

**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 5, 2020

**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
John Robinson

Laura Basua
Steven Jolly
Riley Talford

Dr. Rod Coburn, III
Stanley McDivitt
Douglas Papagni, Alternate

Trustees Absent:

Nathan Magsig

Staff and Service Providers Present:

Donald Kendig, Retirement Administrator
Doris Rentschler, Assistant Retirement Administrator
Douglas Kidd, Retirement Investment Officer
Elizabeth Avalos, Executive Assistant
Merelle Buttner, Administrative Assistant
Kenneth Price, Board Counsel
Jeffrey MacLean, Verus
Michael Kamell, Verus
Stephanie Lord, Loomis Sayles
Ken Johnson, Loomis, Sayles
Mike McHugh, Invesco
Brian Decker, Colliers International – via tele-conference

Members of the Public that Addressed the Board:

None.

1. CALL TO ORDER

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

2. PLEDGE OF ALLEGIANCE

Trustee John Robinson led the Pledge.

3. PUBLIC COMMENT

None.

4. CONSENT AGENDA

CONSENT ITEMS 4.B. AND 4.D. WERE PULLED FOR DISCUSSION/COMMENT.

AN OPPORTUNITY WAS PROVIDED FOR PUBLIC COMMENT. A MOTION WAS MADE BY TRUSTEE TALFORD, SECONDED BY TRUSTEE GARCIA, TO ACCEPT/APPROVE CONSENT ITEMS 4.A., 4.C., 4.E. AND 4.F. AS PRESENTED. VOTE: UNANIMOUS. ABSENT: MAGSIG.

- A. Receipt and Filing of the FCERA Cash Flow Position as of December 2019 – **RECEIVED AND FILED**
- B. Receipt and Filing of PIMCO Emerging Markets Debt Update

DISCUSSED. AN OPPORTUNITY WAS PROVIDED FOR PUBLIC COMMENT. AT THE REQUEST OF TRUSTEE GARCIA, VERUS REVIEWED PIMCO'S BELOW BENCHMARK INVESTMENT RETURNS FROM THE PAST 5 YEARS. IT WAS NOTED THAT THE RETURNS ARE IMPROVING. A MOTION WAS MADE BY TRUSTEE ADAMS, SECONDED BY TRUSTEE BASUA, TO ACCEPT CONSENT ITEM 4.B. AS PRESENTED. VOTE: UNANIMOUS. ABSENT: MAGSIG.

- C. Approval of Retirements for January 2020 – **APPROVED**
- D. Approval of Annual Retiree Cost of Living Adjustment of 2.5%

DISCUSSED. AN OPPORTUNITY WAS PROVIDED FOR PUBLIC COMMENT. AT THE REQUEST OF TRUSTEE GARCIA, STAFF EXPLAINED THAT THE COLA IS ROUNDED TO THE NEAREST HALF PERCENT. A MOTION WAS MADE BY TRUSTEE GARCIA, SECONDED BY TRUSTEE TALFORD, TO ACCEPT CONSENT ITEM 4.D. AS PRESENTED. VOTE: UNANIMOUS. ABSENT: MAGSIG.

- E. Approval of retroactive First Amendment to National Disability Evaluations Service Agreement – **APPROVED**
- F. Approval of Budget Adjustments for Fiscal Year 2019-20 – **APPROVED**

5. MINUTES

- A. Consideration of the January 15, 2020 Retirement Board Regular Meeting Minutes

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

6. DISCUSSION

- A. Review of Performance and Economic Summary Report: Loomis Sayles

PRESENTED. AN OPPORTUNITY WAS PROVIDED FOR PUBLIC COMMENT. RECEIVED AND FILED.

- B. Educational Presentation: *Risk Parity*

PRESENTED. AN OPPORTUNITY WAS PROVIDED FOR PUBLIC COMMENT. RECEIVED AND FILED.

- C. Consideration of Asset Allocation Analysis

PRESENTED AND DISCUSSED. AN OPPORTUNITY WAS PROVIDED FOR PUBLIC COMMENT. A MOTION WAS MADE BY TRUSTEE JOLLY, SECONDED BY TRUSTEE TALFORD, TO PROCEED WITH MIX 2 AND TO BRING THE ITEM BACK FOR FURTHER DISCUSSION/CONSIDERATION ON IMPLEMENTATION OPTIONS. VOTE: UNANIMOUS. ABSENT: MAGSIG.

Alternate Trustee Papagni departed at 11:13 (during Item 6.C.).

- D. Consideration of State Association of County Retirement Systems (SACRS) 2020-2021 Board of Director Elections Nomination Process and Timeline

NO ACTION TAKEN.

7. CLOSED SESSION/CONSENT FCERA REALTY GROUP, LLC:

Consent;

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

AN OPPORTUNITY WAS PROVIDED FOR PUBLIC COMMENT. A MOTION WAS MADE BY TRUSTEE COBURN, SECONDED BY TRUSTEE GARCIA, TO ACCEPT CONSENT ITEM 7.A. AS PRESENTED. VOTE: UNANIMOUS. ABSENT: MAGSIG.

Closed Session;

- B. CONFERENCE WITH REAL PROPERTY NEGOTIATORS (pursuant to G.C. §54956.8)
 Property: 7766 N. Palm Ave. Fresno, CA 93711
 Agency Negotiators: Donald Kendig, Kenneth Price, Beau Plumlee and Brian Decker
 Under Negotiation: 7766 N Palm Avenue

8. CLOSED SESSION:

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

1. Fong Xiong
2. Sonia Mills
3. Gloria Ayala
4. Guadalupe Gonzalez

9. **ORAL REPORTS:**

A. Reports from Closed Session

7.B NO REPORTABLE ACTION.

8.A.1. XIONG – CONTINUED. THE MOTION WAS MADE BY TRUSTEE JOLLY, SECONDED BY TRUSTEE GARCIA. VOTE: UNANIMOUS. ABSENT: MAGSIG.

8.A.2. MILLS – DECISION – TO GRANT THE SERVICE-CONNECTED DISABILITY APPLICATION. THE MOTION WAS MADE BY TRUSTEE TALFORD, SECONDED BY TRUSTEE GARCIA. VOTE: UNANIMOUS. ABSENT: MAGISG.

8.A.3. AYALA – GRANT THE NON-SERVICE-CONNECTED DISABILITY APPLICATION. THE MOTION WAS MADE BY TRUSTEE GARCIA, SECONDED BY TRUSTEE TALFORD. VOTE: UNANIMOUS. ABSENT: MAGSIG.

8.A.4. GONZALEZ – DECISION – TO GRANT THE SERVICE-CONNECTED DISABILITY APPLICATION. THE MOTION WAS MADE BY TRUSTEE TALFORD, SECONDED BY TRUSTEE BASUA. VOTE: UNANIMOUS. ABSENT: MAGISG.

B. FCERA Administration

1. Staff informed the Board of the upcoming SACRS Conference and encouraged their attendance.

C. Board Counsel

None.

D. Committee Reports

1. A Disability Committee meeting is scheduled for Wednesday, February 12 at 8:30 AM and a Personnel Committee meeting is scheduled for Wednesday, February 19 immediately following the Regular meeting.

E. Board Members

Trustee Talford announced that FCERA Staff will conduct two outreach workshops at the Juvenile Justice Campus next week.

Trustee Adams will be absent from the February 12 Disability meeting and the February 19 meetings.

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

There being no further business, the meeting adjourned at 12:08 PM.

Donald C. Kendig, CPA
Secretary to the Board