



MINUTES

RETIREMENT BOARD MEETING MINUTES

FIRST MONTHLY BOARD MEETING  
December 9, 2015  
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, Brian Hast, Jerry Holcombe, Louie Kroll, John Phillips, William Pigeon, Gabe Rodrigues, Todd Smithey, Jerry Telles and Russell Watts

Absent: None

Staff: Gail Strohl, Retirement Chief Executive Officer; Timothy Price, Retirement Chief Investment Officer; Karen Levy, Retirement General Counsel; Wrally Dutkiewicz, Retirement Compliance Officer; Tim Hoppe, Retirement Benefits Manager; Alexis Cox, Retirement Benefits Manager; and Christina Dunn, Retirement Admin/HR Manager

Outside Professional Support: Harvey Leiderman      Representing: Reed Smith LLP

1. **Pledge of Allegiance**

Holcombe led all 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 October 7, 2015 meeting. (Yes: Allen, Andersen, Gordon, Hast, Phillips, Rodrigues, Smithey, Telles and Watts)

4. **Routine Items**

It was M/S/C to approve the routine items of the December 9, 2015 meeting as revised. (Yes: Allen, Andersen, Gordon, Hast, Phillips, Rodrigues, Smithey, Telles and Watts)

It was the consensus of the Board to move to Item 9.

9. Consider and take possible action regarding the collection of pension overpayments from Contra Costa County due to its erroneous reporting of panel management pay as pensionable compensation

Dutkiewicz reviewed the background on Panel Management Pay which included, but was not limited to, correspondence between CCCERA and the County, analysis of overpayments, calculations of interest refund amounts, adopted Resolutions and corrective actions.

In public comment, Jack Funk, retired from the public defender's office and member of RSG but here in an individual capacity, stated letters were sent to 4 retirees who had their pensions cut. The retirees then sent letters to the CCCERA Board requesting a hearing, to which there was no response. He felt there wasn't any dialogue between the retirees and CCCERA and he requested the Board give the 4 retirees the due process they deserve.

Dutkiewicz noted the item on the agenda is to consider and take possible action regarding the collection of pension overpayments from the County. The issue to determine whether or not Panel Management Pay is pensionable is not on this agenda, as previously directed by the Board.

Strohl noted staff is currently reviewing the pensionability of several pay codes.

Dr. David Hearst, retired physician, stated there was no input from physicians as to whether Panel Management Pay should be pensionable. He discussed the work performed that was coded to Panel Management Pay noting they were told that work was pensionable. He quoted an April 14, 2014 letter from Leiderman regarding the D16 pay code.

Levy reported the County had determined there was an error in coding and made a correction. CCCERA then reviewed retirees who had the pay included in their FAS and determined what each retiree's adjusted prospective pension would be with the exclusion of the Panel Management Pay payments in their FAS.

Leiderman stated staff has determined Panel Management Pay is not pensionable and if the Board wants to make the determination, then that should be done prior to approving this item.

Dr. Priscilla Hinman, retired physician, stated her pension was cut and she is also here to request to be heard.

The Board directed staff to agendize this item on a future agenda in order for the Board to determine whether the pay at issue received by the five affected retirees is pensionable.

It was the consensus of the Board to move into Closed Session.

**CLOSED SESSION**

The Board moved into closed session pursuant to Govt. Code Section 54957, 54956.81, 54956.9(d)(2) and 54956.9(d)(4).

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. Keith Chelini – Service Connected (Yes: Allen, Andersen, Gordon, Hast, Phillips, Rodrigues, Smithey, Telles and Watts)
6. There was no reportable action related to Govt. Code Section 54956.81.

7. There was no reportable action related to Govt. Code Section 54956.9(d)(2).
8. There was no reportable action related to Govt. Code Section 54956.9(d)(4).

It was the consensus of the Board to move to Item 10.

**10. Consider and take possible action to adopt the 2016 Compliance Activity Plan as recommended by the audit committee**

Smithey reported the Audit Committee met on November 24, 2015 and are recommending the Board adopt the 2016 Compliance Activity Plan.

It was **M/S/C** to adopt the 2016 Compliance Activity Plan as recommended by the audit committee. (Yes: Allen, Andersen, Gordon, Hast, Phillips, Rodrigues, Smithey, Telles and Watts)

**11. Legislative Update**

Levy gave an update on recently enacted legislation and any impact the legislation may have to CCCERA.

**12. Consider and take possible action to add a Board meeting on December 16, 2015**

Strohl requested adding a Board meeting on December 16, 2015.

It was **M/S/C** to add a Board meeting on December 16, 2015. (Yes: Allen, Andersen, Gordon, Hast, Phillips, Rodrigues, Smithey, Telles and Watts)

**13. Consider authorizing the attendance of Board and/or staff:**

- a. It was **M/S/C** to authorize the attendance of 1 Board member and 2 staff members at the Advanced Principles of Pension Management, CALAPRS, January 27-29, 2016, Los Angeles, CA. (Yes: Allen, Andersen, Gordon, Hast, Phillips, Rodrigues, Smithey, Telles and Watts)
- b. It was **M/S/C** to authorize the attendance of 1 Board member and 1 staff member at the Aether's 2016 Annual Meeting, Aether Investment Partners, January 28, 2016, Denver, CO. (Yes: Allen, Andersen, Gordon, Hast, Phillips, Rodrigues, Smithey, Telles and Watts)
- c. It was **M/S/C** to authorize the attendance of 4 Board members and 2 staff members at the Commonfund Forum 2016, Commonfund, February 27-March 1, 2016, Orlando, FL. (Yes: Allen, Andersen, Gordon, Hast, Phillips, Rodrigues, Smithey, Telles and Watts)

**14. Miscellaneous**

- (a) Staff Report –

Strohl reported CCCERA received the Public Pension Coordinating Council (PPCC) Award for 2015; the census data we received from CCCERA's open enrollment is being provided to our outside actuary for inclusion in the OPEB valuation report; we will be transitioning our data from the County in January; she will be presenting an executive summary in January on the year in review; and, she formally recognized the executive and management team for all their work on becoming independent.

- (b) Outside Professionals' Report -

Leiderman commended Strohl for sending so many staff members to CALAPRS training on pension administration.

(c) Trustees' comments –

Telles asked Strohl if she has been contacted by represented staff regarding the classification study; complimented Strohl and her staff on all the hard work they did on becoming independent.

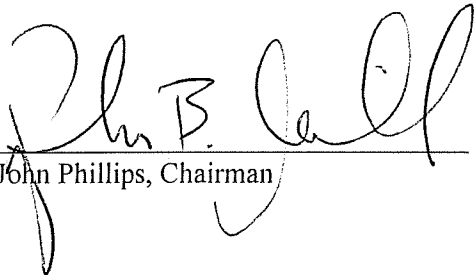
Rodrigues asked the Board for ideas for the upcoming SACRS spring conference.

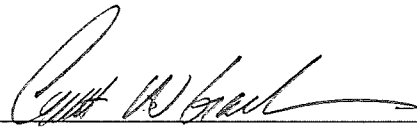
Smithey noted that at the November 24, 2015 Audit Committee meeting Dutkiewicz gave a presentation on in-house and outside internal auditors and the committee gave staff direction to provide additional information at the next meeting.

Holcombe wished everyone a very happy holiday.

Watts reminded everyone tomorrow is the last day to pay property taxes.

It was **M/S/C** to adjourn the meeting. (Yes: Allen, Andersen, Gordon, Hast, Phillips, Rodrigues, Smithey, Telles and Watts)

  
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John Phillips, Chairman

  
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Scott Gordon, Secretary