# 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**

**<u>CONSENT CALENDAR</u>**

**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.**

**<u>SERVICE RETIREMENT:</u>**
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**

**<u>INFORMATION ONLY:</u> 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

_____
Date