

**MINUTES**

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

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

**July 10, 2024 – 9:00 a.m.**

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This meeting was held at the address listed above and was accessible via videoconference and conducted in accordance with Government Code section 54953 and 54954.2.

**CALL TO ORDER**

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

**ROLL CALL**

PRESENT: Cooper, Gladstern, Martinovich, Murphy, Poole, Silberstein, Vasquez, Werby,  
Jones (alternate retired, Shaw (ex officio alternate)

ABSENT: None

**CONSIDER ANY BOARD MEMBER REQUESTS TO TELECONFERENCE FOR  
“JUST CAUSE” OR “EMERGENCY,” AS SET FORTH ON THIS AGENDA BELOW**

No Board members requested to teleconference.

**MINUTES**

It was M/S Silberstein/Vasquez to approve the June 12, 2024 Board Meeting Minutes as amended per Trustee Silberstein's recommendation. The motion passed by a vote of 8-0 as follows:

AYES: Cooper, Gladstern, Martinovich, Murphy, Poole, Silberstein, Vasquez, Werby

NOES: None

ABSTAIN: None

ABSENT: None

**A. OPEN TIME FOR PUBLIC EXPRESSION**

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

Open time for public expression, from three to five minutes per speaker, on items not on the Board Agenda. While members of the public are welcome to address the Board during this time on matters within the Board’s jurisdiction, except as otherwise permitted by the Ralph M. Brown Act (Government Code Sections 54950 et seq.), no deliberation or action may be taken by the Board concerning a non-agenda item. Members of the Board may (1) briefly respond to statements made or questions posed by persons addressing the Board, (2) ask a question for clarification, or (3) provide a reference to staff for factual information.

No members of the public provided comment.

**B. BOARD OF RETIREMENT MATTERS**

1. Administrator’s Report

a. Administrator’s Update

Retirement Administrator Jeff Wickman reported that Jeanne Villa was elected as the new Eighth (Retired) Member with her three-year term of office beginning November 1, 2024. Trustee Jones was reelected as the Alternate Eighth (Retired) Member with her new term also starting on November 1, 2024. There were no nominees for the Alternate Safety Member, so as a result the nomination process will be reengaged. Applications are open for the vacant Sixth Member position appointed by the Board of Supervisors.

Mr. Wickman reminded the Board that one of this year’s Business Objectives is to conduct an audit of the actuarial valuation and experience study. A proposal for hiring a firm to conduct the audit will be presented to the Board at the August Board meeting

The Chief Financial Officer (CFO) position has been offered to a candidate and staff is waiting for the response.

b. Staffing Update

No discussion.

c. Facility Use Report

No facility usage in the period.

d. Future Meetings

- July 10, 2024 Audit Committee
- August 14, 2024 Board
- August 21, 2024 Finance and Risk Management Committee



2. Trustee Comments

a. Educational Training: Reports by Trustees and Staff

Trustee Vasquez reported on his attendance at the Stanford Directors' College. The classes focused on issues and tradeoffs corporate directors face, many of which overlap with public pensions. He highlighted the topic "Why Good Boards Make Bad Decisions" and discussed four factors undermining board effectiveness: 1) threat rigidity; 2) escalation of commitment; 3) underestimating the collective intelligence of board members; and 4) lack of psychological safety in the board room.

Threat rigidity can appear when boards face crisis situations and adopt rigid group dynamics, including a narrow focus. Counteracting uncertainty requires adaptive and flexible thinking. Avenues to employ include tasking members with expertise to take leadership roles, listening to all perspectives and discussing potential alternatives, and engaging external advisors. Secondly, escalation of commitment may emerge when things don't go as planned. The result can be confirmation bias when boards seek out data supporting current beliefs in order to avoid admitting failure. The alternative is to make it clear that it is laudable to change course by recognizing the need for flexibility and learning from mistakes. The third factor, underestimating collective intelligence, is a case for building on board diversity and working as a collective to leverage the expertise trustees bring to the table. Finally, a lack of psychological safety in the board room can lead to poor decision-making. As an antidote, welcoming different perspectives and encouraging dissenting views can result in insights coming to light. Mr. Vasquez recommended the Stanford Directors' College and offered to share his report.

Assistant Retirement Administrator Anya Bakerink reported Chris Nunez, Media Specialist, attended the CalAPRS Communications Round Table. The first topic on website redesign included ways to create increased member engagement by using more visuals and simpler language. The second topic on creating educational videos for members included the idea of using external vendors.

b. Other Comments

No discussion.

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

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

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| 1. Jason Baker | Non-Service Connected | Marin County Courts |
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Consider and take possible action to adopt Administrative Recommendation to grant non-service connected disability retirement application.



It was M/S Cooper/Vasquez to adopt the Administrative Recommendation to grant Jason Baker's application for non-service connected disability retirement effective July 25, 2023. The motion passed by a vote of 8-0 as follows:

AYES: Cooper, Gladstern, Martinovich, Murphy, Poole, Silberstein, Vasquez, Werby  
NOES: None  
ABSTAIN: None  
ABSENT: None

#### **D. OLD BUSINESS**

1. Investment Consultant Request for Proposal (RFP) Agreement (ACTION)

Consider and take possible action regarding investment consultant agreement

Mr. Wickman stated at its June 12, 2024 meeting the Board of Retirement selected Callan LLC as the successful respondent to the Investment Consultant RFP. The Board then authorized staff to enter into contractual discussions with Callan. The framework for the discussions would be the Model Investment Consulting Services Agreement included with the RFP. In accordance with this direction, the Administrator presented a five-year Agreement reached with Callan containing the key provisions, fiduciary acknowledgements, and scope of service important to MCERA. The proposal is for the new agreement to be effective on October 1, 2024 upon expiration of the current agreement at the end of this September. The first year annual fee would be \$337,000 and increase by 2% each subsequent year.

It was M/S Werby/Silberstein to adopt proposed Investment Consulting Services Agreement with Callan LLC as presented.

Trustee Gladstern asked about material changes to the new Agreement. In response, Mr. Wickman explained over the past ten years counsel has made a number of improvements in terms of the language of the model agreement. Counsel Dunning added that the Agreement provides for the Board/Investment Committee to retain decision-making authority. Trustee Gladstern noted the importance of Callan's services to MCERA and pointed to the reasonable 2% fee increase.

Trustee Vasquez questioned language in the agreement regarding the investment consultant not being responsible for advising on the merits of risks of individual securities. Mr. Wickman explained the Board delegates the selection of securities to investment managers when they are hired by the Board. As a result, Callan does not have a direct role in security selection.

The motion passed by a vote of 8-0 as follows:

AYES: Cooper, Gladstern, Martinovich, Murphy, Poole, Silberstein, Vasquez, Werby  
NOES: None  
ABSTAIN: None  
ABSENT: None

**E. NEW BUSINESS**

1. Future Meetings

Consider and discuss agenda items for future meetings

No discussion.

**F. OTHER INFORMATION**

1. Training Calendar (ACTION)

The monthly Training Calendar was presented for the Board’s consideration. The Administrator pointed out one new educational event, the NCPERS Accredited Fiduciary Program in October.

It was M/S Silberstein/Vasquez to approve the Training Calendar as submitted. The motion passed by a vote of 8-0 as follows:

- AYES: Cooper, Gladstern, Martinovich, Murphy, Poole, Silberstein, Vasquez, Werby
- NOES: None
- ABSTAIN: None
- ABSENT: None

**G. CONSENT CALENDAR (ACTION)**

The monthly Consent Calendar was presented for the Board’s consideration.

It was M/S Gladstern/Cooper to approve the Consent Calendar as submitted. The motion passed by a vote of 8-0 as follows:

- AYES: Cooper, Gladstern, Martinovich, Murphy, Poole, Silberstein, Vasquez, Werby
- NOES: None
- ABSTAIN: None
- ABSENT: None

**CONSENT CALENDAR**

**MCERA BOARD MEETING, WEDNESDAY, July 10, 2024**

**June 2024**

<b>RETURN OF CONTRIBUTIONS</b>			
Alia Brown	Full Refund - Termination	\$	3,590
Jaishree Chandrasekar	Partial Refund - Erroneous Contributions	\$	67
Mindi Levine	Full Refund - Termination	\$	4,906



**BUYBACKS**

Peter Arian	\$	93,257
Jake Bozzard	\$	19,302
Cecilia Castaneda	\$	907
Samuel Elliott Chapman	\$	11,367
Susan Farley	\$	75,731
Sam Morrison	\$	17,496
Nolan Overshiner	\$	22,192
Marleny Pancorbo Heitz	\$	1,686
Kevin Schwach	\$	10,029
Zach Sweeney	\$	8,448
Rowan Tabor	\$	1,085
Jack Tanner	\$	18,445
Jeffrey Whittet	\$	3,050

**NEW RETIREES**

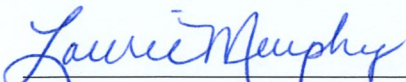
Shereen Ash	County of Marin - Library
Joyce Evans	County of Marin - Board of Supervisors
Ko Ho	County of Marin - Information Services & Technology
Kenneth Konopa	City of San Rafael
Teresa Sullivan	County of Marin - Health & Human Services
Partick Zuroske	County of Marin - Public Works


**DECEASED RETIREES**

Patricia Warren	County of Marin - Human Resources
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There being no further business, Chair Murphy adjourned the meeting at a at 9:46 a.m.

  
Laurie Murphy, Board Chair

  
Kelsey Poole, Secretary