

MINUTES

BOARD GOVERNANCE COMMITTEE MEETING MARIN COUNTY EMPLOYEES' RETIREMENT ASSOCIATION (MCERA)

Retirement Board Conference Room
One McInnis Parkway, 1st Floor
San Rafael, CA

April 18, 2011 - 9 A.M.

CALL TO ORDER

Chair Brenk called the meeting to order at 9:05 A.M.

ROLL CALL

PRESENT: Bolger, Brenk, Gladstern, Haim, McFarland

ABSENT: Webb

MINUTES

It was M/S Bolger/Gladstern to approve the January 27, 2011, Governance Committee Meeting Minutes as submitted. The motion was approved by unanimous vote.

A. OPEN TIME FOR PUBLIC EXPRESSION

No public comment.

B. OLD BUSINESS

None.

C. NEW BUSINESS

1. Board Chair as Ex Officio on MCERA Committees (Action)

Consider and make possible recommendation to Board regarding whether Committee Charters should be amended to include Board Chair as Ex Officio member of standing committees

Retirement Administrator Jeff Wickman said that the issue is whether to amend Committee Charters to include the Board Chair as ex-officio member or continue to allow the Chair to appoint him or herself to any or all Committees. Counsel reviewed conditions under which Board members may vote on Committees, advising that having the Chair serve as an ex-officio member would mean they could not vote, unless, under MCERA's Bylaws, the vote was needed to have a quorum. The Committee members weighed the advantages and disadvantages of the Board Chair's status on Committees.

Trustee Haim made a motion to retain current practice whereby the Board Chair has the option of appointing himself/herself to standing Committees, citing the advantage of having as many voices and votes on Committees as practicable. Trustee Bolger seconded the motion.

Discussion of the motion included Trustee Bolger's observation that ex-officio membership would allow for impartiality of the Chair.

Mr. Haim amended his motion to add that current practice be recorded in the Committee Charters. Bolger accepted the amendment, and the motion was approved by unanimous vote.

2. Trustees Terms of Office (Action)

Consider and make possible recommendation to Board regarding possible Resolution re Trustee Terms of Office

Mr. Wickman introduced a draft Resolution regarding Trustee Terms of Office, the purpose of which is to realign terms of office for appointed members of the Board so that the terms are staggered in accordance with the requirements stated in the '37 Act. A reconstruction of Board members' terms of office revealed that appointed members' terms were out of alignment due to Board members leaving office prior to the end of their term. Mr. Wickman stated that the draft Resolution had been discussed with County counsel to ensure that the newly stated terms could be reconciled with the County's appointment process. Counsel Dunning advised that the proposed Resolution does not change the law, but merely clarifies the beginning and end dates of each Board member's terms, in accordance with the '37 Act. The appointing authority retains the ability to hold appointees in their positions on the Retirement Board until the Board of Supervisors chooses to make another appointment.

It was M/S Haim/Gladstern to recommend that the Board adopt the Resolution re Trustee Terms of Office as submitted. The motion was approved by unanimous vote.

3. Board Budget Policy Revisions (Action)

Consider and make possible recommendation to Board regarding amendments to policy

Mr. Wickman presented revisions to the Budget Policy to streamline the budget approval process. There was discussion that the Finance and Risk Management Committee was created in part to oversee budget development and remains the proper venue for that iterative process.

It was M/S Bolger/McFarland to recommend that the Board amend the Budget Policy as submitted. The motion was approved by unanimous vote.

4. Next Committee meeting

Consider possible agenda topics and date for next meeting

Mr. Wickman expects to present revisions to the Travel Expense Policy at the next Committee meeting. Trustee Bolger recommended that corporate governance topics arising from the CII Spring meeting be brought before the Committee, such as: proxy voting, the Dodd-Frank Act, and corporate managers' compensation. Trustee Haim agreed with a proactive approach on these issues. Ms. Bolger observed that the concept of fiduciary duty is being applied to more broadly defined participants in corporate governance matters.

Committee members agreed to consider a new date for the next Committee meeting.

There being no further business, Chair Brenk adjourned the meeting at 10:09 A.M.

Greg Brenk, Chair

Attest: Jeff Wickman, Retirement Administrator