

MINUTES

REGULAR BOARD MEETING MARIN COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

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

August 14, 2013 - 9 A.M.

EVENT CALENDAR 9 A.M. Regular Board Meeting

SWEARING IN OF JEFFREY BARTFELD

Retirement Board Clerk Dale Barre has been deputized by Marin County for the sole purpose of administering the oath of office to MCERA trustees. Ms. Barre administered the oath of office to Jeffrey Bartfeld.

SWEARING IN OF DAVID SHORE

Ms. Barre administered the oath of office to David Shore.

CALL TO ORDER Chair Bolger called the meeting to order at 9:04 A.M.

ROLL CALL PRESENT: Bartfeld, Bolger, Cooper, Given, Gladstern, McFarland, Piombo (alternate safety), Shaw (ex officio alternate), Shore, Smith, Webb (alternate retiree)

ABSENT: Brenk

Chair Bolger welcomed Trustees David Shore and Jeffrey Bartfeld to the Retirement Board and introductions were made. Both trustees have extensive backgrounds in the financial services industry.

MINUTES

It was M/S Gladstern/Given to approve the July 10, 2013 Regular Board Meeting Minutes as submitted. The motion was approved by unanimous vote.

It was M/S Gladstern/McFarland to approve the July 11, 2013 Investment Committee Meeting Minutes as submitted. The motion was approved by unanimous vote.

A. OPEN TIME FOR PUBLIC EXPRESSION

Note: The public may also address the Board regarding any agenda item when the Board considers the item.

No public comment.

B. MATTERS OF GENERAL INTEREST

1. Election Results for Seventh Safety Member and Alternate Safety Member
Retirement Administrator Jeff Wickman reported that Trustee Piombo was elected as Seventh Safety Member effective November 1, 2013 and Trustee Cooper will assume the Alternate Safety Member position on that date.

C. BOARD OF RETIREMENT MATTERS

1. Administrator's Report (Oral)
 - a. Administrator's update

Mr. Wickman reported that new Trustees Bartfeld and Shore recently received orientation from the Administrator and Counsel Ashley Dunning on the roles and responsibilities of an MCERA trustee. In addition MCERA Actuary Graham Schmidt has reviewed the funding plan and actuarial principles and Investment Consultant Jim Callahan has reviewed asset allocation and investment management. Trustees Bartfeld and Shore have received copies of key MCERA policies along with the latest actuarial valuation and the quarterly investment report.

As directed by the Investment Committee the Pyramis international small cap portfolio was funded with an additional \$23 million. The funding came from overweights in large cap portfolios. Discussions have begun with Eaton Vance on a subscription agreement for an investment of \$35 million in its emerging markets collective investment. Additional commitments of \$50 million to each core real estate manager are expected to be called early in 2014 by AEW and in 4-6 quarters by UBS.

Staff will participate on Marin County's financial system replacement project. Mr. Wickman is working with County officials to ensure that potential vendors will be aware up front of the need to conform to specific MCERA requirements for producing the retirement payroll file.

Mr. Wickman reported on the purchase of CPAS Systems, Inc., by Xerox, now known as CPAS, a Xerox Company. Mr. Wickman expects the acquisition to be positive for CPAS.

Retirement Board Clerk Dale Barre and Communications Associate Syd Fowler are working to address size limitation issues on the iPad project to ensure that packet quality is not compromised during the document reduction process.

- b. Staffing update

No report.

- c. Facility Use Report

No facility use in the past month.

- d. Future meetings
 - August 22 – Finance and Risk Management Committee
 - September 11 – Regular Board
 - September 12 – Investment Committee

Chair Bolger appointed Trustees Bartfeld and Shore to the Finance and Risk Management Committee.

2. Trustee Comments

Trustee Cooper congratulated Trustee Piombo on his election as Seventh Safety Member.

Chair Bolger noted that Counsel Dunning will address the topic of current municipal bankruptcies in the United States at the October Strategic Workshop.

Chair Bolger recessed Open Session at 9:30 A.M. for a break, reconvening in Closed Session at 9:35 A.M. At 10:54 A.M., the Chair recessed Closed Session and reconvened in Open Session

D. DISABILITY RETIREMENT APPLICATIONS

None

E. NEW BUSINESS

- 1. Public Employee Performance Evaluation. Title: Retirement Administrator (CLOSED SESSION pursuant to Government Code section 54957)

Chair Bolger reported that there was no reportable action on this matter.

2. Future Meetings

Consider and discuss agenda items for future meetings

In response to Trustee Smith’s inquiry, Mr. Wickman indicated that remote attendance of Committee meetings by Committee members is permitted in accordance with various procedures that can be addressed separately.

F. INVESTMENT INFORMATION

“X” indicates report distributed; * indicates report distributed electronically

PERIODIC REPORTS

1. Equities and Fixed Income

	Abbott Capital	-Private Equities Fund	Quarter
* X	Artisan Funds, Inc.	-International Equities Fund	
* X	The Clifton Group	-Futures Overlay Program	

- | | | | |
|-----------------------|------------------------------|--|---------|
| * X | Columbus Circle Investors | -Small Cap Growth Portfolio | |
| * X | Dimensional Fund Advisors | -Small Cap Value Fund | |
| * X | Eaton Vance | -Emerging Markets | |
| * X | Morgan Stanley | -International Equities Fund | |
| | Pathway Capital | -Private Equities Fund | Quarter |
| * X | Pyramis Global Advisors | -International Small Cap Equity Fund | |
| * X | State Street Global Advisors | -S&P 500 Flagship Non-Lending | |
| * X | Wellington Management | -Core Domestic Fixed Income Portfolio | |
| | Western Asset Management | -Core Plus Domestic Fixed Income Portfolio | |
| 2. <u>Real Estate</u> | | | |
| * X | Woodmont Realty Advisors | -Direct ownership – Monthly report | |
| | AEW Capital Management | -Value Added Portfolio | Quarter |
| * X | AEW Capital Management | -Core Real Estate | Quarter |
| * X | RREEF | -Value Added Portfolio | Quarter |
| * X | Woodmont Realty Advisors | -Direct Ownership | Quarter |
| * X | UBS | -Core Real Estate | Quarter |
| 3. <u>Other</u> | | | |

Mr. Wickman expects the Fund to return at least 14.6% net of fees for the fiscal year ending June 30, 2013, attributing the top-quartile performance to the relatively high equity allocation.

G. OTHER INFORMATION

1. Trustee Training Calendar
2. *Keeping in Touch* – August Issue, Retired Employees Association newsletter

H. CONSENT CALENDAR (Action)

It was M/S McFarland/Gladstern to approve the Consent Calendar as submitted. The motion was approved by unanimous vote.

CONSENT CALENDAR for
MCERA MEETING, WEDNESDAY, AUGUST 14, 2013

CONSENT CALENDAR
July 2013

RETURN OF CONTRIBUTIONS

Kelly Burnett (Withdrawal)	County of Marin	873.25
Rachel Griffiths (Withdrawal)	County of Marin	6,880.90
Alexander Levin (Withdrawal)	County of Marin	61,050.74
Terri White (Withdrawal)	County of Marin	2,371.43
Malaika Williams (Withdrawal)	County of Marin	3,243.13
Shawn Gordon (Partial)	City of San Rafael	<u>779.72</u>
	TOTAL	75,199.17

BUYBACK

Virginia Faria	County of Marin
Maria Del Carmen Giron	County of Marin
Jaime Powell	County of Marin
Janelle Torres	County of Marin
Michael Wear	County of Marin
John Gilson	City of San Rafael
Rochelle Gretchman-Dibley	City of San Rafael
Peggy Ruge	City of San Rafael

NEW RETIREES

Neal Osborne	CDA	County of Marin
Douglas Dion	DPW	County of Marin
Leticia Alcantar	H&HS	County of Marin
Linda Armstrong	H&HS	County of Marin
Theresa Brown	H&HS	County of Marin
Trisa Dixon	H&HS	County of Marin
Hiram Elliott	H&HS	County of Marin
Ann Forsell	H&HS	County of Marin
Linda Fortelka	H&HS	County of Marin
Kim Hansard	H&HS	County of Marin
Leighann Jorin	H&HS	County of Marin
Connie Luebkehan	H&HS	County of Marin
Peter Turner	H&HS	County of Marin
Nancy Davis	Library	County of Marin
James Cleaves	Parks	County of Marin
Richard Gibson	Parks	County of Marin
James Cheney	Sheriff	County of Marin
Randolph Heubach		Courts
Lee Johnson		City of San Rafael
Helen Stepler	H&HS	County of Marin

RESCINDED RETIREMENTS

DECEASED RETIREES

Wesley Campigli	Fire	County of Marin
Frances Cerini	Treasurer-Tax Collector	County of Marin
Klara Larsen	Courts	County of Marin
Betty Lowe	Schools	County of Marin
Vivian Nininger	Beneficiary	County of Marin
Dale Varady	Sheriff	County of Marin
Robert Ciocco		City of San Rafael
Donald Rose		City of San Rafael

CONFERENCES/SEMINARS

SACRS Haas Pension Investment Management - Retirement Administrator Wickman

There being no further business, Chair Bolger adjourned the meeting at 11:03 A.M.

Bernadette Bolger, Chair

Howard McFarland, Secretary