

AGENDA

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

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

November 16, 2022 – 9:00 a.m.

This meeting will be held via videoconference pursuant to MCERA Board of Retirement Resolution 2021-22/01, which invoked Government Code section 54953(e) for all MCERA Board and standing committee meetings through December 2, 2022.

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 Committee. The Committee, 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 Committee meetings.

CALL TO ORDER

ROLL CALL

MINUTES

August 17, 2022 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 2022/23 Quarterly Review
Consider and review expenses for the quarter and ending September 30, 2022
2. Non-budgeted Expenses
Consider and review non-budgeted expenses for the quarter
3. Quarterly Checklist
Consider, review and updates on the following:
 - a. Other expenses per Checklist Guidelines
 - b. Variances in the MCERA administrative budget in excess of 10%
 - c. MCERA educational and event-related expenses
 - d. Continuing Trustee Education Log
 - e. Internal controls, compliance activities and capital calls
 - f. Vendor services provided to MCERA
 - g. MCERA staffing status
 - h. Audits, examinations, investigations or inquiries from governmental agencies
 - i. Other items from the Administrator related to risk and finance – Outsourced Chief Information Security Officer (ACTION)
4. Annual Audit of Financial Statements Update
Update on annual audit process
5. 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. Any agenda item from a properly noticed Committee meeting held prior to this Committee meeting may be considered by the Committee.



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 November 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**

August 17, 2022 – 9:00 a.m.

This meeting was held via videoconference pursuant to MCERA Board of Retirement Resolution 2021-22/01, which invoked Government Code section 54953(e) for all MCERA Board and standing committee meetings through September 9, 2022. The public was able to listen to and observe the meeting and provide comment through Zoom.

CALL TO ORDER

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

ROLL CALL

PRESENT: Klein, Martinovich, Murphy, Werby

ABSENT: None

MINUTES

It was M/S Werby/Martinovich to approve the May 25, 2022 Finance and Risk Management Committee Meeting Minutes as submitted. The motion was approved by a vote of 4-0 as follows:

AYES: Klein, Martinovich, Murphy, Werby

NOES: None

ABSTAIN: None

ABSENT: None

A. OPEN TIME FOR PUBLIC EXPRESSION

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For consideration at November 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 2021/22 Fiscal Year Review

Consider and review expenses for the quarter and fiscal year ending June 30, 2022

Retirement Administrator Jeff Wickman reported on administrative expenses. For the quarter ending June 30, 2022, Salaries and Benefits were 26.2% of the annual budgeted amount due to one extra pay period and overtime. In Services and Supplies bank charges were higher during the quarter due to the timing of billing. Document reproduction costs were higher due to mailing the annual cost of living adjustment (COLA) letter to retirees. Services and Supplies overall were 20.5% of the budgeted amount for the year. Total administrative expenditures were 22.7% for the quarter ending June 30, 2022.

For the fiscal year, Salaries and Benefits were 83% of the budgeted amount due to vacancy savings during the year. In Services and Supplies bank charges were higher than the budgeted amount, and all insurance premiums rose during the year. Higher document reproduction costs revolved around disability-related medical examinations, which Mr. Wickman pointed out are the most challenging to budget. Ergonomic assessments and supplies to support remote work resulted in costs well over the budgeted amount. Nevertheless, overall Services and Supplies were 100% of the budgeted amount, and total Administrative Expenditures were 88% of the budgeted amount for the fiscal year.

Trustee Werby inquired if COLA letters could be emailed to retirees to save costs. Mr. Wickman replied this could be done. Assistant Retirement Administrator Michelle Hardesty confirmed this, noting that retirees without email addresses could receive the letters by mail.

2. Non-budgeted Expenses

Consider and review non-budgeted expenses for the quarter

Reporting on non-budgeted expenses, Mr. Wickman noted retiree payroll was higher in the month of April due to new retirees, the cost of living adjustment (COLA) and retroactive disability retirement benefit payments. Nossaman fees for the quarter outside of general counsel work were due to specialists working on leasing activity and insurance policies.

For the fiscal year, the increase in retiree expenses in the 4th quarter is due to adding the COLA to retiree payroll and having the largest number of new retirees in that period. Legal fees included investment-related work on new commitments made during the year, and on side letters modifications.

For consideration at November Committee meeting

3. Quarterly Checklist

Consider, review and updates on the following:

a. MCERA educational and event-related expenses

In educational and event-related expenses, trustees attended the Spring SACRS Conference and there was one payment for the 2021 SACRS conference. Total educational and event expenses for the fiscal year were \$10,727.

b. Continuing Trustee Education Log

Trustees have achieved the 24 hours of education due in 2022 and many have done so for 2023.

c. Other expenses per Checklist Guidelines

Mr. Wickman presented the credit card summary, explaining that GMEI is an organization administering the local entity identifier required by investment managers that MCERA must renew each year. Other expenditures are normal office supplies and the Zoom expense for holding remote meetings.

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

MCERA is now fully staffed with no vacant positions.

g. Internal controls, compliance activities and capital calls

The Administrator reported on capital flows for the Fund. In the private equity program for the Abbott portfolio there was one small capital call and no distributions during the quarter. For the fiscal year MCERA paid in over \$7.5 million in capital calls to Abbott and received over \$41 million in distributions. These distributions fund new capital calls and other cash needs. For the Pathway portfolio the oldest fund had minor capital calls during the quarter and significant distributions. Other Pathway funds paid distributions in the quarter, and newer Pathway funds had capital calls in period. For the fiscal year, MCERA paid Pathway \$12.1 million in capital calls and received \$45.9 million in distributions. For the private equity program as a whole, MCERA paid \$19.6 million in capital calls and received over \$87 million in distributions for the fiscal year.

For consideration at November Committee meeting

Credit managers are in the funding phase. There was no activity during the quarter in the CarVal portfolio, and Fortress called \$665 thousand in capital during the quarter. Varde is the most active portfolio with over \$7 million in capital calls in the quarter. For the Opportunistic portfolio MCERA paid \$24.2 in capital calls for the fiscal year and has \$56.7 million in uncalled capital remaining.

The Administrator reported that since June 30, 2022 MCERA has received \$3.3 million in additional distributions from Abbott and Pathway private equity managers and paid \$3.1 million in capital calls.

Mr. Wickman reported portfolios out of target ranges were rebalanced by moving \$10 million from the Invesco commodities portfolio and redistributing \$6 million to the BlackRock TIPS portfolio and \$4 million to the BlackRock REIT portfolio. He also reported MCERA received the \$20 million redemption it requested from UBS.

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 referenced a confidential memo from the Board Counsel.

In response to a request by the Committee, Mr. Wickman presented the administrative budgets of County Employees Retirement Law of 1937 (CERL) systems, the percentage of the actuarial accrued liability, and the actuarial accrued liability. He said one takeaway is that the larger the actuarial accrued liability, the more likely it is for the budget to be a smaller percentage of the actuarial accrued liability. The Administrator also observed that complexity is a factor in the size of the administrative cap and annual budget, noting that MCERA had a larger budget and administrative cap amount than some systems who were similar to MCERA in terms of the number of members. Ms. Dunning added that complexity also can be driven by the number of participating employers in the Plan. Trustee Werby asked if our owning the building makes a difference in the administrative budget from peer systems and Mr. Wickman replied he did not think that was a factor because many CERL systems own their buildings.

4. Annual Audit of Financial Statements Update

Update on annual audit process

The Administrator reported that the Audit Committee met in early August and was introduced to a new auditing partner who is experienced in working with other CERL systems. The annual audit is slightly behind schedule and auditors are currently conducting participant testing. Anya Bakerink, Chief Financial Officer, is getting up to speed on the annual audit and accounting department processes and procedures.

For consideration at November Committee meeting

5. Future Meetings

Consider and discuss agenda items for future meetings

The Chair invited comments on topics for future meetings.

There being no further business, Chair Murphy adjourned the meeting at 9:42 a.m.

Jeff Wickman
Retirement Administrator

On behalf of:
Laurie Murphy
Finance and Risk Management Committee Chair

Michelle Hardesty
Assistant Retirement Administrator

On behalf of:
Jeff Wickman
Retirement Administrator

B.1

	FY 21/22 Actual Expenses	FY 22/23 Approved Budget	July	Aug	September	1st Qtr. Total	Percentage of Budget used	Notes
<i>Salaries and Benefits</i>		26 PP	2 PP	2 PP	3 PP	7 PP		
								QTD - Quarter-to-Date PY - Prior Year PP - Pay Period GF - General Fund AA - Accounting Asst. FTE - Full Time Equivalent SL - Straight Line WCI - Workers' Comp Ins SAA - Sr. Accounting Asst.
Regular Staff Salaries	1,727,463	2,161,921	44,662	148,780	245,379	438,821	20.3%	
Extra-Hire	0	0	0	0	0	0	0.0%	
Overtime	10,146	14,569	0	199	471	669	4.6%	
Employee Benefits	203,785	292,629	5,455	16,904	28,689	51,047	17.4%	
Retirement Benefits	335,327	433,364	9,052	25,503	41,755	76,309	17.6%	
Retirement Benefits - OPEB	128,601	166,199	3,454	8,259	13,522	25,235	15.2%	
Ret POB Debt Svc. Misc.	91,223	114,046	3,775	7,958	13,029	24,761	21.7%	
Auto Allowance	9,493	9,888	237	738	1,108	2,084	21.1%	
Unused Fringe Benefits	20,698	23,402	533	1,701	2,437	4,671	0.0%	
Workers Comp. Insurance	19,685	48,453	334	1,987	2,705	5,025	10.4%	
Medicare	25,396	31,643	654	2,177	3,563	6,394	20.2%	
Total Salaries and Benefits	2,571,816	3,296,114	68,154	214,206	352,657	635,017	19.3%	QTD is 5% under SL budget due to vacancies during Q1.
<i>Services and Supplies</i>								
Professional Services	51,111	92,500	0	2,201	0	2,201	2.4%	
Innovest - Retiree Payroll Processing	40,675	38,000	3,118	3,375	3,347	9,840	25.9%	
Records Retention	3,156	3,800	386	1,571	1,416	3,373	88.8%	Increase due to costs for moving paper documentation offsite. Overall services and supplies budget is sufficient to cover this project.
Bank Charges	7,995	6,700	0	2,682	0	2,682	40.0%	Increase due to increased fees for Q1. Expect bank fees for the remainder of the year to be consistent with PY. Overall sufficient budget to cover this increase.
Insurance Premiums	113,567	113,600	21,971	0	0	21,971	19.3%	
Utilities (1 McInnis Owner Allocation)	239,702	239,900	19,967	19,967	20,017	59,950	25.0%	
Memberships & Dues	12,546	16,000	6,033	16	311	6,360	39.8%	Total includes CALPRS and SACRS dues paid once a year and consistent with PY.
Subscriptions	4,961	4,500	3,017	353	116	3,486	77.5%	Total includes PBI renewal cost (death audit records) paid once a year and consistent with PY.
Conferences/Training	2,521	26,000	0	800	360	1,160	4.5%	
Travel and Mileage	8,207	20,000	31	0	1,149	1,180	5.9%	
Document Reproduction Costs	44,881	28,300	2,657	5,047	4,186	11,889	42.0%	Total includes cost of mailing annual statements, incurred once a year and consistent with PY.
Medical Examinations	0	12,000	0	0	0	0	0.0%	
Investigations	1,224	2,000	1,014	0	0	1,014	15.6%	Total includes background check for one new hire during Q1.
Transcribing/Medical Record Review	173,102	200,000	15,065	8,875	5,000	28,940	15.2%	
Hearings	9,625	32,500	6,602	0	0	6,602	17.8%	
Board Election Fees	700	1,000	0	0	0	0	0.0%	
Board Remuneration (Gross Pay)	8,900	10,278	274	365	548	1,186	13.6%	
Board Payments (ER Liab., ADP & Bank fees)	2,098	2,422	156	174	211	541	20.2%	
Office Expenses and Supplies	3,530	4,000	219	137	399	755	18.9%	
Office Expenses - Phone	6,300	6,000	362	425	550	1,336	22.3%	
Electronic Supplies	13,527	7,500	2	3,404	0	3,406	45.4%	Total includes cost for four upgraded monitors.
Ergonomic Supplies	991	500	0	82	0	82	16.3%	
Office Supplies - Postage	1,453	1,100	174	45	47	265	24.1%	
Miscellaneous - Food	0	2,500	0	0	0	0	0.0%	
Depreciation Expense	559,213	559,215	0	0	139,804	139,804	25.0%	
Total Services and Supplies	1,309,987	1,430,315	81,047	49,518	177,459	308,025	21.5%	
<i>Interdepartmental Charges</i>								
Telephone Charges	21,581	12,950	0	0	0	0	0.0%	
Cost Allocation Plan (Inter-fund Charges)	294,541	398,473	0	0	0	0	0.0%	
Total Interdepartmental Charges	316,122	411,423	0	0	0	0	0.0%	No invoices for County services received. Billing expected in Q2.
TOTAL	4,197,925	5,137,852	149,202	263,724	530,115	943,041	18.4%	

B.1

MCERA Administrative Budget fund #7007

FY22/23 Quarter Ending September 30, 2022, by quarter

	FY 21/22 Actual Expenses	FY 22/23 Approved Budget	1st Qtr Total	FYTD	Percentage of Budget used
Salaries and Benefits					
Regular Staff Salaries	1,727,463	2,161,921	438,821	438,821	20%
Extra-Hire	0	0	0	0	0%
Overtime	10,146	14,569	669	669	0%
Employee Benefits	203,785	292,629	51,047	51,047	17%
Retirement Benefits	335,327	433,364	76,309	76,309	18%
Retirement Benefits - OPEB	128,601	166,199	25,235	25,235	15%
Ret POB Debt Svc. Misc.	91,223	114,046	24,761	24,761	22%
Auto Allowance	9,493	9,888	2,084	2,084	21%
Unused Fringe Benefits	20,698	23,402	4,671	4,671	0%
Workers Comp. Insurance	19,685	48,453	5,025	5,025	10%
Medicare	25,396	31,643	6,394	6,394	20%
Total Salaries and Benefits	2,571,816	3,296,114	635,017	635,017	19%
Services and Supplies					
Professional Services	51,111	92,500	2,201	2,201	2%
Innovest - Retiree payroll processing	40,675	38,000	9,840	9,840	26%
Records Retention	3,156	3,800	3,373	3,373	89%
Bank Charges	7,995	6,700	2,682	2,682	40%
Insurance Premiums	113,567	113,600	21,971	21,971	19%
Utilities (1 McInnis owner allocation)	239,702	239,900	59,950	59,950	25%
Memberships & Dues	12,546	16,000	6,360	6,360	40%
Subscriptions	4,961	4,500	3,486	3,486	77%
Conferences/Training	2,521	26,000	1,160	1,160	4%
Travel and Mileage	8,207	20,000	1,180	1,180	6%
Document Reproduction Costs	44,881	28,300	11,889	11,889	42%
Medical Examinations	0	12,000	0	0	0%
Investigations	1,224	2,000	1,014	1,014	51%
Transcribing/Medical Record Review	173,102	200,000	28,940	28,940	14%
Hearings	9,625	32,500	6,602	6,602	20%
Board Election Fees	700	1,000	0	0	0%
Board Remuneration (Gross Pay)	8,900	10,278	1,186	1,186	12%
Board Payments (ER Liab., ADP & Bank fees)	2,098	2,422	541	541	22%
Office Expenses and Supplies	3,530	4,000	755	755	19%
Office Expenses - Phone	6,300	6,000	1,336	1,336	22%
Electronic Supplies	13,527	7,500	3,406	3,406	45%
Ergonomic Supplies	991	500	82	82	16%
Office Supplies - Postage	1,453	1,100	265	265	24%
Miscellaneous - Food	0	2,500	0	0	0%
Depreciation Expense	559,213	559,215	139,804	139,804	25%
Total Services and Supplies	1,309,987	1,430,315	308,025	308,025	22%
Interdepartmental Charges					
Telephone Charges	21,581	12,950	0	0	0%
Cost Allocation Plan (Inter-fund Charges)	294,541	398,473	0	0	0%
Total Interdepartmental Charges	316,122	411,423	0	0	0%
TOTAL	4,197,925	\$5,137,852	\$943,041	\$943,041	18%

B.2

MCERA Non-Budgeted Expenses

FY 22/23 Quarter Ending September 30, 2022, by month

	July	August	September	1st Qtr. Expenses
Retiree Payroll	14,936,138	15,036,184	15,131,979	45,104,301
Retiree Death Benefit Paid	0	70,000	20,000	90,000
Active Member Death Benefit	0	0	0	0
Refund of Contributions	18,983	123,042	100,762	242,787
Total Retirement Member Expense	14,955,121	15,229,226	15,252,741	45,437,087
Personal Computer Lease (Accrual)	0	0	0	0
CPAS	8,150	8,150	0	16,300
Business Systems (Accountmate)	0	0	0	0
IBM - Cognos systems	0	0	0	0
Oracle America	0	0	0	0
Total Computer Expense	8,150	8,150	0	16,300
Linea Secure, LLC (Cybersecurity)	0	0	0	0
Insight Public Sector, Inc.	0	0	0	0
Total Security Services Expense	0	0	0	0
Legal	10,887	17,944	19,392	48,223
County Counsel	0	11,110	0	11,110
Ice Miller LLP	0	270	0	270
Nossaman	10,887	6,564	19,392	36,843
Cheiron Inc. (Actuary)	0	30,380	0	30,380
Appraisals (1 McInnis)	0	0	0	0
Investment Managers	835,430	50,737	0	886,167
Callan (Investment Consultant)	0	0	0	0
State Street (Custodian)	0	106,854	0	106,854
Woodmont Consulting Services	0	9,450	2,188	11,638
Investment Education Expense	0	0	0	0
Total Legal, Actuary & Investment Expense	846,318	215,365	21,580	1,083,262
Total Fund Expenses	15,809,589	15,452,740	15,274,320	46,536,649
Nossaman				
General Counsel	9,929	5,634	18,330	33,894
1 McInnis Parkway Leasing	0	0	0	0
Bankruptcy Related	791	316	738	1,845
Technology Projects	0	0	0	0
Employment Law Advice & Training	0	0	0	0
Negotiate Insurance Policies	167	614	0	781
Investment	0	0	0	0
Elections	0	0	324	324
Total Nossaman Expense	10,887	6,564	19,392	36,843

B.2

MCERA Non-Budgeted Expenses

FY 22/23 Quarter Ending September 30, 2022, by quarter

	FY 21/22 Actual Expenses	1st Qtr. Expenses	FYTD Total
Retiree Payroll	174,394,441	45,104,301	45,104,301
Retiree Death Benefit Paid	493,781	90,000	90,000
Active Member Death Benefit	0	0	0
Refund of Contributions	2,193,788	242,787	242,787
Total Retirement Member Expense	177,082,010	45,437,087	45,437,087
Personal Computer Lease (Accrual)	0	0	0
CPAS	230,279	16,300	16,300
Business Systems (Accountmate)	2,125	0	0
IBM - Cognos systems	19,971	0	0
Oracle America	0	0	0
Total Computer Expense	252,375	16,300	16,300
Linea Secure, LLC (Cybersecurity)	35,000	0	0
Insight Public Sector, Inc.	0	0	0
Total Security Services Expense	35,000	0	0
Legal	246,721	48,223	48,223
County Counsel	51,976	11,110	11,110
Ice Miller LLP	3,247	270	270
Nossaman	191,498	36,843	36,843
Cheiron Inc. (Actuary)	257,169	30,380	30,380
Appraisals (1 McInnis)	4,500	0	0
Investment Managers	10,964,381	886,167	886,167
Callan (Investment Consultant)	408,250	0	0
State Street (Custodian)	426,838	106,854	106,854
Woodmont Consulting Services	39,114	11,638	11,638
Investment Education Expense	36,750	0	0
Total Legal, Actuary & Investment Expense	12,383,722	1,083,262	1,083,262
Total Fund Expenses	189,753,106	46,536,649	46,536,649
Nossaman			
General Counsel	141,648	33,894	33,894
One McInnis Parkway Leasing	19,946	0	0
Bankruptcy Related	570	1,845	1,845
Technology Projects	0	0	0
Employment Law Advice & Training	3,146	0	0
Negotiate Insurance Policies	5,359	781	781
Investment	20,370	0	0
Elections	0	324	324
Total Nossaman Expense	191,038	36,843	36,843

B.2

Investment Managers' Fees
FY22/23 Quarter Ending September 30, 2022

Fees:							FY 21/22
<u>Investment Manager</u>	<u>Market Value</u>	<u>Annualized %</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>Quarter Total</u>	<u>IM fees</u>
AEW Core Property	136,784,941	0.8900%	0	0	304,332	304,332	1,122,824
Abbott Fund VI	42,164,590	0.8678%	30,491	30,491	30,491	91,473	406,548
Abbott Fund VII	46,746,013	0.6546%	25,500	25,500	25,500	76,500	314,499
Abbott Investors 2016	70,952,290	0.3735%	22,083	22,083	22,083	66,249	662,245
Abbott Investors 2017	20,267,569	0.3700%	6,250	6,250	6,250	18,750	75,000
Abbott Investors 2021	7,727,200	0.9706%	6,250	6,250	6,250	18,750	53,750
Artisan International Growth Fund	152,986,243	0.8785%	0	0	336,011	336,011	1,631,323
BlackRock TIPS	54,720,889	0.0301%	4,116	0	0	4,116	16,724
BlackRock US Real Estate	49,003,597	0.0686%	8,404	0	0	8,404	35,482
CarVal	15,439,956	1.4398%	19,049	18,095	18,434	55,578	147,133
Colchester Global Investors	135,242,015	0.4519%	52,528	52,316	47,946	152,790	644,917
DFA Small Cap Core	202,823,802	0.2742%	0	139,028	0	139,028	776,534
Fidelity Institutional Asset Management (FIAM)	86,929,384	0.6761%	0	146,942	0	146,942	542,525
Fortress	10,721,890	1.2055%	0	0	32,312	32,312	94,087
Invesco	51,507,411	0.7546%	32,640	33,578	30,943	97,162	456,762
KBI Global Resources Solutions	49,862,067	0.9638%	0	0	120,148	120,148	370,613
Morgan Stanley	154,027,301	0.6757%	0	260,177	0	260,177	1,122,635
Parametric (overlay program)	32,143,634	0.6314%	0	50,737	0	50,737	150,701
Pathway I 2008-6	51,462,301	0.6995%	90,000	0	0	90,000	402,066
Pathway I 7-3	36,102,470	0.6980%	63,000	0	0	63,000	214,288
Pathway I 8-9	65,178,439	0.0000%	0	0	0	0	403,548
Pathway I 9-3	14,739,627	0.0000%	0	0	0	0	218,753
Pathway I 10-10	15,400,975	0.0000%	0	0	0	0	110,011
SSgA Russell 1000 Index Strategy	603,981,164	0.0290%	43,750	0	0	43,750	178,637
TimesSquare	84,231,167	0.9734%	66,920	67,543	70,506	204,969	1,064,294
UBS Realty Investment	116,910,481	0.6140%	0	0	179,467	179,467	676,935
Varde	27,581,178	1.4416%	0	0	99,403	99,403	348,595
Wellington	297,036,434	0.1825%	0	135,518	0	135,518	565,665
Western Asset	150,765,959	0.2587%	0	97,496	0	97,496	399,868
Total	\$2,783,440,986	0.4158%	\$470,981	\$1,092,003	\$1,330,076	\$2,893,061	\$13,206,962

B.3.a
MCERA Credit Card Transactions
FY 2022/2023 Q1

Statement Date	Card Used	Transaction Date	Vendor	Amount Charged	Receipt (Yes/No/Other)	Dept or Area Served	Reason/Item Purchased
7/18/22-8/17/22	Kiana 8171	7/17/2022	The Economist	\$ 79.00	Y	MCERA Board	Subscriptions
	Jeff 3902	7/20/2022	Amazon Prime	\$ 16.34	Y	MCERA Staff	Membership
	Dale 4021	7/22/2022	CALAPRS	\$ 50.00	Y	MCERA Board	Training/Conferences
	Kiana 8171	7/25/2022	Office Depot	\$ 104.99	Y	MCERA Staff	Office Supplies
	Kiana 8171	7/29/2022	Amazon	\$ 1,589.22	Y	MCERA Staff	Electronic Supplies
	Kiana 8171	7/29/2022	eBay	\$ 947.58	Y	MCERA Staff	Electronic Supplies
	Kiana 8171	7/29/2022	eBay	\$ 735.75	Y	MCERA Staff	Electronic Supplies
	Kiana 8171	7/29/2022	eBay	\$ 43.59	Y	MCERA Staff	Electronic Supplies
	Kiana 8171	7/29/2022	eBay	\$ 87.18	Y	MCERA Staff	Electronic Supplies
	Kiana 8171	7/29/2022	Office Depot	\$ 81.74	Y	MCERA Staff	Ergo Equipment
	Dale 4021	8/4/2022	NCPERS	\$ 750.00	Y	MCERA Board	Training/Conferences
	Jeff 3902	8/4/2022	Zoom.US	\$ 114.95	Y	MCERA Board	Subscriptions
	Jeff 3902	8/8/2022	Apple.Com	\$ 0.99	Y	MCERA Staff	Electronic Supplies
	Kiana 8171	8/11/2022	Wall Street Journal	\$ 159.42	Y	MCERA Board	Subscriptions
	7/18/22-8/17/22 Statement Total			\$ 4,760.75			

Statement Date	Card Used	Transaction Date	Vendor	Amount Charged	Receipt (Yes/No/Other)	Dept or Area Served	Reason/Item Purchased
8/18/22-9/17/22	Kiana 8171	8/18/2022	Office Depot	\$ 148.41	Y	MCERA Staff	Office Supplies
	Dale 4021	8/19/2022	SACRS	\$ 360.00	Y	MCERA Board	Training/Conferences
	Kiana 8171	8/19/2022	Office Depot	\$ 231.06	Y	MCERA Staff	Office Supplies
	Jeff 3902	8/20/2022	Amazon Prime	\$ 16.34	Y	MCERA Staff	Memberships
	Dale 4021	8/21/2022	Westin Copley Place	\$ 1,149.36	Y	MCERA Board	Lodging
	Kiana 8171	8/21/2022	Amazon	\$ 8.27	Y	MCERA Staff	Office Supplies
	Kiana 8171	8/21/2022	Amazon	\$ 21.59	Y	MCERA Staff	Office Supplies
	Kiana 8171	8/28/2022	B2B Prime	\$ 195.11	Y	MCERA Staff	Memberships
	Jeff 3902	9/4/2022	Zoom.US	\$ 114.95	Y	MCERA Board	Subscriptions
	Kiana 8171	9/7/2022	Office Depot	\$ (42.50)	Y	MCERA Staff	Office Supplies
	Jeff 3902	9/8/2022	Apple.Com	\$ 0.99	Y	MCERA Staff	Electronic Supplies
	8/18/22-9/17/22 Statement Total			\$ 2,203.58			

Statement Date	Card Used	Transaction Date	Vendor	Amount Charged	Receipt (Yes/No/Other)	Dept or Area Served	Reason/Item Purchased
9/18/22-10/17/22	Jeff 3902	9/20/2022	Amazon Prime	\$ (16.34)	Y	MCERA Staff	Membership
	Dale 4021	9/23/2022	SACRS	\$ 135.00	Y	MCERA Board	Training/Conference
	Dale 4021	9/23/2022	Westin Copley Place	\$ 1,149.39	Y	MCERA Board	Hotel/Lodging
	Dale 4021	9/27/2022	California Special Districts Assoc.	\$ 900.00	Y	MCERA Staff	Training/Conference
	Dale 4021	9/27/2022	Nossaman LLP	\$ 750.00	Y	MCERA Board	Training/Conference
	Kiana 8171	10/3/2022	Wall Street Journal	\$ 116.97	Y	MCERA Board	Subscriptions
	Jeff 3902	10/4/2022	Zoom.US	\$ 114.95	Y	MCERA Board	Subscriptions
	Jeff 3902	10/8/2022	Apple.com	\$ 0.99	Y	MCERA Staff	Electronic Supplies
	Kiana 8171	10/9/2022	The Economist	\$ 79.00	Y	MCERA Board	Subscriptions
	Kiana 8171	10/10/2022	ODP Business Solutions	\$ 56.02	Y	MCERA Staff	Office Supplies
9/18/22-10/17/22 Statement Total				\$ 3,285.98			

2022/2023 Q1 Total \$ 10,250.31

B.3.c

MCERA Education and Due Diligence Expense Summary FY 22/23
FY 22/23 Quarter Ending September 30, 2022

<u>Trustee</u>	<u>Date</u>	<u>Conference</u>	<u>Location</u>	<u>1st quarter</u>	<u>Year to Date</u>
C. Cooper	10/23-26/2022	NCPERS 2022 Conference	Nashville, TN	750.00	\$ 750.00
	11/8-11/2022	SACRS 2022 Fall Conference	Long Beach, CA	120.00	\$ 120.00
M. Gladstern	9/20-23/2022	Council of Institutional Investors Conference	Boston, MA	1,149.36	\$ 1,149.36
S. Silberstein	11/8-11/2022	SACRS 2022 Fall Conference	Long Beach, CA	120.00	\$ 120.00
T. Werby	11/8-11/2022	SACRS 2022 Fall Conference	Long Beach, CA	120.00	\$ 120.00
Trustee expense				\$ 2,259.36	\$ 2,259.36
<u>Employee</u>	<u>Date</u>	<u>Conference</u>	<u>Location</u>	<u>1st quarter</u>	<u>Year to Date</u>
S. Eichner-Gross	4/18-6/30/2022	Mileage Reimbursement	San Rafael, CA	30.89	\$ 30.89
Administrator and Employee expense				\$ 30.89	\$ 30.89
<u>Counsel/Other</u>	<u>Date</u>	<u>Conference</u>	<u>Location</u>	<u>1st quarter</u>	<u>Year to Date</u>
A. Dunning	9/23/2022	CALAPRS Attorneys' Round Table	Virtual	50.00	\$ 50.00
Counsel/Other expense				\$ 50.00	\$ 50.00
TOTAL MCERA Education and Due Diligence Expense				\$ 2,340.25	\$ 2,340.25

**MARIN COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
CONTINUING TRUSTEE EDUCATION SUMMARY
Friday, September 30, 2022**

24 hours required by December 31, 2022

Trustee Cooper 52.57

24 hours required by January 24, 2023

Trustee Silberstein 63.11

24 hours required by July 13, 2023

Trustee Tomlin 25.95

24 hours required by August 25, 2023

Trustee Murphy 26.20

24 hours required by October 17, 2023

Trustee Klein 22.20

24 hours required by November 1, 2023

Trustee Gladstern 25.70

Trustee Poirier 10.20

Trustee Werby 18.70

24 hours required by January 1, 2024

Trustee Martinovich 9.75

24 hours required by April 13, 2024

Trustee Shaw 8.50

24 hours required by September 1, 2024

Trustee Jones 0.50

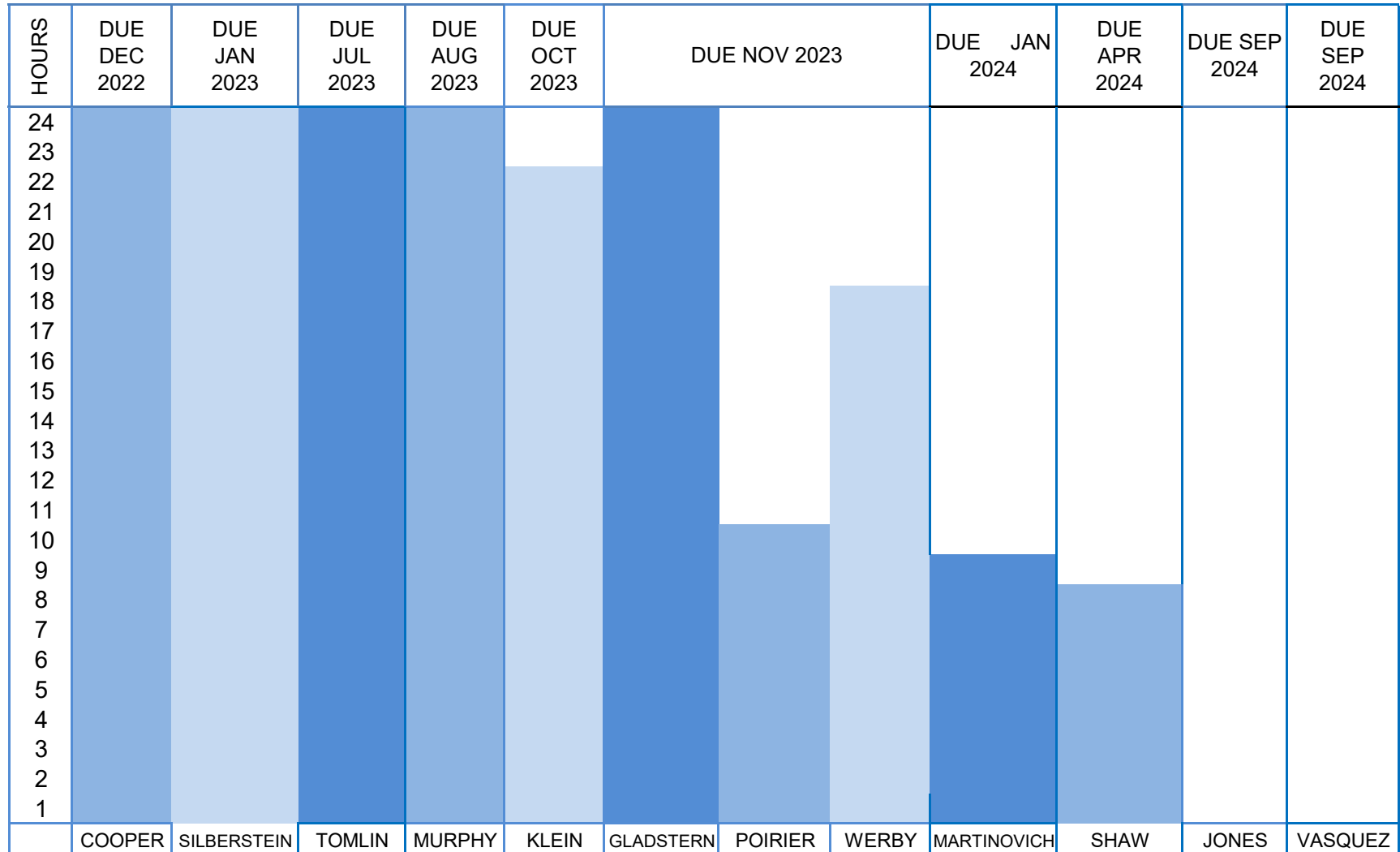
24 hours required by September 20, 2024

Trustee Vasquez 0.50

B.3.d

QUARTERLY SUMMARY CHART

Friday, September 30, 2022



B.3.d

MCERA CONTINUING TRUSTEE EDUCATION LOG

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 ORGANIZATION	BUDGET & AUDIT PROCEDURES		
24.00	HOURS DUE by >		The later of December 31, 2014, or two years after assuming office, and biannually thereafter.										
			<i>See prior reports by date for earlier data.</i>										
		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							
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			

B.3.d

MCERA CONTINUING TRUSTEE EDUCATION LOG

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 ORGANIZATION	BUDGET & AUDIT PROCEDURES	
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						
1.50	8/18/2020	SACRS	Infrastructure Debt, an Attractive Alternative for Your Fixed Income Portfolio			X						
1.50	8/19/2020	SACRS	The Era After the Coronavirus			X						
1.50	8/20/2020	SACRS	Planning for the Pandemic			X						
2.00	9/30/2020	Nossaman	Public Pensions and Investments Fiduciaries' Forum - Litigation Impacting the Operation of Public Pension Plan Systems	X								
12.75	Hours for Quarter Ending September 30, 2020											
2.00	10/1/2020	Nossaman	Public Pensions and Investments Fiduciaries' Forum - Investment Considerations for Public Pension Plan Investment Officers		X							
2.00	10/2/2020	Nossaman	Public Pensions and Investments Fiduciaries' Forum - Administrative Issues Facing Fiduciaries					X				
3.00	10/23/2020	CalAPRS	Trustee Roundtable - What is the Role of Trustees in Choosing and/or Monitoring Money Managers							X		
2.00	10/23/2020	CalAPRS	Trustee Roundtable - What is the Role of Trustees on Corporate Policies							X		
		SACRS	FALL CONFERENCE									
2.00	11/10/2020	SACRS	Ethics Training for Trustees and Staff							X		
2.00	11/10/2020	SACRS	Sexual Harassment Prevention Training for Local Public Officials							X		
1.00	11/11/2020	SACRS	2020 Vision - The Consequences of the Presidential Election			X						
1.00	11/11/2020	SACRS	California Recovery/COVID-19					X				
2.25	11/11/2020	SACRS	Attorneys Breakout	X								
2.25	11/11/2020	SACRS	Trustee Breakout							X		
1.00	11/12/2020	SACRS	Backable 2.0							X		
1.00	11/12/2020	SACRS	Land of the Free - Home of the Color Brave							X		
1.00	11/12/2020	SACRS	Pandemic Economy: A Perspective Looking Forward			X						
1.00	11/12/2020	SACRS	Aging in America - Current Realities and How Do We Plan for the Future				X					
0.25	12/9/2020	MCERA	Preliminary Actuarial Valuation Results June 30, 2020				X					
0.50	12/9/2020	MCERA	Preliminary Experience Study Report				X					
0.25	12/9/2020	MCERA	GASB 67/68 Report									X
0.25	12/9/2020	MCERA	Audited Financial Statements for Fiscal Year Ending June 30, 2020									X
2.00	12/31/2020	FPPC	Certified Public Service Ethics Education									X
26.75	Hours for Quarter Ending December 31, 2020											
0.50	1/13/2021	MCERA	Experience Study				X					
0.75	2/10/2021	MCERA	Actuarial Valuation Report as of June 30, 2020				X					
0.25	2/10/2021	MCERA	Cost of Living Adjustment				X			X		

B.3.d

MCERA CONTINUING TRUSTEE EDUCATION LOG

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 ORGANIZATION	BUDGET & AUDIT PROCEDURES	
0.50	2/20/2021	MCERA	Form 700 Refresher							X		
		CalAPRS	GENERAL ASSEMBLY									
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												
0.75	4/27/2021	MCERA	Asset-Liability Study Process Overview				X					
0.75	4/27/2021	MCERA	Measuring Pension Liabilities				X					
0.50	4/27/2021	MCERA	Modern Portfolio Theory: How do investment risk and diversification affect returns			X						
0.50	4/27/2021	MCERA	The Case for Reversion to the Mean			X						
1.00	4/27/2021	MCERA	Domestic Equity Structure Review			X						
1.00	4/27/2021	MCERA	Absolute Return - Multi-Asset Class Investments			X						
1.00	4/28/2021	MCERA	Review and Discussion of Operational Performance Measures					X				
1.25	5/10/2021	CalAPRS	Trustees' Round Table - Public Pension Reform: Lessons from Canada for the U.S.					X				
2.25	5/10/2021	CalAPRS	Trustees' Round Table - Understanding the Role of Public Pension Funds in Shareholder Litigation and Other Options for Exercising Shareholder Rights	X								
			SACRS SPRING CONFERENCE									
2.00	5/11/2021	SACRS	Ethics Training for Trustees and Staff							X		
2.00	5/11/2021	SACRS	Sexual Harassment Prevention Training for Local Agency Officials							X		
1.00	5/12/2021	SACRS	General Session - Keynote Speaker David Kelly			X						
1.00	5/12/2021	SACRS	General Session - A CIO Perspective in a Time of Disruption			X						
1.00	5/12/2021	SACRS	General Session - A Private Market Lens into Washington & the Biden Administration			X						

B.3.d

MCERA CONTINUING TRUSTEE EDUCATION LOG												
TRUSTEE Master Log				TOPIC								
HOURS	DATE	SPONSOR	EVENT/SEMINAR	PENSION LAW	INVESTMENT PERFORMANCE MEASUREMENT ASSET ALLOCATION AND INVESTMENT MANAGEMENT	EVALUATION AND PROCESS	BENEFITS ADMINISTRATION	DISABILITY RETIREMENT	BOARD GOVERNANCE, ETHICS, & FIDUCIARY ORGANIZATION	BUDGET & AUDIT PROCEDURES		
	5/12/2021	SACRS	BREAKOUT SESSIONS									
2.50	5/12/2021	SACRS	Ops/Benefits & Disability Breakout					X				
2.50	5/12/2021	SACRS	Attorney Breakout	X								
2.50	5/12/2021	SACRS	Internal Auditors Breakout							X		
2.50	5/12/2021	SACRS	Administrators Breakout				X					
2.50	5/12/2021	SACRS	Investment Breakout		X							
2.50	5/12/2021	SACRS	Trustee Breakout						X			
2.50	5/12/2021	SACRS	Safety Breakout				X					
1.00	5/13/2021	SACRS	General Session - Why You Should See the World Through the Eyes of a Bond Investor		X							
1.00	5/13/2021	SACRS	General Session - Diversity Equity and Inclusion						X			
1.00	5/13/2021	SACRS	General Session - How California is Leading the Revolution in Sustainable Energy and the Future of Transportation		X							
	5/13/2021	SACRS	CONCURRENT SESSIONS									
1.00	5/13/2021	SACRS	A - Double Bottom Line: Investing in Your Community - Education on How it can be Done in your Asset Allocation Investment		X							
1.00	5/13/2021	SACRS	B- The Next Stage of PEPPRA: Implementing the Alameda Decision and Update on the Administrative Appeals and Litigation That Have Followed				X					
1.00	5/13/2021	SACRS	C - Cyber Self-Defense, Practical advice to protect your digital life				X					
	5/13/2021	SACRS	CONCURRENT SESSIONS									
1.00	5/13/2021	SACRS	A - What Now for China's Public and Private Equity Markets?		X							
1.00	5/13/2021	SACRS	B - Legislative Update 2021	X								
1.00	5/14/2021	SACRS	General Session - COVID-19 Update				X					
2.00	6/30/2021	Marin County	Preventing Discrimination & Harassment: CA Managers						X			
44.50 Hours for Quarter Ending June 30, 2021												
		Callan	CALLAN NATIONAL CONFERENCE									
1.25	7/20/2021	Callan	Keynote Speaker: Niall Ferguson, MA, D.Phil.		X							
1.25	7/20/2021	Callan	Diversity, Equity and Inclusion Panel						X			
1.25	7/20/2021	Callan	Janet Napolitano		X							
1.00	7/20/2021	Callan	Callan Workshop: The Role of Real Estate and Infrastructure Debt In a Portfolio		X							
1.25	7/21/2021	Callan	Keynote Speaker: Scott Gottlieb, M.D.		X							
1.25	7/21/2021	Callan	Climate Change and the Impact on Capital Markets		X							
1.00	7/21/2021	Callan	Callan Workshop: How to Navigate Your Corporate DB Plan in This Low-Rate Era		X							
1.00	7/21/2021	Callan	Callan Workshop: The Role of Real Estate and Infrastructure Debt In a Portfolio		X							
2.00	7/29/2021	MCERA	Sexual Harassment Prevention Education						X			

B.3.d

MCERA CONTINUING TRUSTEE EDUCATION LOG

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 ORGANIZATION	BUDGET & AUDIT PROCEDURES	
	10/29/2021	CalAPRS	Topic #2 - Climate Change and Fiduciary Responsibility									
2.33	10/29/2021	CalAPRS	Trustees' Round Table - How Trustees Can Exert Leadership in the Investment Arena:							X		
	10/29/2021	CalAPRS	Topic #1 - Racial Justice - Emerging Managers - DEI Initiatives									
	10/29/2021	CalAPRS	Topic #2 - Sustainable and Initiatives for Impact by State Treasurers for Pension Plans									
		SACRS	Fall Conference									
2.00	11/9/2021	SACRS	Ethics Training for Trustees and Staff							X		
2.00	11/9/2021	SACRS	Sexual Harassment Prevention Training for Local Agency Officials							X		
1.50	11/10/2021	SACRS	Perseverance and Triumph							X		
1.00	11/10/2021	SACRS	What Can We Learn From Each Other?							X		
1.00	11/10/2021	SACRS	Best Team Ever: The Surprising Science of High-Performing Teams							X		
	11/10/2021	SACRS	Concurrent Sessions:									
2.50	11/10/2021	SACRS	Administrators Breakout					X				
2.50	11/10/2021	SACRS	Attorneys Breakout	X								
2.50	11/10/2021	SACRS	Internal Auditors Breakout								X	
2.50	11/10/2021	SACRS	Investment Breakout			X						
2.50	11/10/2021	SACRS	Operations/Benefits Breakout					X				
2.50	11/10/2021	SACRS	Safety Breakout					X				
2.50	11/10/2021	SACRS	Trustee Breakout							X		
1.25	11/11/2021	SACRS	Keynote: NOT Your Standard Economic Update...The Big Questions of the Day Post COVID			X						
1.00	11/11/2021	SACRS	Transitioning to a Low Carbon Economy			X						
1.00	11/11/2021	SACRS	Mega Trends Impacting Urban Real Estate			X						
	11/11/2021	SACRS	Concurrent Sessions:									
1.00	11/11/2021	SACRS	A - The "B" Word; Institutional Considerations for Exploring Bitcoin & Cryptocurrency Adoption			X						
1.00	11/11/2021	SACRS	B - Capitalizing on Controversy: Demystifying SPACs and PIPEs			X						
1.00	11/11/2021	SACRS	C - Diversification vs. Overconfidence			X						
	11/11/2021	SACRS	Concurrent Sessions:									
1.00	11/11/2021	SACRS	Why Infrastructure Debt & Equity Investing Makes Sense for Public Pensions			X						
1.00	11/11/2021	SACRS	SACRS Legislative Update 2021	X								
1.00	11/11/2021	SACRS	Real Estate Private Credit - Who Says You Can't Have It All?			X						
		Nossaman	Public Pensions & Investments Fiduciaries' Forum									
2.00	12/6/2021	Nossaman	Litigation Impacting the Operation of Public Pension Systems	X								
2.00	12/6/2021	Nossaman	Investment Considerations for Public Plan Investment Officers	X								
2.00	12/6/2021	Nossaman	Administrative Issues Facing Fiduciaries							X		
0.25	12/15/2021	MCERA	GASB 67/68 Report				X					

B.3.d

MCERA CONTINUING TRUSTEE EDUCATION LOG

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 ORGANIZATION	BUDGET & AUDIT PROCEDURES	
0.20	12/15/2021	MCERA	Audited Financial Statements as of June 30, 2021									X
52.44 Hours for Quarter Ending December 31, 2021												
1.00	1/12/2022	MCERA	Preliminary Valuation Results				X					
2.00	1/24/2022	FPPC	Public Service Ethics Education							X		
2.00	2/8/2022	FPPC	Public Service Ethics Education							X		
0.75	2/9/2022	MCERA	Actuarial Valuation Report as of June 30, 2021				X					
2.00	2/25/2022	FPPC	Public Service Ethics Education							X		
7.75 Hours for Quarter Ending March 31, 2022												
2.00	4/18/2022	FPPC	Public Service Ethics Education							X		
2.00	4/20/2022	FPPC	Public Service Ethics Education							X		
1.25	4/26/2022	Callan	National Conference - Keynote Speaker Bob Woodward			X						
1.25	4/26/2022	Callan	National Conference - The Global Energy Challenge for Investors							X		
1.00	4/26/2022	Callan	National Conference - Shawn Achor					X				
1.00	4/26/2022	Callan	National Conference - Evaluating Total Fund Leverage Strategies			X						
1.25	4/27/2022	Callan	National Conference - Keynote Speaker Anja Manuel			X						
1.25	4/27/2022	Callan	National Conference - Capital Markets Panel			X						
1.00	4/27/2022	Callan	National Conference - Joan Higginbotham			X						
1.00	4/27/2022	Callan	National Conference - Evaluating Total Fund Leverage Strategies			X						
1.00	4/27/2022	Callan	National Conference - DEI: Taking Action, Measuring Progress							X		
0.75	4/29/2022	CalAPRS	Trustees' Roundtable - Introduction to Private Equity			X						
0.75	4/29/2022	CalAPRS	Trustees' Roundtable - PE Economics & Fees - Fund Life Cycle & Fees		X							
0.75	4/29/2022	CalAPRS	Trustees' Roundtable - Regulatory, Governance & Legal	X								
0.75	4/29/2022	CalAPRS	Trustees' Roundtable - Fund Selection & Portfolio Construction			X						
0.75	4/29/2022	CalAPRS	Trustees' Roundtable - Measuring Performance - Monitoring Life Cycle		X							
0.75	4/29/2022	CalAPRS	Trustees' Roundtable - Measuring Performance - PE Resourcing & Trends		X							
		SACRS	SPRING CONFERENCE									
2.00	5/10/2022	SACRS	Ethics Training for Trustees and Staff							X		
2.00	5/10/2022	SACRS	Sexual Harassment Prevention Training for Local Agency Officials							X		
1.00	5/11/2022	SACRS	General Session: Leadership in the Toughest of Times with Keisha Lance Bottoms							X		
1.00	5/11/2022	SACRS	General Session: Inflation: What It Is, Where It's Coming From, and What It Means for Your Retirement Plan					X				
1.00	5/11/2022	SACRS	General Session: Crypto 101: Everything You Wanted to Know but are Afraid to Ask			X						
	5/11/2022	SACRS	CONCURRENT SESSIONS									
2.50	5/11/2022	SACRS	Administrator's Breakout					X				
2.50	5/11/2022	SACRS	Investment Breakout			X						
2.50	5/11/2022	SACRS	Operations-Benefits Breakout					X				
2.50	5/11/2022	SACRS	Safety Breakout					X				

B.3.d

MCERA CONTINUING TRUSTEE EDUCATION LOG

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 ORGANIZATION	BUDGET & AUDIT PROCEDURES	
2.50	5/11/2022	SACRS	Trustee Breakout							X		
1.25	5/12/2022	SACRS	Keynote Speaker: Perspectives on the Russia-Ukraine Invasion with General David Petraeus			X						
1.00	5/12/2022	SACRS	General Session: The Future of Business in the Metaverse Economy			X						
1.00	5/12/2022	SACRS	General Session: Navigating China, and Why It Matters			X						
	5/12/2022	SACRS	CONCURRENT SESSIONS									
1.00	5/12/2022	SACRS	A - Investing in Crypto Currency: A Public Fund Roadmap			X						
1.00	5/12/2022	SACRS	B - Impact Investing and Affordable Housing			X						
1.00	5/12/2022	SACRS	C - Sacramento CERS Spotlight					X				
1.00	5/12/2022	SACRS	A - Private Credit Outlook: Key Trends and the Road Ahead			X						
1.00	5/12/2022	SACRS	B - SACRS 2022 Legislative Update	X								
1.00	5/12/2022	SACRS	C - Inflation Part II: Investment Risk and Opportunities in an Inflationary Environment			X						
1.00	5/16/2022	MCERA	China Investment Considerations			X						
1.00	5/16/2022	MCERA	Inflation: A Historical Perspective and Looking Forward			X						
1.00	5/16/2022	MCERA	COVID-19 Mortality Impacts and Projections				X					
1.00	5/16/2022	MCERA	Tail Risk Hedging			X						
1.00	5/17/2022	MCERA	Meet MCERA Members					X				
1.00	5/15/2022	MCERA	MCERA Retiree Population by Geography and Economic Impact					X				
2.00	6/30/2022	California	Sexual Harassment and Abusive Conduct Prevention Training (Department of Fair Employment and Housing)							X		
51.25 Hours for Quarter Ending June 30, 2022												
2.00	9/2/2022	California	Sexual Harassment and Abusive Conduct Prevention Training (Department of Fair Employment and Housing)							X		
1.00	9/21/2022	CII	2:15 to 3:15 pm - Decarbonizing Emerging Markets			X						
1.00	9/21/2022	CII	2:15 to 3:15 pm - End to End Vote Confirmation Process							X		
1.00	9/21/2022	CII	2:15 to 3:15 pm - Responsible Investment in Residential Real Estate			X						
0.50	9/21/2022	CII	Plenary 1 - Exploring Empirical Evidence on ESG and Corporate Performance							X		
0.75	9/21/2022	CII	Plenary 2 - Navigating Global Conflict & Geopolitical Risk: Takeaways for Boards and Investors			X						
0.75	9/22/2022	CII	Plenary 3 - The Governance Gap: Spotlight on Small- and Mid-Cap Companies							X		
0.50	9/22/2022	CII	Plenary 4 - What's Next for the PCAOB							X		
1.00	9/22/2022	CII	Breakout Session 1: Strategies to Incorporate ESG into Fund Due Diligence and Contracts							X		
1.00	9/22/2022	CII	Breakout Session 2: The Public/Private Company Divide on Disclosure							X		
1.25	9/22/2022	CII	Plenary 5 - The Road Ahead for the U.S. & Global Economy			X						

B.3.d

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 ORGANIZATION	BUDGET & AUDIT PROCEDURES	
1.00	9/22/2022	CII	1:45 to 2:45 pm - London Calling: Why Can't We be Tougher on Executive Pay Across the Pond?							X		
1.00	9/22/2022	CII	1:45 to 2:45 pm - Using System-Level Investing & Engagement to Mitigate E&S Threats to Markets							X		
1.00	9/22/2022	CII	1:45 to 2:45 pm - The Materiality of Labor Rights: Research & Experience from the US and Europe							X		
0.75	9/22/2022	CII	Plenary 6 - ESG & Private Markets: Reporting and Integration Strategies			X						
0.75	9/22/2022	CII	Plenary 7 - Washington Outlook: The SEC and Congress	X								
1.00	9/23/2022	CII	9 to 10 am - Aligning Investment Activity With Sustainable Development Goals							X		
1.00	9/23/2022	CII	9 to 10 am - Cyber-Risk in "Plain English" - No Acronyms Allowed					X				
1.00	9/23/2022	CII	9 to 10 am - What Does the Infrastructure Investment and Jobs Act Bill Mean for Investors?			X						
0.75	9/23/2022	CII	Plenary 8 - International Governance Committee - Emerging Markets: Investment & Governance							X		
0.50	9/23/2022	CII	Plenary 9 - Shareholder Advocacy Committee - New Research on Engagement to Mitigate Climate Risks							X		
0.50	9/28/2022	MCERA	Investment Committee - Fixed Income Structure			X						
20.00 Hours for Quarter Ending September 30, 2022												

B.3.e

MCERA Investment Manager Capital Calls, Distributions, Uncalled Capital, Net Asset Value & Other Transfers
FY22/23 Quarter Ending September 30, 2022

INVESTMENT: PRIVATE EQUITY

Abbott Fund VI							
Quarter				Since Inception			March 31, 2022
Date	Capital Call	Distribution	Initial Commitment	Paid-in Capital	Distributions	Uncalled Capital	Net Asset Value
			100,000,000				
Total	0	0	100,000,000	99,500,000	151,700,113	500,000	46,993,410

Abbott Fund VII							
Quarter				Since Inception			March 31, 2022
Date	Capital Call	Distribution	Initial Commitment	Paid-in Capital	Distributions	Uncalled Capital	Net Asset Value
			35,000,000				
7/27/2022		(1,750,000)					
9/20/2022		(1,400,000)					
Total	0	(3,150,000)	35,000,000	34,650,000	35,228,023	350,000	52,814,849

Abbott Investors 2016							
Quarter				Since Inception			March 31, 2022
Date	Capital Call	Distribution	Initial Commitment	Paid-in Capital	Distributions	Uncalled Capital	Net Asset Value
			50,000,000				
9/21/2022		(1,050,000)					
Total	0	(1,050,000)	50,000,000	48,861,242	20,887,500	1,138,758	74,093,518

Abbott Investors 2017							
Quarter				Since Inception			March 31, 2022
Date	Capital Call	Distribution	Initial Commitment	Paid-in Capital	Distributions	Uncalled Capital	Net Asset Value
			15,000,000				
Total	0	0	15,000,000	12,573,752	3,388,125	2,426,248	20,875,822

Abbott Investors 2021							
Quarter				Since Inception			March 31, 2022
Date	Capital Call	Distribution	Initial Commitment	Paid-in Capital	Distributions	Uncalled Capital	Net Asset Value
			25,000,000				
8/11/2022	1,825,000						
Total	1,825,000	0	25,000,000	5,443,436	0	19,556,564	6,057,197

Total Abbott Commitment	1,825,000	(4,200,000)	225,000,000	201,028,430	211,203,761	23,971,570	200,834,796
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INVESTMENT: PRIVATE EQUITY

Pathway Fund 2008							
Quarter				Since Inception			March 31, 2022
Date	Capital Call	Distribution	Initial Commitment	Paid-in Capital	Distributions	Uncalled Capital	Net Asset Value
			100,000,000				

B.3.e

MCERA Investment Manager Capital Calls, Distributions, Uncalled Capital, Net Asset Value & Other Transfers
FY22/23 Quarter Ending September 30, 20227/29/2022
9/30/2022(768,999)
(1,413,592)

Total	0	(2,182,591)	100,000,000	99,712,703	160,357,737	9,592,339	67,349,058
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Pathway Fund I7-3							
Quarter				Since Inception			March 31, 2022
Date	Capital Call	Distribution	Initial Commitment	Paid-in Capital	Distributions	Uncalled Capital	Net Asset Value
			35,000,000				
7/29/2022		(424,853)					
8/31/2022		(745,047)					
9/30/2022		(721,448)					
Total	0	(1,891,346)	35,000,000	34,449,791	36,173,086	2,831,239	43,382,471

Pathway Fund I8-9							
Quarter				Since Inception			March 31, 2022
Date	Capital Call	Distribution	Initial Commitment	Paid-in Capital	Distributions	Uncalled Capital	Net Asset Value
			50,000,000				
7/29/2022		(432,461)					
8/11/2022		(496,621)					
9/30/2022		(599,686)					
Total	0	(1,528,768)	50,000,000	43,022,712	22,095,945	8,998,983	77,494,806

Pathway Fund I9-3							
Quarter				Since Inception			March 31, 2022
Date	Capital Call	Distribution	Initial Commitment	Paid-in Capital	Distributions	Uncalled Capital	Net Asset Value
			15,000,000				
Total	0	0	15,000,000	10,556,093	1,978,514	4,922,708	17,522,349

Pathway Fund I10-10							
Quarter				Since Inception			March 31, 2022
Date	Capital Call	Distribution	Initial Commitment	Paid-in Capital	Distributions	Uncalled Capital	Net Asset Value
			25,000,000				
8/16/2022	1,280,357						
Total	1,280,358	0	25,000,000	10,232,228	293,843	15,044,792	12,881,973
Total Pathway Commitment	1,280,357	(5,602,703)	225,000,000	197,973,527	220,899,125	41,390,061	218,630,657
Total Private Equity	3,105,357	(9,802,703)	450,000,000	399,001,957	432,102,886	65,361,631	419,465,453

INVESTMENT: OPPORTUNISTIC

CarVal Credit Value V

B.3.e

MCERA Investment Manager Capital Calls, Distributions, Uncalled Capital, Net Asset Value & Other Transfers
FY22/23 Quarter Ending September 30, 2022

Quarter				Since Inception			June 30, 2022
Date	Capital Call	Distribution	Initial Commitment	Paid-in Capital	Distributions	Uncalled Capital	Net Asset Value
			33,500,000				
Total	0	0	33,500,000	15,147,955	0	18,425,000	15,138,327

Fortress Credit Opps Value V							
Quarter				Since Inception			June 30, 2022
Date	Capital Call	Distribution	Initial Commitment	Paid-in Capital	Distributions	Uncalled Capital	Net Asset Value
			33,000,000				
Total	0	0	33,000,000	11,378,672	2,142,541	23,377,282	10,721,890

Varde Dislocation Fund							
Quarter				Since Inception			June 30, 2022
Date	Capital Call	Distribution	Initial Commitment	Paid-in Capital	Distributions	Uncalled Capital	Net Asset Value
			33,500,000				
Total	0	0	33,500,000	26,632,500	0	6,867,500	26,563,091
Total Opportunistic	0	0	100,000,000	53,159,127	2,142,541	48,669,782	52,423,308

Note:
Private Equity Net Asset Values are as of March 31, 2022 as reported in the Callan report as of June 30, 2022.

OTHER TRANSFERS and PORTFOLIO REBALANCE


Transfers, Redemptions and Dividends through September 30, 2022

DIVIDENDS	
MCRI - UBS Trumbull Property Fund	
Date	Amount
7/26/2022	(754,452)
Total	(754,452)
MCRI - AEW Core Property	
Date	Amount
8/11/2022	(1,024,757)
Total	(1,024,757)



November 10, 2022

To: Finance and Risk Management Committee
Marin County Employees' Retirement Association (MCERA)

From: Jeff Wickman 
Retirement Administrator

Subject: Outsourced Chief Information Security Officer (CISO)

Background

In May 2019, the Committee authorized the Retirement Administrator to engage a firm to conduct a Cybersecurity Risk Assessment on business systems and facilities that supported MCERA's operations. In July 2019 MCERA engaged Linea Secure to conduct the risk assessment.

Linea Secure presented their Cybersecurity Risk Assessment report to the Finance and Risk Management Committee in August 2020 in Closed Session. The report identified five high priority items that were immediately addressed by MCERA in addition to 28 medium priority items that were recommended for action. The medium priority items focused on having proper controls in place to manage security. At the Committee's request Linea Secure developed a priority order for items that should be addressed from the assessment.

In November 2020, the Committee authorized the Retirement Administrator to engage Linea Secure to assist with implementing the recommendations from the risk assessment, creation of an Incident Response Plan and a System Security Plan based on National Institute of Standards and Technology (NIST) standards.

Initial Assessment

The following services were completed during the initial cybersecurity assessment:

- Risk Assessment
- Penetration testing
- Code Review

Remediation Services

These services were performed to address the vulnerabilities that were uncovered:

- Development of cybersecurity policies specific to MCERA's business operations
- Development of an Incident Response Plan to manage cybersecurity events that occur
- Development of a System Security Plan for the CPAS pension administration system

B.3.i

To stay current on cybersecurity MCERA should consider conducting the following activities on an annual basis:

- Continuous Security Scanning of MCERA's technology environment
- Maintenance of the Security Assessment Report updated to reflect evolving vulnerabilities
- Maintenance and testing of the Incident Response Plan
- 3rd Party Security Reviews to ensure that key vendors implement and maintain protections that are required to safeguard the confidentiality of MCERA's information

Recommendation

Linea Secure has prepared a statement of work (attached) for providing MCERA with a Chief Information Security Officer (CISO) as an outsourced service. Linea Secure would conduct the assessments listed above which would help alleviate potential resources conflicts if MCERA's staff were to be required to conduct these activities. Conducting these assessments involves work with internal staff, Marin County Information Technology Services, and key third-party vendors such as Avenu, and staff believes that having an expert third party working with them will expedite the assessments and help address issues that may be beyond the expertise of our team.

It is staff's recommendation that the Committee direct the Retirement Administrator to develop and enter into an agreement with Linea Secure to provide outsourced CISO services for MCERA using the authority to enter into agreements delegated to him by the Board. If MCERA moves to provide a portal into its pension administration system, where members and retirees can access and potentially update specific data elements, having access to a CISO will be critical for addressing and managing the risks associated with adding this service.



Chief Information Security Officer as a Service

1 SCOPE DEFINITION

This Statement of Work outlines Linea Secure's proposed scope of services in support of Marin County Employees' Retirement Associations' fiduciary responsibilities for securing and protecting the confidentiality, integrity, and availability of member records and the protection of business processes that could be fraudulently compromised.

1.1 Background

Marin County Employees' Retirement Association (MCERA) requires the expertise of a cybersecurity consulting firm to assist them in implementing and assessing cybersecurity controls that MCERA has adopted to improve the security and reduce the risks to systems managed by the association. MCERA has decided to follow the National Institute of Standards and Technology (NIST) Cyber Security Framework, and more specifically the 800-53 Rev. 4 cybersecurity controls for a moderate classification for the systems in operation.

MCERA also engaged Linea Secure to mitigate security risks identified during the cybersecurity assessment of the organization, develop an Incident Response Plan, and to develop a System Security Plan for the CPAS system.

The cost is a subscription to the service at the beginning of the execution period. It also provides for any consultant that Linea Secure will utilize that possess the expertise to provide the required services to MCERA.

1.2 Chief Information Security Officer (CISO) as a Service

Linea provides CISO as a Service to help our clients achieve and maintain a level of cybersecurity compliance and capabilities that they are unable to attain on their own. CISO as a Service provides MCERA with a broad array of cybersecurity services that should normally be performed during a standard cybersecurity maintenance cycle.

1.3 Tasks Performed Under CISO as a Service

Linea will apply a pension fund-based approach to cybersecurity to examine the business processes at MCERA to uncover risks and vulnerabilities that should be addressed. Linea Secure's deliverables for the CISO as a Service offering will be a suite of tasks and services conducted in the sections below:

1.3.1 Security Scanning

Linea will perform internal security scans and testing of the internal MCERA network to identify vulnerabilities that may exist in the technology elements that remain on premise.

**1.3.2 Security Assessment Report (SAR)**

We will produce an internal security assessment report that will detail cybersecurity vulnerabilities that may affect MCERA, the severity of the vulnerabilities, and steps to mitigate them.

1.3.3 Maintenance and Testing of Incident Response Plan

Linea will assist with the implementation, review, and update the MCERA Incident Response Plan that was developed previously and perform testing of the plan with MCERA staff.

1.3.4 Maintenance and Testing of System Security Plans

Linea will review, update, and maintain the System Security Plan that were developed for the CPAS system. We will review and update Avenu's security position including their SOC and security reports.

1.3.5 3rd Party Security Reviews

Linea will assess the security controls used by third party suppliers or supply chain vendors such as the actuary or investment managers that manage assets on MCERA behalf. Linea will create a security questionnaire for MCERA to provide to supply chain vendors to complete, review the responses and report our review to MCERA management.

1.3.6 Security Awareness and Training

Linea will design, create, and execute a security awareness and training program for MCERA staff. Linea will conduct at least 1 annual training event for all staff and contractors with access to MCERA systems. Linea will conduct monthly internal phishing campaigns on MCERA staff to continually educate on attempts to compromise their accounts and provide automated follow up training to those that require it.

1.3.7 Detailed Cyberscore

Based on the information generated from the tasks above, Linea will create a Cyberscore for MCERA that will be comprised of the security elements and controls used, the results obtained, and threats uncovered and mitigated. The score will range from 350 – 850 reflecting MCERA cybersecurity compliance and maturity.

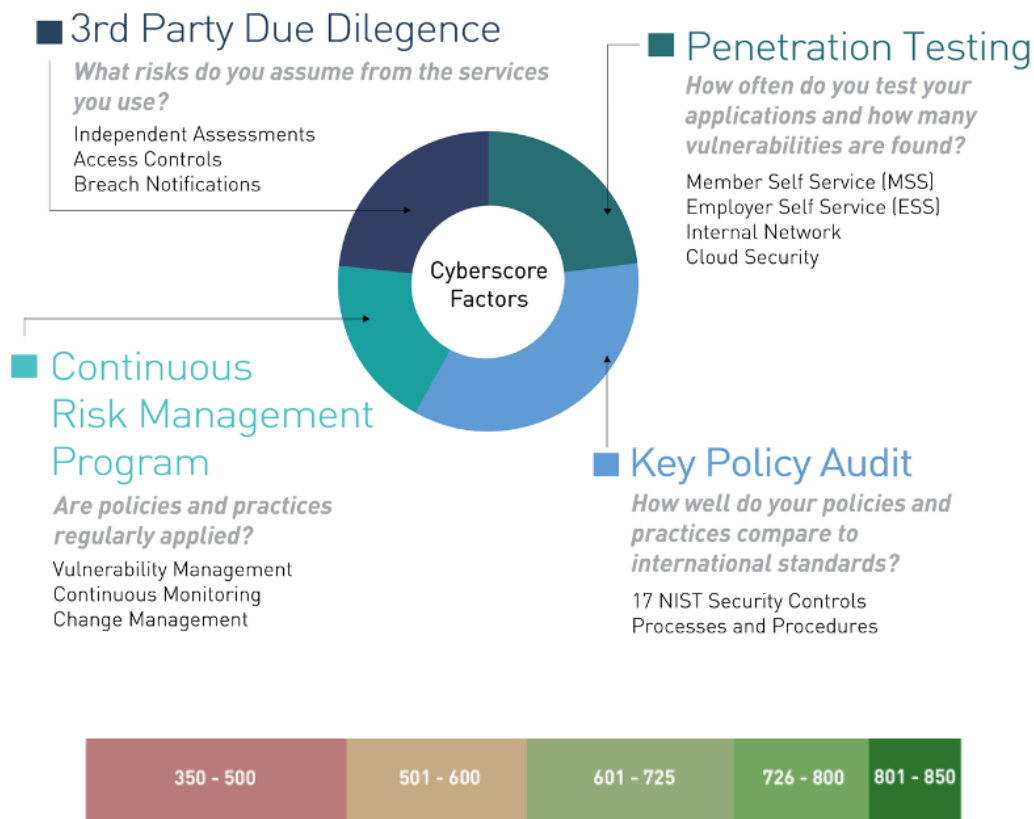


Figure 1 Cyberscore Components

2 PROPOSED APPROACH

Linea proposes to assign one Executive Principal Cybersecurity Consultant, one Senior Cybersecurity Consultant, and one Cybersecurity Associate to the Cybersecurity CISO as a Service engagement. Linea Secure has multiple, experienced, and qualified staff that can perform these services and the specific staff assigned will be determined at a later date in conjunction with MCERA. Other consultants with particular areas of specialty will be brought in when needed. This work will be performed on a schedule agreed to by the parties, along the timelines outlined in the following section.

3 SERVICE EXPECTATIONS

3.1 Resource Requirements and Timeline

Linea Secure is made up of a team of cybersecurity consultants that are experts in both cybersecurity and pension fund operations. As such, we expect to draw from various resources on our staff as needed. For the Client effort in this Statement of Work, Linea Secure intends to assign the three key consultants prior to the commencement of this work and intends to use



those same consultants throughout the duration of the Statement of Work, unless for reasons outside of Linea Secure's control.

The timeline of the work will take the following form, with start date and exact timelines to be determined and agreed to by the parties.

3.1.1 CISO as a Service

- Kickoff week, consisting of meetings and activities including:
 - Service kickoff and scoping session
 - Information gathering and document review
 - Scheduling of recurring meetings
- The week following the kickoff (or closely thereafter), Linea Secure will install security scanning software on the MCERA network and perform a review of current cybersecurity efforts
- Approximately two weeks after the scanning software is installed Linea will review results with MCERA
- Approximately 1-2 weeks after reviewing the scanning software results Linea will develop and present a plan to MCERA for the sequencing of the remaining tasks

3.2 Key Assumptions

Linea Secure will require the following to meet the Client's expectations:

1. Client subject matter experts are available to meet on the phone or through video conference on relative short notice, as needed, and are willing to reasonably cooperate with any questions or requests made
2. The work is expected to be done remotely by Linea Secure consultants, utilizing video conferencing and secure document sharing capabilities
3. Client subject matter experts are expected to have equipment capable of participating in video conferences and viewing documents
4. Project Sponsors and any staff assigned to this project that will be approving deliverables will be able to review and accept the deliverable in timely fashion
5. Deliverables will be submitted first in draft form. Prior to submission of the initial drafts, Linea Secure will review an outline or framework of the deliverables to ensure greater alignment of expectations. Deliverables will then go through no more than 2 more drafts before being delivered as approved.



4. Linea Secure's Cost

Total annual compensation under this Statement of Work is \$50,000¹ unless modified by a written and approved amendment to this Statement of Work. The cost proposed includes travel to MCERA headquarters if required, but at this time it is expected that most of the services required to be performed in this proposal will be accomplished remotely.

¹ Cost does not include other applicable taxes.

B.4 Annual Audit of Financial Statements Update

This is a discussion with no backup.

B.5 Future Meetings

This is a discussion with no backup.