



MINUTES

RETIREMENT BOARD MEETING MINUTES

REGULAR MEETING
July 11, 2018
9:00 a.m.

Retirement Board Conference Room
The Willows Office Park
1355 Willow Way, Suite 221
Concord, California

Present: Candace Andersen, Scott Gordon, Jerry Holcombe, Louie Kroll, Jay Kwon, David MacDonald, John Phillips, William Pigeon, Gabe Rodrigues, Todd Smithey, Jerry Telles 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 Colin Bishop, Member Services Manager

Outside Professional Support:
Joe Wiley

Representing:
Wiley Price & Radulovich LLP

1. **Pledge of Allegiance**

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

2. **Recognition of Chih-chi Chu for 10 years of service and Brianne Wilkins for 10 years of service**

Smithey recognized and congratulated Chih-chi Chu for his 10 years of service and Brianne Wilkins for her 10 years of service.

3. **Accept comments from the public**

No member of the public offered comment.

4. **Approval of Minutes**

It was M/S/C to approve the minutes of the June 13, 2018 meeting. (Yes: Andersen, Gordon, Holcombe, MacDonald, Phillips, Rodrigues, Smithey, Telles and Watts)

5. **Board Reorganization**

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

6. **Routine Items**

It was M/S/C to approve the routine items of the July 11, 2018 meeting. (Yes: Andersen, Gordon, Holcombe, MacDonald, Phillips, Rodrigues, Smithey, Telles and Watts)

CLOSED SESSION

The Board moved into closed session pursuant to Govt. Code Section 54957 and 54957.6.

The Board moved into open session.

7. It was M/S/C to accept the Medical Advisor's recommendation and grant the following disability benefits:
- a. Jeanette Clemons – Non-Service Connected (Yes: Andersen, Gordon, Holcombe, MacDonald, Phillips, Rodrigues, Smithey, Telles and Watts)
 - b. Colleen Farley – Non-Service Connected (Yes: Andersen, Gordon, Holcombe, MacDonald, Phillips, Rodrigues, Smithey, Telles and Watts)
 - c. Kim Haramaki – Service Connected (Yes: Andersen, Gordon, Holcombe, MacDonald, Phillips, Rodrigues, Smithey, Telles and Watts)
 - d. Mark Purnell – Service Connected (Yes: Andersen, Gordon, Holcombe, MacDonald, Phillips, Rodrigues, Smithey, Telles and Watts)

Pigeon was present for subsequent discussion and voting.

- e. Michael Sumrall – Service Connected (Yes: Andersen, Holcombe, MacDonald, Phillips, Pigeon, Smithey, Telles and Watts. No: Gordon)

8. There was no reportable action related to Govt. Code Section 54957.
9. There was no reportable action related to Govt. Code Section 54957.6.
10. There was no reportable action related to Govt. Code Section 54957.6.

It was the consensus of the Board to move to Item 12.

Andersen and Holcombe were no longer present for subsequent discussion and voting.

12. **Consider and take possible action to authorize the CEO to continue the engagement of Ice Miller, LLC as tax counsel and to continue the engagement of Reed Smith, LLC to include tax matters**

Strohl reviewed the background on issuing the RFP for tax counsel noting there was an evaluation committee that interviewed the two firms and conducted reference checks.

Ice Miller, LLC – Rob Goss and Audra Ferguson-Allen

Goss and Ferguson-Allen reviewed their backgrounds with the firm as well as the firm's experience with other governmental public pension plan clients. Ferguson-Allen reported they have been tax

counsel for CCCERA for 10 years and serve as tax counsel for other CERL entities in addition to other California clients.

Reed Smith, LLC – Don Wellington and Jenni Krengel

Wellington and Krengel reviewed their backgrounds and experience working with other governmental public pension plan clients including other 1937 Act plans.

It was M/S/C to authorize the CEO to continue the engagement of Ice Miller, LLC as tax counsel and to continue the engagement of Reed Smith, LLC to include tax matters. (Yes: Gordon, Kwon, MacDonald, Phillips, Pigeon, Smithey, Telles and Watts)

13. Consider and take possible action to amend CCCERA's Tax Compliance Policies – Ice Miller, LLC

Levy reviewed the recommended changes to CCCERA's Policy on Internal Revenue Code Compliance and CCCERA's Policy on Internal Revenue Code Section 415 Compliance noting Ice Miller, LLC assisted in updating the policies.

Ferguson-Allen commented that most of the changes are to provide clarification and recommended the policies be reviewed every 3 years.

It was M/S/C to amend the Policy on Internal Revenue Code Compliance and Policy on Internal Revenue Code Section 415 Compliance. (Yes: Gordon, Kroll, Kwon, MacDonald, Phillips, Pigeon, Smithey and Watts)

Telles was no longer present for subsequent discussion and voting.

14. Consider and take possible action to approve the side letter agreement between CCCERA and AFSCME, Local 2700, regarding implementation of the compensation and classification studies

It was M/S/C to approve the side letter agreement between CCCERA and AFSCME, Local 2700, regarding the implementation of the compensation and classification studies. (Yes: Gordon, Kroll, Kwon, MacDonald, Phillips, Pigeon, Smithey and Watts)

15. Consider and take possible action to adopt the CCCERA Position Pay Schedules effective July 1, 2018, which reflect the salary range changes associated with the classification adjustments

It was M/S/C to adopt the CCCERA Position Pay Schedules effective July 1, 2018, which reflect the changes associated with the classification adjustments. (Yes: Gordon, Kroll, Kwon, MacDonald, Phillips, Pigeon, Smithey and Watts)

16. Report from Audit Committee Chair

Phillips reported on the recent audit committee meeting noting there were presentations on the San Ramon Valley Fire Protection District (SRVFPD) employer audit and the process on required minimum distributions for deferred members reaching 70 ½ years old. He stated the audit committee completed an evaluation of the external auditors, Brown Armstrong, and that it was a favorable evaluation.

17. Consider authorizing the attendance of Board:

- a. It was M/S/C to authorize the attendance of 4 Board members at the 2018 Public Funds Forum, Value Edge Advisors, September 4-6, 2018, Laguna Beach, CA. (Yes: Gordon, Kroll, Kwon, MacDonald, Phillips, Pigeon, Smithey and Watts)

- b. It was M/S/C to authorize the attendance of 4 Board members at the 64th Annual Employee Benefits Conference, International Foundation of Employee Benefit Plans, October 14-17, 2018, New Orleans, LA. (Yes, Gordon, Kroll, Kwon, MacDonald, Phillips, Pigeon, Smithey and Watts)

18. Miscellaneous

- (a) Staff Report –

None

- (b) Outside Professionals' Report –

None

- (c) Trustees' comments –

Smithey thanked the Board for selecting him to continue as the Board Chair. He reported that at the next board meeting, the composition of the audit committee for the next 12 months would be selected and any Board member who is interested in serving on the audit committee or continuing to serve, should contact him by e-mail.

CLOSED SESSION

The Board moved into closed session pursuant to Govt. Code Section 54956.9(d)(1).


The Board moved into open session.

11. There was no reportable action related to Govt. Code Section 54956.9(d)(1).

It was M/S/C to adjourn the meeting. (Yes: Gordon, Kroll, Kwon, MacDonald, Phillips, Pigeon, Smithey and Watts)



Todd Smithey, Chairman



David MacDonald, Secretary