

**MENDOCINO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
BOARD OF DIRECTORS MINUTES OF THE REGULAR MEETING,
JULY 15, 2009 AT 8:30 AM,
MENDOCINO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
CONFERENCE ROOM, 625B KINGS CT., UKIAH, CA. 95482**

1. CALL TO ORDER

Chair Pearce called the meeting to order at 8:30 am.

Roll call was conducted with the following members present: Randy Goodman, Caren Callahan, Lloyd Weer, Bob Mirata, Shari Schapmire, Kendall Smith, Dr. Donald Coursey, Dennis Huey, Chair Tim Pearce presiding.

Also present: Tim Knudsen, Alternate Retirement Member; Jim Andersen, Retirement Administrator, Sue Thornhill, Clerk to the Board and Jeanine Nadel, County Counsel.

2. APPROVAL OF MINUTES

Upon motion by Trustee Schapmire, seconded by Trustee Mirata, and carried unanimously; IT IS ORDERED that the minutes of the June 17, 2009, Board meeting are approved.

3. RETIREMENT ADMINISTRATOR'S REPORT

Presenter/s: Jim Andersen referenced written information previously distributed to the Board.

- a. Mr. Andersen gave the Board a brief report on the progress of the RFP Process and advised the item would most likely be coming to the full board at the August meeting.
- b. Mr. Andersen advised the Board that Peter Chan has withdrawn his intention to act as "back up" consultant should the RFP process not be successful. Mr. Chan did agree to stay through a transition period.

Presenter/s: Sue Thornhill referenced written information previously distributed to the Board regarding withdrawals of contributions and billings for services and fees.

Board Action: Motion was made by Trustee Huey, seconded by Trustee Goodman to approve the Retirement Administrator's Report as presented. Motion carried unanimously.

4. INVESTMENTS/FINANCIALS

Presenter/s: Jim Andersen referenced written reports previously distributed to the Board including the final financial statement for the period ending May 31, 2009, and the preliminary report for the period ending June 30, 2009.

Mr. Andersen advised the Board the assets made positive gains for the 4th month in a row.

He further reported the portfolio increased an additional \$172,000 in June; noting that since February the system has gained back approximately \$35,000,000 of the losses suffered through February 2009.

Public Expression:

John Sakowicz advised the Board he would have a guest speaker on his radio program on Friday July 17th who would be discussing public pensions.

5. HEALTH INSURANCE

Presenter/s: Sue Thornhill presented the “Insurance Reserve Balance Report” which was distributed to the Board and the public at the beginning of the meeting.

Mr. Andersen added that without further changes the fund currently has 19 ½ months available to pay claims.

6. MISCELLANEOUS

Presenter/s: Harold Loeb of Buck Consultants attended meeting to educate the Board on how the actuaries view the information gathered annually in order to determine the County’s rates to fund their portion of the Retirement System.

Mr. Loeb also reported on several options the Board of Retirement might choose to adopt in order to prudently and reasonably preserve retirement reserves and keep the County rates down during the current economic crisis.

After giving an extensive report the Board members requested Mr. Loeb to return for the August meeting with a grid showing how each of the options would affect the County rates. Mr. Loeb was thanked by Chair Pearce and left the meeting at 9:50.

Presenter/s: Jeanine Nadel presented the board with information on how the Board of Supervisor’s appointees to the Board of Retirement are chosen. She explained the positions for all appointments to various boards remain open until they are filled and the Board of Supervisors, most often have no former knowledge of who the applicants are until the applications are presented the day of the meeting.

7. 9:45 ENTERED INTO CLOSED SESSION

- a. Discussion and possible action on disability applications

10:50 OUT OF CLOSED SESSION

BOARD ACTION FROM CLOSED SESSION

- a. BAKER, JILL, filed 1/27/2008 for Service Connected Disability
No action taken
- b. ELDER, COLONIE, filed 1/14/09 for Service Connected Disability
No action taken
- c. HAMMER, LAWRENCE, filed 05/12/2008 for Service Connected Disability.
No action taken
- d. HARRISON, JAMES, filed 04/23/2009 for Service Connected Disability
No action taken
- e. HEE, WESLEY, filed 05/26/2009 for Non-Service Connected Disability
APPROVED as per the following: Ayes: 9 Noes: 0 Absent: 0
- f. KOSKINEN, KIM, filed 10/15/2008 for Service Connected Disability
No action taken
- g. LEHMAN, FLORENCE, filed 10/30/2007 for Service Connected Disability
No action taken
- h. MEYER, SHARON, filed 5/12/2008 for Services Connected Disability
No action taken
- i. ROBINOW, PAMELA, filed 4/28/2008 for Service Connected Disability
No action taken
- j. WHITE, TAMMY (Brett), filed 11/09/2008 for Service Connected Disability
No action taken

10:50 REPORT OUT FROM CLOSED SESSION

It was reported that the application for a non-service connected disability for Wesley Hee had been approved.

There being no further business Chairman Pearce adjourned the meeting at 11:05 AM.

Tim Pearce, Chair

Susan Thornhill, Retirement Coordinator