



MINUTES

RETIREMENT BOARD MEETING MINUTES

REGULAR MEETING
December 11, 2019
9:00 a.m.

Board Conference Room
1200 Concord Avenue, Suite 350
Concord, California

Present: Candace Andersen, Donald Finley, Scott Gordon, Jerry Holcombe, Louie Kroll, Jay Kwon, John Phillips, William Pigeon, Mike Sloan, Todd Smithey and Russell Watts

Absent: David MacDonald

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 Jasmine Lee, Member Services Manager

Outside Professional Support: Harvey Leiderman Representing: 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 of the November 6 and November 20, 2019 Board meetings. (Yes: Finley, Gordon, Holcombe, Kroll, Kwon, Phillips, Pigeon, Smithey and Watts).

4. Routine Items

It was M/S/C to approve the routine items of the December 11, 2019 meeting. (Yes: Finley, Gordon, Holcombe, Kroll, Kwon, Phillips, Pigeon, Smithey and Watts)

Andersen was present for subsequent discussion and voting.

CLOSED SESSION

The Board moved into closed session pursuant to Govt. Code Section 54957 and 54956.9(d)(1).

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. Margaret Freudenthal – Service Connected (Yes: Andersen, Finley, Gordon, Holcombe, Kroll, Phillips, Pigeon, Smithey and Watts)
6. There was no reportable action related to Govt. Code Section 54957.
7. There was no reportable action related to *Nowicki v. CCCERA, et al.*, Contra Costa County Superior Court, Case No. C17-01266.

8. Educational presentation on fiduciary duties presented by fiduciary counsel

Leiderman discussed the roles and responsibilities of fiduciaries including the primary loyalty rule, the exclusive benefit rule, the prudent expert rule, the duty to diversify, and the requirement to act lawfully.

Pigeon was no longer present for subsequent discussion and voting.

It was the consensus of the Board to move to Item 17.

17. Report from Audit Committee Chair on November 20, 2019 Audit Committee meeting

Phillips reported on the November 20, 2019 Audit Committee meeting. Item discussed were the employer audit reports for Contra Costa County Department of Agriculture, Contra Costa County Office of the Sheriff, and the Contra Costa County Probation Department; the compliance activity plan for 2020; having an additional Audit Committee meeting to meet with the external auditors during the audit process; and late retirement contribution payments by the East Contra Costa Fire Protection District (ECCFPD).

9. Educational presentation on Ralph M. Brown Act open meetings laws

Levy gave a presentation on the Ralph M. Brown Act noting this is an annual educational presentation that is provided to the Board. She reviewed the rules regarding open meetings held by local legislative bodies, which includes the CCCERA Board of Retirement.

Phillips was no longer present for subsequent discussion and voting.

10. Legislative update

Levy reviewed her memo of new legislation that becomes effective on January 1, 2020.

11. Consider and take possible action to add CCCERA staffing

A revised CCCERA Position Pay Schedule effective January 1, 2020 was distributed.

It was **M/S/C** to a) Add one Retirement Services Supervisor, one Retirement Services Technician, and establish an Internal Auditor classification; b) Amend Attachment A of Resolution 2019-2 providing salary and benefits for unrepresented employees of CCCERA effective January 1, 2020; and c) Adopt the CCCERA Position Pay Schedules effective January 1, 2020. (Yes: Andersen, Finley, Gordon, Holcombe, Kroll, Kwon, Smithey and Watts)

After the vote, Levy advised that Trustee Sloan is eligible to vote if Trustees MacDonald and Pigeon are both absent under Government Code Section 31520.6. A new vote was taken.

It was **M/S/C** to a) Add one Retirement Services Supervisor, one Retirement Services Technician, and establish an Internal Auditor classification; b) Amend Attachment A of Resolution 2019-2 providing salary and benefits for unrepresented employees of CCCERA effective January 1, 2020; and c) Adopt the CCCERA Position Pay Schedules effective January 1, 2020. (Yes: Andersen, Finley, Gordon, Holcombe, Kroll, Kwon, Sloan, Smithey and Watts)

12. Consider and take possible action to adopt the 2020 CCCERA budget

Gudino presented the proposed 2020 CCCERA budget.

It was **M/S/C** to adopt the 2020 CCCERA budget. (Yes: Andersen, Finley, Gordon, Holcombe, Kroll, Kwon, Sloan, Smithey and Watts)

Pigeon was present for subsequent discussion and voting.

13. Presentation of 2020 Compliance Activity Plan

Dutkiewicz presented the CCCERA 2020 Compliance Activity Plan.

14. Presentation of the Contra Costa County Department of Agriculture employer audit report

Dutkiewicz presented the Contra Costa County Department of Agriculture employer audit report noting there were no follow up items for the department to address.

15. Presentation of the Contra Costa County Office of the Sheriff employer audit report

Dutkiewicz presented the Contra Costa County Office of the Sheriff employer audit report noting there were two follow-up items – 1) Accuracy of payroll information provided to CCCERA and 2) Enrollment. The Office of the Sheriff responded to the follow-up items and will make every effort to implement the recommendations contained in the audit report.

16. Presentation of the Contra Costa County Probation Department employer audit report

Dutkiewicz presented the Contra Costa County Probation Department employer audit report noting there was one follow-up item, Enrollment. The Probation Department responded to the follow-up item stating they have created a new process and are confident the new process for handling enrollment packets will be submitted to CCCERA in a timely manner.

18. Consider authorizing the attendance of Board:

- a. It was **M/S/C** to authorize the attendance of 1 Board member at the 38th Annual Client Workshop, Sit Investment Associates, Inc., February 13-16, 2020, Carlsbad, CA. (Yes: Andersen, Finley, Gordon, Holcombe, Kroll, Kwon, Pigeon, Smithey and Watts)
- b. It was **M/S/C** to authorize the attendance of 4 Board members at The Pension Bridge Annual 2020, April 14-15, 2020, San Francisco, CA. (Yes: Andersen, Finley, Gordon, Holcombe, Kroll, Kwon, Pigeon, Smithey and Watts)

19. Miscellaneous

- (a) Staff Report –

Strohl acknowledged CCCERA's staff for their hard work and dedication to CCCERA's members and to the Plan; and, CCCERA will be celebrating its 75th anniversary in July.

(b) Outside Professionals' Report -

None

(c) Trustees' comments –

Holcombe offered congratulations and acknowledgement to CCCERA staff.

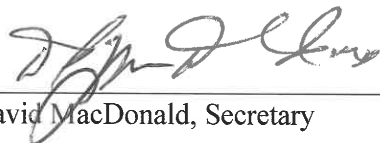
Gordon recommended the following books to the Trustee's: The Halo Effect and A Random Walk Down Wall Street.

Smithey thanked staff for their hard work on CCCERA's new facilities and wished everyone a Happy Holiday.

It was **M/S/C** to adjourn the meeting. (Yes: Andersen, Finley, Gordon, Holcombe, Kroll, Kwon, Pigeon, Smithey and Watts)



Todd Smithey, Chairman



David MacDonald, Secretary