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COUNTY
Employees' Retirement Association

MINUTES

RETIREMENT BOARD MEETING MINUTES

SECOND MONTHLY MEETING
9:00 a.m.

May 28, 2015

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

Present: Debora Allen, Candace Andersen, Scott Gordon, Jerry Holcombe, John Phillips, William Pigeon, Gabe Rodrigues, Todd Smithey, Jerry Telles and Russell Watts

Absent: Brian Hast and Louie Kroll

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 Administrative/Human Resources Manager

Outside Professional Support:
Edward Hoffman
Scott Whalen

Representing:
Verus Consulting Group
Verus Consulting Group

1. Pledge of Allegiance

Phillips led all in the *Pledge of Allegiance*.

2. Accept comments from the public

No members of the public offered comment.

CLOSED SESSION

The Board moved into closed session pursuant to Govt. Code Section 54956.81.

The Board moved into open session.

3. There was no reportable action related to Govt. Code Section 54956.81.

4. **Review of total portfolio performance** – Scott Whalen, Edward Hoffman

Prior to their presentation, Verus waived the confidentially disclaimer on the presentation materials, noting this is a public meeting and any information discussed will be available to the public.

Hoffman reviewed the CCCERA's total fund performance noting the Total Fund returned 3.6% for the second quarter which was above the policy benchmark of 2.6%. Over the trailing 10 year period, the total fund returned 8.1%, well above the CPI +400 benchmark of 6.1%

5. Review of Managers on Watch List

a. Consider and take possible action to add or remove managers from the Watch List

Price reviewed the managers on the Watch List. After a discussion, it was the consensus of the Board and staff to 1) keep Nogales on the Watch List until the fund is completely wound down; 2) keep PIMCO on the Watch List due to personnel changes; and, 3) keep DBL on the Watch List for personnel changes and review again after their annual meeting.

6. Update from Verus regarding the Strategy Development Workplan

Whalen reviewed the integrated consulting process noting they are currently focusing on assessment and design. He reviewed their planned timeline including an Investment Strategy Development (ISD) workshop in September which will include targeted education, governance, best practices and an asset/liability study. They might also conduct an asset allocation workshop in October.

7. Consider and take possible action on revised Board meeting schedule for 2015

It was M/S/C to adopt the revised Board meeting schedule for 2015 as presented. (Yes: Allen, Andersen, Gordon, Phillips, Pigeon, Rodrigues, Smithey, Telles and Watts)

8. Consider and take possible action to adopt BOR Resolution 2015-6 granting a \$250 lump sum payment for all employees formerly represented by IFPTE Local 21

It was M/S/C to adopt BOR Resolution 2015-6 granting a \$250 lump sum payment for all employees formerly represented by IFPTE Local 21. (Yes: Allen, Andersen, Gordon, Phillips, Pigeon, Rodrigues, Smithey, Telles and Watts).

Watts was no longer present for subsequent discussion and voting.

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

- a. It was M/S/C to authorize the attendance of 4 Board members and 3 staff members at the DBL Annual Meeting, San Francisco, CA, June 11, 2015. (Yes: Allen, Andersen, Gordon, Phillips, Pigeon, Rodrigues, Smithey and Telles).
- b. It was M/S/C to authorize the attendance of 3 Board members and 3 staff members at the Equilibrium Capital 4th Annual Forum, Sausalito, CA, June 22-23, 2015. (Yes: Allen, Andersen, Gordon, Phillips, Pigeon, Rodrigues, Smithey and Telles).
- c. It was M/S/C to authorize the attendance of 1 Board member and 2 staff members at the Institutional Investor: Roundtable for Consultants and Institutional Investors, Chicago, IL, October 7-9, 2015. (Yes: Allen, Andersen, Gordon, Phillips, Pigeon, Rodrigues, Smithey and Telles).

10. Miscellaneous

(a) Staff Report –

Price reported Claudia Moeller, CCCERA's compliance service contact at Wellington, is leaving the firm. He doesn't anticipate any changes; Board members can get a copy of the RVK report from him; CCCERA is the top performing SACRS county for the past decade; Staff is reviewing a credit opportunities fund and a private real assets fund; and, CCCERA is exploring the idea of selling Willows Office Park.

Schneider reported the Accounting Department has completed the CAFR. It is with the auditor for final sign off and will be presented to the Board in June; the valuation will be presented in late June/early July.

Dunn reported an RFP for Payroll/HRIS and timekeeping system has been issued; a 2-day intermediate excel training has been planned for staff.

Strohl reported trustee photos are being taken for the new website; the 2015 Lawbook is available in hard copy and online; CPAS will be on site the week of June 8, 2015 to meet with IT and Accounting; and, she has collected the RSVP's for the June 6th picnic.

(b) Outside Professionals' Report -

None

(c) Trustees' comments -

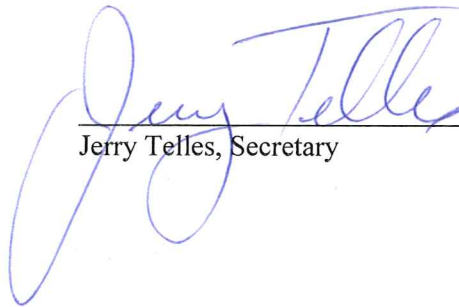
Rodrigues asked if anyone had any ideas for the SACRS program in November.

Allen attended the Siguler Guff conference, the NCPERS conference, and SACRS and felt they were all very interesting.

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



Brian Hast, Chairman



Jerry Telles, Secretary