kenneth Price, and Craig Armstrong  
Purchase of: 7766, 7772, and 7778 N Palm, Fresno, CA 93711

C. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION: Significant exposure to litigation pursuant to subdivision (d) of Government Code section 54956.9 (two cases)

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

1. Thomas Alberda
2. Scott Caldera
3. Emily Williams
4. Edward Murdock
5. Tony Logan
6. Andres Rodriguez

## 7. Oral Reports:

### A. Report out of Closed Session

- 7.A. The Board approved Investment Commitments to Gerding Edlen, Kennedy Wilson, and Hamilton Lane in the amounts of \$20 million, \$30 million, and \$70 million, respectively. **M – Gomez. S – Baxter. VOTE: Unanimous**
- 7.B. No reportable action.
- 7.C. No reportable action.
- 7.D.1. Alberda – **Decision** – To set aside the June 16, 2010 decision to deny the Applicant’s service-connected disability and approve the Service Connected Disability. **M – Jolly. S – Gomez. VOTE: Unanimous**
- 7.D.2. Caldera – **Decision** – To grant the Applicant Service Connected Disability benefits based on Findings of Fact and Decision. **M – Jolly. S – Dowell. VOTE: Unanimous**
- 7.D.3. Williams – **Decision** – To find that the disability application was timely filed in accordance with Government Code Section 31724, that the Applicant’s disability had been continuous and permanent and to grant the Applicant Non-Service Connected Disability benefits based on Findings of Fact and Decision with the effective date of March 12, 2015, the day after the Applicant was last compensated. **M – Basua. S – Crow. VOTE: Unanimous**
- 7.D.4. Murdock – **Decision** - granting the Applicant non-service connected disability benefits based on Findings of Fact and Decision. **M – Dowell. S – Crow. VOTE: Unanimous**
- 7.D.5. Logan – **Decision** – To rescind and set aside its motion made on March 19, 2014 to deny the service connected disability application and grant the Applicant Service-Connected Disability benefits based on Findings of Fact and Decision. **M – Jolly. S – Dowell. VOTE: Unanimous**
- 7.D.6. Rodriguez – **Decision** – To hear the case before itself. **M – Coburn. S – Gomez. VOTE: Yes – Basua, Baxter, Cade, Coburn, Crow, Dowell, Gomez. No – Jolly. MOTION PASSED.**

### B. FCERA Administration

Staff reported on the following:

1. Trustees were asked to leave their iPads so that Staff could complete a data and settings transfer to the new iPads which will be distributed the week of February 22<sup>nd</sup>.
2. Trustees were reminded to submit their completed Consultant Evaluation forms.
3. Trustees were reminded of the Audit Committee meeting scheduled to immediately follow the February 17<sup>th</sup> Regular meeting.
4. Staff discussed the moving of the date for consideration of the Hedge Fund Investment Statement Policy and received direction to have the consultants consider April 20, 2016 or May 4, 2016.

### C. Board Counsel

1. Ken Price and Craig Armstrong updated the Board on recent changes in requirements to the Statement of Economic Interest form (Form 700).

D. Committee Reports

The HSROR Committee met on February 4, 2017 naming Trustee Coburn as Chair. The Committee met again on February 9, 2016, there was no report able action.

E. Board Members

1. Trustee Cade questioned whether the upcoming May 18, 2016 Budget Committee meeting was sufficient time to meet and make a recommendation to the full Board. Based on prior presentations to the Board, Staff believes it is.

There being no further business, the meeting adjourned at 11:11 AM.

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Donald C. Kendig, CPA  
Secretary to the Board