

AGENDA
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 will be 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.

Instructions for watching the meeting and/or providing public comment, as well as the links for access, are available on the [Watch & Attend Meetings](https://www.mcera.org/retirementboard/agendas-minutes/watchmeetings) page of MCERA's website. Please visit <https://www.mcera.org/retirementboard/agendas-minutes/watchmeetings> for more information.

The Board of Retirement 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.

EVENT CALENDAR 9 a.m. Regular Board Meeting

CALL TO ORDER

ROLL CALL

MINUTES

February 10, 2021 Board meeting

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.

B. BOARD OF RETIREMENT MATTERS

1. Administrator's Report
 - a. Administrator's Update
 - b. Staffing Update
 - c. Facility Use Report
 - 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
 - b. 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.

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.
2. Future Meetings
Consider and discuss agenda items for future meetings.

E. OTHER INFORMATION

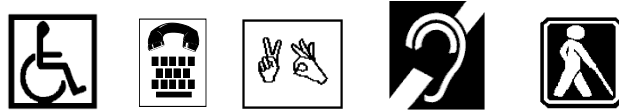
1. Training Calendar (Action)

F. CONSENT CALENDAR (Action)

Note on Process: Items designated for information are appropriate for Board action if the Board wishes to take action. Any agenda item from a properly noticed Committee meeting held prior to this Board meeting may be considered by the Board.

Note on Voting: As provided by statute, the Alternate Safety Member votes in the absence of the Elected General or Safety Member, and in the absence of both the Retired and Alternate

Retired Members. The Alternate Retired Member votes in the absence of the Elected Retired Member. If both Elected General Members, or the Safety Member and an Elected General Member, are absent, then the Elected Alternate Retired Member may vote in place of one absent Elected General Member.



Agenda material is provided upon request. Requests may be submitted by email to MCERABoard@marincounty.org, or by phone at (415) 473-6147.

MCERA is committed to assuring that its public meetings are accessible to persons with disabilities. If you are a person with a disability and require an accommodation to participate in a County program, service, or activity, requests may be made by calling (415) 473-4381 (Voice), Dial 711 for CA Relay, or by email at least five business days in advance of the event. We will do our best to fulfill requests received with less than five business days' notice. Copies of documents are available in alternative formats upon request.

The agenda is available on the Internet at <http://www.mcera.org>

For consideration at March Board meeting

MINUTES
REGULAR BOARD MEETING
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EVENT CALENDAR 9 a.m. Regular Board Meeting

CALL TO ORDER

Chair Silberstein called the meeting to order at 9:01 a.m.

ROLL CALL

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

ABSENT: None

MINUTES

It was M/S Block/Given to approve the January 13, 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, Thomas, Werby
NOES: None
ABSTAIN: None
ABSENT: None

It was M/S Given/Block to approve the January 20, 2021 Investment Committee Meeting Minutes with one spelling correction. The motion was approved by a vote of 9-0 as follows:

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

For consideration at March Board meeting

A. OPEN TIME FOR PUBLIC EXPRESSION

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No members of the public provided comment.

B. MATTERS OF GENERAL INTEREST

1. Actuarial Valuation Report as of June 30, 2020 (Action) – Cheiron, Graham Schmidt
Consider and take possible action to adopt Actuarial Valuation Report as of June 30, 2020.

Graham Schmidt, Actuary with Cheiron, presented the Actuarial Valuation Report as of June 30, 2020. The report includes the actuarial assumptions used to determine the cost of the plan and the contribution rates for employees and employers effective July 1, 2021. The three valuation groups are the County of Marin and Special Districts (County), Novato Fire Protection District (Novato), and the City of San Rafael (San Rafael).

Mr. Schmidt stated that for the Plan as a whole, the liability increased from the prior fiscal year by about \$150 million and assets on a market basis went up about \$50 million. Therefore, the unfunded actuarial liability (UAL) went up about approximately \$100 million and the funded ratio of the Plan declined by about 2.5%. Active member growth was flat during the year with the ratio of retired to active members continuing to increase. Overall payroll grew although certain employers experienced no payroll growth. Average pay for an active member also increased by a little over 3.0% during the measuring period.

Mr. Schmidt discussed the factors causing contribution rates to increase. Assets earned less than the expected return, increasing the total contribution rate for the Plan by about 0.33%. For Novato and San Rafael the increase was higher because they have more assets for every dollar of payroll. For the County the impact was slightly lower.

Salaries for returning members were very close to expectations and did not have much impact on contribution rates. If payroll grows faster than the actuarial assumption, the contribution rate would be expected to fall. This occurred for the County and for Novato which reduced their contribution rates. But for San Rafael payroll was static, causing the contribution rate to increase because the cost is being spread out over a smaller payroll base.

The net impact of assumption changes increased the cost for the County and Novato and slightly less for San Rafael. The total increase in employer contribution rates as a result of all factors for the Plan was 0.85%. For the County and Special District Group the contribution rate increase was 0.91%, for Novato 1.55%, and for San Rafael 1.80%. The

For consideration at March Board meeting

specific employer contribution rates for each employer in the County and Special District group are detailed in the Valuation Report beginning on page 39.

Mr. Schmidt discussed the reconciliation of the unfunded actuarial liability from the prior fiscal year. Of the \$100 million increase from the prior fiscal year, \$70 million was due to investments returns being less than the target. Assumption changes caused the UAL to increase \$34 million. These are the two primary items affecting the unfunded actuarial liability, the Actuary said.

Trustee Block asked about the reserve account for the County. Mr. Schmidt explained that MCERA has an Interest Crediting policy that defines how the system will account for statutory and non-statutory reserves. Contingency reserves can be created when all other reserves have been credited and there are additional funds that can be set aside in a non-valuation reserve account. Reserve assets can be used in years when return assumptions are not met to dampen the impact on the contribution rate. Mr. Wickman noted that the reserve assets are all recorded in the financial statements, and the Board's Interest Crediting policy is in accordance with the County Employees' Retirement Law of 1937 (CERL). Mr. Schmidt noted at this point there are no more reserves to draw on in future years.

Trustee Gladstern asked about reducing the amortization period for the Special Amortization Layer created in 2013 that accounts for the extraordinary investment loss from 2009. Mr. Schmidt replied to shorten that amortization layer by one year would have a negligible impact on employer contribution rates. He recommended considering that approach when investment gains are significantly higher than the assumed rate of return. In response to Trustee Block's inquiry, the Actuary said he expects pension plans may consider the same approach for other risk mitigation measures, such as reducing the assumed rate of return.

Mr. Schmidt invited questions on the Actuarial Valuation Report. Trustee Block observed that the leverage and support ratios seem to have large increases over the past 10 years. He asked how they compare with other public pension plans and if the ratios can be projected. In response Mr. Schmidt referenced a prior presentation to the Board on maturity measures. He stated liability-to-payroll ratios are expected to stabilize going forward since liabilities tend to be more stable than assets, except when big changes to funding policy are implemented such as in 2014. He observed that cost of living adjustment (COLA) caps will help to stabilize the liability-to-payroll ratio, especially for San Rafael and Novato which have mature populations. Novato will always have a higher liability-to-payroll ratio due to having more safety members.

Trustee Werby asked why the projected drop in contribution rates in 2030 is bigger for San Rafael than for Novato. Mr. Schmidt explained that San Rafael has a lower normal cost than Novato but a higher unfunded actuarial liability payment. He noted San Rafael's payroll reductions increase the UAL payment as a percentage of pay. For Novato, the normal cost percentage payment is roughly equal to the liability payment. As a result, when the 2013 layer of the UAL is paid off in 2030, San Rafael will see a bigger reduction than Novato in its contribution rate.

For consideration at March Board meeting

Mr. Wickman stated by adopting the Actuarial Valuation the Board is also adopting the employer and contribution rates contained in the report effective July 1, 2021.

It was M/S Block/Werby to adopt the Actuarial Valuation Report as of June 30, 2020 and the employer and employee contribution rates set forth therein. The motion was approved by a vote of 9-0 as follows:

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

2. Annual Cost of Living Adjustment (COLA) as of April 1, 2021 (Action)

Consider and take possible action to affirm calculation of annual cost of living adjustment for retirees.

Mr. Wickman stated that the ability for a retiree to receive a cost of living adjustment (COLA) is part of the benefit tier agreed to between the employers and their employees under Sections 31870, 31870.1 or 31874.2 of the County Employees Retirement Law of 1937 (CERL). Mr. Wickman explained that each year the Board's actuary computes whether the statutory preconditions for providing a COLA exist, based on an increase in the Consumer Price Index (CPI) for All Urban Consumers in the area in which the county seat is situated, as the CERL requires. For MCERA this is the San Francisco-Oakland-Hayward area CPI. The Administrator stated that the Board's action is to review the COLA calculation the actuary has made and how it will be applied to the retiree groups.

Mr. Schmidt explained that the COLA is calculated by averaging the prior two calendar year increases in the Consumer Price Index (CPI) for the San Francisco-Oakland-Hayward Area. In accordance with statute, the resulting 1.73% is rounded to the nearest half percent for a 1.5% COLA.

Carryover balances in COLA banks are drawn down so retirees will receive the COLA cap amount for each group, except those who do not have a COLA bank. According to the Administrator, approximately 81% of retirees will receive a 2% or 1.5% COLA and 18% of retirees will receive a 3% COLA.

It was M/S Gladstern/Given to affirm the actuary's calculation of the 2021 annual cost of living adjustment (COLA) for retirees. The motion was approved by a vote of 9-0 as follows:

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

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C. BOARD OF RETIREMENT MATTERS

1. Administrator's Report

a. Administrator's Update

Mr. Wickman reported the 1099-R tax forms were delivered to retirees before the end of January. He thanked Benefits Manager David Sousa who led the project, Vladimir Matyurin, Senior Business Analyst, Senior Accountant Lisa Jackson, and La Valda Marshall, Accounting Unit Manager, for their work and diligence on this project.

The cybersecurity risk mitigation project is under way with Vladimir Matyurin, Michelle Hardesty, Assistant Retirement Administrator, and Syd Fowler working with Linea Secure's team on the project. The projection is it will take two months to implement the recommendations from the report.

At the January Investment Committee meeting the Committee voted to hire Institutional Shareholder Services (ISS) to vote proxies for domestic equity portfolios managed by Dimensional Fund Advisors (DFA) and State Street Global Advisors. The implementation is expected to be completed by the end of this week.

Mr. Wickman reported that MCERA received notice from DFA it will reduce the investment fee for the small cap core equity portfolio from 33 basis points to 30 basis points effective March 1, 2021.

This week the Administrator expects to have the final construction walk-through on Suites 150 and 175. Staff continues to work with the leasing team on a weekly basis to complete the leasing process.

The Administrator said the final registration date for the March CalAPRS General Assembly is getting close and he encouraged more trustees to register.

b. Staffing Update

Nothing to report.

c. Facility Use Report

Nothing to report in the period.

d. Future Meetings

- March 3, 2021 Board
- March 17, 2021 Investment Committee
- March 24, 2021 Finance and Risk Management Committee

For consideration at March Board meeting

2. Ad Hoc Committee Reports

a. Ad Hoc Education Committee

1. 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 April 27-28 Strategic Workshop. He said the bulk of the agenda is intended to set up the asset/liability study to be provided by Callan later this year. Workshop topics include an overview of the asset/liability study process, measuring pension liabilities, and how investment risk and diversification affect returns over time. Other topics addressed are how returns tend to regress to the mean, an overview of the domestic equity portfolio structure, and absolute return strategies which may be a non-correlated assets. The second day is a presentation by the Administrator and Assistant Retirement Administrator on key operational performance measures.

It was M/S Werby/Gladstern to approve the proposed agenda for the Strategic Workshop on April 27-28, 2021. The motion was approved by a vote of 9-0 as follows:

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

3. Trustee Comments

a. Educational Training: Reports by Trustees and Staff

Trustee Block reported on his review of the 2020 capital markets assumptions survey the actuary used in the Experience Study. He was comforted by the breadth and quality of the respondents and the comments publisher Horizon provides about the nature of the survey. He said it was a valuable read. Mr. Schmidt noted the survey is a good reference and widely read. Mr. Wickman noted Callan will address additional information on the Horizon survey at the Strategic Workshop.

b. Other Comments

No other comments.

D. NEW BUSINESS

1. Form 700 Refresher – Nossaman, Ashley Dunning

Presentation on Updated Fair Political Practices Commission Form 700 and Related Rules

Mr. Wickman noted that Trustees have received compliance information for 2021, including a reminder to complete the Annual Affirmation as to Key Policies by March 1.

Ms. Dunning presented an overview of the Form 700, the Statement of Economic Interests required by the Political Reform Act (PRA) that public officials are required to file. The Fair Political Practices Commission (FPPC) promulgates and enforces rules regarding

For consideration at March Board meeting

Form 700 filings. Form 700 is filed when assuming office, annually and then upon leaving office.

All MCERA Board members are deemed to be public officials who manage public investments; designated filers are listed in MCERA's Conflict of Interest Code. The Form 700 once submitted is a public record. Economic interests to report include gross income from non-governmental sources, investments, real estate, or income from businesses doing business in Marin County. These interests of a spouse are also reported. Gifts with some exceptions must be reported.

Ms. Dunning reviewed the mechanics of filling out Form 700 and each schedule. Stocks in a 401K or IRA must be reported, but insurance policies and diversified mutual funds do not need to be reported. Interests of 10% or greater in a business or trust are reported on a separate schedule. Only rental property in Marin County need be reported, and business use of the personal residence would also be reported if used for a tax deduction.

Gifts of \$50 or more from a single entity or person must be disclosed on Schedule D. There is a maximum gift limit of \$500 from a single entity. Two gift limits apply for the 2020 reporting period: The ethics gift limit prohibits accepting gifts of more than \$500 from a single source during the calendar year. The conflict of interest gift limit is \$500 during a 12-month period. If exceeded, the trustee would have to recuse from considerations having to do with the source of the gift. Examples of reportable gifts are plaques, flowers, or tickets. Gifts to family members are reportable unless there is an independent relationship between the giver and the family member. Ms. Dunning explained gift rules with respect to adult children.

Broad exceptions to reportable gifts include the “little i’s”, informational material to assist in performance of duties, or gifts returned before 30 days or donated to 501(c)(3) organizations. Gifts from close relatives such as grandparents or in-laws are not reportable. In some circumstances home hospitality is not considered reportable. In general gifts received at weddings, through neighborliness or acts of human compassion are not reportable – exceptions apply that are outlined in the presentation. Gifts valued at \$50 or more received from a group are not reportable unless the value is \$50 or more from one entity or individual.

Ms. Dunning explained reporting rules for travel and lodging related to speaking engagements. She provided a log to record gifts and resources for further inquiries on Form 700 reporting requirements.

Chair Silberstein directed deliberations to **Agenda Items D.3., E and F.**

3. Future Meetings

Consider and discuss agenda items for future meetings.

Trustee Poirier asked about the quality control process when MCERA receives payroll data from the County’s new payroll system. He said he experienced problems with leave and pre- or post-tax items. He asked how we know if payroll data from the County is correct. Mr. Wickman said we receive detailed payroll data from the County and have the ability to review the files before they are finalized. Ms. Hardesty said staff works closely with the

For consideration at March Board meeting

County to analyze the data and make any corrections needed. Our goal is to ensure that employees receive the correct service credit for the payroll period, she said. Chair Silberstein asked if County auditors review payroll calculations. The Administrator stated all pay calculations were reviewed by the County in detail before going live with the new system. He noted that many of the issues that are uncovered when reviewing payroll files are related to incorrect time entry. All employees are required to enter their time in the new system. If individuals are on alternative work schedules time entry can be more complicated and lead to errors.

E. OTHER INFORMATION

1. **Training Calendar (Action)**

Mr. Wickman reviewed upcoming and new events on the Training Calendar.

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

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

F. CONSENT CALENDAR (Action)

It was M/S Werby/Block to approve the Consent Calendar as submitted.

Trustee Gladstern asked if staff is tracking the number of deaths as compared with the prior year. The Administrator replied yes but he noted there would need to be a consistent pattern over time to consider a change in the mortality rate.

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

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

**CONSENT CALENDAR
MCERA BOARD MEETING, WEDNESDAY, February 10, 2021**

January 2021

RETURN OF CONTRIBUTIONS		
Peter Arian	Full Refund - Termination	\$70,211.83
Jeffrey Chance	Partial Refund - Correction	\$324.17
Margaret Fisher	Full Refund - Termination	\$68,815.78
Chad Jones	Full Refund - Termination	\$1,522.44

For consideration at March Board meeting

Luis Rodriguez	Full Refund - Termination	\$15,519.02
David Smail	Partial Refund - 30 year overpayment\$	\$2,951.21

BUYBACKS		
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Dean V. Barsocchini		\$8,180.85
Brenda Godoy		\$381.54

NEW RETIREES		
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Reina Barone	County of Marin - Department of Finance
Eva Bennett	County of Marin - Public Defender
Jeffrey Chance	Southern Marin Fire
Richard Ebert	County of Marin - Public Works
Tamara Gonzalez	County of Marin - Library
Donalyn Julihn	County of Marin - DRO
Michael Lellis	County of Marin – Fire
Jennifer Livingston	County of Marin – Library
Christopher Morin	City of San Rafael
Christie Neill	County of Marin - Fire
Nick Picinich	Marin Sonoma Mosquito & Vector Control
James Raives	County of Marin - Parks & Open Space
Raul Rojas	County of Marin - Public Works
Lorna Rudd	County of Marin - Retirement
Joyce Siegan	County of Marin - Public Works
David Smail	County of Marin - Community Development
Esta Suen	County of Marin - Department of Finance
John Volpe	County of Marin - Sheriff/Coroner
Ronnie Wagner	County of Marin - District Attorney

DECEASED RETIREES		
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Gretchen Antill	County of Marin - Health & Human Services
Robert Burbank	County of Marin - Public Works
Beverly Carrino	County of Marin - Beneficiary
Charlotte Crake	County of Marin - Health & Human Services
Joseph Leonard	City of San Rafael
Doreen McBirney	County of Marin - Child Support Services
Patricia Owen	County of Marin - Beneficiary
Margaret Raymond	County of Marin - Beneficiary
Barbara Thunen	County of Marin - Administrator's Office
Pauline Wendling	City of San Rafael - Beneficiary

Chair Silberstein recessed Open Session for a 5 minute break and reconvened in Closed Session at 11:10 a.m., directing deliberations to **Agenda Item D.2.**

The Chair recessed Closed Session and reconvened in Open Session at 12:42 p.m.

For consideration at March Board meeting

2. Public Employee Performance Evaluation (CLOSED SESSION)

In accordance with MCERA's Retirement Administrator Annual Performance Evaluation Policy, Section 3(b), conduct informal mid-year performance review.

Chair Silberstein reported there is nothing to report on this agenda item.

There being no further business, Chair Silberstein adjourned the meeting at 12:43 p.m.

Jeff Wickman, Retirement Administrator

On behalf of:
Steve Silberstein, Board Chair

Michelle Hardesty, Assistant Retirement Administrator

On behalf of:
Laurie Murphy, Secretary

DRAFT

B.1 Administrator's Report

This is a discussion with no backup.



VIRTUAL ADMINISTRATORS ROUNDTABLE

February 11, 2021
8:30 a.m. – 12:30 p.m.
Held Virtually on Zoom

PRELIMINARY AGENDA

- 8:30 a.m. Welcome and Introductions
- 8:45 a.m. What's Going On In Your System
- 10:00 a.m. Form 700/conflicts of interest – discussion with
CalPERS Chief Compliance Officer
– Marlene Timberlake D'Amato
- 10:20 a.m. Additional topics for discussion -
1. Diversity & Inclusion
 2. General Assembly
 3. Virtual meetings vs. in-person meetings
 4. Staff training needs
 5. Managing remote workplaces / Transition back to In-Office work
 6. Performance review process for
Administrators/CEOs/Executive Directors
- 12:30 p.m. Adjourn

VIRTUAL ATTORNEYS ROUNDTABLE

February 19, 2021
Held Virtually On Zoom
9:00 a.m. – 12:30 p.m.

- 9:00 a.m. **Welcome & Introductions**
- 9:05 – 9:45 a.m. **Felony Forfeiture—Where are we and Where are We Going?**
Recap and Discussion of *Hipsher* and *Wilmot* cases and their implications for retirement system counsel
Karen Levy (confirmed) and other presenters TBD
- 9:45 –10:15 **The Invalidation of San Diego’s Proposition B**
SDCERS General Counsel Johnny Tran will discuss the Superior Court’s recent action invalidating Proposition B and the implications for SDCERS.
- 10:15 – 10:25 Break
- 10:25 – 11:00 **Contractual and other Legal Issues Arising from Limited Partnership Investment Agreements**
Michael Flaherman from Termwise.com will discuss how LPs can ensure that they receive the contracted-for benefits of the funds.
- 11:00 – 11:25 **Alameda Aftermath—Administrative Appeals and Other Issues**
Ashley Dunning and Peter Mixon will discuss system experiences regarding appeals.
- 11:25 –11:45 **PEPRA Final Compensation Limits**
Ashley and Peter will discuss whether there is a limitation on PEPRA members whose benefits are calculated under sections 7522.20 or 7522.25 from receiving retirement allowances in excess of their final compensation.
- 11:45 – 11:55 Break
- 11:55—12:15 **Review and Discussion of *Marquez Case***
Barbara Hannah will discuss Service connected disability—psychological injury resulting from an otherwise appropriate personnel action
- 12:15—12:30 **Discussion of Recent Public Records and Form 700 Compliance Issues**
- 12:30 **Select New Round Table Chair or Co-Chairs & Adjourn**

VIRTUAL BENEFITS ROUNDTABLE

Thursday, February 11, 2021
8:30 am - 12:30 pm
Held Virtually on Zoom

AGENDA

- 8:30 a.m. Welcome and Introductions; Review Agenda
- 8:40 a.m. Disseminate Reciprocity Contact List for Updates
- 8:45 a.m. Reciprocal Salary Exchange - CalPERS
- Tim Herrback, Retirement Benefit Services
 - Brad Hanson, Employer Account Management
- 9:15 a.m. Select New Round Table Chair or Co-Chairs
- 9:20 a.m. Breakout Room #1 Networking and Discussion
- Topics to be Discussed:
- Introductions
 - Alameda Decision
 - Benefit Eligibility
- 9:45 a.m. Return to the Main Meeting and Share Insights
- 10:00 a.m. Breakout Room #2: Networking and Discussion
- Topics to be Discussed:
- Introductions
 - Decedent Processing
 - DRO
 - Teleworking
 - Member Communications
 - Monitoring Team Productivity
- 10:35 a.m. Return to Main Meeting and Share Insights
- 12:30 p.m. Meeting Adjourns

B.2.b Other Comments

This is a discussion with no backup.

C.1

CONFIDENTIAL DISABILITY MATTER

**CARY
GLOECKNER**

Retirement Administrator 2020-21 Business Objectives
Board of Retirement Update
February 28, 2021

Key Business Objective No. 1: Benefit Administration

Define Target Performance:

Ensure accurate data transfer, enhance knowledge and create administration efficiencies:

- Conduct first employer audit in Spring 2021.
- Develop employer e-newsletter and web site providing information specific to employer requirements for enrolling members, reporting correct payroll data and managing retiree return to work provisions.

Update:

The employer audit project is in the final prep stages and the first audit is expected to begin by March 15.

Content development is underway for the employer website.

Key Business Objective No. 2: Performance Management

Define Target Performance:

- 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
- Complete 75% of service purchases within 30 days of the date documentation is available
- Respond to written customer correspondence (emails and letters) within 5 days
- Complete 100% of staff performance reviews by their due date

Update:

The team continues to exceed all performance goals. From August 1, 2020 to January 31, 2021:

- 100% of 84 new retirements met the target date for payroll inception
- 93% of 129 estimates met the target period for completion
- 100% of 21 service purchases met the target period for completion

Key Business Objective No. 3: Business Management

Define Target Performance:

- Implement risk mitigation to address priority items from Linea Secure Cybersecurity Risk Assessment findings

Update:

The Cybersecurity Risk Mitigation Project is underway. The project is scheduled for completion in March 2021.

Key Business Objective No. 4: Investments

Define Target Performance:

- Develop a process to review the Board’s existing proxy voting approach and present alternatives to the Investment Committee for consideration
- Conduct activities necessary for leasing Suites 150/175 in One McInnis
- Conduct contracting work necessary to engage new investment managers

Update:

At the December 2020 Investment Committee meeting staff conducted an educational session on proxy voting that reviewed the current process and presented potential alternatives. At the January 2021 Investment Committee meeting Institutional Shareholder Services (ISS) presented information about how they would go about voting proxies on MCERA’s behalf. The Committee voted to hire ISS to provide to vote proxies for MCERA’s small cap core investment with DFA and S&P 500 investment with SSGA. An agreement between MCERA and ISS to provide the services has been executed. DFA and SSGA have been notified of the change and MCERA and SSGA have entered into a revised Investment Management Agreement. A letter of direction was sent to the custodian to direct all future proxy materials to ISS.

Completed and executed subscription agreements with new credit managers CarVal, Fortress and Varde. Completed and executed subscription agreements for new private equity investments with Abbott Capital Management and Pathway Capital Management.

MCERA’s space reduction plan, which includes a new shared restroom corridor and new kitchen/storage area, is complete.

Construction of the spec suites in 150/175 has been completed. The courtyard refresh project is complete and a new outdoor seating area was created in the back parking lot. New HVAC units were installed for the building in November. Leasing activities are ongoing. The remaining building project is the waterproofing effort.

Key Business Objective No. 5: Communication and Education

Define Target Performance:

- Complete the modification of CPAS to provide additional information on annual benefit statements including estimates for earliest retirement age and five-year increments
- Create overview booklet on MCERA plan structure, governance and financing
- Create summary brochure specific to actuarial valuation reports and results
- Modify general retiree COLA mailing to include actual COLA amount for each retiree

Update:

Programming for the system modifications to annual benefit statements has been completed and is in the testing phase with CPAS.

The development of the plan overview booklet and actuarial brochure is underway.

The modifications to the retiree COLA mailing are planned for the April 2021 COLA notification.

Key Business Objective No. 6: Finance and Accounting

Define Target Performance:

- | |
|---|
| <ul style="list-style-type: none"> • Conduct custodial services vendor evaluation and present a recommended vendor to the Board for potential action |
|---|

Update:

A revised evaluation and interview schedule has been set. Interviews will occur in the 1 st quarter of 2021. Any potential transition will be scheduled around the close of the fiscal year.

Key Business Objective No. 7: Human Resource Management
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Define Target Performance:

- | |
|---|
| <ul style="list-style-type: none"> • Implement work schedules that include remote access and in office work. • Implement COVID-19 safety protocols allowing the office to re-open for customers • Provide the necessary tools to ensure a secure and ergonomic home work station |
|---|

Update:

Remote access work schedules have been implemented for all staff. Accounting/Finance team members are working combination in-person and remote work schedules. Benefit team members are working dedicated remote work schedules and combination in-person and remote schedules. Administration Team members are also working dedicated remote work and combination schedules. Executive Leadership (Michelle, La Valda and Jeff) are in the office each day and managers (Todd and David) work combination in-office/remote schedules as needed.
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The COVID-19 Site Specific Projection Plan required by County Health in order to re-open the building was created and posted publicly in the building. Sanitation stations are in the lobby foyer and inside MCERA's office suite. Safety shields have been installed in the front lobby and throughout the office in the cubicles. Safety protocol posters are posted throughout the office reminding staff and visitors of the mask and social distancing requirements. Daily COVID-19 Self Certification health checks are completed by all staff entering the building and reviewed by the Retirement Administrator and Assistant Retirement Administrator. A daily building safety checklist is completed to ensure proper cleaning and safety protocols are in place.

Chairs, monitors, computers and office supplies have been delivered to staff working remotely to ensure they are able to conduct their work as if they were in the office. Instructions for ensuring the security of information and data have been developed and communicated to staff.
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D.2 Future Meetings

This is a discussion with no backup.

**E.1
MCERA
CONFERENCE AND TRAINING CALENDAR
March 2021**

Block	Cooper	Given	Gladstern	Jones	Klein	Murphy	Poirier	Shaw	Silberstein	Thomas	Werby	Wickman	Hardesty	Dunning	Marshall	DATE	APPROVED	SPONSOR	PROGRAM	LOCATION
			✱				✱		✱			✱				3/8-9/21	*	CalAPRS	General Assembly	Virtual
																3/8-10/21	*	CII	Spring Conference	Virtual
																3/16/21	*	CalAPRS	Investments Round Table	Virtual
															✱	3/19/21	*	CalAPRS	Accountants' Round Table	Virtual
																3/25/21	*	Callan	A Fresh Look at Fixed Income	Virtual
																4/13/21	*	CalAPRS	Communications Round Table	Virtual
																4/13-15/21	*	Callan	Introduction to Investments	Virtual
																4/16/21	*	CalAPRS	Information Technology Round Table	Virtual
																4/23/21	*	CalAPRS	Overview Course in Retirement Plan Administration	Virtual
																5/11-14/21	*	SACRS	Spring Conference	TBD
																5/28/21	*	CalAPRS	Attorneys' Round Table	Virtual
																5/28/21	*	CalAPRS	Trustees' Round Table	Virtual
																6/14-18/21	**	Wharton	Investment Strategies & Portfolio Management	Virtual
																6/21-23/21	*	Callan	National Conference	San Francisco, CA
																6/22/21	*	CalAPRS	Administrative Assistants' Round Table	Virtual
													✱			6/25/21	*	CalAPRS	Benefits Round Table	Virtual
												✱				6/25/21	*	CalAPRS	Administrators' Round Table	Virtual

E.1

Block	Cooper	Given	Gladstern	Jones	Klein	Murphy	Poirier	Shaw	Silberstein	Thomas	Werby	Wickman	Hardesty	Dunning	Marshall	DATE	APPROVED	SPONSOR	PROGRAM	LOCATION
																7/14-16/21	*	Callan	Introduction to Investments	San Francisco, CA
																8/23-9/1/21	*	CalAPRS	Management Academy	Virtual
																8/24-25/21	*	NCPERS	Public Pension Forum	Virtual
																9/14/21	*	CalAPRS	Accountants' Round Table	Virtual
													☼			9/17/21	*	CalAPRS	Benefits Round Table	Virtual
														☼		9/17/21	*	CalAPRS	Attorneys' Round Table	Virtual
												☼				9/22-24/21	*	CalAPRS	Administrators' Institute	Virtual
																9/22-24/21	*	CII	Fall Conference	Chicago, IL
																9/28-10/1/21	*	CalAPRS	Principles of Pension Governance for Trustees	Malibu, CA
																10/21/21	*	CalAPRS	Disability Retirement Administration	Virtual
																10/22/21	*	CalAPRS	Information Technology Round Table	Virtual
																10/26/21	*	CalAPRS	Administrative Assistants' Round Table	Virtual
																10/29/21	*	CalAPRS	Trustees' Round Table	Virtual
																11/3-5/21	*	CalAPRS	Intermediate Course in Retirement Plan Administration	Virtual
																11/9-12/21	*	SACRS	Fall Conference	Hollywood, CA
																12/1-3/21	*	CalAPRS	Advanced Course in Retirement Plan Administration	Virtual

*Pre-approved events: CalAPRS; Callan; CII; Nossaman LLP; NASRA; SACRS – ** Board-approved events – **New event or attendee**

CALLAN

Callan College
<http://www.callan.com/education/college>
Callan investment Institute
<http://www.callan.com/education/cii/conferences.asp>

E.1

NASRA

National Association of State Retirement Administrators

SACRS

State Association of County Retirement Systems
<http://www.sacrs.org>

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