

**California Public Agencies
Self-directed Tax Advantaged Retirement System (STARS)
Joint Teleconference of the 401 and 457 Board of Trustees and Executive
Committee**

**Teleconference Minutes
Thursday, January 31, 2019**

Members Present

Richard Averett, Chair
Joseph Chan, Secretary

Agency

Regional Government Services Authority
STARS Executive Committee

Others Present

Janet Beagh
Edward Wagner
Rebecca Searles
Patrick Washington
Jeff Kise

Regional Government Services Authority
SageView Advisory Group
SageView Advisory Group
MassMutual
Regional Government Services Authority

Board Minutes:

- (1) The meeting was called to order by Chair Averett at 10:30 AM.
- (2) The agenda for January 31, 2019 STARS Board teleconference was approved with no changes.
/M/Chan/S/Averett /C/
- (2) Minutes of the November 2, 2018 teleconference were approved with no changes.
/M/Chan/S/Averett/C/.
- (3) In accordance with the STARS Trust Agreement, the Board approved the formation of an Executive Committee, and appointed Joseph Chan and Janet Beagh, with an invitation to Araceli Fierro to join, as members of the Committee. /M/Chan/S/Averett/C/. In response to the termination of Local Government Services, the Board has determined that it is more effective to govern the STARS program by an Executive Committee to allow experienced individuals to serve as Executive Committee members.
- (4) The Board meeting was adjourned at 10:10 AM.

Executive Committee Minutes:

- (1) The Executive Committee affirmed the continued service of the following officers: Richard Averett – Chair, and Joseph Chan – Secretary. /M/Chan/S/Averett/C/.
- (2) The Executive Committee expressed its position that political or other opinions not furthering the interests of participants should not be part of STARS or vendor messages to participants.

- (3) Wagner presented the investment report for the quarter ending 12/31/18: stock market down 5% for the year; continued volatility expected into 2019; the net return of BbBarclays US Agg was 0.01% (0%) for 2018; and US Government bonds yielding net loss of 1.8% for the year; MassMutual Stable Value Fund annual return 3.35%; \$9.3 million total assets in portfolio; compared well with similar portfolios at 13th percentile; DFA Growth Fund with -12% annual return is put on watch list; SageView recommends replacing Oppenheimer International Growth Fund with T Roe Price Overseas Stock Fund, MassMutual will make these changes in STARS investment options.
- (4) Reviewed and discussed marketing strategies to potential agencies; Wagner will Communicate with Committee regarding making a video for STARS participants.
- (5) Kise presented the financial reports for the year ending 12/31/18. They were accepted as presented. Patrick Washington will look into the decline of income from MassMutual in the last quarter.
- (6) Next meeting – Thursday, May 2, 2019.
- (7) Meeting was adjourned at 11:50 AM.