

◆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.

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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 PEPRRA 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

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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.

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**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.