

**GENERAL and INVESTMENT MCERA RETIREMENT
BOARD MEETING MINUTES
Thursday February 14, 2013**

Roll Call: 8:18 AM

Board Members Present:

Mark Bodley, Karen Adams, Deidre Kelsey, Scott Johnston, Jim Pacheco, David Ness, Michael Rhodes, Al Peterson, and Ron Kinchloe. **Counsel:** Michael Calabrese **Staff:** Maria L. Arevalo, Gale Garcia, and David Liu.

Absent: Mary McWatters – Excused

Approval of Minutes: Motion to approve the minutes of January 24, 2013

Kelsey/Bodley. U/A

PUBLIC COMMENT: None

CLOSED SESSION—CONFERENCE WITH LEGAL COUNSEL—SIGNIFICANT EXPOSURE TO LITIGATION: Existing Litigation Government Code Section 54956.9(a): AFSCME Local 2703 et al v. MCERA, Merced Sup. Ct. Case No. CV003073

It is the intention of the Retirement Board to meet in Closed Session pursuant to Government Code Section 31532 regarding the confidentiality of member records. Update on the status of or deliberation and action on the application of disability retirements for:

1. Susan Cummings
2. Jenny Juarez
 Informal Hearing – None
 Formal Hearing – None

RETURN TO OPEN SESSION

REPORT ON CLOSED SESSION:

Direction to Staff

BOARD ACTION/DISCUSSION

1. Interviews of Investment Consulting Services RFP Finalists

8:30 Milliman: Bill Cottle, Marty Dirks, and Steve Cottle

9:35 Wurts: Scott Whalen, Ed Hoffman, and Shelly Heier

10:45 SIS: Paul Harte, Nathan Pratt, and Matt Silva

The three Investment Consulting firms, Milliman, Wurts, and SIS selected during the January 10, 2013 Board meeting presented to the Board. Representatives from each firm presented an overview of their firm's consulting services, strategies and addressed questions raised by the Board. After discussion, the Board decided to schedule on-site due diligence visits.

Motion to approve due-diligence visits to Wurts and SIS

Kelsey/Bodley. U/A

Motion to keep all three finalists and further review the finalists after the due-diligence visits

Adams/Kinchloe. U/A

2. Amend MCERA by laws to include an Earnable Compensation Approval Process for the Board of Retirement

The Board reviewed and discussed the Amended By-Laws Section 31542(a) of the CERL. After discussion, the Board approved and adopted the By-Laws.

Motion to adopt MCERA by-laws and request Merced County Board of Supervisor to approve amended by-laws

Adams/Peterson. U/A

3. Board of Retirement Consent to treat County Law library employee as a County employee for purpose of membership in MCERA.

The Board reviewed and discussed Resolution Number 2013-02 to accept County Law library employees as members of MCERA. After discussion, the Board consented to allow County Law library employees to be members of MCERA.

Motion to accept County Law library employee as members of MCERA

Kelsey/Pacheco

Ayes: Kelsey, Pacheco, Adams, Rhodes, Bodley, Peterson, Kinchloe and Ness

Noes: None

Abstain: None

Absent: McWatters

4. Review of Pay Code Schedule, Attachment A and approval of inclusion and exclusion of additional compensation pay codes

The Board discussed staff and counsel's proposal to amend pay codes schedule Attachment A to comply with AB 340. After discussion, the Board approves the pay codes schedule as amended.

Motion to approve pay codes schedule, Attachment A, as amended.

Kinchloe/Bodley.

5. Approval for Trustees to attend:

a. Principals of Pension Management, Stanford, March 26 to 29, 2013

Motion to approve trustee Scott Johnston to attend

Rhodes/Peterson. U/A

b. SACRS Public Pension Investment Program, U.C. Berkeley, July 29-31, 2013

Motion to approve trustees Karen Adam and Mark Bodley to attend

Rhodes/Peterson. U/A

CONSENT CALENDAR

Consent matters are acted upon as one unit, if an item is taken off the Consent Calendar for discussion; it will be heard as the last item(s) of the Closed Session or Board Action/Discussion as appropriate.

SERVICE RETIREMENT:

All items of earnable compensation for service retirements listed below are in compliance with the pay code schedule approved by the Board of Retirement.

1. LUTTS, GEORGE

FIRE

Eff. 12/30/2012

2. DILL, LINDA

DPW

Eff. 01/08/2013

3. GEORGE, SONIA

Correction: member rescinded retirement application

Motion to approve retirements

Peterson/Pacheco. U/A

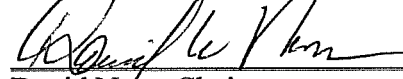
INFORMATION ONLY: None

CORRESPONDENCE: None


OTHER BUSINESS: Future Meetings, Conferences, Direction for Future Agenda Items
Pantheon Private Equity: February 28, 2013 meeting

ADJOURNMENT 12:45 PM

Respectfully Submitted,



David Ness, Chairman



Al Peterson, Secretary

2/28/2013

Date