



MINUTES

RETIREMENT BOARD MEETING MINUTES

SPECIAL BOARD MEETING
October 20, 2016
9:00 a.m.

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

Present: Debora Allen, Candace Andersen, Scott Gordon, Louie Kroll, David MacDonald, John Phillips, William Pigeon, Todd Smithey, Jerry Telles and Russell Watts

Absent: Gabe Rodrigues and Jerry Holcombe

Staff: Gail Strohl, Chief Executive Officer, Karen Levy, General Counsel; Wrally Dutkiewicz; Compliance Officer; Christina Dunn, Administrative/HR Manager; Timothy Hoppe, Retirement Services Manager; Alexis Cox, Member Services Manager and Henry Gudino, Accounting Manager

Outside Professional Support:	Representing:
Harvey Leiderman	Reed Smith LLP
Paul Angelo	Segal Consulting
John Monroe	Segal Consulting

1. Pledge of Allegiance

Watts led all in the *Pledge of Allegiance*.

2. Accept comments from the public

There were no comments from the public.

3. Approval of Minutes

It was *M/S/C* to approve the minutes of the September 14, 2016 Board meeting. (Yes: Phillips, MacDonald, Smithey, Telles and Watts)

It was the consensus of the Board to move to Item 5.

Gordon and Pigeon were present for subsequent discussion and voting.

5. Educational presentation from Segal Consulting regarding Actuarial 101

Paul Angelo & John Monroe

Angelo reviewed the procedures and decisions including the actuarial valuation, the experience analysis and the funding policy.

Allen and Andersen were present for subsequent discussion and voting.

Angelo reviewed actuarial terminology. There was discussion on the inflation assumption and the affects it has on contribution rates and the cost of living assumption.

6. Presentation from Segal regarding the December 31, 2015 Valuation Report

Angelo discussed the December 31, 2015 valuation report noting that the Association's unfunded actuarial accrued liability decreased from \$1.5 billion to \$1.3 billion. The average employer contribution rate decreased from 40.06% of payroll to 39.23% of payroll and the average member contribution rate increased from 11.84% of payroll to 12.09% of payroll.

Monroe discussed the administrative expense load and how it was included in the member and employer contribution rates.

7. Adoption of the December 31, 2015 Valuation Report and contribution rates for the period July 1, 2017 to June 30, 2018

It was M/S/C to adopt the December 31, 2015 Valuation Report and contribution rates for the period July 1, 2017 to June 30, 2018 as recommended by Segal Consulting. (Yes: Allen, Andersen, Gordon, MacDonald, Phillips, Pigeon, Smithey, Telles and Watts)

8. GASB 68 report presented by Segal Consulting

Angelo reviewed the GASB 68 report noting the report is mainly for the system employers and their auditors.

It was M/S/C to approve the GASB 68 report as recommended by Segal Consulting. (Yes: Allen, Andersen, Gordon, MacDonald, Phillips, Pigeon, Smithey, Telles and Watts)

It was the consensus of the Board to move to Item 4.

CLOSED SESSION

The Board moved into closed session pursuant to Govt. Code Section 54956.9(d)(2).


The Board moved into open session.

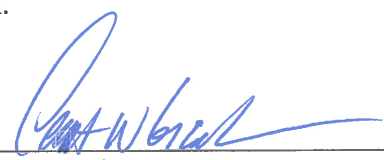
4. There was no reportable action. MacDonald recused himself from this item.

Allen, Andersen, MacDonald, Smithey, Telles and Watts were no longer present for subsequent discussion and voting.

9. Miscellaneous

This item was not presented due to lack of a Board quorum.


John Phillips, Chairman


Scott Gordon, Secretary