

Board of Retirement Meeting Minutes

February 19, 2020 – 8:30 a.m.

Call to Order

Kathryn Cavness, Board Chair, called the meeting to order at 8:30 a.m.

Present: Shari Schapmire, Julie Forrester, Leland Parker, Jerilyn Harris, Dan Gjerde, Quincy Cromer, Tim Knudsen, Richard Shoemaker and Kathryn Cavness.

Absent: Kathryn Smith.

Also present: James Wilbanks, Executive Director, Jeff Berk, Legal Counsel, F. Robert Reveles, Financial/Investment Officer, and Judy Zeller, Administrative Assistant.

Pledge of Allegiance

Public Comment: None.

1) Consent Agenda

- a) Minutes of the January 16, 2020 Board Meeting
- b) January 2020 Retirement Report
- c) Preliminary Monthly Financial Report

Presenter/s: 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

None

3) Discussion and Possible Action Regarding Investment Matters

- a) Capital Markets Update
- b) Quarterly Investment Report
- c) Monthly Investment Report
- d) 2020 Investment Work Plan

Presenter/s: Greg DeForrest and Claire Telleen of Callan, LLC provided an update on Capital Markets, referenced the quarterly investment report and the monthly investment report for MCERA, and introduced an investment work plan for 2020.

Board of Retirement Meeting Minutes

February 19, 2020 Continued

Mr. Shoemaker left the meeting at 9:49 a.m.

4) Discussion and Possible Action Regarding Approval of Cost of Living Adjustment (COLA) as of April 1, 2020

Presenter/s: Dr. Wilbanks referenced a recommendation from Segal regarding the COLA as of April 1, 2020.

Board Action: Motion was made by Mr. Knudsen to approve the recommended 3% COLA as of April 1, 2020. Ms. Forrester seconded the motion which was approved unanimously.

5) Discussion Regarding Quarterly Budget Update

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

6) Discussion and Possible Action Regarding Proposed Budget Amendment

Presenter/s: Dr. Wilbanks referenced a proposed budget amendment.

Board Action: Motion was made by Ms. Harris to adopt the proposed budget amendment as presented. Ms. Schapmire seconded the motion which was approved unanimously.

7) Discussion and Possible Action Regarding Agreement with Brown Armstrong CPAs for Independent Financial Audit Services

Presenter/s: Dr. Wilbanks referenced a proposal from Brown Armstrong CPAs to provide independent financial audit services.

Board Action: Motion was made by Ms. Harris to approve an agreement with Brown Armstrong CPAs for a three year term. Mr. Knudsen seconded the motion which was approved unanimously.

8) Discussion and Possible Action Regarding Resolution 2020-01 Defining Compensation Earnable Pursuant to Government Code Section 31461 For Members Who Are Not Subject to Government Code Section 7522.34 (Non-PEPRA Members)

Presenter/s: Dr. Wilbanks referenced Resolution 2020-01.

Board of Retirement Meeting Minutes

February 19, 2020 Continued

Board Action: Motion was made by Ms. Forrester to approve as Resolution 2020-01 as presented. Mr. Cromer seconded the motion which was approved unanimously.

9) Discussion and Possible Action Regarding Resolution 2020-02 Defining Pensionable Compensation Pursuant to Government Code Section 7522.34 For Members Who Are Not Subject to Government Code Section 31461 (PEPRA Members)

Presenter/s: Dr. Wilbanks referenced Resolution 2020-02.

Board Action: Motion was made by Ms. Schapmire to approve Resolution 2020-02 as presented. Ms. Forrester seconded the motion which was approved unanimously.

10) Discussion and Possible Action Regarding Board of Retirement Meeting Calendar

- a) Rescheduling of the May 20, 2020 meeting to May 27, 2020

Presenter/s: Dr. Wilbanks discussed rescheduling the May board meeting to May 27, 2020 at the request of Mr. Berk.

Board Action: Motion was made by Ms. Forrester to reschedule the May board meeting to May 27, 2020. Ms. Schapmire seconded the motion which was approved unanimously.

11) Discussion Regarding Administrative Report

- a) 2020-2021 State Association of County Retirement Systems (SACRS) Board of Directors Elections and nomination period
- b) Ethics Training
- c) Fiduciary Insurance Renewal, Waiver of Recourse Payments
- d) Form 700 Filing
- e) Legislative Update

Presenter/s: Dr. Wilbanks referenced the administrative report.

12) General Board Member Discussion

None

13) Closed Session

- a) Robert Di Stefano, Code Enforcement Officer, Service Connected Disability Application

Board of Retirement Meeting Minutes

February 19, 2020 Continued

- b) Public Employee Appointment/Public Employment (Government Code Sec. 54957) Title: Executive Director

14) Report Out From Closed Session

Board Action Closed Session Item 13)a) Robert Di Stefano, Code Enforcement Officer, Service Connected Disability Application. Motion was made by Ms. Schapmire to approve Robert Di Stefano's application for Service Connected Disability Retirement. Mr. Knudsen seconded the motion which was approved by the following vote: Ayes: Shari Schapmire, Julie Forrester, Kathryn Cavness, Lee Parker, Quincy Cromer, Tim Knudsen, and Dan Gjerde. Noes: 0. Abstain: Jerilyn Harris. Absent: Kathryn Smith.

Board Action Closed Session Item 13)b) Public Employee Appointment/Public Employment (Government Code Sec. 54957) Title: Executive Director. Direction was given to staff and counsel.

Adjournment and Notice of Next Board of Retirement Meeting

Meeting adjourned at 11:11 a.m. The next regularly scheduled Board of Retirement meeting will be held Wednesday March 18, 2020 at 8:30 a.m. in the Mendocino County Employees Retirement Association Conference Room.