

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

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

**August 10, 2016 – 9:00 a.m.**

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**EVENT CALENDAR** 9 a.m. Regular Board Meeting

**CALL TO ORDER** Chair Shore called the meeting to order at 9:01 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 Gladstern/Stevens to approve the June 8, 2016 Board Meeting Minutes as submitted.

AYES: Bolger, Brenk, Cooper, Gladstern, Murphy, Piombo, Shore, Shaw, Stevens

NOES: None

ABSTAIN: None

ABSENT: Given, Thomas

It was M/S Piombo/Gladstern to approve the June 9, 2016 Investment Committee Meeting Minutes as submitted.

AYES: Bolger, Brenk, Cooper, Gladstern, Murphy, Piombo, Shaw, Shore, Stevens

NOES: None

ABSTAIN: None

ABSENT: Given, 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 reiterated his request that the Board of Retirement investigate whether benefit changes referenced in the 2014-2015 Grand Jury Report were properly granted by the employer plan sponsors. Mr. Brown handed out a letter to the Board and requested the Board read the document.

Trustee Given joined the meeting at 9:04 a.m.

Mr. Brown recommended that the Board hire a different outside counsel from its own outside General Counsel to opine on whether the Board can or should investigate the granting of the benefits in question. He requested that the Board instruct staff to put the matter on its agenda.

Paul Premo requested that the Board discuss Mr. Brown's request immediately as discussing the request as opposed to deliberating would not, he asserted, violate the Open Public Meetings (Brown) Act. Lacking immediate discussion Mr. Premo requested the Board put the topic on a future agenda for discussion.

Richard Tate requested the Board take up Mr. Brown's request to agendize the topic for discussion. Jody Morales asked if Counsel Dunning could explain the views referenced in the September 2016 letter to Mr. Brown.

In response to the Public Comment Chair Shore noted that there is a standing agenda item that allows Board Members to request that the Chair consider adding topics for discussion at a future Board Meeting.

Counsel Dunning stated to the Board that her role as Board General Counsel is to advise and serve the Board of Retirement and MCERA staff, not to provide legal advice to members of the public.

Mr. Wickman stated that the Chair has reviewed the Grand Jury report and been advised regarding the plan sponsors' and MCERA's respective roles regarding the administration and setting of benefits. He reminded the Board that the Retirement Board's responsibility is to administer MCERA and pay the promised retirement benefits as authorized by the retirement plan. The question of whether benefits were properly granted as discussed in the Grand Jury report was addressed to the employer sponsors who grant the benefits. Trustee Bolger expressed her confidence in the legal advice Counsel Ashley Dunning provides to the Board of Retirement.

## **B. BOARD OF RETIREMENT MATTERS**

### **1. Administrator's Report (Oral)**

#### **a. Administrator's Update**

Mr. Jeff Wickman reported on trustee terms and election results. Trustee Brenk will serve through his current term of office expiring on October 31, 2016 but will not seek reappointment. Today's meeting will be Trustee Haim's final regular meeting on the Board. Dorothy Jones, the single nominee for the Alternate Retired Member position, will become the new Alternate Retired member and serve the remainder of the term ending in October of 2018. The Safety election resulted in Trustee Cooper being elected as the 7<sup>th</sup> Member and Trustee Piombo as the Alternate Safety Member effective November 1, 2016. The new, postage-paid ballot process increased participation in the Safety election from 22% to 47%. The Second General Member election resulted in Trustee Laurie Murphy retaining her seat, with a slight increase in the number of returned ballots.

Since the last Board meeting the Administrator participated in the CalAPRS Board meeting and attended the Administrator's Roundtable.

He reported that staff and counsel continue to work on the side letter with Kleinwort Benson and he expects the portfolio to be funded in September.

MCERA's preliminary Total Fund Net of Fee Return for the Fiscal Year Ending June 30, 2016 of 1.68% was relatively strong as compared with peers and is in the top quartile of the Callan public fund sponsor universe returns that averaged 0.54%.

b. Staffing update

The Administrator introduced Jessica Tucker as MCERA's Chief Financial Officer. Ms. Tucker started her new role on August 1. MCERA hired Michael Calica to fill the vacant Retirement Member Services Technician position. Dan Steiner was hired to fill the vacant Senior Accounting Assistant position on a temporary assignment.

c. Facility Use Report

Since the June Board meeting, the CPAS users group met in the Board chambers for a few days.

d. Future Meetings

- August 25, 2016 Finance and Risk Management Committee
- September 14, 2016 Board
- September 15, 2016 Investment Committee

2. Trustee Comments

a. Educational Training: Reports by Trustees and Staff

Trustee Gladstern learned at the CalAPRS Trustees' Roundtable that compliance is a new function systems are staffing or considering developing.

b. Other Comments

Trustee Stevens discussed an article in Barron's advocating simplifying asset allocations to fixed income and blue-chip stocks.

Mr. Haim expressed thanks to the Board and Trustee Piombo thanked Trustees Brenk and Haim for their leadership and guidance.

The Chair recessed Open Session and reconvened in Closed Session for deliberations on **Agenda Item C.1** at 9:37 a.m.

The Chair recessed Closed Session and reconvened in Open Session at 10:02 a.m.

## **C. LEGAL MATTERS**

1. 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 from this item and did not attend the closed session meeting, as she is an officer with MAPE. Chair Shore reported that there was no reportable action on this agenda item.

Chair Shore directed deliberations to **New Business, Agenda Item E.3**, Future Meetings.

## **E. NEW BUSINESS**

3. Future Meetings

Consider and discuss agenda items for future meetings

Chair Shore stated that an asset/liability discussion with Callan Associates will be considered during the October 18-19, 2016 Strategic Workshop.

Mr. Brown repeated his request that the Board put the Grand Jury report on its agenda and hire outside counsel to address the question.

The Chair recessed Open Session and reconvened the meeting in Closed Session for deliberations on **Agenda Item D.1** at 10:05 a.m.

The Chair recessed Closed Session and reconvened the meeting in Open Session at 10:35 a.m.

## **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. Larry Daniel                      Service-connected                      Marin County Human Resources

Initial consideration of an application for service-connected disability retirement filed by a Miscellaneous Member

Chair Shore reported that the Board denied Larry Daniel'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 Cooper voted for Trustee Thomas who was absent. 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.

The Chair recessed Open Session for a break at 10:36 a.m. and reconvened the meeting in Closed Session for deliberations on **Agenda Item E.2** at 10:45 a.m.

The Chair recessed Closed Session and reconvened the meeting in Open Session at 11:51 a.m.

**New Business**, continued

2. Public Employee Performance Evaluation

Title: Retirement Administrator (**CLOSED SESSION** pursuant to Government Code section 54957(b)(1))

Chair Shore reported that the Board gave Retirement Administrator Jeff Wickman an outstanding consensus performance evaluation.

1. Business Objectives for 2016/17 (Action)

Consider and take possible action on Retirement Administrator Business Objectives for August 1, 2016 – July 31, 2017

The Chair directed that Business Objectives for 2016/17 will be considered at the Board's September 14, 2016 meeting.

**F. OTHER INFORMATION**

1. Trustee Training Calendar (Action)

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

AYES: Bolger, Brenk, Cooper, Given, Gladstern, Murphy, Piombo, Shore, Stevens

NOES: None

ABSTAIN: None

ABSENT: Thomas

2. Keeping in Touch

July and August Issues, Association of Retired Employees newsletter

**G. CONSENT CALENDAR (Action)**

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

AYES: Bolger, Brenk, Cooper, Given, Gladstern, Murphy, Piombo, Shore, Stevens

NOES: None

ABSTAIN: None

ABSENT: Thomas

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CONSENT CALENDAR for  
MCERA MEETING, WEDNESDAY, AUGUST 10, 2016

CONSENT CALENDAR  
JUNE-JULY 2016

RETURN OF CONTRIBUTIONS

Michelle Hirsch	Partial Refund of Contributions Age Change	\$	134.43
Christine Lopez	Refund of Contributions Term	\$	34,921.55
Rebecca Demastus	Refund of Contributions Term	\$	982.86

Mari-Ann Rivers	Partial Refund of Contributions 30 yr	\$	4,364.88
Todd Paler	Partial Refund of Contributions Age Change	\$	163.23
Steven Shawler	Partial Refund of Contributions 30 yr	\$	125.98
Beth Oliver	Refund of Contributions Term	\$	14,376.24
Kirk Lewis	Refund of Contributions Term	\$	131,257.81
Tammi Haynes	Refund of Contributions DRO	\$	83,229.74
Kathy Hunn	Refund of Contributions DRO	\$	79,802.16

BUYBACKS

Cynthia Brown		\$	1,801.54
Oleksii Kozyryev		\$	3,671.88
Kathryn Petersen		\$	11,973.70
Kyle Simmons		\$	3,933.80
Stephen Buffenbarger		\$	21,785.56
David Codioli		\$	1,827.88
Lindsey Macquarrie		\$	4,751.09
Jeremy Baker		\$	3,362.49
Mark Kreighbaum		\$	1,686.54
Carlos Cam		\$	10,347.44
Marsha Grant		\$	13,947.96

NEW RETIREES

Joseph Fazio	H&HS	County of Marin
Shelly Nelson	DPW	County of Marin
Laurel Thomassin	Ag Wts and Measures	County of Marin
Donna Mettier	Library	County of Marin
Karen Ott	Sheriff	County of Marin
Breanna Buchanan	Fire	County of Marin
Dorothy McCarthy		Courts
William Roberts	Fire	County of Marin
Laurie DuCharme		City of San Rafael
Mark Miller		Tam CSD
Susan Charlton		City of San Rafael
Victoria Sacksteder	CAO	County of Marin

RESCINDED RETIREMENTS

DECEASED RETIREES

Forrest Mow	DPW	County of Marin
Leatrice Mikkelsen		Tam CSD
Donald Sanford	Treasure Tax Collector	County of Marin
Margaret Bohan	DPW	County of Marin
Laverne Losselyong	Assessor-Recorder	County of Marin
Iia Laasi	Library	County of Marin
Audrey Cronin	Probation	County of Marin
Enrique Melendez	DPW	County of Marin
Harriet Goldfuss	Library	County of Marin

CONFERENCES/SEMINARS

CalAPRS Board Meeting - Administrator Wickman  
 CalAPRS Administrators' Roundtable - Administrator Wickman  
 CalAPRS Trustees' Roundtable - Trustee Gladstern  
 CalAPRS Attorneys' Roundtable - Counsel Dunning  
 CalAPRS Communications Roundtable - Staff Fowler

There being no further business, Chair Shore adjourned the meeting at 11:56 a.m.

  
 Dave Shore, Chair

  
 Maya Gladstern, Secretary