



Contra Costa County Employees'
Retirement Association

MINUTES

RETIREMENT BOARD MEETING MINUTES

REGULAR MEETING

July 8, 2020

9:00 a.m.

The Board of Retirement meeting will be accessible telephonically at (786) 535-3211, access code 902-784-661 due to the Contra Costa County and State of California Coronavirus (COVID-19) Shelter In Place Orders, and as permitted by Executive Order N-29-20 issued on March 17, 2020.

Smithey and the Board expressed their sympathy and condolences to the family and friends of Sherrina Cole, a longtime CCCERA employee who passed away.

1. Pledge of Allegiance

The Board and staff joined in the *Pledge of Allegiance*.

2. Roll Call

Present: Candace Andersen, Donald Finley, Scott Gordon, Jerry Holcombe, Louie Kroll, Jay Kwon, David MacDonald, John Phillips, Mike Sloan, Todd Smithey and Russell Watts

Absent: None

Staff: Gail Strohl, Chief Executive Officer; Christina Dunn, Deputy Chief Executive Officer; Timothy Price, Chief Investment Officer; Karen Levy, General Counsel; Wrally Dutkiewicz, Compliance Officer; Anne Sommers, Administrative/HR Manager; Henry Gudino, Accounting Manager; Tim Hoppe, Retirement Services Manager; and Jasmine Lee, Member Services Manager

Outside Professional Support: Representing:

Scott Whalen	Verus Investments
Andrew Miller	Acadian Asset Management LLC
Ilya Figelman	Acadian Asset Management LLC
Clifton Hill	Acadian Asset Management LLC
Bryce Doty	Sit Investment Associates

3. Board Reorganization

It was **M/S/C** to nominate Todd Smithey as Board Chairperson, Scott Gordon as Vice Board Chairperson and David MacDonald as Secretary. (Yes: Andersen, Finley, Gordon, Holcombe, Kroll, MacDonald, Phillips, Smithey and Watts)

4. Recognition of Leilani Green for 20 years of service

Smithey recognized and congratulated Leilani Green for 20 years of service.

5. Accept comments from the public

No member of the public offered comment.

6. Approval of Minutes

It was **M/S/C** to approve the minutes from the June 10, 2020 meeting. (Yes: Andersen, Finley, Gordon, Holcombe, Kroll, MacDonald, Phillips, Smithey and Watts)

7. Routine Items

It was **M/S/C** to approve the routine items of the July 8, 2020 meeting. (Yes: Andersen, Finley, Gordon, Holcombe, Kroll, MacDonald, Phillips, Smithey and Watts)

It was the consensus of the Board to move to Item 18b. Outside Professionals' Report

18b. Scott Whalen, Verus Investments, reported he will be reaching out to the Board members regarding a Risk Tolerance Assessment for the upcoming Asset Liability Study.

CLOSED SESSION

The Board moved into closed session pursuant to Govt. Code Section 54957.

The Board moved into open session.

8. It was **M/S/C** to accept the Medical Advisor's recommendation and grant the following disability benefits:

- a. James Brooks – Service Connected (Yes: Andersen, Finley, Gordon, Holcombe, Kroll, MacDonald, Phillips, Smithey and Watts)
- b. Kirt DeMichiel – Service Connected (Yes: Andersen, Finley, Gordon, Holcombe, Kroll, MacDonald, Phillips, Smithey and Watts)

9. Consider and take possible action to authorize the CEO to execute an agreement with Contra Costa County for contribution and reporting deadlines

It was **M/S/C** to authorize the variance from the deadlines prescribed in the Board Regulations for Contra Costa County and to authorize the CEO to execute an agreement

with Contra Costa County for contribution and reporting deadlines. (Yes: Andersen, Finley, Gordon, Holcombe, Kroll, MacDonald, Phillips, Smithey and Watts)

10. Presentation from staff and Acadian managers regarding a potential commitment to Acadian Multi-Asset Absolute Return Strategy – Andrew Miller, Ilya Figelman and Clifton Hill

Price provided background on the strategy noting the fund fulfills the risk diversifying portfolio requirements including positive real return, liquidity and risk diversification.

Miller, Figelman and Hill provided background on the firm, their team, and their philosophy on their multi-asset absolute return strategy. They also reviewed their investment process and provided an example of a particular investment .

11. Consider and take possible action regarding a commitment to Acadian Multi-Asset Absolute Return Strategy

It was **M/S/C** to approve the 1.5% allocation into the Acadian Multi-Asset Absolute Return Fund, LLC subject to satisfactory due diligence and legal review and authorize the CEO to execute the necessary contracts. (Yes: Andersen, Finley, Gordon, Holcombe, Kroll, MacDonald, Phillips, Smithey and Watts)

12. Review of report on liquidity sub-portfolio

Price reviewed the report.

13. Presentation from Sit Investment Associates – Bryce Doty

Doty provided an overview of the firm and the team that manages their Taxable Fixed Income strategy. He also reviewed CCCERA's performance in the strategy as of May 31, 2020.

Kwon was no longer present for subsequent discussion and voting.

14. Consider and take possible action on SACRS voting proxy form

It was **M/S/C** to appoint Mike Sloan as the voting delegate and Louie Kroll as the alternate voting delegate to vote on the behalf of CCCERA at the SACRS Fall Conference. (Yes: Andersen, Finely, Gordon, Holcombe, Kroll, MacDonald, Phillips, Smithey and Watts)

It was **M/S/C** to support the SACRS Nominating Committee recommended ballot. (Yes: Andersen, Finely, Gordon, Holcombe, Kroll, MacDonald, Phillips, Smithey and Watts)

15. Operations update

Strohl provided an update on CCCERA office operations.

16. Report out from Audit Committee Chair on June 24, 2020 Audit Committee meeting

Phillips reported on the following items that were discussed at the June 24, 2020 Audit Committee meeting: the CCCERA FY2019 audit and the evaluation of Brown Armstrong; a status update on the recruitment for an Internal Auditor; an update from Dutkiewicz on compliance activities; and, an update from Gudino on contribution payments noting that all employers are paying on time.

17. Consider authorizing the attendance of Board:

- a. It was **M/S/C** to authorize the attendance of all Board members at the SACRS Summer Webinar Series, Ethics Training for Trustees and Staff, July 9, 2020, Virtual Program (Yes: Andersen, Finley, Gordon, Holcombe, Kroll, MacDonald, Phillips, Smithey and Watts)
- b. . It was **M/S/C** to authorize the attendance of all Board members at the SACRS Summer Webinar Series, Sexual Harassment Prevention Training for Local Agency Officials, July 15, 2020, Virtual Program (Yes: Andersen, Finley, Gordon, Holcombe, Kroll, MacDonald, Phillips, Smithey and Watts)
- c. . It was **M/S/C** to authorize the attendance of all Board members at the Public Pension Investment Management Program, SACRS, July 28-August 13, 2020, Virtual Program. (Yes: Andersen, Finley, Gordon, Holcombe, Kroll, MacDonald, Phillips, Smithey and Watts)
- d. It was **M/S/C** to authorize the attendance of one Board member at the Principles for Trustees, CALAPRS, August 18, 25 & 26, 2020, Virtual Program. (Yes: Andersen, Finley, Gordon, Holcombe, Kroll, MacDonald, Phillips, Smithey and Watts)
- e. It was **M/S/C** to authorize the attendance of three Board members at the 2020 Public Pension Funding Forum, NCPERS, August 24-25, 2020, Virtual Program. (Yes: Andersen, Finley, Gordon, Holcombe, Kroll, MacDonald, Phillips, Smithey and Watts)

18. Miscellaneous

(a) Staff Report –

Strohl provided an update on recruitments; William Pigeon was the only applicant for the Alternate Safety position on the Board and is awaiting Board of Supervisor approval.

(b) Outside Professionals' Report -

None

(c) Trustees' comments –

Smithey reported the Audit Committee members will be appointed at the July 22, 2020 Board meeting.

MacDonald appreciated the presentations by Price and by the manager from Sit.

Holcombe asked that the meeting be adjourned in memory of Sherrina Cole.

It was **M/S/C** to adjourn the meeting in memory of Sherrina Cole. (Yes: Andersen, Finley, Gordon, Holcombe, Kroll, MacDonald, Phillips, Smithey and Watts)



Todd Smithey, Chairman



David MacDonald, Secretary