



## MINUTES

### RETIREMENT BOARD MEETING MINUTES

REGULAR MEETING  
March 14, 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, Louie Kroll, John Phillips, William Pigeon, Gabe Rodrigues, Todd Smithey and Russell Watts

Absent: Jerry Holcombe, Jay Kwon, David MacDonald and Jerry Telles

Staff: Gail Strohl, Chief Executive Officer; Christina Dunn, Deputy Chief Executive Officer; Karen Levy, General Counsel; Wrally Dutkiewicz, Compliance Officer; Anne Sommers, Administrative/HR Manager; Henry Gudino, Accounting Manager; Tim Hoppe, Retirement Services Manager; Colin Bishop, Member Services Manager; and Son Lu, Information Technology Manager

Outside Professional Support:  
Susan Hastings  
Ian Fellerman

Representing:  
Laughlin, Falbo, Levy & Moresi LLP  
Wiley Price & Radulovich LLP

#### **1. Pledge of Allegiance**

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

Pigeon was present for subsequent discussion and voting.

#### **2. Recognition of Leticia Martin for 10 years of service and Mario Martinez for 15 years of service**

Smithey recognized and congratulated Leticia Martin for her 10 years of service and Mario Martinez for his 15 years of service.

#### **3. Accept comments from the public**

No member of the public offered comment.

#### **4. Approval of Minutes**

It was M/S/C to approve the minutes of the January 24 and February 14, 2018 meetings. (Yes: Andersen, Kroll, Phillips, Pigeon, Rodrigues, Smithey and Watts).

Gordon was present for subsequent discussion and voting.

**5. Routine Items**

It was M/S/C to approve the routine items of the March 14, 2018 meeting. (Yes: Andersen, Gordon, Kroll, Phillips, Pigeon, Rodrigues, Smithey and Watts)

**CLOSED SESSION**

The Board moved into closed session pursuant to Govt. Code Section 54957.6, 54957 and 54956.9(d)(1).

The Board moved into open session.

6. There was no reportable action related to Govt. Code Section 54957.6.
7. It was M/S/C to accept the Medical Advisor's recommendation and grant the following disability benefits:
  - a. Robert Scott Fulwood – Service Connected (Yes: Andersen, Gordon, Kroll, Phillips, Pigeon, Rodrigues, Smithey and Watts)
  - b. John Zamora – Service Connected (Yes: Andersen, Gordon, Kroll, Phillips, Pigeon, Rodrigues, Smithey and Watts)
8. It was M/S/C to deny the service-connected disability retirement application for Marco Biagini as recommended by the Hearing Officer. (Yes: Andersen, Gordon, Kroll, Phillips, Pigeon, Rodrigues, Smithey and Watts)
9. There was no reportable action related to Govt. Code Section 54956.9(d)(1).
10. **Presentation from ICON Integration & Design, Inc. on data quality review of pension administration system** – Michael Thibault, Nabeel Vira (via conference call)

Bishop gave an overview of the ICON project. He introduced Michael Thibault, President and CEO of ICON Integration & Design, Inc.

Thibault reviewed the materials in the presentation including the purpose of the project, the key data points, the mismatch process and reports, and the next steps. He stated the purpose of the project was to compare the key data points in Subledger to those in CPAS and report on the mismatches between them. He stated the data audit was a single point in time snapshot comparing Subledger and CPAS data and the key data points were selected by CCCERA. He reviewed each of the key data points that were compared and the results of the mismatch reports noting the reports looked very good for a first review.

Strohl introduced Nabeel Vira (via conference call) and noted Vira handled the day to day operations of the project.

Vira reported on the groups that were excluded from the report noting that those groups of people who were refunded in both Subledger and CPAS were excluded. Strohl reported Subledger and CPAS are separate systems that are currently running parallel and the goal is to decommission Subledger.

Thibault commented that the CCCERA matches correlate well with other systems ICON has audited and is typical of what they see. He reported the next steps are to analyze and identify the underlying reasons for mismatches, modify the coding and condition data based on the results, establish a process to regularly obtain fresh data from Subledger and align with CPAS data, perform on-going data cycles to identify changes in data quality, confirm and document the final disposition of every data element in Subledger, assess all authoritative data in both systems, formalize data governance to address ongoing data issues, and use the output from the Data Quality Audit Report as input into the Subledger Decommissioning Plan.

Bishop summarized the next steps and noted CCCERA will consider additional staffing and consulting needs for the duration of the Subledger decommissioning.

**11. Presentation of semi-annual disability retirement report**

Hoppe reported there were eleven disability retirement applications accepted during the last six months of 2017; six were service connected and five were non-service connected. He reported that CCCERA has accepted five disability applications year-to-date in 2018. He reviewed a breakdown of the total number of applications filed by the employers and by County department. He also reviewed a breakdown of the type of injury being reported noting musculoskeletal continues to be the most common type reported.

Hoppe reported the Disabilities Unit has approximately 35-40 open cases in the hearing stage with the majority of them being members in Tier 3. He discussed how long the disability application process takes and noted each situation is unique.

**12. Presentation of the Superior Court of California-Contra Costa County Final Audit Report**

Dutkiewicz presented the final audit report for the Superior Court of California-Contra Costa County and noted the Courts are in concurrence with CCCERA's observations and findings.

The follow-up items include: Item 1, Reporting Due Dates - The Courts have offered to provide to CCCERA, by December 15<sup>th</sup> of each year, a schedule of proposed due dates for all monthly reports that are required to be submitted to CCCERA; Item 2, Pensionable Compensation and Contribution Reporting - A formal training session by CCCERA's Member Services Department will be held to advise them on the items that need to be reported to CCCERA and the required format; Item 3, Salary and Contribution Adjustments - The Courts have submitted the adjustment file in question.

**13. Report from Audit Committee Chair on February 28, 2018 Audit Committee meeting**

Phillips reported on the February 28, 2018 Audit Committee meeting. He reminded the Board the members of the Committee are Phillips, Holcombe, Smithey and Watts.

He reported Brooke Baird of Brown Armstrong was at the meeting and reviewed the audit plan and timeline. He noted the Committee was very comfortable with their plan. He also reported the Committee reviewed the Audit Committee Guide and Procedural Standards and Practices Guide that includes the Committee's responsibilities to the Board.

He gave an update on the Preliminary Audit Report for the Superior Court of California-Contra Costa County. He also gave an update on the ICON audit of the data stored in Subledger and CPAS.

**14. Consider and take possible action to issue a Request for Proposal for Tax Counsel Services**

It was M/S/C to issue a Request for Proposal for tax counsel services. (Yes: Andersen, Gordon, Kroll, Phillips, Pigeon, Rodrigues, Smithey and Watts)

**15. Consider authorizing the attendance of Board:**

- a. It was M/S/C to authorize the attendance of 4 Board members at the 2018 Invesco Real Estate Global Client Conference, Invesco, November 6-8, 2018, La Jolla, CA. (Yes: Andersen, Gordon, Kroll, Phillips, Pigeon, Rodrigues Smithey and Watts)

**16. Miscellaneous**

- (a) Staff Report –

Strohl reported there was a staff potluck yesterday including some authentic Irish food; Verus will be at the March 28 meeting to discuss capital market assumptions and the asset allocation as it relates to it.

Levy reported that Jackson Walker, one of the investment legal firms the Board recently approved to provide legal advice on investment transactions, has informed CCCERA that their practice group that handles these matters has moved to DLA Piper, a large international law firm. CCCERA staff is in close communication with them to get information about the transition and will provide the Board with an update soon.

(b) Outside Professionals' Report -

None

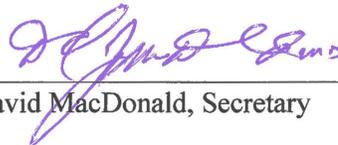
(c) Trustees' comments –

Watts reported he attended CALAPRS General Assembly last week and felt it was well done.

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



Todd Smithey, Chairman



David MacDonald, Secretary