

SHARI SHAPMIRE
CHAIR
TREASURER TAX COLLECTOR

LLOYD WEER
VICE-CHAIRMAN
ELECTED GENERAL MEMBER

TIM KNUDSEN
SECRETARY
ELECTED RETIRED MEMBER

SUPERVISOR KENDALL SMITH
B.O.S. APPOINTEE

JOHN SAKOWICZ
B.O.S. APPOINTEE

TED STEPHENS
B.O.S. APPOINTEE

BOB MIRATA
B.O.S. APPOINTEE

RANDY GOODMAN
ELECTED GENERAL
MEMBER

CRAIG WALKER
ELECTED SAFETY
MEMBER

RICHARD SHOEMAKER
ELECTED RETIRED
ALTERNATE MEMBER



RICH WHITE
RETIREMENT
ADMINISTRATOR

JEFF BERK
LEGAL COUNSEL

MENDOCINO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION BOARD MEETING SPECIAL MEETING AGENDA JANUARY 3, 2013 – 9:00 A.M.

ROLL CALL (9:00 A.M.)

PUBLIC COMMENT (Estimated Time 5 min.)

Members of the public are welcome to address the board on subjects within the jurisdiction of the Board of Retirement regarding items both on and off the agenda. The board is prohibited by law from taking action on matters not on the agenda, but may ask questions to clarify the speaker's comment and/or briefly answer questions. The board limits testimony on matters not on the agenda to 5 minutes per person and not more than 10 minutes for a particular subject at the discretion of the Chair of the Board. To best facilitate public expression please complete the speaker form available at the entrance to the boardroom and present to the Clerk to the Board. If you wish to submit written comments please provide 13 copies to the Clerk to the Board prior to the start of the meeting. Public speakers are reminded to announce their names before they address the board.

- 1) **APPROVAL OF THE MINUTES OF THE BOARD MEETING HELD DECEMBER 12, 2012**
(Estimated Time 5 min.)
- 2) **DISCUSSION AND POSSIBLE ACTION REGARDING CONTRIBUTION RATES FOR NEW CALPEPRA TIERS** (Estimated Time 60 min.)
- 3) **DISCUSSION AND POSSIBLE ACTION REGARDING THE JUNE 30, 2012 ACTUARIAL VALUATION (THE SEGAL COMPANY)** (Estimated Time 60 min.)
- 4) **DISCUSSION AND POSSIBLE ACTION REGARDING AUTHORIZED SIGNATURE RESOLUTION 2013-01** (Estimated Time 5 min.)

**◆RETIREMENT BOARD SPECIAL MEETING AGENDA◆
◆JANUARY 3, 2013 - 9:00 A.M.◆**

5) MONTHLY FINANCIAL REPORT (Estimated Time 10 min.)

6) RETIREMENT ADMINISTRATOR'S REPORT (Estimated Time 10 min.)

ADJOURNMENT (Approximate Time 11:35 A.M.)

(Pursuant to Government Code Section 54954, this agenda was posted 72 hours prior to the meeting.)

◆ MENDOCINO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION ◆
BOARD OF RETIREMENT MEETING MINUTES
◆ DECEMBER 12, 2012 AT 8:30 A.M. ◆

CALL TO ORDER

Bob Mirata, Board Chair, called the meeting to order at 8:38 A.M.

ROLL CALL

Roll call was conducted with the following members present: Shari Schapmire, Lloyd Weer, Ted Stephens, Tim Knudsen, Randy Goodman, Supervisor Kendall Smith, John Sakowicz, and Bob Mirata. Members absent: Richard Shoemaker and Craig Walker. Also present: Rich White, Retirement Administrator, Jeff Berk, Legal Counsel, and Judy Zeller, Clerk to the Board.

PUBLIC COMMENT: None

1) DISCUSSION AND POSSIBLE ACTION REGARDING ELECTION OF BOARD OF RETIREMENT OFFICERS FOR 2012/2013

Presenter/s: Bob Mirata, Board Chair, addressed the Board.

Board Action: Motion was made by Board Chair Mirata to nominate Board member Schapmire as Chair, Board member Weer as Vice Chair and Board member Knudsen as Secretary. Board member Goodman seconded the motion and it was approved unanimously.

The newly appointed officers will assume duties in January 2013.

2) APPROVAL OF THE MINUTES OF THE BOARD MEETING HELD DECEMBER 3, 2012

Upon motion by Board member Goodman, seconded by Board member Schapmire; IT IS ORDERED that the minutes of the December 3, 2012 Board meeting are approved as amended unanimously.

3) PRESENTATION OF A PROCLAMATION HONORING SUPERVISOR KENDALL SMITH FOR HER SERVICE TO THE BOARD OF RETIREMENT

Presenter/s: Bob Mirata, exiting Board Chair, addressed the Board and presented the proclamation.

4) DISCUSSION AND POSSIBLE ACTION REGARDING EQUITY STRUCTURE AND PASSIVE MANAGER SELECTION (CALLAN ASSOCIATES)

Presenter/s: Greg DeForrest of Callan Associates referenced information previously distributed to the Board.

◆ MENDOCINO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION ◆
BOARD OF RETIREMENT MEETING MINUTES
◆ DECEMBER 12, 2012 AT 8:30 A.M. ◆

Board Action: Motion was made by board member Goodman to select Black Rock to manage the passive allocation to the S&P 500 Index Fund. Board member Sakowicz seconded the motion and was approved by the following vote: Ayes 8 Noes 0 Abstain 0 Absent 1.

5) DISCUSSION AND POSSIBLE ACTION REGARDING THE JUNE 30, 2012 ACTUARIAL VALUATION (THE SEGAL COMPANY)

Presenter/s: Andy Yeung and Dirk Adamsen of The Segal Company referenced information previously distributed to the Board.

Board Direction: Staff will bring this item back to the Board for discussion and possible action on January 3, 2013.

Board member Shoemaker entered the meeting at 10:58 A.M.

6) DISCUSSION AND POSSIBLE ACTION REGARDING RESOLUTION 2012-06 DEFINING COMPENSATION EARNABLE (Estimated Time 30 min.)

Presenter/s: Rich White referenced information previously distributed to the Board.

Board Action: Motion was made by Board member Stephens to exclude both "on-call pay" and "stand-by pay" from Resolution 2012-06 defining compensation earnable because under PEPR we are not justified to include as compensation pensionable. Board member Mirata seconded the motion and the motion failed by the following vote: Ayes 1 Noes 7 Abstain 0 Absent 1.

There was no further discussion regarding Agenda item 6).

LUNCH RECESS (11:50 A.M.)

RECONVENNE (12:20 P.M.)

7) CLOSED SESSION (12:20 P.M.)

- Pending disability applications update
- Lorenzo Torres, NSCD
- Public Employee Performance Evaluation - Retirement Administrator - Pursuant to Government Code Section 54957

REPORT OUT FROM CLOSED SESSION

◆MENDOCINO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION◆
BOARD OF RETIREMENT MEETING MINUTES
◆DECEMBER 12, 2012 AT 8:30 A.M.◆

Board Direction: Direction was given to staff and the performance evaluation was continued to January 16, 2013.

Board Action: Motion was made by board member Knudsen to grant Lorenzo Torres a Non-Service Connected Disability Retirement. Board member Goodman seconded the motion and it was approved by the following vote: Ayes 8 Noes 0 Abstain 0 Absent 1.

8) DISCUSSION AND POSSIBLE ACTION REGARDING BOARD STRATEGIC PLAN

- Objectives
- Charter and Policy planning timeline

Presenter/s: Rich White referenced information previously distributed to the Board.

Board Action: Motion was made by board member Sakowicz to adopt the MCERA Board Strategic Plan Objectives 1, 2, 3, and 4. Board member Goodman seconded the motion and was approved unanimously.

9) MONTHLY FINANCIAL REPORTS

- October Financial Statements
- Trust Fund Assets

Presenter/s: Rich White referenced information previously distributed to the Board.

Board Direction: Staff will review financial statements and provide more information to the Board in January.

10) BENEFITS AND OPERATIONS

- Member retirements and withdrawals of contributions by inactive members

11) DISCUSSION AND POSSIBLE ACTION REGARDING TRUSTEE EDUCATION AND TRAVEL POLICY

Presenter/s: Rich White referenced information previously distributed to the Board.

Board Direction: Staff will provide redlined copies of policies to the Board when an existing policy requires revision and Board approval.

Board Action: Motion was made by board member Sakowicz to approve the Trustee Education and Travel Policy. Board member Schapmire seconded the motion and was approved unanimously.

◆ MENDOCINO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION ◆
BOARD OF RETIREMENT MEETING MINUTES
◆ DECEMBER 12, 2012 AT 8:30 A.M. ◆

**12) DISCUSSION AND POSSIBLE ACTION REGARDING DISABILITY APPLICATION
MEDICAL ADVISOR CONTRACT**

Presenter/s: Rich White referenced information previously distributed to the Board.

Board Direction: Staff will provide amount spent on evaluating disability applications at the January 16, 2013 meeting.

Board Action: Motion was made by board member Smith to approve the Medical Advisor Contract with Dr. Jeffrey Rapp. Board member Knudsen seconded the motion and was approved by the following vote: Ayes 7 Noes 1 Abstain 0 Absent 1.

13) RETIREMENT ADMINISTRATOR'S REPORT

- Mendocino County Grand Jury Response
- Report on External Audit
- Report on CAFR

Presenter/s: Rich White referenced information previously distributed to the Board.

Board member Sakowicz recused himself from the discussion regarding the Mendocino County Grand Jury response and left the boardroom. He returned for the remainder of the Retirement Administrators report.

14) COMMUNICATIONS

Presenter/s: Rich White referenced information previously distributed to the Board.

15) GENERAL BOARD MEMBER DISCUSSION

There being no further business exiting Chair Mirata adjourned the meeting at 3:00 P.M.

Resolution of the Mendocino County Board of Retirement
Stating Authorized Signature, No. 2013-01

By resolutions duly and regularly adopted and still in effect, the fullest authority at all times has been invested in:

<u>Richard A. White, Jr., Retirement Administrator</u> Name Title	Or	<hr style="border: none; border-top: 1px solid black;"/> Signature
<u>Shari Schapmire, Board Chair</u> Name Title	Or	<hr style="border: none; border-top: 1px solid black;"/> Signature
<u>Lloyd Weer, Board Vice-Chair</u> Name Title		<hr style="border: none; border-top: 1px solid black;"/> Signature

with respect to any transaction deemed to be proper in connection with said account, including (but without limitation thereto) authority to give written or oral instructions to you as brokers with respect to such transactions, and generally to do and take all action necessary in connection with the account or considered desirable by said officer or agent with respect thereto. You, as broker, are authorized thereunder and hereby to deal with any and all persons by the said resolution empowered or through dealing with the Mendocino County Employees' Retirement Association itself.

The Mendocino County Employees' Retirement Association is required to certify to you promptly, when and as made, any change in the officers or powers of persons hereby authorized and such modifications when received by you shall be adequate both to terminate the powers of the persons theretofore authorized and to empower the persons thereby substituted.

Pursuant to the aforesaid and hereunder, the powers and authority granted shall continue fully effective until receipt by you of written notice of change or rescission thereof.

The foregoing resolution introduced by Board Member _____, seconded by Board member _____, and carried this 3rd day of January, 2013, by the following vote:

eyes:
noes:
absent:

WHEREUPON, The Chair declared said Resolution adopted, and SO ORDERED.

Shari Schapmire, Board Chair
Mendocino County Board of Retirement

Attest: _____
Judy Zeller, Clerk to the Board
Mendocino County Board of Retirement