

**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 7, 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:

Gregory Baxter	Alan Cade, Jr.
Dr. Rod Coburn, III	Vicki Crow
Robert Dowell	Steven Jolly
Mary Ann Rogozinski, Alternate	

Trustees Absent:

Laura Basua
Eulalio Gomez
Vacant Seat

Staff and Service Providers Present:

Donald Kendig, Retirement Administrator
Becky Van Wyk, Assistant Retirement Administrator
Elizabeth Avalos, Executive Assistant
Kenneth Price, Board Counsel
Craig Armstrong, Board Counsel
Rafael Stone, Foster Pepper (via tele-conference)
Jeffrey MacLean, Verus
Michael Kamell, Verus

Members of the Public that Addressed the Board:

Robert Skowronski, FCERA Member
Sandra Brock, FCERA Member

1. Call to Order

Chair Jolly called the meeting to order at 8:39 AM, noting that, in addition to the current vacancy, Trustees Basua and Gomez were absent.

2. Pledge of Allegiance

Recited.

3. Public Comment

Robert Skowronski, FCERA Member, commented on the Grosvenor Fund of Funds asset cost and marketplace value. Mr. Skowronski estimates that total fees paid are more than gained and would like to know the underlying hedge fund fees for 2010 to 2016. In addition, Mr. Skowronski noted that all of the hedge funds recently proposed to the Board have lost money.

4. Consent Agenda

On behalf of FCERA Member Robert Skowronski, Chair Jolly pulled Consent Item 4.B. for comment.

A MOTION WAS MADE BY TRUSTEE COBURN, SECONDED BY TRUSTEE DOWELL, TO APPROVE/ACCEPT CONSENT ITEMS 4.A. AND 4.C. THROUGH 4.F. AS PRESENTED. VOTE: UNANIMOUS (ABSENT – BASUA, BAXTER, GOMEZ)

- A. Approval of Retirements for August 2016 – **RECEIVED AND FILED; APPROVED**
- B. Receipt and Filing of Public Records Requests and/or Retirement Related Correspondence

Chair Jolly thanked Maria Baker, Communications Officer, for providing concise responses to PRA requests and not providing a discourse of information.

Robert Skowronski, FCERA Member, suggested removing Chair Jolly's professional title from email correspondence prior to making them available to the public. In addition, Mr. Skowronski commented on Assembly Bill 2833 - Public Investment Funds: Disclosure.

A MOTION WAS MADE BY TRUSTEE COBURN, SECONDED BY TRUSTEE CROW, TO APPROVE/ACCEPT CONSENT ITEMS 4.B. AS PRESENTED. VOTE: UNANIMOUS (ABSENT – BASUA, BAXTER, GOMEZ)

- C. Receipt and Filing of the FCERA Cash Flow Position as of July 2016 – **RECEIVED AND FILED**
- D. Receipt and Filing of Official Canvass of the Fresno County Board of Retirement Retiree Member Election – **RECEIVED AND FILED**
- E. Receipt and Filing of Notification of RFP For Construction Project Management Services, and Update on MOU with the County for Project Management Services, for the Three FCERA Office Buildings Under Construction – **RECEIVED AND FILED**
- F. Approval of Spending Limit Increase for Architectural Services from RDT Architects for the Provision of Architectural Services for the three FCERA Office Buildings Under Construction – **APPROVED**

5. **Minutes**

A. Consideration of the August 17, 2016 Retirement Board Regular Meeting Minutes

A MOTION WAS MADE BY TRUSTEE CROW, SECONDED BY TRUSTEE DOWELL, TO APPROVE ITEM 5.A. AS PRESENTED. VOTE: Yes – Coburn, Crow, Dowell, Jolly. Abstain – Cade (was not present at the 8/17/16 meeting). (ABSENT – BASUA, BAXTER, GOMEZ)

6. **Discussion**

Due to Board Counsel having a scheduling conflict, Item 6.D. was heard at this time.

D. Discussion on Procedures for Disability Hearings before the Board of Retirement

Craig Armstrong and Kenneth Price, Board Counsel, reviewed the procedures for conducting hearings before the Board of Retirement and answered questions from the Board and Staff regarding roles, conduct, rules of evidence, and determinations.

Trustee Baxter joined the Board at 9:04, during discussions.

RECEIVED AND FILED

A. Review of Quarterly Investment Reports for the Period Ended June 30, 2016 – RECEIVE AND FILE

1. Research Report
2. Investment Performance
3. Guideline Compliance – NO EXCEPTIONS REPORTED.

The Board heard from FCERA Members Robert Skowronski and Sandra Brock.

REVIEWED

RECEIVED AND FILED

B. Review of 2016 Private Equity Outlook

REVIEWED

RECEIVED AND FILED

C. Review of the Annual Fiscal and Calendar Year Performance Relative to the Actuarial Assumed Rate of Return

The Board heard from Robert Skowronski, FCERA Member.

REVIEWED

RECEIVED AND FILED

7. Closed Session:

- A. Consideration of Purchase or Sale of Particular, Specific Pension Fund Investments, pursuant to G.C. §54956.81 (two investments): - APPROPRIATE ACTION(S)
- B. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION: Significant Exposure to Litigation (pursuant to subdivision (d) of G.C. §54956.9) (one case)
- C. Interview Assistant Retirement Administrator Candidates

8. Oral Reports

- A. Report out of Closed Session
 - 7.A. No reportable action.
 - 7.B. No reportable action.
 - 7.C. No reportable action.
- B. FCERA Administration

Donald Kendig, Retirement Administrator, gave brief updates/comments on the following:

 - 1. The most recent revisions to the Rolling Calendar noting that the Rodriguez hearing was cancelled and the Janssens hearing is moving forward on September 14, 2016. Staff will work with the Board to reschedule the Rodriguez hearing.
 - 2. An update on the construction on the new FCERA building. Construction began August 25th.
 - 3. Correspondence from the Merced County Employees' Retirement Association in opposition of Assembly Bill 1853 - County Employees' Retirement: districts: retirement system governance.
- C. Board Counsel

Craig Armstrong, Board Counsel, encouraged the Board to contact him should anyone have any questions regarding Item 6.D.
- D. Committee Reports

None.
- E. Board Members

Trustee Coburn informed the Board of his upcoming schedule, noting that he will be absent due to a medical procedure.

There being no further business, the meeting adjourned at 2:11 PM.

Donald C. Kendig, CPA
Secretary to the Board