

◆ MENDOCINO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION ◆
BOARD OF RETIREMENT SPECIAL MEETING MINUTES
◆ DECEMBER 4, 2013 AT 1:00 P.M. ◆

CALL TO ORDER

Shari Schapmire, Board Chair, called the meeting to order at 1:00 p.m.

ROLL CALL

Roll call was conducted with the following members present:, Randy Goodman, Lloyd Weer, John Sakowicz, Supervisor John McCowen, Ted Stephens, Tim Knudsen, Bob Mirata, Richard Shoemaker, and Shari Schapmire. Also present: Rich White, Retirement Administrator, Jeff Berk, Legal Counsel, Judy Zeller, and Andy Yeung, The Segal Company. Members Absent: Craig Walker.

PUBLIC COMMENT: Kendall Smith, Retired Member, commented on past Valuations and the stated percentages of funding.

**1) SWEARING IN OF BOARD MEMBERS RANDALL GOODMAN AND CRAIG WALKER
(KATRINA BARTOLOMIE, COUNTY CLERK-ELECTIONS)**

Presenter/s: Ms. Bartolomie asked Mr. Goodman to stand and raise his right hand. She proceeded with the reading of the Oath of Office. Mr. Goodman accepted the oath verbally and signed the oath of office document. Ms. Bartolomie witnessed the document therefore completing the swearing in of Mr. Goodman. Mr. Walker was sworn in this morning at the Clerk Recorders office by Ms. Bartolomie.

2) CONSENT AGENDA

All matters on the Consent Agenda are to be approved by one action without discussion unless a Board Member requests separate action on a specific item.

A. Minutes of the Board Meeting held November 6, 2013

B. Signature Resolution 2013-04

Presenter/s: Chair Schapmire referenced the Consent Agenda previously distributed to the Board which included 1-A Minutes of the Board Meeting held November 6, 2013 and 1-B Signature Resolution 2013-04.

Mr. Berk mentioned that after discussion of SB751 at our last meeting the minutes will state the vote of any Board Action by member and how they voted unless the vote is unanimous.

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Board Action: Motion was made by Mr. Mirata to approve the Consent Agenda. Mr. Goodman seconded the motion and it was approved unanimously. (Motion Approved)

3) DISCUSSION AND POSSIBLE ACTION REGARDING ANY CONSENT AGENDA ITEM NEEDING SEPARATE ACTION

Board Action: None

4) DISCUSSION AND POSSIBLE ACTION REGARDING THE JUNE 30, 2013 ACTUARIAL VALUATION (THE SEGAL COMPANY)

Presenter/s: Andy Yeung, The Segal Company, referenced the Actuarial Valuation report for the year ending June 30, 2013. He reported that this valuation is very similar to those done in the past. There will be some increase to contribution rates, but we are sitting on a cushion of good investment gains. June 30, 2011 was the last time the assumptions were reviewed. Once this Valuation is approved we will begin work on the next three year experience study.

Mr. Stephens mentioned the continued Unfunded Accrued Actuarial Liability (UAAL) increase. Mr. Yeung stated that any amortization over 18 years is negative, so we will continue to see an increase. Board members may now see the causes of unfunded liability on a new page in the valuation report.

The amortization schedule and what will be owed by the plan sponsors were discussed. Mr. Stephens expressed concern that a lump sum may be owed by sponsors at the end of the year and he felt that we may need to provide updates to sponsors on progress towards payment or notify them if they are falling behind. He mentioned that the employer will always be behind when there is increase in contribution rates due to the one year implementation delay. Mr. Yeung stated that Segal has implemented the assumption that this one year implementation delay will happen. This assumption will be built into the current year and will add or subtract from the employer rate depending on whether there is an increase or decrease in contribution rates. Mr. Stephens asked if the excess earnings practice should be shown in Valuation reports somewhere, noticing the effect on plan funding. Mr. Yeung stated that Segal looks at assumed rate of return, not spent excess earnings. This would not be an actuarial practice.

The Board discussed the funded ratio and Government Accounting Standards Board (GASB) reporting requirements. Mr. Yeung mentioned that AB 1380 no longer requires rounding of Public Employees' Pension Reform Act (PEPRA) Tiers which will allow for an exact one half split of normal cost. Mr. White added that we did not implement the rounding to follow the law exactly. Mr. Yeung referenced investment gain of \$584,000 noted on page 5 of the report

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and how it is recognized. He added that Segal will recommend active management of smoothing and this will be brought to the Board for approval in the future.

The Board discussed missed assumptions, past actions of this board, and past recommendations made by their advisors. Mr. Stephens questioned the amount paid by the sponsor on page 40 of the report and if that was actually paid. Mr. Yeung replied that the amount due is based on actual payroll and adopted rates. Segal always assumes a one hundred percent (100%) contribution by the employer. Mr. Stephens added that the County Auditor Controller is required to deposit and make whole any missed employer contributions pursuant to the Government Code.

Board members referenced page 49 of the report asking if we can review the actual employer contributions paid for 2008, 2009, and 2010. Mr. White reminded the Board that there would be much cost for Segal to research this issue and to correct the reporting. Supervisor McCowen and Ted Stephens recommended this item for future Board discussion. Mr. Knudsen commented that the prior actuary may have used projected figures which would have been unadjusted to fluctuations in payroll. He offered to review the 2008, 2009 and 2010 Valuation reports and report his findings to the Board at our next meeting.

Board Direction: The June 30, 2013 Actuarial Valuation report will be sent to Gallina LLP for use in their annual Audit report and will be discussed again at the December 18th Board meeting.

Board Action: None

5) DISCUSSION AND POSSIBLE ACTION REGARDING RECRUITMENT FOR THE RETIREMENT ADMINISTRATOR POSITION

Presenter/s: Mr. White referenced information previously distributed to the Board regarding his resignation and recruitment of a Retirement Administrator. He referred to the next agenda item regarding the Accountant Position and described the recruitment process for a full-time accountant that has now twice failed in the eighteen months of his tenure with MCERA. During this period Scott German of Fechter and Company has provided accounting services for the Retirement Association, but this is a short-term measure. The future uncertainty of the Accountant Position is a point of discussion for the board to consider and the current state of affairs without a full-time accountant is a difficult situation to be in for any longer. The recruitment of a Retirement Administrator may be more successful if the Board were to look for an Administrator with accounting experience.

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Supervisor McCowen stated that he appreciated Mr. White's effort on our behalf, his professional attitude, his putting in place policy and procedure, and his recommendation to combine positions. Mr. Sakowicz added that he is sad to see Mr. White go. He understands how highly regarded Mr. White is in our industry and thanked Mr. White for the training he received and the networking he gained after introduction to all at Indian Wells.

Chair Schapmire stated that we should start recruitment for an Administrator immediately and we need to be upfront regarding the accounting issue. Mr. Knudsen requested a copy of the job class specification or recruitment flyer for the Retirement Administrator position. Chair Schapmire appointed Mr. Sakowicz, Mr. Knudsen, and herself to an Ad Hoc committee to oversee the recruitment process.

Board Direction: Board members will review the job class specification for the Retirement Administrator position. Mr. White will contact Human Resources to begin the recruitment process immediately. This item will be discussed again at the December 18th Board meeting.

Mr. Shoemaker left the meeting at 4:15 p.m.

6) DISCUSSION AND POSSIBLE ACTION REGARDING THE ACCOUNTANT POSITION

Presenter/s: Chair Schapmire began by stating that when the Administrator is doing accounting other items are not getting done. Mr. Goodman stated that all functions cannot be done with one position and felt that the original Fiscal Officer position should be filled, not an entry level accounting position, and don't combine positions. Mr. Knudsen agreed that the Administrator should do administration only. He has seen more positive administrative change since Mr. Andersen and Mr. White have worked with us.

Board members discussed increasing accounting hours to forty per week for recruitment and job sharing with the Mendocino or Sonoma Counties. Mr. White reminded the Board that six months ago we explored job sharing and the Counties were reluctant to do so because they did not have enough staff. He suggested extending the contract with Fechter and Company and discuss at the December 18th Board meeting. Supervisor McCowen asked Mr. Goodman why the job sharing did not work out for him. Mr. Goodman replied that Retirement's accounting required more hours than he could give, it was hard to switch duties frequently and he would get behind in both departments. He could not take things to next level here. Supervisor McCowen congratulated Mr. Goodman on doing an excellent job and proceeded to state that he was not convinced that we need two positions. A Retirement Administrator with a Certified Public Accounting background should be able to do it.

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Mr. Stephens stated that he was unsure if we had better stewardship today with the staff we have or in the past with less staff. Many dollars are going out in staffing; we have a large UAAL, and a mission statement that speaks to providing sustainable benefits. This is a big expansion from a budget standpoint. Mr. Goodman mentioned that we hired Mr. White without an accounting background and never gave him the tools to get the job done. A person with the required level of experience will not come in at half time. The expertise will cost more and we are already spending close to what a full time position would cost. Mr. Berk reminded the Board that the administration of a public pension plan is difficult on its own and understanding the County Employees Retirement Law Act of 1937 is a struggle. As the smallest retirement system it is even more difficult with less staff. We have the same duties as much larger systems and we now have a trust fund that is over \$400 million.

Mr. Weer stated that the County Auditor's office could not handle any additional work. It's hard to compare our staffing requirements to others and independency puts much pressure on our staff. He thought five staff members would still be considered low. Automation, independence, and training are all important, but most importantly, we cannot always be looking for a Retirement Administrator. Mr. Sakowicz stated that it is painful to see our department grow when other departments are retracting, but we need a full time accounting position. Mr. Mirata stated that our salary is not high enough to draw qualified applicants and government regulations and legislation puts more demand on departments and staff. We need to recruit a full time position. Retirement office staff including Judy Zeller, Katy Richardson, and Christie O'Farrall shared their thoughts with the Board as well.

Mr. White suggested looking at the position of Administrative Services Manager which may need modification for use in this department, but is included in the position allocation table. The Fiscal Officer position is not included in the position table due to Board of Supervisors denial. Mr. Goodman agreed with Mr. White's suggestion and asked him to work on the Administrative Services Manager position with Human Resources knowing that Civil Service must review and the position may need to go to the Board of Supervisors for approval.

Board Direction: Mr. White will contact Human Resources to obtain more information regarding the Administrative Services Manager position and a new recruitment for our accounting needs. This item will be discussed again at the December 18th Board meeting.

7) GENERAL BOARD MEMBER DISCUSSION

Mr. Sakowicz spoke about his attendance at the State Association of County Retirement Systems (SACRS) Conference at Indian Wells stating it was a great opportunity. He enjoyed the session on alternative investments and fixed income stating that the Board should receive education on syndicated bank loans and private lending. Mr. White added that other systems

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are looking at this as well. He referenced the RV Kuhns report which lists one fund that does a lot of investment in this area and that is why they have high returns in fixed income in the report. Mr. Knudsen stated that Real Estate is an alternative investment and asked if we would have to account for this type of investment as Real Estate. Mr. White replied that this type of investment would be considered part of Fixed Income, but that the Board would need to make that decision if they chose to invest in that way.

Board Direction: The Board will discuss this alternative investment item at their January 15, 2013 Board meeting. Mr. White will ask Callan Associates to participate in this discussion.

ADJOURNMENT (4:35 p.m.)

Pending Board Approval

Richard A. White, Jr.
Retirement Administrator



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MENDOCINO COUNTY
EMPLOYEES' RETIREMENT ASSOCIATION
625-B KINGS COURT
UKIAH, CALIFORNIA 95482-5027

Date: December 18, 2013
To: Board of Retirement
From: Richard White, Retirement Administrator *RAW*
Subject: Administrator Report

Meetings attended since the last Board of Retirement meeting:

- I attended the Department Head meeting conducted by the CEO on November 6th.
- I attended the Alternative Investment Forum on November 12 in Indian Wells, CA.
- I attended the Fall 2013 SACRS Conference on November 12-15, 2013 in Indian Wells, CA.
- I held a meeting with our staff on November 21st.
- I attended a portion of the Koried Institutional Investment Forum on December 3rd in San Francisco.
- I met with executive staff of the Mendocino County Superior Court and the Chief Executive Officer of the County on Wednesday, December 11, 2013.

Future meeting attendance prior to next Board of Retirement meeting:

- Nothing planned at this time.

Pension Gold Administration System:

The kick-off meeting for the implementation of the Pension Gold Administration System was conducted for three full days on Tuesday, December 10 through Thursday, December 12, 2013.

Pension Gold Retirement Solutions (PGRS) did a lot of work already on the implementation project prior to their arrival here this week evidenced by how well organized the meetings were; which made them very productive. These meetings focused on gathering information about MCERA, our processes and procedures and to plan the next steps of the implementation project, including the establishment of responsibilities for the components. Various documents were reviewed and referenced during the meeting and parts of the PensionGold system were demonstrated to reinforce the discussions.

The meetings were attended by a six-member implementation team from Pension Gold Retirement Solutions, our technology consultant from Linea Solutions and all of our MCERA staff. Additionally, staff from the County and the Court was present for portions of these meetings in order to coordinate the data and information needed from them for the PensionGold system.

We covered the three 'deliverables' outlined in the scope of work that will be worked on by Pension Gold Retirement Solutions (PGRS) which included:

1. Member and employer reporting sections
2. Benefit calculations and payroll sections
3. MemberDirect, actuarial extracts, general ledger, ad-hoc reporting and security sections.

The immediate next steps will be primarily centered on the data held by our plan sponsors which includes data analysis, data mapping and conversion of the data into the format needed by PensionGold. It is anticipated that the review and approval of deliverable #1 (member and employer reporting sections) will be completed in early 2014. This means that our plan sponsors and our staff will be investing a lot of dedicated time to this item over the course of the next few weeks.

I have included a letter of thanks and appreciation from Levi, Ray & Shoup which is included in these materials.

United States Census Bureau Report:

I completed the 2013 Annual Survey of Public Pension systems conducted by the Census Bureau. Interestingly, the ability to complete and submit the report was delayed for a time due to the federal government closure in October.

Mendocino County Leadership Academy:

Katy Richardson, Senior Retirement Specialist was among 35 other high level county employees selected to participate in the County Leadership Academy presented by Steve Zuieback. The academy is presented in a multi-session format which includes structured facilitated training sessions and monthly brown bag coaching sessions. The Academy started in November and will run through May, 2014. The focus of the Leadership Academy is to develop 'leadership practices for challenging times'. I have included the academy informational flier for your referral.

PENSIONGOLD[®]
RETIREMENT SOLUTIONS

LEVI, RAY & SHOUP, INC.

2401 West Monroe Street Springfield, Illinois 62704

P: 217.793.3800 F: 217.787.1205 www.LRS.com/pengold

November 20, 2013

Mr. Richard A. White, Jr.
Retirement Administrator
Mendocino County Employees' Retirement Board
625B Kings Court
Ukiah, CA 95482

RECEIVED BY

NOV 22 2013

The Mendocino County Employees
Retirement Association

Dear Rich, Staff Members, the Board of Trustees, and all MCERA stakeholders:

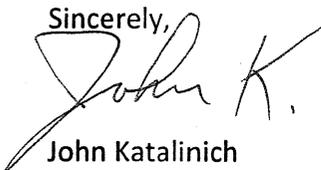
On behalf of the PensionGold Retirement Solutions (PGRS) team here at Levi, Ray & Shoup, Inc. (LRS), I would like to say thank you for placing your confidence in us to provide the new pension administration software solution for your office.

We are aware this is a very important project and is the first time MCERA has implemented a software product to handle important functions such as membership tracking, performing benefit calculations, and handling benefit payment processing. Together with the dedicated staff there and the team from Linea Solutions, we are confident that the project will be a complete success.

Our PGRS team has been working with local government defined benefit plans since 1986, and over the years we have been fortunate to provide products and services for a number of other 37 Act Counties in California. We are dedicated to this market and were proud to be recognized at the recent SACRS Conference as 10+ year affiliate member.

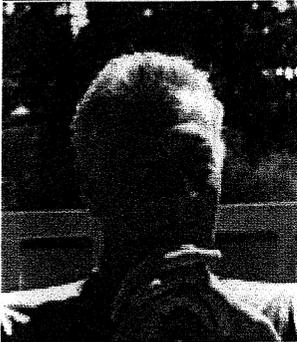
Thank you again for selecting the PGRS team for your pension administration system project. We look forward to a successful implementation and a mutually beneficial relationship that will last for many years to come.

Sincerely,



John Katalinich
Account Representative

PRESENTED BY:
STEVE ZUIEBACK
LEADERSHIP CONSULTANT



**OUR
LEADERSHIP PHILOSOPHY**

IN ORDER TO ACHIEVE EFFECTIVE
LEADERSHIP AT ALL LEVELS, AND
EXCELLENCE IN PUBLIC SERVICE,
WE BELIEVE...

(1) TRUST AND INTEGRITY
ARE ESSENTIAL

(2) IN DEPARTMENTS
WORKING TOGETHER
AS ONE ORGANIZATION

(3) IN EMPLOYEES BEING
INVOLVED IN KEY PROGRAM
AND POLICY DECISIONS THAT
IMPACT THE ORGANIZATION

(4) THAT INVESTING IN
AND SUPPORTING
EMPLOYEE DEVELOPMENT
RESULTS IN THE RETENTION
AND PROMOTION
OF QUALITY EMPLOYEES.

ADOPTED:
SEPTEMBER 9, 2013



ANNOUNCING...

**MENDOCINO COUNTY LEADERSHIP ACADEMY
CLASS OF 2014**

Leadership Practices For Challenging Times

The challenges of working in today's organizations have become more complex and less predictable. One key to sustaining organizational success is by investing in leadership development programs. This intensive training program provides participants with understandings about organizational systems, leadership, and skills to facilitate the most demanding, challenging and creative types of group interactions.

Course Curriculum:

A leadership development program geared towards:

- Understanding Leadership Practices That Lead to a Sustainable Organization
- Developing and Sustaining a Positive Organizational Culture
- Creating a Culture of Trust
- Building Internal Capacity While Preparing for Succession Planning
- Creating a High-Performance Organization to Meet Our Public Service Goals
- Identifying Mechanisms to Track Progress and Make Adjustments to Our Principles and Values

The Course Also Includes:

- Tools to Implement, Maintain, and Grow Your Leadership Principles
- 8 Days of Face-to-Face Training
- Monthly "Brown Bag" Coaching Sessions
- Steve Zuieback's New Book on Leadership Practices
- Facilitation Process Flash Cards

Our Instructor:

Steve Zuieback is a management consultant and master facilitator with over 30 years of experience.

Location:

- Structured training sessions will be held at the Veteran's Memorial Building • Ukiah
- Brown Bag "Coaching Sessions" will be held at the County Admin Center • Ukiah

Fee:

No charge to participants (All training costs will be absorbed by the Mendocino County Executive Office in Partnership with Human Resources)

ACADEMY AT-A-GLANCE
November 2013-May 2014
Sessions are 9am-5pm
Ukiah Veterans Hall

Friday, November 8, 2013
Friday, November 15, 2013
Thursday, December 19, 2013
Friday, January 10, 2014
Friday February 14, 2014
Friday, March 21, 2014
Friday, April 25, 2014
Friday, May 30, 2014

Monthly "Brown Bag"
Coaching Sessions (TBA)

FOR MORE INFORMATION:

CONTACT TAMMI WESELSKY, INTERIM HUMAN RESOURCES DIRECTOR, AT 234-6600

TO BE CONSIDERED:

PLEASE APPLY TO: MENDOCINO COUNTY LEADERSHIP ACADEMY - CLASS OF 2014
BY OCTOBER 18, 2013 (VIA EMAIL TO: WESELSKY@CO.MENDOCINO.CA.US)

Richard A. White, Jr.
Retirement Administrator



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MENDOCINO COUNTY
EMPLOYEES' RETIREMENT ASSOCIATION
625-B KINGS COURT
UKIAH, CALIFORNIA 95482-5027

Date: December 18, 2013
To: Board of Retirement
From: Richard White, Retirement Administrator *RW*
Subject: Communications to the Board of Retirement

Discussion: Included are articles and items of interest which relate to public pension funds and are presented to the Board as informational items.

1. Weekly Update Report. Administrative updates as provided to the Board of Retirement are included for reference.

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MENDOCINO COUNTY
EMPLOYEES' RETIREMENT ASSOCIATION
625-B KINGS COURT
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Date: December 9, 2013
To: Members of the Board of Retirement
From: Richard White, Retirement Administrator
Subject: Weekly Update Report

The following is my regular weekly summary of MCERA administrative activity for the week of December 2 through 6, 2013:

- **SCHEDULE:**
 - This was a normal and full administrative work week for myself and our staff.
 - I participated in a panel presentation on "The Landscape of my Fund" at the KORIED Institutional Investors Roundtable held in San Francisco on December 3rd.

- **MEETINGS:**
 - The Board of Retirement met in a special session on Wednesday, December 4th.
 - I met with representatives of institutional investment firms on Wednesday, December 4th, Thursday, December 5th and Friday, December 6th.
 - I met with County Human Resources staff on December 5th to discuss the accountant and administrator recruitment.
 - I met with staff at the County Counsel and Executive Office on various MCERA related items on December 5th.

- **ITEMS:**
 - **Board meeting agenda packet.**
 - I worked on agenda items for both December Board meetings and the Audit/Budget Committee meeting. Legal Counsel, MCERA staff and our professional services providers assisted me with these items.

 - **Pension Administration System (PAS)**
 - Administrative time was used to complete the final touches necessary for the Pension Gold kick-off meetings scheduled for December 10-12, 2013.

 - **Investments**
 - I monitored the rebalancing of the portfolio and worked on the monthly investment report.
 - I spoke with our investment consultants regarding future Board agenda items.

- **Financial Reports**
 - I worked in the Peachtree accounting system and on the monthly financial reports.
 - I spoke with our external auditor regarding future Board agenda items.

- **Comprehensive Annual Financial Report (CAFR)**
 - I worked on reviewing, revising and preparing the upcoming CAFR.

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MENDOCINO COUNTY
EMPLOYEES' RETIREMENT ASSOCIATION
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Date: December 2, 2013
To: Members of the Board of Retirement
From: Richard White, Retirement Administrator *RW*
Subject: Weekly Update Report

The following is my regular weekly summary of MCERA administrative activity including an update regarding MCERA-related issues for the week of November 25 through November 29, 2013:

Schedule:

- The Association was closed on Thursday, November 28 and Friday, November 29, 2013 in observance of Thanksgiving Holiday.
- I took vacation time off on Monday, November 25 through Wednesday, November 27, 2013.

Issues:

- The administrative office was open at the beginning of the week for regular business.
- I monitored the investment trust fund re-balancing (this will be reported at the December 18th Board meeting).
- I met with one of our investment managers to review our investment fund and its performance (this will be reported at the December 18th Board meeting).

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MENDOCINO COUNTY
EMPLOYEES' RETIREMENT ASSOCIATION
625-B KINGS COURT
UKIAH, CALIFORNIA 95482-5027

Date: November 22, 2013
To: Members of the Board of Retirement
From: Richard White, Retirement Administrator *RW*
Subject: Weekly Update Report

The following is my regular weekly summary of MCERA administrative activity including an update regarding MCERA-related issues for the week of November 18 through 22, 2013:

SCHEDULE:

- This was normal administrative work week for me and our staff.

MEETINGS:

- Katy Richardson and I participated in a conference call with Linea Solutions to plan and coordinate items for the December Pension Gold administration system kick-off meeting.
- I met with the Board Chair and Vice Chair to discuss agenda items for the December 4th Board of Retirement meeting.
- I participated in a conference call with The Segal Company to discuss the actuarial valuation report ahead of the December 4th board meeting.
- I held a staff meeting to discuss various administrative and operational issues.

ITEMS:

- **Board meeting agenda packet.**
 - A large portion of the week was taken with the preparation and review of materials and agenda items for December 4th and December 18th Board meetings. Legal Counsel, MCERA staff and our professional services providers assisted me with these items.
- **Accounting and Financial**
 - I spent administrative time entering data into the Peachtree Accounting System and generating reports from the system.
 - I reviewed the monthly financial reports prepared by our accountant for the December 18th board meeting.
- **Investments**
 - I spent administrative time reviewing the monthly investment reports and monitoring the progress of the asset rebalancing.
- **Comprehensive Annual Financial Report (CAFR)**
 - I spent some administrative time preparing and reviewing the CAFR report.

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Retirement Administrator



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MENDOCINO COUNTY
EMPLOYEES' RETIREMENT ASSOCIATION
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Date: November 18, 2013
To: Members of the Board of Retirement
From: Richard White, Retirement Administrator
Subject: Weekly Update Report

The following is my regular weekly summary of MCERA administrative activity including an update regarding MCERA-related issues for the week of November 11 through November 15, 2013:

Schedule:

- The Association was closed on Monday, November 11, 2013 in observance of Veteran's Day.
- I attended the Alternative Investment Forum (AIF) in Indian Wells on Tuesday, November 12, 2013.
- I attended the Fall Conference of the State Association of California Retirement Systems (SACRS) in Indian Wells on Tuesday, November 12 through Friday, November 15, 2013.

Issues:

- The AIF was a group of public pension fund investment officers and system trustees who discussed their use of asset classes and investment strategies with investment professionals in a relaxed atmosphere that allowed for meaningful dialog and interaction. The themes were diversification, liquidity in the portfolios to meet cash needs, governance and transparency, benchmarks and the fit of alternative investment strategies in funds.
- The SACRS conference presented a wide variety of topics and presentations with a high degree of relevance to public pension funds and the trustees, administrators and the staffs of the SACRS systems. Topics included the US and global economy, investment and asset allocation issues, governance and administration of our systems, numerous operational issues such as disability, technology and internal and external audits. Sessions focused on new and experience trustee training, legal and legislative topics, the business meeting and there was sufficient time for networking with peers from the twenty SACRS systems. The conference program is available for review in the MCERA office. The conference was very well attended with over 700 registered attendees.

Richard A. White, Jr.
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MENDOCINO COUNTY
EMPLOYEES' RETIREMENT ASSOCIATION
625-B KINGS COURT
UKIAH, CALIFORNIA 95482-5027

Date: November 8, 2013
To: Members of the Board of Retirement
From: Richard White, Retirement Administrator
Subject: Weekly Update Report

The following is my regular weekly summary of MCERA administrative activity for the week of November 4, 2013 through November 8, 2013

- **SCHEDULE:**
 - This was a normal and full administrative work week.
 - Please note that the MCERA office will be closed on Monday, November 11, 2013 in observance of the Veteran's Day Holiday.
 - I will be attending the SACRS Fall Conference in Indian Wells from Tuesday, November 12 through Friday, November 15.

- **MEETINGS:**
 - I met with the Chair and Vice Chair of the Board of Retirement for our pre-board meeting planning session on November 4th.
 - I attended the Board of Supervisor meeting and was prepared to speak on the two consent agenda items we had on the calendar. The items passed without any discussion from the Board on November 5th.
 - The Board of Retirement held the monthly meeting on November 6th.
 - I attended the County Department Head meeting on November 6th.
 - I participated in a planning conference call on a session scheduled for the SACRS Fall Conference next week.

- **ITEMS:**
 - **Board meeting agenda packet.**
 - A portion of the week was taken with the preparation and review of materials that comprise the agenda items for the current Board meeting and the two December board meetings. Legal Counsel, MCERA staff and our professional services providers assisted me with these items.

 - **Investments**
 - I participated in a conference call with investment officers with the twenty 1937 Act counties on November 4th.
 - I prepared the monthly investment report.

- I reviewed materials and reports in preparation for rebalancing the portfolio during the month of November.
- I met with a representative of an Investment firm to discuss investment related topics and strategy relevant to the MCERA trust fund.
- **Financial Reports and Comprehensive Annual Financial Report (CAFR)**
 - I spent a number of hours reviewing, revising and preparing the upcoming CAFR.
- **Voluntary Correction Program (VCP)**
 - I spent some time responding and compiling responses to questions posed to us by Hanson Bridgett in regards to the IRS determination letter proceedings.
- **Peachtree Accounting**
 - Some time was spent making entries into the Peachtree Accounting system.
- **Accountant Position**
 - I spent some time following up on the recruitment for the Accountant position for which the assessment examination was conducted on November 5th.
- **Disability**
 - I reviewed reports and documents regarding a pending disability case.

Richard A. White, Jr.
Retirement Administrator



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Date: November 4, 2013
To: Members of the Board of Retirement
From: Richard White, Retirement Administrator
Subject: Weekly Update Report

The following is my regular weekly summary of MCERA administrative activity for the week of October 28 through November 1, 2013:

- **SCHEDULE:**
 - This was a normal and full administrative work week.
- **MEETINGS:**
 - We had a staff meeting on Thursday to discuss and plan agenda items for future Board of Retirement meetings; discuss the initial kick-off for the pension administration system; discuss and plan office staffing and scheduling with the holidays coming up in order to adjust the project timelines and ensure we have the staffing to complete them.
- **ITEMS:**
 - **Board meeting agenda packet.**
 - A significant portion of the week was taken with the preparation and review of materials that comprise the agenda items for next Board meeting. Legal Counsel, MCERA staff and our professional services providers assisted me with these items.
 - **Pension Administration System (PAS)**
 - Administrative time was used to complete the final touches on the contracts with LRS on our pension administration system.
 - **Investments**
 - I discussed and reviewed materials with our Investment Consultant in anticipation of rebalancing the portfolio during the upcoming month.
 - I met with a representative of an Investment firm to discuss investment related topics and strategy relevant to the MCERA trust fund.

- **Financial Reports and Comprehensive Annual Financial Report (CAFR)**
 - I spent time discussing and reviewing financial information with our external auditor.
 - I spent a number of hours reviewing, revising and preparing the upcoming CAFR.

- **Mendocino County Superior Court (Plan Sponsor)**
 - I worked on a question posed by the Superior Court about elements of final compensation which was responded to in a timely manner. I consulted with Katy Richardson, Jeff Berk and the Court executive officer in the preparation of this response.