



MINUTES

RETIREMENT BOARD MEETING MINUTES

FIRST MONTHLY BOARD MEETING  
9:00 a.m.

November 5, 2014

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

Present: Brian Hast, Jerry Holcombe, Louie Kroll, Karen Mitchoff, John Phillips, William Pigeon, Gabe Rodrigues, Todd Smithey and Russell Watts

Absent: Debora Allen, Scott Gordon and Jerry Telles

Staff: Gail Strohl, Retirement Chief Executive Officer, Kurt Schneider, Deputy Retirement Chief Executive Officer; Timothy Price, Retirement Chief Investment Officer; Karen Levy, Retirement General Counsel; Vickie Kaplan, Retirement Accounting Manager; and Christina Dunn, Retirement Administration Manager

Outside Professional Support: None  
Representing:

1. **Pledge of Allegiance**

Hast led all in the *Pledge of Allegiance*.

2. **Accept comments from the public**

No members of the public offered comment.

3. **Approval of Minutes**

It was **M/S/C** to approve the minutes of the September 10, 2014 meeting correcting the spelling of Phillips name on page 5, Item 17 (c). (Yes: Hast, Holcombe, Kroll, Mitchoff, Phillips, Rodrigues, Smithey and Watts)

It was **M/S/C** to approve the minutes of the September 17, 2014 meeting. (Yes: Hast, Holcombe, Kroll, Mitchoff, Phillips, Rodrigues, Smithey and Watts)

4. **Routine Items**

It was **M/S/C** to approve the routine items of the November 5, 2014 Board meeting. (Yes: Hast, Holcombe, Kroll, Mitchoff, Phillips, Rodrigues, Smithey and Watts)

It was the consensus of the Board to move to Item 6.

6. **Consider and take possible action to adopt BOR Resolution 2014-2 confirming the participation of the CCCERA "District" in the CCCERA retirement system**

Levy reported this Resolution confirms the participation of CCCERA as an independent district in CCCERA the retirement system.

It was M/S/C to adopt BOR Resolution 2014-2 confirming the participation of the CCCERA "District" in the CCCERA retirement system. (Yes: Hast, Holcombe, Kroll, Mitchoff, Phillips, Rodrigues, Smithey and Watts)

7. **Consider and take possible action to adopt BOR Resolution 2014-3 consenting to the continued participation of CCCERA in the retirement system**

Levy reported this Resolution is the consent of CCCERA the retirement system to the continued participation of CCCERA the independent district in the retirement program. She explained that as a result of the passage of Senate Bill 673, CCCERA will be designated as a district effective January 1, 2015 pursuant to the County Employees Retirement Law of 1937 (CERL), Government Code Section 31468(l)(3). Independent districts may elect to be included as a participating employer in CCCERA by adoption of a resolution by a two-thirds vote of the districts' governing body, with the consent of CCCERA, pursuant to CERL Section 31557(b).

It was M/S/C to adopt BOR Resolution 2014-3 consenting to the continued participation of CCCERA in the retirement system. (Yes: Hast, Holcombe, Kroll, Mitchoff, Phillips, Rodrigues, Smithey and Watts)

8. **Consider and take possible action to approve firm to offer Labor Relations and Consultation Services as the Chief Labor Negotiator**

Strohl reported an RFP was issued in September to provide Labor Relations and Consultation Services as the Chief Labor Negotiator. She reported we received 2 proposals that met the minimum requirements.

The Board interviewed Joseph Wiley of Wiley Price & Radulovich, LLP and Chet Quaide and Todd Goluba of Atkinson, Anderson, Loya, Ruud & Romo.

After a discussion, it was M/S/C to appoint Joseph Wiley of Wiley Price & Radulovich, LLP as the Chief Labor Negotiator for CCCERA subject to contract negotiations. (Yes: Hast, Holcombe, Kroll, Mitchoff, Phillips, Rodrigues, Smithey and Watts)

9. **Presentation of Cash Flow Report for the 6 months ended June 30, 2014**

Kaplan presented the Cash Flow Report for the 6 months ended June 30, 2014 noting that without the prepayment program, CCCERA's monthly cash inflow would be increased by approximately \$19 million.

10. **Consider and take possible action on SACRS legislative proposal**

Levy reported about the SACRS 2015 legislative proposal. The proposal would introduce legislation to clarify that a member who retired for service and is later granted a disability retirement benefit may change their retirement option. Staff recommends supporting the proposal as it is consistent with CCCERA current practice as well as the practice of many other CERL systems.

It was M/S/C to support the SACRS legislative proposal. (Yes: Hast, Holcombe, Kroll, Mitchoff, Phillips, Rodrigues, Smithey and Watts)

**11. Report of Purchase and/or Sale of a Pension Fund Investment: PIMCO**

Hast read the following into the record: The Board met in closed session pursuant to Government Code Section 54956.81 to consider the sale and purchase of a particular pension fund investment on October 8, 2014, Agenda Item No. 6. In accordance with Government Code Section 54957.1(a)(7), the following action is hereby reported: It was M/S/C to direct PIMCO to sell the CCCERA investments in the sector funds and invest the proceeds in a separate account broadly intended to track the Barclays Aggregate Index. (Yes: Allen, Gordon, Hast, Mitchoff, Phillips, Smithey, Telles, Watts. Opp: None. Abs: None)

**12. Consider and take possible action on Board meeting schedule for 2015**

It was M/S/C to accept the Board meeting schedule for 2015 as presented. (Yes: Hast, Holcombe, Kroll, Mitchoff, Phillips, Rodrigues, Smithey and Watts)

**13. Conference Seminar Attendance**

- a. It was M/S/C to authorize the attendance of 1 Board member and 1 staff member at the 2014 Annual Review, Paulson Real Estate Funds, November 21, 2014, New York, NY. (Yes: Hast, Holcombe, Kroll, Mitchoff, Phillips, Rodrigues, Smithey and Watts)

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

**CLOSED SESSION**

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

The Board moved into open session.

5. It was M/S/C to accept the Medical Advisor's recommendation and grant the following disability benefits:
  - a. Michael Espinoza – Service Connected (Yes: Hast, Holcombe, Kroll, Mitchoff, Phillips, Rodrigues, Smithey and Watts)
  - b. Kenneth Gmeiner – Service Connected (Yes: Hast, Holcombe, Kroll, Mitchoff, Phillips, Rodrigues, Smithey and Watts)
  - c. Jeffrey Nelson – Service Connected (Yes: Hast, Holcombe, Kroll, Mitchoff, Phillips, Rodrigues, Smithey and Watts)
  - d. Christopher Wilson – Service Connected (Yes: Hast, Holcombe, Kroll, Mitchoff, Phillips, Rodrigues, Smithey and Watts)
  - e. Sonya Pye – Non-service Connected (Yes: Hast, Holcombe, Kroll, Mitchoff, Phillips, Rodrigues, Smithey and Watts)

**14. Miscellaneous**

- (a) Staff Report –

Price reviewed the PIMCO transaction which was reported in Item 11 noting the assets were successfully transferred. He received an announcement from Energy Investor Funds that they are selling the corporate company to Ares Management, L.P. noting the transaction is expected to close by year end.

Levy reported SACRS is undertaking a project to reorganize the '37 Act book by re-numbering the statutes in order to make the '37 Act more user-friendly. The proposed statutory changes

would have to go through the legislative process. If enacted, the changes in the statute numbers would then require CCCERA to amend the numbers on many of our documents, including Board resolutions, policies, etc.

Kaplan reported she attended the P2F2 Conference and felt it was a great conference. She noted we are on target with GASB 67 and 68. She announced CCCERA received the Public Pension Standards Award for 2014.

Strohl reported the County is working on a draft service agreement for the services they will be providing to CCCERA; she also reported the County is only able to use their federal and state tax ID numbers when processing CCCERA's payroll noting she spoke to tax counsel and they stated it is ok to use the County's numbers on a temporary basis. She thanked Levy and Dunn for their behind the scenes work on the transition of CCCERA into a separate district; The Retirement Benefits Manager resigned and Schneider will be acting as the interim.

Dunn gave update on the remodel noting the installation of the door FOBs will be done this week.

(b) Outside Professionals' Report -

None

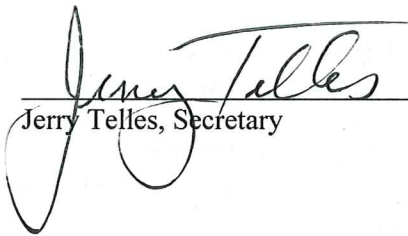
(c) Trustees' comments -

Rodrigues asked what agenda the PEPRA base-pay only item will be on. It was noted it will be in the next few months.

It was M/S/C to adjourn the meeting. (Yes: Hast, Holcombe, Kroll, Mitchoff, Phillips, Rodrigues, Smithey and Watts)



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Brian Hast, Chairman



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Jerry Telles, Secretary