



**STANISLAUS COUNTY  
EMPLOYEES' RETIREMENT ASSOCIATION**  
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**BOARD OF RETIREMENT MINUTES**

**September 23, 2014**

**Members Present:** Gordon Ford, Maria De Anda, Darin Gharat, Michael O'Neal  
Jim DeMartini, Donna Riley and Jeff Grover

**Member Absent:** Mike Lynch and Jason Gordo

**Alternate Member Present:** Joan Clendenin, Alternate Retiree Representative

**Staff Present:** Rick Santos, Executive Director  
Kathy Herman, Fiscal Services/Operations Manager  
Kellie Gomes, Executive Board Secretary

**Others Present:** Fred Silva, General Legal Counsel  
Doris Foster, Chief Executive Office

1. Meeting called to order at 2:02 p.m. by Gordon Ford, Chair.
2. Roll Call
3. Announcements

Kellie announced the read out from past closed session item regarding Real Estate allocation as follows:

On April 22, 2014 in closed session action was taken on Item# 9.a. Motion was made by Jeff Grover and Seconded by Jason Gordo to allocate \$30 Million to American Reality and directed staff to begin the legal review process with Hanson & Bridgett and negotiate the contracts with the approved manager. Roll call vote carried unanimously. Trustee Darin Gharat was absent during the vote.

Further, after legal review and the negotiation process StanCERA committed \$30 million to American Strategic Value Realty Fund, LP on September 3, 2014

4. Public Comment  
None

5. Consent Items

a. Approval of the September 10, 2014 Administrative Meeting Minutes

Motion was made by Darin Gharat and seconded by Jeff Grover to approve consent items as presented excluding Item 5.b pulled by Joan Clendenin.

Motion carried unanimously.

Item 5.b pulled by Joan Clendenin for clarification.

b. SACRS Legislative Proposal

Motion was made by Darin Gharat and seconded by Jeff Grover to approve consent items 5.b as presented.

Motion carried unanimously.

6. Annual Update and Review – Dodge & Cox Fixed Income / Equities

a. Quarterly Value Added Report

Annual update and review was presented by Deirdre Curry, Wendell Birkhoffer and Bob Thompson.

7. Strategic Investment Solutions (SIS), Inc.

a. Monthly Performance Review for the Month Ending August 31, 2014

Rick Santos, Executive Director asked that Pyramis and Legato be placed “under review” and notified as per our Investment Policy outlined on page 21.

b. Report on “Top 10 Holdings” by StanCERA Investment Managers as of August 31, 2014

8. Executive Director

a. Infrastructure Investment Option Presentation

Break at 3:20 p.m.  
Reconvene at 3:24

8. Executive Director (Cont.)

a. Infrastructure Investment Option Presentation

i. Morgan Stanley Investment Partners (MSIM)

Presentation provided to the Board by:

Chris Koski

Jim Wilmott

Robert Harkins

ii. Kohlberg Kravis Roberts (KKR)

Presentation provided to the Board by:

Dan McLaughlin

Raj Agrawal

Break at 4:18 p.m.

Reconvene at 4:22 p.m.

9. Closed Session

Motion was made by Darin Gharat and seconded by Michael O'Neal to enter into closed session at 5:03 p.m.

a. Discussion and Action Regarding Allocation of StanCERA's Infrastructure Assets  
Government Code Section 54956.81

b. Conference with Legal Counsel – Pending Litigation – One Case:  
Stanislaus County Employees' Retirement Association v. Buck Consultants,  
LLC, Mediation Pursuant to Evidence Code Sections 1115, 1119, 1152  
Government Code Section 54956.9(d)(4)

c. Conference with Legal Counsel – Pending Litigation – One Case:  
O'Neal et al v. Stanislaus County Employees' Retirement Association  
Stanislaus County Superior Court Case No. 648469  
Government Code Section 54956.9(d)(1)

d. Conference with Legal Counsel – Pending Litigation – One Case:  
Nasrawi et al v. Buck Consultants, LLC, et.al, Santa Clara County  
Superior Court Case No. 1-11-CV202224; Court of Appeal, Sixth Appellate  
District, Case No. H038894 Government Code Section 54956.9(d)(1)

Michael O'Neal and Joan Clendenin recused themselves at 5:28 p.m.

Motion was made by Maria DeAnda and seconded by Donna Riley to enter into open session at 5:32 p.m.

Nothing from closed session to report out at this time.

10. Members' Forum (Information and Future Agenda Requests Only)

None

9. Adjournment

Meeting adjourned at 5:33 p.m.

Respectfully submitted,

Rick Santos, Executive Director



APPROVED AS TO FORM:  
FRED A. SILVA, GENERAL LEGAL COUNSEL

By:   
Fred A. Silva, General Legal Counsel