



MINUTES

RETIREMENT BOARD MEETING MINUTES

REGULAR MEETING
October 11, 2017
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, Jay Kwon, David MacDonald, John Phillips, William Pigeon, Gabe Rodrigues, Todd Smithey, Jerry Telles and Rusty Watts

Absent: Louie Kroll

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

Outside Professional Support: Representing:
None

1. **Pledge of Allegiance**

Greene led all in the *Pledge of Allegiance*.

2. **Accept comments from the public**

Chad Rech, former Deputy Sheriff at Contra Costa County stated he retired on a service connected disability from Alameda County. He stated he would like to cash out his retirement. He would like more communication regarding how he can cash out his retirement.

Strohl stated she will make sure he receives communication from someone regarding his concerns.

Andersen requested a staff report to the Board at a future meeting regarding how matters such as these are handled.

Telles was present for subsequent discussion and voting.

3. **Routine Items**

It was M/S/C to approve the routine items of the October 11, 2017 meeting. (Yes: Andersen, Gordon, Holcombe, MacDonald, Phillips, Pigeon, Smithey, Telles and Watts)

CLOSED SESSION

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

The Board moved into open session.

4. It was M/S/C to accept the Medical Advisor's recommendations and grant the following disability benefits:
 - a. Mark Danner – Service Connected (Yes: Andersen, Gordon, Holcombe, MacDonald, Phillips, Rodrigues, Smithey, Telles and Watts)
 - b. Brian Plake – Service Connected (Yes: Andersen, Gordon, Holcombe, MacDonald, Phillips, Rodrigues, Smithey, Telles and Watts) Note: Pigeon recused himself from this item and was not present during the deliberation and decision.

5. **Consider and take possible action to approve a pool of investment legal counsel firms**

Price reported staff recommends establishing a pool of investment legal counsel firms because of the anticipated increase in the volume of work. He noted that historically we have worked with Reed Smith exclusively. CCCERA issued an RFP and four firms were interviewed by a staff committee. Each firm will be assigned projects based on their area of expertise, their knowledge of California public pension law, their cost effectiveness and their lack of conflict of interest with the specific projects.

Thomas Hickey, Foley & Lardner, gave an overview of the firm noting they have approximately 900 attorneys with 5 offices in California. He reported as the head of investment management, he has 100 lawyers on his team and represents several institutional investor clients. He reviewed the retirement systems in California that they represent as well as those in other states and overseas.

David Parrish, Phil Svahn and Nicole Brenning from Jackson Walker, reported they have 7 partners and are based out of Texas. They have 135 institutional investor clients that they represent in the United States and overseas. They do not represent General Partners to avoid conflicts. Svahn gave an overview of how they will build a team to work with CCCERA. Brenning reviewed her background and noted they represent Limited Partners exclusively.

Sonia Gioseffi from the San Francisco office and Mark Heine from the Seattle office of K&L Gates, gave an overview of the firm noting they have 2,000 attorneys around the world and focuses on institutional investors. She reviewed the type of investments they work on and the California public entities that they represent.

Parik Dasgupta, New York office of Reed Smith, gave an overview of his background. Rana Ansari, San Francisco office, gave an overview of her background and stated they have 1,700 attorneys across the globe. Parik reported he had worked predominately with General Partners but now works with Limited Partners.

It was M/S/C to 1) establish engagements with the Foley & Lardner, K&L Gates and Jackson Walker law firms to establish pool of investment legal counsel firms; 2) continue CCCERA's existing engagement with Reed Smith for investment legal counsel projects on an as needed basis; and 3) authorize staff to assign investment legal work to any of the firms on an as needed basis. (Yes: Andersen, Gordon, Holcombe, MacDonald, Phillips, Pigeon, Smithey, Telles and Watts)

Watts was no longer present for subsequent discussion and voting.

6. **Consider authorizing the attendance of Board:**

- a. There was no action taken on this item.
- b. It was M/S/C to authorize the attendance of 4 Board members at the California Institutional Investor Forum, Markets Group, December 7, 2017, Napa, CA. (Yes: Andersen, Gordon, Holcombe, MacDonald, Phillips, Pigeon, Smithey and Telles)

7. Miscellaneous

(a) Staff Report –

Strohl reported she recently received the agenda for the October 27, 2017 CALAPRS Trustees' Roundtable and it will be on the next agenda for approval. She also reported the CCCERA employees Social Security integration vote will be in November.

(b) Outside Professionals' Report -

None

(c) Trustees' comments –

Rodrigues reported there may be a SACRS sponsored bill for retiree and appointed trustees to get paid more than \$100 per meeting. He and MacDonald attended the Wharton Advanced Portfolio workshop and felt it was phenomenal.

Gordon reported on the Torchlight Client Conference that he, MacDonald, Telles and Youngman attended and thought it was a great conference.

Telles also reported on the Torchlight Client Conference and thought it was a good conference. He noted he and MacDonald also attended 2 on-site visits (Paulson Real Estate and First Eagle) while they were there.

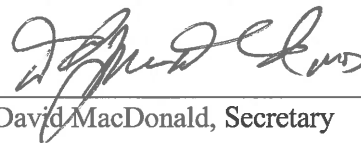
MacDonald reported on the First Eagle on-site visit he and Telles attended noting it was a good and interesting visit. He also reported on the Wharton Advanced Portfolio workshop that he and Rodrigues attended and he felt it was outstanding.

Pigeon reported he and Rodrigues attended the NCPERS Public Safety Conference. He felt very good with the quality of our actuaries (Segal) and feels our plan is very fiscally responsible.

It was M/S/C to adjourn the meeting. (Yes: Andersen, Gordon, Holcombe, MacDonald, Phillips, Pigeon, Smithey and Telles)



Todd Smithey, Chairman



David MacDonald, Secretary