

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

“Our mission is to provide secure retirement benefits and quality service to our members and beneficiaries while investing the assets of the plan within prudent levels of risk.”

July 19, 2023

[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:

Laura Basua
Oscar Garcia
Stan McDivitt

Alysia Bonner
Steven Jolly
Riley Talford

Dr. Rod Coburn
Nathan Magsig

Trustees Absent:

John Robinson

Vicki Crow, Alternate

Staff and Service Providers Present:

Donald Kendig, Retirement Administrator
Debbie Paolinelli, Assistant Retirement Administrator
Patricia Montoya, Benefits Manager
Merelle Buttner, Executive Assistant
Frankie Dorsey, Supervising Retirement Specialist
Kenneth Price, Board Counsel
Andy Yeung, Segal Consulting
Tod Tauzer, Segal Consulting

Members of the Public that Addressed the Board:

None

1. CALL TO ORDER

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

2. PLEDGE OF ALLEGIANCE

Pledge was led by Trustee Riley Talford.

3. PUBLIC COMMENT

None.

4. CONSENT AGENDA

CONSENT ITEMS 4.H., 4.I., AND 4.K. WERE PULLED FOR DISCUSSION.

ADMINISTRATION NOTED ITEM 4.E. WAS CORRECTED DUE TO THE SACRS CONFERENCE BEING MISCATEGORIZED AS AN ELECTIVE EDUCATIONAL TRIP, MISREPORTING THE TRIP COUNTS. AN UPDATE HAS BEEN POSTED TO THE WEBSITE.

THE CHAIRMAN ASKED TO WITHDRAW HIS TRAVEL REQUEST (ITEM 4.I) FROM CONSIDERATION. TRUSTEE MAGSIG ALSO PULLED THE ITEM FOR DISCUSSION.

A MOTION WAS MADE BY TRUSTEE MAGSIG, SECONDED BY TRUSTEE TALFORD, TO APPROVE/ACCEPT CONSENT ITEMS 4.A. THROUGH 4.G. AND ITEMS 4.J. AND 4.L. AS PRESENTED. VOTE: UNANIMOUS. ABSENT: ROBINSON. MOTION PASSED.

- A. Receipt and Filing of the Business Expense Account Statements for April, May, and June 2023 – **RECEIVED AND FILED**
- B. Receipt and Filing of Quarterly Written Administration Report – **RECEIVED AND FILED**
- C. Receipt and Filing of 2022-2023 Biennial Strategic Plan Quarterly Update – **RECEIVED AND FILED**
- D. Receipt and Filing of Quarterly Disability Status Report – **RECEIVED AND FILED**
- E. Receipt and Filing of the Quarterly Trustee Travel Report and Anticipated Trustee Travel – **RECEIVED AND FILED**
- F. Receipt and Filing of Education Attendance Reports: SACRS Spring Conference – **RECEIVED AND FILED**
- G. Receipt and Filing of Education Attendance Report: NCPERS ACE & TEDS – **RECEIVED AND FILED**
- H. Approval of Travel Request from Trustees Laura Basua and Alicia Bonner to attend the 2023 Public Funds Forum on September 5-7, 2023 in Bluffton, South Carolina

PRESENTED AND DISCUSSED. AN OPPORTUNITY WAS PROVIDED FOR PUBLIC COMMENT. TRUSTEE MAGSIG ASKED THAT THE TRUSTEES MAKING THIS TRAVEL REQUEST EXPLAIN THE ADDED VALUE THE CONFERENCE WILL PROVIDE. BOTH TRUSTEES BASUA AND BONNER EXPRESSED THE VALUE AND KNOWLEDGE THEY WILL OBTAIN BY ATTENDING THIS CONFERENCE. A MOTION WAS MADE BY TRUSTEE MAGSIG, SECONDED BY TRUSTEE MCDIVITT, TO APPROVE CONSENT ITEM 4.H. AS PRESENTED. VOTE: UNANIMOUS. ABSENT: ROBINSON. MOTION PASSED.

- I. Approval of Travel Request from Chair Rod Coburn to attend ALTSSV 2023 Conference on September 6-7, 2023 in Mountain View, CA

PRESENTED AND DISCUSSED. AN OPPORTUNITY WAS PROVIDED FOR PUBLIC COMMENT. BOARD COUNSEL ADVISED THAT THIS ITEM COULD BE TABLED UNTIL A DATE UNCERTAIN EFFECTIVELY REMOVING IT FROM CONSIDERATION AS REQUESTED BY CHAIR COBURN. A MOTION WAS MADE BY TRUSTEE MAGSIG, SECONDED BY TRUSTEE TALFORD, TO TABLE THE ITEM TO A DATE UNCERTAIN. VOTE: UNANIMOUS. ABSENT: ROBINSON. MOTION PASSED.

- J. Approval of Retirements for June 2023 – **APPROVED**

- K. Approval to Write-off or Escheat Funds Owed to or due from Deceased Benefit Recipients

PRESENTED AND DISCUSSED. AN OPPORTUNITY WAS PROVIDED FOR PUBLIC COMMENT. CHAIR COBURN INQUIRED ABOUT THE LARGE AMOUNTS BEING WRITTEN OFF OR ESCHEATED. STAFF EXPLAINED THE VARIOUS SCENARIOS THAT CREATE THESE WRITE-OFFS AND ESCHEATMENT'S. A MOTION WAS MADE BY TRUSTEE MCDIVITT, SECONDED BY TRUSTEE BONNER, TO APPROVE CONSENT ITEM 4.K. AS PRESENTED. VOTE: UNANIMOUS. ABSENT: ROBINSON. MOTION PASSED.

- L. Approval of the June 7, 2023 Retirement Board Regular Meeting Minutes – **APPROVED**

5. DISCUSSION

- A. Consideration of Economic Actuarial Assumptions Review Results for the June 30, 2023 Actuarial Valuation

PRESENTED AND DISCUSSED. AN OPPORTUNITY WAS PROVIDED FOR PUBLIC COMMENT. A MOTION WAS MADE BY TRUSTEE TALFORD, SECONDED BY TRUSTEE BASUA, TO APPROVE AND ADOPT STAFF'S RECOMMENDED ACTIONS TO RECEIVE AND FILE THE ECONOMIC ASSUMPTIONS REVIEW REPORT BY SEGAL AND APPROVE AND ADOPT THE RECOMMENDATIONS PRESENTED ON PAGE FIVE OF THE REPORT. VOTE: UNANIMOUS. ABSENT: ROBINSON. MOTION PASSED.

- B. Consideration of Travel Requests to attend the 2023 U.S. Institutional Investors Delegation

PRESENTED AND DISCUSSED. AN OPPORTUNITY WAS PROVIDED FOR PUBLIC COMMENT. COMPLETED A RANDOM DRAWING THAT SELECTED TRUSTEE BONNER TO ATTEND THE SOUTH AFRICA TRIP, AND TRUSTEE TALFORD AS AN ALTERNATE. A MOTION WAS MADE BY TRUSTEE MAGSIG, SECONDED BY GARCIA, TO DENY THE TRAVEL REQUEST. VOTE: YES – GARCIA, MAGSIG, MCDIVITT. NO – BASUA, BONNER, JOLLY, TALFORD, COBURN. ABSENT: ROBINSON. MOTION FAILED.

A SECOND MOTION WAS MADE BY TRUSTEE BASUA, SECONDED BY TRUSTEE BONNER TO APPROVE TRUSTEE BONNER AS THE PRIMARY TRAVELER, AND TRUSTEE TALFORD AS AN ALTERNATE TO SERVE AS DELEGATE TO SOUTH AFRICA CONTINGENT UPON DELEGATION TO COUNSEL AND STAFF'S INDEPENDENT CONFIRMATION THAT THE TRIP WILL COMPLY WITH BOTH STATE AND FEDERAL LAWS. VOTE: YES - BASUA, BONNER, JOLLY, TALFORD, COBURN. NO: GARCIA, MAGSIG, MCDIVITT. ABSENT: ROBINSON. MOTION PASSED.

6. CLOSED SESSION

- 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: 2

7. CLOSED SESSION – FCERA REALTY GROUP LLC:

- A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
(Paragraph (1) of subdivision (d) of Section 54956.9):
FCERA REALTY GROUP LLC, a California limited liability company v. BOARDWALK AT PALM BLUFFS, LP, a California limited partnership; BOARDWALK AT PALM BLUFFS II, LP, a California limited partnership; TARGET CONSTRUCTORS, INC., a California corporation; ALCAL SPECIALTY CONTRACTING, INC., a Nevada corporation; PETERS ROOFING, INC., a California corporation; JOHNSON FIRE PROTECTION INCORPORATED, a California corporation; A. COLMENERO PLASTERING, INC., a California corporation; B&L MECHANICAL, INC. and DOES 1-10, inclusive. (Case No. 19CECG01169)

8. ORAL REPORTS

- A. Report from Closed Sessions

6A - No reportable action

7A - No reportable action

- B. FCERA Administration and Investments

Administration: Staff informed that board that the August 2nd meeting is expected to run into the afternoon, and lunch will be provided to allow for a working lunch.

Investments: Staff informed the board that Scott Whalen, with Verus, will be taking over as FCERA's lead consultant. Mike Kamell has pursued a marketing career with a large investment manager.

Staff also announced that we have a new Retirement Investment Analyst starting on August 21, 2023.

Staff provide an update on the Northern Trust negotiations for a separately managed passive domestic equity Russell 1000 account.

Staff provided very rough numbers for performance as of 6/30/2023 are 6.8 to 7.3%. It is 7.3% based purely on asset growth.

Staff informed the board that Donald Kendig, Retirement Administrator, will be visiting the Northern Trust offices in mid-August to receive as full orientation on all the services we are utilizing and has reached out to Verus to send a delegate with him as an advisor.

- C. Board Counsel

Ken Price advised the board that he will not be attending the August 2, 2023 meeting, and Craig Armstrong will attend in his absence.

D. Committee Reports

None.

E. Board Members

None.

There being no further business, the meeting adjourned at 11:35 AM.

Donald C. Kendig, CPA
Secretary to the Board