

**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"*

**July 20, 2016**

**REGULAR MEETING AGENDA  
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	Gregory Baxter	Alan Cade, Jr.
Dr. Rod Coburn, III	Vicki Crow	Eulalio Gomez

**Trustees Absent:**

Robert Dowell	Steven Jolly	Mary Ann Rogozinski, Alternate
Vacant Seat		

**Staff and Service Providers Present:**

Donald Kendig, Retirement Administrator  
Becky Van Wyk, Assistant Retirement Administrator  
Elizabeth Avalos, Executive Assistant  
Maria Millburg, Communications Officer  
Pat Srisukwatana, Systems & Procedures Analyst  
Kim Zepeda, Systems & Procedures Analyst  
Monica Peña, Office Assistant  
Ken Price, Board Counsel  
Craig Armstrong, Board Counsel

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

Shirlen Vish, FCERA Member

**1. Call to Order**

Vice Chair Coburn called the meeting to order at 8:35 AM, noting that, in addition to the current vacancy, Trustees Dowell and Jolly and Alternate Trustee Rogozinski were absent.

**2. Pledge of Allegiance**

Recited.

### 3. Public Comment

Donald Kendig, Retirement Administrator, welcomed Monica Peña to the FCERA Team. Ms. Peña accepted a position as an Office Assistant I working with the Benefits Unit.

### 4. Consent Agenda

Vice Chair Coburn pulled Consent Items 4.N., 4.P., and 4.S. for discussion.

**A MOTION WAS MADE BY TRUSTEE CROW, SECONDED BY TRUSTEE GOMEZ, TO APPROVE/ACCEPT CONSENT ITEMS 4.A. THROUGH 4.M., 4.O., 4.Q., AND 4.R. AS PRESENTED. VOTE: UNANIMOUS (ABSENT – DOWELL, JOLLY)**

- A. Approval of Retirements for June 2016 – **RECEIVED AND FILED; APPROVED**
- B. Receipt and Filing of the June 2016 Activity Report – **RECEIVED AND FILED**
- C. Receipt and Filing of the Public Records Requests and/or Retirement Related Correspondence – **RECEIVED AND FILED**
- D. Receipt and Filing of the Business Expense Account Statements for June 2016 – **RECEIVED AND FILED**
- E. Receipt and Filing of the FCERA Cash Flow Position as of May and June 2016 – **RECEIVED AND FILED**
- F. Receipt and Filing of the Quarterly Written Administrator Report – **RECEIVED AND FILED**
- G. Receipt and Filing of the Quarterly Trustee Travel and Anticipated Travel Report – **RECEIVED AND FILED**
- H. Receipt and Filing of the SACRS Year 2017 Legislative Timeline – **RECEIVED AND FILED**
- I. Receipt and Filing of the Educational Attendance Report of Trustee Robert Dowell Attendance at the 2016 REIT Week Investor Forum and Trustee Alan Cade, Jr. at the IMN 21st Annual Global Indexing and ETF's Conference – **RECEIVED AND FILED**
- J. Approval of Travel Requests from Trustees Laura Basua and Eulalio Gomez to attend the 2016 Public Funds Forum on September 6-9, 2016 in Park City UT – **APPROVED**
- K. Approval of Travel Request from Donald Kendig, Retirement Administrator, to attend the CALAPRS Administrators' Institute on September 21-23, 2016 in San Diego CA – **APPROVED**
- L. Approval of Travel Requests from Trustees Laura Basua, Robert Dowell, and Eulalio Gomez and Alternate Trustee Mary Ann Rogozinski to attend the Pension Fund Trustee Training and CII Fall Conference on September 28-30, 2016 in Chicago IL – **APPROVED**

- M. Approval of Travel Request from Trustee Gregory Baxter to attend the Nossaman LLP's 2016 Fiduciaries' Forum on October 27-28, 2016 in San Francisco CA – **APPROVED**

Trustee Cade joined the Board at 8:42 AM.

- N. Approval of Deceased Benefit Recipients Proposal to Write-off Money Owed to FCERA and to Revert Money owed to Estates to Employer Reserves

At the request of the Board for more information as to why the amounts were so high, Becky Van Wyk, Assistant Retirement Administrator, explained the procedures for identifying deceased members noting that automated processes have been implemented to aid in identifying deceased members sooner in order to ensure that excess payments are minimized. – **APPROVED**

**A MOTION WAS MADE BY TRUSTEE GOMEZ, SECONDED BY TRUSTEE BAXTER, TO APPROVE CONSENT ITEM 4.N. AS PRESENTED. VOTE: UNANIMOUS (ABSENT – DOWELL, JOLLY)**

- O. Ratification of Staff's decision to Bind the Special Property Insurance Program for the FCERA Administration Building for the period July 1, 2016 through July 1, 2017 – **RATIFIED**

- P. Approval to Pay One-Half of the Hearing Cancellation Fee on the Roland Evans Disability Matter

At the request of the Board, Becky Van Wyk, Assistant Retirement Administrator, gave a brief explanation of the cancellation noting that it was at the Applicant's Attorneys request. – **DENIED**

**A MOTION WAS MADE BY TRUSTEE GOMEZ, SECONDED BY TRUSTEE BAXTER TO DENY THE PAYMENT. VOTE: UNANIMOUS (ABSENT – DOWELL, JOLLY)**

- Q. Receipt and filing of the Vacancies and Service Priorities Update and Support of Staff's reopening from 4:00 to 5:00 p.m. and its Service Priorities – **RECEIVED AND FILED; SUPPORTED**

- R. Approval of Updates to FCERA Policies: Board Operations Policy, Overpayment or Underpayment of Member Contributions, Overpayment or Underpayment of Retirement Benefits – **APPROVED**

- S. Return of Claim for Damages for Failure to File the Claim Within One Year After the Accrual of the Cause of Action, and Rejection of the Claim as an Improper Charge Against the Agency – **RETURNED; REJECTED**

The Board heard from Shirlen Vish, FCERA Member, who gave a summary of her recollection of events in which she claims that she did not request nor receive a refund of retirement contributions in the amount of \$507.95 in December 1971.

**A MOTION WAS MADE BY TRUSTEE GOMEZ, SECONDED BY TRUSTEE CROW, TO APPROVE CONSENT ITEM 4.S. AS PRESENTED. VOTE: UNANIMOUS (ABSENT – DOWELL, JOLLY)**

5. **Minutes:**

- A. Consideration of the June 15, 2016 Retirement Board Regular Meeting Minutes – APPROPRIATE ACTION

**A MOTION WAS MADE BY TRUSTEE CROW, SECONDED BY TRUSTEE GOMEZ, TO APPROVE ITEM 5.A. AS PRESENTED. VOTE: UNANIMOUS (ABSENT – DOWELL, JOLLY)**

6. **Discussion:**

- A. Presentation of the GFOA Certificate of Achievement for Excellence in Financial Reporting

The Accounting Unit staff was recognized for their dedication, their continued hard work and effort in achieving the distinguished award for the nineteenth consecutive year. The team includes Conor Hinds, Supervising Account; Pamela Fine, Senior Account; Bryan Anderson, Accountant; Edith Balanon, Account Clerk; and Dolores Racca, Account Clerk.

**RECEIVED AND FILED**

- B. Consideration of Site Visits of the Offices of Northern Trust and Grosvenor on September 27, 2016; Site Visits of the Offices of Berman De Valerio, Reed Smith and Segal Consulting on October 26-27, 2016; Annual Due Diligence Update for Fiscal Year 2015-16; and Plan for Fiscal Year 2016-17

**A MOTION WAS MADE BY TRUSTEE GOMEZ, SECONDED BY TRUSTEE CROW, TO APPROVE ITEM 6.B. AS PRESENTED. VOTE: UNANIMOUS (ABSENT – DOWELL, JOLLY)**

- C. Receive Update on the Acquisition of the three buildings at the Boardwalk at Palm Bluffs and Consider the Proposed Addendum to the Purchase Agreement

**Update: RECEIVED AND FILED**

**A MOTION WAS MADE BY TRUSTEE BASUA, SECONDED BY TRUSTEE BAXTER, TO APPROVE ITEM 6.C. AS PRESENTED. VOTE: UNANIMOUS (ABSENT – DOWELL, JOLLY)**

- D. Presentation of the Member Portal Registration Process and User Interface Demonstration; Approval of Legal Disclosures for Use of Site

**Presentation: RECEIVED AND FILED**

**A MOTION WAS MADE BY TRUSTEE BAXTER, SECONDED BY TRUSTEE BASUA, TO APPROVE ITEM 6.D. AS PRESENTED. VOTE: UNANIMOUS (ABSENT – DOWELL, JOLLY)**

7. **Closed Session:**

- A. CONFERENCE WITH REAL PROPERTY NEGOTIATORS (pursuant to G.C. §54956.8)  
Negotiators: Donald Kendig, Kenneth Price, and Craig Armstrong  
Sale/Disposition of: 1111 H Street, Fresno, CA 93721
- B. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION: Significant Exposure to Litigation (pursuant to subdivision (d) of G.C. §54956.9) (one case)
- C. Disability Retirement Applications – Personnel Exception – pursuant to G.C. §54957: - APPROPRIATE ACTION(S)
  - 1. Aaron Grinstead
  - 2. Kao X Herva
  - 3. Audrey Ramirez

8. **Oral Reports:**

- A. Report out of Closed Session
  - 7.A. No reportable action.
  - 7.B. No reportable action.
  - 7.C.1. Grinstead – **MOTION TO GRANT THE APPLICANT SERVICE CONNECTED DISABILITY BENEFITS BASED ON THE FINDINGS OF FACT AND DECISION INCLUDING DR. D’AMICO’S EVALUATION AND THE APPLICANT’S MEDICAL AND PERSONNEL RECORDS. M – GOMEZ. S – BASUA. ROLL CALL VOTE: YES – BASUA, CROW GOMEZ. NO – BAXTER, CADE, COBURN. ABSENT – DOWELL, JOLLY. MOTION FAILED.**  
Grinstead – **MOTION TO DENY THE APPLICATION FOR SERVICE CONNECTED DISABILITY BENEFITS AND TO TENTATIVELY APPROVE A NON-SERVICE CONNECTED DISABILITY BENEFIT SUBJECT TO THE APPLICANT SUBMITTING AN APPLICATION FOR NON-SERVICE CONNECTED DISABILITY. M – CADE. S – BAXTER. ROLL CALL VOTE: YES – BASUA, BAXTER, CADE, CROW, COBURN. NO – GOMEZ. ABSENT – DOWELL, JOLLY. MOTION PASSED.**
  - 7.C.2. Herva – **MOTION TO GRANT THE APPLICANT NON-SERVICE CONNECTED DISABILITY BENEFITS BASED ON THE FINDINGS OF FACT AND DECISION INCLUDING THE MEDICAL PROGRESS TIMELINE. M – GOMEZ. S – CROW. VOTE: UNANIMOUS. ABSENT – DOWELL, JOLLY.**
  - 7.C.3. Ramirez – **MOTION TO GRANT THE APPLICANT NON-SERVICE CONNECTED DISABILITY BENEFITS BASED ON THE FINDINGS OF FACT AND DECISION INCLUDING DR. BUTLER’S EVALUATION AND THE APPLICANT’S MEDICAL AND PERSONNEL RECORDS. M – GOMEZ. S – BASUA. VOTE: UNANIMOUS. ABSENT – DOWELL, JOLLY.**
- B. FCERA Administration reported on the following:
  - 1. Non-verbal Training is scheduled at the FCERA Office on August 18, 2016 8:30 am – 4:30 pm for Staff and Trustees. A request to close the office will appear the August 3, 2016 Regular meeting agenda.
  - 2. The Annual FCERA Picnic is scheduled for September 24, 2016. All FCERA Staff and Trustees are welcome. Details to follow.

3. Past Trustee Americo "Pappy" Papaleo passed away July 16<sup>th</sup>. Mr. Papeleo served on the FCERA Board for more than 15 years. FCERA will be providing his surviving spouse flowers and our condolences.
  4. A Wall Street Journal article regarding CalPERS investment returns was made available by Trustee Baxter. In response, Trustee Cade Jr. requested a 10 year investment return comparison to our assumed rate of return.
  5. A Semi-annual Retirement Seminar is scheduled for July 21 in the FCERA Boardroom.
  6. A REFCO Luncheon is scheduled for July 21.
- C. Board Counsel reported on the following:
1. An AB 1234 Ethics Training was held in June at the Baker Manock offices with Trustee Cade and Alternate Trustee Rogozinski in attendance. A second training is scheduled within the next sixty days.
  2. Counsel continues their review various FCERA policies.
  3. Counsel continues their work on the acquisition of the Boardwalk properties.
- D. Committee Reports  
There were no Committee reports.
- E. Board Members  
There were no Board Member reports.

There being no further business, the meeting adjourned at 10:51 AM.

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Donald C. Kendig, CPA  
Secretary to the Board