

## **Board of Retirement Special Meeting Minutes**

**September 13 and 14, 2017**

**Location: Hill House Inn Bayroom 10701 Palette Drive, Mendocino CA 95460**

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### **Call to Order**

Dan Gjerde, Chair, called the meeting to order at 9:35 a.m.

### **Roll Call and Pledge of Allegiance**

Roll call was conducted with the following members present: Shari Schapmire, Patrick Sullivan, Kathryn Cavness, Kathryn Smith, Craig Walker, Tim Knudsen, Jeri Harris, Richard Shoemaker and Dan Gjerde.

Also present: James Wilbanks, Retirement Administrator, Jeff Berk, Legal Counsel, Stan Conwell, Financial Investment Officer, Judy Zeller, Administrative Assistant, Katy Richardson, Senior Retirement Specialist, and Nora Morgan, Retirement Specialist II. Absent: Lee Parker.

**Public Comment:** None

### **1) Consent Agenda**

- Minutes Of The Meeting Held August 16, 2017
- August Retirement Report
- Preliminary Monthly Financial Report

**Presenter/s:** Chair Gjerde referenced the consent agenda which was approved by unanimous consent.

### **2) Discussion and Possible Action Regarding any Consent Agenda Item Needing Separate Action**

None

### **3) Discussion and Possible Action on Resolution 2017 – 03 Defining Compensation Earnable Pursuant to Government Code Section 31461 For Members Who Are Not Subject To Government Code Section 7522.34 (Non-PEPRA Members)**

**Presenter/s:** Dr. Wilbanks explained review of the salary pay code resolutions, which included consulting with Counsel for the Board, and recommended adoption as presented.

**Board Action:** Motion was made by Ms. Harris to approve Resolution 2017-03 as presented. Ms. Cavness seconded the motion which was approved by the following vote: Ayes: Shari Schapmire, Patrick Sullivan, Kathryn Cavness, Kathryn Smith, Craig Walker, Tim Knudsen, Jeri Harris, and Dan Gjerde. Noes: 0. Abstain: 0. Absent: Lee Parker.

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### **4) Discussion and Possible Action on Resolution 2017 – 04 Defining Pensionable Compensation Pursuant to Government Code Section 7522.34 For Members Who Are Not Subject To Government Code Section 31461 (PEPRA Members)**

**Presenter/s:** Dr. Wilbanks recommended adoption as presented.

**Board Action:** Motion was made by Mr. Walker to approve Resolution 2017-04 as presented. Ms. Harris seconded the motion which was approved by the following vote: Ayes: Shari Schapmire, Patrick Sullivan, Kathryn Cavness, Kathryn Smith, Craig Walker, Tim Knudsen, Jeri Harris, and Dan Gjerde. Noes: 0. Abstain: 0. Absent: Lee Parker.

### **5) Discussion and Possible Action on Fiscal Year 2018 Proposed Revised Budget**

**Presenter/s:** Dr. Wilbanks explained the proposed budget revisions for fiscal year 2018.

**Board Action:** Motion was made by Ms. Cavness to approve the Fiscal Year 2018 Proposed Revised Budget. Ms. Schapmire seconded the motion which was approved by the following vote: Ayes: Shari Schapmire, Patrick Sullivan, Kathryn Cavness, Kathryn Smith, Craig Walker, Tim Knudsen, Jeri Harris, and Dan Gjerde. Noes: 0. Abstain: 0. Absent: Lee Parker.

### **6) Closed Session**

- Katherine Johnson, Court Services Technician II, Disability Retirement Application

#### **Report Out of Closed Session**

The Board unanimously voted to deny Katherine Johnson's application for service connected disability retirement.

**Board Action:** Motion was made by Mr. Knudsen to deny Katherine Johnson's application for service connected disability retirement. Mr. Walker seconded the motion which was approved by the following vote: Ayes: Shari Schapmire, Patrick Sullivan, Kathryn Cavness, Kathryn Smith, Craig Walker, Tim Knudsen, Jeri Harris, and Dan Gjerde. Noes: 0. Abstain: 0. Absent: Lee Parker.

### **7) Retirement Administrator Report**

- Board of Retirement Elections
- Kings Court Update
- MCERA Website
- Cancellation of September 20, 2017 Regularly Scheduled Board of Retirement Meeting

**Presenter/s:** Dr. Wilbanks provided his administrative report.

Mr. Parker joined the meeting at 10:10 a.m.

### **8) Discussion Regarding MCERA Strategic Plan**

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- Fiduciary Responsibility
- Review of Strategic Plan
- Fiscal Year 2018 Strategic Plan Objectives
- Strengths Finder Results
- Board Work Plan

**Presenter/s:** Dr. Wilbanks referenced the MCERA Strategic Plan and provided a brief overview of the topics to be discussed during this special two day meeting.

Mr. Berk provided an educational presentation on Fiduciary Duty which included discussion of Proposition 162, following adopted policy and procedures, and applicable laws, conducting investment manager searches and diversification of assets, continuing education, consulting with experts, service provider review, and the Board's primary duty pursuant to the California Constitution, Article XVI, Section 17(b).

Dr. Wilbanks conducted a review of the Board's Mission Statement and Guiding Principles. Following this discussion, information regarding some of the history of the Association was discussed for the benefit of new trustees. Strategic plan review continued and discussion included MCERA accomplishments, trustee and staff strengths including Strengths Finder 2.0 results, board duty prioritization, the MCERA Service Model, MCERA strengths, weaknesses, opportunities, and threats (SWOT), and the current Board Work Plan.

Trustees compiled a lengthy list of potential new projects and reviewed the Staff Work Plan. Dr. Wilbanks referenced the MCERA website and presented trustee photos and biographies. He also provided a preview of the new MCERA monthly newsletter which will be released to members soon. Following discussion of the Staff Work Plan and upcoming projects it was agreed that the new project list will be brought back for additional discussion and prioritization at a future board meeting and will be incorporated into the Board Work Plan at that time.

### **9) General Board Member Discussion**

#### **Adjournment and Notice of Next Board of Retirement Meeting**

Meeting adjourned at 3:17 p.m. on September 14, 2017

The next regularly scheduled Board of Retirement meeting will be held October 18, 2017 at 8:30 a.m. in the Mendocino County Employees Retirement Association Conference Room.