



RETIREMENT BOARD MEETING MINUTES

FIRST MONTHLY BOARD MEETING
9:00 a.m.

December 11, 2013

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

Present: Richard Cabral, Scott Gordon, Brian Hast, Jerry Holcombe, Louie Kroll, Karen Mitchoff, John Phillips, William Pigeon, Gabe Rodrigues, Jerry Telles and Russell Watts

Absent: Debora Allen

Staff: Marilyn Leedom, Retirement Chief Executive Officer; Kurt Schneider, Retirement Deputy Chief Executive Officer; Timothy Price, Retirement Chief Investment Officer; Karen Levy, Retirement General Counsel; Vickie Kaplan, Retirement Accounting Manager; and Christina Dunn, Retirement Administration Manager

Outside Professional Support:	Representing:
Harvey Leiderman	Reed Smith LLP
Rebecca Byrnes	County Counsel

1. **Pledge of Allegiance**

Hast led all in the *Pledge of Allegiance*.

2. **Accept comments from the public**

No members of the public offered comment.

3. **Routine Items**

It was M/S/C to approve the routine items of the December 11, 2013 Board meeting. (Yes: Cabral, Gordon, Hast, Holcombe, Mitchoff, Phillips, Pigeon, Telles and Watts).

It was the consensus of the Board to move to Item 6.

6. **Consider and take possible action on staff recommendation for change in structure of Special Board meetings**

Price reviewed his memo regarding alternative structures for manager presentations. He reviewed the different possibilities including holding more Special Board meetings each year, panel discussions and off site meetings.

The Board discussed the types of managers that could be included in the panel discussions and pros and cons of the different presentation options.

The Board directed staff to research including an educational panel discussion at Special Board meetings onsite and to continue the quarterly meetings. The Board also requested to continue meeting with managers in on an as needed basis. Staff will bring a revised proposal to the Board at a meeting in January.

7. 2014 Administrative Budget

Leedom reviewed the recommended 2014 Administrative Budget noting the accomplishments of CCCERA's divisions and the organizational strategies.

She noted with the legislative changes to public pensions in the last year, administering the system has become more complicated. In order to comply with service needs she is requesting additional staff members and space to accommodate the increase in staff. She discussed the need for a new position, Pension Administration System (PAS) Coordinator which will specialize in updating and maximizing the functionality of the CPAS system, testing system data, oversee Form 1099R reporting and balancing, provide actuarial reporting and discrepancy investigation and work with employers to facilitate correct electronic reporting procedures and verify data integrity. She noted the salary for this position is not to exceed \$7,315.00 monthly.

Gordon was not present for subsequent discussion and voting.

It was **M/S/C** to accept the 2014 Administrative Budget as presented and approve an additional five positions, including an Information Technology Coordinator, an Accounting Technician, an Investment Analyst, an Office Specialist and a Pension Administration System Coordinator. (Yes: Cabral, Hast, Holcombe, Mitchoff, Phillips, Pigeon, Telles and Watts)

Cabral and Telles were not present for subsequent discussion and voting.

8. Conference Seminar Attendance

- a. It was **M/S/C** to authorize the attendance of 1 Board member and 1 staff member at the Forum 2014, Commonfund, March 8 – 11, 2014, Hollywood, FL. (Yes: Hast, Holcombe, Kroll, Mitchoff, Phillips, Pigeon, Rodrigues and Watts)
- b. It was **M/S/C** to authorize the attendance of 4 Board members and 2 staff members at the Annual Conference, Pension Bridge, April 22 – 23, 2014, San Francisco, CA. (Yes: Hast, Holcombe, Kroll, Mitchoff, Phillips, Pigeon, Rodrigues and Watts)
- c. It was **M/S/C** to authorize the attendance of 2 Board members at the Portfolio Concepts and Management, Wharton, May 5 – 8, 2014, Philadelphia, PA. (Yes: Hast, Holcombe, Kroll, Mitchoff, Phillips, Pigeon Rodrigues and Watts)
- d. It was **M/S/C** to authorize the attendance of 1 staff member at the 2014 Winter Seminar, NAPPA, February 19 – 21, 2014, Washington, DC. (Yes: Hast, Holcombe, Kroll, Mitchoff, Phillips, Pigeon, Rodrigues and Watts)

Cabral and Telles were present for subsequent discussion and voting.

9. Miscellaneous

- (a) Staff Report –

Leedom reported she has issued an RFI for vocational therapy services for disability retirement cases.

She also reported the actuaries will present on funding, the employer termination policy, and fiduciary counsel will provide an educational session on employer bankruptcy at the January 22, 2014 meeting.

Price reported the portfolio manager at PIMCO stocks plus is taking a sabbatical and we are waiting to find out who the replacement investment manager will be. He will report back in January.

He also reported the company that owns Ceredex was just sold from SunTrust to Lightyear Capital.

Gordon was present for subsequent discussion and voting.

Levy reported she is working with tax counsel on the possibility of filing in Cycle C for the IRS Letter of Determination.

(b) Outside Professionals' Report –

Leiderman reported the Detroit bankruptcy ruling may not necessarily affect California public agencies.

He also reported the initiative authored by Mayor Reed is in the Attorney General's office while signatures continue to be gathered.

(c) Trustees' comments –

Pigeon reported he attended the KORIED Conference and felt the content was good but there were more speakers than attendees.

He also reported he attended the onsite visit to Milliman.

Watts reported he attended the onsite visit to Milliman with Phillips, Gordon, Pigeon, Leedom and Price. He stated he learned a lot about Milliman, noting the practice has full autonomy from the other offices.

Phillips reported on the onsite visit to Milliman noting we are one of their largest clients.

CLOSED SESSION

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

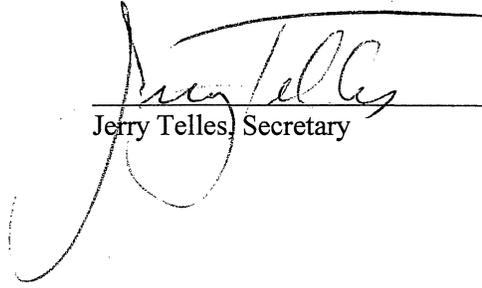
The Board moved into open session.

4. It was **M/S/C** to accept the Hearing Officer's recommendation and deny the service connected disability retirement for Charlene Barnes. (Yes: Cabral, Gordon, Hast, Holcombe, Mitchoff, Phillips, Pigeon, Telles and Watts)
5. There was no reportable action related to Govt. Code Section 54956.9(a).

It was **M/S/C** to adjourn the meeting. (Yes: Cabral, Gordon, Hast, Holcombe, Mitchoff, Phillips, Pigeon, Telles and Watts)

Handwritten signature of Brian Hast in black ink, consisting of the letters 'BHast' in a cursive style.

Brian Hast, Chairman

Handwritten signature of Jerry Telles in black ink, featuring a large, stylized initial 'J' followed by 'Telles' in a cursive script.

Jerry Telles, Secretary