

MINUTES
REGULAR BOARD MEETING
MARIN COUNTY EMPLOYEES' RETIREMENT ASSOCIATION (MCERA)

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

January 13, 2016 – 9:00 a.m.

EVENT CALENDAR 9 a.m. Regular Board Meeting

CALL TO ORDER Chair Shore called the meeting to order at 9:00 a.m.

ROLL CALL PRESENT: Bolger, Brenk, Cooper (alternate safety), Given, Gladstern, Haim (alternate retired), Murphy, Piombo, Shaw (ex officio alternate), Shore, Stevens

ABSENT: Thomas

MINUTES

It was M/S Bolger/Piombo to approve the December 9, 2015 Board Meeting Minutes as submitted.

AYES: Bolger, Brenk, Given, Gladstern, Murphy, Piombo, Shore, Stevens
NOES: None
ABSTAIN: None
ABSENT: Thomas

It was M/S Stevens/Piombo to approve the December 10, 2015 Investment Committee Meeting Minutes as submitted.

AYES: Bolger, Brenk, Given, Gladstern, Murphy, Piombo, Shore, Stevens
NOES: None
ABSTAIN: None
ABSENT: Thomas

A. OPEN TIME FOR PUBLIC EXPRESSION

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

David Brown repeated his request made during the December 9, 2015 Board meeting that the Board place on its agenda for discussion the 2014/2015 Grand Jury report on pension enhancements adopted by MCERA's plan sponsors and petition a Court of Appeals for guidance. Mr. Brown further requested that the Board have its Counsel reply to his letter presented at the December meeting and make that reply public.

B. BOARD OF RETIREMENT MATTERS

1. Administrator's Report (Oral)

a. Administrator's Update

Retirement Administrator Jeff Wickman encouraged trustees to attend the CalAPRS General Assembly to be held in March.

Mr. Wickman and Communication Specialist Fowler attended the Marin County Association of Retired Employees (MCARE) luncheon to talk about MCERA. The Administrator discussed the Plan's investments and upcoming actuarial valuation and answered the retirees' questions on medical benefits.

Annual fiduciary liability insurance has been renewed and trustees are to reimburse MCERA for the non-recourse provisions.

The Administrator has scheduled a meeting with Institutional Shareholder Services (ISS) to discuss how their services could be a benefit to MCERA.

b. Staffing Update

The Administrator reported that interviews with candidates for the Chief Financial Officer (CFO) position were conducted over the course of two days. Three candidates were selected for follow-up interviews with the Administrator and the finance and accounting team. Mr. Wickman expressed appreciation to Director of Finance Roy Given, Michelle Hardesty, Lisa Jackson, Anne Battaglia and Denise Lee for serving on the interview team. The goal is to have a final decision before the end of January.

c. Facility Use Report

MCARE held its monthly Board meeting at the facility.

d. Future Meetings

- January 14, 2016 Investment Committee
- February 10, 2016 Board

2. Standing Committee Reports

a. Finance and Risk Management Committee

Finance and Risk Management Committee Chair Alan Piombo reported on the Committee's December meeting.

1. Class Action Securities Monitoring Provider Review

Review and discuss process for selecting securities litigation monitoring firms

The Committee determined to stay with current providers for class action securities litigation monitoring. An educational presentation on class action securities litigation monitoring has been suggested as a potential topic for the March Workshop.

2. Information Technology Risk Assessment

Present and discuss MCERA IT Risk Assessment prepared by MCERA staff

The Information Technology (IT) Risk Assessment Project was undertaken as part of a recommendation from MCERA's 2014/2015 financial audit. The project was headed by Lori Nann, Syd Fowler and Michelle Hardesty. Ms. Hardesty presented the IT Security Assessment to the Committee for review and discussion. The Committee requested that an updated report be presented on an annual basis.

3. Administrative Budget FY 2015/16 Quarterly Review

Consider and review budget for quarter ending September 30, 2015

Overall expenditures for the first quarter of the fiscal year were on target at slightly under 25% of the budgeted amount. Salaries and benefits were under budget due to the vacancy being carried for the Chief Financial Officer position. Professional services are at 37% of the budgeted amount due to payment for the annual financial audit by Brown Armstrong. Medical transcription expenses are running higher based on the complexities of the claimed disabilities.

4. Non-budgeted Expenses

Consider and review non-budgeted expenses for the quarter

No discussion.

5. Quarterly Checklist

Consider, review and updates on the following:

Quarterly checklist items were acceptable to the Committee and there was no discussion.

- a. MCERA educational and event-related expenses
- b. Continuing Trustee Education Log
- c. Other expenses per Checklist Guidelines
- d. Variances in the MCERA administrative budget in excess of 10%
- e. Reconciliation of MCERA administrative accounts
- f. Vendor services provided to MCERA
- g. MCERA staffing status
- h. Internal controls, compliance activities and capital calls
- i. Audits, examinations, investigations or inquiries from governmental agencies

j. Other items from the Administrator related to risk and finance

3. Ad Hoc Committee Reports

a. Ad Hoc One McInnis Committee

Mr. Wickman reported the Ad Hoc One McInnis Committee consisting of Trustees Bolger, Given and Shore met to discuss space utilization at One McInnis Parkway. The Committee directed the Administrator to explore opportunities that would use the space more efficiently and/or free up more space that could be leased.

Responding to Trustee Gladstern's question, Mr. Wickman indicated that he looked at property management options and he determined that the current provider is doing a good job at a very reasonable annual cost. Mr. Wickman and Ad Hoc One McInnis Committee Chair Shore indicated in response to Trustee Stevens' inquiry that the process resulting in the Committee's direction included an analysis of current market lease rates.

4. Trustee Comments

a. Educational Training: Reports by Trustees and Staff

No educational training reports.

b. Other Comments

No trustee comments.

Chair Shore directed deliberations to Agenda Item E, NEW BUSINESS.

E. NEW BUSINESS

1. Future Meetings

Consider and discuss agenda items for future meetings

No discussion.

F. OTHER INFORMATION

1. Trustee Training Calendar (Action)

It was M/S Given/Piombo to approve the Trustee Training Calendar as submitted.

AYES:	Bolger, Brenk, Given, Gladstern, Murphy, Piombo, Shore, Stevens
NOES:	None
ABSTAIN:	None
ABSENT:	Thomas

2. Keeping in Touch

January Issue, Association of Retired Employees newsletter

G. CONSENT CALENDAR (Action)

It was M/S Piombo/Gladstern to approve the Consent Calendar as submitted.

AYES: Bolger, Brenk, Given, Gladstern, Murphy, Piombo, Shore, Stevens
 NOES: None
 ABSTAIN: None
 ABSENT: Thomas

**CONSENT CALENDAR for
 MCERA MEETING, WEDNESDAY, JANUARY 13, 2016**

**CONSENT CALENDAR
 DECEMBER 2015**

RETURN OF CONTRIBUTIONS

Tonya Rose Ortelle	Full refund of contributions (termination)	\$	9,683.66
Laura Miulescu	Full refund of contributions (termination)	\$	4,361.29
Lawrence Brown	Partial refund of contributions (30 year)	\$	5,052.08
Dana Wilcox	Full refund of contributions (termination)	\$	822.70
Mark Bulger	Full refund of contributions (termination)	\$	7,194.02
Denise Clark	Full refund of contributions (termination)	\$	15,780.28
Robert McCree	Full refund of contributions (termination)	\$	4,482.24
Justin Cozad	Full refund of contributions (termination)	\$	5,167.04
Thabiti Terry	Full refund of contributions (termination)	\$	27,273.82
Supraanee Mai	Partial refund of contributions (age change)	\$	1,058.28
Derek Toups	Full refund of contributions (termination)	\$	766.31
Sharon Flower	Full refund of contributions (termination)	\$	1,866.95
Robert Harris	Full refund of contributions (termination)	\$	60,051.83

BUYBACKS

Mabel Turrini		\$	10,989.25
Margaret Steppler		\$	3,650.83
Kevin Stone		\$	5,330.02
Pauletta Jordan		\$	4,824.72
Zorayda Sibrian		\$	6,390.21
Lillian Jang		\$	5,715.11
Kevin Stone		\$	42.06
Carla Avitabile		\$	1,557.32
Vicki Llaverias		\$	205.85
Sir Henry Anderson II		\$	140.00
Arlin Benavides		\$	939.15
Michael Sintef		\$	14,680.85
Alison Sexauer		\$	3,513.27
Maria-Victoria Martinez-Sanchez		\$	3,891.19
Mabel Turrini		\$	1,716.84
Christian Gutt		\$	15,561.45
Justin Sangster		\$	8,753.50
Karen Marie Walsh		\$	14,677.31
Alyssa Schiffmann		\$	43,278.46
Janet Nibbi		\$	25,260.18

NEW RETIREES
 District Attorney

Carolyn O'Keefe		County of Marin
Antonio Valderas		Courts
Ebrahim Azarbakhsh	Sheriffs	County of Marin
Ellen Rosenthal	H&HS	County of Marin
Douglas Fletcher		City of San Rafael
Lisa MacCubbin		Novato Fire

RESCINDED RETIREMENTS

John Times
Elaine Hansen
Joyce La Counte
Astrid Bradley

DECEASED RETIREES
Beneficiary
Library
H&HS

County of Marin
County of Marin
County of Marin
City of San Rafael

CONFERENCES/SEMINARS
CalAPRS Board Meeting - Administrator Wickman

Trustee Haim joined the meeting at 9:40 a.m.

Chair Shore recessed Open Session for a break at 9:50 a.m. and reconvened in Closed Session at 10:00 a.m.

Trustee Shaw was excused from the meeting at 10:00 a.m.

Chair Shore recessed Closed Session and reconvened the meeting in Open Session at 11:06 a.m.

C. LEGAL MATTERS

Conference with Legal Counsel – Pending Litigation (Gov. Code sec. 54956.9(a)) (CLOSED SESSION)

MAPE et al. v. MCERA, et al., First Dist. Court of Appeal Case No. A139610 (Div. 2)

Trustee Gladstern recused herself and left the room because she is an officer with MAPE.

Chair Shore reported that there was no reportable action on this agenda item.

D. CONSIDERATION OF AND ACTION ON NON-CONSENT AGENDA DISABILITY RETIREMENT APPLICATIONS (TIME CERTAIN: 10:00 a.m.) (CLOSED SESSION) (Action)

[Any non-Consent Agenda disability retirement application, whether pulled from the Disability Consent Agenda or originally agendized as a non-Consent agenda item, will be considered in Closed Session unless the applicant specifically waives confidentiality and requests that his or her application be considered in Open Session.]

1. Viviana Greene Service-connected Community Development Agency

Initial consideration of an application for service-connected disability retirement with an effective date of January 23, 2011 filed by a Miscellaneous member

2. Timothy Little

Service-connected

Marin County Sheriff

Consider and take possible action on Administrative Law Judge's proposed findings of fact and recommended decision to deny service-connected disability retirement application with an effective date of December 31, 2011.


Chair Shore reported that the Board approved and adopted the Administrative Law Judge's Findings of Facts and Recommended Decision to deny service-connected disability retirement for Timothy Little by a vote of 8-0. Trustee Thomas was absent. Trustee Piombo recused himself from the discussion and vote because the applicant was in the same service as he. Trustee Cooper voted for Trustee Piombo. Motion was by Trustee Gladstern and seconded by Trustee Stevens. Voting for the motion were Trustees Bolger, Brenk, Cooper, Given, Gladstern, Murphy, Shore, and Stevens.

Chair Shore reported that the Board denied Viviana Greene's application for service-connected disability retirement and provided the applicant with the opportunity to request an administrative hearing in accordance with MCERA policy by a vote of 9-0. Trustee Thomas was absent. Trustee Cooper voted for Trustee Thomas. Motion was by Trustee Gladstern and seconded by Trustee Piombo. Voting for the motion were Trustees Bolger, Brenk, Cooper, Given, Gladstern, Murphy, Piombo, Shore, and Stevens.

There being no further business, Chair Shore adjourned the meeting at 11:08 a.m.



Dave Shore, Chair



Maya Gladstern, Secretary