



MINUTES

RETIREMENT BOARD MEETING MINUTES

REGULAR MEETING
October 10, 2018
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, Louie Kroll, Jay Kwon, David MacDonald, John Phillips, Todd Smithey, Jerry Telles and Russell Watts

Absent: William Pigeon and Gabe Rodrigues

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 Colin Bishop, Member Services Manager

Outside Professional Support: None
Representing:

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 August 22 and September 12, 2018 meetings. (Yes: Andersen, Gordon, Holcombe, Kroll, Phillips, Smithey, Telles and Watts)

4. **Routine Items**

It was M/S/C to approve the routine items of the October 10, 2018 meeting. (Yes: Andersen, Gordon, Holcombe, Kroll, Phillips, Smithey, Telles and Watts)

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. Scott Anderson – Service Connected (Yes: Andersen, Gordon, Holcombe, Kroll, Phillips, Smithey, Telles and Watts)
 - b. Angela Parga – Service Connected (Yes: Andersen, Holcombe, Kroll, Phillips, Smithey, Telles and Watts. No: Gordon)

6. Presentation of the Housing Authority of Contra Costa County Final Audit Report

Dutkiewicz presented the Final Audit Report for the Housing Authority of Contra Costa County.

The follow-up items include: Item 1, Timeliness of submission of I29 and I30 reports by the 10th of each month – The Housing Authority requested an exception to the policy for operational considerations (they are on a bi-weekly payroll schedule). It was noted the reports were received late but the contributions were received on time; Item 2, Submission of updated I29 member records for missing demographic information – The Housing Authority transmitted an updated I29 correcting any missing demographics; Item 3, IRC Compensation Limits – The Housing Authority has developed and implemented a tracking system that alerts the payroll process anytime a member is approaching the annual compensation limits; Item 4, Reconcile the small pension contribution variances for the months of May and June 2016 – The Housing Authority will transmit the amounts in question to CCCERA. CCCERA has reviewed the input files and has made corrections to the affected member accounts.

The Board discussed different options for employers on a bi-weekly payroll schedule. Strohl noted the Audit Committee is working on something regarding extensions for bi-weekly payroll reporting.

7. Presentation of the Contra Costa County Office of the Public Defender Final Audit Report

Dutkiewicz presented the Final Audit Report for the Contra Costa County Office of the Public Defender noting it was a very clean audit. He reported County departments are only responsible up to a certain point in the process and then the Auditor-Controller and the Department of Information Technology are responsible for compiling the reports and submitting them to CCCERA.

8. Presentation of the Rodeo-Hercules Fire Protection District Final Audit Report

Dutkiewicz presented the Final Audit Report for the Rodeo-Hercules Fire Protection District noting they are also responsible up to a certain point in the process and then the Auditor-Controller and Department of Information Technology are responsible for compiling the reports and submitting them to CCCERA.

The follow-up items include: Item 1, Pensionable Compensation and Contribution Reporting – The District will contact CCCERA to determine how to do a correction adjustment; Item 2, Publicly available pay schedules – The District will be working on updating its pay schedules; Item 3, Enrollment – The District will submit the missing enrollment packet.

MacDonald was present for subsequent discussion and voting.

Chief Bryan Craig commended CCCERA staff and noted it was a very cooperative experience.

9. Update from staff regarding the lease at the Willows Office Park

Strohl reported CCCERA has been in this building location since 1990 and the current lease expires on September 30, 2019. We have started to assess our space needs and our options with CBRE.

CBRE - Andy Schmitt and Danielle Scheg

Schmitt reviewed the background of the firm noting they are a full service real estate firm that provides brokerage services as well as consulting services. He also reviewed the team and their backgrounds. He reviewed CCCERA's key objectives, the available scenarios including staying in the current building, relocating & leasing, and relocating and buying. He also reviewed the benefits and risks of each of the scenarios.

He reviewed a transaction process timeline noting they have just begun to look at the available inventory. Key milestone dates, average rent costs in the Bay Area, and asking rents in Concord were reviewed.

The Board discussed areas of importance including accessibility, location, parking, safety/security, and technology as well as the importance of engaging with the staff for their input and to ensure a positive employee experience. Smithey asked the Board if they wanted to have an ad hoc committee or have staff continue to research and provide updates. It was the consensus of the Board to have staff continue and provide updates.

Strohl reported information will be coming back to the Board in the next few months from the discussions today.

10. Consider and take possible action to cancel the October 24, 2018 meeting

After a discussion on having only one meeting in November or changing the second meeting in November to the week after Thanksgiving, it was M/S/C to cancel the October 24, 2018 meeting. (Yes: Andersen, Gordon, Holcombe, MacDonald, Phillips, Smithey, Telles and Watts)

11. Miscellaneous

(a) Staff Report –

Strohl reported CCCERA met with the Fire Chief of the Contra Costa County Fire Protection District and County Counsel on Monday regarding the pensionability of standby pay.


(b) Outside Professionals' Report -

None


(c) Trustees' comments –

Phillips highlighted the items he felt were important at the SCCE Board Audit Committee Compliance Conference that he, Watts and Dutkiewicz attended.

It was M/S/C to adjourn the meeting. (Yes: Andersen, Gordon, Holcombe, MacDonald, Phillips, Smithey, Telles and Watts)



Todd Smithey, Chairman



David MacDonald, Secretary