

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

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

October 12, 2016 – 9:00 a.m.

The Board of Retirement for the Marin County Employees' Retirement Association encourages a respectful presentation of public views to the Board. The Board, staff and public are expected to be polite and courteous, and refrain from questioning the character or motives of others. Please help create an atmosphere of respect during Board meetings. If members of the public wish to speak on any agenda items, please alert the Retirement Administrator to that request prior to the matter being called.

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, Cooper (alternate Safety), Given, Gladstern, Jones (alternate retired),
Murphy, Piombo, Shore, Stevens

ABSENT: Brenk, Shaw (ex officio alternate), Thomas

MINUTES

It was M/S Piombo/Gladstern to approve the September 14, 2016 Board Meeting Minutes as submitted.

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

NOES: None

ABSTAIN: Bolger

ABSENT: Brenk, Thomas

It was M/S Gladstern/Murphy to approve the September 15, 2016 Investment Committee Meeting Minutes as submitted.

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

NOES: None

ABSTAIN: Bolger

ABSENT: Brenk, 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.

Open time for public expression, from three to five minutes per speaker, on items not on the Board Agenda. While members of the public are welcome to address the Board during this time on matters within the Board's jurisdiction, except as otherwise permitted by the Ralph M. Brown Act (Government Code Sections 54950 et seq.), no deliberation or action may be taken by the Board concerning a non-agenda item. Members of the Board may (1) briefly respond to statements made or questions posed by persons addressing the Board, (2) ask a question for clarification, or (3) provide a reference to staff for factual information.

No public comment.

B. BOARD OF RETIREMENT MATTERS

1. Administrator's Report

a. Administrator's Update

Retirement Administrator Jeff Wickman reported there are six applicants for the 4th Member position on the Board that is expiring October 31, 2016. The Board of Supervisors will make the appointment.

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

Mr. Wickman reported that Governor Brown vetoed Assembly Bill (AB) 1853. The veto message stated that the bill was "too far reaching" and that previous bills that provided independence for the Board of Retirement came about as a result of an agreement between the County and the Retirement System.

The process of renewing fiduciary liability insurance has begun with MCERA's broker, MacCorkle. The current policy expires on the 14th of December. Accounting staff is busy working on the annual financial audit which includes the data needed by the actuary to produce the GASB 67/68 reports. In addition MCERA is preparing annual benefit statements for distribution to members this month.

The Administrator said the first phase of the transition to the county's new financial system, Munis, went well in response to Trustee Gladstern's inquiry. Chief Financial Officer Jessica Tucker indicated the more comprehensive reports from Munis will provide valuable financial information. Mr. Wickman said staff is working closely with the county on Phase 2 of the project which will implement a new payroll/human resource system. The new payroll system will need to interface with MCERA's benefit management system, CPAS.

Mr. Wickman reported that he met with the 2016-2017 Marin County Grand Jury.

b. Staffing update

The Administrator reported that the customized class study was approved by the Board of Supervisors on October 4, 2016.

c. Facility Use Report

MCARE held its monthly board meeting in the Board conference room.

d. Future Meetings

- October 18-19, 2016 Strategic Workshop
- November 2, 2016 Board
- November 17, 2016 Governance Committee

2. Trustee Comments

a. Educational Training: Reports by Trustees and Staff

Trustee Gladstern reported on the CII Fall Conference sessions, including a pre-conference master class on Engaging Effectively proxy voting presented by a State Street representative who offered to address MCERA on the topic.

Mr. Wickman attended the annual CalAPRS Administrators' Institute. He reviewed the sessions with the Board which included skills-based topics on how to get and keep someone's attention and recruiting in today's challenging market place. There were also practical topics in presentations on information security, use of social media for communications, transition to special district status, felony forfeiture provisions required by PEPR and a review of CalPERS Investment Beliefs.

b. Other Comments

None.

Chair Shore recessed Open Session for a break at 9:32 a.m. and reconvened in Closed Session at 9:37 a.m.

Trustee Cooper recused himself and left Closed Session for consideration of Agenda Item E.2 because he is in the same department as the applicant and also was excused from the meeting at 10:20 a.m.

Chair Shore recessed Closed Session and reconvened the meeting in Open Session at 10:48 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., Cal. Supreme Court Case No. S237460

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.

D. DISABILITY CONSENT AGENDA (TIME CERTAIN: 10:00 a.m.) (Action)

1. Rachel Tishner Service-connected Marin County Sheriff

Adopt Administrative Recommendation to grant service-connected disability retirement with an effective date of May 10, 2015.

It was M/S Given/Piombo to approve the Disability Consent Agenda as submitted.

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

E. 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. Jennifer Lack Service-connected Marin County Sheriff

Initial consideration of an application for service-connected disability retirement filed by a Safety member

2. James Hufford Service-connected San Rafael Fire Department

Consider and take possible action on Administrative Law Judge's proposed findings of fact and recommended decision to deny service-connected disability retirement application.

Chair Shore reported that the Board granted Jennifer Lack's application for service-connected disability retirement by a vote of 5-3. Trustees Brenk and Thomas were absent. Trustee Cooper voted in place of Trustee Piombo who is in the same service as the applicant. Trustee Piombo voted in place of Trustee Thomas. Motion was by Trustee Cooper and seconded by Trustee Stevens. Voting for the motion were Trustees Bolger, Cooper, Piombo, Shore, and Stevens. Voting against the motion were Trustees Given, Gladstern, and Murphy.

Chair Shore reported that the Board referred James Hufford's application for service-connected disability retirement back to the Administrative Law Judge for further proceedings by a vote of 7-0. Trustees Brenk and Thomas were absent. Trustee Cooper recused himself and left the room as he is in the same department as the applicant. Trustee Piombo voted in place of Trustee Thomas. Motion was by Trustee Given and seconded by Trustee Piombo. Voting for the motion were Trustees Bolger, Given, Gladstern, Murphy, Piombo, Shore, and Stevens.

F. NEW BUSINESS

1. Private Equity Managers (Action)

Consider and take possible action on follow-on commitments to current managers in MCERA's private equity program

Mr. Wickman stated that at its meeting last month the Investment Committee considered the investment consultant's pacing update for private equity commitments and recommendation to commit \$15 million to each of Pathway and Abbott's 2017 funds. The Investment Committee voted to commit \$15 million to Abbott's 2017 fund and directed the Administrator to talk with Pathway about fees. The result was that Pathway proposed a reduced fee schedule. The question is whether to make the recommended \$15 million commitment to Pathway, which the Investment Committee Chair supports.

It was M/S Piombo/Gladstern to commit \$15 million to Pathway's PPEF I-9 based on the reduced fee and subject to contract negotiations and any other due diligence.

Responding to Trustee Given's inquiry, Trustee Piombo indicated that the Investment Committee's reasoning at its September 15, 2016 meeting for further discussion with Pathway was to look for a reduction in fees for the 2017 commitment.

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

2. Board Meeting Calendar for 2017 (Action)

Consider and take possible action to approve Calendar

Mr. Wickman presented the proposed Board Meeting Calendar for 2017. He stated that the schedule is conceptually different in that the Investment Committee meetings are separated from the Board meetings. Currently the Investment Committee meets on the day following Board meetings and the Administrator has observed the back-to-back meeting schedule leads to Board member fatigue. The proposed schedule would help keep everyone fresh, he said.

Trustee Gladstern expressed a preference for keeping the prior scheduling. Trustees Given, Bolger and Shore supported the new schedule, citing the volume of information for each meeting and the difficulty of devoting two days in a row to the Retirement Board meetings.

It was M/S Murphy/Piombo to adopt the Board Meeting Calendar for 2017 as presented.

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

3. Future Meetings

Consider and discuss agenda items for future meetings

No discussion.

G. OTHER INFORMATION

1. Trustee Training Calendar

2. Keeping in Touch

October Issue, Association of Retired Employees newsletter

H. CONSENT CALENDAR (Action)

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

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

NOES: None

ABSTAIN: None

ABSENT: Brenk, Cooper, Thomas

**CONSENT CALENDAR for
MCERA MEETING, WEDNESDAY, OCTOBER 12, 2016**

CONSENT CALENDAR SEPTEMBER 2016

RETURN OF CONTRIBUTIONS

Joseph Morel	Partial Refund of Contribution (Age Change)	\$	2,909.86
Christina Clark	Refund of Contributions (Term)	\$	8,562.41
Laura Shaer	Refund of Contributions (Term)	\$	29,073.20
Deirdre Dolan	Refund of Contributions (Term)	\$	34,064.25
Jesse Blea	Refund of Contributions (Term)	\$	4,154.53

BUYBACKS

William Tuikka	\$	67,441.12
John Gee	\$	6,848.82
Amy Smith	\$	1,069.53
Margaret Edwards	\$	1,483.27
Shane Nolan Redmond	\$	4,878.66

NEW RETIREES

Frances Elm	HR	County of Marin
David Rodriguez	Sheriff	County of Marin
Maria Rodriguez	H&HS	County of Marin
Amelia Alf	H&HS	County of Marin
Jiwang Huang	IST	County of Marin
Peter Maendle	DPW	County of Marin
William Roberts (Recalc)	Fire	County of Marin
David Fish	DPW	County of Marin
Larry Jacobs	H&HS	County of Marin
Carla Wyatt	Assessor	County of Marin
Ana Guimoye	H&HS	County of Marin

RESCINDED RETIREMENTS

DECEASED RETIREES

Ruby Eatherton
Edward Alves
Leland Rosevear

Assessor-Recorder
Sheriff
Employment & Training

County of Marin
County of Marin
County of Marin

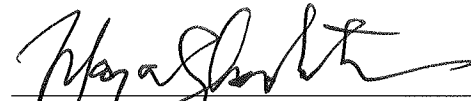
CONFERENCES/SEMINARS

Public Retirement Seminar - Trustee Gladstern
CalAPRS Administrators' Institute - Administrator Wickman
CII Fall Conference - Trustee Gladstern
CII Public Pension Fund Training - Trustee Gladstern
CalAPRS Attorneys' Roundtable - Counsel Toumanoff
CalAPRS Benefits Roundtable - Staff Sousa and Calica

There being no further business, Chair Shore adjourned the meeting at 11:07 a.m.



Dave Shore, Chair



Maya Gladstern, Secretary