



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

**April 28, 2015**

**Trustees Present:** Maria DeAnda, Donna Riley, Gordon Ford,  
Mike Lynch, Jim DeMartini, Michael O'Neal

**Trustees Absent:** Jeff Grover and Jason Gordo

**Alternate Trustee :** Joan Clendenin, Alternate Retiree Representative

**Staff Present:** Rick Santos, Executive Director  
Kathy Herman, Fiscal Services Manager  
Dawn Lea, Benefits Manager  
Kellie Gomes, Executive Board Secretary

**Others Present:** Fred Silva, General Legal Counsel  
Nathan Pratt, Strategic Investment Solutions  
John Meier, Strategic Investment Solutions

1. Meeting Called to Order

Meeting called to order at 2:01p.m. by Trustee DeAnda, Chair

2. Roll Call

3. Announcements

None

4. Public Comment

None

5. Consent Items

a. Approval of the March 24, 2015 Meeting Minutes

b. Approval of the April 8, 2015 Meeting Minutes

Motion was made by Trustee Riley and seconded by Trustee O'Neal to approve consent items as presented.

Motion carried unanimously

6. Annual Performance Report PIMCO

a. Value Added Report

7. Executive Director

a. Discussion and Action Regarding Information Technology Solutions

An Ad Hoc Committee comprised of Trustee O'Neal, Trustee De Annda was established to assist and guide staff through the implementation of multiple technology solutions.

Board requested to hear Items and motion on items 7.d and 7.b out of order.

b. Discussion and Action Regarding Direct Lending Asset Class (Item heard in order and vote postponed after 7.d was heard.)

Motion was made by Trustee Riley and seconded by Trustee DeMartini to accept staff recommendation to commit \$15,000,000 to the Raven III Fund and wait until the asset liability study in the fall before deciding on whether to continue to fund this asset class.

Roll call vote passed 4/2.

Trustee Ford	No
Trustee DeAnda	Yes
Trustee Riley	Yes
Trustee Lynch	No
Trustee DeMartini	Yes
Trustee O'Neal	Yes

c. Discussion and Action Regarding Financial Auditor Services

Motion was made by Trustee O'Neal and seconded by Trustee Riley to accept the Evaluation Team's recommendation to retain Brown Armstrong for financial auditor services.

Motion was made by Trustee Riley and Seconded by Trustee O'Neal to authorize the Executive Director to sign all documents and enter into a three year agreement with an option to extend for another three years.

d. Discussion and Action Regarding Portfolio Rebalancing

1. Strategic Investment Solutions Memo

Motion was made by Trustee De Martini and seconded by Trustee Riley to approve the recommendation as stated by Consultants, John Meier and Nathan Pratt, to reduce US Equity by \$40 million, \$7 million from Legato, \$13 million from Capital Prospects and \$20 million from Mellon Capital and increase International Equity by \$40 million, \$22 million to LSV and \$18 million to Pyramis.

## d. Discussion and Action Regarding Portfolio Rebalancing (cont.)

Roll call vote passed 4/2

Trustee Ford	No
Trustee DeAnda	Yes
Trustee Riley	Yes
Trustee Lynch	No
Trustee DeMartini	Yes
Trustee O'Neal	Yes

8. Strategic Investment Solutions (SIS), Inc.

Nate Pratt and John Meier presented March 31 2015, reports on StanCERA's investments.

## a. Monthly Flash Report for the Month Ending March 31, 2015

Monthly Performance:	-0.38%
Active Return:	0.00%
Fiscal YTD Return:	3.54%
Total Fund Value as of 3/31/2015:	\$1,825,620,100

## b. Report on "Top 10 Holdings" of StanCERA Investment Managers as of March 31, 2015.

9. Closed Session

a. 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)

b. 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)

c. 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)

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

None

11. Adjournment

Meeting adjourned at 4:23 p.m.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Rick Santos".

Rick Santos, Executive Director

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

By:   
Fred A. Silva, General Legal Counsel