

## **Board of Retirement Meeting Minutes**

**August 16, 2017 – 8:30 a.m.**

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### **Call to Order**

Kathryn Cavness, Vice Chair, called the meeting to order at 8:30 a.m. Chair Dan Gjerde was absent by prior arrangement.

### **Roll Call and Pledge of Allegiance**

Roll call was conducted with the following members present: Shari Schapmire, Patrick Sullivan, Kathryn Cavness, Kathryn Smith, Craig Walker, Tim Knudsen, Jeri Harris, and Richard Shoemaker. Also present: James Wilbanks, Retirement Administrator, Jeff Berk, Legal Counsel, Stan Conwell, Financial Investment Officer, Greg DeForrest and Alina Vartanyan of Callan Associates, and Judy Zeller, Administrative Assistant. Absent: Lee Parker and Dan Gjerde.

**Public Comment:** None

Our newly appointed trustee Kathryn Smith introduced herself.

### **1) Consent Agenda**

- Minutes Of The Meeting Held July 19, 2017
- July 2017 Retirement Report
- Monthly Financial Report

**Presenter/s:** Vice Chair Cavness referenced the consent agenda which was approved by unanimous consent.

### **2) Discussion and Possible Action Regarding any Consent Agenda Item Needing Separate Action**

### **3) Discussion and Possible Action Regarding Investment Matters**

- Quarterly Investment Report
- Preliminary Monthly Investment Report

**Presenter/s:** Greg DeForrest of Callan Associates provided a brief recap of the work that has been done on MCERA investments over the past year and referenced the Quarterly Investment Report for MCERA.

The second quarter had robust returns, the MCERA asset allocation is very close to target, and the market value of investments was \$483 million for June 30, 2017. The total fund return for the quarter was 3.94% which was over the 3.37% benchmark.

Mr. DeForrest commented on Vanguard, Harbor Capital Appreciation, Fidelity Low Priced Stock, and Barings Real Estate.

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The preliminary monthly report for July 2017 reflects a continuation of the 2<sup>nd</sup> quarter with a \$493 million market value of investments.

### **4) Quarterly Budget Update**

**Presenter/s:** Dr. Wilbanks referenced the quarterly budget update.

### **5) Discussion And Possible Action Regarding Proposal for Retirement Association Website (Vision Internet Advanced MendocinoCounty.Org Subsite)**

**Presenter/s:** Dr. Wilbanks referenced a proposal from Vision Internet for development of a website for MCERA. This website would be a full subsite to the current County of Mendocino site and we would have total control over the site content and the Uniform Resource Locator (URL). The current MCERA website was discussed and Dr. Wilbanks asked for board direction.

Board discussion included cost, staff time, becoming more independent from the County, the potential for County website improvements, and having full control on design elements.

**Board Direction:** Staff will research the development of a website for MCERA and will bring back more information regarding our current website cost, potential vendors for new website development, and estimated costs for the new site to the board along with a recommendation.

### **6) Retirement Administrator Report**

- Strategic Planning Off-Site Meeting
- Board of Retirement Elections
- Board of Retirement Appointment
- 625 Kings Court Update

**Presenter/s:** Dr. Wilbanks provided his administrative report. Discussion included the September offsite meeting, board elections and appointments, and 625 Kings Court parking lot repairs. The Fall SACRS Conference will be held in Burlingame CA in November.

### **7) General Board Member Discussion**

Ms. Harris addressed the board regarding Kathryn Smith.

Mr. Walker requested scheduling board discussion of investment divestment in the near future. He also expressed interest in asking the State Association of County Retirement Systems (SACRS) to review this topic.

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**Board Direction:** Staff will bring this item back for board discussion at an appropriate time.

### **8) Closed Session**

- Michael Davis, Deputy Sheriff-Coroner II, Service Connected Disability Application

### **Report Out From Closed Session**

**Board Action:** Motion was made by Mr. Knudsen to approve Michael Davis for a service connected disability retirement. Ms. Harris seconded the motion which was approved by the following vote: Ayes: Shari Schapmire, Patrick Sullivan, Kathryn Cavness, Kathryn Smith, Craig Walker, Tim Knudsen, and Jeri Harris. Noes: 0. Abstain: 0. Absent: Lee Parker and Dan Gjerde.

### **Adjournment and Notice of Next Board of Retirement Meeting**

Meeting adjourned at 10:36 a.m.

The next regularly scheduled Board of Retirement meeting will be held Wednesday September 20, 2017 at 8:30 a.m. in the Mendocino County Employees' Association Conference Room.

**Disabled Accommodation:** If you have a disability which requires an accommodation, an alternative format, or requires another person to assist you while attending this meeting, please contact the Retirement Office at (707) 463-4328, at least 72 hours in advance to ensure arrangements for accommodations.