

**BOARD OF RETIREMENT
FRESNO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**

"Our mission is to administer the retirement benefits for the members and beneficiaries in a courteous, accurate, prompt and professional manner, while administering fund assets in a manner that achieves investment and funding objectives within prudent levels of risk."

February 6, 2019

**REGULAR MEETING
ACTION SUMMARY MINUTES**

[AN AUDIO RECORDING OF THE OPEN SESSION DISCUSSION ITEMS CAN BE FOUND ON THE FCERA WEBSITE AT WWW.FRESNOCOUNTYRETIREMENT.ORG](http://WWW.FRESNOCOUNTYRETIREMENT.ORG)

Trustees Present:

John Adams
Oscar Garcia
Stanley McDivitt

Dr. Rauden Coburn, III
Steven Jolly
John Robinson

Robert Dowell
Nathan Magsig
Riley Talford

Trustees Absent:

Mary Ann Rogozinski, Alternate

Staff and Service Providers Present:

Donald Kendig, Retirement Administrator
Elizabeth Avalos, Executive Assistant
Doris Rentschler, Assistant Retirement Administrator
Kenneth Price, Board Counsel
Craig Armstrong, Board Counsel
Jeffrey MacLean, Verus
James Brecker, Mondrian
Andrew Miller, Mondrian
Aiden Nicholson, Mondrian

Members of the Public that Addressed the Board:

Harry Hagen, Ex Officio Trustee for Santa Barbara County Employees' Retirement System (SBCERS)

1. CALL TO ORDER

Chair Magsig called the meeting to order at 8:30 AM.

2. PLEDGE OF ALLEGIANCE

Trustee Steven Jolly led the Pledge.

3. PUBLIC COMMENT

Harry Hagen, Ex Officio Trustee for SBCERS, gave a brief summary on the history of the State Association of County Retirement Systems (SACRS) and the benefits it provides. Mr. Hagen encouraged feedback and participation from the Trustees.

Trustee Talford joined the Board at 8:34 AM.

4. CONSENT AGENDA

Consent Items 4.E and 4.G. were pulled for comment/discussion.

AN OPPORTUNITY WAS PROVIDED FOR PUBLIC COMMENT. A MOTION WAS MADE BY TRUSTEE COBURN, SECONDED BY TRUSTEE JOLLY, TO ACCEPT/APPROVE CONSENT ITEMS 5.A., 5.B., 5.C, 5.D., 5.F., 5.H., AND 5.I. AS PRESENTED. VOTE: UNANIMOUS.

- A. Receipt and Filing of the FCERA Cash Flow Position as of December 2018 – **RECEIVED AND FILED**
- B. Receipt and Filing of Systematic Liquidation Summary – **RECEIVED AND FILED**
- C. Receipt and Filing of FCERA Custody Request for Proposal Update – **RECEIVED AND FILED**
- D. Receipt and Filing of Education Attendance Report: SACRS Fall Conference 2018 – **RECEIVED AND FILED**
- E. Approval of Travel Requests from Trustees John Adams and Rod Coburn to attend the 2019 Pension Bridge Annual on April 9-10, 2019 in San Francisco CA

PRESENTED AND DISCUSSED. AN OPPORTUNITY WAS PROVIDED FOR PUBLIC COMMENT. AT THE REQUEST OF STAFF, THE BOARD ADDED A REQUEST FROM TRUSTEE ROBINSON TO ATTEND THE PPA CONFERENCE. TRUSTEE ROBINSON'S REQUEST WAS RECEIVED SUBSEQUENT TO POSTING THE AGENDA. A MOTION WAS MADE BY TRUSTEE DOWELL, SECONDED BY TRUSTEE ADAMS, TO APPROVE ITEM 5.E. AS MODIFIED. VOTE: UNANIMOUS.

- F. Approval of Retirements for January 2019 – **APPROVED**
- G. Approval of Annual Retiree Cost of Living Adjustment as of April 1, 2019

PRESENTED AND DISCUSSED. AN OPPORTUNITY WAS PROVIDED FOR PUBLIC COMMENT. STAFF AND COUNSEL WILL PROVIDE A SUMMARY OF LEGISLATION RELATED TO THE COLA PROVISIONS IN CERL AT THE NEXT MEETING FOR CONSENT. A MOTION WAS MADE BY TRUSTEE DOWELL, SECONDED BY TRUSTEE ADAMS, TO APPROVE ITEM 5.G. AS PRESENTED. VOTE: UNANIMOUS.

- H. Approval of Conflict of Interest Code Update – **APPROVED**
- I. Approval of List of Finalists for External Audit Interviews – **APPROVED**

5. **MINUTES**

- A. Consideration of the January 16, 2019 Retirement Board Regular Meeting Minutes

PRESENTED AND DISCUSSED. AN OPPORTUNITY WAS PROVIDED FOR PUBLIC COMMENT. A MOTION WAS MADE BY TRUSTEE GARCIA, SECONDED BY TRUSTEE TALFORD, TO APPROVE ITEM 5.A. AS PRESENTED. VOTE: UNANIMOUS. ABSTAIN: COBURN.

- B. Consideration of the January 29, 2019 Retirement Board Audit Committee Meeting Minutes

PRESENTED AND DISCUSSED. AN OPPORTUNITY WAS PROVIDED FOR PUBLIC COMMENT. A MOTION WAS MADE BY TRUSTEE COBURN, SECONDED BY TRUSTEE JOLLY, TO APPROVE ITEM 5.B. AS PRESENTED. VOTE: UNANIMOUS.

6. **DISCUSSION**

- A. Receive Performance and Economic Summary Report: International Small Cap & Emerging Markets

Board directed Verus to provide manager peer performance as well as the already existing portfolio rankings.

PRESENTED, RECEIVED AND FILED.

- B. Receive Presentation: Fiduciary Standards in a Complex World

PRESENTED, RECEIVED AND FILED.

- C. Review and Approve Manager Finalists for the Small Cap Value Mandate

PRESENTED AND DISCUSSED. AN OPPORTUNITY WAS PROVIDED FOR PUBLIC COMMENT. A MOTION WAS MADE BY TRUSTEE JOLLY, SECONDED BY TRUSTEE GARCIA, TO INVITE DFA, WELLINGTON, AND SNYDER FOR FURTHER CONSIDERATION AT THE APRIL 3 REGULAR MEETING. VOTE: UNANIMOUS.

7. **FCERA REALTY GROUP, LLC – CONSENT:**

- A. Receipt and Filing of Quarterly Staff Reporting on Revenues and Expenditures, and Investment Performance

PRESENTED AND DISCUSSED. AN OPPORTUNITY WAS PROVIDED FOR PUBLIC COMMENT. THE BOARD DIRECTED STAFF TO ELIMINATE AND UNUSED CATEGORIES FROM FUTURE REPORTS. A MOTION WAS MADE BY TRUSTEE TALFORD, SECONDED BY TRUSTEE GARCIA, TO RECEIVE ITEM 7.A. AS PRESENTED. VOTE: UNANIMOUS.

8. CLOSED SESSION - FCERA REALTY GROUP, LLC:

- A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION: Significant exposure to litigation pursuant to subdivision (d)(2) of Government Code section 54956.9. Number of Cases: 1

9. CLOSED SESSION:

- A. CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION

Government Code section 54956.9(d)(1).

Name of Case: *A. Rodriguez v. Board of Retirement of FCERA*, Fresno Superior Court Case No. 17CECG01497

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

1. Juanita Davila
2. Christina Dolenec
3. Jason Hollins

10. ORAL REPORTS:

- A. Report out of Closed Session

8.A. No reportable action.

9.A. No reportable action.

9.B.1. **DAVILA – DECISION – TO GRANT THE SERVICE CONNECTED DISABILITY APPLICATION BASED ON THE MEDICAL OPINION OF DR. MORENTHALER. THE MOTION WAS MADE BY TRUSTEE COBURN, SECONDED BY TRUSTEE MCDIVITT. VOTE: UNANIMOUS.**

9.B.2. **DOLENEC – DECISION – TO GRANT THE SERVICE CONNECTED DISABILITY APPLICATION. THE MOTION WAS MADE BY TRUSTEE TALFORD, SECONDED BY TRUSTEE JOLLY. VOTE: UNANIMOUS.**

9.B.2. **HOLLINS – DECISION – TO GRANT THE SERVICE CONNECTED DISABILITY APPLICATION. THE MOTION WAS MADE BY TRUSTEE JOLLY, SECONDED BY TRUSTEE ROBINSON. VOTE: UNANIMOUS.**

- B. FCERA Administration

Administration had nothing to report.

- C. Board Counsel

Craig Armstrong, Board Counsel, reported on his attendance at the CALAPRS Attorneys' Roundtable on February 1 in Oakland CA.

- D. Committee Reports

A Personnel Committee meeting is calendared for February 11 at 9:00 AM and a Disability Committee meeting is calendared for February 21 at 8:30 AM.

- E. Board Members

The Trustees had nothing to report.

A MOTION WAS MADE BY TRUSTEE TALFORD, SECONDED BY TRUSTEE ADAMS, TO ADJOURN. VOTE: UNANIMOUS.

There being no further business, the meeting adjourned at 10:44 AM.

Donald C. Kendig, CPA
Secretary to the Board