



MINUTES

RETIREMENT BOARD MEETING MINUTES

REGULAR MEETING

July 24, 2019

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, Mike Sloan, Todd Smithey and Belinda Zhu (Deputy Treasurer, present and voting in Russell Watts' absence)

Absent: Donnie Finley and Louie Kroll

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 and Tim Hoppe, Retirement Services Manager

Outside Professional Support:
John Monroe
Harvey Leiderman

Representing:
Segal Consulting
Reed Smith LLP

1. Pledge of Allegiance

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

2. Accept comments from the public

No member of the public offered comment.

3. Approval of Minutes

It was M/S/C to approve the minutes from the June 26, 2019 meeting. (Yes: Andersen, Gordon, Holcombe, MacDonald, Phillips, Pigeon, Sloan, Smithey and Zhu)

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

5. Appoint audit committee members

Smithey appointed John Phillips as the Chairperson, Russell Watts as the Vice Chairperson, and Jerry Holcombe and Todd Smithey as Members-at-Large on the Audit Committee.

6. Education on pension obligation bonds

Monroe gave a brief overview of the Unfunded Actuarial Accrued Liability (UAAL) and how it is paid noting that the present value of future benefits is what we want to fund. He reviewed how

POB's are handled in the Actuarial Valuation report noting any POBs reduce the employer's UAAL contribution rates.

7. Discussion of East Contra Costa Fire Protection District request

Monroe reviewed the following requests from Hanson Bridgett LLP on behalf of East Contra Costa Fire Protection District (ECCFPD): 1) that the Board of Retirement make an adjustment to address the treatment of ConFire's Pension Obligation Bonds during the de-pooling and determination of the asset base for Cost Group #8; and 2) that the Board of Retirement consider allocating costs based on liabilities rather than payroll for Cost Group #8.

Chief Brian Helmick, ECCFPD, provided background on the requests noting they have grown concerned with their contribution rates in the past few years.

Chief Lewis Broschard, Contra Costa County Fire Protection District (CCCFPD), reported this item has not been brought to their Board so he does not have any prepared remarks.

The Board directed staff to continue conversations with ECCFPD and CCCFPD and report back at a future Board meeting.

8. Consider and take possible action to adopt Board of Retirement Resolution No. 2019-5, Funding of I.R.C. Section 115 Trust for Other Post-Employment Benefits for CCCERA employees

It was M/S/C to adopt Board of Retirement Resolution No. 2019-5, Funding of I.R.C. Section 115 Trust for Other Post-Employment Benefits for CCCERA employees. (Yes: Andersen, Gordon, Holcombe, MacDonald, Phillips, Pigeon, Sloan, Smithey and Zhu)

9. Presentation of the Contra Costa County Local Area Formation Commission employer audit report

Dutkiewicz presented the Contra Costa County Local Area Formation Commission employer audit.

10. Presentation of the First 5 Contra Costa Children and Families Commission employer audit report

Dutkiewicz presented the First 5 Contra Costa Children and Families Commission employer audit.

11. Presentation of the Contra Costa In-House Supportive Services Public Authority employer audit report

Dutkiewicz presented the Contra Costa In-House Supportive Services Public Authority employer audit.

12. Consider authorizing the attendance of Board:

- a. It was M/S/C to authorize the attendance of 1 Board member at the Investment Forum, Dimensional Fund Advisors, September 18, 2019, Santa Monica, CA. (Yes: Andersen, Gordon, Holcombe, MacDonald, Phillips, Pigeon, Sloan, Smithey and Zhu)

13. Miscellaneous

- (a) Staff Report –

None

(b) Outside Professionals' Report --

None

(c) Trustees' comments -

None

CLOSED SESSION

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

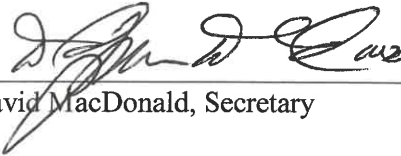
The Board moved into open session.

4. a. There was no reportable action related to *Nowicki v. CCCERA, et al.*, Contra Costa County Superior Court, Case No. C17-01266.
- b. There was no reportable action related to *CCCERA v. Salgado*, Contra Costa County Superior Court, Case No. MSC19-00580.

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



Todd Smithey, Chairman



David MacDonald, Secretary