

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

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

March 3, 2021 – 9:00 a.m.

This meeting was held via videoconference pursuant to Executive Order N-25-20, issued by Governor Newsom on March 12, 2020, Executive Order N-29-20, issued by Governor Newsom on March 17, 2020, and Executive Order N-35-20, issued by Governor Newsom on March 21, 2020. The public was able to listen to and observe the meeting on YouTube and provide comment through Zoom.

EVENT CALENDAR 9 a.m. Regular Board Meeting

CALL TO ORDER

Chair Silberstein called the meeting to order at 9:03 a.m.

ROLL CALL

PRESENT: Block, Given, Gladstern, Jones (alternate retired), Klein, Murphy, Poirier
(alternate safety), Shaw (ex officio alternate), Silberstein, Thomas, Werby

ABSENT: Cooper

MINUTES

It was M/S Given/Thomas to approve the February 10, 2021 Board Meeting Minutes as submitted. The motion was approved by a vote of 9-0 as follows:

AYES: Block, Given, Gladstern, Klein, Murphy, Poirier, Silberstein, Thomas, Werby

NOES: None

ABSTAIN: None

ABSENT: Cooper

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 members of the public provided comment.

B. BOARD OF RETIREMENT MATTERS

1. Administrator's Report

a. Administrator's Update

Retirement Administrator Jeff Wickman reported that Marin County has established a point of distribution center at the Marin Center for the COVID-19 vaccine. All departments have been asked to help staff the effort for the month of March. Many MCERA team members have volunteered and will be working each day the operation is running during the month of March.

The Administrator and the Clerk to the Board were provided training last week on the new Institutional Shareholder Services (ISS) proxy voting platform. The platform allows for customizing ISS reports for the Governance Committee in a straightforward process. In addition alerts will be set up for specific proxy voting issues.

All construction at One McInnis is complete and the focus is on leasing Suites 150/175. Mr. Wickman and Scott Pritchard from Woodmont met with the brokers to get an idea of the current marketplace. Regular meetings with the broker will be held to get updates on all the leasing activities.

The CalAPRS General Assembly will be held half-days on Monday and Tuesday, March 8 and 9, with several trustees and the Administrator attending.

b. Staffing Update

Crystal Martinez, Benefits Technician, will be leaving to take a position as an Aide with the Board of Supervisors. Mr. Wickman said Crystal has been a valuable member of the benefits team and performing important work that will need to be reassigned within the benefits team.

c. Facility Use Report

No facility use in the period.

d. Future Meetings

- March 17, 2021 Investment Committee
- March 24, 2021 Finance and Risk Management Committee
- April 7, 2021 Audit Committee
- April 14, 2021 Board

2. Trustee Comments

a. Educational Training: Reports by Trustees and Staff

Mr. Wickman attended the CalAPRS Administrators' Round Table where discussions continued to be focused on how County systems are implementing the *Alameda* court decision. He indicated that some systems reported lowering investment return assumptions and others will be revisiting their assumptions in 2021. One CalAPRS member system reported triple the number of retirements than normal due to a retirement incentive program instituted by its plan sponsor.

The Administrator observed that a presentation on Form 700 filing requirements was similar to Counsel Dunning's Form 700 presentation at the February Board meeting. Mr. Wickman reported he serves on a newly formed subcommittee of the CalAPRS Board focusing on the how to expand diversity and inclusion within CalAPRS. Finally, Mr. Wickman noted that some systems had provided some creative training for their team members during the current pandemic. This included training sessions by Red Cross and Hospice which focused on how to support members who are going through stressful situations.

Ashley Dunning, Board Counsel, said the CalAPRS Attorneys' Round Table was well attended. There was a discussion on recent felony forfeiture cases that have been decided in terms of upholding the constitutionality of the PEPRA felony forfeiture statute. The focus is on making sure retirement systems have good due processes in place to handle these matters. MCERA has a related policy that complies with the process requirements the court talked about. The next topic was on the San Diego City Employees' Retirement System (SDCERS) and a local initiative, Proposition B, to close the defined benefit plan to everyone except for police officers. A challenge to this Proposition was upheld by the California Supreme Court, and a subsequent superior court decision invalidated the entire initiative. This decision will have impacts for other retirement systems if they share reciprocal members who came from the City of San Diego and are retroactively enrolled in that retirement system as a result of the invalidation of Proposition B. The next topic was about helping public retirement systems assess whether general partners are complying with the terms of investment agreements.

At the Round Table, Ms. Dunning and her Nossaman Partner Peter Mixon also discussed how a number of CERL systems are implementing PEPRA pay items as a result of the *Alameda* decision. Another discussion was the recent Court decision in the *Marquez* case. In this case the member was not eligible for a disability retirement due to the nature of the alleged injury. Because the case was not published, MCERA along with other CERL systems requested that it be published, but the court declined to do so. The group also discussed Form 700 compliance issues.

Michelle Hardesty, Assistant Retirement Administrator, reported benefit team members David Sousa, Todd Miller, and Crystal Martinez attended the CalAPRS Benefits Round Table. Ms. Hardesty said attendees highlighted a CalPERS presentation on how to access the My CalPERS website to obtain reciprocal member information. Ms.

Hardesty stated this will be a much more efficient process for MCERA to receive validations for member reciprocity. There were lengthy discussions from pension systems having to adapt their processes as a result of the *Alameda* decision. Another discussion was about members' ability to terminate after 5 years of service, go to deferred status, and then after 10 years, retire. This has been in practice at MCERA, Ms. Hardesty said, and the discussion validated MCERA's current procedures.

Other topics including decedent processing and death audit reports. MCERA uses PBI Research Services for death audit reports, which ensures there are few month-of-death recovery overpayments. MCERA remains one of the few systems that is open to the public; most systems operate under COVID-19 stay-at-home orders and work remotely using technology to deliver services.

b. Other Comments

No other comments.

C. DISABILITY CONSENT AGENDA (TIME CERTAIN: 9:30 a.m.) (Action)

Any item that a Board member requests be pulled from the Disability Consent Agenda will be considered in Closed Session under the authority of Government Code section 54957(b), unless the applicant specifically waives confidentiality and requests that their application be considered in Open Session.

1. Cary Gloeckner Service-connected Southern Marin Fire District

Adopt Administrative Recommendation to grant service-connected disability retirement application.

Trustee Werby asked about the service time for the applicant. In response Mr. Wickman explained that Mr. Gloeckner has 6.61 years of service with MCERA and over 19 years of service with the Sausalito Fire District (Sausalito) before Sausalito merged with the Southern Marin Fire District. Trustee Thomas asked about the sub rosa investigation which Mr. Wickman said was one of the tools staff can use if there are questions about whether a permanent incapacity exist.

It was M/S Werby/Murphy to adopt the Administrative Recommendation to grant Cary Gloeckner's service-connected disability retirement application and the January 27, 2019 adjusted retirement date. The motion was approved by a vote of 9-0 as follows:

AYES: Block, Given, Jones, Klein, Murphy, Poirier, Silberstein, Thomas, Werby
NOES: None
ABSTAIN: None
ABSENT: Cooper, Gladstern

D. NEW BUSINESS

1. **Retirement Administrator Business Objectives (2020-2021) (Action)**

Receive and potentially confirm 2020-2021 Business Objectives for Retirement Administrator and receive and file Q1 update on same.

Mr. Wickman presented revised Business Objectives for 2020-2021 based on feedback he received from the Board during his mid-year evaluation.

In Benefit Administration additional details are provided on the employer audit process. There were no changes in Business Management. The biggest change was in the Investments area to add more information on activities related to onboarding new investment managers hired during the year and proxy voting. Under Communications and Education and Finance and Accounting there were no significant changes. In Human Resource Management there is added detail about implementing remote work and the COVID-19-specific site plan that was implemented when the MCERA office re-opened last June. The Administrator stated managing the combination of remote and in-person work is going well for all our team members. He said remote access will continue to be a business tool for MCERA in the future. This involves providing resources for those working remotely such as ergonomic setups, including chairs, computers, and monitors where necessary, and performing ergonomic assessments for home offices.

It was M/S Block/Murphy to confirm 2020-2021 Business Objectives for the Retirement Administrator and receive and file the first quarter update on same. The motion was approved by a vote of 9-0 as follows:

AYES: Block, Given, Gladstern, Klein, Murphy, Poirier, Silberstein, Thomas, Werby
NOES: None
ABSTAIN: None
ABSENT: Cooper

2. Future Meetings

Consider and discuss agenda items for future meetings.

No discussion.

E. OTHER INFORMATION

1. Training Calendar (Action)

It was M/S Murphy/Given to approve the Training Calendar as submitted. The motion was approved by a vote of 9-0 as follows:

AYES: Block, Given, Gladstern, Klein, Murphy, Poirier, Silberstein, Thomas, Werby
NOES: None
ABSTAIN: None
ABSENT: Cooper

F. CONSENT CALENDAR (Action)

It was M/S Gladstern/Murphy to approve the Consent Calendar as submitted. The motion was approved by a vote of 9-0 as follows:

AYES: Block, Given, Gladstern, Klein, Murphy, Poirier, Silberstein, Thomas, Werby
 NOES: None
 ABSTAIN: None
 ABSENT: Cooper

CONSENT CALENDAR

MCERA BOARD MEETING, WEDNESDAY, March 3, 2021

February 2021

RETURN OF CONTRIBUTIONS

Allison Gervais	Full Refund - Termination	\$ 10,977.05
Crystal Kubala	Full Refund - Termination	\$ 53,168.79
Kristopher Neumann	Full Refund - Termination	\$ 2,882.38
Isobel Shaw	Full Refund - Termination	\$ 29,113.09

BUYBACKS

Thomas Vella	\$ 8,635.34
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NEW RETIREES

William Hernandez	County of Marin - Sheriff/Coroner
Edward Hofeditz	County of Marin - Sheriff/Coroner
Robert Kray	County of Marin - Department of Finance
Dennis Leader	Marin County Superior Court
Livia Lewin	County of Marin - Library
Inge Lundegaard	County of Marin - Community Development
Janet Minkiewicz	Marin County Superior Court
Janice Myers	City of San Rafael
Ignacio Navarro	County of Marin - Sheriff/Coroner
Barry Silveira	County of Marin - DRO
Kenneth Zepponi	County of Marin - Public Works

DECEASED RETIREES

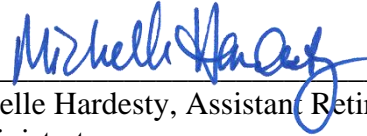
James Gold	County of Marin - Library
Beverly Groginsky	County of Marin - Library
Lois Lindstrom	County of Marin - Health & Human Services
Monica Patenaude	County of Marin - Probation
Sandra Shafer	County of Marin - Beneficiary
Odell Williams	County of Marin - Public Works

There being no further business, Chair Silberstein adjourned the meeting at 9:45 a.m.



Jeff Wickman, Retirement Administrator

On behalf of:
Steve Silberstein, Board Chair



Michelle Hardesty, Assistant Retirement Administrator

On behalf of:
Laurie Murphy, Secretary