



**BOARD OF RETIREMENT MINUTES
November 26, 2019**

1. Call Meeting to Order

Meeting called to order 1:30 p.m. by Trustee DeMartini, Chair

2. Pledge of Allegiance

3. Roll Call

Trustees Present: Darin Gharat, Mike Lynch, Jim DeMartini,
Jeff Grover, Michael O'Neal, Jeff Mangar and Mandip Dhillon

Trustees Absent: Sam Sharpe and Donna Riley

Alternate Trustee: Rhonda Biesemeier, Alternate Retiree Representative

Staff Present: Rick Santos, Executive Director
Natalie Elliott, Fiscal Services Manager
Kellie Gomes, Executive Board Assistant
Stan Conwell, Retirement Investment Officer

Others Present: Fred Silva, General Legal Counsel
Eileen Neil, Verus Investment Consultant

4. Announcements

Stan Conwell announced that Capital Prospects, StanCERA's small cap domestic equity manager, announced to their clients on Friday, November 22, 2019 that they will be merging with Attucks Asset Management, based out of Chicago. Staff was aware of a potential merger for almost a year, but the details of the deal including the name of the other firm were not available due to confidentiality requirements. Attucks, like Capital Prospects, is a manager of emerging managers and serves a similar institutional client base with roughly the same firmwide assets under management. Capital Prospects will operate as a subsidiary of Attucks with no change in fees, office location, or services provided. The team is expected to change in the latter part of 2020 with the retirement of Elizabeth Knope, one of Capital Prospects founding partners. Staff is pleased with the care and diligence Capital Prospects put into vetting the current merger and early indications appear to be positive. Staff will work closely with Verus in the coming months to review the merger more in depth.

Rick Santos announced that all of the new technology in the board room is up and running. He reminded everyone to speak directly into the microphones so that the cameras can sync up.

Monthly staff report will now be done on a quarterly basis going forward.

Kellie Gomes noted that the dates on page 2 and 3 of the agenda were incorrect for the agenda and every effort will be made to make sure that it doesn't happen in the future.

5. Public Comment

None

6. Consent Items

a. Approval of the October 22, 2019 Meeting Minutes

- b. Monthly Staff Report
- c. Investment Matrix
- d. Conference Summary
- e. Applications for Service Retirement(s) – **Government Code Sections 31499.14, 31670, 31662.2 & 31810**
 - 1. Butler, Cara – City of Ceres – Effective 11-01-19
 - 2. Chalupnik, Robert – HSA– Effective 11-10-19
 - 3. Drabin, Jeffrey – DCSS – Effective 10-25-19
 - 4. Felt, Cindy – DCSS – Effective 11-13-19
 - 5. Gulley, Glen – DA – Effective 11-08-19 *
 - 6. Kelly, Gillian – CSA – Effective 10-22-19
 - 7. Lomeli, Maria – CSA – Effective 11-16-19
 - 8. McDonald, Shannyn – BHRS – Effective 10-16-19
 - 9. Smith, Karin – DCSS – Effective 10-29-19
 - 10. Wells, Douglas – Probation – Effective 11-22-19 *

** Indicates Safety Personnel*
- f. Applications for Deferred Retirement(s) – **Government Code Section 31700**
 - 1. Alvarado, John – BHRS – Effective 05-15-19
 - 2. Baker, Jennifer – BHRS – Effective 07-05-19
 - 3. Chukwuka, Ogiram – BHRS – Effective 10-11-19
 - 4. Davalos-Mendoza, Veronica – BHRS – Effective 08-02-19
 - 5. Fagan, Dana – HSA – Effective 06-07-19
 - 6. Jeng, Emily – DA – Effective 06.03-19
 - 7. Macias, Johanna – Probation – Effective 10-26-19 *
 - 8. Molina, Luis Ismael – BHRS – Effective 08-29-19
 - 9. Sanchez, Martha – Workforce Dev – Effective 09-27-19
 - 10. Stachura, Lester – Public Works – Effective 10-18-19

** Indicates Safety Personnel*
- h. Applications Reciprocal Disability Retirement(s) – **Government Code Section 31538.5**
 - 1. Butler, Lee – Sheriff – Effective 08-18-18 *
- i. Information Technology Solutions (ITS) Project Update
- j. 2020 Board of Retirement Committee Assignments
- k. 2020 StanCERA Board Meeting Calendar

Motion was made by Trustee Gharat and seconded by Trustee Mangar to accept the consent items as presented.

Motion carried unanimously

7. Verus – Investment Consultant

a. Investment Performance 2019 Quarter 3

b. October Flash Report

8. Investment

None

9. Administrative

a. Memorandum of Understanding Between Stanislaus County and StanCERA Regarding the Replacement Benefits Plan

Agenda Item Attachment 1 Attachment 2

Motion was made by Trustee Gharat and seconded by Trustee Mangar to accept staff recommendation and ratify the Memorandum of Understanding (MOU) (attachment 2) between the County and StanCERA regarding the 415(b) replacement benefits plan as present.

Motion carried unanimously

10. Committee Reports and Recommendations for Action

STANDING COMMITTEES

a. Internal Governance Committee

Discussion and Action to accept the Internal Governance Committees' Recommendation Regarding:

1. The June 30, 2019 and 2018 Comprehensive Annual Financial Report (CAFR) and Independent Auditor Report

Agenda Item Attachment 1 Attachment 2

Motion was made by Trustee O'Neal and seconded by Trustee Gharat to accept the Internal Governance Committee's recommendation to Accept the Committee's Recommendation for Receipt of the Comprehensive Annual Financial Report (Attachment 1) as presented.

Motion carried unanimously

2. Records Retention Policy Agenda Item Attachment 1

Motion was made by Trustee Grover and seconded by Trustee Gharat to accept the Internal Governance Committee's recommendation to approve the Records Retention Policy and Schedule as presented.

Motion carried unanimously

11. Closed Session

Motion was made by Trustee Gharat and seconded by Trustee O'Neil to go into closed session at 2:20 p.m.

Motion carried unanimously

- a. Application for Non-Service Connected Disability Retirement for Brenda Williams
Government Code Section 31724
- 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:
Stanislaus County Employees' Retirement Association v. Buck Consultants,
LLC, Mediation Pursuant to Evidence Code Sections 1115, 1119, 1152
Government Code Section 54956.9d)(4)

Motion was made by Trustee Gharat and seconded by Trustee O'Neil to go into open session at 2:39 p.m.

Motion carried unanimously

Read out from closed session Item 11.a is as follow:

Motion was made by Trustee Gharat and seconded by Trustee Dhillon to dismiss, without prejudice, the Non-Service Connected Disability Application of Brenda Williams.

Motion carried unanimously

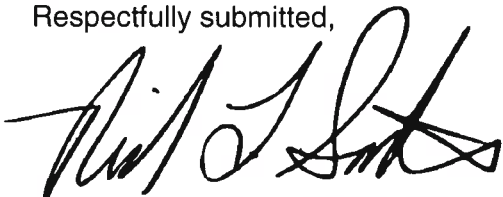
11. Members' Forum (Information and Future Agenda Requests Only)

None

12. Adjournment

Meeting adjourned at 2:44 p.m.

Respectfully submitted,



Rick Santos, Executive Director

APPROVED AS TO FORM:
Fred Silva, GENERAL LEGAL COUNSEL

By: 
Fred Silva, General Legal Counsel