

AGENDA
FINANCE AND RISK MANAGEMENT COMMITTEE
MARIN COUNTY EMPLOYEES' RETIREMENT ASSOCIATION (MCERA)

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

May 19, 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.

CALL TO ORDER

ROLL CALL

MINUTES

March 24, 2021 Finance and Risk Management Committee meeting

A. OPEN TIME FOR PUBLIC EXPRESSION

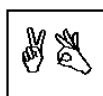
Note: The public may also address the Board regarding any agenda item when the Board considers the item.

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. NEW BUSINESS

1. Administrative Budget Fiscal Year 2020/21 Quarterly Review
Consider and review expenses for quarter ending March 31, 2021
2. Non-budgeted Expenses
Consider and review non-budgeted expenses for the quarter
3. Quarterly Checklist
Consider, review and updates on the following:
 - a. MCERA educational and event-related expenses
 - b. Continuing Trustee Education Log
 - c. Other expenses per Checklist Guidelines
 - d. Variances in the MCERA administrative budget in excess of 10%
 - e. Vendor services provided to MCERA
 - f. MCERA staffing status
 - g. Internal controls, compliance activities and capital calls
 - h. Audits, examinations, investigations or inquiries from governmental agencies
 - i. Other items from the Administrator related to risk and finance
4. Administrative Budget for Fiscal Year 2021/22 (Action)
Consider and possibly recommend adoption of Administrative Budget for Fiscal Year 2021/22
5. Cash Management
Consider and discuss cash management process
6. Annual Audit of Financial Statements Update
Update on audit process
7. Future Meetings
Consider and discuss agenda items for future meetings

Note on Process: Items designated for information are appropriate for Committee action if the Committee wishes to take action.



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 May Committee meeting

MINUTES

FINANCE AND RISK MANAGEMENT COMMITTEE MARIN COUNTY EMPLOYEES' RETIREMENT ASSOCIATION (MCERA)

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

March 24, 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.

CALL TO ORDER

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

ROLL CALL

PRESENT: Block, Given, Klein, Murphy, Werby

ABSENT: None

MINUTES

It was M/S Given/Murphy to approve the November 18, 2020 Finance and Risk Management Committee Meeting Minutes as submitted. The motion was approved by a vote of 5-0 as follows:

AYES: Block, Given, Klein Murphy 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

For consideration at May Committee meeting

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. NEW BUSINESS

1. Administrative Budget Fiscal Year 2020/21 Quarterly Review

Consider and review expenses for quarter ending December 31, 2020

La Valda Marshall, Accounting Unit Manager, reported total administrative expenditures for the quarter ending December 31, 2020 were \$1.1 million, which is 1% under the straight-line budget. Of that amount Salaries and Benefits were \$739 thousand, Services and Supplies were \$290.3 thousand, and Interdepartmental Charges were \$83.4 thousand. Salaries and Benefits expenditures are within 1.1% of the budgeted amount. Ms. Marshall pointed out there were 7 pay periods during the quarter. In Services and Supplies expenditures include annual payments to a few vendors. Bank charges are trending over the budgeted amount due to a higher volume of transactions resulting in more fees. Membership dues in the quarter included annual fees for CalAPRS and the Council of Institutional Investors (CII). Office supplies are trending lower and phone expenses are trending higher due to using more data and Marin County's program to pay a monthly cell phone allowance to employees working remotely.

Ms. Marshall stated fiscal year-to-date administrative expenditures from July 1, 2020 through December 31, 2020 were \$2.1 million.

2. Non-budgeted Expenses

Consider and review non-budgeted expenses for the quarter

Total non-budgeted expenditures for the quarter ending December 31, 2020 were \$44.9 million, 92% of which is for retiree payroll and related items. Among expenditures were \$24.5 thousand for security services, \$3 million for investment manager fees, and \$195.7 thousand for total legal expenses. State Street custodial fees were \$104.8 thousand and Callan fees were \$92.3 thousand. MCERA received a reimbursement of \$59.4 thousand from the fiduciary liability insurance provider for the *MAPE* vs. *MCERA* legal case.

For the fiscal year to date from July 1, 2020 through December 31, 2020, total non-budgeted expenditures were \$89.5 million – of that amount \$82 million was for retirees.

Responding to a trustee inquiry from a prior Committee meeting, Mr. Wickman reported that the expected investment manager fees match up with the fees listed in the report. Because staff validates the fees before they are paid to the managers, there are controls in place to ensure accurate payment.

3. Quarterly Checklist

Consider, review and updates on the following:

For consideration at May Committee meeting

a. MCERA educational and event-related expenses

Mr. Wickman reported on educational and event expense during the quarter ending December 31, 2020. Trustees attended the CalAPRS Trustees' Round Table and the Fall SACRS Conference. Mr. Wickman attended the CalAPRS Administrators' Institute and the SACRS Fall Conference. Several staff members attended CalAPRS Round Tables covering benefits, accounting, and information technology. Ms. Marshall attended Government Finance Officers Association (GFOA) training. During the quarter Tom Iannucci's remaining fee was paid for his presentation at the October 2020 Strategic Workshop.

b. Continuing Trustee Education Log

The Continuing Trustee Education Log shows that all trustees have either already achieved training goals for the two-year period or are on track to meet deadlines in 2021.

c. Other expenses per Checklist Guidelines

The summary of credit card charges includes cameras purchased for staff, subscriptions (for Zoom, for example), and office supplies. There are no unusual charges to report.

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

See discussion above.

e. Vendor services provided to MCERA

No new vendor services

f. MCERA staffing status

See discussion in Agenda Item B.4, Custodial Services Request for Proposal Update, below regarding reassignment of duties.

g. Internal controls, compliance activities and capital calls

The Capital Call Report shows private equity and private credit program distributions and capital calls. Mr. Wickman observed that towards the end of 2020 there was an uptick in distributions received from the private equity program, a portion of which is being held for potential cash needs. In the private equity program from July 1 through December 2020 total distributions were \$36.4 million and total capital calls were \$14.9 million.

Private credit managers have been added to the report. In the quarter ending December 31, 2020 MCERA sent \$3.35 million in capital calls to the CarVal Credit Value V portfolio, \$1.65 million to the Fortress Credit Opportunities Value V portfolio, and \$5.03 million to the Varde Dislocation Fund, for a total of \$10.03 million during the

For consideration at May Committee meeting

quarter. The Administrator pointed out CarVal and Varde net asset values are lower than the paid-in capital due to interest charged for entering the funds late.

The Capital Call Report shows excess margin cash of \$45 million was transferred from the Parametric futures overlay program to the Short-Term Investment Fund for use during the year.

- h. Audits, examinations, investigations or inquiries from governmental agencies

Nothing to report.

- i. Other items from the Administrator related to risk and finance

Mr. Wickman said Chair Werby requested that he discuss MCERA's cash management practices. The Administrator reminded the Committee that the Board does not have a dedicated allocation to cash within the asset allocation policy. As a result, staff uses multiple sources to manage ongoing cash needs. Mr. Wickman said the primary sources for cash are contributions from the employer, distributions from private equity funds, and dividends from real estate managers. He noted that there have been times when it was necessary to sell securities to meet cash needs, notably when capital calls are received. It has been one year since securities were sold to raise cash. The Administrator reported that staff has increased cash levels to three to five months of benefits payments. He noted that all cash is exposed to the futures overlay program. He said the biggest monthly expenditure is retiree payroll and that the accounting team assesses cash needs on a daily basis.

Chair Werby indicated a line of credit could be used for cash needs to avoid having to sell securities at inopportune times. Trustee Klein said an alternative to a line of credit could be a cash allocation to use when margin requirements are raised during market dislocations. Noting it is rare for the margin requirement to be raised, Mr. Wickman said cash management would be added to the next Committee meeting.

4. Custodial Services Request for Proposal Update

Update on candidates for custodial service provider

Mr. Wickman explained that the Custodial Services Request for Proposal (RFP) was put on hold in March of 2020 due to the pandemic. Toward the end of 2020 the RFP process was revisited and a decision made to restart the evaluation process. Simultaneously, staff were ready to begin the Employer Audit program mandated by the Public Employee Pension Reform Act of 2013. Recently, unexpected turnover in the benefits team created a gap in services that needed to be addressed. Mr. Wickman said that another member of the benefits team was assigned to take over the responsibilities of the department employee. The person reassigned to the benefits work was expected to take on the Employer Audit program. With the reassignment of duties, it was no longer viable to have the employee also conduct the audit program.

For consideration at May Committee meeting

In the Administrator's view placing the Employer Audit program on hold was not an option. As a result, the decision was made to reassign someone from the Accounting Unit Team to take on the Employer Audit program. Taking someone out of accounting impacts the ability to move forward on the custodial RFP. The staff position in accounting needs to be filled so they can continue to operate as before. Until the vacant accounting position is filled Mr. Wickman said the Custodial Services RFP would go on hold. Mr. Wickman said the project could potentially start again toward the end of 2021. He said when the RFP is re-started, vendors will likely be asked to refresh their responses and bid.

Trustee Block noted there was a significant investment in the Custodial Services RFP process. Mr. Wickman agreed and assured Trustee Block that the work that has been will not be lost and the RFP will pick up where it left off as much as possible to avoid re-work.

5. Budget Priorities for Fiscal Year 2021/22 (Action)

Consider and take possible action on recommendation to adopt budget priorities for fiscal year 2021/22

Mr. Wickman presented Budget Priorities for Fiscal Year 2021/22 for the Committee's consideration, as required by MCERA's Budget Policy and Adoption Policy. The first section is a review of the structure of the current \$4.6 million administrative budget. The current budget is under the legislative budget cap of 21 basis points of the accrued actuarial liability by about \$2 million.

Reviewing the proposed Budget Priorities for the next fiscal year, Mr. Wickman said salaries will be budgeted at the top step of each position and the benefit cost for employees will be 53%-54% of salaries. Right now, his assumption is there will not be a cost-of-living increase in the upcoming fiscal year. One vacant Accounting Assistant position will be reallocated to a Senior Accountant position to address the reassignment of duties mentioned in Item B.4 above. As part of the space reduction plan the file room was removed. As a result, files will be stored off site which will increase storage costs. Potential modifications to the audio/visual structure in the Board Chambers will be considered.

At the next Committee meeting the Administrator will present details for the proposed budget for the next fiscal year. The budget is subject to the 21 basis point cap of the accrued actuarial liability as of June 30, 2020 of \$3.124 billion. Mr. Wickman stated the goal is to keep the budget relatively flat from the prior fiscal year expenditure amount.

It was M/S Given/Murphy to adopt Budget Priorities for Fiscal Year 2021/2022 as presented.

Trustee Klein asked how meetings will be held when the shelter-in-place order is lifted. Mr. Wickman said it will depend on what happens when the Governor's temporary suspension of the Brown Act provisions are removed and Board members have to return to in-person meetings. Board Counsel Ashley Dunning explained that Brown Act rules with respect to remote attendance at meetings were suspended during the pandemic. Once current restrictions on in-person meetings are lifted, she said, it will depend on what the legislature decides to do with respect to permitting public entities to hold public meetings during which board members attend from remote locations. Trustee Block noted there is a

For consideration at May Committee meeting

pending Assembly Bill on this topic, adding there may be a requirement for closed captioning which the Board of Supervisors is using.

The motion was approved by a vote of 5-0 as follows:

AYES: Block, Given, Klein Murphy Werby
NOES: None
ABSTAIN: None
ABSENT: None

6. Annual Audit of Financial Statements Update
Update on audit process

The Administrator reported that the Audit Committee will meet on April 7 to kick off the annual audit of financial statements.

There being no further business, Chair Werby adjourned the meeting at 10:00 a.m.

Jeff Wickman
Retirement Administrator

On behalf of:
Todd Werby
Finance and Risk Management Committee Chair

Michelle Hardesty
Assistant Retirement Administrator

On behalf of:
Jeff Wickman
Retirement Administrator

B.1

	FY 19/20 Actual Expenses	FY 20/21 Approved Budget	January	February	March	3rd Qtr. Total	Percentage of Budget used	Notes
Salaries and Benefits		26 PP	2 PP	2 PP	2 PP	6 PP		QTD - Quarter-to-Date SL - Straight Line WCI - Workers' Comp Ins SAA - Sr. Accounting Asst. FTE - Full Time Equivalent PP - Payperiod GF - General Fund AA - Accounting Asst.
Regular Staff Salaries	1,540,503	2,000,684	138,685	131,144	137,799	407,628	20.4%	QTD actual is 4.6% under the SL budget due to the Jan. and Feb. 2.0 FTE and Mar. 3.0 FTE vacancy savings, offset by a vacation and annual bargaining bonus payouts.
Extra-Hire	0	0	0	0	0	0	0.0%	
Overtime	60	0	2,643	3,659	2,092	8,394	0.0%	
Employee Benefits	217,721	258,143	19,609	18,318	18,318	56,245	21.8%	
Retirement Benefits	292,963	427,995	26,827	25,847	25,919	78,593	18.4%	
Retirement Benefits - OPEB	164,193	196,750	10,819	10,424	10,453	31,696	16.1%	
Ret POB Debt Svc. Misc.	80,706	97,866	7,282	7,016	7,036	21,334	21.8%	
Auto Allowance	9,227	9,950	738	738	738	2,214	22.3%	
Unused Fringe Benefits	18,621	0	1,579	1,579	1,579	4,737	0.0%	
Workers Comp. Insurance	32,026	71,003	6,124	5,915	5,944	17,983	25.3%	This quarter did not receive a WC refund.
Medicare	22,456	28,612	2,059	1,965	2,039	6,063	21.2%	
Total Salaries and Benefits	2,378,476	3,091,003	216,365	206,605	211,917	634,887	20.5%	QTD actual is 4.5% under SL budget mainly due to vacancies.
Services and Supplies								
Professional Services	57,395	52,000	0	438	0	438	0.8%	QTD actual is 24.2% under the SL budget due to less demand for Professional Services (i.e. Brown Armstrong) during this quarter.
Innovest - Retiree Payroll Processing	41,572	38,000	2,834	6,487	2,839	12,160	32.0%	
Records Retention	3,789	3,800	255	260	260	775	20.4%	
Bank Charges	2,770	6,000	590	826	2,197	3,613	60.2%	QTD actual is 35.2% over the SL budget due to the BoFA Bank Analysis fees trending higher. Budgeted at \$500 per month. Actual for March 2021 is 3.39 times higher than monthly budget due to increased service activity.
Insurance Premiums	76,599	77,000	7,654	(25)	82,301	89,930	116.8%	QTD actual is 3.67 times over the SL budget due to 13 months of MacCorkle (Risk Strategies) Fiduciary Liability Insurance expense, 1 month extension paid in January and the 12 months annual paid in March.
Utilities (1 McInnis Owner Allocation)	171,484	191,090	0	15,974	48,019	63,993	33.5%	
Memberships & Dues	16,539	15,000	0	0	0	0	0.0%	
Subscriptions	7,136	7,500	2,902	0	489	3,391	45.2%	QTD actual is 20.2% over the SL budget due to the annual services at \$2.7K paid to Pension Benefits Information (PBI) for the annual death audit monitoring renewal.
Conferences/Training	18,974	26,000	195	850	120	1,165	4.5%	
Travel and Mileage	16,554	30,000	0	0	156	156	0.5%	
Document Reproduction Costs	32,771	32,200	1,865	2,964	1,664	6,493	20.2%	
Medical Examinations	9,263	12,000	0	0	0	0	0.0%	
Investigations	912	2,000	0	2,050	0	2,050	9.9%	Combined Investigations, Transcribing, Medical Record Review and Hearing utilization is trending lower than anticipated. Actual is \$19.6K. Budgeted at \$49.3K per quarter.
Transcribing/Medical Record Review	96,614	130,000	10,850	0	0	10,850		
Hearings	48,555	65,000	6,599	0	80	6,679		
Board Election Fees	550	1,000	200	(100)	0	100	10.0%	QTD actual is 15.0% under the SL budget due to less and seasonal demand for election coordinated services.
Board Remuneration (Gross Pay)	7,860	8,480	400	800	400	1,600	20.0%	
Board Payments (ER Liab., ADP & Bank fees)	2,045	2,120	221	169	129	519		
Office Expenses and Supplies	11,336	8,600	78	32	71	181	2.1%	QTD actual is 22.9% under the SL budget due to less department demand for Office Expenses and Supplies.
Office Expenses - Phone	2,743	2,500	356	265	246	867	34.7%	
Electronic Supplies	10,268	5,300	0	0	1,471	1,471	27.8%	
Ergonomic Supplies	0	1,000	0	0	0	0	0.0%	
Office Supplies - Postage	1,439	2,000	107	63	163	333	16.7%	
Miscellaneous - Food	6,612	8,000	0	0	0	0	0.0%	
Depreciation Expense	479,930	477,571	0	0	129,380	129,380	27.1%	Actual through March 2021 is 2.1% higher due to the depreciation of recently capitalized property and tenant improvements.
Total Services and Supplies	1,123,710	1,204,161	35,106	31,053	269,985	336,144	27.9%	QTD actual is 2.9% over the SL budget due to Services & Supplies category trending slightly higher than anticipated.
Interdepartmental Charges								
Telephone Charges	12,950	25,900	0	0	6,475	6,475	25.0%	QTD accrual at 25% of annual FY budget.
Cost Allocation Plan (Inter-fund Charges)	307,896	307,895	(153,948)	0	249,003	95,055	30.9%	QTD is net FYTD accrual reversal + actual for FY 20-21.
Total Interdepartmental Charges	320,846	333,795	(153,948)	0	255,478	101,530	30.4%	QTD accrual + actual at 5.4% over the FY budget due to invoicing methodologies. CAP for this FY is paid in full.
TOTAL	3,823,032	4,628,959	97,523	237,658	737,380	1,072,561	23.2%	QTD actual is 1.8% under the SL budget.

B.1

	FY 19/20 Actual Expenses	FY 20/21 Approved Budget	1st Qtr. Total	2nd Qtr. Total	3rd Qtr. Total	FYTD	Percentage of Budget Used
Salaries and Benefits		26 PP	6 PP	7 PP	6 PP	19 PP	
Regular Staff Salaries	1,540,503	2,000,684	432,856	480,848	407,628	1,321,332	66.0%
Extra-Hire	0	0	0	0	0	0	0.0%
Overtime	60	0	0	0	8,394	8,394	0.0%
Employee Benefits	217,721	258,143	69,170	67,801	56,245	193,216	74.8%
Retirement Benefits	292,963	427,995	85,674	92,043	78,593	256,310	59.9%
Retirement Benefits - OPEB	164,193	196,750	39,720	37,418	31,696	108,834	55.3%
Ret POB Debt Svc. Misc.	80,706	97,866	23,557	25,185	21,334	70,076	71.6%
Auto Allowance	9,227	9,950	2,214	2,584	2,214	7,012	70.5%
Unused Fringe Benefits	18,621	0	4,295	4,295	4,737	13,327	0.0%
Workers Comp. Insurance	32,026	71,003	6,469	21,904	17,983	46,356	65.3%
Medicare	22,456	28,612	6,279	6,957	6,063	19,299	67.5%
Total Salaries and Benefits	2,378,476	3,091,003	670,234	739,035	634,887	2,044,156	66.1%
Services and Supplies							
Professional Services	57,395	52,000	18,799	25,734	438	44,971	86.5%
Innovest - Retiree Payroll Processing	41,572	38,000	5,489	10,912	12,160	28,561	75.2%
Records Retention	3,789	3,800	765	765	775	2,305	60.6%
Bank Charges	2,770	6,000	1,407	2,296	3,613	7,316	121.9%
Insurance Premiums	76,599	77,000	8,673	0	89,930	98,603	128.1%
Utilities (1 McInnis Owner Allocation)	171,484	191,090	42,153	63,746	63,993	169,892	88.9%
Memberships & Dues	16,539	15,000	200	7,710	0	7,910	52.7%
Subscriptions	7,136	7,500	261	1,462	3,391	5,114	68.2%
Conferences/Training	18,974	26,000	(2,130)	7,610	1,165	6,645	25.6%
Travel and Mileage	16,554	30,000	0	0	156	156	0.5%
Document Reproduction Costs	32,771	32,200	5,080	7,234	6,493	18,807	58.4%
Medical Examinations	9,263	12,000	1,002	148	0	1,150	9.6%
Investigations	912	2,000	0	474	2,050	2,524	126.2%
Transcribing/Medical Record Review	96,614	130,000	15,564	6,017	10,850	32,431	24.9%
Hearings	48,555	65,000	12,725	9,791	6,679	29,195	44.9%
Board Election Fees	550	1,000	0	0	100	100	10.0%
Board Remuneration (Gross Pay)	7,860	8,480	2,300	3,000	1,600	6,900	81.4%
Board Payments (ER Liab., ADP & Bank fees)	2,045	2,120	402	655	519	1,576	74.4%
Office Expenses and Supplies	11,336	8,600	9,278	862	181	10,321	120.0%
Office Expenses - Phone	2,743	2,500	2,218	1,535	867	4,620	184.8%
Electronic Supplies	10,268	5,300	2,705	668	1,471	4,844	91.4%
Ergonomic Supplies	0	1,000	0	54	0	54	5.4%
Office Supplies - Postage	1,439	2,000	260	282	333	875	43.8%
Miscellaneous - Food	6,612	8,000	0	0	0	0	0.0%
Depreciation Expense	479,930	477,571	119,393	139,367	129,380	388,140	81.3%
Total Services and Supplies	1,123,710	1,204,161	246,544	290,322	336,144	873,010	72.5%
Interdepartmental Charges							
Telephone Charges	12,950	25,900	6,475	6,475	6,475	19,425	75.0%
Cost Allocation Plan (Inter-fund Charges)	307,896	307,895	76,974	76,974	95,055	249,003	80.9%
Total Interdepartmental Charges	320,846	333,795	83,449	83,449	101,530	268,428	80.4%
TOTAL	3,823,032	4,628,959	1,000,227	1,112,806	1,072,561	3,185,594	68.8%

MCERA Non-Budgeted Expenses

FY 20/21 Quarter Ending March 31, 2021, by month

B.2

	January	February	March	3rd Qtr. Expenses
Retiree Payroll	13,706,690	13,820,567	13,800,572	41,327,829
Retiree Death Benefit Paid	35,000	15,000	25,000	75,000
Active Member Death Benefit	0	0	0	0
Refund of Contributions	159,344	96,141	326,839	582,324
Total Retirement Member Expense	13,901,034	13,931,708	14,152,411	41,985,153
Personal Computer Lease (Accrual)	0	0	0	0
CPAS	0	102,070	0	102,070
Business Systems (Accountmate)	0	0	0	0
IBM - Cognos systems	0	0	0	0
Oracle America	0	0	0	0
Total Computer Expense	0	102,070	0	102,070
Linea Secure, LLC (Cybersecurity)	0	0	0	0
Insight Public Sector, Inc.	8,150	8,150	8,150	24,450
Total Security Services Expense	8,150	8,150	8,150	24,450
Legal	0	12,371	24,525	36,896
County Counsel	0	0	0	0
Ice Miller LLP	0	0	0	0
Nossaman	0	12,371	24,525	36,896
Cheiron Inc. (Actuary)	0	0	44,471	44,471
Appraisals (1 McInnis)	0	0	0	0
Investment Managers	268,023	264,980	2,693,286	3,226,289
Callan (Investment Consultant)	0	85,000	77,250	162,250
State Street (Custodian)	0	0	104,722	104,722
Woodmont Consulting Services	0	5,513	3,938	9,451
Investment Education Expense	0	0	0	0
Total Legal, Actuary & Investment Expense	268,023	367,864	2,948,192	3,584,079
Total Fund Expenses	14,177,207	14,409,792	17,108,753	45,695,752
Nossaman				
General Counsel	0	12,285	21,109	33,394
1 McInnis Parkway Leasing	0	0	0	0
Bankruptcy Related	0	0	259	259
Technology Projects	0	0	1,166	1,166
Employment Law Advice & Training	0	86	1,455	1,541
Negotiate Insurance Policies	0	0	536	536
Investment	0	0	0	0
MAPE	0	0	0	0
Greene	0	0	0	0
Brown	0	0	0	0
Rose	0	0	0	0
Total Nossaman Expense	0	12,371	24,525	36,896
Reimbursement from Hudson Ins. Regarding V. Greene	0	0	0	0
D. Brown	0	0	0	0
MAPE vs. MCERA	0	0	0	0
Total Legal Reimbursement	0	0	0	0

B.2

MCERA Non-Budgeted Expenses

FY 20/21 Quarter Ending March 31, 2021, by quarter

	FY 19/20 Actual Expenses	1st Qtr. Expenses	2nd Qtr. Expenses	3rd Qtr. Expenses	FYTD Total
Retiree Payroll	156,896,425	40,749,418	41,031,850	41,327,829	123,109,097
Retiree Death Benefit Paid	250,000	110,000	65,000	75,000	250,000
Active Member Death Benefit	324,104	0	0	0	0
Refund of Contributions	931,012	511,341	237,573	582,324	1,331,238
Total Retirement Member Expense	158,401,541	41,370,759	41,334,423	41,985,153	124,690,335
Personal Computer Lease (Accrual)	0	0	0	0	0
CPAS	180,441	12,960	0	102,070	115,030
Business Systems (Accountmate)	2,351	0	2,125	0	2,125
IBM - Cognos systems	19,315	19,916	0	0	19,916
Oracle America	4,910	0	0	0	0
Total Computer Expense	207,017	32,876	2,125	102,070	137,071
Linea Secure, LLC (Cybersecurity)	66,500	10,000	0	0	10,000
Insight Public Sector, Inc.	57,357	24,450	24,450	24,450	73,350
Total Security Services Expense	123,857	34,450	24,450	24,450	83,350
Legal	452,056	76,188	195,712	36,896	308,796
County Counsel	93,126	23,282	11,964	0	35,246
Ice Miller LLP	4,164	0	560	0	560
Nossaman	354,766	52,906	183,188	36,896	272,990
Cheiron Inc. (Actuary)	152,679	21,088	99,107	44,471	164,666
Appraisals (1 McInnis)	3,000	0	3,000	0	3,000
Investment Managers	11,507,860	2,890,371	3,028,863	3,226,289	9,145,523
Callan (Investment Consultant)	355,250	75,500	92,250	162,250	330,000
State Street (Custodian)	415,297	103,374	104,825	104,722	312,921
Woodmont Consulting Services	30,929	26,675	24,594	9,451	60,720
Investment Education Expense	9,850	7,500	0	0	7,500
Total Legal, Actuary & Investment Expense	12,926,921	3,200,696	3,548,351	3,584,079	10,333,126
Total Fund Expenses	171,659,336	44,638,781	44,909,349	45,695,752	135,243,882
Nossaman					
General Counsel	240,036	38,576	69,022	33,394	140,992
1 McInnis Parkway Leasing	64,165	5,593	(4,055)	0	1,538
Bankruptcy Related	0	0	0	259	259
Technology Projects	0	0	0	1,166	1,166
Employment Law Advice & Training	0	0	0	1,541	1,541
Negotiate Insurance Policies	0	0	0	536	536
Investment	1,952	905	112,248	0	113,153
MAPE	390	7,832	5,973	0	13,805
Greene	12,067	0	0	0	0
Brown	31,845	0	0	0	0
Rose	4,311	0	0	0	0
Total Nossaman Expense	354,766	52,906	183,188	36,896	272,990
Reimbursement from Hudson Ins. Regarding V. Greene	(2,933)	0	0	0	0
D. Brown	(30,772)	(360)	0	0	(360)
MAPE vs. MCERA	0	0	(59,439)	0	(59,439)
Total Legal Reimbursement	(33,705)	(360)	(59,439)	0	(59,799)

B.2

**Investment Manager's Fees
FY20/21 Quarter Ending March 31, 2021**

Fees:							FY 19/20 IM fees
<u>Investment Manager</u>	<u>Market Value</u>	<u>Annualized %</u>	<u>January</u>	<u>February</u>	<u>March</u>	<u>Quarter Total</u>	
AEW Core Property	105,976,969	0.8905%	0	0	235,944	235,944	932,369
Abbott Fund VI	46,181,826	0.9782%	37,644	37,644	37,644	112,932	501,912
Abbott Fund VII	41,152,201	0.8262%	28,333	28,333	28,333	84,999	339,996
Abbott Investors 2016	44,408,381	0.5967%	22,083	22,083	22,083	66,249	264,996
Abbott Investors 2017	10,216,934	0.7341%	6,250	6,250	6,250	18,750	65,628
Abbott Investors 2021	870,618	0.0000%	0	0	0	0	N/A
Artisan International Growth Fund	203,036,047	0.8042%	0	0	408,223	408,223	1,445,669
BlackRock TIPS	46,171,562	0.0298%	0	0	3,438	3,438	13,460
BlackRock US Real Estate	54,381,980	0.0565%	0	0	7,678	7,678	26,878
CarVal	3,350,000	0.0000%	0	0	0	0	N/A
Colchester Global Investors	145,113,927	0.4236%	53,740	48,029	51,903	153,672	562,014
DFA Small Cap Core	330,882,965	0.3033%	0	0	250,877	250,877	768,730
Eaton Vance Structured	124,384,731	0.7752%	0	0	241,047	241,047	746,347
Fortress	1,622,900	0.0818%	0	0	332	332	N/A
Invesco	52,703,405	0.6833%	29,881	28,303	31,853	90,037	262,030
KBI Global Resources Solutions	53,145,395	0.8883%	0	0	118,029	118,029	367,330
Morgan Stanley	201,376,469	0.5471%	0	0	275,435	275,435	950,572
Parametric (overlay program)	22,425,075	0.7224%	0	0	40,500	40,500	147,721
Pathway I 2008-6	66,761,276	0.6740%	0	0	112,500	112,500	583,533
Pathway I 7-3	42,303,469	0.7446%	0	0	78,750	78,750	315,000
Pathway I 8-9	59,762,436	0.6753%	0	0	100,887	100,887	403,548
Pathway I 9-3	10,712,396	1.0735%	0	0	28,750	28,750	93,203
Pathway I 10-10	3,509,995	2.5938%	0	0	22,761	22,761	N/A
SSgA S&P 500 Index Strategy	695,750,998	0.0252%	0	0	43,750	43,750	193,750
TimesSquare	129,425,601	0.8400%	90,092	94,338	87,357	271,787	790,584
UBS Realty Investment	113,019,855	0.6486%	0	0	183,264	183,264	913,825
Varde	17,025,986	1.3587%	0	0	57,834	57,834	N/A
Wellington	268,447,655	0.1850%	0	0	124,183	124,183	466,555
Western Asset	148,408,439	0.2525%	0	0	93,681	93,681	352,214
Total	\$3,042,529,491	0.4242%	\$268,023	\$264,980	\$2,693,286	\$3,226,289	\$11,507,864

MCERA Education and Due Diligence Expense Summary FY 20/21
FY 20/21 Quarter Ending March 31, 2021

<u>Trustee</u>	<u>Date</u>	<u>Conference</u>	B.3.a	<u>Location</u>	<u>1st quarter</u>	<u>2nd quarter</u>	<u>3rd quarter</u>	<u>Year to Date</u>
M. Gladstern	3/8 - 9/2021	CALAPRS General Assembly		Virtual			250.00	\$ 250.00
D. Jones	11/10 -13/2020	SACRS 2020 Fall Conference		Virtual		120.00		\$ 120.00
S. Klein	10/23/2020	CALAPRS Trustee Roundtable		Virtual		50.00		\$ 50.00
L. Murphy	10/23/2020	CALAPRS Trustee Roundtable		Virtual		50.00		\$ 50.00
M. Poirier	3/8 - 9/2021	CALAPRS General Assembly		Virtual			250.00	\$ 250.00
S. Silberstein	11/10-13/2020	SACRS 2020 Fall Conference		Virtual		120.00		\$ 120.00
	3/8 - 9/2021	CALAPRS General Assembly		Virtual			250.00	\$ 250.00
Trustee Expense					\$0.00	\$340.00	\$750.00	\$ 1,090.00
<u>Administrator</u>	<u>Date</u>	<u>Conference</u>		<u>Location</u>	<u>1st quarter</u>	<u>2nd quarter</u>	<u>3rd quarter</u>	<u>Year to Date</u>
J. Wickman	9/24/2020	Administrators Institute 2020		Virtual	500.00			\$ 500.00
	11/10 -13/2020	SACRS 2020 Fall Conference		Virtual		120.00		\$ 120.00
	2/12/2021	CALAPRS Administrator Roundtable		Virtual		50.00		\$ 50.00
	3/8 - 9/2021	CALAPRS General Assembly		Virtual		250.00		\$ 250.00
	5/11 - 14/2021	SACRS Spring 2021 Conference		Virtual			120.00	\$ 120.00
Assistant Administrator								
M. Hardesty	9/10/2020	CALAPRS Benefits Roundtable		Virtual		50.00		\$ 50.00
Employee								
D. Sousa	8/13/2020	CALAPRS Benefits Roundtable		Virtual	50.00			\$ 50.00
	2/11/2021	CALAPRS Benefits Roundtable		Virtual			50.00	\$ 50.00
K. Hawkins	8/13/2020	CALAPRS Benefits Roundtable		Virtual	50.00			\$ 50.00
L. Detwiler	9/10/2020	CALAPRS Benefits Roundtable		Virtual		50.00		\$ 50.00
	12/30/2020 - 1/1/2021	Local Mileage		Local			155.94	\$ 155.94
L. Jackson	8/27/2020	CALAPRS Accountants Roundtable		Virtual	50.00			\$ 50.00
	1/14/2021	GFOA - Annual Governmental GAAP Update		Virtual			195.00	\$ 195.00
L. Marshall	7/15/2020	CALAPRS Management Academy <i>Refund</i>		n/a	(3,000.00)			(3,000.00)
	8/27/2020	GFOA Internet Training		Virtual	85.00			\$ 85.00
	8/27/2020	GFOA Internet Training		Virtual	85.00			\$ 85.00
	9/17/2020	CALAPRS Accountants Roundtable		Virtual	50.00			\$ 50.00
	12/2 - 4/2020	CALAPRS Advanced Course in Retirement Plan Administration		Virtual		200.00		\$ 200.00
	3/19/2021	CALAPRS Accountants Roundtable		Virtual			50.00	\$ 50.00
L. Martinez	11/20/2020	CALAPRS Retirement Disability Administration		Virtual		100.00		\$ 100.00
L. Shamrock	9/10/2020	CALAPRS Benefits Roundtable		Virtual		50.00		\$ 50.00
V. Matyurin	10/30/2020	CALAPRS Information Technology Roundtable		Virtual		50.00		\$ 50.00
Administrator and Employee Expense					(2,130.00)	920.00	570.94	(639.06)
<u>Counsel/Other</u>	<u>Date</u>	<u>Conference</u>		<u>Location</u>	<u>1st quarter</u>	<u>2nd quarter</u>	<u>3rd quarter</u>	<u>Year to Date</u>
Cortex	10/31/2020	Cortex on-site education session and off-site professional services		Virtual		6,350.00		\$ 6,350.00
Counsel/Other Expense					\$0.00	\$6,350.00	\$0.00	\$ 6,350.00
TOTAL MCERA Education and Due Diligence Expense					(2,130.00)	7,610.00	1,320.94	6,800.94

**MARIN COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
CONTINUING TRUSTEE EDUCATION SUMMARY
Wednesday, March 31, 2021**

24 hours required by January 24, 2021

Trustee Silberstein 30.62

24 hours required by August 25, 2021

Trustee Murphy 40.17

24 hours required by October 17, 2021

Trustee Klein 16.67

24 hours required by November 1, 2021

Trustee Block 14.16
Trustee Gladstern 17.67
Trustee Poirier 21.67
Trustee Werby 32.67

24 hours required by September 1, 2022

Trustee Jones 22.50

24 hours required by November 1, 2022

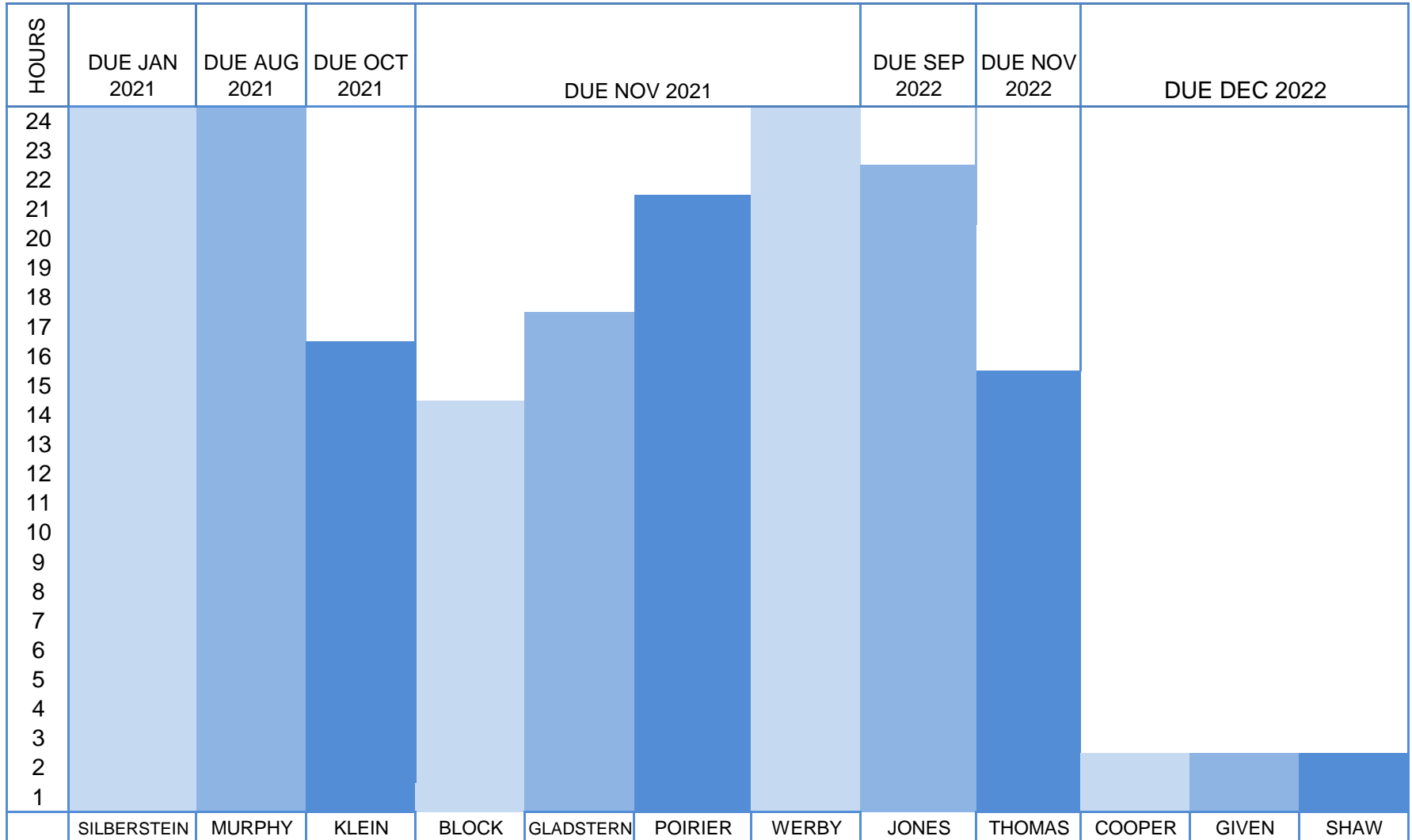
Trustee Thomas 15.50

24 hours required by December 31, 2022

Trustee Cooper 2.00
Trustee Given 2.00
Trustee Shaw 2.00

B.3.b

CONTINUING TRUSTEE EDUCATION QUARTERLY SUMMARY CHART Wednesday, March 31, 2021



B.3.b

MCERA CONTINUING TRUSTEE EDUCATION LOG												
TRUSTEE Master Log				TOPIC								
HOURS	DATE	SPONSOR	EVENT/SEMINAR	PENSION LAW	INVESTMENT PERFORMANCE MEASUREMENT ASSET ALLOCATION AND INVESTMENT MANAGEMENT ACTUARIAL EVALUATION AND PROCESS	BENEFITS ADMINISTRATION	DISABILITY RETIREMENT	BOARD GOVERNANCE, ETHICS, & FIDUCIARY OBLIGATIONS	ORGANIZATION BUDGET & AUDIT PROCEDURES			
24.00	The later of December 31, 2014, or two years after assuming office, and biannually thereafter.											
			See prior reports by date for earlier data.									
3.00	1/15/2019	Nossaman	2019 ILPA Roundtable - Investment Advisor Alignment Act, Fiduciary Duty issues at the SEC, ILPA Model LPA, GP-led secondaries and LPACs, Principles 3.0					X				
1.25	1/29/2019	Callan	National Conference - Global Economic Outlook - the Opportunities and Challenges			X						
1.00	1/29/2019	Callan	National Conference - Callan's EDD Talk on Investment Theory and Design			X						
1.25	1/29/2019	Callan	National Conference - Social Intelligence			X						
1.25	1/29/2019	Callan	National Conference - Workshop - The Evolution of Strategic Allocations: What's Next?			X						
1.25	1/29/2019	Callan	National Conference - Workshop - Private Equity: Primary Investment Opportunities and Considerations			X						
1.25	1/30/2019	Callan	National Conference - Income Inequality Panel						X			
1.25	1/30/2019	Callan	National Conference - Condoleezza Rice			X						
1.00	1/30/2019	Callan	National Conference - Workshop - The Evolution of Strategic Allocations: What's Next?			X						
1.00	1/30/2019	Callan	National Conference - Workshop - Market Intelligence Panel - Live!			X						
0.25	2/13/2019	MCERA	Form 700 Refresher						X			
0.50	2/13/2019	MCERA	Actuarial Valuation Report				X					
2.00	3/4/2019	CII	Spring Conference - Master Class, How to Achieve Engaged Ownership						X			
1.00	3/4/2019	CII	Spring Conference - Directors as Change Agents						X			
0.50	3/4/2019	CII	Spring Conference - Interview with Hiro Mizuno of Japan's GPIF						X			
0.50	3/4/2019	CII	Spring Conference - Interview with Sarah Williamson: Focusing Capital on the Long Term			X						
1.00	3/4/2019	CII	Spring Conference - Human Capital Management Risks in the Gig Economy						X			
0.50	3/5/2019	CII	Spring Conference - Blockchain and Securities Trading			X						
0.50	3/5/2019	CII	Spring Conference - SEC Commissioner Hester Peirce						X			
0.75	3/5/2019	CII	Spring Conference - Panel: Pay Pioneers						X			
0.50	3/5/2019	CII	Spring Conference - Focusing on the "S" in ESG						X			
0.75	3/5/2019	CII	Spring Conference - Engaging in Market Policy Reform to Enhance Long-Term Performance						X			
1.50	3/5/2019	CII	Spring Conference - Luncheon Keynote: Leadership						X			
1.00	3/5/2019	CII	Spring Conference - Corporate Governance in Emerging Markets: What Matters Most?						X			
0.83	3/6/2019	CII	Spring Conference - Drivers of EM Capital Flows - Global Governance Developments						X			

B.3.b

MCERA CONTINUING TRUSTEE EDUCATION LOG

TRUSTEE Master Log

				TOPIC							
HOURS	DATE	SPONSOR	EVENT/SEMINAR	PENSION LAW	INVESTMENT PERFORMANCE MEASUREMENT	ASSET ALLOCATION AND INVESTMENT MANAGEMENT	ACTUARIAL EVALUATION AND PROCESS	BENEFITS ADMINISTRATION	DISABILITY RETIREMENT	BOARD GOVERNANCE, ETHICS, & FIDUCIARY OBLIGATIONS	ORGANIZATION BUDGET & AUDIT PROCEDURES
0.67	3/6/2019	CII	Spring Conference - Investor Sentiment on Executive Pay Design							X	
1.00	3/6/2019	CII	Spring Conference - Investors Engage on #MeToo - CII Member Proxy Season Initiatives							X	
27.25	Hours for Quarter Ending March 31, 2019										
0.50	4/9/2019	Pension Bridge	Keynote Speaker - Macroeconomic View			X					
0.83	4/9/2019	Pension Bridge	The Deepening Crisis of Unfunded Pension Plans and its Far Reaching Effects of Fiscal Distress				X				
0.75	4/10/2019	Pension Bridge	Real Estate			X					
0.25	4/10/2019	Pension Bridge	Investing in Farmland			X					
0.25	4/10/2019	Pension Bridge	Investing in Water			X					
1.00	4/16/2019	MCERA	Strategic Workshop: Capital Markets Update			X					
1.50	4/16/2019	MCERA	Strategic Workshop: Asset Liability Review and Discussion			X					
1.50	4/16/2019	MCERA	Strategic Workshop: Fixed Income Role of Central Banks			X					
1.00	4/16/2019	MCERA	Strategic Workshop: Domestic Relations Orders Processing					X			
1.00	4/17/2019	MCERA	Strategic Workshop: Actuarial Assumptions - How Changes Impact the Plan's Liabilities				X				
1.00	4/17/2019	MCERA	Strategic Workshop: Cybersecurity Considerations					X			
1.00	4/17/2019	MCERA	Strategic Workshop: Public Retirement System Trustee Do's and Don'ts							X	
2.00	5/2/2019	MCERA	Sexual Harassment Prevention Training							X	
		SACRS	Spring Conference								
2.00	5/7/2019	SACRS	Sexual Harassment Prevention Training							X	
2.00	5/7/2019	SACRS	Ethics Training for Public Officials							X	
1.00	5/8/2019	SACRS	General Session - Retirement Readiness for Life After Full-Time Work					X			
1.00	5/8/2019	SACRS	General Session - Risks and Opportunities in the Current Macro Environment			X					
1.00	5/8/2019	SACRS	General Session - China - The Great Disruptor			X					
1.00	5/8/2019	SACRS	General Session - The Enterprise Risks Facing California's Pension Systems			X					
1.75	5/8/2019	SACRS	Ops/Benefits & Disability Breakout						X		
1.75	5/8/2019	SACRS	Investment Breakout		X						
1.75	5/8/2019	SACRS	Trustee Breakout							X	
1.75	5/8/2019	SACRS	Safety Breakout							X	
1.00	5/9/2019	SACRS	General Session - General Wesley Clark			X					
1.00	5/9/2019	SACRS	General Session - A Q&A with Robert Smith of Vista Equity Partners							X	
1.00	5/9/2019	SACRS	General Session - An Insiders View of Washington D.C.			X					
1.00	5/9/2019	SACRS	Concurrent Session A - The Case for Non-US Equities			X					

B.3.b

MCERA CONTINUING TRUSTEE EDUCATION LOG												
TRUSTEE <u>Master Log</u>				TOPIC								
HOURS	DATE	SPONSOR	EVENT/SEMINAR	PENSION LAW	INVESTMENT PERFORMANCE MEASUREMENT	ASSET ALLOCATION AND INVESTMENT MANAGEMENT	ACTUARIAL EVALUATION AND PROCESS	BENEFITS ADMINISTRATION	DISABILITY RETIREMENT	BOARD GOVERNANCE, ETHICS, & FIDUCIARY OBLIGATIONS	ORGANIZATION BUDGET & AUDIT PROCEDURES	
2.00	9/4/2019	Nossaman	U.S. Pubic Pension Handbook: A Comprehensive Guide for Trustees and Staff					X				
0.83	9/5/2019	Nossaman	California Public Pension Litigation Update	X								
0.50	9/5/2019	Nossaman	Practical Considerations for Retirement System Trustees and Staff After the Supreme Court Rules in <i>Alameda</i>	X								
0.83	9/5/2019	Nossaman	Roles and Responsibilities of Consultants, Managers, and Investors/LPACs							X		
1.00	9/5/2019	Nossaman	Discussion of Institutional Limited Partners Association 3.0	X								
0.67	9/5/2019	Nossaman	Overview of Open-Ended vs. Close-Ended Funds	X								
0.50	9/5/2019	Nossaman	Alternative Investment Issues in PPMs, LPAs, and Subscription Agreements			X						
0.33	9/5/2019	Nossaman	Key Legal Considerations for Investments in Real Assets	X								
0.33	9/5/2019	Nossaman	Current Legal Issues in PAS System Administration and Privacy	X								
0.33	9/5/2019	Nossaman	Twists in Public Pension System Insurance Coverage for Fiduciaries	X								
0.92	9/5/2019	Nossaman	Roundtable: Top Fiduciary Issues for Public Plans							X		
2.00	9/16/2019	CII	Fall Conference - Master Class: Evaluating Pay for Performance							X		
0.75	9/16/2019	CII	Fall Conference - Dual Class Stock and the Future of Corporate Governance			X						
0.75	9/16/2019	CII	Fall Conference - Evolving the Board							X		
0.75	9/17/2019	CII	Fall Conference - Fiduciary Duty and ESG in Investment: CIO Perspectives							X		
0.50	9/17/2019	CII	Fall Conference - Public Company Accounting Oversight: Key Issues and Developments								X	
0.50	9/17/2019	CII	Fall Conference - Gender Pay Equity							X		
0.25	9/17/2019	CII	Fall Conference - Lessons from the front Lines: Challenges in Renewable Energy Deployment & Transitions			X						
1.00	9/17/2019	CII	Fall Conference - Member-Hosted Panel: Forced Arbitration Clauses & the Repercussions for Institutional Investors	X								
1.75	9/17/2019	CII	Fall Conference - Luncheon Keynote: The Secret and Benefits of Understanding Motivation at Work							X		
1.00	9/17/2019	CII	Fall Conference - Breakout: Auditing Issues and Proxy Voting							X		
30.24 Hours for Quarter Ending September 30, 2019												
2.00	10/4/2019	TalentQuest	Preventing Discrimination and Harassment - Supervisors							X		
1.00	10/25/2019	CalAPRS	Trustees' Roundtable - Evolving themes in Environmental, Social and Governance (ESG) investing			X						
0.50	10/25/2019	CalAPRS	Trustees' Roundtable - ESG performance and integration		X							
1.00	10/25/2019	CalAPRS	Trustees' Roundtable - Inside ESG, screening metrics, performance, opportunities and investment vehicles		X							
1.00	10/25/2019	CalAPRS	Trustees' Roundtable - Practical matters of ESG including innovations and integration			X						

B.3.b

MCERA CONTINUING TRUSTEE EDUCATION LOG

TRUSTEE Master Log

				TOPIC									
HOURS	DATE	SPONSOR	EVENT/SEMINAR	PENSION LAW	INVESTMENT PERFORMANCE MEASUREMENT	ASSET ALLOCATION AND INVESTMENT MANAGEMENT	ACTUARIAL EVALUATION AND PROCESS	BENEFITS ADMINISTRATION	DISABILITY RETIREMENT	BOARD GOVERNANCE, ETHICS, & FIDUCIARY OBLIGATIONS	ORGANIZATION BUDGET & AUDIT PROCEDURES		
		SACRS	SACRS FALL CONFERENCE										
2.00	11/12/2019	SACRS	Trustee Training							X			
1.00	11/13/2019	SACRS	General Session - Keynote Speaker Danny Glover			X							
1.00	11/13/2019	SACRS	General Session - Disruptive Technologies and Their Impact on Pension Plan Decisions			X							
1.00	11/13/2019	SACRS	General Session - Up in Smoke			X							
3.00	11/13/2019	SACRS	Safety Breakout					X					
3.00	11/13/2019	SACRS	Trustee Breakout							X			
3.00	11/13/2019	SACRS	Attorney Breakout	X									
1.00	11/14/2019	SACRS	General Session - Managing Hyper-Growth and Innovation			X							
1.00	11/14/2019	SACRS	General Session - Current Economic and Financial Outlook			X							
1.00	11/14/2019	SACRS	General Session - The What, Why and How of Diversity and Inclusion in the Public Pension Industry Workplace							X			
1.00	11/14/2019	SACRS	Concurrent Session A - Building a Private Credit Portfolio: Implementation Approaches, Considerations and Challenges			X							
1.00	11/14/2019	SACRS	Concurrent Session B - Pursuing What You're Due - One Retirement System's Experience Suing Its Carrier	X									
1.00	11/14/2019	SACRS	Concurrent Session C - 130-30 strategies are back. Exploring the benefits of active equity extension in today's investment landscape.			X							
1.00	11/14/2019	SACRS	Concurrent Session A - Changing Consumer Patterns - The Impact on Retail and Industrial Real Estate			X							
1.00	11/14/2019	SACRS	Concurrent Session C - CalPERS & SACRS - Reciprocity, Do I Get It? Part 1 of 2 - Legal, CalPERS Guest Panels at SACRS					X					
1.00	11/14/2019	SACRS	Concurrent Session B - Risk, Mortality and Other Things That Only an Actuary Can Love				X						
1.00	11/14/2019	SACRS	General Session - SACRS System Highlights & Key Takeaways					X					
2.00	11/16/2020	FPPC	Certified Public Service Ethics Training							X			
0.67	12/11/2019	MCERA	GASB 67-68 Report				X						
0.25	12/11/2019	MCERA	Audited Financial Statements								X		
0.50	12/11/2019	MCERA	Preliminary Valuation Results				X						
30.92	Hours for Quarter Ending December 31, 2019												
		Callan	CALLAN NATIONAL CONFERENCE										
1.25	1/28/2020	Callan	Keynote Speaker: Dr. Moyo			X							
1.25	1/28/2020	Callan	Vivek Wadhuaa on how technologies will change the world			X							
1.00	1/28/2020	Callan	Diversifying Strategies in Alternatives			X							

B.3.b

MCERA CONTINUING TRUSTEE EDUCATION LOG

TRUSTEE Master Log

				TOPIC									
HOURS	DATE	SPONSOR	EVENT/SEMINAR	PENSION LAW	INVESTMENT PERFORMANCE MEASUREMENT	ASSET ALLOCATION AND INVESTMENT MANAGEMENT	ACTUARIAL EVALUATION AND PROCESS	BENEFITS ADMINISTRATION	DISABILITY RETIREMENT	BOARD GOVERNANCE, ETHICS, & FIDUCIARY OBLIGATIONS	ORGANIZATION BUDGET & AUDIT PROCEDURES		
1.00	1/28/2020	Callan	Fee Study: What Institutional Investors are Actually Paying		X								
1.25	1/29/2020	Callan	Joseph Caughlin on how global demographics, technology and changing generational behaviors are transforming business and society			X							
1.25	1/29/2020	Callan	EDD Talk on Investment Theory and Design			X							
1.75	1/29/2020	Callan	Frank Abagnale on cybersecurity and fraud prevention					X					
1.00	1/28/2020	Callan	Diversifying Strategies in Alternatives			X							
1.00	1/28/2020	Callan	Market Intel Live!			X							
2.00	various	FPPC	Public Service Ethics Training							X			
2.00	2/4/2020	MCERA	Prevention of Sexual Harassment Training							X			
0.25	2/12/2020	MCERA	Annual Cost of Living Adjustment					X					
1.00	2/12/2020	MCERA	Actuarial Valuation Report as of June 30, 2019				X						
0.50	2/12/2020	MCERA	Form 700 Refresher							X			
		CalAPRS	GENERAL ASSEMBLY										
2.00	3/8/2020	CalAPRS	Ethics in Public Service							X			
0.75	3/8/2020	CalAPRS	Fund Governance War Stories							X			
1.25	3/8/2020	CalAPRS	6 Years Post-PEPRA - Are we getting the savings as promised?					X					
1.00	3/9/2020	CalAPRS	The Canadian Model			X							
1.00	3/9/2020	CalAPRS	Revisiting Simplicity in Investing			X							
1.00	3/9/2020	CalAPRS	Lessons from China			X							
1.00	3/9/2020	CalAPRS	Economic Outlook			X							
1.00	3/9/2020	CalAPRS	Updates About National Trends			X							
1.00	3/10/2020	CalAPRS	Disaster Recovery: Lessons Learned from New Orleans and Sonoma Retirement Systems					X					
1.00	3/10/2020	CalAPRS	Governance Best Practices							X			
		CII	SPRING CONFERENCE										
2.00	3/9/2020	CII	Master Class: 31 Flavors of Stewardship - Proxy Voting, Engagement and Sustainability							X			
1.00	3/9/2020	CII	SDG Adoption on a Global Scale: A Case Study							X			
1.00	3/9/2020	CII	Panel: How to Hold BRT Members to Account on Business Purposes							X			
1.00	3/9/2020	CII	Panel: Engaging Private Fund Managers on ESG Issues							X			
1.00	3/9/2020	CII	Panel: The Scope of Rule 10b-5 after Lorenzo v. SEC	X									
0.75	3/9/2020	CII	The Future for IPOs			X							
0.67	3/9/2020	CII	Accounting for Climate Change Risks			X							
0.50	3/9/2020	CII	Human Capital and the Future of Work									X	
0.75	3/10/2020	CII	What's Next at the SEC							X			

B.3.b

MCERA CONTINUING TRUSTEE EDUCATION LOG												
TRUSTEE <u>Master Log</u>				TOPIC								
HOURS	DATE	SPONSOR	EVENT/SEMINAR	PENSION LAW	INVESTMENT PERFORMANCE MEASUREMENT	ASSET ALLOCATION AND INVESTMENT MANAGEMENT	ACTUARIAL EVALUATION AND PROCESS	BENEFITS ADMINISTRATION	DISABILITY RETIREMENT	BOARD GOVERNANCE, ETHICS, & FIDUCIARY OBLIGATIONS	ORGANIZATION BUDGET & AUDIT	PROCEDURES
0.75	3/10/2020	CII	How Boards are Grappling with Oversight of Human Capital Management									X
0.75	3/10/2020	CII	What's Next at the PCAOB							X		
1.00	3/10/2020	CII	Panel: Is It Time for Employee Representatives on Company Boards?							X		
1.00	3/10/2020	CII	Panel: Global Trends in Ownership and Control							X		
1.00	3/10/2020	CII	Panel: Corporate Governance and Climate Action: What Should Shareowners Seek							X		
1.45	3/10/2020	CII	Keynote: Top 10 Trends of the 2020's							X		
1.00	3/10/2020	CII	Breakout Panel: Cyber Threats to Long-term Performance					X				
1.00	3/10/2020	CII	Breakout Panel: Exchange Innovations - Speed Bumps and Predictions							X		
1.00	3/10/2020	CII	Breakout Panel: U.S. Policy Impacts on Pension Fund Investments in China			X						
1.00	3/11/2020	CII	Global Perspectives on Executive Compensation & Corporate Purpose							X		
1.00	3/11/2020	CII	Perspectives of Faith-Based Investors			X						
1.50	3/11/2020	CII	Shareholder Advocacy Committee Plenary and Lightening Round							X		
48.62	Hours for Quarter Ending March 31, 2020											
			SACRS WEBINAR SERIES									
1.50	5/12/2020	SACRS	Operational Tools for Liquidity and Rebalancing during Market Volatility			X						
1.50	5/13/2020	SACRS	Don't Stop Thinking About Tomorrow - China A-share market & opportunities			X						
1.50	5/13/2020	SACRS	Private Markets Today vs. The Global Financial Crisis: What's the same, what's different, and where do we go from here?			X						
1.50	5/14/2020	SACRS	Cash Flows & Investment Management in the Time of COVID			X						
1.50	5/15/2020	SACRS	Has the Coronavirus Pandemic Changed the Outlook for ESG Investing?			X						
1.50	5/19/2020	SACRS	Private Market Investing in a Late-Cycle Market or Private Market Investing in the 8th Inning			X						
1.50	5/20/2020	SACRS	The Case for Investing with Small and Emerging Managers			X						
1.50	5/21/2020	SACRS	Litigation 101 & Current Cases	X								
1.50	6/23/2020	SACRS	The Ever-Changing Fixed Income Landscape: Where we were, where we are, and where are we going?			X						
1.50	6/24/2020	SACRS	Global market recovery in the face of a global pandemic—are we beyond the economic shocks?			X						
1.50	6/25/2020	SACRS	ESG Improvers: A New Alpha Enhancing Factor			X						
2.00	various	FPPC	Public Service Ethics Training							X		
18.50	Hours for Quarter Ending June 30, 2020											
1.50	7/1/2020	SACRS	Digging Into Inflation			X						
1.50	7/7/2020	SACRS	2020 Vintage Should Outperform			X						
2.00	7/30/2020	FPPC	Public Service Ethics Training							X		
1.25	8/12/2020	MCERA	Investment Opportunities - Distressed Investments			X						

B.3.b

MCERA CONTINUING TRUSTEE EDUCATION LOG												
TRUSTEE <u>Master Log</u>				TOPIC								
HOURS	DATE	SPONSOR	EVENT/SEMINAR	PENSION LAW	INVESTMENT PERFORMANCE MEASUREMENT	ASSET ALLOCATION AND INVESTMENT MANAGEMENT	ACTUARIAL EVALUATION AND PROCESS	BENEFITS ADMINISTRATION	DISABILITY RETIREMENT	BOARD GOVERNANCE, ETHICS, & FIDUCIARY OBLIGATIONS	ORGANIZATION BUDGET & AUDIT PROCEDURES	
1.00	3/8/2021	CalAPRS	Fort Knox or In Knots: Unraveling the Mystery of Cybersecurity					X				
1.00	3/8/2021	CalAPRS	COVID: One-Year Later - What’s Changed?			X						
			TABLE TOPIC BREAKOUT SESSIONS									
1.00	3/8/2021	CalAPRS	Capital Markets & Economic Outlook			X						
1.00	3/8/2021	CalAPRS	Technology					X				
1.00	3/8/2021	CalAPRS	COVID 19 - An Actuarial Perspective on Experience, Assumptions, and Policies				X					
1.00	3/8/2021	CalAPRS	Legal & Legislative Updates	X								
1.00	3/8/2021	CalAPRS	Investments			X						
2.00	3/8/2021	CalAPRS	AB1234 Ethics for Public Pension Trustees							X		
1.00	3/9/2021	CalAPRS	Unconscious Bias: A Quiet Performance Killer							X		
1.00	3/9/2021	CalAPRS	Evaluating the Risk of Investing in China			X						
1.00	3/9/2021	CalAPRS	The Australian Model – Understanding the Approach Taken by Super Annuation Funds			X						
2.00	3/16/2021	MCERA	Prevention of Sexual Harassment Training							X		
42.75 Hours for Quarter Ending March 31, 2021												

B.3.c

January 18, 2021 -February 17, 2021

Receipt

<u>Posting Date</u>	<u>Transaction Date</u>	<u>Vendor</u>	<u>Amt. Charged</u>	<u>(Yes/No/Other)</u>	<u>For (dept.or area served)</u>	<u>Reason (or item purchased)</u>
Kiana 8171						
1/20/2021	1/18/2021	Cal Chamber of Commerce	\$ 39.23	Yes	MCERA Staff	Office Supplies
2/8/2021	2/5/2021	Best Buy	\$ 1,421.99	Yes	MCERA Staff	Electronic Supplies (Laptop)
2/8/2021	2/7/2021	Best Buy	\$ 49.03	Yes	MCERA Staff	Electronic Supplies
2/10/2021	2/9/2021	Wall St Journal	\$ 143.47	Yes	MCERA Staff	Subscriptions
2/10/2021	2/9/2021	Cisco Systems	\$ 162.00	Yes	MCERA Staff	Subscriptions
2/10/2021	2/9/2021	The Economist	\$ 69.00	Yes	MCERA Staff	Subscriptions
		Total:	\$ 1,884.72			
Jeff 3902						
2/5/2021	2/4/2021	Zoom	\$ 114.95	Yes	MCERA Board	Subscriptions
		Total:	\$ 114.95			
		Balance Total:	\$ 1,999.67			

B.3.c
Receipt

February 18, 2021 -March 17, 2021

<u>Posting Date</u>	<u>Transaction Date</u>	<u>Vendor</u>	<u>Amt. Charged</u>	<u>(Yes/No/Other)</u>	<u>For (dept.or area served)</u>	<u>Reason (or item purchased)</u>
Kiana 8171						
2/22/2021	2/19/2021	Office Depot	\$ 64.42	Yes	MCERA Staff	Office Supplies
		Total:	\$ 64.42			
Deanna 7558						
3/1/2021	3/1/2021	Annual Card Fee	\$ 25.00	Yes	MCERA	BankCard Issued to: D. O'Brien
		Total:	\$ 25.00			
Jeff 3902						
3/5/2021	3/4/2021	Zoom.US	\$ 114.95	Yes	MCERA Board	Subscriptions
		Total:	\$ 114.95			
		Balance Total:	\$ 204.37			

B.3.c

March 18, 2021 - April 17, 2021

Receipt

Posting Date	Transaction Date	Vendor	Amt. Charged	(Yes/No/Other)	For (dept.or area served)	Reason (or item purchased)
Kiana 8171						
4/5/2021	4/3/2021	Wall Street Journal	\$ 116.97	Yes	MCA Board	Subscriptions
		Total:	\$ 116.97			
Deanna 7558						
		Total:	\$ -			
Jeff 3902						
4/5/2021	4/2/2021	Apple.com	\$ 1,602.32	Yes	MCERA Staff	Ergonomic Equipment
4/5/2021	4/4/2021	Zoom.US	\$ 114.95	Yes	MCA Board	Subscriptions
4/1/2021	4/1/2021	Annual Card Fee	\$ 25.00	Yes	Bank	Bank
		Total:	\$ 1,742.27			
Bank 6108						
4/13/2021	4/13/2021	Late Payment Fee	\$ 39.00	Yes	Bank	Bank (Reversal May'2021 billing cycle)
4/16/2021	4/16/2021	Finance Charge	\$ 10.12	Yes	Bank	Bank (Reversal May'2021 billing cycle)
		Total:	\$ 49.12			
		Balance Total:	\$ 1,908.36			

B.3.g

MCERA Investment Manager Capital Calls, Distributions, Uncalled Capital, Net Asset Value & Other Transfers
FY20/21 Quarter Ending March 31, 2021

INVESTMENT: PRIVATE EQUITY

Abbott Fund VI							
Quarter				Since Inception			December 31, 2020
Date	Capital Call	Distribution	Initial Commitment	Paid-in Capital	Distributions	Uncalled Capital	Net Asset Value
			100,000,000				
8/18/2020	500,000	(2,000,000)					
9/30/2020	0	(1,500,000)					
11/10/2020	0	(5,000,000)					
12/29/2020	0	(6,484,568)					
3/22/2021	0	(4,000,000)					
Total	500,000	(18,984,568)	100,000,000	99,547,700	112,393,939	452,300	61,892,256

Abbott Fund VII							
Quarter				Since Inception			December 31, 2020
Date	Capital Call	Distribution	Initial Commitment	Paid-in Capital	Distributions	Uncalled Capital	Net Asset Value
			35,000,000				
8/19/2020	175,000	(525,000)					
10/22/2020	0	(875,000)					
12/30/2020	175,000	(2,275,000)					
3/3/2021	0	(2,625,000)					
Total	350,000	(6,300,000)	35,000,000	34,475,000	13,825,000	525,000	46,922,201

Abbott Investors 2016							
Quarter				Since Inception			December 31, 2020
Date	Capital Call	Distribution	Initial Commitment	Paid-in Capital	Distributions	Uncalled Capital	Net Asset Value
			50,000,000				
7/24/2020	991,250	0					
9/3/2020	2,000,000	(2,100,000)					
10/1/2020	1,203,750	0					
11/25/2020	700,000	0					
12/23/2020	2,162,500	(1,525,000)					
Total	7,057,500	(3,625,000)	50,000,000	36,888,752	4,900,000	13,111,248	41,999,631

Abbott Investors 2017							
Quarter				Since Inception			December 31, 2020
Date	Capital Call	Distribution	Initial Commitment	Paid-in Capital	Distributions	Uncalled Capital	Net Asset Value
			15,000,000				
7/10/2020	465,000	0					
9/4/2020	821,250	(915,000)					
9/28/2020	345,000	0					
11/11/2020	288,750	0					
12/8/2020	213,750	0					
12/24/2020	570,000	(343,125)					
Total	2,703,750	(1,258,125)	15,000,000	8,280,002	915,000	6,719,998	9,525,059

Abbott Investors 2021							
Quarter				Since Inception			December 31, 2020
Date	Capital Call	Distribution	Initial Commitment	Paid-in Capital	Distributions	Uncalled Capital	Net Asset Value
			25,000,000				
2/5/2021	375,000	0					
3/12/2021	495,618	0					
Total	870,618	0	25,000,000	-	0	-	9,525,059

Total Abbott Commitment	11,481,868	(30,167,693)	225,000,000	179,191,454	132,033,939	20,808,546	169,864,206
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B.3.g

MCERA Investment Manager Capital Calls, Distributions, Uncalled Capital, Net Asset Value & Other Transfers
FY20/21 Quarter Ending March 31, 2021

INVESTMENT: PRIVATE EQUITY

Pathway Fund 2008							
Quarter				Since Inception			December 31, 2020
Date	Capital Call	Distribution	Initial Commitment	Paid-in Capital	Distributions	Uncalled Capital	Net Asset Value
			100,000,000				
8/31/2020	135,000	(332,720)					
9/30/2020	105,030	(2,842,397)					
10/30/2020	133,533	(1,183,756)					
11/30/2020	97,550	(1,621,858)					
12/31/2020	166,115	(2,612,128)					
1/8/2021	81,032	(6,178,246)					
2/25/2021	91,005	(730,533)					
3/31/2021	0	(1,529,890)					
Total	809,265	(17,031,528)	100,000,000	97,858,976	106,659,234	2,141,024	68,954,835

Pathway Fund I7-3							
Quarter				Since Inception			December 31, 2020
Date	Capital Call	Distribution	Initial Commitment	Paid-in Capital	Distributions	Uncalled Capital	Net Asset Value
			35,000,000				
7/31/2020	78,750	(107,287)					
8/31/2020	28,433	(341,867)					
9/30/2020	0	(502,090)					
10/30/2020	78,750	(351,646)					
11/30/2020	0	(587,083)					
12/31/2020	0	(605,250)					
1/29/2021	0	(2,159,279)					
2/26/2021	0	(973,017)					
3/31/2021	0	(620,641)					
Total	185,933	(6,248,160)	35,000,000	33,582,591	16,603,374	1,417,409	41,871,364

Pathway Fund I8-9							
Quarter				Since Inception			December 31, 2020
Date	Capital Call	Distribution	Initial Commitment	Paid-in Capital	Distributions	Uncalled Capital	Net Asset Value
			50,000,000				
7/1/2020	2,235,097	(556,347)					
7/31/2020	0	(65,513)					
8/31/2020	100,887	(168,811)					
9/30/2020	0	(171,122)					
10/30/2020	100,887	(223,216)					
11/30/2020	0	(36,893)					
12/31/2020	0	(250,921)					
1/29/2021	0	(675,561)					
2/26/2021	0	(710,466)					
3/31/2021	680,250	(757,137)					
Total	3,117,121	(3,615,987)	50,000,000	37,393,015	4,341,081	12,666,334	53,839,074

Pathway Fund I9-3							
Quarter				Since Inception			December 31, 2020
Date	Capital Call	Distribution	Initial Commitment	Paid-in Capital	Distributions	Uncalled Capital	Net Asset Value
			15,000,000				
9/4/2020	400,164	(15,614)					
9/30/2020	95,595	(247,929)					
11/12/2020	187,660	(15,415)					
12/28/2020	332,167	0					
1/26/2021	477,249	(204,803)					
3/5/2021	427,554	0					
Total	1,920,389	(483,761)	15,000,000	8,067,556	1,257,307	6,932,444	8,311,673

Pathway Fund I10-10							
Quarter				Since Inception			December 31, 2020
Date	Capital Call	Distribution	Initial Commitment	Paid-in Capital	Distributions	Uncalled Capital	Net Asset Value
			25,000,000				
1/26/2021	330,895	0					
2/5/2021	2,266,502	0					
3/2/2021	836,002	0					
Total	3,433,399	0	25,000,000	0	0	0	0

Total Pathway Commitment	9,466,107	(27,379,436)	225,000,000	176,902,138	128,860,996	23,157,211	172,976,946
Total Private Equity	20,947,975	(57,547,129)	450,000,000	356,093,592	260,894,935	43,965,757	342,841,152

B.3.g

MCERA Investment Manager Capital Calls, Distributions, Uncalled Capital, Net Asset Value & Other Transfers
FY20/21 Quarter Ending March 31, 2021

INVESTMENT: OPPORTUNISTIC

CarVal Credit Value V							
Quarter				Since Inception			December 31, 2020
Date	Capital Call	Distribution	Initial Commitment	Paid-in Capital	Distributions	Uncalled Capital	Net Asset Value
			33,500,000				
12/31/2020	3,350,000						
Total	3,350,000	0	33,500,000	3,422,955	0	30,077,045	3,350,000

Fortress Credit Opps Value V							
Quarter				Since Inception			December 31, 2020
Date	Capital Call	Distribution	Initial Commitment	Paid-in Capital	Distributions	Uncalled Capital	Net Asset Value
			33,000,000				
12/17/2020	1,650,000						
Total	1,650,000	0	33,000,000	1,650,000	0	31,350,000	1,650,000

Varde Dislocation Fund							
Quarter				Since Inception			December 31, 2020
Date	Capital Call	Distribution	Initial Commitment	Paid-in Capital	Distributions	Uncalled Capital	Net Asset Value
			33,500,000				
11/9/2020	5,025,000	0					
1/7/2021	3,350,000	0					
2/17/2021	4,187,500	0					
3/31/2021	2,512,500	0					
Total	15,075,000	0	33,500,000	5,073,087	0	28,426,913	5,025,000
Total Opportunistic	20,075,000	0	100,000,000	10,146,042	0	89,853,958	10,025,000

B.3.g

MCERA Investment Manager Capital Calls, Distributions, Uncalled Capital, Net Asset Value & Other Transfers
FY20/21 Quarter Ending March 31, 2021

OTHER TRANSFERS and PORTFOLIO REBALANCE

Transfers, Redemptions and Dividends through March 31, 2021

Note:

All Since Inception amounts are as of September 20, 2020, as of September 30, 2020 pending the receipt of the Callan Quarterly Report for the Period ending December 31, 2020.

MC0A - BlackRock US Real Estate	
Date	Amount
1/28/2021	10,000,000
Total	10,000,000

MGRB - Parametric Overlay Program	
Date	Amount
8/28/2020	(30,000,000)
10/30/2020	(15,000,000)
Total	(45,000,000)

MCRG - STIF Account	
Date	Amount
8/28/2020	30,000,000
10/30/2020	15,000,000
1/22/2021	10,000,000
1/22/2021	(10,000,000)
1/28/2021	14,000,000
1/28/2021	(4,000,000)
1/28/2021	(10,000,000)
Total	45,000,000

MCRJ - Artisan International Growth Fund	
Date	Amount
1/21/2021	(10,000,000)
Total	(10,000,000)

MCRJ - Parametric - Eaton Vance Structured	
Date	Amount
1/22/2021	10,000,000
Total	10,000,000

MCRY - BlackRock TIPS	
Date	Amount
1/28/2021	4,000,000
Total	4,000,000

MCRY - KBI Global Resources	
Date	Amount
1/28/2021	(14,000,000)
Total	(14,000,000)

REDEMPTIONS

MCRI - UBS Trumbull Property Fund		
Date	Amount	Redemption Amount
10/5/20 FY20/21-Q1 9/30/20	(301,570)	20,000,000
1/7/21 FY20/21-Q2 12/31/20	(2,061,935)	
4/6/21 FY20/21-Q3 3/31/21	(2,874,606)	
Total	(5,238,111)	14,761,889

DIVIDENDS - Reinvestment Non-participant

MCRI - AEW Core Property	
Date	Amount
11/5/20 FY20/21-Q1 9/30/20	(888,501)
2/8/21 FY20/21-Q2 12/31/20	(868,924)
5/10/21 FY20/21-Q3 3/31/21	(842,488)
Total	(2,599,913)

MCRI - UBS Trumbull Property Fund	
Date	Amount
11/9/20 FY20/21-Q1 9/30/20	(1,064,627)
1/15/21 FY20/21-Q2 12/31/20	(1,061,889)
5/10/21 FY20/21-Q3 3/31/21	(1,042,626)
Total	(3,169,142)



Phone 415 473-6147
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Fax (admin) 415 473-4179
 MCERA.org

Date: May 14, 2021
To: Finance and Risk Management Committee
 Marin County Employees' Retirement Association
From: Jeff Wickman, Retirement Administrator *lw*
Subject: 2021-22 Fiscal Year Budget Proposal

Background

This draft Administrative Budget is presented to you in compliance with the County Employees Retirement Law of 1937 ('37 Act) for the State of California. The draft has been developed using the following assumptions, goals and objectives for the upcoming year.

EXPENDITURES

Salaries and Benefits

Salaries and benefits make up approximately 65% of the total administrative budget. Cost of living adjustments represent the largest increase to this category. Salaries and benefits were budgeted using the following approach:

- All positions budgeted at the top step as defined in the County salary schedule
- No cost of living adjustment is budgeted
- Benefits are projected at 52% of salary, down from 54% in Fiscal Year 2020-21

In addition, projected total salaries for Fiscal Year 2021-2022 increased because of the following:

- The vacant Accounting Assistant position was reclassified to a Senior Accountant position. For the Fiscal Year the net cost increase for salary and benefits between the two positions is \$58,220.

The projected Salaries & Benefits Expenditures and three-year history are:

	2019-2020	2020-2021	2021-2022
Regular Salaries	\$1,935,105	\$2,000,684	\$2,028,621
Benefits	\$1,141,712	\$1,080,369	\$1,054,883
Vehicle Allowance	\$ 9,950	\$ 9,950	\$ 9,950
Total	\$3,086,767	\$3,091,003	\$3,093,454

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Services and Supplies

Overall this category is projected to increase from the prior fiscal year. The increases are driven by three categories in Services and Supplies: i) premiums for fiduciary liability, property, cyber and crime insurance, ii) owner allocation for building expenses and iii) depreciation.

	2019-2020	2020-2021	2021-2022
Total:	\$1,207,792	\$1,204,161	\$1,305,121

Other Department Charges

This category represents the cost of services provided by County Departments (Human Resources, Finance and Information Technology) and is reimbursed by MCERA for specific goods and services. There is a projected increase in cost, but final numbers will not be available until August. As a result, we have budgeted half of what we understand the potential increase may be.

	2019-2020	2020-2021	2021-2022
Total:	\$ 354,314	\$ 333,795	\$ 357,961

Yearly Comparison	2017-18	2018-19	2019-20	2020-21	2021-22
Salaries and Benefits	\$2,736,000	\$2,996,908	\$3,086,767	\$3,091,003	\$3,093,454
Services and Supplies	\$1,169,637	\$1,150,572	\$1,207,792	\$1,204,161	\$1,305,121
Other Department Charges	\$ 350,900	\$ 359,435	\$ 354,314	\$ 333,795	\$ 357,961
Sub-total	\$4,256,537	\$4,506,915	\$4,648,873	\$4,628,959	\$4,756,536
Adjustments:					
Investment Management* (See details below)	(\$150,000)	(\$150,000)	(\$150,000)	(\$150,000)	(\$150,000)
Retiree Health** Care Administration: (See details below)	(\$200,000)	(\$225,000)	(\$275,000)	(\$275,000)	(\$300,000)
Total Expenditures:	\$3,906,537	\$4,131,915	\$4,223,873	\$4,203,959	\$4,306,536

Details of Reimbursable Expenses

*Investment Costs: Salary and benefit costs in the amount of \$150,000 are being excluded from the administrative budget because they are expenditures related to investment management by the Retirement Administrator.

**Health Care Costs: Salary and benefit costs in the amount of \$300,000 are being excluded from the administrative budget because they are expenses incurred in relation to the administration of retiree health benefits. Expenses related to MCERA's role in administering the County's post-retirement medical plan have increased over the past year. These expenses cannot be paid from the assets of the pension fund and will instead be paid by participating employers as an administrative cost.

Administrative Expense Limit Imposed by Government Code Section 31580.2

Section 31580.2 of the California Government Code provides that the expense of retirement administration shall be paid from the earnings of MCERA and limits the expense of administration to twenty-one-hundredths of one percent (21 basis points) of MCERA's total accrued actuarial liability. Although no specific date for determining MCERA's total accrued liability for this purpose is set in the Government Code, for MCERA purposes this date in practice has been, and is intended to continue to be, June 30 of the immediate prior fiscal year. In addition, computer hardware, software, and consulting expenses are not subject to the administrative budget cap.

	2016-17	2017-18	2018-19
Actuarial Accrued Liability	\$2,469,100,000	\$2,575,800,000	\$2,722,600,000
Administrative limit at .21%	\$5,185,110	\$5,409,180	\$5,717,460
Total Requested Expenditures	\$3,930,640	\$3,906,537	\$4,131,915
Basis Points of Proposed Budget	.16%	.15%	.15%
Difference Limit/Request	(\$1,254,470)	(\$1,502,643)	(\$1,585,545)

	2019-20	2020-21	2021-22
Actuarial Accrued Liability	\$2,847,300,000	\$2,972,700,000	\$3,124,800,000
Administrative limit at .21%	\$5,979,330	\$6,242,670	\$6,562,080
Total Requested Expenditures	\$4,223,873	\$4,203,959	\$4,306,536
Basis Points of Proposed Budget	.15%	.14%	.14%
Difference Limit/Request	(\$1,755,457)	(\$2,038,711)	(\$2,255,544)

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MCERA Administrative Budget FY 2021/22
Proposal

<u>Budget</u>	<u>FY 20/21</u>	<u>FY 21/22</u>	<u>Percent Change</u>	<u>Summary of Changes</u>
Salaries	2,000,684.00	2,028,621.00	1.4%	Salaries budgeted at top step. No COLA. One position reclassification.
Benefits	1,080,369.00	1,054,883.00	-2.4%	Benefits calculated at 52% of salary
Auto Allowance	9,950.00	9,950.00	0.0%	
Total Salaries and Benefits	3,091,003.00	3,093,454.00	0.1%	
Professional Services	94,800.00	99,800.00	5.3%	See budget detail below
Finance Services (bank fees)	6,000.00	6,000.00	0.0%	
Insurance Premiums	77,000.00	96,800.00	25.7%	See budget detail below
Utilities (owner allocation)	191,090.00	240,200.00	25.7%	See budget detail below
Professional Development	48,500.00	48,500.00	0.0%	See budget detail below
Travel	30,000.00	20,000.00	-33.3%	Reduced travel cost for portion of FY 21/22
Reprographic Services	32,200.00	29,000.00	-9.9%	See budget detail below
Board & Commission Payments	10,600.00	12,700.00	19.8%	Increase based on FY 20/21 actual expenses
Medical Advisor	12,000.00	12,000.00	0.0%	
Independent Medical Examinations	130,000.00	130,000.00	0.0%	
Hearings	65,000.00	65,000.00	0.0%	
Investigations	2,000.00	2,000.00	0.0%	
Total Medical/Disabilities	209,000.00	209,000.00	0.0%	
Office Supplies/Expenses	19,400.00	20,600.00	6.2%	See budget detail below
Miscellaneous Supplies (food)	8,000.00	5,000.00	-37.5%	Budgeted for in person meetings beginning 2022
Sub-total Professional Services	726,590.00	787,600.00	8.4%	
Depreciation ₂	477,571.00	517,521.00	8.4%	See budget detail below
Total Services and Supplies	1,204,161.00	1,305,121.00	8.4%	
Inter-fund IST Telephone	25,900.00	25,900.00	0.0%	
Inter-fund Indirect Overhead	307,895.00	332,061.00	7.8%	County-wide cost allocation available August 2021
Total Interdepartmental Charges	333,795.00	357,961.00	7.2%	
Total Administrative Expenses	\$4,628,959.00	\$4,756,536.00	2.8%	
Salary Expenditures Related to Investment Management	(150,000.00)	(150,000.00)	0.0%	
Salary Expenditures Related to Health Care Administration	(275,000.00)	(300,000.00)	-8.3%	
Total Adjustments	(425,000.00)	(450,000.00)	5.9%	
Total Budgeted Expenditures	4,203,959.00	4,306,536.00	2.4%	
Administrative Limit By Law	6,242,670.00	6,562,080.00	5.1%	
Actuarial Accrued Liability	2,972,700,000	3,124,800,000	5.1%	
Basis Points Limit	0.21%	0.21%		
Total Allowable Budget	6,242,670.00	6,562,080.00	5.1%	
Actual Basis Points	0.14%	0.14%		
Difference Actual vs. Allowable	2,038,711.00	2,255,544.00	10.6%	

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Budget Details:

Professional Services

Innovest	38,000.00	38,000.00	0.0%
Brown Armstrong	49,000.00	49,000.00	0.0%
COM Registrar of Voters (Board elections)	1,000.00	1,000.00	0.0%
Fort Docs	3,800.00	3,800.00	0.0%
Professional Services (various)	2,000.00	2,000.00	0.0%
Woodmont Realty Advisors	0.00	5,000.00	0.0%
Investigations (personnel)	1,000.00	1,000.00	0.0%
	94,800.00	99,800.00	5.3%

Insurance Premiums

CSACS (Master Crime)	0.00	4,300.00	0.0%	New budget line item
Risk Strategies (Fiduciary)	77,000.00	85,000.00	10.4%	Increase based on broker projections
AJ Gallagher (Cyber Insurance)	0.00	7,500.00	0.0%	New budget line item
	77,000.00	96,800.00	25.7%	

Utilities

Marin Sanitary Service (shredding)	0.00	600.00	0.0%	Previously budgeted under Office Supplies
Woodmont (tenant operating expense)	191,090.00	239,600.00	25.4%	
	191,090.00	240,200.00	25.7%	

Professional Development

Memberships	15,000.00	15,000.00	0.0%
Subscriptions	7,500.00	7,500.00	0.0%
Training	26,000.00	26,000.00	0.0%
	48,500.00	48,500.00	0.0%

Reprographic Services

Copy Machine Lease	23,200.00	23,200.00	0.0%
County Print Shop	9,000.00	5,800.00	-35.6%
	32,200.00	29,000.00	-9.9%

Office Supplies

Marin Sanitary Service (shredding)	600.00	0.00	-100.0%	Budgeted under Utilities
Cellular Services	2,500.00	7,500.00	200.0%	Based on FY 20/21 actual expenses
Postage	2,000.00	1,100.00	-45.0%	Based on FY 20/21 actual expenses
Ergonomic Supplies	1,000.00	500.00	-50.0%	Based on FY 20/21 actual expenses
Electronic Supplies	5,300.00	3,500.00	-34.0%	Based on FY 20/21 actual expenses
Miscellaneous Office Supplies	8,000.00	8,000.00	0.0%	
	19,400.00	20,600.00	6.2%	

Depreciation

1 McInnis Parkway	78,499.00	78,499.00	0.0%	Per the 1 McInnis Asset depreciation schedule
Tenant Improvements Suite 100	19,519.00	19,519.00	0.0%	Per the TI Suite 100 Asset depreciation schedule
Tenant Improvements Main Lobby	15,079.00	15,079.00	0.0%	Per the TI Main Lobby Asset depreciation schedule
Tenant Improvements Suite 200	0.00	15,025.00	0.0%	Per the TI Suite 200 Asset depreciation schedule
Tenant Improvements Suite 250	0.00	12,498.00	0.0%	Per the TI Suite 250 Asset depreciation schedule
Tenant Improvements Main 2nd Flr Corridor	0.00	8,887.00	0.0%	Per the TI 2nd Flr Corridor Asset depreciation schedule
Building Cardlock System	0.00	3,540.00	0.0%	Per the Cardlock System Asset depreciation schedule
CPAS (12 years straight line depr)	364,474.00	364,474.00	0.0%	
	477,571.00	517,521.00	8.4%	

B.4

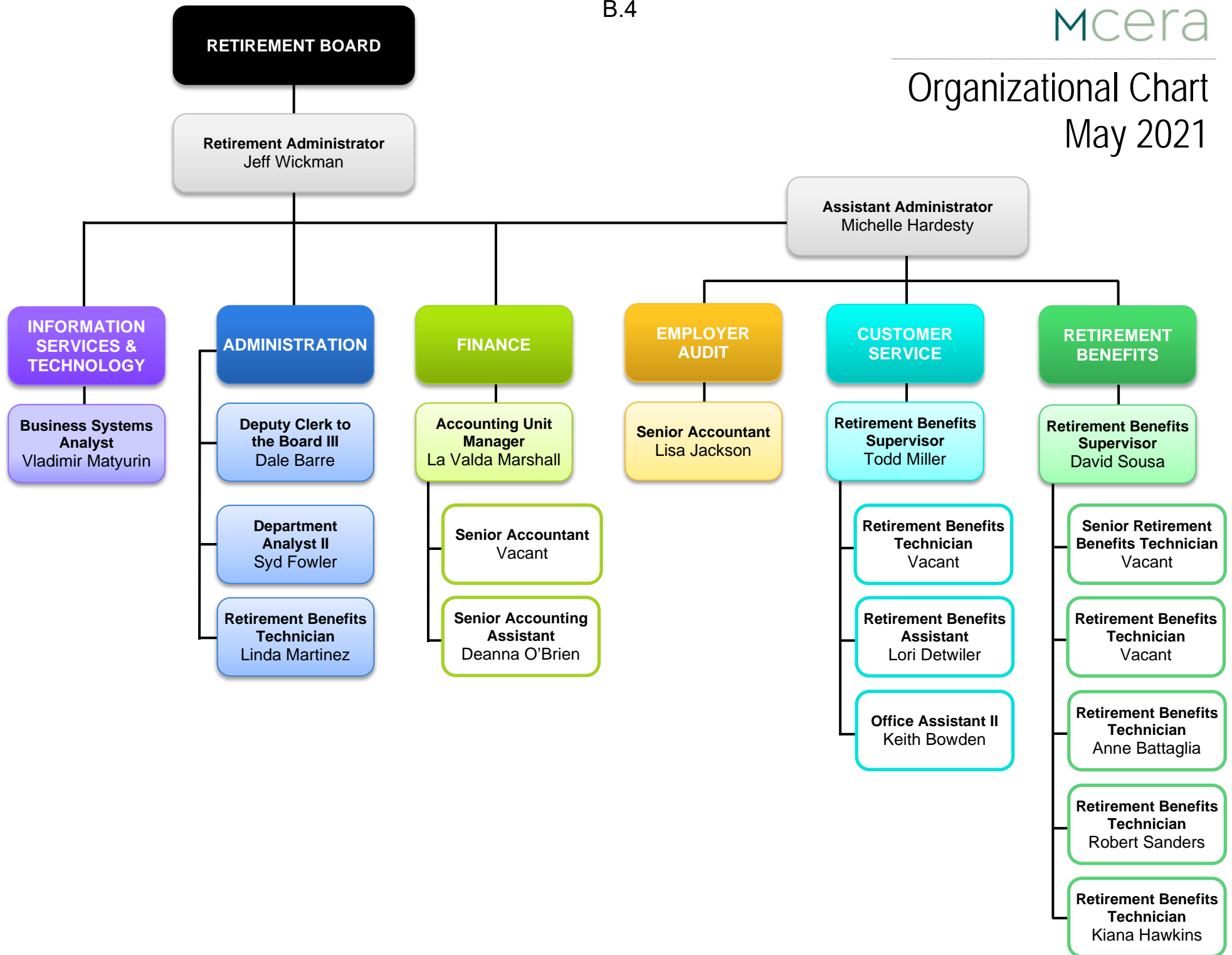
Marin County Employees' Retirement Association Budgeted Position List

May 14, 2021

Position	Team Member
Retirement Benefits Technician	Anne Battaglia
Retirement Benefits Technician	Kiana Hawkins
Retirement Benefits Technician	Vacant
Retirement Benefits Technician	Vacant
Retirement Benefits Technician	Linda Martinez
Retirement Benefits Technician	Robert Sanders
Senior Retirement Benefits Technician	Vacant
Retirement Benefits Assistant	Lori Detwiler
Senior Accountant	Lisa Jackson
Senior Accountant	Vacant
Senior Accounting Assistant	Deanna O'Brien
Office Assistant II	Keith Bowden
Department Analyst II	Sydney Fowler
Business Systems Analyst	Vladimir Matyurin
Deputy Clerk of the Board III	Dale Barre
Retirement Benefits Supervisor	David Sousa
Retirement Benefits Supervisor	Todd Miller
Accounting Unit Manager	La Valda Marshall
Assistant Retirement Administrator	Michelle Hardesty
Retirement Administrator	Jeff Wickman
Total 20	16

Organizational Chart

May 2021





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MCERA.org

Date: May 14, 2021
To: Finance and Risk Management Committee
 Marin County Employees' Retirement Association (MCERA)
From: Jeff Wickman *W*
 Retirement Administrator
Subject: Cash Management

Background

At the March 24, 2021 Finance and Risk Management Committee meeting the Retirement Administrator reviewed MCERA's current process for managing operational cash needs as part of agenda item B.3.i, Other items from the Administrator related to risk and finance, at the request of the Committee Chair. The key items presented to the Committee were:

- The portfolio's asset allocation does not have a target for cash.
- Monthly cash needs are covered by incoming contributions from employers and distributions from private equity and real estate managers.
- There have been times when securities are sold to cover cash needs. When this happens, staff works with Callan to determine the best, most liquid option in the portfolio to raise cash or rebalance.
- All cash is held in the custodian short term investment fund.
- The single biggest monthly expense and most important financial transaction is funding monthly retiree payroll which is currently approximately \$13.7 million per month.
- On a daily basis, staff monitor cash, conduct analysis, and make projections.
- Prior to March 2020 cash equal to 2-3 months of benefit payments/expenses was held.
- After March 2020, cash equal 4-5 months of benefit payments/expenses is held.
- Some excess cash is being used to fund the new private credit and private equity commitments.
- No securities have been sold to raise cash since March 2020.
- All cash is fully exposed to the market through the futures overlay program managed by Parametric.

The Retirement Administrator closed the presentation by saying that staff felt comfortable with the current process for managing cash needs.

The Committee mentioned the use of a line of credit for cash needs to avoid having to sell securities at inopportune times, or as an alternative, an allocation of cash in the portfolio to use when margin requirements are raised during market dislocations. The Committee requested that this item be agendaized for discussion at the May 19, 2021 Finance and Risk Management Meeting.

Discussion

In preparation for the discussion at the May meeting the Retirement Administrator surveyed six retirement systems who operate under the County Employees Retirement Law (CERL), like MCERA, to understand how the systems manage their cash needs. Of the six:

- Four have allocations to cash with target ranges varying from 1% to 3%.
- Two have no allocations to cash, with one of the two having a small line of credit.
- Five use cash overlay programs similar to MCERA.
- All six manage cash like MCERA, using monthly contributions from employers to manage immediate needs. Two have prepayment programs that provide additional cash at the beginning of the fiscal year.

On April 27, 2021 at the Board Strategic Workshop Callan Associates presented an overview of the Asset/Liability Study that they will be conducting for MCERA. Preliminary results of the study will be presented to the Board in October with the final report scheduled for December. The study will focus on three primary areas:

1. Reviewing MCERA's current investment program
2. Building an integrated asset-liability model
3. Developing preliminary asset-liability results

In the process of reviewing MCERA's current investment program, Callan will also be analyzing cash flows to determine the optimal way to manage cash needs.

Recommendation

Although the Committee could discuss and potentially recommend changes to the current cash management process for consideration by the full Board, staff believes a more appropriate course would be to wait for presentation of the results from the Asset/Liability Study and discuss cash management at that time. Staff believes there is sufficient cash being held in the custodial account. Increases to incoming cash from private equity and real estate distributions have provided additional cash for funding new commitments which frees up other available cash for benefit payments and expenses.

B.6 Annual Audit of Financial Statements Update

This is a discussion with no backup.

B.7 Future Meeting

This is a discussion with no backup.