

**MINUTES**

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

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

**September 8, 2021 – 9:00 a.m.**

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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 and provide comment through Zoom.

**CALL TO ORDER**

Chair Silberstein called the meeting to order at 9:00 a.m.

**ROLL CALL**

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

**ABSENT:** None

**MINUTES**

It was M/S Given/Gladstern to approve the August 11, 2021 Board Meeting Minutes as submitted. The motion was approved by a vote of 9-0 as follows:

**AYES:** Block, Cooper, Given, Gladstern, Klein, Murphy, Silberstein, Tomlin, Werby

**NOES:** None

**ABSTAIN:** None

**ABSENT:** None

**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. ELECTION OF BOARD OFFICERS**

### **1. Election and Duties of Board of Retirement Officers Policy**

Review and discuss existing policy for election of Board of Retirement Officers

Retirement Administrator Jeff Wickman stated in 2019 the Board changed the annual process for the election of Board officers by establishing three phases. The first phase begins at the September Board meeting when the Election and Duties of Board of Retirement Officers Policy (Policy) is presented for review, discussion, and any related questions Board members may have. Next, at the October Board meeting trustees are invited to express an interest in serving in an officer position. The final phase is the election of officers at the November Board meeting. The Policy sets forth these phases and was updated with additional clarifications in May of 2021.

### **2. Candidates for Board Officers**

Solicit interest for Board of Retirement officer positions, with nominations requested by October Board meeting

No discussion.

## **C. BOARD OF RETIREMENT MATTERS**

### **1. Administrator's Report**

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

Mr. Wickman congratulated Maya Gladstern on her reelection as the Eighth Member.

Mr. Wickman reminded the Board that the Governor's Executive Order that allows for the current virtual meetings structure is set to expire at the end of September. As a result, the Boardroom is being modified to allow for hybrid in-person/broadcast meetings. The first potential hybrid meeting would be the October 13, 2021 regular monthly Board Meeting. Trustee Gladstern asked if trustees will attend in person and Mr. Wickman confirmed this is the expectation because the Executive Order pausing the Brown Act regulations for notifying the public of a trustee's remote location for attending a meeting will be back in place. Asked by Trustee Werby if masks will be required, Mr. Wickman reported that this will be based on the public health requirements in place at the time of the meeting and the vaccination status of staff and Board.

MCERA has responded to Requests For Proposals with a potential tenant for Suite 175 at One McInnis Parkway. The Administrator is hoping to move to lease negotiations and have a tenant soon.

A new Marin County Public Health order effective September 15, 2021 requires Marin County to affirm the vaccination status (yes or no) of all staff. Staff have been notified of the new requirements and how to verify their status in accordance with Marin County procedures.

b. Staffing Update

Additional interviews with potential candidates will be conducted this week.

c. Facility Use Report

No facility use in the period.

d. Future Meetings

- September 16, 2021 Investment Committee
- October 13, 2021 Board
- October 25, 2021 Governance Committee
- October 26-27, 2021 Strategic Workshop

2. Standing Committee Report – Finance and Risk Management

a. Administrative Budget Fiscal Year 2020-21 Year-end Review

Consider and review expenses for quarter and fiscal year ending June 30, 2021

Finance and Risk Management Committee Chair Todd Werby reported expenditures for the fiscal year ending June 30, 2021 were 91% of the budgeted amount. In Salaries and Benefits expenses for the fiscal year were 91% of the budgeted amount primarily due to position vacancies during the year. In Services and Supplies fourth quarter expenses were 18.7% of the budgeted amount for the year. For the fiscal year Services and Supplies were 91% of the budgeted amount. Phones and electronic and ergonomic supplies were over budget to support remote work and meetings.

b. Non-budgeted Expenses

Consider and review non-budgeted expenses for the quarter and fiscal year

No discussion.

c. Quarterly Checklist

Consider, review and updates on the following:

1. MCERA educational and event-related expenses

Educational and event-related expenses totaled \$7,800 for the fiscal year. Fourth quarter event expenses were for the CalAPRS General Assembly, SACRS Spring Conference, and several CalAPRS Round Tables for trustees and staff.

2. Continuing Trustee Education Log

The Continuing Trustee Education Log shows all trustees are current on their education requirement of 24 hours every two years.

3. Other expenses per Checklist Guidelines

No discussion.

4. Variances in the MCERA administrative budget in excess of 10%

See discussion above.

5. Vendor services provided to MCERA

Nothing to report.

6. MCERA staffing status

See above.

7. Internal controls, compliance activities and capital calls

For the total private equity program MCERA received \$102.26 million in distributions for the fiscal year ending June 30, 2021 and paid \$33.1 million in capital calls. Värde has called more capital for investing than the other Opportunistic managers. MCERA received \$12.87 in redemptions from UBS and is receiving dividends from both core real estate portfolios.

8. Audits, examinations, investigations or inquiries from governmental agencies

Nothing to report.

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

Nothing to report.

10. Form 700 Summary

The Form 700 Summary provided by Counsel Dunning shows no gifts over the annual limit were reported. Trustee interests in UBS and Invesco were highlighted.

d. Annual Audit of Financial Statements Update

Brown Armstrong completed the first phase of the annual audit on internal controls and validating member and payroll data. The actuary will complete GASB 67/68 Reports once data from MCERA is received. Multiple valuation groups and 48 benefit tiers requires additional work by the staff and actuary to prepare annual reports.

3. Ad Hoc Committee Report – Ad Hoc Education Committee

a. Strategic Workshop Agenda (Action)

Consider and take possible action to approve agenda

Ad Hoc Education Committee Chair Steve Block presented the proposed agenda for the October Workshop. Mr. Wickman explained that once presenters are confirmed for all listed topics, the agenda will be presented again in October for approval. He invited comments on the proposed topics.

4. Trustee Comments

a. Educational Training: Reports by Trustees and Staff

Chair Silberstein said the SACRS Spotlight Series on the Sonoma County Employees' Retirement Association (Sonoma) and Tulare County Employees' Retirement Association (Tulare) was interesting because he learned how their pension systems operate. Sonoma employs an Investment Officer and is considering increasing the 20% allocation to illiquid investments by adding infrastructure to improve returns. Sonoma's policy is not to invest in companies in foreign countries with governance risk, such as China.

Chair Silberstein reported that the SACRS Webinar "What is Really Happening on the Ground in the Major Real Estate Markets" was a presentation by Invesco real estate executives who indicate many sectors have recovered from the real estate downturn, with the exception of downtown Los Angeles. Trustee Klein said presenters stated the Invesco real estate portfolio's Net Operating Income (NOI) by sector values as of the second quarter of 2021 compare favorably with 2019 values (prior to when the pandemic disturbed markets).

b. Other Comments

Chair Silberstein invited other comments from trustees.

Chair Silberstein directed deliberations to **Agenda Item E, New Business.**

**E. NEW BUSINESS**

1. Final Public Employee Performance Evaluation. Title: Retirement Administrator Board Chair report on Consensus Evaluation

Chair Silberstein reported the Board completed its annual performance evaluation of Retirement Administrator Jeff Wickman and continues to be very well satisfied with Mr. Wickman's performance. The Chair observed MCERA's pension system is working well and expressed the Board's appreciation for the Administrator's service, particularly during these trying times under pandemic conditions.

2. Future Meetings

Consider and discuss agenda items for future meetings.

Chair Silberstein invited discussion on potential topics for future Board meetings.

**F. OTHER INFORMATION**

1. Training Calendar (Action)

Mr. Wickman reviewed updates to the monthly Training Calendar. Disability Coordinator Linda Martinez will be attending the CalAPRS Disability Retirement Administration course. The Council of Institutional Investors (CII) is changing its Fall Conference from in-person to only a virtual event, and Callan added a virtual event on Alternative Investments. The Committee on Workers' Capital (CWC) announced its annual Conference. In response to Trustee Werby's inquiry, Chair Silberstein explained that the CWC participants are mostly public pension funds and pension funds controlled by labor unions.

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

Mr. Wickman noted he has been sending information from SACRS to trustees regarding attendance procedures for the in-person Fall SACRS Conference. In addition, Nossaman has added its Public Pensions and Investments Fiduciaries' Forum to this year's events, which Counsel Dunning said will be only virtual.

The motion was approved by a vote of 9-0 as follows:

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

**G. CONSENT CALENDAR (Action)**

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

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

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**CONSENT CALENDAR  
MCERA BOARD MEETING, WEDNESDAY, SEPTEMBER 8, 2021**

## August 2021

RETURN OF CONTRIBUTIONS		
Ruben Chiang	Partial Refund - 30 year overpayment	\$ 2,837.10
Myisha Hogan	Full Refund - Termination	\$ 12,449.48
Christy Mulanix	Full Refund - Termination	\$ 9,873.80
William Tabunut	Full Refund - Termination	\$ 63,800.38
Aurora Tovar	Full Refund - Termination	\$ 2,351.24
Alice Zawitt	Full Refund - Termination	\$ 39,850.46
Shuofei Zheng	Full Refund - Retiree Death payout Xiaohong Zeng	\$ 19,275.92

BUYBACKS		
Etienne Douglas		\$ 24,473.38
David McNutt		\$ 17,086.97
Ian Adams		\$ 2,267.82

NEW RETIREES	
Hugo Abaurre	County of Marin - Agriculture, Weights & Measures
Linda Aldrich	County of Marin - Library
Kathleen Caston	County of Marin - Health & Human Services
Rosemarie Colorado-Lara	County of Marin - Child Support Services
Patricia Furman	County of Marin - Health & Human Services
Roger Lindsey	County of Marin - Public Works
Walter Mazar	County of Marin - Sheriff/Coroner
Dmitri Menzel	Novato Fire
Kathryn Petersen	County of Marin - Community Development
Thomas Vella	County of Marin - Public Works

DECEASED RETIREES	
John Canziani	City of San Rafael
Aurora Leveroni	City of San Rafael
Mary Pareisa	County of Marin - DRO
Richard Ridenour	County of Marin - Health & Human Services

Chair Silberstein directed deliberations to **Agenda Item D, Disability Consent Agenda** at 9:30 a.m.

**D. 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. Alex Bowlds                      Service-Connected                      Novato Fire Protection District

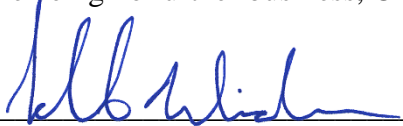
Consider and take possible action to adopt Administrative Recommendation to grant service-connected disability retirement application.

Mr. Wickman stated staff's recommendation is to grant Mr. Bowlds' service-connected disability retirement application with an effective date of September 16, 2019.


It was M/S Given/Gladstern to adopt the Administrative Recommendation to grant Alex Bowlds' service-connected disability retirement application with an effective date of September 16, 2019. Trustee Poirier voted for Trustee Cooper who was absent. The motion was approved by a vote of 9-0 as follows:

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

There being no further business, Chair Silberstein adjourned the meeting at 9:34 a.m.

  
\_\_\_\_\_  
Jeff Wickman, Retirement Administrator

On behalf of:  
Steve Silberstein, Board Chair

  
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Michelle Hardesty, Assistant Retirement Administrator  
On behalf of:  
Laurie Murphy, Secretary