



STANISLAUS COUNTY
EMPLOYEES' RETIREMENT ASSOCIATION
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BOARD OF RETIREMENT MINUTES

July 24, 2012

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

Alternate Member Present: Joan Clendenin, Alternate Retiree Representative

Staff Present: Rick Santos, Executive Director
Kathy Herman, Operations Manager
Kelly Cerny, Executive Board Secretary
Kathy Johnson, Accountant
Dawn Lea, Benefits Manager
Luiana Irizarry, Operations Specialist

Others Present: Fred Silva, General Legal Counsel
Harvey Leiderman, Reed Smith, via teleconference
Fletcher Alford, Gordon Rees LLP, via teleconference
Scott von Stein & Seth Taube, Medley Capital, LLC
Andre Hakkak, Barbara McKee & Casey Jones, White Oak Global Advisors, LLC
Paul Harte & Nathan Pratt, Strategic Investment Solutions (SIS), Inc.
Stan Risen, County Chief Executive Office

1. Meeting called to order at 2:00 p.m. by Jim DeMartini, Chair.

2. **Roll Call**

3. **Announcements**

None.

4. **Public Comment**

None.

5. **Consent Items**

Mr. Gharat requested to pull Consent Item #5b for discussion.

Motion was made by Maria DeAnda and seconded by Mike Lynch to approve the following items as listed.

Motion carried.

- a. Approval of the July 11, 2012 Administrative Meeting Minutes

Consent Item Pulled for Discussion

5b. StanCERA's Complaint Log of April 1, 2012 through June 30, 2012

Mr. Gharat requested staff continue to log all complaints regardless of whether it is directly related to StanCERA.

Motion was made by Jim DeMartini and seconded by Darin Gharat to direct staff to continue logging complaints regardless of whether it is directly related to StanCERA.

Motion carried.

6. **Closed Session**

Motion was made by Darin Gharat and seconded by Ron Martin to commence to Closed Session at 2:05 p.m.

M. O'Neal recused himself at 2:05 p.m.

Motion was made by Darin Gharat and seconded by Ron Martin to return to Open Session at 2:48 p.m.

M. O'Neal returned at 2:48 p.m.

J. Clendenin arrived at 2:48 p.m.

Ms. Cerny read the findings of the Closed Session:

- a. 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(a)

No Report.

- b. 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
Government Code Section 54956.9(b)

No Report.

7. **Educational Presentation – Medley Capital, LLC - Opportunity Fund II**

Scott von Stein, Principal, and Seth Taube, Managing Partner and Senior Portfolio Manager of Medley Capital, LLC gave an educational presentation to the Board on Opportunity Fund II.

D. Gharat out at 3:23 p.m.

Recessed at 3:31 p.m.

Reconvened at 3:33 p.m.

8. **Educational Presentation – White Oak Global Advisors, LLC - Direct Lending Overview**

Andre Hakkak, Co-founder and Managing Partner, Barbara McKee, Co-founder and Managing Partner, and Casey Jones, Managing Director of White Oak Global Advisors, LLC gave an educational presentation to the Board on Direct Lending.

J. Grover out at 4:11 p.m.

R. Martin out at 4:13 p.m.

9. **Strategic Investment Solutions (SIS), Inc.**

a. Monthly Performance Review for the Month Ending June 30, 2012

Mr. Harte presented the monthly performance review for the period ending June 30, 2012. StanCERA's portfolio is \$1.4 billion, a -2.13% decrease from the prior year. June had a 2.85% return, and the entire fiscal year saw a 0.25% return. This is 1.47% above StanCERA's policy index return of 1.72%, 7.75% below the actuarial assumed rate of 8.0%.

b. Report on "Top 10 Holdings" by StanCERA Investment Managers

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

Mr. DeMartini requested staff to place closed session items towards the end of the agendas. Staff will accommodate this request to the greatest extent possible.

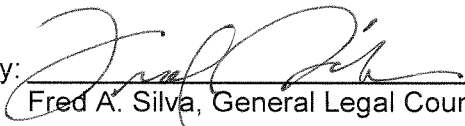
11. **Adjournment**

Meeting adjourned at 4:58 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