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

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

July 12, 2017 – 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 agendized 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 Bolger called the meeting to order at 9:00 a.m.

ROLL CALL
PRESENT: Bolger, Given, Gladstern, Jones (alternate retired), Murphy, Piombo (alternate safety), Shaw (ex officio alternate), Shore, Silberstein, Stevens, Thomas
ABSENT: Cooper

MINUTES
It was M/S Gladstern/Given to approve the June 14, 2017 Board Meeting Minutes as submitted.
AYES: Bolger, Given, Gladstern, Murphy, Piombo, Shore, Silberstein, Stevens
NOES: None
ABSTAIN: None
ABSENT: Cooper, Thomas

It was M/S Gladstern/Murphy to approve the May 24, 2017 Investment Committee Meeting Minutes as submitted.
AYES: Bolger, Given, Gladstern, Murphy, Piombo, Shore, Silberstein, Stevens
NOES: None
ABSTAIN: None
ABSENT: Cooper, 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 Trustee Phillip Thomas was elected to a new 3-year term beginning November 1, 2017.

   The annual financial audit has begun and staff will be working with Brown Armstrong for the next few months.

   Callan Associates reported a preliminary investment return of 12.1% for the fiscal year ending June 30, 2017. Mr. Wickman reported the return will change once final valuations for private equity and real estate portfolios are included.

   Trustee Shaw joined the meeting at 9:07 a.m.

   The Administrator sent out the results of the Marin County Employee Voice survey to the full Board. Next steps will be form internal teams to review the results and develop an action plans.

   The fence was completed around One McInnis along Civic Center Drive. Mr. Wickman reported that the fence will be extended along McInnis Parkway to MCERA’s driveway. New signage for tenant and guest parking will also be posted at the driveway entrance.

   Trustee Thomas joined the meeting at 9:12 a.m.

   A Public Records Act request was received from CBS-affiliated KPIX. The request was for all MCERA retirees who are currently working for one of the nine plan sponsors.

   At the August Board meeting the Board will review draft responses to the 2016-17 Marin County Civil Grand Jury’s recommendations.
b. Staffing update

Yesterday Assistant Retirement Administrator Michelle Hardesty and Benefits Supervisors Sharika Hemphill and David Sousa conducted five interviews for the two vacant Retirement Benefit Technician positions.

c. Facility Use Report

The Marin County Association of Retired Employees held a meeting at MCERA last week.

d. Future Meetings

- July 19, 2017 Investment Committee
- August 9, 2017 Board

2. Trustee Comments

a. Educational Training: Reports by Trustees and Staff

Mr. Wickman reported he attended the CalAPRS Administrators Roundtable in Glendale. He also participated in a panel at the National Association of Public Pension Attorneys conference for a discussion of “What Does Good Board Governance Look Like.” Panel members included moderator Gina Ratto, Chief Legal Officer of the Orange County Employees’ Retirement system, Julie Wyne, Retirement Administrator of the Sonoma County Employees’ Retirement Association, and Jeanna Cullins, Partner with AON Hewitt Investment Consulting.

b. Other Comments

No discussion.

Chair Bolger recessed Open Session and reconvened the meeting in Closed Session 9:22 a.m.

Chair Bolger recessed Closed Session for a break at 9:53 a.m., reconvening in Open Session at 10:00 a.m.

C. LEGAL MATTERS

1. Conference with Legal Counsel – Pending Litigation (Gov. Code sec. 54956.9(d)(1) (CLOSED SESSION)

Greene v. Office of Administrative Hearings, MCERA, Marin County Superior Court Case No. 1701907

There was no reportable action on this agenda item.
D. CONSIDERATION OF AND ACTION ON NON-CONSENT AGENDA DISABILITY RETIREMENT APPLICATIONS (TIME CERTAIN: 9:30 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. Gregorio Adriano  Service-connected  Marin County Sheriff

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

Chair Bolger reported that the Board approved and adopted the Administrative Law Judge’s Findings of Facts and Proposed Decision to grant service-connected disability retirement to Gregorio Adriano by a vote of 6-3. Motion was by Trustee Piombo and seconded by Trustee Bolger. Trustee Cooper was absent. Trustee Piombo voted in place of Trustee Cooper. Voting for the motion were Trustees Bolger, Given, Piombo, Shore, Silberstein, and Stevens. Voting against the motion were Trustees Gladstern, Murphy, and Thomas.

Chair Bolger reported that the Board determined Gregorio Adriano’s effective date of retirement will be retroactive to December 25, 2011 by a vote of 9-0. Motion was by Trustee Piombo and seconded by Trustee Shore. Trustee Piombo voted in place of Trustee Cooper. Voting for the motion were Trustees Bolger, Given, Gladstern, Murphy, Piombo, Shore, Silberstein, Stevens and Thomas.

E. NEW BUSINESS

1. Business Objectives for 2017/18 (Action)

Consider and take possible action on Retirement Administrator Business Objectives for August 1, 2017 – July 31, 2018

Mr. Wickman presented proposed organizational Business Objectives for August 1, 2017 to July 31, 2018.

Key Business Objective No. 1: Benefit Administration

- Implement Online Reference Guide to include all procedures and training tools.
  Last year’s objective of documenting business processes is completed. The next step is to build a tool that will document and manage the business processes. The tool will ensure that all processes are current and that institutional knowledge is not lost with staff turnover. Ms. Hardesty added that the online reference will serve as a knowledge base so that all staff can respond to all customer inquiries. In addition, there will be a new access database for workload tracking that will change business processing and allow staff members to support any of the benefit-related business processes.

- Implement additional reports in the upgraded CPAS version 5.8 including reports for members completing 30 years of service, members reaching age 70, monthly
Consent Calendar reporting and reports in response to public records requests. The Administrator stated the new version of CPAS will allow MCERA to produce custom reports with data necessary for key business activities or in response to public records requests. Mr. Wickman emphasized that although custom reporting was not part of the original go-live application, the ability to produce reports will be a key assessment for the software’s capabilities in moving forward.

- **Re-align Benefits Administration so all staff can provide comprehensive customer service in all benefits areas.** The plan is to cross-train the benefits team in all of the difference functions to improve work flow. This goal is closely aligned with the online knowledge base objective.

**Key Business Objective No. 2: Performance Management**

- Complete 95% of new retiree payroll inceptions the month following the retirement.
- Complete 80% of retirement benefit estimates within 30 days of receiving the request.
- Calculate 75% of service purchases within 30 days of receiving a request.
- Respond to written customer correspondence (emails and letters) within 5 days.

The performance management objectives are listed in order to maintain visibility for the key performance objectives that are important to our staff.

**Key Business Objective No. 3: Human Resource Management**

- Complete hiring of Retirement Benefit Technicians, Senior Accounting Assistant and Accounting Manager positions. Staff is in the process of filling two retirement benefit technician positions. In addition, a senior accounting assistant position needs to be filled permanently. Finally, an accounting manager position that was the former CFO position will follow the other positions.
- Complete all employee evaluations in October 2017. This year in alignment with the county-wide goal of having 100% of evaluations complete during the year, MCERA will conduct all employee evaluations in October.

**Key Business Objective No. 4: Business Management including Investments**

- Present annual actuarial evaluation to the Board before the end of the calendar year. One of the single biggest objectives is to have the annual actuarial valuation completed earlier, Mr. Wickman stated. This year the goal will be to have the initial June 30, 2017 actuarial valuation results presented to the Board before the end of the calendar year. The critical activity for MCERA is providing the actuarial data and responding to questions from the actuary in the early fall.
- Review proxy voting policy and redefine as necessary governance roles and responsibilities for the staff and Board. There are still questions on which MCERA should engage its managers in the voting of proxies. The goal will be to bring a more detailed presentation of the current policy and of potential options to an upcoming strategic workshop.
- Conduct pilot employer audit. The PEPRA legislation requires that MCERA conduct audits of its participating employers to ensure compliance with MCERA.
laws and policies. The goal of this objective is to conduct a test audit with one of MCERA’s employers during the year and analyze the results.

- **Issue request for proposal for medical advisor services.** This objective is a carryover from last year.

**Key Business Objective No. 5: Communication and Education**

- **Implement Employer Handbook and dedicated Web Location for plan sponsors.**
  The goal of this objective is to create an employer-specific location on the MCERA Web Site in order to provide a repository of information on how to report information MCERA.

**Key Business Objective No. 6: Finance and Accounting**

- **Issue request for proposal for a new financial system for integration with CPAS.**
  The goal of this objective is to identify a software solution that will manage MCERA’s financial transactions and integrate with the benefit system.

- **Issue request for proposal (RFP) for a company to conduct annual financial audits.**
  Mr. Wickman noted it has been a number of years since an RFP for conducting the annual financial audits has been issued.

In summary, Mr. Wickman said the business objectives have to do with better and faster service at MCERA. Trustee Thomas noted the retirement workshops are full and asked if more members can be accommodated. Mr. Wickman noted that the sign-up list for seminars is actively managed by Ms. Fowler, Ms. Hardesty and Mr. Wickman to ensure that spots are available for members trying to get into a specific session. If need be additional seminars can be added but the current challenge has been the number of repeat attendees wanting to sign up for a new session. Trustee Stevens asked about making the retirement seminars available online. Mr. Wickman spoke to the advantage of the live question-and-answer format and the needs of members and how synergy from the group will spark people to think of questions that they had not thought to ask.

It was M/S Silberstein/Thomas to approve the Retirement Administrator Business Objectives for August 1, 2017 – July 31, 2018 as submitted.

**AYES:** Bolger, Given, Gladstem, Murphy, Piombo, Silberstein, Shore, Stevens, Thomas  
**NOES:** None  
**ABSTAIN:** None  
**ABSENT:** Cooper

2. Future Meetings  
   Consider and discuss agenda items for future meetings  
   Trustee Piombo proposed a review of the disability retirement application process. Mr. Wickman offered to discuss this with him.

**F. OTHER INFORMATION**

1. Training Calendar
1. **Keeping in Touch**  
   July Issue, Association of Retired Employees newsletter

**G. CONSENT CALENDAR (Action)**

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

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

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**CONSENT CALENDAR**  
**MCERA BOARD MEETING, WEDNESDAY, JULY 12, 2017**

**JUNE 2017**

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<tr>
<th>RETURN OF CONTRIBUTIONS</th>
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<tbody>
<tr>
<td>Katherine Jones</td>
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<tr>
<td>Lois Dahl</td>
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<tr>
<td>Caroline Ngumi</td>
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<td>Rayana Egea</td>
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<th>BUYBACKS</th>
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<td>Stephen Buffenbarger $18,170.92</td>
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<td>Jeffrey Gerbic $3,671.52</td>
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<table>
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<tr>
<th>NEW RETIREES</th>
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<tbody>
<tr>
<td>David Buccheri County of Marin - Health &amp; Human Services</td>
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<tr>
<td>Mark Castagnoli County of Marin - Health &amp; Human Services</td>
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<tr>
<td>Michelle Balch County of Marin - Community Development</td>
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<td>Troy Bartlett County of Marin - Sheriff</td>
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<tr>
<td>Michael Yoder County of Marin - Sheriff</td>
</tr>
<tr>
<td>Michelle Roberts (Yoder) County of Marin - Sheriff</td>
</tr>
<tr>
<td>Carlos Gonzalez County of Marin - Health &amp; Human Services</td>
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Michael Vergara  
City of San Rafael

Susan Brown  
County of Marin - Human Resources

### DECEASED RETIREES

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<td>Phyllis Fleming</td>
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<tr>
<td>Roxane Stewart</td>
<td>County of Marin - Beneficiary</td>
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<tr>
<td>Paul Eliopoulos</td>
<td>County of Marin - Auditor-Controller</td>
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<tr>
<td>Elizabeth Gnoss</td>
<td>County of Marin - Beneficiary</td>
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### CONFERENCES/SEMINARS

<table>
<thead>
<tr>
<th>Event</th>
<th>Organizer</th>
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<tbody>
<tr>
<td>CalAPRS Administrators' Roundtable</td>
<td>Administrator Wickman</td>
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<tr>
<td>CalAPRS Attorneys’ Roundtable</td>
<td>Counsel Dunning</td>
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<tr>
<td>NAPPA Legal Education Conference</td>
<td>Administrator Wickman</td>
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There being no further business, Chair Bolger adjourned the meeting at 10:34 a.m.

Bernadette Bolger, Chair  
Roy Given, Secretary