



**AGENDA**

**RETIREMENT BOARD MEETING**

FIRST MONTHLY MEETING  
January 14, 2015  
9:00 a.m.

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

THE RETIREMENT BOARD MAY DISCUSS AND TAKE ACTION ON THE FOLLOWING:

1. Pledge of Allegiance.
2. Recognition of Ruchele Durbin for 25 years of service.
3. Accept comments from the public.
4. Approve minutes from the November 25, 2014 meeting.
5. Routine items for January 14, 2015.
  - a. Approve certifications of membership.
  - b. Approve service and disability allowances.
  - c. Accept disability applications and authorize subpoenas as required.
  - d. Approve death benefits.
  - e. Accept Asset Allocation Report.

*CLOSED SESSION*

6. The Board will go into closed session under Govt. Code Section 54957 to consider recommendations from the Medical Advisor and/or staff regarding the following disability retirement applications:

<u>Member</u>	<u>Type Sought</u>	<u>Recommendation</u>
Maly Phommavong	Service Connected	Non-service Connected
7. The Board will continue in closed session pursuant to Govt. Code Section 54956.9(d)(2) to confer with legal counsel regarding anticipated litigation (one case).

The Retirement Board will provide reasonable accommodations for persons with disabilities planning to attend Board meetings who contact the Retirement Office at least 24 hours before a meeting.

8. The Board will continue in closed session pursuant to Govt. Code Section 54956.9(d)(1) to confer with legal counsel regarding pending litigation:

*Contra Costa County Deputy Sheriffs Association, et al., v. Board of Retirement of Contra Costa County Employees' Retirement Association, et al., Contra Costa County Superior Court, Case No.: MSN 12-1870.*

9. The Board will continue in closed session pursuant to Govt. Code Section 54956.9(d)(4) to confer with legal counsel regarding initiation of litigation (one potential case).

#### *OPEN SESSION*

10. Consider and take possible action to contract with Digital Deployment, Inc. to Redesign the CCCERA Website.
11. Consider and take possible action regarding Marianne Irvin's request for spousal continuance following the death of CCCERA retiree Richard Irvin.
12. Consider and take possible action regarding non-service connected disability retirement allowance of deceased member Shari Critchfield.
13. Presentation of the CCCERA employer audit process and the Bethel Island Municipal Improvement District Employer Audit Report.
14. Consider and Take Possible Action on establishment of standing Audit Committee of the Board of Retirement.
15. Consider and Take Possible Action Regarding the Impact of Court Furloughs (Reduction in Pay) On Pensionable Compensation for PEPRA Members.
16. Consider authorizing the attendance of Board and/or staff:
  - a. Winter Forum on Real Estate Opportunities and Private Fund Investing, IMN, January 21-23, 2015, Laguna Beach, CA. (Staff only).
  - b. 2015 Annual Conference, ISS, January 29-30, 2015, Aventura, FL.
  - c. 26<sup>th</sup> Annual Public Retirement Seminar, Public Retirement Journal, February 24, 2015, Lakewood, CA.
  - d. Global Real Assets Investment Forum, Institutional Investor, February 24-25, 2015, New York, NY.
  - e. 2015 General Assembly, CALAPRS, March 7-10, 2015, Monterey, CA.
  - f. Spring Conference, CII, March 30-April 1, 2015, Washington, DC.
  - g. The Pension Bridge Annual, Pension Bridge, April 7-8, 2015, San Francisco, CA. (Note: Conflict with Board Meeting)
17. Miscellaneous
  - a. Staff Report
  - b. Outside Professionals' Report
  - c. Trustees' comments

The Retirement Board will provide reasonable accommodations for persons with disabilities planning to attend Board meetings who contact the Retirement Office at least 24 hours before a meeting.



## MINUTES

### RETIREMENT BOARD MEETING

SECOND MONTHLY MEETING  
9:00 a.m.

November 25, 2014

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

Present: Debora Allen, Scott Gordon, Jerry Holcombe, Karen Mitchoff, 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; Christina Dunn, Retirement Administration Manager; and Chih-chi Chu, Retirement Investment Analyst

Outside Professional Support:	Representing:
Harvey Leiderman	Reed Smith LLP
Bob Helliesen	Milliman
Marty Dirks	Milliman
Dorian Young	Milliman

#### 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.

#### 3. Approval of Minutes

It was M/S/C to approve the minutes of the October 8, 2014 meeting. (Yes: Gordon, Holcombe, Mitchoff, Phillips, Rodrigues, Smithey, Telles and Watts)

It was M/S/C to approve the minutes of the October 16, 2014 meeting. (Yes: Gordon, Holcombe, Mitchoff, Phillips, Rodrigues, Smithey, Telles and Watts)

#### 4. Consider and take possible action on Selection of Labor and Employment Counsel

Levy reported the ad hoc committee reviewed the responses to the RFP, interviewed the top three firms and reviewed their references. The committee recommends retaining Wiley Price & Radulovich, LLP as labor and employment counsel and continuing CCCERA's existing engagement

with Reed Smith for special employment law matters on an as needed basis. Levy gave a brief overview of both firms.

Allen was present for subsequent discussion and voting.

After questions from the Board to both firms, it was **M/S/C** to retain Wiley Price & Radulovich, LLP as labor and employment counsel and continue CCCERA's existing engagement with Reed Smith for special employment law matters on an as needed basis. (Yes: Allen, Gordon, Mitchoff, Phillips, Rodrigues, Smithey, Telles and Watts)

**5. Review of total portfolio performance**

Helliesen reported the Kuhns report through June shows CCCERA's performance has been very strong. A Flash Report for the period ending October 31, 2014 was distributed.

Pigeon was present for subsequent discussion and voting.

Young gave an overview of the market in general and also for the third quarter. He discussed Fed interest rates and also discussed the key points of the quarterly report noting the CCCERA Total Fund returned -0.7% for the third quarter which was above the median public fund's return of -1.3%.

**a. Consideration of any managers already under review or to be placed under review**

Dirks reported on the managers on the Watch List noting Lord Abbett and PIMCO were both put on watch due to personnel changes. He gave an update on their performance and recommends removing Lord Abbett from the Watch List. He also gave an update on DBL.

It was **M/S/C** to remove Lord Abbett from the Watch List. (Yes: Allen, Gordon, Mitchoff, Phillips, Pigeon, Rodrigues, Smithey, Telles and Watts)

It was **M/S** to remove Nogales Investors from the Watch List. After discussion, the motion and second were withdrawn.

**b. Consideration of any changes in allocations to managers**

There were no changes in allocations to managers.

**6. Presentation from staff on private real asset commitment pacing schedule**

Price gave an overview of CCCERA's Private Real Asset Commitment Schedule.

Chu reviewed the over-commitment level for different partnership characteristics and the application of over-commitment level to CCCERA's private program. He reviewed the real asset risk-return landscape and CCCERA's current private real asset profile.

**7. Consider and take possible action regarding scheduling of December 17, 2014 meeting**

Strohl reported she would like to add another meeting in December in preparation to becoming independent in January.

It was **M/S/C** to add December 17, 2014 to the Board Meeting Calendar as a special meeting. (Yes: Allen, Gordon, Mitchoff, Phillips, Pigeon, Rodrigues, Smithey, Telles and Watts)

**8. Conference Seminar Attendance**

- a. It was M/S/C to authorize the attendance of 1 Board member at the Emerald Investment Forum, Emerald Asset Management, February 5, 2015, Philadelphia, PA. (Yes: Allen, Gordon, Mitchoff, Phillips, Pigeon, Rodrigues, Smithey, Telles and Watts)
- b. It was M/S/C to authorize the attendance of 1 Board member at the Trustee Institute, IFEBP, February 9-11, 2015, Orlando, FL. (Yes: Allen, Gordon, Mitchoff, Phillips, Pigeon, Rodrigues, Smithey, Telles and Watts)

9. Miscellaneous

(a) Staff Report –

Schneider reported the market stabilization account report has been completed with mid-year numbers. He reported we also have the Consumer Price Index values from September which gives us the compensation limits for 2015.

Levy reported that after receiving comments on the SACRS project to renumber the 1937 Act statutes to make them more user-friendly, SACRS announced they have decided to not pursue that avenue but instead explore making the '1937 Act more user friendly in other ways, such as a more detailed table of content or index.

Price reported Energy Investor Funds is selling their company to Ares Fund Management noting it looks like a liquidity event for the founders. One of the founders is leaving very shortly and the other two will be leaving over the next couple of years.

Kaplan reported we have successfully implemented the new accounting system and all went well.

Dunn reported the CCCREA mailing has gone out, remodels continue, and she is working with Joe Wiley on draft labor relations paperwork in preparation for CCCERA to become an independent district.

Strohl reported that key pads have been installed and staff has received key fobs so we are now able to control access and improve security. For the January meetings we are looking at coming back with a recommendation for a new website, consideration of an audit committee, and a re-evaluation of base pay. She stated we're very excited about becoming independent, thinking about timing, and are on top of it.

(b) Outside Professionals' Report -

None

(c) Trustees' comments –

Mitchoff reported on a letter received from Leiderman regarding a request from DSA for CCCERA to give them back their contributions noting there is also a claim against the county to give back the employer share.

Telles reported he received an email two days ago that county retiree organizations around the state are looking into putting together a bill that states when 2 of the appointed members are absent then the alternate retiree member could vote for the appointed member.

Allen reported she attended SACRS and felt it was a very good conference. Telles complimented Allen on moderating her session stating she did a very good job.

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

---

Brian Hast, Chairman

---

Jerry Telles, Secretary

CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

BOARD OF RETIREMENT

Meeting Date  
**1/14/15**  
 January 14, 2015  
Agenda Item  
**#5**

Page 1

Items requiring Board Action

**A. Certifications of Membership – see list and classification forms.**

**B. Service and Disability Retirement Allowances:**

<u>Name</u>	<u>Number</u>	<u>Effective Date</u>	<u>Option Type</u>	<u>Group</u>	<u>Selected</u>
Chiang, Christine	49099	10/08/14	SR	II & III	Unmod
Crase, Randall	63299	10/23/14	SR	S/A	Unmod
Haynes, Brian	44466	10/04/14	SR	II & III	Option 2
Kerns, Karen	61610	11/01/14	SR	III	Unmod
King, Patricia	64249	11/21/14	SR	II & III	Option 1
Lane, Felicia	48667	11/14/14	SR	II & III	Unmod
Lestage, Lily	32841	10/01/14	SR	I, II & III	Unmod
Maxwell, Laura	68691	10/10/14	SR	III	Unmod
Moncayo, Rocio	67304	10/31/14	SR	III	Unmod
Ocasio, Tomasita	66989	10/11/14	SR	III	Unmod
Ortega, Gerald	D9500A/P	08/16/14	SR	II & III	Option 3
Stardragon, Mona	65780	10/01/14	SR	II & III	Unmod
Stockdale, Kathleen	46136	10/16/14	SR	II & III	Unmod
Tamayo, Rudolph	D9990	10/24/14	SR	I	Unmod
Pye, Sonya	48109	03/05/14	NSCD	II & III	Unmod
Van Horn, Steven	26514	07/11/14	SR	I & III	Unmod
Villareal, Eduardo	47395	11/29/14	SR	II & III	Option 2
Vincent, Susan	43805	10/17/14	SR	II & III	Unmod

**C. Disability Retirement Applications: The Board's Hearing Officer is hereby authorized to issue subpoenas in the following cases involving disability applications:**

<u>Name</u>	<u>Number</u>	<u>Filed</u>	<u>Type</u>
Abdul-Majjed, Khalid	D9990	12/19/14	SCD
Nino, Theresa	56704	12/30/14	SCD

**KEY:**

**Group**  
 I = Tier I  
 II = Tier II  
 III = Tier III  
 S/A = Safety Tier A  
 S/C = Safety Tier C

**Option**  
 \* = County Advance  
 Selected w/option

**Type**  
 NSP = Non-Specified  
 SCD = Service Disability  
 SR = Service Retirement  
 NSD = Non-Service Disability

CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

BOARD OF RETIREMENT

Page 2

January 14, 2015

**D. Deaths:**

<u>Name</u>	<u>Date of Death</u>	<u>Employer</u>
Camphor, Ann	12/26/14	Contra Costa County
Crocker-Sylvia, Sharon	12/11/14	Contra Costa County
Fadavi, Jean	11/22/14	Contra Costa County
Funez, Ralph	12/11/14	Contra Costa County
Graham, Edward	10/02/14	Contra Costa County
Green, Patricia	01/01/15	Beneficiary
Hutton, Margaret	12/28/14	Beneficiary
Ingram, Elodia	12/05/14	Contra Costa County
Lantin, Michael	12/28/14	Contra Costa County
Maaske, Elizabeth	01/03/15	Contra Costa County
Monahan, Anne	11/28/14	Beneficiary
Moses, Kenneth	12/06/14	Contra Costa County
Pangrazzi, Elizabeth	11/24/14	Beneficiary
Rich, John	12/11/14	Contra Costa County
Saler, Betty	12/26/14	Contra Costa County
Serbin, William	12/05/14	Contra Costa County

**KEY:**

**Group**  
I = Tier I  
II = Tier II  
III = Tier III  
S/A = Safety Tier A  
S/C = Safety Tier C

**Option**  
\* = County Advance  
Selected w/option

**Type**  
NSP = Non-Specified  
SCD = Service Disability  
SR = Service Retirement  
NSD = Non-Service Disability



## CERTIFICATION OF MEMBERSHIPS

Meeting Date  
1/14/15  
Agenda Item  
#5a.

Name	Employee Number	Tier	Membership Date	Employer
Acosta, Stacy	80894	P5.2	11/01/14	Contra Costa County
Ahlborn, Joseph	80827	P5.2	11/01/14	Contra Costa County
Alvarez, Jennifer	80924	P5.2	11/01/14	Contra Costa County
Amador-Lomeli, Elizabeth	80831	P5.2	11/01/14	Contra Costa County
Andrade, Daniel	80813	S/D	11/01/14	ConFire
Angel, Christopher	80905	P5.2	11/01/14	Contra Costa County
Barckley, Brendan	80940	P5.2	11/01/14	Contra Costa County
Baum, Elizabeth	80884	P5.2	11/01/14	Contra Costa County
Becnel, Laurel	D9500	P5.3	11/01/14	Superior Court
Beveridge, Walter	80788	P5.2	10/01/14	Contra Costa County
Bigornia, Kylie	80906	P5.2	11/01/14	Contra Costa County
Bonilla, Diana	80875	P5.2	11/01/14	Contra Costa County
Burruss, Brandon	80806	S/D	11/01/14	ConFire
Byers, Monique	79760	P5.2	11/01/14	Contra Costa County
Cambra, Jon	80826	P5.2	11/01/14	Contra Costa County
Cardinale, Angela	D9500	P5.3	11/01/14	Superior Court
Cazares, Mayra	80016	P5.2	11/01/14	Contra Costa County
Chen, Carol	80902	P5.2	11/01/14	Contra Costa County
Clem, Cody	80808	S/D	11/01/14	ConFire
Collard, Monica	80878	P5.2	11/01/14	Contra Costa County
Colwell, Cody	80828	P5.2	11/01/14	Contra Costa County
Crawley, Natasha	80876	P5.2	11/01/14	Contra Costa County
Crow, Brenda	D9500	P5.3	11/01/14	Superior Court
Crume, Henry	80901	P5.2	11/01/14	Contra Costa County
Dauz, Cristina	80124	P5.2	11/01/14	Contra Costa County
Decker, John	80836	P5.2	11/01/14	Contra Costa County
Dellaserra, Alysia	80911	P5.2	11/01/14	Contra Costa County
Diethelm, Steven	D3406	P4.3	11/01/14	CCC Sanitary Dist
Dillingham, Jessica	80903	P5.2	11/01/14	Contra Costa County
Diribsa, Dawit	80765	P5.2	11/01/14	Contra Costa County

**Key:**

<b>I = Tier I</b>	<b>P4.2 = PEPR Tier 4 (2% COLA)</b>	<b>S/A = Safety Tier A</b>
<b>II = Tier II</b>	<b>P4.3 = PEPR Tier 4 (3% COLA)</b>	<b>S/C = Safety Tier C</b>
<b>III = Tier III</b>	<b>P5.2 = PEPR Tier 5 (2% COLA)</b>	<b>S/D = Safety Tier D</b>
	<b>P5.3 = PEPR Tier 5 (3% COLA)</b>	<b>S/E = Safety Tier E</b>

## CERTIFICATION OF MEMBERSHIPS

<i>Name</i>	<i>Employee Number</i>	<i>Tier</i>	<i>Membership Date</i>	<i>Employer</i>
Duckett, Adrianna	80796	P5.2	11/01/14	Contra Costa County
Duque Silva, Alexandra	80701	P5.2	11/01/14	Contra Costa County
Emick, Dustin	80815	S/D	11/01/14	ConFire
Fields, Elise	80356	P5.2	11/01/14	Contra Costa County
Flanders, Barron	77186	S/D	11/01/14	Rodeo-Hercules Fire
Forte, Brandy	80767	P5.2	11/01/14	Contra Costa County
Fowler, Vernisha	80880	P5.2	11/01/14	Contra Costa County
Gaines, Colette	80832	P5.2	11/01/14	Contra Costa County
Garcia, Gerard	80805	S/D	11/01/14	ConFire
Gaviria, Erica	80818	P5.2	11/01/14	Contra Costa County
Gebre, Desbele	77436	P5.2	11/01/14	Contra Costa County
Goss, Tom	80811	S/D	11/01/14	ConFire
Gutierrez, Leticia	80834	P5.2	11/01/14	Contra Costa County
Hawkins, Jaclyn	80879	P5.2	11/01/14	Contra Costa County
Hendershott, Mark	80817	S/D	11/01/14	ConFire
Hernandez, Elisa	80840	P5.2	11/01/14	Contra Costa County
Hernandez, Sigrid	80766	P5.3	11/01/14	Contra Costa County
Hill, Tammy	79287	P5.2	11/01/14	Contra Costa County
Hosein, Nadya	80821	P5.2	11/01/14	Contra Costa County
Hronis, Rachel	80900	P5.2	11/01/14	Contra Costa County
Kaur, Malkit	80764	P5.2	11/01/14	Contra Costa County
Kray, Margaret	80696	P5.3	11/01/14	Contra Costa County
Laico, Ana	D3406	P4.3	11/01/14	CCC Sanitary Dist
Lee, Anna	80949	P5.2	11/01/14	Contra Costa County
Lehman, Trang	76397	III	11/01/14	Contra Costa County
Litwin, Ashley	80804	P5.2	11/01/14	Contra Costa County
Lopez, Josephina	80781	P5.2	11/01/14	Contra Costa County
Maltbie, Jeanine	D9500	P5.3	11/01/04	Superior Court
Mangalindan, Alvan	80761	P5.2	11/01/14	Contra Costa County
Maog, Marian	D9500	P5.3	11/01/14	Superior Court

**Key:**

<b>I = Tier I</b>	<b>P4.2 = PEPR Tier 4 (2% COLA)</b>	<b>S/A = Safety Tier A</b>
<b>II = Tier II</b>	<b>P4.3 = PEPR Tier 4 (3% COLA)</b>	<b>S/C = Safety Tier C</b>
<b>III = Tier III</b>	<b>P5.2 = PEPR Tier 5 (2% COLA)</b>	<b>S/D = Safety Tier D</b>
	<b>P5.3 = PEPR Tier 5 (3% COLA)</b>	<b>S/E = Safety Tier E</b>

## CERTIFICATION OF MEMBERSHIPS

<i>Name</i>	<i>Employee Number</i>	<i>Tier</i>	<i>Membership Date</i>	<i>Employer</i>
Matthews, Michael	D3406	P4.3	11/01/14	CCC Sanitary Dist
Melatyar, Samira	80822	P5.2	11/01/14	Contra Costa County
Miggins, Lashawn	79246	P5.2	11/01/14	Contra Costa County
Moore, Michael	70743	P5.2	10/01/14	Contra Costa County
Moring-Parris, Daniel	80780	P5.2	11/01/14	Contra Costa County
Moxley, Malissa	80858	P5.2	11/01/14	Contra Costa County
Ngo, Phong	80486	P5.2	11/01/14	Contra Costa County
Obutkov, Andrey	78468	S/A	11/01/14	Contra Costa County
Parrish, Dexter	80492	P5.2	11/01/14	Contra Costa County
Pinkston, Stephanie	80865	P5.2	11/01/14	Contra Costa County
Porras, Natividad	80816	S/D	11/01/14	ConFire
Preciado, Jennifer	80912	P5.2	11/01/14	Contra Costa County
Pullin, Jimmy	80824	P5.2	11/01/14	Contra Costa County
Radu-Radulescu, Ruxandra	80869	P5.2	11/01/14	Contra Costa County
Ragonton, Jeffrey	80877	III	11/01/14	Contra Costa County
Railton, Edward	80825	P5.2	11/01/14	Contra Costa County
Reagan, Earnestine	80892	P5.2	11/01/14	Contra Costa County
Reyes, Souad	80863	P5.2	11/01/14	Contra Costa County
Rivera, Kurt	79798	P5.3	11/01/14	Contra Costa County
Rodriguez, Julian	80809	S/D	11/01/14	ConFire
Romero, Rachel	80861	P5.2	11/01/14	Contra Costa County
Rosauro, Venerie	80864	P5.2	11/01/14	Contra Costa County
Sagao, Cherly	80192	P5.2	11/01/14	Contra Costa County
Sethi, Harleen	74609	P5.2	11/01/14	Contra Costa County
Sims, Monique	77956	P5.2	11/01/14	Contra Costa County
Skallet, Maria	80784	P5.3	11/01/14	Contra Costa County
Small, William	80807	S/D	11/01/14	ConFire
Soto, Beatrice	80782	P5.2	11/01/14	Contra Costa County
Steiner, Stephanie	80785	P5.2	11/01/14	Contra Costa County
Stewart, Latasha	80862	P5.2	11/01/14	Contra Costa County
Sukhu, Sujeeta	80786	P5.2	11/01/14	Contra Costa County
Tarrant, Bryan	80812	S/D	11/01/14	ConFire

**Key:**

<b>I = Tier I</b>	<b>P4.2 = PEPR Tier 4 (2% COLA)</b>	<b>S/A = Safety Tier A</b>
<b>II = Tier II</b>	<b>P4.3 = PEPR Tier 4 (3% COLA)</b>	<b>S/C = Safety Tier C</b>
<b>III = Tier III</b>	<b>P5.2 = PEPR Tier 5 (2% COLA)</b>	<b>S/D = Safety Tier D</b>
	<b>P5.3 = PEPR Tier 5 (3% COLA)</b>	<b>S/E = Safety Tier E</b>

## CERTIFICATION OF MEMBERSHIPS

<i>Name</i>	<i>Employee Number</i>	<i>Tier</i>	<i>Membership Date</i>	<i>Employer</i>
Tarvins, Denise	80943	P5.2	11/01/14	Contra Costa County
Tate, Matthew	80856	P5.2	11/01/14	Contra Costa County
Taylor, Pamela	79928	P5.2	11/01/14	Contra Costa County
Telintelo, John	80860	P5.2	11/01/14	Contra Costa County
Todoroff, Morgan	80888	P5.2	11/01/14	Contra Costa County
Tolentino, Maribel	80803	P5.3	11/01/14	Contra Costa County
Underwood, Julie	80859	P5.2	11/01/14	Contra Costa County
Vahidizadeh, Ali	80778	P5.2	11/01/14	Contra Costa County
Valenzuela, Marlen	79397	P5.2	11/01/14	Contra Costa County
Van Arsdale, Vanessa	80787	P5.2	11/01/14	Contra Costa County
Vidulich, Claudette	80891	P5.2	11/01/14	Contra Costa County
Washington, Diedra	80889	P5.2	11/01/14	Contra Costa County
Weybret, Robert	80814	S/D	11/01/14	ConFire
Williams, Penny	68399	P5.2	11/01/14	Contra Costa County
Willis, Nicole	80890	P5.2	11/01/14	Contra Costa County
Wilson, Andrew	80810	S/D	11/01/14	ConFire
Wise, Shawlamar	80205	P5.2	11/01/14	Contra Costa County
Wood, Allison	79540	P5.2	11/01/14	Contra Costa County
Zamani, Christopher	74358	III	11/01/14	Contra Costa County

**Key:**

<b>I = Tier I</b>	<b>P4.2 = PEPR Tier 4 (2% COLA)</b>	<b>S/A = Safety Tier A</b>
<b>II = Tier II</b>	<b>P4.3 = PEPR Tier 4 (3% COLA)</b>	<b>S/C = Safety Tier C</b>
<b>III = Tier III</b>	<b>P5.2 = PEPR Tier 5 (2% COLA)</b>	<b>S/D = Safety Tier D</b>
	<b>P5.3 = PEPR Tier 5 (3% COLA)</b>	<b>S/E = Safety Tier E</b>

## TIER CHANGES

<i>Name</i>	<i>Employee Number</i>	<i>Old Tier</i>	<i>New Tier</i>	<i>Effective Date</i>	<i>Employer</i>	<i>Reason for Change</i>
Godoy, Chad	80344	P5.3	III	7/1/2014	Contra Costa County	Recip

**Key:**

<b>I = Tier I</b>	<b>P4.2 = PEPR Tier 4 (2% COLA)</b>	<b>S/A = Safety Tier A</b>
<b>II = Tier II</b>	<b>P4.3 = PEPR Tier 4 (3% COLA)</b>	<b>S/C = Safety Tier C</b>
<b>III = Tier III</b>	<b>P5.2 = PEPR Tier 5 (2% COLA)</b>	<b>S/D = Safety Tier D</b>
	<b>P5.3 = PEPR Tier 5 (3% COLA)</b>	<b>S/E = Safety Tier E</b>

**ASSET ALLOCATION**

Current Assets (Market Value)

\$7,091,352,000

Reporting Month End: November 31, 2014

Prepared By: Chih-Chi Chu

Meeting Date  
1/14/15  
Agenda Item  
#5e.

Robeco	4.3%	304,928,136	317,905,000	4.48%	12,976,864	0.18%
Jackson Square Partners (fka Delaware)	4.3%	304,928,136	324,972,000	4.58%	20,043,864	0.28%
Emerald Advisors	3.0%	212,740,560	215,726,000	3.04%	2,985,440	0.04%
Intech (Core)	4.1%	290,745,432	306,600,000	4.32%	15,854,568	0.22%
PIMCO Stocks+ Absolute Return	4.0%	283,654,080	302,332,000	4.26%	18,677,920	0.26%
Ceredex	3.0%	212,740,560	202,349,000	2.85%	(10,391,560)	(0.15%)
<b>Total Domestic Equity</b>	<b>22.7%</b>	<b>1,609,736,904</b>	<b>1,669,884,000</b>	<b>23.55%</b>	<b>60,147,096</b>	<b>0.85%</b>
Pryford (BMO)	5.3%	375,841,656	359,249,000	5.07%	(16,592,656)	(0.23%)
William Blair	5.3%	375,841,656	362,344,000	5.11%	(13,497,656)	(0.19%)
<b>Total International Equity</b>	<b>10.6%</b>	<b>751,683,312</b>	<b>721,593,000</b>	<b>10.18%</b>	<b>(30,090,312)</b>	<b>(0.42%)</b>
JPMorgan Global Opportunities	4.0%	283,654,080	283,971,000	4.00%	316,920	0.00%
First Eagle	4.0%	283,654,080	274,818,000	3.88%	(8,836,080)	(0.12%)
Artisan Global Opportunities	4.0%	283,654,080	280,033,000	3.95%	(3,621,080)	(0.05%)
Intech (Global Low Volatility)	0.3%	21,274,056	23,819,000	0.34%	2,544,944	0.04%
<b>Total Global Equity</b>	<b>12.3%</b>	<b>872,236,296</b>	<b>862,641,000</b>	<b>12.16%</b>	<b>(9,595,296)</b>	<b>(0.14%)</b>
<b>Total Equity</b>	<b>45.6%</b>	<b>3,233,656,512</b>	<b>3,254,118,000</b>	<b>45.89%</b>	<b>20,461,488</b>	<b>0.29%</b>
AFL-CIO Housing Investment Trust	3.3%	234,014,616	232,730,000	3.28%	(1,284,616)	(0.02%)
PIMCO Total Return	5.6%	397,115,712	400,710,000	5.65%	3,594,288	0.05%
GSAM "Park" Portfolio	0.0%	0	4,000	0.00%	4,000	0.00%
Goldman Sachs Asset Management	4.6%	326,202,192	324,615,000	4.58%	(1,587,192)	(0.02%)
Lord Abbett	4.6%	326,202,192	324,176,000	4.57%	(2,026,192)	(0.03%)
Torchlight Debt Opportunity Funds	1.9%	134,735,688	130,039,000	1.83%	(4,696,688)	(0.07%)
<b>Total Domestic Fixed Income</b>	<b>20.0%</b>	<b>1,418,270,400</b>	<b>1,412,274,000</b>	<b>19.92%</b>	<b>(5,996,400)</b>	<b>(0.08%)</b>
Lazard Asset Management	4.0%	283,654,080	269,557,000	3.80%	(14,097,080)	(0.20%)
<b>Total Global Fixed Income</b>	<b>24.0%</b>	<b>1,701,924,480</b>	<b>1,681,831,000</b>	<b>23.72%</b>	<b>(20,093,480)</b>	<b>(0.28%)</b>
Allianz Global Investors (fka Nicholas Applegate)	5.0%	354,567,600	333,751,000	4.71%	(20,816,600)	(0.29%)
<b>Total High Yield Fixed Income</b>	<b>5.0%</b>	<b>354,567,600</b>	<b>333,751,000</b>	<b>4.71%</b>	<b>(20,816,600)</b>	<b>(0.29%)</b>
Wellington Real Total Return	0.8%	53,185,140	198,687,000	2.80%	145,501,860	2.05%
PIMCO All Asset	1.8%	124,098,660	118,231,000	1.67%	(5,867,660)	(0.08%)
Private Real Asset	2.5%	177,283,800	26,908,000	0.38%	(150,375,800)	(2.12%)
<b>Total Real Asset</b>	<b>5.0%</b>	<b>354,567,600</b>	<b>343,826,000</b>	<b>4.85%</b>	<b>(10,741,600)</b>	<b>(0.15%)</b>
<b>Total Real Estate</b>	<b>12.5%</b>	<b>886,419,000</b>	<b>910,401,000</b>	<b>12.84%</b>	<b>23,982,000</b>	<b>0.34%</b>
<b>Total Alternative Investments</b>	<b>7.0%</b>	<b>496,394,640</b>	<b>509,598,000</b>	<b>7.19%</b>	<b>13,203,360</b>	<b>0.19%</b>
County Treasurer			-	0.00%		
State Street Bank			25,778,000	0.36%		
<b>Total Cash &amp; Equivalents</b>	<b>0.5%</b>	<b>35,456,760</b>	<b>25,778,000</b>	<b>0.36%</b>	<b>(9,678,760)</b>	<b>(0.14%)</b>
Oaktree 2009	0.4%	28,365,408	32,049,000	0.45%	3,683,592	0.05%
<b>Total Market Opportunities</b>	<b>0.4%</b>	<b>28,365,408</b>	<b>32,049,000</b>	<b>0.45%</b>	<b>3,683,592</b>	<b>0.05%</b>
<b>TOTAL ASSETS</b>	<b>100.0%</b>	<b>7,091,352,000</b>	<b>7,091,352,000</b>	<b>100%</b>	<b>0</b>	<b>0%</b>

UNDER REVIEW:

- DBL - Organizational & Personnel, Board Action 7/9/2014
- Nogales Investors - Performance, Board Action 05/29/08
- Lord Abbett - Personnel, Board Action 10/20/13
- PIMCO - Organization & Personnel, Board Action 2/12/14

**Private Real Estate Alternative Investments**  
As of November 30, 2014

REAL ESTATE INVESTMENTS	Inception Date	Target Termination	# of Extension	Discretion by GP/LP	New Target Termination	Funding Commitment	Market Value	% of Total Asset	Outstanding Commitment
DLJ Real Estate Capital Partners, L.P. II	07/31/99	07/31/09	3rd 2 YR	LP	6/30/2015	40,000,000	3,828,000	0.05%	
DLJ Real Estate Capital Partners, L.P. III	06/30/05	06/30/14	1st 2 YR	GP	6/30/2016	75,000,000	47,842,000	0.67%	18,958,000
DLJ Real Estate Capital Partners, L.P. IV	12/31/07	09/30/16				100,000,000	79,226,000	1.12%	19,476,000
DLJ Real Estate Capital Partners, L.P. V	07/31/13	12/31/22				75,000,000	23,858,000	0.34%	48,201,000
Hearststone Partners II	06/17/98	12/31/09				6,250,000	(32,000)	0.00%	
Invesco IREB I	10/22/03	04/30/11	3rd 1 YR	GP	4/30/2014	50,000,000	9,769,000	0.14%	
Invesco IREB II	05/30/07	12/31/15				85,000,000	37,694,000	0.53%	12,958,000
Invesco IREB III	08/01/13	08/01/20				35,000,000	25,353,000	0.36%	
Invesco IREB IV	12/01/14	12/01/21				35,000,000	0	0.00%	35,000,000
Long Wharf FREG II	07/18/03	02/28/12	NOT DEF	LP	12/31/2014	50,000,000	794,000	0.01%	
Long Wharf FREG IV	03/30/07	12/30/15				75,000,000	25,923,000	0.37%	
Oaktree Real Estate Opportunities Fund V	08/14/13	09/30/21				25,000,000	13,915,000	0.20%	8,204,000
Oaktree Real Estate Opportunities Fund VI	12/15/11	12/31/16				50,000,000	44,547,000	0.63%	29,682,000
Oaktree Real Estate Opportunities Fund VII	09/30/13	09/30/20				80,000,000	59,100,000	0.83%	65,000,000
Signler Gulf Distressed Real Estate Opp. Fund	02/28/15	02/28/23				65,000,000	0	0.00%	19,518,000
Paulson Real Estate Fund II	12/31/11	12/31/16				70,000,000	70,893,000	1.00%	68,600,000
Angelo Gordon Realty Fund VIII	08/31/13	11/10/20				20,000,000	12,026,000	0.17%	8,524,000
Angelo Gordon Realty Fund IX	11/10/13	12/31/18				80,000,000	65,279,000	0.92%	18,145,000
Lasalle Income & Growth Fund VI	12/31/11	10/10/22				65,000,000	0	0.00%	65,000,000
Adelante Capital Management (REIT)	10/10/14	01/31/19				75,000,000	77,285,000	1.09%	3,946,000
INVESCO International REIT	01/31/12					0	187,588,000	2.65%	
Willows Office: \$10,774,100 ***						0	94,733,000	1.34%	
*** Purchase price \$10,600,000 plus acquisition cost and fees \$174,100.						0	10,000,000	0.14%	
<b>Outstanding Commitments</b>						<b>1,336,250,000</b>	<b>910,401,000</b>	<b>12.84%</b>	<b>421,212,000</b>
<b>Total</b>						<b>628,080,000</b>	<b>1,331,613,000</b>		

PRIVATE DEBT INVESTMENTS	Inception Date	Target Termination	# of Extension	Discretion by GP/LP	New Target Termination	Funding Commitment	Market Value	% of Total Asset	Outstanding Commitment
Torchlight Debt Opportunity Fund II	09/28/06	09/30/14				128,000,000	69,830,000	0.98%	
Torchlight Debt Opportunity Fund III	09/30/08	09/30/16				75,000,000	11,341,000	0.16%	3,143,000
Torchlight Debt Opportunity Fund IV	08/01/12	08/30/20				60,000,000	48,868,000	0.69%	75,000,000
Torchlight Debt Opportunity Fund V	09/17/14	09/17/22				75,000,000	0	0.00%	
<b>Outstanding Commitments</b>						<b>338,000,000</b>	<b>130,039,000</b>	<b>1.83%</b>	<b>78,143,000</b>
<b>Total</b>						<b>78,143,000</b>	<b>208,182,000</b>		

**Private Real Estate Alternative Investments**  
As of November 30, 2014

ALTERNATIVE INVESTMENTS									
	Inception Date	Target Termination	# of Extension	Discretion by GP/LP	New Target Termination	Funding Commitment	Market Value	% of Total Asset	Outstanding Commitment
Adams Street Partners	12/22/95	INDEFINITE				180,000,000	118,853,000	1.68%	114,955,000
Adams Street Secondary II	12/31/08	12/31/20				30,000,000	28,912,000	0.41%	13,283,000
Adams Street Secondary V	10/31/12	10/31/22				40,000,000	12,128,000	0.17%	28,042,000
Pathway	11/09/98	05/31/21				125,000,000	73,424,000	1.04%	18,249,000
Pathway 2008	12/26/08	12/26/23				30,000,000	23,173,000	0.00%	9,532,000
Pathway 6	05/24/11	05/24/26				40,000,000	16,671,000	0.00%	28,199,000
Pathway 7	02/07/13	02/07/28				70,000,000	9,978,000	0.00%	59,998,000
Signler Guff CCCERA Opportunities	06/03/14	05/31/25				200,000,000	3,854,000	0.00%	196,146,000
EIF USPF I	11/08/02	11/08/12	3rd 1YR	LP	11/08/15	30,000,000	835,000	0.01%	0
EIF USPF II	06/15/05	06/15/15				50,000,000	40,060,000	0.56%	0
EIF USPF III	02/28/07	02/28/17				65,000,000	49,839,000	0.70%	0
EIF USPF IV	06/28/10	06/28/20				50,000,000	24,473,000	0.35%	28,979,000
Nogales Investment	02/15/04	02/15/14	1st 2 YR	LP	UNTIL LIQ 1/15/2015	15,000,000	3,342,000	0.05%	1,651,000
Bay Area Equity Fund	06/14/04	01/15/13				10,000,000	23,266,000	0.33%	0
Bay Area Equity Fund II	2/29/09	12/31/17				10,000,000	10,544,000	0.15%	1,604,000
Paladin III	11/30/07	12/31/17				25,000,000	22,145,000	0.31%	0
Carpenter Community BancFund	01/31/08	01/31/16				30,000,000	38,409,000	0.54%	6,032,000
Ocean Avenue Fund II	06/11/14	05/31/24				30,000,000	9,692,000	0.14%	19,384,000
<b>Outstanding Commitments</b>						<b>1,030,000,000</b>	<b>509,598,000</b>	<b>6.29%</b>	<b>526,054,000</b>
<b>Total</b>							<u><u>526,054,000</u></u>		<u><u>1,035,652,000</u></u>

MARKET OPPORTUNITIES									
	Inception Date	Target Termination	# of Extension	Discretion by GP/LP	New Target Termination	Funding Commitment	Market Value	% of Total Asset	Outstanding Commitment
Oaktree Private Investment Fund 2009	02/28/10	01/31/17				40,000,000	32,049,000	0.45%	5,163,000
<b>Outstanding Commitments</b>							<u><u>32,049,000</u></u>		<u><u>5,163,000</u></u>
<b>Total</b>							<u><u>32,049,000</u></u>		<u><u>5,163,000</u></u>

REAL ASSET INVESTMENTS									
	Inception Date	Target Termination	# of Extension	Discretion by GP/LP	New Target Termination	Funding Commitment	Market Value	% of Total Asset	Outstanding Commitment
Commonfund Capital Natural Resources IX	06/30/13	06/30/20				50,000,000	12,719,000	0.18%	38,250,000
Aether III & III Surplus	11/30/13	11/30/20				75,000,000	14,189,000	0.20%	61,089,000
<b>Outstanding Commitments</b>						<b>125,000,000</b>	<b>26,908,000</b>	<b>0.38%</b>	<b>99,339,000</b>
<b>Total</b>							<u><u>99,339,000</u></u>		<u><u>126,247,000</u></u>

Market value column is the latest ending quarter plus any additional capital calls after the ending quarter.  
The Target Termination column is the beginning of liquidation of the fund, however, some funds may be extended for an additional two or three years.





## ***MEMORANDUM***

Date: January 14, 2015  
To: CCCERA Board of Retirement  
From: Kurt Schneider, Deputy Retirement Chief Executive Officer  
Subject: Consider and Take Possible Action to Contract with Digital Deployment, Inc. to Redesign the CCCERA Website

---

In October CCCERA received five proposals in response to the Request for Proposal (RFP) to redesign the CCCERA website. The proposals were reviewed by a team of CCCERA managers and executives. In December two finalists presented their proposals to the CCCERA team. After reviewing the proposals, interviewing the finalists and their references, staff is prepared to recommend the Board grant authorization to contract with Digital Deployment, Inc. of Sacramento to implement their proposal.

Digital Deployment uses a 5-phase process and the proposal includes all professional services necessary for the completion of all deliverables. The 5 phases are the following:

1. Inventory and site planning
2. Present architecture and content plan, explore design approach
3. Present designs, finalize architecture and content plan
4. Content kick-off: training, migration, curation
5. Capability and capacity checks

The 5-phase process is expected to take about 12 weeks to complete. After which time CCCERA and Digital Deployment will collaborate to review the site and add new content and determine when to launch the site.

The proposed cost to complete the 5 phases is \$57,520 after which time a Service Level Agreement program will commence at a cost of \$550 per month, which includes website hosting and technical support.

Aside from giving the CCCERA website a modern and professional look and feel, the underlying Content Management System will give staff new capabilities in organizing public documents and information and keeping them up to date as well as in communicating with retirees, members, employers, trustees and the public.

Representatives from Digital Deployment are present today to answer any questions and are prepared to give a short presentation.

**Recommendation:** We respectfully request authorization to contract with Digital Deployment, Inc. to implement their proposal to redesign the CCCERA website.



MEETING DATE

JAN 14 2015

AGENDA ITEM

#11

## ***MEMORANDUM***

Date: January 14, 2015  
To: CCCERA Board of Retirement  
Copy: Gail Strohl, Chief Executive Officer  
From: Karen Levy, General Counsel  
Subject: Consider and Take Possible Action Regarding Marianne Irvin's Request For Spousal Continuance Following the Death of CCCERA Retiree Richard Irvin

---

### **I. Issue Presented**

Ms. Marianne Irvin legally separated from CCCERA retiree Richard Irvin prior to his death. She is seeking to receive a spousal continuance from CCCERA, following Mr. Irvin's death. CCCERA determined that Ms. Irvin is not an eligible "surviving spouse" pursuant to applicable law and is therefore not entitled to a spousal continuance. Ms. Irvin has requested that the Retirement Board review the matter and issue a determination as to her eligibility.

### **II. Background**

In October 2013, CCCERA retiree Richard Irvin and Marianne Irvin obtained a Judgment of Legal Separation from the court, which incorporated a Marital Settlement and Legal Separation Agreement. In February 2014, Mr. Irvin passed away.

After careful review of the file and applicable law, CCCERA determined that Marianne Irvin does not qualify as a "surviving spouse" eligible for a spousal continuance under Government Code Section 31760.2. CCCERA notified Ms. Irvin of that determination, and the parties exchanged correspondence about the determination, a copy of which is enclosed. In order to ensure that CCCERA's benefit determination complies with applicable law, CCCERA requested fiduciary counsel's legal review, which concludes that Ms. Irvin does not qualify for a spousal continuance under CERL section 31760.2. See enclosed Memorandum.

Ms. Irvin, through her attorney Ralph Endino, requested that the matter be placed on the January 14, 2015 Board meeting agenda for the Board's consideration. She is requesting that CCCERA pay her the spousal continuance.

### **III. Recommendation**

Deny Ms. Irvin's request for spousal continuance because she does not qualify as a "surviving spouse" under CERL section 31760.2.



## TABLE OF CONTENTS

- A. Memorandum from Harvey L. Leiderman, Reed Smith, dated January 6, 2015
- B. Statement of Decision dated February 4, 2013 in *Burson v. Burson*, Santa Barbara County Superior Court, Case No. 1197730
- C. Letter from Ralph Andino, dated October 23, 2014
- D. Letter from Karen Levy, dated September 17, 2014 (enclosing copy of letter from Karen Levy dated July 10, 2013)
- E. Letter from Ralph Andino, dated August 1, 2014 (enclosing beneficiary designation form which has been redacted to exclude confidential personal information and the Irvin's Legal Separation Judgment)



Item A



**From:** Harvey L. Leiderman  
Direct Phone: +1 415 659 5914  
Email: HLeiderman@reedsmith.com

Reed Smith LLP  
101 Second Street  
Suite 1800  
San Francisco, CA 94105-3659  
+1 415 543 8700  
Fax +1 415 391 8269  
reedsmith.com

**To:** Board of Retirement,  
Contra Costa County Employees' Retirement Association

**Date:** January 6, 2015

**Subject:** Marianne Irvin's Request For a Spousal Continuance

### ISSUE BEFORE THE BOARD

Marianne Irvin married CCCERA member Richard Irvin after he retired. They obtained a judgment of legal separation dated October 3, 2013, which terminated all of Marianne Irvin's marital property rights. Richard Irvin is now deceased. Marianne Irvin seeks a spousal continuance under CERL section 31760.2. For the reasons discussed below, we believe that she does not qualify for a spousal continuance. Accordingly, we recommend that the Board deny her request.

### ANALYSIS AND CONCLUSION

The benefits under CERL section 31760.2 are payable only to a "surviving spouse." The CERL itself does not provide its own definition of "surviving spouse." Thus, we look to closely related laws that define "surviving spouse." In this case, the applicable definition appears in Probate Code section 78, which provides, in pertinent part:

*"Surviving spouse" does not include any of the following: ... (d) A person who was a party to a valid proceeding concluded by an order purporting to terminate all marital property rights."*

The appellate court in *Estate of Lahey* (1999) 76 Cal.App.4th 1056 made clear that a judgment of legal separation constitutes an "order purporting to terminate all marital property rights" under Probate Code section 78. To eliminate surviving spouse rights, there need not be a complete dissolution of the marriage if the parties are legally separated and subject to an order terminating their marital property rights.

The application of section 78's definition of "surviving spouse" is consistent with CERL's "Community Property" provisions, found in CERL Article 8.4 (sections 31685 *et seq.*), which was adopted in Contra Costa County in 1995. Those provisions apply "[u]pon the legal separation or dissolution of marriage of a member." We believe that this demonstrates the Legislature's intent, for the purposes of CERL



benefits, that “legal separation” is equivalent to “dissolution of marriage.”<sup>1</sup> Article 8.4 also articulates numerous rights of the “nonmember” (i.e., the individual from whom the member is legally separated or divorced), but notably excludes any allowance for a “surviving spouse.”

This language also is consistent with other provisions of the CERL. *See, e.g.*, CERL section 31760.3 (an optional provision of the CERL), which requires notification of a “current spouse” when a member makes certain elections, such as optional settlements, that impact the member’s benefits, but does not require any such notification when “[t]he member and the current spouse have executed a marriage settlement agreement ... which makes the community property law inapplicable to the marriage.” The election of an optional settlement eliminates the spousal continuance altogether.

Although we have found no binding published opinions that directly address the question at hand, the Santa Barbara County Superior Court recently reached the same conclusion as we do in a Statement of Decision issued February 4, 2013. While the Santa Barbara ruling is not binding precedent, we believe it confirms the reasonableness of this reading of the law and would support a Board decision adopting our conclusion. A copy of that Statement of Decision is enclosed with this Memorandum.

Our current analysis and conclusions are consistent with our 2009 guidance to CCCERA in a similar matter. We understand that CCCERA staff has followed that guidance in several other similar situations since then. It is important that CCCERA apply this conclusion to all claims under CERL section 31760.2. That section provides that if there is no qualified surviving spouse, a survivor benefit is to be paid to any qualified surviving children of the deceased member. Expanding the definition of “surviving spouse” to provide a benefit to a legally separated spouse could lead to depriving qualified surviving children of a benefit in other situations. *See generally, In re Marriage of Cheryl & Robert Carnall* (1989) 216 Cal.App.3d 1010, 1024 (allowing an ex-spouse to be designated a “surviving spouse” would potentially interfere with the rights of other parties, such as the member’s children); *In re Marriage of Cramer* (1993) 20 Cal.App.4th 73, 79 (“Thus, while the liability of SBCERA would not actually be increased under the facts before us, there is the potential for increased liability under the rule advocated by appellant.”) Expanding the rights of a legally separated spouse beyond what the law provides could expose the system unnecessarily to the risk of claims by surviving children.

For these reasons, we believe that Marianne Irvin does not qualify for a spousal continuance under CERL section 31760.2 and we recommend that the Board deny her request.

---

<sup>1</sup> Richard Irvin retired before his marriage to Marianne Irvin and the Judgment of Legal Separation acknowledges that his CCCERA benefits were his “sole and separate property.” Thus, the issue before the Board does not require any analysis of Marianne Irvin’s community property rights.

Item B



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

**FILED**  
SUPERIOR COURT OF CALIFORNIA  
COUNTY OF SANTA BARBARA  
FEB 04 2013  
GARY M. BLAIR, Executive Officer  
BY *Patti A. Nelson*  
PATTI A. NELSON, CCLS

DE \_\_\_\_\_  
F \_\_\_\_\_  
NDX \_\_\_\_\_  
V \_\_\_\_\_  
CA \_\_\_\_\_  
FIN \_\_\_\_\_  
J \_\_\_\_\_  
PTY \_\_\_\_\_  
ATY \_\_\_\_\_  
COD \_\_\_\_\_  
ST \_\_\_\_\_

SUPERIOR COURT OF THE STATE OF CALIFORNIA  
FOR THE COUNTY OF SANTA BARBARA

In re Marriage of: ) Case No.: 1197730  
Linda Burson, ) Statement of Decision  
Petitioner )  
v. )  
James M. Burson, )  
Respondent )

**INTRODUCTION**

Mrs. Linda Burson contends that under the County Employees Retirement Law of 1937 (CERL) (Gov. Code<sup>1</sup>, § 31450), and more specifically, section 31760.1, she is a "surviving spouse," and thus entitled to the 60% continuation benefit authorized thereunder following the death of her member husband, James M. Burson. She asks this court to direct the Santa Barbara County Employees' Retirement System (SBCERS) to pay this benefit, as Mr. Burson passed away on April 24, 2012. SBCERS claims that Mr. and Mrs. Burson's judgment of legal separation filed June 13, 2006, which incorporated their negotiated agreement to dispose of *all* community property assets, including Mr. Burson's retirement benefits, precludes Mrs. Burson from acting as a "surviving spouse," even though there was no dissolution of marriage.

<sup>1</sup> All further statutory references are to the Government Code unless otherwise indicated.

1 Although the statutory language is ambiguous on the matter, SBCERS's arguments are  
2 persuasive in light of the statutory scheme, including related provisions defining "surviving  
3 spouse," as well as the underlying equities at play. Accordingly, the Court denies Mrs. Burson's  
4 request to order SBCERS to pay the 60% continuation benefit contemplated by section 31760.1,  
5 for reasons outlined in greater detail below.

#### 6 FACTUAL AND PROCEDURAL BACKGROUND

7 Mr. James Burson began working for the Santa Barbara County Fire Department on  
8 April 1, 1965, and as a consequence was enrolled as a member of SBCERS. Mr. Burson married  
9 Linda J. Burson on June 22, 1969. On March 25, 1996, Mr. Burson retired with over 36 years of  
10 service credit in the retirement plan. At this time, Mr. Burson named Mrs. Burson as his plan  
11 beneficiary and elected the "unmodified option" under section 31760.1<sup>2</sup>—ensuring maximum  
12 retirement payments during his lifetime, as well as a 60% payout to Mrs. Burson as a "surviving  
13 spouse" upon his death for her life. According to SBCERS, and as uncontested by Mrs. Burson,  
14 this unmodified plan choice was irrevocable.<sup>3</sup>

15 On March 1, 2006 (almost 10 years after Mr. Burson's retirement), Mr. and Mrs. Burson  
16 began marriage separation proceedings. In a document entitled "Legal Separation Settlement  
17 Agreement[.]" (hereafter, agreement) the parties agreed to settle "forever and completely the  
18 interests and obligations of the parties as between themselves, their heirs and assigns, whether  
19 held as community property or as separate property or in joint tenancy or otherwise." They  
20 agreed to divide all community property assets between them as separate property, as reflected in  
21 Exhibits A (Mr. Burson) and B (Mrs. Burson) attached to the agreement. Specifically, each item  
22

---

23 <sup>2</sup> This provision provides in relevant part as follows: "Upon the death of any member after retirement for  
24 service . . . from a retirement system established in a county subject to the provisions of Section 31676.1 [which  
25 applies to Santa Barbara County], 60 percent of his or her retirement allowance, if not modified in accordance with  
26 one of the optional settlements specified in this article, shall be continued throughout the life to his or her surviving  
27 spouse. . . ." This provision also provides that if there is no surviving spouse, the amounts shall be paid to any  
28 minor children. There were no minor children at issue here. To be eligible, the "surviving spouse" must have been  
married to the member for at least one year before the retirement date and must be designated a beneficiary. (*In re  
Marriage of Crandall* (1989) 216 Cal.App.3d 1010, 1020.) This option is currently reflected in the SBCERS  
"General Member Summary Plan Description [.]" (hereafter, the General Summary) dated October 11, 2011, of  
which the court takes judicial notice.

<sup>3</sup> The General Summary makes this clear: "You may not change you payment option once the first payment  
of any retirement allowance is made."

1 of property listed in his or her respective Exhibit "shall be the sole and separate property of [the  
2 spouse] . . . ," and that each spouse "confirms" unto the other the "sole and separate property, all  
3 of the property described in said Exhibit." Each Exhibit thereafter contained a reference to the  
4 spouse's one-half share of the SBCERS pension earned by Mr. Burson. The parties also agreed  
5 that the SBCERS pension was to be disbursed to Mr. Burson alone as the payee. However,  
6 "[e]ach month, those [retirement] benefits shall be put into the Los Padres Bank joint account in  
7 Santa Maria. Neither party can close this account without the written consent of the other. . .  
8 Wife will then withdraw one half of those funds each month and place them in her separate  
9 account for her own use. . . ."

10 The parties explained their reasoning for this arrangement in Section VI of their Legal  
11 Separation Settlement Agreement, labeled "Support" with the sub-heading "A. Spousal Support"  
12 as follows, "The parties are purposely treating the retirement benefits in this way so that should  
13 one spouse die, the surviving spouse shall receive the full amount of the retirement benefits at  
14 that time. They purposely do not want to divide the asset at the source at this time. Should the  
15 parties ever file for a Dissolution of Marriage in the future, then this asset shall be divided  
16 equally between the parties and both parties shall cooperate in the preparation of a Qualified  
17 Domestic Relations Order to effectuate that division. The Court specifically reserves jurisdiction  
18 over the division of these retirement/pension benefits." The wording of the language suggests  
19 that the parties intended the retirement split to act in lieu of a separate spousal award amount to  
20 Mrs. Burson. The parties also asked the court to reserve jurisdiction over the issue "until either  
21 party dies, remarries or until further order of the court." A "Judgment [of] Legal Separation [,]"  
22 with the agreement attached thereto, was entered on June 13, 2006. At no time was SBCERS  
23 notified of the agreement or the judgment of legal separation.<sup>4</sup>

24  
25  
26 <sup>4</sup> One of SBCERS's complaints is that it never received notice of the legal separation agreement. According  
27 to SBCERS, it is its policy, if written notice of the legal separation is provided, to "carefully review any proposed  
28 judgment to ensure compliance" with existing statutory provisions. More specifically, when there is a separation or  
divorce, "it would have been the policy of the SBCERS to split the monthly payment payable to Mr. Burson" at the  
source (i.e., between Mr. and Mrs. Burson as directed by the court), "and to pay each the court[-]ordered share of  
benefits until Mr. Burson's death, at which time the payment of benefits would cease." Because SBCERS was never  
notified of the agreement, it had no opportunity to challenge its legality. The issue of whether SBCERS should have

1 On April 24, 2010, Mr. Burson died, after living in Bremont, Washington for  
2 approximately five (5) years. Mrs. Burson thereafter contacted SBCERS about a continuation of  
3 the benefit, which apparently was denied, and SBCERS was summoned as a party in this matter  
4 in early July 2012. On October 29, 2012, Mrs. Burson filed a "Request for Order," asking this  
5 court to order a 60% continuation of Mr. Burson's retirement benefit under section 31760.1.<sup>5</sup>

6 On December 20, 2012, Mrs. Burson requested a statement of decision, and the court  
7 heard argument on that day. The Court allowed post-hearing briefing; Mrs. Burson filed a  
8 "Memorandum of Points and Authorities" on December 21, 2012.

### 9 DISCUSSION

10 The gravamen of the dispute involves the meaning of the term "surviving spouse" as used  
11 in section 31760.1. Mrs. Burson essentially contends the language is clear on its face; even  
12 though she was legally separated, she was still married to Mr. Burson at the time of his death.  
13 She also survived him. Accordingly, she was a "surviving spouse" and thus entitled to the 60%  
14 continuation benefit. There can be little doubt that this is what the parties thought was  
15 permissible, at least based on the language in the agreement.

16 SBCERS's argument is more nuanced. It acknowledges that section 31760.1 does not  
17 expressly reference "legal separation" or otherwise expressly condition "surviving spouse" on a  
18 judgment of legal separation. Nevertheless, it opines, the term must incorporate the legal effect  
19 of a judgment of legal separation, thereby looking to community property principles in order to  
20 establish a nonmember spouse's right to the 60% continuation benefit after the member's death.  
21 Because the judgment of legal separation, as reflected in the spouses' agreement, terminated  
22 Mrs. Burson's community property interest in the retirement benefits, despite the fact she  
23 remained married to Mr. Burson, she is not entitled to the 60% continuation benefit as authorized  
24 by section 31760.1. SBCERS further asserts that any other formulation elevates form over

25  
26 been notified of the settlement agreement at the time judgment was entered is not directly at issue in this matter; the  
27 court therefore offers no opinion on the matter. (See, e.g., page 11, *infra*.)

28 <sup>5</sup> Technically, Mrs. Burson's request asks the court to order SBCERS to "pay ½ of retirement benefits to  
Petitioner together with back pay from [Mr. Burson's] date of death. . . , together with interest at 10% and attorneys  
fees and costs required to litigate this matter." It is clear from the trial briefing that this request morphed into a  
request under section 31760.1. No party contends otherwise.

1 substance, as it would permit the parties, separately and without SBCERS's input, to negotiate  
 2 around the statutory language, hampering its ability to effectively plan for the future.

3 Resolution of the issue turns on rules of statutory interpretation. The fundamental rule of  
 4 statutory construction is to determine the Legislature's intent in order to carry out the purpose of  
 5 the statute. Courts look first to the words of the statute and try to give effect to the usual and  
 6 ordinary meaning of the language in a way that does not render any language mere surplusage.  
 7 (*Pasadena Metro Blue Line Construction Authority v. Pacific Bell Telephone Co.* (2006) 140  
 8 Cal.App.4th 658, 663-664.) The words must be construed in a way that achieves a reasonable  
 9 and commonsense interpretation when viewed in context and in light of the statute's obvious  
 10 nature and purpose. Statutes must be harmonized both internally and with other related statutes.  
 11 (*Ibid.*) If the language is clear and unambiguous, there is no need for construction, and it is not  
 12 necessary to resort to the legislative history as an interpretive aid. If, on the other hand, the  
 13 statutory language is unclear or ambiguous, i.e., it permits more than one reasonable interpret-  
 14 tion, courts consider various extrinsic aids to help ascertain the Legislature's intent, including  
 15 legislative history, public policy, settled rules of statutory construction, and an examination of  
 16 the evils to be remedied and the legislative scheme encompassing the statute in question to  
 17 resolve this ambiguity. (*Coalition of Concerned Communities, Inc. v. City of Los Angeles* (2004)  
 18 34 Cal.4<sup>th</sup> 733, 737; *People v. Scott* (2012) 203 Cal.App.4<sup>th</sup> 1303, 1313.)

19 The Court determines that the term "surviving spouse" is ambiguous when viewed in  
 20 context of other related provisions. "Legal separation" has significance in the *pre-retirement*  
 21 *context* under section 31685, which requires a court, should a community property interest exist  
 22 in retirement benefits under Family Code section 2610, to place accumulated contribution and  
 23 service credits "into two separate and distinct accounts in the name of the member and  
 24 nonmember." The amounts in each account would thereafter become the separate property of  
 25 each spouse, with any post-death payout to the nonmember (i.e., following the death of the  
 26 member) dependant on what the parties agreed to in the settlement agreement itself, irrespective  
 27 of whether there was marriage dissolution. The specter of disparate treatment between pre-and  
 28 post retirement calculations suggests further inquiry is needed.



1 Removed from the facial reading of “surviving spouse” in this way, the Court also finds  
 2 that the interpretative tools used to ascertain the Legislature’s meaning of ambiguous terms  
 3 support SBCERS’s interpretation. There can be little doubt that the Legislature was aware that a  
 4 judgment of legal separation alone leaves the marriage bonds intact (Fam. Code, § 2347; *Faught*  
 5 *v. Faught* (1973) 30 Cal.App.3d 975, 978), but that a divisible divorce permits issues of marital  
 6 status and financial responsibility to be litigated at separate times and in different forums.  
 7 Indeed, a judgment of legal separation is designed to resolve the financial issues between the  
 8 parties, including division of community assets and liabilities. A legal separation judgment is  
 9 not an interim order, but acts as “final adjudication of the parties property rights and is conclu-  
 10 sive and res judicata even in a subsequent proceeding to dissolve the marriage.” (*Estate of Lahey*  
 11 (1999) 76 Cal.App.4<sup>th</sup> 1056, 1059.) As one legal observer has noted: “A legal separation  
 12 judgment does not end the marriage. Hence, neither spouse may remarry. As between  
 13 themselves, however, *they are in the same position as divorced persons*. . . [¶] Because the  
 14 judgment does not end the marriage, the support award may be modified or extended without  
 15 jurisdiction being reserved. [Citation.] On the other hand, the division of property is made in the  
 16 same manner as a dissolution action, and the judgment has the same binding effect. [Citation.]”  
 17 (Witkin, 10 Summary of California Law (2005 10<sup>th</sup> ed.), § 147, p. 210. Underscore and italics  
 18 added.) It seems hard to imagine the Legislature utilized these concepts to determine benefit  
 19 calculations for pre-retirement purposes but purposely excluded them from any post-retirement  
 20 calculus, as Mrs. Burson essentially asserts. (See, e.g., *Krier v. Krier* (1946) 28 Cal.2d 841, 843;  
 21 *Monroe v. Superior Court* (1946) 28 Cal.2d 427, 431.)

22 The Legislature’s treatment of “surviving spouse” in the Probate Code lends further  
 23 support to SBCERS’s argument. Pursuant to Probate Code section 78, the Legislature defined  
 24 “surviving spouse” as *excluding* a “party to a valid proceeding concluded by an order purporting  
 25 to terminate all martial property rights.” (Prob. Code, § 78, subd. (d).) Courts interpreting this  
 26 provision in the context of intestate succession have concluded that a spouse may remain legally  
 27 married but not be a “surviving spouse,” where a judgment of legal separation terminates rights  
 28 to all marital property. (See, e.g., *Estate of McDaniel* (2008) 161 Cal.App.4<sup>th</sup> 458, 463 [where

1 husband and wife divided their community property as separate property and waived spousal  
2 support in the judgment of legal separation, Prob. Code, § 78(d) precludes intestate succession];  
3 *Estate of Lahey* (1999) 76 Cal.App.4<sup>th</sup> 1056, 1059 ["it is obvious that surviving spouse for  
4 purposes of intestate succession is distinct from the legal wife or husband of the decedent. . .  
5 Probate Code section 78 excludes not only a spouse whose marital status has been terminated but  
6 also a spouse whose marital property rights have been terminated"].) SBCERS's interpretation,  
7 importing these limitations from the Probate Code into the Government Code, comports with the  
8 general rule that similar statutory terms should be harmonized where possible. (*Unite Here*  
9 *Local 30 v. Department of Parks & Recreation* (2011) 194 Cal.App.4<sup>th</sup> 1200, 1211.) And it is  
10 worth observing that there is a natural segue between rules for intestate succession based on  
11 marital property distribution and rules for post-death retirement disbursement under CERL.

12 The SBCERS's interpretation is also bolstered by examining section 31760.3. (*In re*  
13 *Connie M.* (1986) 176 Cal.App.3d 1225, 1240 [a statute should be construed with reference to  
14 the whole system of law it is enacted to govern and the scheme should be interpreted so that  
15 sections are harmonized with one another].) This section provides that a member need not notify  
16 a "current spouse" of a change in the selection of benefits or a change of beneficiary designation  
17 if the current spouse has no identifiable community property interest in the benefit and/or the  
18 spouses have entered into a marital settlement agreement pursuant to Family Code section 1500,  
19 et seq., "which makes the community property law inapplicable to the marriage." Under this  
20 provision, the Legislature unmistakably intended community property principles to govern  
21 aspects of the retirement reimbursement scheme. It appears counterintuitive to suggest that the  
22 Legislature relied on community property principles to determine a nonmember spouse's right to  
23 notification of changes to any post-election retirement choice but to exclude those same  
24 community property principles as irrelevant or inapposite when determining when a "surviving  
25 spouse" should receive the 60% continuation benefit under section 31760.1.

26 SBCERS's interpretation is also consistent with (albeit not expressly governed by)  
27 similar limitations placed on "surviving spouse" in section 31760.1, as articulated in extant  
28 appellate authority. In *In re Marriage of Cramer* (1993) 20 Cal.App.4<sup>th</sup> 73, 100% of the

1 retirement benefits earned by the husband under the San Bernardino County Employee's  
2 Retirement Association (SBCERA) had been earned during the employee's marriage. Upon his  
3 retirement, husband elected to receive a monthly retirement allowance payable throughout his  
4 life, and upon his death 60 % of that amount was to be continued to an eligible spouse. Husband  
5 nominated his wife as the beneficiary. Husband and wife separated in 1986, and a dissolution of  
6 their marriage occurred on May 16, 1989. Wife sought to have included in the stipulated  
7 division of retirement benefits a provision that required the court to order SBCERA to recognize  
8 her as the "surviving spouse" following dissolution. The trial court denied the request, and the  
9 Court of Appeal affirmed. "We have concluded that under the county retirement plan of which  
10 decedent was a member there was no provision for designating a former spouse to be a surviving  
11 spouse for purposes of receiving benefits under the plan. We further conclude that as used in  
12 Government Code section 31760.1 and in the retirement option selected by [husband] at the time  
13 he retired, the term 'surviving spouse' does not include a former spouse who survives the  
14 employee but instead includes only a spouse who is married to the employee at the time of  
15 employee's death." (*Id.* at p. 78.)

16 While *Cramer* involved dissolution of marriage, unlike the present situation, the same  
17 policy reasons identified by *Cramer* apply here – namely, potentially increased liability by the  
18 retirement plan. *Cramer* was concerned "that there is risk the [retirement plan] would have an  
19 obligation to the former spouse as a 'surviving spouse' and also have a statutory obligation to  
20 decedent's minor children under Government Code section 31760.1 [because following his  
21 retirement decedent could have produced children who would have been entitled to receive the  
22 survivor benefits until they reached the age of 18.]" (*Cramer, supra*, at p. 79.) This is also a  
23 concern here. That is, while the facts of *this* case would not actually increase SBCERS's  
24 liability, there is that potential under the rule advocated by Mrs. Burson. SBCERS could  
25 foreseeably have an obligation to both a "surviving spouse" as well as a statutory obligation to  
26 the member's minor children born after the member retired (by another out of wedlock), for  
27 those children (as in *Cramer*) would also be entitled to receive the survivor benefits until they  
28 reached the age of 18. The risk of such an increased obligation on the part of the retirement plan

1 is impermissible, and thus, is a relevant consideration in determining the meaning and scope of  
2 "surviving spouse." (*Id.* at p. 79-80; see also Fam. Code, § 2610, (b)(1) [a court shall not order  
3 payments that will result in an increase in the amount of benefits provided by the plan].)

4         The immediate equities presented in this matter also support SBCERS's interpretation.  
5 In the agreement, Mr. and Mrs. Burson clearly intended to settle "forever and completely the  
6 interests and obligations of the parties in all property as between themselves. . . , whether held as  
7 community property or as separate property." The parties also expressly indicated that each half  
8 of the retirement benefit was the individual spouse's separate property. The fact the parties  
9 claimed in the agreement that they "purposely do not want to divide the [the retirement benefit]  
10 at the source" (i.e., at the point of disbursement by SBCERS) does not alter the fundamental  
11 reality that the parties agreed to treat the retirement benefit as separate property *from that point*  
12 *on*. Nor does the fact the court reserved jurisdiction to divide the retirement/pension benefits  
13 upon dissolution change this fact under the circumstances. All community property assets  
14 (including, most significantly, the retirement benefits) were assessed and partitioned under the  
15 spouses' agreement, contrary to Mrs. Burson's arguments. The parties agreed that in *all* events  
16 (even following dissolution) retirement benefits "would be split equally. . . ." Plainly, the  
17 separation agreement set forth the parties' wishes concerning how the proceeds would be divided  
18 even following dissolution. (*Faught v. Faught, supra*, 30 Cal.App.3d at p. 878 [unresolved  
19 litigation on one aspect of the matrimonial relationship will not upset an adjudication of another  
20 aspect that has gone to final judgment].) The parties' separate property designation acted to  
21 sever the wife's right to a continuing community property interest in the retirement benefit. As  
22 the 60% continuing benefit appears predicated on the nonmember's continuing community  
23 property interest in the member's benefit (see, e.g., *In re Marriage of Carnall, supra*, 216  
24 Cal.App.3d at p. 1025); and as the agreement terminated Mrs. Burson's community property  
25 interest in that death benefit; Mrs. Burson cannot claim to be a "surviving spouse" under section  
26 31760.1. Mrs. Burson cites no authority for the proposition that a separate interest, once deemed  
27 as much by the parties, can thereafter blossom into a continuing community property interest.  
28

1 Further, SBCERS's interpretation more closely effectuates the purpose behind section  
2 31760.1, which was "to make better provision for persons retiring, more in keeping with the  
3 changing economic conditions." (*Lesem v. Board of Retirement* (1960) 183 Cal.App.2d 289,  
4 299.) Mr. and Mrs. Burson never dissolved their marriage, meaning any support award could  
5 have been modified or extended without jurisdiction being reserved. (Witkin, *supra*, at § 147, p.  
6 210.) Further, pursuant to their agreement, the parties agreed that a 50/50 split of the retirement  
7 benefits was appropriate, without any need to involve SBCERS, which would have insisted on  
8 apportionment at the source. Mrs. Burson benefited from this arrangement, as she received more  
9 from the retirement fund up front, presumably in lieu of spousal support, than she might  
10 otherwise had received if the community property had been divided into separate property at the  
11 source. Mr. Burson benefited from this arrangement because had Mrs. Burson predeceased him,  
12 he would keep the entire proceeds in his name and not be required to pay Mrs. Burson's estate or  
13 beneficiaries upon her death. There is no reason why this court should second guess the parties'  
14 decision after the fact<sup>6</sup> or otherwise disabuse the parties of the benefit of their negotiated  
15 bargain.<sup>7</sup>

16 By contrast, none of the authorities cited by Mrs. Burson in her briefing (submitted after  
17 the December 20, 2012 hearing) supports her claims. It is undisputed that upon the death of a  
18 party to "a marriage dissolution or divorce proceeding, the court retains the power to enter  
19

---

20 <sup>6</sup> This is not to suggest that Mrs. Burson was without recourse following Mr. Burson's death, even if she is  
21 not denominated a "surviving spouse" under the statute. As the designated beneficiary under Mr. Burson's  
22 retirement plan, Mrs. Burson was entitled to any amounts paid into the retirement plan that exceeded the benefits  
23 which had been paid out by the time of the Mr. Burson's death. That excess would have included Mrs. Burson's  
24 community property contribution. (*In re Marriage of Cramer, supra*, 20 Cal.App.4<sup>th</sup> at p. 77.) The designated  
25 beneficiary, however, is entitled to receive these benefits *only* if there is no surviving spouse or minor children.  
26 (*Ibid.*) The record before the court indicates that there is no excess to be had, and Mrs. Burson does not claim  
27 otherwise.

28 <sup>7</sup> The disposition agreed upon was not the only possible distribution that could have occurred. Family  
Code section 2550 provides that, except as otherwise agreed by the parties or specifically provided by statute, the  
trial court must "divide the community estate of the parties equally." This equal division requirement applies to  
retirement plan survivor benefits. (*In re Marriage of Cooper* (2008) 160 Cal.App.4<sup>th</sup> 574, 580.) Assuming for the  
sake of argument that the "surviving spouse" benefit was applicable at the time of Mr. Burson's death because he  
had remarried, Mrs. Burson was entitled to a prorated share of the benefit that was attributable in part to the  
community of which she was a member. (See, e.g., *In re Marriage Carnall, supra*, 216 Cal.App.3d at p. 1025.) As  
there was no marriage dissolution, that possibility never materialized.

1 judgment in conformity with matters already adjudicated before the death. But it can make no  
2 further adjudication issues.” (*In re Marriage of Williams* (1980) 101 Cal.App.3d 507, 511.) The  
3 court’s decision is commensurate with this rule. *In re Marriage of Williams* in no way addresses  
4 whether SBCERS is required to pay the retirement benefit to Mrs. Burson as a “surviving  
5 spouse.” And to the extent Mrs. Burson’s argument can be construed as requiring this court to  
6 enter judgment based exclusively on what the parties *thought* they could do (as reflected in the  
7 agreement), the contention is meritless. SBCERS is not required to pay anything more than  
8 required by section 31760.1, and this court cannot order otherwise. (See, e.g., Fam. Code, §  
9 2610, subd. (b).)

10 Nor does Civil Code section 682.1 or Family Code section 310 aid Mrs. Burson’s cause.  
11 The former provision provides that community property, “when expressly declared in the  
12 transfer document to be community property with right of survivorship . . . shall, upon the death  
13 of one of the spouses, pass to the survivor, without administration . . . .” The latter provision  
14 provides that a marriage is dissolved by either the death of the one of the parties, a judgment of  
15 dissolution of marriage, or a judgment of nullity of marriage. There is nothing in the agreement  
16 to suggest in any way that Mr. and Mrs. Burson intended the retirement benefits to pass to the  
17 latter by way of right of survivorship, in writing or otherwise. And it is undisputed that Mr. and  
18 Mrs. Burson never dissolved the marriage prior to Mr. Burson’s death; and it is true that the  
19 marriage was dissolved by virtue of Mr. Burson’s death. But this simply begs the question:  
20 Does a judgment of legal separation have legal significance in defining “surviving spouse” under  
21 section 31760.1? This authority is silent on that question.

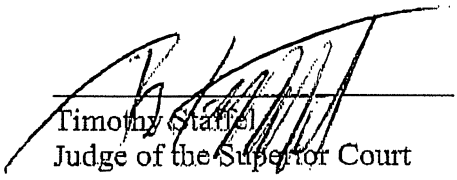
22 Finally, this interpretation obviates the need for the court to determine whether SBCERS  
23 should be bound by a marital settlement agreement to which it was not made a party or given an  
24 opportunity to contest at the time judgment was entered. (See also fn. 4, *supra*.) SBCERS  
25 argues that that it should have been given the opportunity to contest the agreement at the time of  
26 separation (commensurate with traditional practice), and that it was prejudiced by not given  
27 notice. Mrs. Burson claims that there is no prejudice because SBCERS, as a necessary party, can  
28 resolve the issue now. This issue need not be resolved in light of the court’s ruling.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

For these reasons, the court concludes that "surviving spouse" under section 31760.1 excludes a spouse who has entered into a legal separation agreement in which all community property interests have been terminated. The agreement at issue clearly disposed of Mrs. Burson's community property interest in her husband's retirement benefits, creating a separate property right to one-half of that benefit. Upon Mr. Burson's death, that right terminated. As Mrs. Burson was no longer a "surviving spouse" with a *community property interest* in Mr. Burson's retirement benefit, she is not entitled to the 60% continuation benefit. The order directing SBCERS to pay the 60% continuation benefit is therefore denied.

SBCERS is directed to provide a proposed judgment for signature.

DATED: February 4, 2013

  
Timothy Staffel  
Judge of the Superior Court

Item C





REC'D OCT 30 2014

**LAW OFFICE OF RALPH ANDINO**

91 "A" ANTONINA LANE  
AMERICAN CANYON, CA 94503  
(707) 637 - 7535

[RALPHANDINO@YAHOO.COM](mailto:RALPHANDINO@YAHOO.COM)

October 23, 2014

Karen Levy, Esq.  
Contra Costa County Employees Association  
1355 Willow Way  
Suite 221  
Concord, CA 94520

**RE: In Re Marriage of Marianne and Richard Irvin  
County of Napa Superior Court, Case 26-50604**

Dear Ms. Levy:

Thank you for your letter of September 17, 2014, with an accompanying explanation. At this time Ms. Irvin wishes to pursue an appeal of the determination as set forth in the July 10, 2014 and September 17, 2014 correspondence sent to Ms. Irvin. Ms. Irvin wishes to appear before the CCERA Retirement Board to make her case and then to file an appeal in Superior Court subsequent to any resultant decision by that body.

The basis of Ms. Irvin's challenge to the CCERA's determination stated in your missive the "clearly terminated all marital property rights for the [Irvin's] marriage." However, a reservation of rights, as set forth in paragraph 13.0 and 13.2 of the marital settlement agreement (page 8 of previously provided June 2013 lsa) titled "Retirement and Pensions" and states that:

The parties acknowledge that Marianne Irvin is designated as the beneficiary of Contra Costa County Employee's Retirement Association by designation of Beneficiary dated 3/19/1998 and reconfirmed 4/20/1998. Husband shall Wife as the beneficiary and "surviving spouse" as to each of his retirement pension, plans or accounts, for the purpose of any beneficiary benefits, including death benefits, as may be allowed by each pension or retirement plan. Wife shall be paid all benefits due her as specified subject only to prior judicial claims.

This language was placed in the Legal Separation Agreement and as a result Ms. Irvin is entitled to the remaining half of Mr. Irvin's potential 60% pension that is still remaining, available and even more importantly earned by Mr. Irvin with the intent of providing it to his wife. Also of crucial importance is when vested beneficiaries of the Association's retirement plan contact and tell the Association's representative what they are trying to do, fill out the appropriate paperwork then in reliance of what they are told craft not only their estate plans but their marital distribution then it should not only have effect but be reliable.

In terms of the case law cited in your missive, the case law of the *Estate of Lahey*, 76 Cal.App.4<sup>th</sup> 1056, is not applicable or determinative of the instant set of circumstances of Richard Irvin's vested benefit. The moving party in *Lahey* had received a default rather than by a legal separation agreement, juxtaposition ally, in the instant case Mr. Irvin specifically acknowledged Ms. Irvin's property interest in the vested benefit of the CCERA. *Lahey* is not applicable because not only is the instant case not one of a default judgment, but the Court in *Lahey* was considering whether a surviving spouse can receive such a designation "**for purposes of intestate succession**", again, not the case here. More importantly as specifically stated in *Lahey*, "A judgment of legal separation leaves the marital bonds intact." *Lahey, infra*. In the instant case, under GCS 31760.2 the Irvins were married over twenty years ago and since the legal separation agreement addresses Ms. Irvin's specific property interest the Court retains jurisdiction over that interest. In *Lahey* again, the Court states "[the moving party] did not check the box seeking a determination of property rights, nor did she check the box requesting confirmation of separate property." Unlike *Lahey*, in the instant case the legal separation agreement specifically controls that interest.

The CCERA should honor the rights and interests of Mr. and Mrs. Richard Irvin. Mr. Irvin's first wife, Margaret Irvin, has already been awarded a spousal survivor status and awarded half of Mr. Irvin's retirement benefit, though it took litigation to do so. Ms. Marianne Irvin, who was married to Richard Irvin for over twenty year till his death, is also prepared to pursue this matter through litigation for the remaining half of her husband's interest. Of utmost concern by the CCERA should be the wishes of their member, who retired after over thirty years of service yet his wishes are not being honored despite the fact that he specifically researched this interest and filled out the appropriate paperwork and respective designation before his death. The CCERA had to pay for costly litigation the first time and should proceed carefully in light of the likelihood of attorney fees being awarded again.

Again, thank you for your correspondence of September 17, 2014, at this time please take whatever steps necessary to present this matter before the CCERA Board, including having Ms. Irvin, who feels very strongly about the matter, personally appear therein. Subsequent to a negative determination by that board Ms. Irvin will be appealing this matter through a Superior Court action. Thank you for your attention to this matter and I look forward to hearing from you and the CCERA regarding your further determination.

Very truly yours,



Ralph Andino

# Item D





September 17, 2014

Ralph Andino  
Law Office of Ralph Andino  
91 "A" Antonina Lane  
American Canyon, CA 94503

RE: In Re Marriage of Marianne and Richard Irvin  
County of Napa Superior Court, Case 26-50604  
CCCERA Member: Richard Irvin (Date of Death: February 11, 2014)

Dear Mr. Andino,

CCCERA has received your correspondence dated August 1, 2014 regarding your client Marianne Irvin's request to receive a surviving spouse continuance after the death of Ms. Irvin's legally-separated spouse and CCCERA retiree, Mr. Richard Irvin.

First, as you have requested, we provide an explanation for CCCERA's determination that Ms. Irvin does not qualify as a "surviving spouse." CCCERA has already provided the basis for its determination in a letter dated July 10, 2014 to Ms. Irvin. (Copy attached.) We take this opportunity to provide you, as her legal counsel, with the legal authority governing CCCERA's spousal continuance benefit in greater detail.

CCCERA administers benefits in accordance with the County Employees Retirement Law of 1937 ("CERL"), Government Code Sections 31450, *et seq.*, and other applicable California and Federal law. Specifically, Government Code Section 31760.2 governs survivor continuance benefits for all CCCERA retiree deaths occurring after January 1, 2003. The provision states that: "upon the death of any member after retirement for service or non-service-connected disability from a retirement system established in a county pursuant to this chapter, 60 percent of his or her retirement allowance, if not modified in accordance with one of the optional settlements specified in this article, shall be continued to his or her surviving spouse for life." The provision further states that: "No allowance may be paid under this section to a surviving spouse unless he or she was married to the member at least two years prior to the date of death and has attained the age of 55 years on or prior to the date of death." (Government Code Section 31760.2(b).)

Under California Probate code section 78(d), a "surviving spouse" does not include "a person who was a party to a valid proceeding concluded by an order purporting to terminate all marital property rights." In *Estate of Lahey*, the court concluded that a judgment of legal separation is an order terminating marital property rights within the meaning of Probate code section 78 subdivision (d). (*See Estate of Lahey*, 76 Cal.App.4th 1056 (1999).)

Here, the parties obtained a judgment of legal separation dated October 3, 2013. The legal separation judgment includes a Marital Settlement and Legal Separation Agreement (MSA), which provides, in Paragraph 2.2.:

It is the intent of the parties by entering this Agreement to sever, now and forever, the formation of a community property estate which might arise as a result of their marital status. Both parties recognize that this Agreement is an agreement executed while the parties remain married as to status, and understand and intend that the provisions of this Agreement shall prevail over the provisions of California community property law otherwise applicable in the absence of this Agreement. Both parties understand and intend that, by this Agreement, henceforth there shall be no community property or community debt acquired by the parties, and that henceforth any income earned or debt incurred by either of the parties shall be the exclusive and separate income or exclusive and separate debt of the party earning said income or incurring such debt.

The legal separation judgment and MSA, therefore, clearly terminated all marital property rights for the marriage between Richard and Marianne Irvin. CCCERA has determined in accordance with Probate Code Section 78(d) that Ms. Irvin does not qualify as Mr. Irvin's "surviving spouse" in light of the legal separation judgment and MSA and therefore is not eligible to receive a spousal continuance under Section 31760.2.

We urge you to review the above referenced statutes and caselaw, and provide us with any contrary legal authorities you may have supporting your position that Ms. Irvin is entitled to receive the G.C. Section 31760.2 spousal continuance. CCCERA will carefully consider them in order to ensure that CCCERA's benefit determination comply with applicable law.

We note that the CCCERA beneficiary designation form, a copy of which you have provided with your August 1, 2014 correspondence, does not provide that Ms. Irvin would be entitled to a spousal continuance after Mr. Irvin's death. Instead, it states that *if* the beneficiary (Ms. Irvin) "is a qualified spouse at the time of member's death," then "eligible spouse" would receive a spousal continuance.<sup>1</sup> CCCERA therefore has not affirmatively represented to Ms. Irvin that she would be entitled to a spousal continuance, but instead, alerted her *in writing* that only a qualified surviving spouse would so be entitled, and that the determination is made after (not prior to) the member's death. In any event, even if there were such representations they would not be binding on CCCERA to the extent applicable law provides otherwise; as explained above, CCCERA would not be authorized to grant the surviving spouse continuance to anyone who does not meet the definition of "surviving spouse" under applicable law.

---

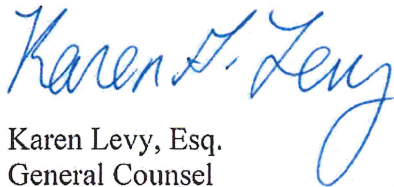
<sup>1</sup> A Court Order requires CCCERA to pay half of the 60% spousal continuance to Mr. Irvin's former spouse.  
1355 Willow Way Suite 221 Concord CA 94520 925.521.3960 FAX: 925.646.5747 [www.cccera.org](http://www.cccera.org)

Second, you asked about an appeal process. After CCCERA receives a response from you about any additional legal authorities you may wish CCCERA to consider, CCCERA will respond to you in writing with its determination. If you disagree with the determination, you will be afforded an opportunity to appear before the CCCERA Retirement Board at a mutually-convenient regularly scheduled public meeting. Once the Retirement Board makes a determination on the matter, your client will then have exhausted her administrative remedies with CCCERA.

Third, we address your client's beneficiary benefit entitlement. Benefits due to a named beneficiary are separate and apart from survivorship continuance. This is specifically stated in Section 31760.2(f). As a duly designated named beneficiary of Richard Irvin, Marianne Irvin is entitled to a lump sum death benefit payment as well as any retirement allowance earned but not yet paid to Mr. Irvin. (Government Code Sections 31789.5 and 31452.7(a).) In response to your inquiry, Ms. Irvin would not be waiving her right to further contest CCCERA's decision if she accepts the payment due to her as a named beneficiary. The payment has been issued by CCCERA and is being held, at Ms. Irvin's request. Please contact Karen Davis, CCCERA Benefits Coordinator, to obtain the payment.

Please feel free to contact the undersigned with any questions or concerns regarding this matter.

Sincerely,

A handwritten signature in blue ink that reads "Karen Levy". The signature is written in a cursive style.

Karen Levy, Esq.  
General Counsel

Encl.

Copy: Gail Strohl, Chief Executive Officer  
Kurt Schneider, Deputy Chief Executive Officer  
Peter Ahlstrom, Benefits Manager  
Karen Davis, Benefits Program Coordinator



CONTRA  
COSTA  
COUNTY **CCCERA**  
Employees' Retirement Association

July 10, 2014

Marianne Irvin  
[REDACTED]

Subj: Legal Separation Judgment; Marianne and Richard Irvin, Case 26-50604

Dear Mrs. Irvin,

CCCERA retiree, Richard Irvin, died February 11, 2014. Our condolences go out to Mr. Irvin's family. In order to determine the rightful beneficiaries, CCCERA staff requested additional information. CCCERA received the above mentioned order, as well the Marital Settlement and Legal Separation Agreement, in October 2013.

After careful review of the file and applicable law, CCCERA has determined that you do not appear to qualify as a "surviving spouse" eligible for a spousal continuance under Government Code Section 31760.2. Probate Code Section 78 defines who does NOT qualify as a surviving spouse. Section 78(d) states that: "A person who was a party to a valid proceeding concluded by an order purporting to terminate all marital property rights" is not a "surviving spouse."

The 2013 Marital Settlement and Legal Separation Agreement (MSA) terminated all marital property rights. CCCERA has been advised by fiduciary counsel that a legally separated spouse may not be considered to be the surviving spouse under CERL. CCCERA has determined, therefore, that you are not eligible to receive a spousal continuance under Section 31760.2 because you are not a "surviving spouse" of the member.

If you have questions or need additional information, please contact Karen Davis, Interim Retirement Benefits Manager, at the address or telephone number listed below.

Sincerely,

  
Karen Levy, Esq.  
General Counsel

Copy: Kurt Schneider, Deputy CEO  
Karen Davis, Interim Retirement Benefits Manager

# Item E



REC'D AUG 05 2014

**LAW OFFICE OF RALPH ANDINO**

91 "A" ANTONINA LANE  
AMERICAN CANYON, CA 94503  
(707) 637 - 7535  
[RALPHANDINO@YAHOO.COM](mailto:RALPHANDINO@YAHOO.COM)

August 1, 2014

Matthew Hurd, Retirement Counselor  
Contra Costa County Employees' Retirement Association  
1355 Willow Way  
Suite 221  
Concord, CA 94520

**RE: Richard Irvin, Deceased**  
**DOD: February 11, 2014**

Dear Mr. Hurd:

Please accept this response to your July 17, 2014 correspondence to Marianne Irvin regarding the death benefits designation by the CCCERA for the death of her husband, Richard Irvin. Ms. Irvin does not agree with your benefits analysis of her husband's intended death benefits and as a result would like reconsideration or in the alternative to pursue an appeal.

At this time please accept this correspondence as notice that Ms. Irvin intends to appeal the decision if reconsideration is not an option. Ms. Irvin would also request a written explanation of why her intended benefits are being denied. If further documentation is required to file the appeal please provide the requisite forms, in the alternative please consider Ms. Irvin's appeal on the following grounds:

First, Ms. Irvin has provided the necessary separation agreement / judgment reflecting a permanent separation *not divorce* between herself and Mr. Irvin. As a part of the agreement Ms. Irvin was to be the intended beneficiary and keep her marital survivorship interests in Mr. Irvin's retirement benefits. Although their agreement stipulated during his life that Mr. Irvin would remain the sole property beneficiary *in life* for his pension interests the agreement specifically states that Ms. Irvin would retain those benefits in death. It is certainly permissible and valid to designate those postmortem interests in a permanent separation judgment. (Please see page 8 of the aforementioned Judgment) I have provided these documents to you previously and I'm enclosing a second copy for your review and consideration which clearly show that Ms. Irvin was to remain Mr. Irvin's intended beneficiary. (Please also see the attached

beneficiary designation form provided by Jessica Huffman, executed by Mr. Irvin, and then returned to Ms. Huffman)


Second, the Irvins had conversations with Association representatives before their separation agreement to discuss the matter with your representatives to ensure said benefits could be transferred. At that time the Irvins spoke to Jessica Huffman who not only provided the requisite paperwork to the Irvins but walked them through the process while assuring them that the benefits were transferrable and the process to do so. It was that reliance upon which Mr. Irvin relied while making his Retiree's Designation of Beneficiary on May 2, 2012. Now after Mr. Irvin's passing Ms. Huffman is no longer available to discuss the matter with Ms. Irvin and the CCCERA will not honor Mr. Irvin's specific and written intentions. It was Mr. Irvin's clear intention that his wife should receive his continued employment benefits and the CCCERA should recognize his intention towards his wife, with whom he never divorced.

Lastly, throughout this process you and your organization have been less than forthcoming about any of these issues. I personally forwarded you the appropriate paperwork on March 20, 2014 and April 18, 2014 and contacted you multiple times by phone before and after that date, yet Ms. Irvin was not provided with your organization's decision until July 17, 2014 and you never returned my phone calls or provided an email with questions or concerns in this regard.

It has now been almost six months since Mr. Irvin's death and Ms. Irvin would like reconsideration of the CCCERA's decision as soon as possible. If further documentation for an appeal is necessary please provide that documentation as soon as possible. In the alternative to a favorable designation by the CCCERA Ms. Irvin will pursue relief through litigation in superior court. Please also indicate whether Ms. Irvin would be waiving her right to further appeal your decision if she accepts the lump sum payment indicated in your correspondence.

Please contact me with any questions or concerns you may have in this regard. Ms. Irvin looks forward to receiving your prompt response.

Very truly yours,



Ralph Andino

cc: Karen Levy, Esq.



**RETIREE'S DESIGNATION OF BENEFICIARY For Richard Irvin**

NOTE: MEMBER HAS PRIOR DIVORCE WHERE EX-SPOUSE WAS AWARDED PORTION OF SPOUSAL CONTINUANCE. MEMBER MAY ELECT A NEW BENEFICIARY. IF ELECTED BENEFICIARY IS A QUALIFIED SPOUSE AT THE TIME OF MEMBER'S DEATH, THEN ELIGIBLE SPOUSE WOULD RECEIVE 30% OF MEMBER'S ALLOWANCE BASED ON THE UNMODIFIED SELECTION ON FILE.

DATE 5/2/12

My name is SFC RICHARD E. IRVIN, AUSRET

My present home address is: \_\_\_\_\_  
Number Street

\_\_\_\_\_ City State Zip

\_\_\_\_\_ Telephone Number

REDACTED

My Social Security Number is: \_\_\_\_\_

I nominate as my beneficiary MARIANNE IRVIN  
Name

WIFE, whose date of birth is \_\_\_\_\_  
Relationship

and Social Security Number is \_\_\_\_\_

REDACTED

Beneficiary's Address \_\_\_\_\_  
\_\_\_\_\_

Signature Richard E. Irvin  
(First Name in Full)

FOR COURT USE ONLY

ATTORNEY OR PARTY WITHOUT ATTORNEY (Name, State Bar number, and address).

JoANNE R. HARRIS, SBN198360  
LAW OFFICE OF JoANNE R. HARRIS  
1652 W. TEXAS STREET, SUITE 243  
FAIRFIELD, CA 94533

CERTIFIED COPY

TELEPHONE NO: (707)421-2200

FAX NO. (Optional)

E-MAIL ADDRESS (Optional)

ATTORNEY FOR (Name): MARIANNE IRVIN

SUPERIOR COURT OF CALIFORNIA, COUNTY OF NAPA

STREET ADDRESS: 825 BROWN STREET

MAILING ADDRESS:

CITY AND ZIP CODE: NAPA, CA 94559

BRANCH NAME: FAMILY LAW DIVISION

MARRIAGE OR PARTNERSHIP OF

PETITIONER: MARIANNE IRVIN

RESPONDENT: RICHARD IRVIN

JUDGMENT

DISSOLUTION  LEGAL SEPARATION  NULLITY

Status only

Reserving jurisdiction over termination of marital or domestic partnership status

Judgment on reserved issues

Date marital or domestic partnership status ends:

CASE NUMBER.

26-50604

FILED

OCT 03 2013

Clerk of the Napa Superior Court

By:

Deputy

1.  This judgment  contains personal conduct restraining orders  modifies existing restraining orders.  
The restraining orders are contained on page(s) of the attachment. They expire on (date):

2. This proceeding was heard as follows:  Default or uncontested  By declaration under Family Code section 2336

Contested  Agreement in court

a. Date: Dept.:

Room:

b. Judicial officer (name):

Temporary judge

c.  Petitioner present in court

Attorney present in court (name):

d.  Respondent present in court

Attorney present in court (name):

e.  Claimant present in court (name):

Attorney present in court (name):

f.  Other (specify name):

3. The court acquired jurisdiction of the respondent on (date): 12/7/2009

a.  The respondent was served with process.

b.  The respondent appeared.

THE COURT ORDERS, GOOD CAUSE APPEARING

4. a.  Judgment of dissolution is entered. Marital or domestic partnership status is terminated and the parties are restored to the status of single persons

(1)  on (specify date):

(2)  on a date to be determined on noticed motion of either party or on stipulation.

b.  Judgment of legal separation is entered.

c.  Judgment of nullity is entered. The parties are declared to be single persons on the ground of (specify):

d.  This judgment will be entered nunc pro tunc as of (date):

e.  Judgment on reserved issues.

f. The  petitioner's  respondent's former name is restored to (specify):

g.  Jurisdiction is reserved over all other issues, and all present orders remain in effect except as provided below.

h.  This judgment contains provisions for child support or family support. Each party must complete and file with the court a Child Support Case Registry Form (form FL-191) within 10 days of the date of this judgment. The parents must notify the court of any change in the information submitted within 10 days of the change, by filing an updated form. The Notice of Rights and Responsibilities—Health-Care Costs and Reimbursement Procedures and Information Sheet on Changing a Child Support Order (form FL-192) is attached.

RECEIVED

CASE NAME (Last name, first name of each party): IRMO: IRVN, MARIANNE v. RICHARD	CASE NUMBER: 26-50604
--	--------------------------

4. i.  The children of this marriage or domestic partnership are:
- (1)  Name Birthdate
- (2)  Parentage is established for children of this relationship born prior to the marriage or domestic partnership
- j.  Child custody and visitation (parenting time) are ordered as set forth in the attached
- (1)  Settlement agreement, stipulation for judgment, or other written agreement which contains the information required by Family Code section 3048(a).
- (2)  Child Custody and Visitation Order Attachment (form FL-341).
- (3)  Stipulation and Order for Custody and/or Visitation of Children (form FL-355).
- (4)  Previously established in another case. Case number: \_\_\_\_\_ Court: \_\_\_\_\_
- k.  Child support is ordered as set forth in the attached
- (1)  Settlement agreement, stipulation for judgment, or other written agreement which contains the declarations required by Family Code section 4065(a).
- (2)  Child Support Information and Order Attachment (form FL-342).
- (3)  Stipulation to Establish or Modify Child Support and Order (form FL-350).
- (4)  Previously established in another case. Case number: \_\_\_\_\_ Court: \_\_\_\_\_
- l.  Spousal, domestic partner, or family support is ordered:
- (1)  Reserved for future determination as relates to  petitioner  respondent
- (2)  Jurisdiction terminated to order spousal or partner support to  petitioner  respondent
- (3)  As set forth in the attached Spousal, Partner, or Family Support Order Attachment (form FL-343).
- (4)  As set forth in the attached settlement agreement, stipulation for judgment, or other written agreement.
- (5)  Other (specify): \_\_\_\_\_
- m.  Property division is ordered as set forth in the attached
- (1)  Settlement agreement, stipulation for judgment, or other written agreement.
- (2)  Property Order Attachment to Judgment (form FL-345).
- (3)  Other (specify): \_\_\_\_\_
- n.  Attorney fees and costs are ordered as set forth in the attached
- (1)  Settlement agreement, stipulation for judgment, or other written agreement.
- (2)  Attorney Fees and Costs Order (form FL-346).
- (3)  Other (specify): \_\_\_\_\_
- o.  Other (specify): THE LEGAL SEPARATION AGREEMENT IS ATTACHED HERETO AND INCORPORATED HEREIN.

I hereby certify the document herein to be a true and correct copy of the original on file with this court.

Dated: APR 01 2014

Clerk of the Napa Superior Court

BY: *[Signature]*



Each attachment to this judgment is incorporated into this judgment, and the parties are ordered to comply with each attachment's provisions. Jurisdiction is reserved to make other orders necessary to carry out this judgment.

Date: 10-3-13

*[Signature]*  
JUDICIAL OFFICER

5. Number of pages attached: 23

SIGNATURE FOLLOWS LAST ATTACHMENT

**NOTICE**

Dissolution or legal separation may automatically cancel the rights of a spouse or domestic partner under the other spouse's or domestic partner's will, trust, retirement plan, power of attorney, pay-on-death bank account, transfer-on-death vehicle registration, survivorship rights to any property owned in joint tenancy, and any other similar property interest. It does not automatically cancel the rights of a spouse or domestic partner as beneficiary of the other spouse's or domestic partner's life insurance policy. You should review these matters, as well as any credit cards, other credit accounts, insurance policies, retirement plans, and credit reports, to determine whether they should be changed or whether you should take any other actions.

A debt or obligation may be assigned to one party as part of the dissolution of property and debts, but if that party does not pay the debt or obligation, the creditor may be able to collect from the other party.

An earnings assignment may be issued without additional proof if child, family, partner, or spousal support is ordered.

Any party required to pay support must pay interest on overdue amounts at the "legal rate," which is currently 10 percent.



1 JoANNE R. HARRIS, SBN 198360  
Law Office of JoAnne R. Harris  
2 1652 W. Texas Street, Suite 243  
Fairfield, CA 94533  
3 Tel: (707) 421-2200

4  
5 Attorney for Petitioner  
MARIANNE IRVIN  
6

7  
8 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
9 FOR THE COUNTY OF NAPA

10 In re the Marriage of: ) Case No. 26-50604  
11 )  
MARIANNE IRVIN, )  
12 )  
Petitioner )  
13 )  
and )  
14 )  
RICHARD IRVIN, )  
15 )  
Respondent. )  
16 )

17 The parties hereto, Petitioner, MARIANNE IRVIN [henceforth "Wife"], and  
18 Respondent, RICHARD IRVIN, [henceforth "Husband"], enter into the following Marital  
19 Settlement and Legal Separation Agreement [henceforth "the Agreement"], with reference to the  
20 following facts and purposes:

21 **1.0 RECITALS**

22 1.1 The parties are husband and wife, having been lawfully married on February 5,  
23 1994.

24 1.2 The parties separated on October 27, 2008, (fourteen (14) years and eight (8)  
25 months from the date of marriage of the parties) and at all times since have lived separate and  
26 apart.

27 1.3 There are no children of the marriage.

28 1.4 A proceeding for Legal Separation of Marriage was filed by Wife on November 29,  
2009, in the Superior Court of California, County of Napa, Case No. 26-50604, at which time

1 Wife had been a resident of the County of Napa and the State of California for three months and  
2 six months, respectively.

3 1.5 Respondent was personally served Wife's Petition for Legal Separation on  
4 December 7, 2009.

5 1.6 Respondent filed a Response for Dissolution of Marriage on December 31, 2009,  
6 and subsequently filed an Amended Response for Legal Separation on (to be added).

7 **2.0 PURPOSE**

8 2.1 Except as otherwise provided herein, the purpose of this Agreement is to make a  
9 final and complete settlement of all financial issues regarding the parties marriage, including: the  
10 respective property rights and claims to such property by either of the parties, whether  
11 community, quasi-community or separate, and now owned, owned prior to the marriage, or  
12 hereafter acquired by either party; the assignment of all financial debts and obligations of the  
13 parties, whether community, quasi-community or separate, and the financial responsibility of the  
14 parties to one another, including spousal support.

15 2.2 It is the intent of the parties by entering this Agreement to sever, now and forever,  
16 the formation of a community property estate which might arise as a result of their marital status.  
17 Both parties recognize that this Agreement is an agreement executed while the parties remain  
18 married as to status, and understand and intend that the provisions of this Agreement shall prevail  
19 over the provisions of California community property law otherwise applicable in the absence of  
20 this Agreement. Both parties understand and intend that, by this Agreement, henceforth there  
21 shall be no community property or community debt acquired by the parties, and that henceforth  
22 any income earned or debt incurred by either of the parties shall be the exclusive and separate  
23 income or exclusive and separate debt of the party earning said income or incurring such debt.

24 THEREFORE, for good and valuable consideration, including, without limitations, the  
25 mutual promises, conditions and agreements set forth herein, the parties agree as follows and ask  
26 the Court enter this Agreement as the orders of the Court.

27 **3.0 EFFECTIVE DATE OF LEGAL SEPARATION**

28 3.1 The effective date of Legal Separation of the parties shall be the date of entry of the

1 parties' Judgment of Legal Separation.

2 **4.0 SPOUSAL SUPPORT**

3 4.1 Husband and Wife are currently eighty-five (85) years old and sixty-five (65) years  
4 old, respectively. Both of the parties are retired. Husband currently receives Social Security  
5 benefits and private pension benefits. Wife currently receives Social Security benefits.

6 4.2 The parties acknowledge that the Court entered an order for spousal support  
7 payable by Husband to Wife in the current amount of \$700 on 6/17/2010, said amount payable by  
8 means of a Qualified Domestic Relations Order for Support filed 10/18/2010. The parties agree  
9 that Husband is now, and at all times has been, current on the payment of support pursuant to the  
10 aforementioned order, and that there are no sums of spousal support presently due either party  
11 from the other.

12 4.3 The parties agree that Husband shall pay permanent Spousal Support to Wife in the  
13 amount of seven hundred dollars (\$700) per month until the death of either Husband or Wife,  
14 whichever should occur first. Payment shall be by Qualified Domestic Relations Order for  
15 Support, either as a continuance of the Qualified Domestic Relations Order for Support filed  
16 10/18/2010, or by issuance of a similar order, as necessary.

17 4.4 By this Agreement and order of the Court, the jurisdiction of the Court to make or  
18 modify any order regarding spousal support is hereby terminated except as to the enforcement  
19 and implementation of the specific terms of this Agreement. The parties are aware that in a  
20 marriage of long duration (10 years or longer), the Court will not likely terminate the Court's  
21 jurisdiction to award or modify spousal support unless the parties agree to do so. The parties  
22 acknowledge this termination of jurisdiction, except as to the enforcement and implementation of  
23 the order herein is effective immediately and may not be revoked or modified. Each of the  
24 parties, having been fully informed and having carefully considered this matter, without undue  
25 influence or duress, enter into this Agreement of his/her own free will.

26 **5.0 MEDICAL AND OTHER HEALTH INSURANCE**

27 5.1 Husband is currently entitled to military health benefits through TRICARE For Life,  
28 and to other health benefits through Contra Costa County Employee Retirement.

1           5.2     Husband shall continue to pay for and maintain Wife as his dependent with regard  
2 to any and all medical/health plans available to Husband through his prior military service or  
3 employment.

4           5.3     Each of the parties shall be responsible for his/her own co-payments and any and all  
5 other medical, dental and vision expenses not otherwise covered by the parties' medical/health  
6 insurance policies/benefits.

7 **6.0 IDENTIFICATION AND AWARD OF SEPARATE PROPERTY:**

8           6.1     Wife's Separate Property Assets - The parties acknowledge and state that Wife  
9 owns separate property income and assets consisting of the following:

10           a.     Wife's checking, savings, credit union and investment accounts titled in her  
11 name alone.

12           b.     All income and assets accrued or acquired by Wife prior to the date of  
13 marriage, during the marriage arising from her separate property income or assets, subsequent to  
14 the date of separation, or bequeathed or gifted to Wife.

15           c.     Wife's Social Security benefits either by reason of her employment or  
16 marriage.

17           d.     Miscellaneous personal items, household items, furniture and furnishings,  
18 and jewelry.

19           e.     Any and all vehicles registered in her name alone.

20           g.     Any and all other property specifically identified in Exhibit A of this  
21 Agreement attached hereto and incorporated herein.

22           6.2     Wife's Separate Liabilities - The parties acknowledge and state that Wife has  
23 separately incurred and shall be solely and separately liable for obligations and debts consisting  
24 of the following:

25           a.     Wife's credit cards and other loan obligations titled in her name alone and/or  
26 incurred by Wife after the date of separation set forth herein.

27           b.     Any and all debt identified in Exhibit C of this Agreement attached hereto  
28 and incorporated herein.

1           6.3    Husband's Separate Property Assets - The parties acknowledge and state that  
2 Husband owns separate property income and assets consisting of the following:  
3           a.    Husband's checking, savings, credit union and investment accounts titled in  
4 his name alone.  
5           b.    Husband's retirement pensions, plans and accounts and any and all income  
6 arriving therefrom.  
7           c.    All income and assets accrued or acquired by Husband prior to the date of  
8 marriage, during the marriage arising from his separate property income or assets, subsequent to  
9 the date of separation, or bequeathed or gifted to Husband.  
10          d.    Miscellaneous personal items, household items, furniture and furnishings  
11 and jewelry.  
12          e.    Husband's life Insurance policies.  
13          f.    Husband's Social Security benefits.  
14          g.    Any and all other property specified in Exhibit B of this Agreement attached  
15 hereto and incorporated herein.

16           6.4    Husband's Separate Liabilities - The parties acknowledge and state that Husband  
17 has separately incurred and shall be solely and separately liable for obligations and debts  
18 consisting of the following:

- 19           a.    Husband's credit cards and other loan obligations titled in his name alone  
20 and/or incurred by Husband after the date of separation set forth herein.  
21           b.    Any and all debt identified in Exhibit D of this Agreement attached hereto  
22 and incorporated herein.

23 **7.0    AWARD OF SEPARATE PROPERTY ASSETS AND LIABILITIES**

24           7.1    Each of the parties hereby confirms the separate property assets as specified herein  
25 to that party so identified as his or her sole and separate property, and hereby waives any and all  
26 interest or right to all of those items confirmed to that party as his/her separate property.

27           7.2    Each of the parties hereby assigns the separate property debts as specified herein to  
28 that party so assigned as his or her sole and separate debt. Each of the parties hereby indemnifies

1 and holds harmless the other from any liabilities incurred by him/her arising from those liabilities  
2 assigned to the other herein.

3 **8.0 IDENTIFICATION OF COMMUNITY PROPERTY ASSETS**

4 8.1 The parties agree that the community property arising from the marriage consists of  
5 the following:

6 a. Travis Credit Union joint account in the name of both parties. Said account  
7 has been closed.

8 b. Miscellaneous household furniture, fixtures and jewelry.

9 **9.0 DIVISION AND AWARD OF COMMUNITY ASSETS**

10 9.1 Husband and Wife agree that their community assets have been divided between  
11 them and that this Agreement effects an equal division of their community assets. Each party  
12 releases, transfers, and assigns to the other as his or her sole and separate property, all right, title,  
13 and interest in and to the assets he or she is awarded below. Each further agrees to execute any  
14 and all documents that may be required to establish or confirm the other party's sole ownership of  
15 any asset or obligation assigned to him or her herein.

16 9.2 Community Property to Wife - The following community property, along with  
17 any encumbrances thereon, is awarded to Wife as her sole and separate property:

18 a. Miscellaneous household furniture, fixtures and jewelry currently in the  
19 possession and control of Wife.

20 9.3 Community Property to Husband - The following community property, along with  
21 any encumbrance thereon, is awarded to Husband as his sole and separate property:

22 a. Miscellaneous household furniture, fixtures and jewelry currently in the  
23 possession and control of Husband.

24 **10.0 IDENTIFICATION OF COMMUNITY LIABILITIES**

25 10.1 The parties agree that the community property debts and liabilities consist of the  
26 following:

27 a. Attorney fees, if any, to Hillman & Lucas

28 b. USAF Service Chase Credit Card Account No. XXX0237

1 c. Liability, if any, associated with property located at 915 Limewood,  
2 Suisun CA

3 **11.0 DIVISION AND ASSIGNMENT OF COMMUNITY DEBTS AND LIABILITIES**

4 11.1 The parties agree that each shall be assigned one-half (1/2) of the community  
5 liabilities as defined herein.

6 **12.0 INDEMNIFICATION REGARDING DEBTS AND LIABILITIES**

7 12.1 Husband and Wife shall pay, and hold the other harmless from, all outstanding  
8 debts and obligations assigned to him/her herein, and all other debts and obligations which have  
9 been incurred by him/her, or are titled in his/her name alone, whether incurred prior to, during or  
10 subsequent to the date of separation. If any claim, action or proceeding is hereinafter brought  
11 seeking to hold the other party liable on account of such debts or obligations, the party will, at his  
12 or her sole expense, defend the other party against any such claim, action or proceeding, and  
13 indemnify the other party from any and all liability arising therefrom or relating thereto, and shall  
14 further hold the other party harmless from and against any and all costs and expenses, including  
15 reasonable attorneys fees relating thereto.

16 12.2 The parties attest that the financial obligations and debts identified in Exhibit C  
17 attached hereto and incorporated herein are the sole and separate liability of Wife having been  
18 incurred by Wife in her name alone following the commencement of this proceeding for legal  
19 separation. Wife is specifically assigned as her sole and separate liability for the obligations set  
20 forth in Exhibit C. Wife shall indemnify and hold harmless Husband from any and all liabilities  
21 arising from any action arising against him related to the debts and obligations assigned to her  
22 herein. By this Agreement and order of the Court Wife may not be held liable for any debt or  
23 liability incurred by the parties during their marriage, or by Husband during the marriage and/or  
24 after the date of separation, except as set forth in Family Code section 916 and said debt or  
25 obligation is specifically assigned to her herein.

26 12.3 The parties attest that the financial obligations and debts identified in Exhibit D  
27 attached hereto and incorporated herein are the sole and separate liability of Husband having  
28 been incurred by Husband in his name alone during the marriage and/or following the

1 commencement of this proceeding for legal separation. Husband is specifically assigned as his  
2 sole and separate liability the obligations set forth in Exhibit D. Husband shall indemnify and  
3 hold harmless Wife from any and all liabilities arising from any action arising against him related  
4 to the debts and obligations assigned to him herein.

### 5 **13.0 RETIREMENT AND PENSIONS**

6 13.1 Husband currently receives Military Retirement Benefits and Contra Costa County  
7 Employees' Associations Retirement Association benefits. The parties agree that the  
8 aforementioned retirement plans/benefits are the sole and separate property of Husband.

9 13.2 The parties acknowledge that Marianne Irvin is designated as the beneficiary of  
10 Contra Costa County Employees' Retirement Association by designation of Beneficiary dated  
11 3/19/1998 and reconfirmed 4/20/1998. Husband shall maintain Wife as the beneficiary and  
12 "surviving spouse" as to each of his retirement pensions, plans or accounts, for the purpose of  
13 any beneficiary benefits, including death benefits, as may be allowed by each pension or  
14 retirement plan. Wife shall be paid all benefits due her as specified herein subject only to prior  
15 judicial claims.

16 13.2 Wife represents that she has no retirement plans or accounts.

### 17 **14.0 SURVIVOR BENEFITS**

18 14.1 Wife shall be designated as the "surviving spouse" and shall receive any and all  
19 survivor benefits arising from Husband's pensions, and retirement plans/accounts as set forth  
20 above.

### 21 **15.0 WAIVER OF CLAIMS FOR REIMBURSEMENT**

22 15.1 The parties agree that as part of the division of property between the parties, except  
23 as specifically stated herein, the parties have expressly and permanently waived and released the  
24 following:

25 a. Any claim for reimbursement or offset resulting from community property  
26 debts or obligations paid since the date of separation.

27 b. Any claim for reimbursement or offset resulting from the payment of the  
28 other party's living expenses since the date of separation, whether or not such living expenses



1 were paid from community funds or separate property funds.

2 c. Any claim for reimbursement or offset resulting from the receipt of  
3 community income, including money earned or partially earned but unpaid at the date of  
4 separation.

5 d. Any claim for reimbursement or offset resulting from the ownership,  
6 operation, maintenance, rent or other payment paid for or received from the various community  
7 properties or businesses since the date of separation.

8 e. Any claims for reimbursement or offset resulting from the payment by Wife  
9 and/or Husband for repairs, and/or maintenance and/or other expenses on community property  
10 assets since the date of separation.

11 f. Any reimbursement rights or offset resulting from any claims made pursuant  
12 to Family Code section 2640.

13 g. All other claims, credits, reimbursements of any kind or nature.

14 **16.0 FEDERAL AND STATE INCOME TAX RETURNS**

15 16.1 The parties have filed separate tax returns for the tax years 2009 forward.

16 16.2 Each of the parties shall be solely responsible for any costs associated with unpaid  
17 taxes, penalties or audits associated with tax returns filed individually by him or her.

18 16.3 The parties believe that all community tax returns and obligation have been settled  
19 with Internal Revenue Service and California State Franchise Tax Board. The parties attest that  
20 they know of no further joint tax liabilities outstanding. Should any joint tax liability arise in the  
21 future, each of the parties shall pay one-half of the taxes, penalties and interest accrued.

22 **17.0 WAIVER OF FURTHER DISCOVERY AND RELIANCE UPON OTHER PARTY.**

23 17.1 The parties agree that the provisions of this Agreement are fair and reasonable. The  
24 parties agree that each has been advised and had the opportunity to retain separate counsel in  
25 connection with the negotiations for, and execution of, this Agreement. Wife has retained  
26 JoAnne R. Harris. Husband has been advised that he should retain counsel. Husband  
27 acknowledges receipt of said advice, and has chosen not to retain counsel. Each of the parties  
28 states that he/she fully and completely understands each, every and all of the terms and

1 provisions of this Agreement, and each understand the legal import and effect of this Agreement,  
2 and with respect to each of their respective obligations, rights and duties.

3 17.2 Husband and Wife agree that he/she has carefully read this Agreement and that they  
4 respectively enter into, execute and accept said Agreement of their own free and voluntary will,  
5 without any duress, constraint or influence of any kind or nature whatsoever upon the part of the  
6 other, and with such express understanding and knowledge.

7 17.3 The parties stipulate (a) that neither party, nor any agent or attorney of a party, has  
8 made any promise, representation or warranty whatsoever, express or implied, not contained  
9 herein in the disclosure statements exchanged between the parties concerning the subject matter  
10 herein to induce him or her to execute the Agreement, and (b) that he or she has not executed the  
11 Agreement in reliance upon any promise, representation or warranty not expressly provided or  
12 referred to herein.

13 17.4 The parties stipulate that Husband and Wife have negotiated and conferred  
14 concerning the Agreement, and the Agreement shall be deemed for all purposes to be the joint  
15 work product of both counsel and/or parties, and may not be construed against either party by  
16 reason of (a) the wording used in any provision hereof, or (b) the deletion or modification of any  
17 provision contained in a prior draft of the Agreement. All such prior drafts shall have been  
18 deemed a part of settlement negotiations and may not be utilized hereafter for any evidentiary  
19 purpose.

20 17.5 The parties further acknowledged and agree that neither party has been denied  
21 access to, or the opportunity to, inspect the financial and other records pertaining to the nature  
22 and extent of the parties' assets and income, including records of the business assets and tax  
23 returns. To the extent that the parties or their counsel have not made any requests for any other  
24 documents or information or conducted any further investigation with respect to the nature,  
25 extent or value of any assets or income, this has been a free and voluntary action pursued by a  
26 party.

27 17.6 The parties understand and agree that their execution of the Agreement shall  
28 constitute a final, permanent and irrevocable settlement of the parties' marital property rights

1 except for those issues expressly reserved hereunder. Based thereupon, except for the rights and  
2 obligations expressly provided in the Agreement, Husband and Wife, for themselves and their  
3 respective heirs, assigns and agents, irrevocably and absolutely released and discharged each  
4 other and their heirs, assigns, agents and legal representatives, of any and all claims, demands,  
5 liabilities, obligations, contracts, agreements, costs, expenses, attorney's fees and causes of action  
6 (all of such claims, demands, liabilities, etc., shall hereinafter be referred to as the "claims") of  
7 every kind, nature and description whatsoever, whether now known or unknown, suspected or  
8 unsuspected by reason of any matter, cause or thing done, omitted or suffered to be done prior to  
9 the date of the Agreement, which either Husband or Wife now have, own or hold, or have at any  
10 time heretofore had, owned or held against each other so that upon the date the Agreement is  
11 executed by both parties and thereafter, except for the rights and obligations expressly provided  
12 for herein, neither Husband nor Wife shall have any claim against the other by reason of any  
13 matter, cause or thing done, omitted or suffered to be done prior to the date of the Agreement.  
14 The parties stipulate that the Agreement is intended by the parties to finally and irrevocably settle  
15 their rights, demands and obligations each to the other, marital or otherwise.

16 17.7 Husband and Wife acknowledge that they each have been informed by his/her  
17 attorney, if so represented, and are familiar with Section 1542 of the Civil Code of the State of  
18 California which provides as follows: "A general release does not extend a claim to which  
19 creditors does not know or suspect to exist in his favor at the time of executing the release, which  
20 if known by him must have materially affected his settlement with the debtor. "

21 17.8 Husband and Wife have expressly waived and relinquished all rights and benefits  
22 which they have or may have under Section 1542 of the Civil Code to the full extent that they  
23 may lawfully waive all such rights and benefits. Husband and Wife acknowledged that they are  
24 aware that they or their attorneys, accountants or agents may hereafter discover facts different or  
25 in addition to those which they or their attorneys, accountants or agents now know or believe to  
26 be true with respect to the division of property hereunder or other financial claims, and each  
27 agree that this Agreement shall be and remain binding in all respects, including without  
28 limitation the provisions for a division of property and those which provide for a full and

1 complete general release, notwithstanding the discovery of any such different or additional facts.  
2 The Court finds that Husband and Wife understand and acknowledge and have had explained to  
3 them by their attorneys, the significance and consequence of the general release and specific  
4 waiver of Section 1542 of the Civil Code and hereby assume responsibility for any injury,  
5 damage, loss or liability that he or she may incur because of such release and waiver, except as to  
6 any misrepresentations by either party of material facts.

7 **18.0 PROPERTY WARRANTY:**

8 18.1 Each party warrants to the other that he or she does not have any knowledge of, or  
9 is not presently in possession of, any community property assets other than those addressed in  
10 this Agreement, and that neither party has made, without the knowledge of the other, any gift or  
11 transfer of community property or quasi-community property, or secreted any property from the  
12 other within the period of the statute of limitations. The Court shall reserve jurisdiction to  
13 enforce this term of the Agreement.

14 18.2 If it shall hereafter be determined by a Court of competent jurisdiction, that a party  
15 is now knowledgeable or possessed of any community property or quasi-community property not  
16 set forth herein, or that a party gifted or transferred community property other than as set forth  
17 herein, or has secreted any assets or community property other than as set forth herein, that party  
18 agrees to pay the other, at the aggrieved party's election (a) an amount of the other property equal  
19 to the party's interest in it if it is reasonably susceptible to division, (b) the full market value of  
20 the party's interest on the effect date of this Agreement, or (c) the full value of the party's interest  
21 at the time the party discovers the other party's ownership of the property. The Agreement is not  
22 intended to impair the availability, in a court of competent jurisdiction, or the granting, of any  
23 other available remedies arising from the undisclosed ownership.

24 **19.0 WARRANTY OF LIABILITIES:**

25 19.1 Each party warrants to the other that he or she has not incurred nor will incur, on or  
26 before the effective date of this Agreement, any liability not disclosed and listed in this  
27 Agreement, on which the other is or may become personally liable or that could be enforced at  
28 any time against an asset held or to be received under this Agreement by the other party. The

1 parties agree not to incur any such debts for which the other may be obligated except as may be  
2 agreed to or authorized by the mutual agreement of the parties or by order of a court of proper  
3 jurisdiction.

4 19.2 The parties agree to indemnify the other against any liability or obligation in which  
5 existence or incurrence transgresses the indemnitor's warranty or covenant herein, and shall, at  
6 the transgressor's sole expense, defend the other party against any claim, action or proceeding  
7 whether or not well-founded, including, but not limited to, any and all liability on the obligation,  
8 attorney's fees and related costs. This provision will not be deemed to impair the availability, in  
9 a Court of competent jurisdiction, of any other remedy arising from non-disclosure of such  
10 liabilities.

11 **20.0 NOTICE REGARDING COMMUNITY PROPERTY LIABILITY:**

12 20.1 Both parties hereby agree, understand and recognize that although an obligation  
13 based on a contract is assigned to one party as part of the division of the community property and  
14 debts pursuant to the California Family Code section 2550 et seq., in the event that the party to  
15 whom the obligation is assigned defaults on the contract, the creditor may have a cause of action  
16 against the other party.

17 **21.0 NOTICE OF FILING UNDER BANKRUPTCY LAWS:**

18 21.1 If either party claims any rights under the bankruptcy laws, that party must notify  
19 the other of this intention in writing at least ten (10) days before filing the petition. Such notice  
20 must include, but not necessarily be limited to, the name, address, and telephone number of the  
21 attorney, if any, representing the party in that proceeding and the Court in which the petition will  
22 be filed.

23 **22.0 EACH PARTY FULLY ADVISED**

24 22.1 Each party acknowledges and declares that he or she, respectively:

25 a. Has had an adequate opportunity to seek independent legal counsel and any  
26 other professional advice of their his/her choosing regarding their legal separation and this  
27 Agreement prior to entering into this Agreement. Husband has been advised to seek legal  
28 counsel concerning the terms of this Agreement, and has sought legal counsel, or has knowingly

1 chosen not to seek such legal counsel.

2 b. Has entered into this Agreement in a good faith effort to resolve the issues in  
3 the most equitable manner possible.

4 c. Has carefully read this entire Agreement.

5 d. Is fully and completely informed as to the facts relating to the subject matter  
6 of this Agreement and as to the rights and liabilities of both parties.

7 e. Enters in this Agreement voluntarily, free from fraud, undue influence,  
8 coercion or duress of any kind.

9 f. Has given careful and mature thought to the making of this Agreement.

10 g. Fully and completely understands each provision of this Agreement.

11 **23.0 INTERSPOUSAL TRANSFERS:**

12 23.1 It is intended that all transfers of property, real and personal, as described herein are  
13 transferred between the parties in this legal separation for the sole purpose of equally dividing the  
14 community assets and liabilities of the parties. All transfers are entitled to exemption pursuant to  
15 Revenue and Tax Code section 11927(a) exempting interspousal transfers of community, quasi-  
16 community or quasi-marital property between spouses pursuant to a Agreement, order or written  
17 agreement between spouses in contemplation of a judgment or order. No loss or gain shall be  
18 recognized on any property transferred pursuant to this Agreement under IRC section 1041.

19 **24.0 ATTORNEY FEES AND COURT COSTS**

20 24.1 Each of the parties shall pay all costs associated with his/her attorney fees and court  
21 costs associated with this legal separation proceeding.

22 **25.0 COOPERATION IN IMPLEMENTATION OF AGREEMENT**

23 25.1 Husband and Wife shall cooperate with one another to carry out the terms of this  
24 Agreement. Husband and Wife, on demand and without undue delay or expense, shall promptly  
25 execute, acknowledge, or deliver any instrument, furnish any information, or perform any other  
26 acts reasonably necessary or convenient to carry out the provisions of the Agreement.

27 25.2 Each of the parties hereto shall execute promptly all documents and instruments  
28 now or hereafter reasonably necessary or convenient to vest the titles and estates in them

1 respectively as herein provided, and at any time and from time to time shall execute all other  
2 instruments and documents which may be necessary or proper to effectuate the purpose and  
3 intent of this Agreement. In the event either party shall refuse to execute any such document or  
4 instrument, the court, upon 48 hours telephonic notice to the other party of such application to  
5 the court, may order the County Clerk to execute such needed documents. Notwithstanding the  
6 failure or refusal of either party to execute any such instrument, the Agreement shall constitute a  
7 full and complete transfer and conveyance of the properties herein designated as being  
8 transferred, conveyed or assigned by each party.

9 **26.0 AGREEMENT BINDING ON SUCCESSORS**

10 26.1 Each and every covenant and agreement contained herein shall inure to the benefit  
11 of, and shall be bind upon, the heirs, legatees, devisees, assignees, administrators, executors, and  
12 successors in interest of the parties hereto.

13 **27.0 AGREEMENT IN ITS ENTIRETY**

14 27.1 Except as otherwise provided in this Agreement, or to the extent there are any sums  
15 unpaid or owing, all temporary orders previously rendered by the court in the pending legal  
16 separation action between the parties will be deemed fully satisfied, and all existing orders will  
17 be deemed superseded by the Agreement. All pending motions and orders to show cause will be  
18 dismissed with prejudice.

19 27.2 Husband and Wife acknowledge that each is aware of and understands the  
20 following provisions of Family Code Section 2024: " ... (b) A Agreement of nullity, a Agreement  
21 of dissolution of marriage, or a judgment of legal separation shall contain the following notice:  
22 Dissolution or annulment of your marriage may automatically cancel your spouse's rights under  
23 your will, trust, retirement benefit plan, power of attorney, pay on death bank account, transfer on  
24 death vehicle registration, survivorship rights to any property owned in joint tenancy and any  
25 other similar thing. It does not automatically cancel your spouse's rights as beneficiary of your  
26 life insurance policy. If these are not the results that you want, you must change your will, trust,  
27 account agreement, or other similar document to reflect your actual wishes. Dissolution or  
28 annulment of your marriage may also automatically cancel your rights under your spouse's will,

1 trust, retirement benefit plan, power of attorney, pay on death bank account, transfer on death  
2 vehicle registration, survivorship rights to any property owned in joint tenancy, and any other  
3 similar thing. It does not automatically cancel your rights as beneficiary of your spouse's life  
4 insurance policy. You should review these matters, as well as any credit cards, other credit  
5 accounts, insurance policies, retirement benefit plans, and credit reports to determine whether  
6 they should be changed or whether you should take any other actions in view of the dissolution or  
7 annulment of your marriage, or your legal separation."  
8

9 IT IS SO AGREED:

10  
11 Dated: 6/12/13

Dated: 6/12/13

12  
13 Marianne Irvin  
14 MARIANNE IRVIN, Petitioner

Richard Irvin  
RICHARD IRVIN, Respondent

15  
16 Approved as Conforming to the Agreement of the Parties:

17  
18 Dated: 6/29/13

Dated: \_\_\_\_\_

19  
20 \_\_\_\_\_  
21 JoAnne R. Harris  
Attorney for Petitioner

\_\_\_\_\_  
Attorney for Husband

22  
23  
24 IT IS SO ORDERED:

25  
26 Dated: \_\_\_\_\_

\_\_\_\_\_  
JUDGE OF THE SUPERIOR COURT



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

EXHIBIT A

SEPARATE ASSETS OF WIFE

1. Travis Credit Union Acct #XXX088
2. 1982 Oldsmobile Cutless Ciera
3. 1991 Oldsmobile Cutless Ciera

\_\_\_\_/\_\_\_\_

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

EXHIBIT B

SEPARATE ASSETS OF HUSBAND

1. Travis Credit Union Acct #XXX618
2. Military Retirement and Disability Pension/Benefits
3. Contra Costa County Employees Pension
4. ING Financial Account No. XXX6760
5. Neptune Society - Final Arrangements, paid in full.

\_\_\_\_/\_\_\_\_

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

EXHIBIT C

SEPARATE DEBTS AND LIABILITIES OF WIFE

1. Direct Merchants Bank Acct. #XXXX322
2. Military Star Credit Acct. #XXX507
3. Verizon Acct. #XXX881-001
4. Comcast Acct. #XXX688
5. Garage Rental 214 Manor Court, American Canyon CA
6. Drive Insurance Acct. #30-8
7. Parkside Dental
8. Attorney Fees to JoAnne R. Harris
9. Monthly rent at 202 Manor Court, American Canyon, CA



## **MEMORANDUM**

Date: January 14, 2015  
To: CCCERA Board of Retirement  
From: Kurt Schneider, Deputy Retirement Chief Executive Officer  
Subject: Shari Critchfield, Tier 2 and Tier 3  
Application for Non-service Connected Disability

---

On September 14, 2014, Shari Critchfield, active (i.e., not in retired status) CCCERA member and Contra Costa County employee, died as a result of a liver failure. Prior to her death, Ms. Critchfield filed an "active death" form with CCCERA authorizing CCCERA to apply for a non-service connected disability retirement on her behalf in the event that she is permanently incapacitated by reason of injury of other disability leading to her death while in active membership. Ms. Critchfield elected in writing Optional Settlement 4 in the event that the disability retirement is granted. Ms. Critchfield is vested in terms of her eligibility for non-service connected disability because she had approximately 10.5 years of service (GC §31720).

Note that Optional Settlement 4 is used when the member wishes to name multiple beneficiaries to share the 100% continuance after the member's death. However, even though the member had four children, there was only one beneficiary on file with CCCERA at the time of death, the member's daughter. Optional Settlement 4 with only one named beneficiary is equivalent to Optional Settlement 2.

CCCERA has filed an application for disability on behalf of the member. The Board is now called upon to make a determination as to whether the member became permanently unable to engage in any substantial gainful employment. If so, the member would be entitled to a non-services connected disability, effective on the date of death or some earlier date (GC §31720.1). The nominated beneficiary (here, the member's daughter) would then receive a lifetime monthly allowance equal to 100% of the Optional Settlement 2 allowance (GC §31760).

The member was a 51-year-old Senior Level Clerk in the Contra Costa County Administrator's Office. Medical records were analyzed by the Board's medical advisor, who concluded that the evidence showed that Ms. Critchfield was totally disabled from any substantial gainful employment as defined by Gov. Code §31720.1, prior to her death. She became disabled on September 9, 2014 or earlier and remained totally disabled from any substantial gainful employment for the remainder of her life. Therefore, she meets the medical requirements of permanent disability for Tier III members, on a non-service connected basis.

**Recommendations:**

- Find that the member was permanently unable to engage in any substantial gainful employment and grant a non-service connected disability retirement effective September 14, 2014.
- Approve payment to the named beneficiary (here, the member's daughter) of the retirement allowance to which the deceased member would have been entitled if she had retired by reason of non-service-connected disability and elected Optional Settlement 2 as of the date of her death.

**Notes:**

- The amount of the Optional Settlement 2 allowance would be calculated in accordance with Gov. Code §31760 by taking the “actuarial equivalent” of the member’s lifetime retirement allowance (assuming the member was still alive) and reducing it to an allowance payable throughout the lifetime of both the member and the daughter. In this case, the Optional Settlement 2 allowance will be 72.8% of the Unmodified Allowance. The 27.2% reduction in the member’s lifetime allowance would have the same actuarial present value as the continuance to the daughter if the member were actually alive to receive a reduced monthly lifetime allowance. Under Gov. Code §31760, the reduction in the member’s own allowance is normally the member’s way of paying for the higher optional continuance to the beneficiary. This means the daughter will receive a lifetime allowance equal to 72.8% of the Unmodified Allowance under Article 11 (Optional Retirement Allowances) rather than benefit payable under the Article 12 (Death Benefit).
- Had the member not filed an active death form, or if the application for disability retirement is denied, the daughter would be eligible for the standard death benefit, which is a lump sum death benefit under Gov. Code §31781 equal to the member’s accumulated contributions plus 50% of the member’s annual compensation.

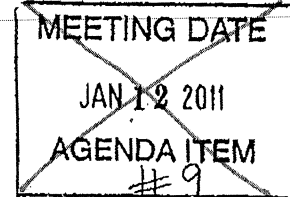
**From:** Harvey L. Leiderman  
Direct Phone: +1 415 659 5914  
Email: HLeiderman@reedsmith.com

Reed Smith LLP  
101 Second Street  
Suite 1800  
San Francisco, CA 94105  
Tel +1 415 643 8700  
Fax +1 415 391 8269  
www.reedsmith.com

**To:** Board of Retirement  
Contra Costa County Employees' Retirement Association

**Date:** December 20, 2010

**Subject:** Active Death/Disability Applications



As explained in the legal analysis contained in our Confidential Memorandum to the Board of this same date, we believe that CCCERA's current practice relating to active death/disability applications reflects a reasonable interpretation of its governing law. The practice is also consistent with the Legislature's policy to allow active members to maximize their survivors' benefits in the event of the members' untimely demise. Accordingly, we do not believe that the Board needs to adopt any additional written policy in connection with its application for a tax determination letter from the Internal Revenue Service. We understand tax counsel agrees with this assessment.

Going forward, we recommend that CCCERA's practices be revised as follows:

1. The member should make a written election of Optional Settlement 2 (effective upon vesting), obtain the written consent of his current spouse (if possible) and file the election form with the Board at some time during active service. The member may change his election during his final pre-retirement processing with CCCERA staff, if Option 2 is no longer appropriate for his particular marital, parental, health or economic situation.
2. A member who elects Optional Settlement 2 during service should also execute a written authorization for CCCERA to file on his behalf an application for non-service connected disability if, immediately prior to his death, he is permanently incapacitated for non-service connected reasons.
3. The Board should proceed to make a formal determination whether the member was permanently incapacitated for the performance of duty at the time it filed the application for non-service connected disability.

For members who currently have the active death/disability form on file with CCCERA, we believe the system may continue to honor those forms, but should still separately file a formal disability application on behalf of the member if and when appropriate, and make the determination of disability, as indicated in steps 2 and 3, above. For new applicants, we recommend that the application form be revised consistent with steps 1 and 2, above. A proposed revised form is attached to this Memorandum for the Board's consideration.

Memorandum to CCCERA Board of Retirement  
December 20, 2010

Finally, we recommend that staff regularly advise active members of their choices in this regard, through inclusion in the member benefit handbook, informational postings on its website and discussions in employer and employee meetings and member retirement interviews.



## Member Election Form for Non-Service Connected Disability in the Event of Death During Active Membership

Form  
104

(Rev. 2013)

**Purpose of the Form**

- This form authorizes CCCERA to file an application for non-service connected disability on your behalf, in the event that you are permanently incapacitated by reason of injury or other disability leading to death while you are an active member of CCCERA.
- This form allows you to preselect an Optional Settlement, pursuant to CERL Section 31762 or 31764 or the successor section.

**Instructions**

Complete the form in blue or black ink.

Member Information		
Full Name	Employee #	Social Security #

**To The Board of Retirement:**

**Election of Optional Settlement**

In accordance with the provisions of the County Employees Retirement Law of 1937 (CERL), and the by-laws and regulations governing the Contra Costa County Employees' Retirement Association (CCCERA), I hereby elect an Optional Settlement, pursuant to CERL Section 31762 or 31764 or successor section.

I choose Optional Settlement 2 (up to 100% continuance to one beneficiary)

I choose Optional Settlement 4 (up to 100% continuance divided among more than one beneficiary)

I understand that the beneficiary(ies) of the allowance that continues after my death is (are) the beneficiary(ies), having an insurable interest in my life, on file at CCCERA at the time of my death as were designated by me on a separate form.

I understand that by signing this form I elect a monthly allowance for my beneficiary(ies) in lieu of any other death benefit including the return of accumulated contributions under CERL Section 31781.

I understand that this election is binding on me unless I withdraw this election before the first payment of any retirement allowance is made to me, and that at retirement I may make another election of an Optional Settlement, or choose to receive the unmodified allowance, under CERL.

**Authorization to File Non-Service Connected Disability Retirement Application**

In accordance with the provisions of CERL, I hereby authorize CCCERA to file an application for a non-service connected disability retirement on my behalf in the event that I am permanently incapacitated by reason of injury or other disability leading to death while I am an active member of CCCERA. I understand that, if granted, this will entitle my survivor(s) to receive a non-service connected disability retirement survivor continuance under Optional Settlement 2 or 4.

Acknowledgments	
Member Signature (required)	Date - mm/dd/yyyy
Consenting Spouse Signature (required if married and any beneficiary is not the spouse)	Date - mm/dd/yyyy
Adult Witness Signature (required)	Date - mm/dd/yyyy
Adult Witness Name (please print)	



# BETHEL ISLAND MUNICIPAL IMPROVEMENT DISTRICT

## Employer Review



© 2014 Bethel Island Municipal Improvement District

*Final Report Dated  
1/2/2015*

*prepared by:*



EAU2014100 – BIMID

# Bethel Island Municipal Improvement District

## Table of Contents

Background..... 2

Scope..... 3

Findings & Observations..... 5

Follow Up Items..... 8

District Response..... 9

# Bethel Island Municipal Improvement District

## Background

The Contra Costa County Employees' Retirement Association is a public employee retirement system that was established by the County of Contra Costa (County) on July 1, 1945, and is administered by the Board of Retirement (Board) to provide service retirement, disability, death, and survivor benefits for County employees and 16 other participating agencies under the California State Government Code, Section 31450, et. seq. (County Employees Retirement Law of 1937 or CERL) and the California Public Employees' Pension Reform Act of 2013 (PEPRA).

CCCERA administers the retirement benefits for the employees of Contra Costa County and participating District employers. Participating employers within the CCCERA retirement system transmit payroll information and contributions to fund the benefits for their employees. CCCERA sets up retirees' accounts, processes applications, calculates retirement allowances, prepares monthly retirement benefit payment rolls, and makes adjustments to retirement benefits when needed.

Retirement allowances are computed in accordance with statute using three factors: years of service, age at retirement, and final compensation. For Legacy (pre-PEPRA) members, final compensation is defined as the highest average annual compensation earnable (as defined in G.C. Section 31461) by a member during the last one or three consecutive years of employment depending on the member's Tier, unless the member elects a different period with a higher average. For PEPRA members, final compensation is defined as the highest average annual pensionable compensation (as defined in G.C. Section 7522.34) earned by the member during a period of 36 consecutive months.

The employer's knowledge of the laws relating to membership and payroll reporting facilitates the employer in providing CCCERA with appropriate employee information. Correct enrollment of eligible employees and correct reporting of payroll information are necessary for the accurate computation of a member's retirement allowance.

Bethel Island Municipal Improvement District has been serving the residents of Bethel Island since 1960 and primarily maintains the levee system that surrounds and protects the island. The District also engages in the administration of all activities that may have an impact on the safety of the levee such as construction of homes, docks, ramps, tree planting on or near the levee. The District's activities are funded by taxes collected by Contra Costa County and by other state funded special projects. The District entered the CCCERA system in 1962.

# Bethel Island Municipal Improvement District

## Scope

The 2013 Pension Reform legislation granted CCCERA the authority under Government Code Section 31543 for CCCERA to conduct audits of employers to ensure that employee and payroll information used in the calculation of Retiree pension benefits is correct and verifiable. The scope of these on-site reviews include:

- Correctness of retirement benefits;
- Reportable compensation;
- Enrollment in, and reinstatement to the system (GC 31543);
- Pensionable compensation (GC 31461 and 7522.34);
- Determine if employees convicted of certain felonies have forfeited benefits earned or accrued from the commission of the felony (GC 7522.72(g) and GC 7522.74(g));
- Evaluate whether MOUs are being complied with (i.e. EE Contribution Rates, Vacation Sales etc.);
- Determine if compensation is paid to enhance a member's retirement benefit (GC 31461(b)(1) and 7522.34(c)(1)).

The on-site review of the District was conducted on September 25<sup>th</sup>, 2014. The review period encompassed active employee records for 2013 through 2014 and retirement employees from 2011 through 2014.

## Bethel Island Municipal Improvement District

The following review activities were performed:

- Reviewed the District's *"2013 Employee Policy Handbook"*
- Interviewed key staff members to obtain an understanding of the District's personnel and payroll procedures;
- Reviewed the payroll transactions and compared the District's payroll register with the data reported to CCCERA to determine whether the district correctly reported employees' compensation;
- Reviewed the District's payroll information reported to CCCERA for all employees to determine whether pay-rates were reported pursuant to public salary information;
- Reviewed the District's process for reporting payroll to CCCERA to determine whether the payroll reporting elements were reported correctly;
- Reviewed the District's employer and employee retirement contribution calculations for accuracy;
- Reviewed the District's enrollment practices pertaining to temporary/part-time employees, retired annuitants, and independent contractors to determine whether individuals met CCCERA membership requirements;
- Reviewed the District's tracking and calculation of unused sick leave balances for retired members;
- Reviewed timesheets and payroll data for retired employees.

# Bethel Island Municipal Improvement District

## Findings & Observations

<p><b>Accuracy of Payroll information provided to CCCERA</b></p>	<p>The review included the reconciliation of payroll data provided during the on-site field work with the compensation and contribution reports submitted to CCCERA for the 2013 – 2014 time periods. The reconciliation included a review of the methodology used by the District’s administrative staff to calculate monthly compensation amounts and the application of the appropriate contribution rates.</p> <p>For current active members no variance or exception was noted.</p> <p>It was noted that for one retiree who had selected a deferred retirement and separated from employment in June 2007 and retired in 2011, final average salary payroll records did not reconcile against the amount used for the retiree’s retirement benefit calculation. July 2006 payroll record indicated that \$375 in retroactive pay was paid to the retiree. The retiree’s retirement benefit calculation only included \$275 of the retroactive pay in the final average salary period which was 6/30/2006 to 6/29/2007.</p>
<p><b>Salary Reported in accordance with published salary schedules</b></p>	<p>The District does not publish publicly available salary schedules.</p> <p>In accordance with GC §7522.34(a), salary schedules are to be publicly available.</p>

## Bethel Island Municipal Improvement District

<p><b>Enrollment of all eligible employees</b></p>	<p>The District currently has six (6) employees. Two employees are full-time with one employee enrolled within the retirement system. The other full-time employee is the District Manager who has a waiver of membership under GC §31552.</p> <p>One employee had a change in status from full-time to part-time and ceased to contribute to the retirement system. The District has the following worker classifications:</p> <ul style="list-style-type: none"><li>• <u>Regular Full-Time Employees:</u> Scheduled to work on average of forty (40) hours per week on a regular and continuous basis;</li><li>• <u>Regular Part-Time Employees:</u> Scheduled to work less than an average of forty (40) hours per week on a regular and continuous basis;</li><li>• <u>Seasonal Employees:</u> An employee whose services are anticipated to be of limited duration.</li></ul> <p>Under the District's Retirement Plan policy (<i>2013 Employee Handbook #4050</i>) employees who work twenty (20) hours or more per week must be enrolled in the retirement plan. This is consistent with CCCERA's BOR Regulations §III. Membership, 1. Exclusion from Membership – By Type of Employment B (iii).</p> <p>It was found that one employee through all pay periods through January-December 2013 averaged 20.03261 hours and through January – September 2014 averaged 21.1667 hours. Per the District's policy and CCCERA BOR regulations, the employee has been eligible for enrollment in the retirement system.</p>
--	--

## Bethel Island Municipal Improvement District

<b>Accuracy of employee sick leave accrual balances</b>	Reviewed sick leave accrual procedures and balances and no exception or variance was noted.
<b>Accuracy of employee vacation accrual balances</b>	Reviewed vacation accrual procedures and balances and no exception or variance was noted.
<b>Forfeiture of benefits earned or accrued from the commission of a felony</b>	At the date of this review there were no known retirees with felony convictions pursuant to GC 7522.72(g) and GC 7522.74(g).



# Bethel Island Municipal Improvement District

## Follow- Up Items

The following items were noted during the course of the review and require follow-up by the District and CCCERA:

- CCCERA: Review final average salary for one retiree and adjust pension benefit calculation to reflect the variance noted between the payroll record and that which was used in the retiree's final calculation;
- District: Review District and CCCERA BOR policies and regulations pertaining to employee membership requirements and enroll all eligible employees into the retirement system on a timely basis. Review payroll hours for one part-time employee for retirement system eligibility and enrollment.
- District: Make salary schedules publicly available per regulations and provide updates and amendments to CCCERA as the need appears on a timely basis.

# Bethel Island Municipal Improvement District

## District's Response

Items that appear in the "Follow-Up" section of this report require a written response from the District to acknowledge each of the points indicated that pertain to the District and provide CCCERA with feedback on how the District may propose to address the items noted. The District should provide its response to CCCERA not later than four weeks from the date of this *Preliminary Findings Report*.

The District requested additional time to prepare its response and allow for its Board to meet and discuss the findings report at its scheduled meeting on 11/20/2014.

CCCERA received the following response from the district on 11/24/2014:

# Bethel Island Municipal Improvement District

REC'D NOV 24 2014

## Bethel Island Municipal Improvement District

3085 Stone Road  
PO Box 244  
Bethel Island, CA 94311-0244  
(925) 684-2210  
Fax: (925) 684-0724  
Email: bimid@sbcglobal.net  
Web site: www.bimid.com

November 21, 2014

Attn: Wrally Dutkiewicz, CFE  
Contra Costa County Employees' Retirement Association  
1355 Willow Way, Suite 221  
Concord, CA 94520

*Subject: Preliminary Findings Report – On-Site Employer Review - "Report"*

Dear Mr. Dutkiewicz:

Bethel Island Municipal Improvement District (BIMID) is in receipt of your Preliminary Findings Report – On-Site Employer Review dated October 17, 2014.

The Board of Directors, along with District Staff, has reviewed the Report and would like to make the following comments regarding the two District Follow-Up Items identified on page 8.

*Review District and CCCERA BOR policies and regulations pertaining to employee membership requirements and enroll all eligible employees into the retirement system on a timely basis. Review payroll hours for one part-time employee for retirement system eligibility and enrollment.*

Page 6 of the CCCERA 2014 Employer Review states that "It was found that one employee through all pay periods through January – December 2013 averaged 20.03261 hours and through January – September 2014 averaged 21.1667 hours".

The District currently has a very minimal staffing level as its services are severely constrained by the District's diminished annual budget. A majority of the District's annual revenue is from Property Taxes. Several years ago, when property tax revenues began to decline, the District tried to get a Parcel Tax passed by the Bethel Island voters. The measure did not pass and the District was then forced to lay off two full-time employees, including the District Manager. With no District Manager or Mechanic, the remaining staff (one full-time Levee Superintendent, one full-time District Clerk, one part-time Assistant Secretary, and one part-time Laborer) had to fill in the gaps and occasionally assume additional job responsibilities. Accordingly, the Assistant Secretary was asked to work an additional hour or so to cover the office when the District Clerk

## Bethel Island Municipal Improvement District

was called out into the field. While District staff tried to plan for every possibility to keep staff hours as constant as possible including keeping part-time employees below the twenty-hour a week limit, inevitably an instance would arise that would throw the schedule out of proportion.

In March 2014, the full-time District Clerk became a part-time employee and is now working less than twenty hours per week. With the District Clerk working remotely, the part-time Assistant Secretary is now the only office employee available to be present in the District office. Office hours (for the public) have been reduced to four hours a day, five days a week. The Assistant Secretary must also be present at all board meetings in order to record the minutes; this was generally the reason for the 2014 weekly average hours overage and will not reoccur in the future.

Every board member and staff member is fully aware of the BOR policy (Attachment 1) and District policy regarding the "Retirement Plan" (Employee Policy 4050; Attachment 2) and the requirement that "employees who work 20 hours or more per week must be enrolled in the retirement plan". While trying to remain compliant with those policies, the District has also strived to keep a minimal level of service to its constituents during these difficult financial times.

The District is currently in the process of forming an Assessment District. One of the anticipated results of the Assessment District is additional funding to adequately staff both the office and field for the many responsibilities of the District. The District hopes that the Assessment District can be approved and in place in time for the 2015-2016 fiscal year.

As a short term remedy, the Board of Directors, at their November 20, 2014 board meeting, approved reducing the hours the District office is open to the public to four hours a day, Tuesday thru Friday, for a total of sixteen hours. The Assistant Secretary will then be able to work the remaining 3-1/2 hours (per week), either at a board meeting or at a time that fits her schedule (while the office is closed to the public, but open to field employees) which will ensure that the Assistant Secretary's hours average less than 20 hours per week.

*Make salary schedules publicly available per regulations and provide updates and amendments to CCCERA as the need appears on a timely basis.*

Currently, BIMID makes available to the public annual calculations of Employee Wage Rates. The Wage Rates spreadsheet identifies the hourly rate of pay for each employee along with the employer cost of any benefits (i.e. medical insurance, retirement contributions, worker's compensation insurance, etc.).

Employee wages and benefits are also reported annually to the California State Controller's Office as part of the Government Compensation in California report. The California State Controller's Office then publishes the information on a web site ([www.gcc.sco.ca.gov](http://www.gcc.sco.ca.gov)).

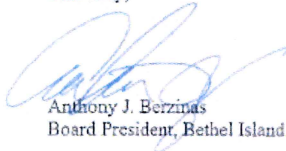
Employee wages and benefits are also reported annually to the Bay Area News

## Bethel Island Municipal Improvement District

Group through a Public Records Act Request. The Bay Area News Group then publishes the information on its website ([www.insidebayarea.com/salaries](http://www.insidebayarea.com/salaries)).

The Board of Retirement recently adopted (September 10, 2014) a "Policy on Determining "Pensionable Compensation" Under PEPR for Purposes of Calculating Retirement Benefits" (Attachment 3) that clarifies what a "publicly available salary schedule is". The BIMID Board of Directors has reviewed the recent BOR policy and agrees to update BIMID Board Policy 4010 "Budget Preparation" to include the eight requirements of a "publicly available pay schedule" as part of the annual District budget preparation and adoption.

Sincerely,



Anthony J. Berzinas  
Board President, Bethel Island Municipal Improvement District



## ***MEMORANDUM***

Date: January 14, 2014  
To: CCCERA Board of Retirement  
From: Karen Levy, General Counsel  
Subject: Establishment of Standing Audit Committee of the Board of Retirement

---

### ***Background***

The Board requested advice regarding the next steps needed for the establishment of a standing audit committee of the Retirement Board.

### ***Analysis***

In order to establish a standing committee, the Board Regulations will need to be amended to provide that sub-committees of the Board may be established if deemed necessary to carry out the business of the Board. (CERL, Government Code Section 31526.) Amendments to the Board Regulations require approval by the board of supervisors in order to become effective. (Section 31525.) Enclosed, for the Board's consideration, are proposed amendments to the Board Regulation providing that sub-committees of the Board may be established. We also recommend revising "Chairman" and "Vice-Chairman" to "Chairperson" and "Vice-Chairperson" throughout the Regulation for gender neutrality.

Once the Regulations have been so amended, the Board can move forward with the establishment of the Audit Committee. When establishing the committee, we recommend that the Board adopt an Audit Committee Charter setting forth the responsibilities given to the Committee, the composition of the committee, and the scheduling of committee meetings. Enclosed, for the Board's consideration, is a first draft of the Audit Committee Charter. While the final Charter cannot be adopted until after the Regulation is amended, the Board may continue to consider what subject areas it wishes the Audit Committee to handle, as well as the mechanics of the committee composition, meeting schedule, etc.

***Recommendation***

Consider and take possible action to:

1. Amend the Board Regulation as follows and request the approval of the County Board of Supervisors for the amendment:

**Add:**

Section II – Meetings

8. Committees of the Board

The Chairperson shall appoint committees as deemed necessary to carry out the business of the Board. A quorum for a Committee meeting shall consist of three Board Members. Committee meetings will be open to the public, except for meetings of ad-hoc advisory committees consisting of less than a quorum of the full Board. A Chairperson and Vice-Chairperson for each Committee will be appointed by the Board of Retirement Chairperson.

**Change:** "Chairman" and "Chair" to "Chairperson" throughout the Regulations.

**Change:** "Vice-Chairman" to "Vice-Chairperson" throughout the Regulations.

2. Review and comment on the first draft of the Audit Committee Charter and direct staff to include a final draft for the Board's consideration at a future meeting.

CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION  
BOARD OF RETIREMENT

**AUDIT COMMITTEE CHARTER**

Adopted: \_\_/\_\_/2015

**I. INTRODUCTION**

The Board of Retirement ("Board") has established an Audit Committee to assist it in overseeing the audit function within the Contra Costa County Employees' Retirement Association ("CCCERA").

**II. PURPOSE**

The purpose of the Audit Committee is to serve as an advisory committee to the full Board on matters of the integrity of the trust fund's finances, financial reports, operations and internal controls.

**III. MEMBERSHIP**

The Audit Committee will consist of four [or three] members of the Board. The Board Chairperson will appoint members of the Audit Committee as provided in the CCCERA Regulations and designate one member to serve as the Committee Chairperson.

Ideally, members should have expertise in accounting, auditing, financial reporting, and internal control. Although these desired traits are not mandatory, members should be sufficiently knowledgeable about these topics to make informed recommendations with the assistance of a financial expert.

**IV. MEETINGS**

The Audit Committee will meet at least quarterly, with authority to convene additional meetings as circumstances require. All Audit Committee members are expected to attend each meeting. The Administrator/Chief Executive Officer will appoint appropriate staff to attend the Audit Committee meetings. Meeting notices will be provided to interested parties in conformance with applicable laws, regulations, customs, and practices. All meetings are subject to the Ralph M. Brown Act, Government Code Section 54950 *et seq.* Meeting agendas will be prepared and provided in advance to Audit Committee members, along with appropriate briefing materials. Minutes of meetings will be prepared. Minutes of the meeting will contain a record of persons present, decisions taken, and a high level summary of the discussion.



**V. RESPONSIBILITIES AND DUTIES**

The Audit Committee's areas of responsibility are:

1. Reviewing recommendations of CCCERA staff and outside auditor regarding the audited financial statements, CCCERA internal controls and audit and compliance plans;
2. Reviewing and addressing audit and compliance review findings;
3. Monitoring compliance with policies;
4. Overseeing the appointment of the outside auditor;
5. Ensuring the independence of outside auditor;
6. Ensuring that the outside auditor has all necessary opportunities to share its findings with the committee or the Board as appropriate;
7. Other specific subject matters that the full Board deems appropriate.

**VI. REPORT AND RECOMMENDATION TO THE FULL BOARD**

The Audit Committee will report its activities and make recommendations to the full Board. All formal actions taken at committee meetings must be considered for approval by the full Board at a scheduled and properly noticed full Board meeting.

**CCCERA**  
**Board of Retirement Regulations**

**Section II – Meetings**

*Add item 8 below:*

8.     **Committees of the Board**

The Chairperson shall appoint committees as deemed necessary to carry out the business of the Board. A quorum for a Committee meeting shall consist of three Board Members. Committee meetings will be open to the public, except for meetings of ad-hoc advisory committees consisting of less than a quorum of the full Board. A Chairperson and Vice-Chairperson for each Committee will be appointed by the Board of Retirement Chairperson.

*Change:*

"Chairman" and "Chair" to "Chairperson" throughout the Regulations.

*Change:*

"Vice-Chairman" to "Vice-Chairperson" throughout the Regulations.



## ***MEMORANDUM***

Date: January 14, 2015  
To: CCCERA Board of Retirement  
Copy: Gail Strohl, Chief Executive Officer  
From: Karen Levy, General Counsel  
Subject: Consider and Take Possible Action Regarding the Impact of Court Furloughs  
(Reduction in Pay) On Pensionable Compensation for PEPRA Members

---

### **I. Issue Presented**

On October 8, 2014, the Board determined that the upcoming furlough reduction in pay for court employees is a temporary absence and should not impact compensation earnable for Legacy members, meaning that retirement contributions would be collected and final average salary would be computed as if the reduction in pay did not occur. Due to the PEPRA statutory language, the same could not be decided for PEPRA members. Statutory changes that became effective January 1, 2015 amended the PEPRA provision, allowing the same decision for PEPRA members experiencing temporary furlough pay reductions.

### **II. Background**

At its October 8, 2014 meeting, the Board took action regarding the impact of court furloughs pay reductions on compensation for retirement purposes for CCCERA Legacy and PEPRA members employed by Superior Court of Contra Costa County (District). (See enclosed Minutes, Item 11.) The question before the Board on was whether the furloughs should be deemed "temporary absences" and therefore not cause a reduction in members' compensation calculations for purposes of retirement. The Board agreed with the District and determined that the furloughs were temporary absences. For Legacy members, this meant the furloughs would not affect compensation for retirement purposes. For PEPRA members, however, the furloughs did reduce compensation for retirement purposes because the law regarding compensation for PEPRA members did not contain any language regarding computing compensation during a time of absence.

### **III. Applicable Law**

Effective January 1, 2015, Section 31462.05(c) was added to the Government Code.

It provides as follows:

When determining final compensation for a member who does not have three consecutive years of earned pensionable compensation due to an absence, the compensation for any absence shall be based on the pensionable compensation of the position held by the member immediately prior to the absence.

This "absence" language applies to PEPRA members and is analogous to the language in Government Code Section 31461(a), which applies to Legacy members. Since the Board already determined that the upcoming court furloughs should be deemed to be a temporary absence, and therefore should not impact the pensionable compensation for Legacy members, the same conclusion can now be applied to PEPRA members. This means that the furlough pay reductions will not impact the calculation of a PEPRA member's retirement allowance, and that the member and employer retirement contributions should be collected for PEPRA members' furloughs.

#### **IV. Recommendation**

Consistent with the Board's decision regarding Legacy members, the District's planned furloughs for fiscal years 2014-2015 and 2015-2016 are considered a temporary absence and should not affect PEPRA members' pensionable compensation calculations for purposes of retirement. Retirement contributions should be collected on the full, pre-furlough reduction, pay.



MINUTES

RETIREMENT BOARD MEETING MINUTES

FIRST MONTHLY BOARD MEETING

9:00 a.m.

October 8, 2014

Retirement Board Conference Room

The Willows Office Park

1355 Willow Way, Suite 221

Concord, California

Present: Debora Allen, Scott Gordon, Brian Hast, Louie Kroll, Karen Mitchoff, John Phillips, William Pigeon, Todd Smithey, Jerry Telles and Russell Watts

Absent: Jerry Holcombe and Gabe Rodrigues

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; Peter Ahlstrom, Retirement Benefits Manager; Vickie Kaplan, Retirement Accounting Manager; and Christina Dunn, Retirement Administration Manager

Outside Professional Support:

Harvey Leiderman

Paul Angelo

John Monroe

Representing:

Reed Smith LLP

Segal Consulting

Segal Consulting

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. Approval of Minutes

It was M/S/C to approve the minutes of the June 25, 2014 meeting. (Yes: Allen, Gordon, Hast, Mitchoff, Phillips, Pigeon, Smithey, Telles and Watts). Allen requested the Board not lose sight of an audit committee.

It was M/S/C to approve the minutes of the July 9, 2014 meeting. (Yes: Allen, Gordon, Hast, Mitchoff, Phillips, Pigeon, Smithey, Telles and Watts)

It was M/S/C to approve the minutes of the August 13, 2014 meeting with a correction to Page 6, the last paragraph of Item 11, to include Phillips as a yes vote. (Yes: Allen, Gordon, Hast, Mitchoff, Phillips, Pigeon, Smithey, Telles and Watts)

Jim Bickert, Rains Lucia and Sterns, stated that crediting member accounts with less than what the Board expected to earn on the money would mean the retirement system would expect to earn a profit on members' contributions, which should not be a goal of the system.

It was M/S to keep the current policy. After a discussion on whether or not there would be a significant change to member's accounts or have a negative impact on the system, the motion and second were withdrawn.

It was the consensus of the Board to move to Item 11.

**11. Consider and take possible action on request from the Superior Court to determine whether anticipated furloughs are a reduction in compensation for retirement purposes.**

Levy reported the Courts have requested a determination on the impact of the planned furloughs on compensation for retirement purposes as well as retirement contributions.

Levy also reported that the furlough reduction in pay for Legacy (pre-PEPRA) members would not impact "compensation earnable" for retirement purposes if they were determined to be temporary absences, but different rules apply for PEPRA members. Under the PEPRA statute as currently written, CCCERA is not authorized to count furloughs as temporary absences that do not impact "pensionable compensation" for retirement purposes.

In public comment, Steven Ashlan, Contra Costa County Superior Courts, stated their current contract provides for 9 furlough days growing to 10 days next fiscal year. Their goal is to cancel as many if not all furlough days.

It was M/S/C to count the furlough days as temporary absences for Superior Court employees who were Legacy members for fiscal years 2014-15 and 2015-16. (Yes: Allen, Gordon, Hast, Mitchoff, Phillips, Pigeon, Smithey, Telles and Watts)

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 54956.9(d)(1) and 54956.81.

The Board moved into open session.

**5. There was no reportable action related to Govt. Code Section 54956.9(d)(1):**

(a) *Contra Costa County Deputy Sheriffs Association, et al., v. Board of Retirement of Contra Costa County Employees' Retirement Association, et al.*, Court of Appeal, 1st Appellate District, Division Four, Case No. A141913.

(b) *Public Employees Union, Local 1, et al. v CCCERA and Board of Retirement, et al.*, Contra Costa County Superior Court Case No. N14-1221.

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

**10. Consider and take possible action regarding the Deputy Sheriffs' Association's request for a recoupment of retirement contributions paid by members and the County for "terminal pay."**

Hast reported legal counsel has recommended the Board not take any action at this time pending the outcome of pending lawsuits and appeals. The Board accepted DSA's letter as a claim for the return of employer and employee retirement contributions.



# INTRODUCTION TO CAPITAL RAISING

A Training Course for the Fund Managers of Tomorrow

January 21-22, 2015 | Laguna Beach, CA

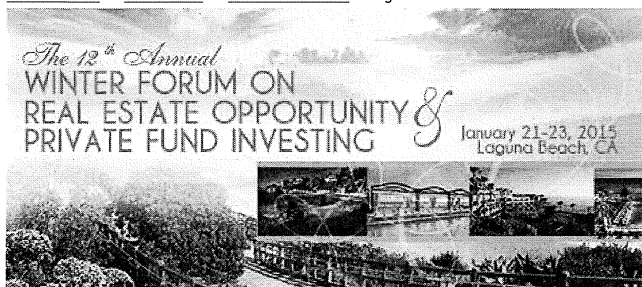


[Main Website](#) >> [Real Estate](#) >> [Conference Home](#) >> [Agenda](#)

Share: Join Us On:

- [IMN Home](#)
- [Real Estate](#)
- [About The Real Estate Division](#)
- [Upcoming Events](#)
- [Division News](#)

- [Conference Home](#)
- [Conference Agenda](#)
- [Venue/Hotel Info](#)
- [Registration/CPE Info](#)
- [Register Online](#)
- [Information Request](#)
- [Past Content](#)
- [Why Attend?](#)
- [Speaker Bios](#)
- [Sponsors & Exhibitors](#)
- [Event Contacts](#)
- [Sponsor Information](#)
- [Testimonials](#)
- [Printer Friendly](#)



[Sign In](#) | [Create New Account](#)

Conference starts in 40 days

[Add To Calendar](#)

[View Brochure](#)

[Pictures From Our June 2014 NY Opportunity Fund Forum](#)

Agenda Last Updated On: Wednesday, December 10, 2014

Day One: Wednesday, January 21, 2015

7:30 Exhibit Hall Opens...Registration Begins... Breakfast Courtesy of:



This Conference's DC Connections: 394  
Total DC Connections since inception: 153387



8:25 Welcome Remarks from IMN

8:30 The 2015 Macroeconomic Outlook & Its Implications for CRE Investment

From interest rates to cap rates to geopolitical risk, our panelists address the 2015 macroeconomic outlook and what it means for commercial real estate values and investment. Among the issues under discussion are: • With the end of quantitative easing, when will we see interest rates rise and by how much? Will this lead to instability within the CRE sector? Will inflation remain contained? How would inflation (from rental rates to costs of construction materials) really affect cash-flowing real estate investments? What can we expect from the Fed for the next two years that will impact CRE investment? • Some analysts are predicting that 2015 will be the best year of economic recovery since the 2007 crash: How did fundamentals round out at year-end 2014? What can we expect in 2015? Cap rates; unemployment rates/future job growth prospects; CRE loan prices/origination; default rates; CRE values? What does this all mean for CRE investment? • Is Europe headed for yet another recession? Assessing how Euro-Zone and other global economic/political forces/instability will impact the US economy over the next 12-18 months: What will be the subsequent impact on the real estate markets? •

**Session Chair:**

Robert Ivanhoe, *Chairman, Global Real Estate Practice*, GREENBERG TRAURIG, LLP [ [BIO](#) ]

**Panel Participants:**

Suzanne Mulvee, *Director of U.S Research, Retail*, COSTAR  
Chris Fraley, *President*, EVOLVE



Ivanhoe

9:15 State of the CRE Industry and Fund Update 2015

• 2014: What were notable investment/performance trends? Are any indicative of what we can expect in 2015? • Where are we in the Real Estate cycle? Is the recovery fully extending beyond gateway markets? All fundamentals are pointing towards new development, but we have yet to see much across asset classes - why the slow acceleration? • Capital has been pouring in from foreign investors: Will this continue at the same rate? Where is it coming from? What assets/markets are being favored? Are there any downsides to the current level of foreign investment? • Where are we in the 'pricing cycle'? To what degree are CRE values/pricing within certain markets off-pace with the underlying fundamentals of the economy? Analyzing occupancy/vacancy rates and other key performance indicators for different geo regions • 2015-2017 loans coming due: Is this a prime opportunity for savvy CRE investors or hype? • Debt funds have had a tough time hitting their numbers: Outside of debt maturities, what is the 2015 outlook? Where will be the key opportunities for this sector of the market? • Fund model: allocator vs. operator; separate account vs. commingled funds - what further trends are we seeing? Where is the fund model heading? • Will the industry see further consolidation? If so, what are the implications? Who will be the winners and losers? •

**Session Chair:**

This site uses cookies. [More info & options](#)

If you're happy with cookies, click *Proceed* or simply continue browsing

[Proceed](#)

David Kessler, *Partner, National Director - Commercial Real Estate Industry*, COHNREZNICK LLP [ [BIO](#) ]

**Panel Participants:**

Robert Morse, *Chairman*, BRIDGE INVESTMENT GROUP PARTNERS [ [BIO](#) ]  
Kim Hourihan, *Senior Managing Director*, CBRE GLOBAL INVESTORS [ [BIO](#) ]  
Paul Fuhrman, *Principal*, COLONY CAPITAL, LLC [ [BIO](#) ]  
John Murray, *Executive Vice President*, PIMCO [ [BIO](#) ]  
Jeffrey S. Quicksilver, *Managing Principal*, WALTON STREET CAPITAL, LLC [ [BIO](#) ]



[Kessler](#)



[Morse](#)



[Fuhrman](#)



[Murray](#)



[Quicksilver](#)

10:15 Refreshments Courtesy of:



**CMB Regional Centers**



GIBSON, DUNN & CRUTCHER LLP



**Pircher, Nichols & Meeks**  
*The Late Firm for the Real Estate Industry*

**SEYFARTH SHAW**

**STROOCK**

10:45 Fund Structuring 2015

• Current waterfalls (pooled) and fees for GPs • Separate Account JV terms (opt-in clubs/ROFOs) • Terms for investors inside the GP (to meet co-invest requirements) • GP exclusivity • Side letter terms • Fund and investment period duration • Reinvestment of proceeds • Tax blocker structure flexibility (UBTI, ECI, REITS) • Distribution verification by accountants and other new advisory committee demands •

**Session Chair:**

Sandy Present, *Chair, Real Estate Fund Practice Group*, GREENBERG TRAURIG, LLP [ [BIO](#) ]

**Panel Participants:**

Barry Chase, *Managing Principal*, AVP ADVISORS  
Matthew Burton, *Mack Urban, LLC*, MACK URBAN, LLC  
Vivek Seth, *Head of Real Estate*, RAYMOND JAMES [ [BIO](#) ]  
Jeffrey M. Giller, *Partner, Head of Real Estate*, STEPSTONE GROUP REAL ESTATE LP [ [BIO](#) ]  
Steve Jasa, *Chief Financial Officer, Investment Management Group*, THE WOLFF COMPANY



[Present](#)



[Chase](#)



[Seth](#)



[Giller](#)

(Please Note: Delegates that are registered to participate in the golf tournament need to take the shuttle at 12:00pm promptly.)

11:30 Limited Partner 2015 Investment Perspective: All Out in the Hunt for Yield?

• Some LPs are actively shifting from CRE investments to oil & gas investments in the hunt for yield - is this trend likely to continue? Are you jumping on this bandwagon? Why/why not? • What is your perspective on CRE investments in the current market? Are you planning to increase allocations? Are you open to expanding to new assets/markets than you would typically invest in? What is your risk tolerance vs. 2013-14? Do you invest with new/Emerging Managers and small cap/niche funds? If so, what do they have to do/offer to attract your attention? Are you requesting to see the deals before committing capital? What are your return expectations? • How are you viewing liquid vs. illiquid investments today? What will be your key focus for investment in 2015? • Are you doing/would you consider doing direct CRE investments in today's market? If yes, why the leap? What do you look for in an operating partner? • How are you currently viewing separate accounts vs. commingled funds? What advantages do separate accounts hold for LPs? • How are you viewing 2015 - optimistically, pessimistically or a repeat of 2014? •

**Session Chair:**

Ken W. Muller, *Partner / Co-Chair PE Funds*, MORRISON & FOERSTER LLP [ [BIO](#) ]

**Panel Participants:**

Michelle Reuter, *Principal*, MERCER [ [BIO](#) ]  
Gregory Floyd, *President of Teamster Local 237; Trustee*, BOARD OF NEW YORK CITY EMPLOYEE RETIREMENT SYSTEM (NYCERS)  
Tamara Larsen, *Senior Research Analyst, Real Estate and Infrastructure Private Equity*, RUSSELL INVESTMENTS [ [BIO](#) ]  
Rodgers Harshbarger, *Director, Private Investments*, UNC MANAGEMENT COMPANY [ [BIO](#) ]  
Greg Spick, *Portfolio Manager - Real Estate / Real Assets*, UPS INVESTMENTS [ [BIO](#) ]

This site uses cookies. [More info & options](#)

If you're happy with cookies, click *Proceed* or simply continue browsing

[Proceed](#)





Muller



Reuter



Larsen



Spick

12:15 Wednesday Sessions Conclude

12:00 Official IMN Winter Forum Golf Tournament

IMN's Twelfth Annual Winter Forum Golf Tournament will take place at The Monarch Beach Golf Links. Complimentary shuttle service will be provided from the Montage at 12:00 pm. All players must arrive at the course by 12:15 at the latest; tee off is promptly at 12:30 PM (shot-gun start). Playing time is approximately 4 1/2 hours. Compete with friends and colleagues for prizes. The Tournament Registration Fee of \$199 includes green fees, golf cart and box lunch. Participation in the tournament is limited to the first 32 delegates who register. To register for the tournament, please contact Marva Massiah: (212) 901-0506, [mmassiah@imn.org](mailto:mmassiah@imn.org).

6:00-7:00 Welcoming Reception Courtesy of:



Day Two: Thursday, January 22, 2015

7:45 Registration & Breakfast Courtesy of:



8:25 IMN's Opening Remarks

8:30 Opportunities for the Savvy CRE Investor: The Impact of Changing Demographic, Population and Technology Trends on Real Estate Investment

In this panel we discuss how changing demographics, populations, technology and overall paradigm shifts in the US and globally are creating investment opportunities for CRE investors. From an ageing population to the Millennials to eCommerce to telecommuting/cloud computing and overall migration shifts, we examine key patterns and trends, the real estate needs being created as a result and the real estate investment strategies that meet these needs. We will address these issues on a local/state, national and international level.

Session Chair:

Ken W. Muller, *Partner / Co-Chair PE Funds*, MORRISON & FOERSTER LLP [ [BIO](#) ]

Panel Participants:

Richard G. Brace CFA, *Director*, AEW CAPITAL MANAGEMENT, L.P. [ [BIO](#) ]

Sean Dalfen, *Managing Principal & Chief Investment Officer*, DALFEN AMERICA CORP. [ [BIO](#) ]

Jonathan Epstein, *Managing Director*, GREENOAK REAL ESTATE [ [BIO](#) ]

Reza Basharзад, *Senior Vice President*, PALADIN REALTY PARTNERS, LLC [ [BIO](#) ]



Muller



Brace



Dalfen



Epstein



Basharзад

9:15 Large Fund Plenary: The Risk-Reward Balance - New Rules for a New Era?

• How was 2014 for you? High points and low points? Is this indicative of how 2015 will be or are we entering a different market? • With increasing amounts of capital in the hunt for yield amid a decreasing inventory of available property is there a market trend of taking on too much risk? What is your risk tolerance today? That of your LP investors? Are you having to justify a certain level of conservatism in your CRE investments? • What are your return expectations as we head into 2015 - up/down/same as 2014? What are you doing to generate such returns? • Where do you see the greatest investment opportunities in 2015? Are you considering new asset classes? Domestic markets? Europe? Are you looking to buy and hold or are there still opportunities for a quick flip? • How are you taking potential interest rate rises into account in your underwriting? Are you becoming more aggressive with your underwriting in general? How much can you leverage in today's market? • Are you looking for more JV deals than in recent years? What kind of JV partner are you looking for? • In summary are you optimistic, pessimistic or neutral about 2015 for CRE investment? •

Session Chair:

Alvin Katz, *Partner*, KATTEN MUCHIN ROSENMAN [ [BIO](#) ]

Panel Participants:

Kevork Zoryan, *Managing Director*, MORGAN STANLEY [ [BIO](#) ]

This site uses cookies. [More info & options](#)  
If you're happy with cookies, click *Proceed* or simply continue browsing  
[Proceed](#)

Ambrose Fisher, *Managing Director*, OAKTREE CAPITAL MANAGEMENT, LP [ [BIO](#) ]  
 Devin Chen, *Executive Vice President*, PIMCO [ [BIO](#) ]  
 Perry M. Pinto, *Principal*, WALTON STREET CAPITAL, LLC [ [BIO](#) ]



[Katz](#)



[Zoryan](#)



[Fisher](#)



[Chen](#)



[Pinto](#)

10:00 Refreshments Courtesy of:



**CMB Regional Centers**



GIBSON, DUNN & CRUTCHER LLP



**Pircher, Nichols & Meeks**  
*The Law Firm for the Real Estate Industry*



STROOCK

Concurrent Sessions: Choose A, B or C

10:30A Crowdfunding: Is it Worth the Hype?

• When does crowdfunding make sense? Only for small deals? How much money is being raised? What are the pros and cons of crowdfunding? How does it work? What are the regulatory/compliance considerations? Do in-house or use a third party provider? What are typical costs, fees, structures, timeframes? How has your experience been and would you do it again? • Where does crowdfunding fit within the capital stack? What impact is it having on the traditional capital stack? • How do the costs compare with other capital sources? •

Panel Participants:

Ian Formigle, *VP of Investments*, CROWDSTREET, INC. [ [BIO](#) ]  
 Hiren Modi, *Partner*, EISNERAMPER LLP  
 Leslie Lundin, *Managing Partner*, LBG REALTY ADVISORS, LLC [ [BIO](#) ]  
 Jilliene Helman, *CEO*, REALTY MOGUL, CO. [ [BIO](#) ]



[Formigle](#)



[Lundin](#)



[Helman](#)

10:30B Which Way to go for Owners and Investors to Maximize the Value of CRE Today: REIT Conversions and Reorganizations and Comparison of Various Investment Structures

In this session we analyze the advantages and disadvantages of REIT conversions and complying with REIT restrictions and spinoff requirements as well as compare and contrast Public & Private Real Estate Investment Trusts (REITs) (Non-Traded and Traded) and private equity real estate funds as investment structures/models in the current climate. We consider the current state of REIT conversions and the IRS ruling posture and recent Treasury regulations defining real estate for REIT purposes from both the owners and investors perspectives.

Session Chair:

Robert A. N. Cudd, *Senior Partner*, POLSINELLI

Panel Participants:

Sondra Wenger, *1st Vice President, Investments*, CIM GROUP  
 Martin Griffiths, *Partner, Tax*, KPMG LLP  
 Joan Hayden, *Vice President & Corporate Counsel*, PRUDENTIAL REAL ESTATE INVESTORS [ [BIO](#) ]  
 Chad Carpenter, *Chairman and CEO*, REVEN HOUSING REIT, INC. [ [BIO](#) ]



[Wenger](#)



[Griffiths](#)



[Carpenter](#)

10:30C Fund Exit Strategies: Go Public, Liquidate Assets (Reps and Warranties Insurance?) or go the M&A Route?

• Exit strategy planning up front • How to assess the ideal timing for closing a fund and starting a new one with the same investor group? • How do listings/M&As impact the economics of the fund? Examining the key decision points/issues involved when selecting a route to exit: Understanding partnership allocations, capital account maintenance, carried interest calculations and implications on overall yield • Tax planning,

This site uses cookies. [More info & options](#)

If you're happy with cookies, click *Proceed* or simply continue browsing

Proceed

structuring and compliance issues • Understanding the process, timeline and costs for a listing/M&A • How to make yourself attractive to a buyer? What are the operational considerations and post-merger integration issues? • Liquidating assets: Positioning your properties/portfolio • Learning from past success and failures • What is the best exit strategy in today's market? • Risk Management through the use of insurance policies; shifting various risks to 3rd parties (i.e., reps and warranties, REIT status); locking in IRR's; and minimizing escrows and indemnities • Dealing with operating partners in terms of timing and return upon exit • Litigation strategies of operating partners and advisable responses relating to exit economics •

**Session Chair:**

John P. Napoli, *Partner*, SEYFARTH SHAW LLP [ [BIO](#) ]

**Panel Participants:**

James G. Tod, *Partner*, KPMG LLP [ [BIO](#) ]

Jeffrey S. Alpaugh, *Managing Director, Global Real Estate Practice Leader*, MARSH [ [BIO](#) ]

Christopher Reeder, *Partner*, ROBINS, KAPLAN, MILLER & CIRESI L.L.P.



[Napoli](#)



[Tod](#)



[Alpaugh](#)

**11:15A Fundraising From US & Foreign Capital Sources**

• What are LPs saying about the investments they prefer and what are their overall performance expectations in the current environment? Commingled vs. separate accounts; core vs. core + vs. value-add vs. opportunistic; returns? Are there any notable differences in the preferences/expectations between the different types of investor (pension plan, endowment, family office, HNWI, SWF, etc.)? • Have you made any significant changes to your fundraising strategy over the past 12 months? If so what and why? What fundraising strategies are working best by investment type (asset specific and/or more general funds)? By investor type? • How much \$ can GPs expect to put in themselves now? • Besides returns, what are LPs looking for in today's GP? What are turn-ons and turn-offs? • How long can you expect to be in fundraising mode? • How are you competing against the megafunds? Your peers? What tips can you give small/non-brand name funds? • Crowdfunding: The way to go? SEC lift on general advertising... What have you been doing to get the word out? Implications on fund marketing materials • Raising equity/debt via foreign capital markets: When should this be considered? What are the advantages/disadvantages? Which countries? How to go about it? What assets/geos/markets does offshore capital favor? Is there more of an acceptance of secondary and tertiary markets today? What are the tax structuring considerations for these investors? How to make the structure more attractive to foreign investors? How to bring capital in and out in the most efficient manner? •

**Session Chair:**

Ronald Kaplan CPA, *Partner*, COHNREZNICK LLP [ [BIO](#) ]

**Panel Participants:**

Jason Liu, *Managing Principal*, AMCAP, INC. [ [BIO](#) ]

Matthew T. Harris, *Partner*, ARNALL GOLDEN GREGORY LLP

Kye Joon Lee, *Director, Asia*, CLARION PARTNERS [ [BIO](#) ]

Andrew Yoon, *Partner and Chief Operating Officer*, GREENOAK REAL ESTATE [ [BIO](#) ]

Dana Ostenson, HENRY GROUP/CMR



[Kaplan](#)



[Liu](#)



[Lee](#)



[Yoon](#)

**11:15B The Latest on Subscription & Short Term Fund Financing**

• What are typical terms of subscription lines today? Line use availability/restrictions? Any notable differences from this time last year? • What other products are you offering? Repo lines? • New fund evaluation and considerations • Do you offer bridge loans? • Changes in legal and documents • Handling a defaulted or non-performing customer • Impact of fund terms on asset class and strategy: Where are the biggest differences among lenders? • Single vs. multiple fund issues • Issues for alternative structures •

**Panel Participants:**

Ananda Reynolds, *Director*, BANK OF AMERICA MERRILL LYNCH [ [BIO](#) ]

Scott Berg, *Executive Director*, MORGAN STANLEY [ [BIO](#) ]

Terence Hatton, *Managing Director and Group Head, Fund Finance*, UNION BANK, N.A. [ [BIO](#) ]



[Hatton](#)

**11:15C Operating Partner Perspective: JVS with GPS & LPS - What are the Models for Success?**

• What do you look for in a fund partner? In an LP partner? Did you look for a partner or did your partner find you? • How well-capitalized does an operating partner need to be in this market? Are you putting \$ into a deal? What are co-investment levels today? • How are deal terms changing? What are your key negotiation points? Fees, carry, preferred structures - Where do these stand as we head in 2015? • What is needed to be a "best in class" operating partner? • How do you present your track record? • 2015... Are you considering your own fund? • Are you seeing more or less

This site uses cookies. [More info & options](#)

If you're happy with cookies, click *Proceed* or simply continue browsing

[Proceed](#)

competition? Consolidation? New companies? • How do you see your business evolving further? What are your predictions for 2015? •

**Session Chair:**

Michael E. Scheinberg, *Partner*, PIRCHER, NICHOLS & MEEKS [ [BIO](#) ]

**Panel Participants:**

Peter Stelian, *Managing Director*, BLUE VISTA CAPITAL MANAGEMENT [ [BIO](#) ]

Mark Wayne, *Principal*, CYPRESS OFFICE PROPERTIES, LLC [ [BIO](#) ]

Jesse A. Criz, *Partner*, DLA PIPER [ [BIO](#) ]

Benzion Westreich, *Partner*, KATTEN MUCHIN ROSENMAN [ [BIO](#) ]

Greg Martin, *Partner*, MOSS ADAMS LLP [ [BIO](#) ]



[Scheinberg](#)



[Stelian](#)



[Wayne](#)



[Criz](#)



[Westreich](#)



[Martin](#)

**12:00A How Current & Proposed Regulation/Tax Changes Impact Your CRE Investments: What You Need to Know & Do**

In this session we outline the latest on current and proposed regulation and tax changes that impact fund structures and commercial real estate investments. In doing so we address how strategy needs to adapt as a result. We open with a brief overview of the key regulations and the impact they have had on fund strategy and real estate investment over the past 12 months. Next we discuss anticipated regulatory/tax change, the likely implications for this market sector and the steps funds need to now be taking to adapt accordingly. Among the issues to be discussed are: • Lease accounting standards • Foreign Investment in Real Estate Property Tax Act (FIRPTA) • AIFMD: How to comply with EU regulations? How are fund managers handling compliance issues? • Dodd-Frank (including the Volcker Rule), bank regulations & SEC filing issues • Registration • Basel III • Shadow banking • FACTA • Fund marketing •

**Session Chair:**

Jonathan Romick, *General Counsel and Chief Compliance Officer*, GEM REALTY CAPITAL, INC. [ [BIO](#) ]

**Panel Participants:**

Gregg Bloomberg, *Partner*, COHNREZNICK LLP [ [BIO](#) ]

Jeremy Naylor, *Partner*, COOLEY LLP [ [BIO](#) ]

Kenneth R. Appleby, *Ritz-Carlton Laguna Niguel*, MINTZ LEVIN COHN FERRIS GLOVSKY AND POPEO PC

Ryan Hinson, *Attorney-Adviser*, U.S. SECURITIES AND EXCHANGE COMMISSION (TBC)



[Bloomberg](#)



[Naylor](#)

**12:00B CRE Finance - Is This the New Normal? Assessing the State of the CRE Finance Market**

• Where are volumes of new originations and refinancings for senior and sub-debt vs. this time last year? Pricing levels? Equity to debt ratios? • Are we in a low growth mode like Japan? Market fundamentals: Where are they and what does this mean for CRE finance? For deal flow? Is this the new normal? • Hedge funds are back providing mezzanine finance: Do new entrants have the liquidity to satisfy senior debt? • What is the cost of capital for borrowers for refinancings today? For new acquisitions? What deals are getting done? • Valuations: are bubbles forming? NYC condo market? Houston Multi-Family market? Where to avoid? • What innings is Europe in from the investor standpoint? Do opportunities remain? • Geopolitical risk: Is the real estate market seeing pullback from foreign investors? If so, what asset classes/regions are being impacted? Residential in particular? • 2015-2017 loan maturities: How real is this opportunity? Who will be best positioned to take advantage? • What's happening in the securitization markets? • The reemergence of CDOs - is the market ready? What are the potential ramifications on the markets? Have debt funds run their course? • 2015 market outlook •

**Session Chair:**

Jesse Sharf, *Partner*, GIBSON, DUNN & CRUTCHER, LLP [ [BIO](#) ]

**Panel Participants:**

Bruce Batkin, *President & Chief Executive Officer*, TERRA CAPITAL PARTNERS, LLC [ [BIO](#) ]

Drew Fung, *Managing Director*, CLARION PARTNERS [ [BIO](#) ]

Steve Fried, *Principal*, MESA WEST CAPITAL, LLC [ [BIO](#) ]

Sujan Patel, *Managing Director and Co-Head of Investments*, NORTHSTAR REALTY FINANCE CORP. [ [BIO](#) ]

Bill Cumby, *Senior Vice President*, PIMCO



[Sharf](#)



[Batkin](#)



[Fung](#)



[Fried](#)



[Patel](#)

**12:00C General Partner & Operating Partner JVS**

• GP/Operating partner JVs: What are the different business models out there? How successful are they being? • Waterfalls and current terms •

This site uses cookies. [More info & options](#)

If you're happy with cookies, click *Proceed* or simply continue browsing

[Proceed](#)

Preferred returns • Control provisions • Sourcing the ideal operating partner: Where to start? What to look for? • Steps to aligning business goals • Fully tapping your JV partner's strengths • What are you doing to monitor your partner? How are you evaluating performance? • Communication - a two way street • Scaling up • Red flags to look for • What kind of cost leakages have you seen from partners? How can you prevent them? • Common areas for dispute and dispute resolution techniques • Ending the partnership: Key considerations before you pull the plug and critical steps in dissolving the JV • In summary: What is needed for a successful joint venture? •

**Session Chair:**

Richard Mendelson, *Partner*, SEYFARTH SHAW LLP

**Panel Participants:**

Randy Bramel, *Partner*, BRIDGEPORT INVESTMENTS [ [BIO](#) ]  
 Jeffrey B. Reder, *Senior Vice President, Private Real Estate*, CENTERSQUARE INVESTMENT MANAGEMENT [ [BIO](#) ]  
 David J. Bryant Esq., *Partner*, KATTEN MUCHIN ROSENMAN  
 George Pandaleon, *President*, INLAND INSTITUTIONAL CAPITAL PARTNERS [ [BIO](#) ]  
 Steve Moskowitz, *Partner*, STROOCK & STROOCK & LAVAN LLP [ [BIO](#) ]



[Bramel](#)



[Reder](#)



[Pandaleon](#)



[Moskowitz](#)

12:45-2:00 Lunch Courtesy of:



**2:00A New Fund/Emerging Manager: Case Studies in Success**

In this session we welcome both operators who have recently taken the plunge to launch their first fund as well as executives who have left an established fund to launch their own. • Considering that only 10% of new funds are successful, what were the drivers for your launch? Why now? • What are the key steps before the actual launch? • How are you differentiating yourself? What makes your fund/investment strategy so attractive to investors? • What key skill sets/industry insights have been particularly important in your launch? • What have you learned from other successful market entrants? Failures to launch? • How much does it cost to run a fund? What is really needed to cover expenses? What are today's options for operating capital for new funds? • Have you used crowdfunding? If yes, what has been your experience? If not, why not? • What are the critical steps to recruiting anchor investors? How do LPs evaluate new funds? How to get on their radar? How to get the attention of consultants and fund-of-funds? What should be in your "elevator pitch"? • What can be expected in terms of timeframes and barriers to market entry for new funds? • How can a new entrant increase their odds of succeeding? •

**Session Chair:**

Gene Trowbridge, *Partner*, TROWBRIDGE TAYLOR SIDOTI LLP [ [BIO](#) ]

**Panel Participants:**

Andy Stewart, *Partner*, ARGOSY REAL ESTATE [ [BIO](#) ]  
 Maria L. Stamolis, *Managing Director and Head of Asset Management*, CANYON CAPITAL REALTY ADVISORS [ [BIO](#) ]  
 Jay Rollins, *President*, JCR CAPITAL [ [BIO](#) ]



[Trowbridge](#)



[Stewart](#)



[Stamolis](#)



[Rollins](#)

**2:00B Hotel: Attracting the Millennials & Where the Smart Money is Being Invested in 2015**

• 2013 saw a jump in hotel investment, how did 2014 fare? How has performance been? What are the notable trends of the past 12 months? • What sectors of the hospitality industry are seeing the biggest uptick in investment and in what locations? Lifestyle? Luxury? Extended Stay? Primary markets? Secondary markets? US? International? Acquisitions vs. new development? What is the outlook for 2015? Where are you focusing your attention? • Is it getting any easier for owner/operators to refinance? To secure capital for renovations or expansions? For new acquisitions? Are banks back in the market? EB-5 and crowdfunding: How valuable are these as sources of finance for hotel investors? Is there a big opportunity for debt funds in the hotel sector? What are common finance deal terms/conditions in today's market? • What is LP appetite for lodging and how has this changed over the past 12-18 months? • Branding/management: What are the pros/cons of the different options for owners today? • Attracting Generation Y: How important is brand to the Millennials? What does it take to gain their loyalty? •

**Session Chair:**

Chauncey M. Swalwell, *Partner*, STROOCK & STROOCK & LAVAN, LLP [ [BIO](#) ]

**Panel Participants:**

Daniel MacDonnell, *Managing Director*, CUSHMAN & WAKEFIELD [ [BIO](#) ]  
 Irina Zavina, *SVP, Global Development & Strategy*, GANSEVOORT HOTEL GROUP  
 Richard F. Davis, *Co-Chair of the Hotel, Resorts and Club Practice*, GREENBERG TRAURIG, LLP [ [BIO](#) ]  
 Aditya (Adi) Bhoopathy, *Principal and Executive Vice President*, NOBLE INVESTMENT GROUP, LLC [ [BIO](#) ]  
 Josh Wyatt, *Partner - Hospitality & Leisure*, PATRON CAPITAL LIMITED [ [BIO](#) ]

This site uses cookies. [More info & options](#)

If you're happy with cookies, click *Proceed* or simply continue browsing

[Proceed](#)



Swalwell



MacDonnell



Zavina



Davis



Bhoopathy

2:00C Single Family Investments: What's the Next Step?

• Where does the Single Family Rental market currently stand? Will 2015 be a bear or bull year for the housing market? Where are vacancy levels? How much distressed is left? Do you anticipate house price increases? What can we expect from the current Administration that will impact this market this year? • When/how much do you expect interest rates to rise by? How are you adapting your investment strategies as a result? What IRRs are you currently chasing? • Which geos now offer the best investment opportunities? How are you sourcing deals? Financing? • Is the market moving from an acquisition phase to one of consolidation? • Securitizations? IPOs? Sell to existing tenants? What's next for this market sector? What are your exit strategies? •

Panel Participants:

Dennis Cisterna, *Managing Director*, FIRSTKEY LENDING, LLC [ [BIO](#) ]

Alexa Mizrahi, *Loan Officer*, LONE OAK FUND, LLC [ [BIO](#) ]

Thad Meyer, *COO/CFO*, REVEN HOUSING REIT



Cisterna



Mizrahi

2:45A Multi-Family: Are There Still Opportunities?

• Is there a housing shortage or an oversupply? What are vacancy vs. occupancy rates? For your money, where are the prime opportunities vs. too risky to touch as we head into 2015? • Are rental rates set to increase? If so, what's driving this and will renters be able to absorb the additional cost? • As the economy strengthens are you concerned about a shift away from rental and back to ownership? How are you accounting for this in your investment strategies? • What is the current state of financing for multi-family - development vs. new acquisitions vs. refinancing? •

Session Chair:

Dean C. Pappas, *Partner*, GOODWIN PROCTER LLP [ [BIO](#) ]

Panel Participants:

Richard Hollowell, *Managing Director*, COHNREZNICK LLP [ [BIO](#) ]

Robert P. Landin, *Managing Partner*, THE MILESTONE GROUP [ [BIO](#) ]

Mitch Siegler, *Senior Managing Director and Co-Founder*, PATHFINDER PARTNERS, LLC [ [BIO](#) ]

William Witte, *President*, RELATED CALIFORNIA

Edward F. Pierzak, *Managing Director, Strategy & Research, Global Real Estate*, TIAA-CREF



Pappas



Hollowell



Siegler

2:45B Stepping Out of the Comfort Zone? The Senior Debt Lender Viewpoint on Competing for Deals in 2015

• What are you doing to remain competitive and chase yield? Are you originating loans outside of your core product lines? Loans that are customarily associated with alternative lenders? If so, how are you pricing? • How are you competing for business against CMBS shops now that spreads have dropped enabling them to be more competitive? • What has been your new origination/refinancings deal-flow this year? Have your underwriting standards changed over the last year? Deal structures? Where are pricing levels? How are you viewing risk? Interest rate rises? What are your 'hot' vs. 'no-go' geos/asset classes? • What are the pros/cons of the various senior debt sources for borrowers in the current market?: Assessing Insurance companies; regional/community banks; CMBS shops; large banks; private equity firms; mortgage REITs • Single borrower vs. multi-borrower deals • How are you viewing the coming loan maturities of 2015-17? What will have the biggest impact on your business this year and how? •

Session Chair:

Fred Pillon, *Partner*, GIBSON, DUNN & CRUTCHER, LLP [ [BIO](#) ]

Panel Participants:

Salvatore Salzillo, *Senior Vice President - Co-Head of Commercial Lending*, BOFI FEDERAL BANK [ [BIO](#) ]

Christopher Kelly, *Managing Director, Real Estate*, CAPITALSOURCE [ [BIO](#) ]

Brian Good, *CEO and Founder*, EAGLE GROUP FINANCE, L.P. [ [BIO](#) ]

Scott Shepherd, *Executive Vice President*, ONEWEST BANK N.A.

Christian Dalzell, *Managing Director & Chief Originations Officer*, STARWOOD PROPERTY TRUST [ [BIO](#) ]



This site uses cookies. [More info & options](#)

If you're happy with cookies, click *Proceed* or simply continue browsing

Proceed

[Salzillo](#)

[Kelly](#)

[Good](#)

[Dalzell](#)

**2:45C Are There Any Opportunistic Deals Left? Opportunistic vs. Value-Add vs. Core Investments Today**

The CRE investment industry is seeing the beginning of a shift away from opportunistic and value-add investing toward core. This is further heightened by recent successful core strategy fundraising by giants such as Blackstone. So, is core now the place to be? Are opportunistic deals largely gone for the foreseeable future? These are some of the points we discuss along with: • Where opportunistic deals are to be found today? At what IRRs? Are they worth the risk? • How does a rising interest rate environment impact your view on opportunistic vs. value-add vs. core investments? • What is the business case for investing in riskier assets in the best markets vs. investing in riskier markets? • What are future performance projections? •

**Session Chair:**

Eric Rowen, *Co-Chair, Real Estate Litigation Practice*, GREENBERG TRAURIG, LLP [ [BIO](#) ]

**Panel Participants:**

- Allan Sternberg, *Vice President*, ANGELO, GORDON & CO., L.P. [ [BIO](#) ]
- Steve M. Jaffe, *Executive Vice President and General Counsel*, B.H. PROPERTIES [ [BIO](#) ]
- Linda Law, *Chair Emeritus, International Real Estate Advisory Board*, HARVARD UNIVERSITY [ [BIO](#) ]
- Mark Jacobs, *Managing Director*, OAKTREE CAPITAL MGMT LLC [ [BIO](#) ]
- Matt Pestronk, *Principal*, POST BROTHERS APARTMENTS [ [BIO](#) ]



Rowen



Jaffe



Law



Jacobs



Pestronk

**3:30 Refreshments Courtesy of:**

**3:45A Small is Beautiful (But Challenging) in Today's Market: A Strategy Update from Small-Mid Sized Funds**

• LPs have been increasing allocations to large/established funds and specialist/niche funds: What about everyone else? Are mid-market/small private equity shops/small generalist fund managers an endangered species? What do small-mid-sized funds need to do to 'stay in the game'? What strengths are you leveraging over the larger funds? What are your fundraising strategies to stand out amongst the crowd? Are you doing/would you consider doing joint ventures with institutional players? • What structures/business models lend themselves to helping smaller funds compete and succeed in today's private equity lending environment? What are the traditional fund structures being used today and how are small to mid-size funds separating themselves from the competition? • What IRRs are you chasing? • How much market consolidation will there be in 2015? Which firms will be prime M&A candidates? • With more competition amongst lenders and access to alternative sources of finance, is it easier to get financing for small deals than 12 months ago? What is the state of the market for financing smaller deals? Who are the most active lenders and what are typical deal terms/conditions/structures today? Are certain assets/markets being favored over others? What is it 'impossible' to get financing for? What can you do to better your odds of securing financing for smaller deals? •

**Session Chair:**

Grant Puleo, *Partner*, DUANE MORRIS LLP

**Panel Participants:**

- Jon Dishell, *Managing Director*, AMERICAN REAL ESTATE PARTNERS [ [BIO](#) ]
- Bobby Ghiselli, *Vice President*, AMSTAR GROUP, LLC
- Josh Nevarez, *Partner*, ARMANINO LLP [ [BIO](#) ]
- Henry Bandet, *Founder & Partner*, HG CAPITAL, LLC [ [BIO](#) ]
- Bryan York Colwell, *Co-Founding Managing Partner*, LCN CAPITAL PARTNERS [ [BIO](#) ]



Dishell



Nevarez



Bandet



Colwell

**3:45B Land/Homebuilding: Assessing Investment Opportunities for 2015**

• How does confidence within the land/homebuilding markets compare to this time last year? • What will be the impact of rising interest rates on spreads? On finance? • How have fundamentals moved and what is the outlook for the affordability index (rent vs. buy); home mortgage availability/approval, etc.? • How are you currently viewing homebuilding/land investment? Why continue in this space? Are you making any major changes to strategy? If so, what and why? Which geos will offer the best opportunities in 2015? What returns are you chasing/seeing? • Where in the cycle is the industry? Where is land value going? Where are the best opportunities in the investment food chain? What factors will likely have

This site uses cookies. [More info & options](#)

If you're happy with cookies, click *Proceed* or simply continue browsing

**Proceed**

the biggest impact on underwriting over the next 12-18 months? • Single family for rent; master planned communities; first-time buyers and age-specific housing, etc. - what's attracting your interest? LP interest? In what markets is there greatest demand? Where is there saturation? What opportunities exist overseas? • Raw land/lots vs. development: What financing is available? Who are the capital providers? Favored geographies? What are typical deal terms/conditions today? Timeframes to close? • How are you pricing risk today? Is your risk tolerance up or down on last year? How about that of your investors? • Infrastructure - to build or not to build? • What do you look for in joint venture partners? What makes for a successful partnership? • Exit strategies •

**Panel Participants:**

- Jan B. Brzeski, *Managing Director & Chief Investment Officer*, ARIXA CAPITAL ADVISORS, LLC [ [BIO](#) ]
- Phil Mader, *Managing Director*, BLACKROCK [ [BIO](#) ]
- Tom Shapiro, *President and CIO*, GTIS PARTNERS [ [BIO](#) ]
- Tom Orradre, *Managing Partner*, ISLES RANCH PARTNERS, LLC [ [BIO](#) ]
- Randy Teteak, *Executive Vice President*, SUNCAL [ [BIO](#) ]



Brzeski



Mader



Shapiro



Orradre



Teteak

**3:45C Distressed & Performing CRE Investment Opportunities in Europe**

As distressed CRE asset/debt opportunities in the US drastically diminish, investors are looking to Europe. With a huge number of non-performing loans/distressed assets coming to market, and as the pool of available debt is still limited in Europe, opportunities abound for equity and debt funds. What is the 2015 outlook for European CRE investment? What volume of distressed CRE debt/assets have banks worked out? Sold? Are still holding? How much more is coming due over the next 2-3 years? What assets are banks selling and at what price? Are opportunities limited to distressed debt/properties? What opportunities do US non-bank lenders have for new originations as well as refinancings? Is it limited to prime properties in prime locations? • Which countries/geos will offer the best investment opportunities? In which asset classes? These are just some of the issues we discuss. •

**Panel Participants:**

- Randall S. Rothschild, *Managing Director*, THE BLACKSTONE GROUP [ [BIO](#) ]
- Paul Vosper, *Managing Director and Co-Head of Morgan Stanley Alternative Investment Partners Real Estate Group*, MORGAN STANLEY [ [BIO](#) ]
- Sean Armstrong CFA, *Principal*, WESTPORT CAPITAL PARTNERS LLC [ [BIO](#) ]



Rothschild



Vosper



Armstrong

**4:30A Office: On the Upswing? The Changing Demand for Office Space**

• How did 2014 round out in terms of new development and leases signed for Classes A, B and C office space? What have been key office trends in terms of urban vs. suburban demand? • What is the outlook for demand in 2015? What will be the key drivers of this demand? • Creative office: Still opportunities to be had? • Assessing how telecommuting/cloud computing/new technology and overall shifts in working patterns are changing the demand for office space: What will be the office 'of the future' in terms of size/design/facilities/key locales? When will this happen? What should developers/operators be considering/doing now to stay ahead of the curve? • What are key tenant demands/requirements today? What kinds of deal are landlords striking with their tenants to keep occupancy rates up? •

**Session Chair:**

- Kenneth Weissenberg, *Partner*, EISNERAMPER LLP [ [BIO](#) ]

**Panel Participants:**

- Michael Halperin, *Senior Vice President*, CONTRARIAN CAPITAL MANAGEMENT, LLC [ [BIO](#) ]
- Martin Caverly, *Chief Executive Officer*, EVOQ PROPERTIES [ [BIO](#) ]
- Mukang Cho, *CEO & Principal*, MORNING CALM MANAGEMENT [ [BIO](#) ]
- Charlie Toppino, *President*, OAK PASS CAPITAL MANAGEMENT LLC [ [BIO](#) ]
- Jeanne R. Myerson, *President & CEO*, THE SWIG COMPANY [ [BIO](#) ]



Weissenberg



Halperin



Caverly



Cho



Toppino



Myerson

**4:30B Assessing the Risk-Reward Profiles of B Notes vs. Mezzanine Finance vs. Other CRE Debt in the Hunt for Yield Today**

• How was 2014 for you in terms of meeting your return expectations? Are you getting enough reward for the risk you are taking? What makes a good deal in today's climate? • With less distress in the market, what CRE debt is now offering the best investment potential? B Notes? Mezz? Senior debt? At what yield expectations? • What are your distressed debt plays in the current market? Purchasing mezzanine debt and/or the underlying senior? • How are you protecting yourself against a potential rise in interest rates? • What deals have you closed recently? Any that got away? Why? Any that you wish you had walked away from? • Single loan vs. loan portfolio sales • Loan sales from institutions: All dried up? What are the best sources of CRE debt today? • What are your due diligence strategies? Your bidding strategies? • What opportunities will 2015 offer in maturing loans? • How are you financing your debt purchases? • What is your end game? Loan to own? • What tranche warfare issues have you encountered recently? How were they resolved? •

This site uses cookies. [More info & options](#)

If you're happy with cookies, click *Proceed* or simply continue browsing

**Proceed**



**Session Chair:**

David L. Packer, *Partner*, PIRCHER, NICHOLS & MEEKS

**Panel Participants:**

David A. Barksdale, *Partner*, BALLARD SPAHR LLP  
Tim Johnson, *Managing Director*, THE BLACKSTONE GROUP [ [BIO](#) ]  
Todd Sammann, *Principal*, COLONY CAPITAL, LLC [ [BIO](#) ]  
James Henderson, *Managing Director-Alternative Investments Group*, CORNERSTONE REAL ESTATE ADVISERS LLC [ [BIO](#) ]  
Niraj Shah, *Managing Director*, ROCKWOOD CAPITAL, LLC [ [BIO](#) ]



Johnson



Sammann



Henderson

**4:30C Retail Investment: Adapting to a New Realty?**

• A quick overview of 2014 retail market fundamentals: Ground-up development/re-development trends vs. store closures; Occupancy/leasing trends; Supply vs. demand; Prices, etc. Will 2015 be much of the same? • While new development across asset classes has been relatively slow recently, retail has been particularly sluggish: To what degree is this due to eCommerce vs. retailers' concerns over consumer confidence vs. challenges in securing financing/investor confidence? • Investing within the 'new reality': How are you adapting your retail investment strategy to account for eCommerce and shifts in consumption due to the economy and changing demographics? Can big box stores survive eCommerce? Is the future of retail smaller concepts? • Will 2015 be the year that we see an uptick in new development? If so, what kind of retail development and where? With land/building costs often being too high for sufficient returns in key urban areas, what locales are developers now looking at? • Financing: What is available today for retail and at what terms/cost? •

**Panel Participants:**

Robert Masters, *Senior Vice President, Senior Legal Counsel, Corporate Secretary, Chief Compliance Officer*, ACADIA REALTY TRUST [ [BIO](#) ]  
Aaron Wu, *Head of Acquisitions*, AMCAP INC.  
Robert E. Burwell, *Member*, MINTZ LEVIN COHN FERRIS GLOVSKY AND POPEO PC  
Hal Scudder, *Chief Investment Officer*, PHILLIPS EDISON AND COMPANY [ [BIO](#) ]  
Joel K. Mayer, *Managing Director, Head of Retail*, ROCKWOOD CAPITAL, LLC [ [BIO](#) ]



Masters



Scudder



Mayer

**5:15 Networking Reception**

**6:15 Forum Day Two Concludes**

**Day Three: Friday, January 23, 2015**

**8:40 Breakfast Courtesy of:**



**9:00 EB-5: Alternative Financing for Infrastructure and Construction Projects**

EB-5 Financing: What is it? What types of projects is EB-5 appropriate for? Is EB-5: A reliable source of financing? Quick to obtain? A viable option for secondary and tertiary markets, or is it for primary markets only? • What are typical deal structures/terms/conditions? Costs? Timeframes? • What are common pitfalls? • How to get started? • Where does EB-5 financing fit within the capital stack? (The panel is comprised of industry experts representing over \$3 billion in EB-5 funding already raised and funded into a variety of infrastructure and construction projects.)

**Session Chair:**

Peter Joseph, *Executive Director*, IIUSA

**Panel Participants:**

Patrick Hogan, *President & CEO*, CMB REGIONAL CENTERS [ [BIO](#) ]  
Ali Jahangiri, *President*, EB5 INVESTORS.COM [ [BIO](#) ]  
Jor Law, *Founding Shareholder*, HOMEIER & LAW, P.C. [ [BIO](#) ]  
Lincoln Stone, *Attorney*, STONE & GRZEGOREK LLP  
Michael Rosenfeld, *CEO*, WOODRIDGE CAPITAL PARTNERS, LLC

This site uses cookies. [More info & options](#)

If you're happy with cookies, click *Proceed* or simply continue browsing

Proceed



Joseph



Hogan



Jahangiri



Law

**10:00 Secondary/Tertiary Markets: What's Hot & What's Not in 2015?**

With many being priced out of the prime markets, secondary and tertiary markets are looking more and more attractive. In some cases tertiary is becoming the new secondary. So, where are the best investment opportunities and for what asset types? Which geos are close to being over-heated and which are underserved? What are the growth characteristics to look for? The red flags? Will key Midwest cities be the 'dark horse' of 2015 for CRE investors? How is the financing of assets within secondary/tertiary markets done differently to gateway cities? How to secure financing - how to address lender concerns? How are you protecting yourself against another down cycle? What are the merits of investing in certain secondary markets such as Portland, San Diego, Seattle, Raleigh, Houston/Texas and other cities in the Midwest?

**Panel Participants:**

Glenn R. Mueller PhD, *Real Estate Investment Strategist*, DIVIDEND CAPITAL [ [BIO](#) ]  
 Michael Schwartz, *FINANCIAL COMPOUND* [ [BIO](#) ]  
 William David Tobin, *Principal*, MISSION CAPITAL ADVISORS [ [BIO](#) ]  
 Jatin Desai, *Chief Investment Officer*, PEACHTREE HOTEL GROUP [ [BIO](#) ]  
 Jeffrey W. Adler, *Director*, Matrix Products, PIERCE EISLEN, A YARDI COMPANY



Mueller



Tobin



Desai

**10:45 2015-2017 Real Estate Investment in California vs. Other Key US CRE Markets**

- How has CRE investment in California fared the past 2-3 years? How does it compare to other key US CRE markets? Investment dollars vs. performance/returns; the rate of new development across asset classes
- Assessing the 2015-17 macroeconomic outlook for California: What does this indicate for CRE investment? NoCal vs. SoCal: Which assets in what locales will offer the best investment potential? What/where to avoid?
- Where do valuations currently stand? The level of distress?
- Downtown Los Angeles/Tech regions: Still ripe for the picking or overcrowded?
- Eclectic urban markets: Where's the next 'cool' neighborhood?

**Session Chair:**

Jeffrey Stoke, *Partner and Real Estate Practice Group Leader*, PROCOPIO, CORY, HARGREAVES & SAVITCH LLP

**Panel Participants:**

Robert Murray, *Managing Director*, PRAEDIUM GROUP, LLC [ [BIO](#) ]  
 Christopher Rising, *President & COO*, RISING REALTY PARTNERS [ [BIO](#) ]  
 Sean Fulp, *Executive Managing Director*, NEWMARK GRUBB KNIGHT FRANK [ [BIO](#) ]  
 William Shopoff, *President & CEO*, SHOPOFF REALTY INVESTMENTS [ [BIO](#) ]



Murray



Rising



Fulp



Shopoff

**11:30 Refreshments Courtesy of:**



**CMB Regional Centers**



GIBSON, DUNN & CRUTCHER LLP



**Pircher, Nichols & Meeks**  
 The Law Firm for the Real Estate Industry



**STROOCK**

**11:45 Securing Capital From Family Offices and High-Net-Worth For CRE Investments**

- How are you currently viewing CRE investments? Will you increase or decrease your allocation to CRE this year? Do you plan to scale down or increase the number of funds you invest in? What do you look for in a fund manager? How much capital do you expect the GP to put in? How can a fund sponsor attract your attention?
- Where/what are your CRE investment sweet spots? What is your appetite for risk in the current market? Are you investing internationally? What are your return expectations today?
- How can a fund looking to secure capital from FOs/HNW stand out in a crowded market? What are the critical steps to forging and maintaining a strong relationship with FOs/HNW?
- Do you/would you invest directly in real estate? If so, what do you look for in an operating partner? How can operating partners get on your radar?
- How do you differ from other institutional investors in your CRE investment strategy/approach?

**Session Chair:**

This site uses cookies. [More info & options](#)  
 If you're happy with cookies, click *Proceed* or simply continue browsing  
**Proceed**

Michael Baum, *Shareholder*, GREENBERG TRAURIG, LLP [ [BIO](#) ]

**Panel Participants:**

Quincy Allen, *Co-Founder and Managing Partner*, ARC CAPITAL PARTNERS, LLC [ [BIO](#) ]

Edward Ratinoff, *Managing Principal*, JAMES INVESTMENT PARTNERS [ [BIO](#) ]

Joaquin de Monet, *Managing Principal*, PALISADES CAPITAL REALTY ADVISORS [ [BIO](#) ]

John Schottenstein, *Managing Member*, SCHOTT ENTERPRISES



[Baum](#)



[Allen](#)



[Ratinoff](#)



[de Monet](#)

**12:30 An LP Guide to Investing in New/Emerging Managers**

• How do you define “emerging manager”? • What do you look for in a new fund with no performance track record? What are the red flags that you look for? • How do you source new managers? What do prospective emerging managers need to do to get on your radar? • Why do LPs have emerging manager programs? How have they performed? • How much of a percent of the fund would you invest in? • What are the critical points that emerging managers should take away from this discussion? •

**Session Chair:**

Pete Adler, *Retirement Board Chair*, CITY OF ARVADA, COLORADO [ [BIO](#) ]

**Panel Participants:**

Meagan Nichols, *Managing Director*, CAMBRIDGE ASSOCIATES

Julie Donegan, *Senior Vice President*, FRANKLIN TEMPLETON

Tamara Larsen, *Senior Research Analyst, Real Estate and Infrastructure Private Equity*, RUSSELL INVESTMENTS [ [BIO](#) ]



[Adler](#)



[Larsen](#)

**1:15 IMN's Twelfth Annual Winter Forum On Real Estate Opportunity & Private Fund Investing Concludes**

---

[Conference Home](#) | [Conference Agenda](#) | [Sponsors & Exhibitors](#) | [Hotel/Venue](#) | [Registration/CPE Info](#) | [Register](#)

Copyright © 2014 IMN All rights reserved - [Terms & Conditions](#), [Privacy Policy](#), [Cookies](#)

For the most up to date agenda, please click on 'CONFERENCE AGENDA' section above

This site uses cookies. [More info & options](#)

If you're happy with cookies, click *Proceed* or simply continue browsing

[Proceed](#)



## EFFECTIVE GOVERNANCE FOR LONG-TERM SUCCESS

INSTITUTIONAL SHAREHOLDER SERVICES

# January 29-30, 2015

Join ISS and key figures and leaders as we deepen our collective understanding of the key themes in corporate governance and their impact on long-term success.

### Agenda

Thursday, January 29, 2015

3:00pm – 6:00pm Registration, Keynote Presentation and Conference sessions

6:00pm Cocktail Reception and Dinner

Friday, January 30, 2015

8:00am – 4:00pm Conference General Sessions and Breakout Sessions

Please join us at the close of the conference for cocktails

## Keynote Sessions

January 29: Jeffrey Ubben, CEO of ValueAct Capital

January 30: Patricia Russo, Director at Hewlett Packard, Alcoa, General Motors, and Merck

## General Sessions

### › **Perspectives on the Boardroom: Engagement, Refreshment and Other Emerging Board Issues**

Growing calls for refreshment and diversity, rising demand for investor engagement and expanding risk oversight responsibilities are changing corporate directors' roles and shareholders' expectations for public company boards. After decades of confrontation, directors and shareholders are forging new stronger bonds in pursuit of sustainable value creation. This panel of institutional investors, corporate directors and other boardroom experts will discuss these new challenges, opportunities for cooperation and other emerging trends faced by corporate boards in a changing world.

Moderator: Patrick McGurn, ISS

#### Panelists:

Matthew Filosa, Corporate Governance and Proxy Voting Officer, MFS

Edward Kangas, Director at Intuit, Hovanian Enterprises, United Technologies, Tenet Healthcare, Intelsat

Wendy Lane, Director, Willis Group Holdings, Ltd, UPM-Kymmene Corp., and Laboratory Corp of America

Aeisha Mastagni, Corporate Governance Investment Officer, CalSTRS

Ann Mulé, Associate Director for the University of Delaware's John L. Weinberg Center for Corporate Governance

### › **Ownership in a Changing World: The Institutional CIO Perspective**

Asset owners' view of their role as shareholders is evolving, and playing a greater role in asset allocation decisions and investment manager selection. This panel of investment officers will discuss how ownership fits into their alpha-generation and risk mitigation frameworks, and the role they think governance and related issues will play in markets going forward.

Moderator: Martha Carter, ISS

#### Panelists:

Eric Wetlaufer, Senior Managing Director & Global Head of Public Market Investments, Canada Pension Plan Investment Board (CPPIB)

Ash Williams, CIO, Florida State Board of Administration

### › **Accountability and the Activist Investor**

A board's accountability to shareholders is the central question of every proxy

contest. Recently, boards facing a proxy contest have attempted to redirect the question toward the activist's credibility, particularly by pointing out that he or she has a poor "track record" (as measured by Total Shareholder Return) in previous activist engagements. But TSR is a weak measure of the accountability and effectiveness of any single director, dissident or otherwise: this panel of investors, including activists and a dissident nominee, will explore how unaffiliated shareholders can meaningfully evaluate an activist's credibility, including past performance, and how individual activists have or have not finessed that question.

Moderator: Chris Cernich, ISS

Panelists:

Jesse Cohn, Investment Manager, Elliott Advisors

Karen Finerman, President, Metropolitan Capital Advisors, CNBC "Fast Money"

Contributor

Steve Wolosky, Activist & Equity Investment Practice Chair, Olshan Frome Wolosky LLP

Allison Bennington, General Counsel and Partner, ValueAct Capital

## Institutional Breakout Sessions

- The Role of Governance in Global Investment Decision-Making
- A Sharper Focus on Equity Plans and Executive Pay
- Best Practices in Client Reporting and Disclosure
- Securities Class Actions: Dispelling the Myths of International Litigations

## Corporate Breakout Sessions

- Equity Compensation: Setting the Goals and Securing the Shares
- Tactical and Practical Governance: Thriving Through Proxy Season 2015

## Venue

ISS' 2015 annual conference will be held at Turnberry Isle Miami (<http://www.turnberryislemiami.com/>), located about 25 minutes north of Miami and 15 minutes from Fort Lauderdale. ISS has arranged for a group block of rooms at a rate of \$249 per night, plus applicable taxes and fees. Reservations can be made by contacting the hotel directly at 305-932-6200 or via their website ([https://resweb.passkey.com/Resweb.do?mode=welcome\\_gi\\_new&groupID=27772179](https://resweb.passkey.com/Resweb.do?mode=welcome_gi_new&groupID=27772179)). ISS and Turnberry Isle are unable to guarantee the group

rate if the reservation is made after December 28, 2014 or if the room block sells out earlier.

19999 West Country Club Drive  
Aventura, Florida  
United States 33180  
tel +1 305 932 6200  
fax +1 305 933 6560

For detailed directions, click here (<http://www.turnberryisleiami.com/location>).

For additional information or questions, please contact the ISS event team (<mailto:lili.mehta@issgovernance.com>).

**↓ REGISTER NOW (#webinar\_registration)**

(#)

Amy Brown's

# PRJ

THE PUBLIC RETIREMENT JOURNAL  
The Inside Stories on Retirement in California



26<sup>th</sup> ANNUAL SOUTHERN CALIFORNIA

## **PUBLIC RETIREMENT SEMINAR**

February 24  
2015

Join us in **Lakewood, CA** at The Centre at Sycamore Plaza for a day of in-depth retirement discussions led by leading experts from around the state.

**DON'T MISS OUT - REGISTER TODAY!**

[PUBLICRETIREMENTJOURNAL.ORG](http://PUBLICRETIREMENTJOURNAL.ORG)

(916) 341-0848

KNOW WHAT THOSE IN THE KNOW WANT TO KNOW



**SEMINAR DATE**

February 24, 2015  
9am-4pm  
Registration: 8am

**LOCATION**

The Centre at  
Sycamore Plaza  
Lakewood, CA

**REGISTRATION**

\$200.00 - Includes breakfast and  
lunch and seminar materials

**REGISTER TODAY**

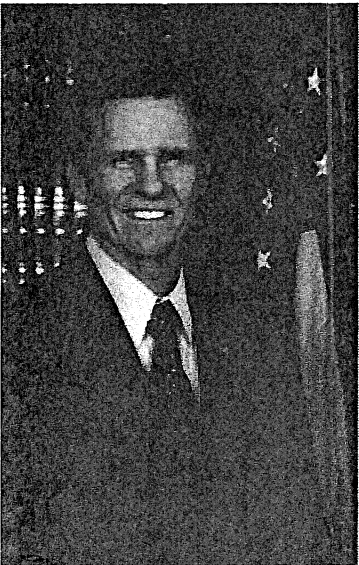
[PUBLICRETIREMENTJOURNAL.ORG](http://PUBLICRETIREMENTJOURNAL.ORG)

**CANCELLATION POLICY**

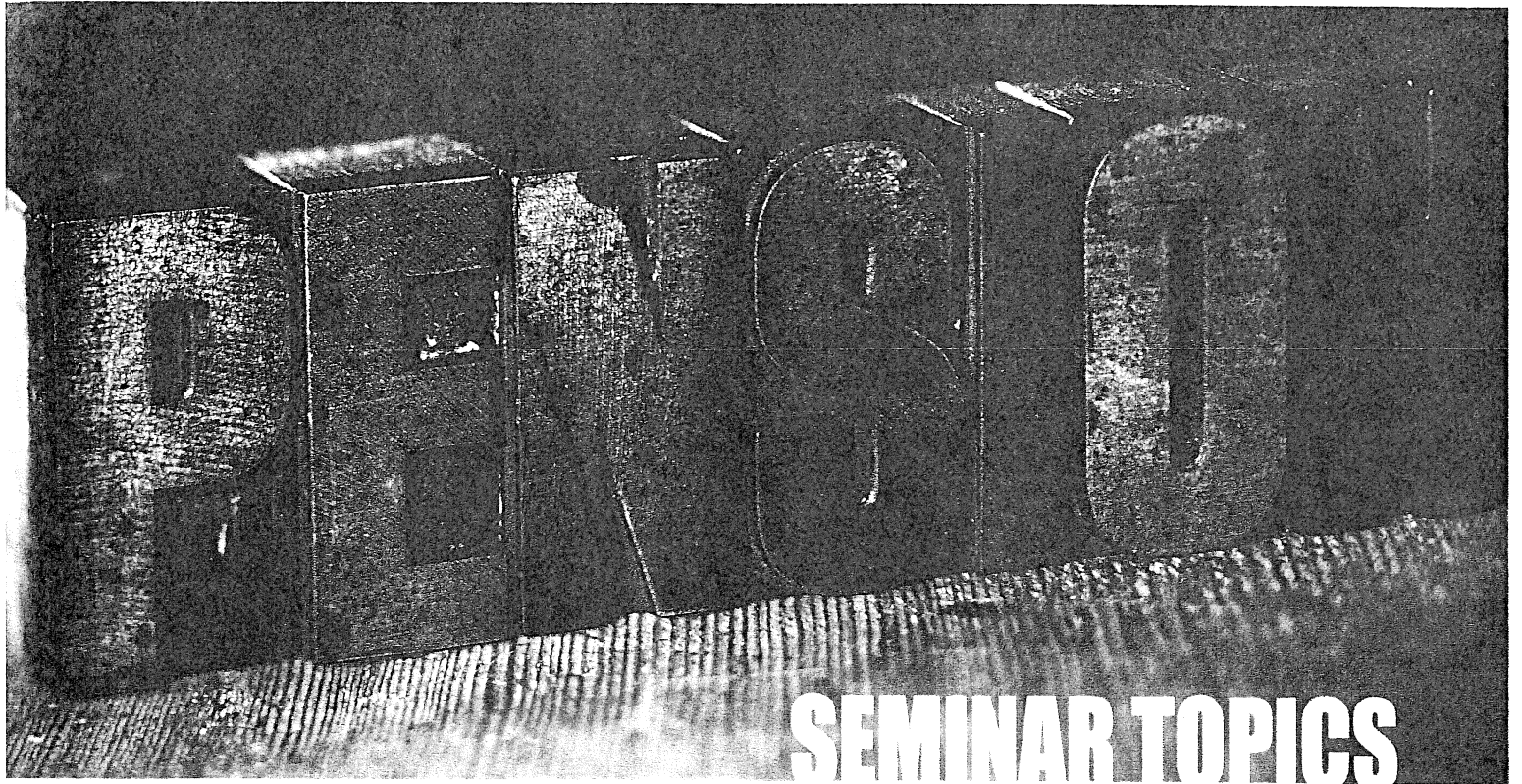
Full refund if notified by 5pm on February 13, 2015

**KEYNOTE SPEAKER****GREGORY D. TOTTEN**

DISTRICT ATTORNEY  
COUNTY OF VENTURA, CALIFORNIA



Elected district attorney in March 2002, Greg Totten assumed office on November 1, 2002. He was re-elected to his fourth term in 2014. A career prosecutor, Mr. Totten joined the Ventura County District Attorney's Office in 1982. After serving trial assignments and leadership positions throughout the office, he was appointed chief assistant district attorney in 1999. Throughout his career, he has worked to protect public safety and to expand the rights of crime victims. Mr. Totten also served as executive director of the California District Attorneys Association from 1993 to 1996, where he acted as the chief spokesperson for California's prosecutors on legislative policy in Sacramento. Mr. Totten was also the founding executive director of the Institute for the Advancement of Criminal Justice. Totten opposed the Ventura County "Sustainable Retirement System" proposal which ultimately did not appear on the November 2014 ballot due to a successful legal challenge. He will be discussing the history and the Judge's decision to pull it from the ballot.



## SEMINAR TOPICS

### Defined Benefits: Protected or Threatened?

We will hear from a experts about the history behind the failed attempt to end defined benefit plans and cut pensions for existing workers.

### Local Agency Bankruptcies - A U.S. Bankruptcy Court ruling

Bankruptcy has become a bigger issue for local governments than anyone would have liked. Speakers will talk about those who have gone down this path and what it means for employees' pension benefits and the employers' pension liabilities. We will be looking at Stockton, San Bernardino, Vallejo and Detroit as case studies.

### CalPERS - Rate Increases on the Horizon?

We'll take a look at why, when and how contribution rates will increase over the next five to ten years, and beyond.

### Actuarial Realities of Pension Benefits - GASB 68, Are you ready?

Despite politics and legislation, there's still the reality of funding promised benefits. We'll talk about potential changes to PERS' actuarial policies, the 37 Act and independent systems, and an update on GASB changes, and other current topics.

### Labor Perspective on Retirement -

#### Is a statewide initiative for 2016 expected?

We'll hear from labor representatives about their take on current events. How is the PEPRa going to affect bargaining? What will happen on the statewide ballot in 2016?

### Management and Labor

We will have attorneys from both sides discussing the implications of the recent ruling on Chapter 9 bankruptcies, concessions at the bargaining table, increases in rates and how that will play into decisions made at the state and local level.

### Retiree Health Care

Are these vested benefits? In the wake of the Affordable Care Act implementation and the rising costs of health care coverage, are your retiree benefits volatile?

### Local Ordinances to Scale Back Pensions

We will be discussing the legal challenges facing local agencies whose elected bodies vote to either scale back existing benefits, implement new tiers, or terminate their contracts with their retirement systems.

Stay informed about future seminars and public retirement news.



/publicretirement



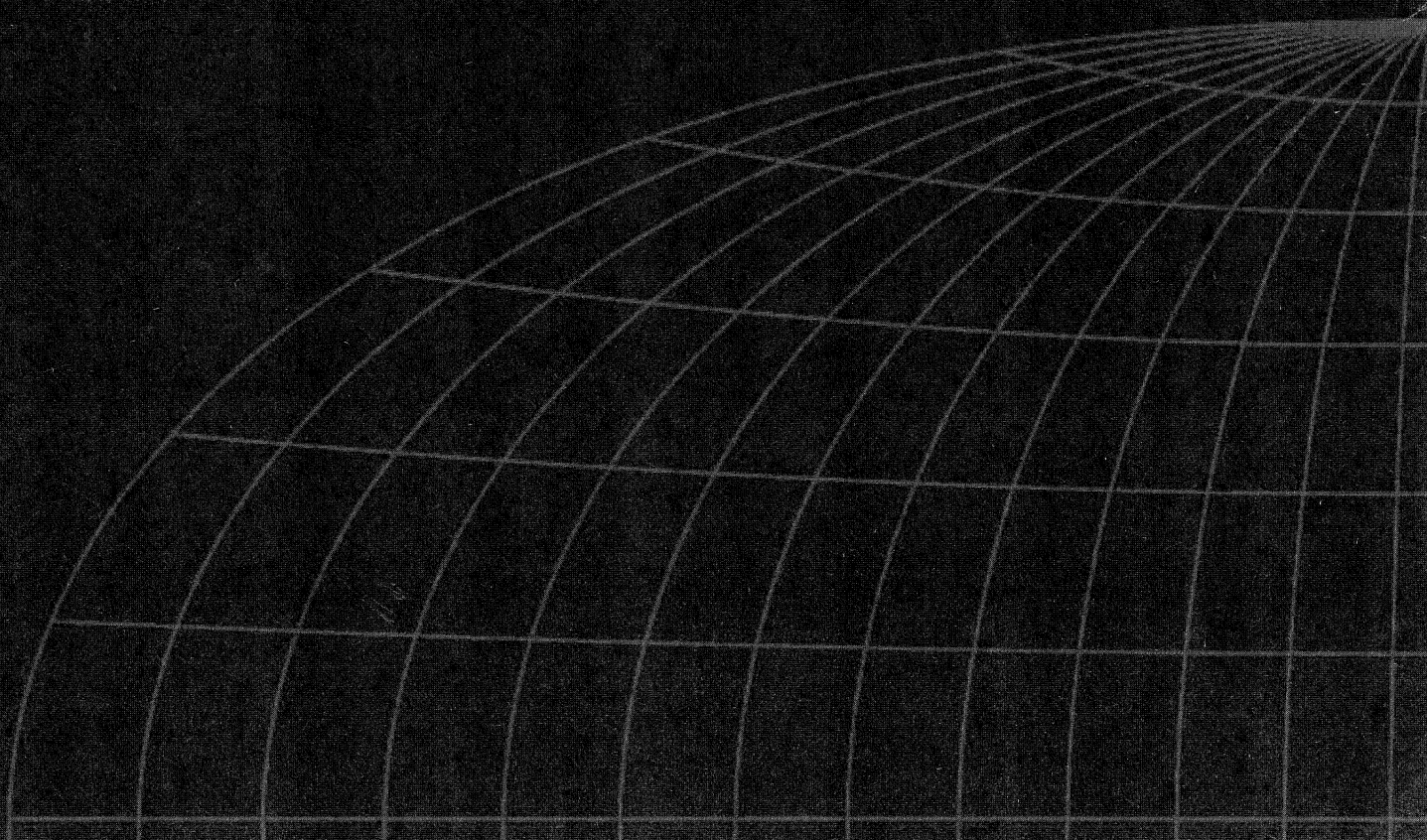
@Cali\_PRJ

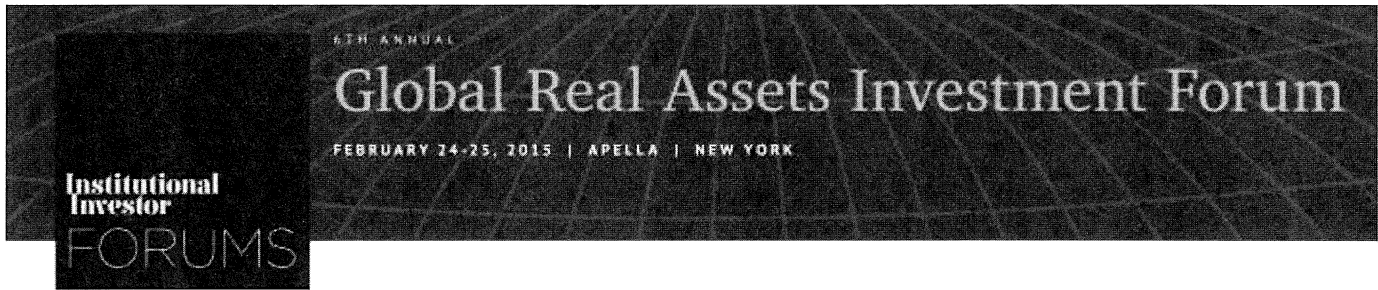
**Institutional  
Investor**  
FORUMS

6TH ANNUAL

# Global Real Assets Investment Forum

FEBRUARY 24-25, 2015 | APELLA | NEW YORK





## *Where Are the Opportunities? How Do You Shift Your Real Assets Allocation to Match Those Opportunities?*

### **Advisory Board**

Ali J. Naqvi, *Manager, Total Portfolio Management, Canada Pension Plan Investment Board*

Guillaume Morency, *ASA, CFA, FRM, Portfolio Manager, Alternative Investments, Desjardins*

Caixia Ziegler, *Associate Director, Head of Real Estate, Ford Foundation*

Bei Saville, *Director of Alternative Investments, Helmsley Trust*

William Proom, *Deputy Managing Director, Alternative Investments, Maine Public Employees Retirement System*

Tricia Scrivner, *Director, Real Asset Strategies, Margaret A Cargill Philanthropies*

John Ritter, *Director, Teacher Retirement System of Texas*

Brian Johnson, *Managing Director, University of Southern California*

Terence Yuen, *Director of Pension Strategy & Risk, UAW Retiree Medical Trust*

Greg Spick, *Portfolio Manager, Real Assets, UPS Group Trust*

Dennis Wilber, *Director of Investments & Treasury, Visiting Nurse Services of NY*

Aaron Garrett, *Specialist, Utah State Office of Education*

Institutional Investor Forums is privileged to have the advice and guidance of the above 12 investors as we develop the program for this year's Global Real Assets Investment Forum. These investors have been very generous with their time and their ideas and we will be relying upon them as we continue to develop this program. All investors reviewing this program are invited and encouraged to offer their opinions and ideas to supplement those of the Advisory Board so that we may deliver the most relevant, value-laden program to you in February 2015.

We hope you will be able to join us February 24-25 in New York as we learn about the decisions North American pension funds and US endowments and foundations are making as they address the new global investment landscape and what this means for their portfolios of real assets.

## **Sponsoring Organizations (to date)**

### **Anchor Sponsor**

Cohen & Steers

### **Lead Sponsors**

AGF Investments

Morgan Stanley Investment Management

TIAA-CREF Asset Management

### **Supporting Sponsor**

Nuveen Asset Management

Preliminary Program as of November 26

## Tuesday, February 24

7:30 to 8:15 am

### **Registration and Continental Breakfast**

*Apella Lounge*

8:15 to 8:20 am

### **Welcome and App Tutorial**

*Apella 200*

Steven Olson, *Managing Director, Institutional Investor*

Kip Miller, *Director, Institutional Investor Forums*

8:20 to 8:25 am

### **Chairman's Welcome**

*Apella 200*

#### **Symposium Chairman (Day One):**

John Ritter, *Director, Texas Teachers' Retirement System*

8:25 to 8:35 am

### **Benchmarking Survey**

*Apella 200*

#### **Benchmarking Session Leader:**

To be invited

What are the issues, concerns and primary interests of your peers – investment decision-makers from the larger pension plans, endowments, and foundations? In this opening session and in subsequent sessions, attendees will be polled on a number of high-interest topics using an anonymous, interactive electronic response system. By doing this, we will provide all attendees with useful benchmarks and unique insight into the concerns of investors. We will also strive to key up certain points of discussion for subsequent sessions.

### **Presentation Series I**

*Apella 200*

#### **Session Chair:**

Terence Yuen, *Director of Pension Strategy & Risk, UAW Retiree Medical Trust* (Pending confirmation)

8:35 to 9:20 am

### **The Changing Global Investment Landscape – Creating New Opportunities and Presenting New Risks for Investors in Real Assets**

- ❖ Where are the best opportunities given the current market environment?
- ❖ Are real assets' valuations really stretched? Is it true that too much institutional money is chasing the same deals?
- ❖ Achieving and maintaining true diversification within the asset class
- ❖ What role should international and global investments play in your real assets portfolio?

8:35 to 8:50 am

### **Presentation**

#### **How Does a Real Assets Allocation Fit Into a Risk-Based Asset Allocation?**

- ❖ Given that this asset class is so diverse and that many real assets do not have a long history of mark-to-market public data, how do we estimate and/or model risks in an asset allocation framework?
- ❖ Do real assets, and commodities in particular, have significant momentum, carry, and vol factor premiums that are correlated to other asset classes?

8:50 to 9:05 am

### **Presentation**

#### **Constructing Diversified Real Asset Portfolios – Balancing Risk and Opportunity (Proposed)**

Presented by:

Vince Childers, CFA, *Senior Vice President, Portfolio Manager, Cohen & Steers Capital Management Inc.* (Proposed)

9:05 to 9:20 am

### **Presentation**

#### **Energy – Taking Advantage of an Evolving Industry to Generate Returns**

- ❖ Impact on energy investments if commodities prices rise
- ❖ Is the game up? Are PE-backed companies having to hold assets longer and develop them over a longer-term horizon?
- ❖ How would an environment of rising interest rates impacting MLPs, their cost of capital, and their role as the “final buyer”?
- ❖ Should institutions invest in energy services companies (eg, pipeline firms) as a proxy?

9:20 to 9:40 am

### **Table Discussions**

Seated in small groups, delegates will share their views on the previous presentations. Do they agree or disagree, and what are the reasons for their views? Are there other factors which should also be taken into consideration? Which factors have contributed to investors taking their respective positions and how are they changing their allocations and reconstructing their portfolios? As well as sharing knowledge and opinions, each table will be tasked with coming up with a set of questions or comments which they must be prepared to pose to the speakers in the subsequent session.

9:40 to 10:00 am

### **Panel and Audience Q&A**

**Moderator:**

Terence Yuen, *Director of Pension Strategy & Risk, UAW Retiree Medical Trust* (Pending confirmation)

The original speakers will retake the stage, answer questions, and react to comments from the table discussions.

10:00 to 10:45 am

### **Investor Case Study**

---

## Are the Fund Structures Available Appropriate to the Investment Horizon of Institutional Investors' Needs and Objectives?

*Apella 200*

### Presented by:

Tricia Scrivner, *Director, Real Asset Strategies*, **Margaret A Cargill Philanthropies** (Proposed)

- ❖ Are there better structures, ones which match the duration of the assets (particularly with timber and infrastructure assets) with the duration of the investment?

10:45 to 11:15 am

### Coffee Break

*Apella Lounge*

#### Presentation Series II

### The Increasing Value of Global Opportunities to an Institutional Real Assets Portfolio

*Apella 200*

#### Session Chair:

Bei Saville, *Director of Alternative Investments*, **Helmsley Trust**

- ❖ Handling currency risks, especially for long-term investments and for those in the emerging markets
- ❖ Merits of investing direct/via funds versus ETFs/mutual funds

11:15 to 11:30 am

#### Presentation

### Mining Stocks – Understanding the Opportunities

- ❖ What caused distress within the sector, and have these factors changed?
- ❖ Do mining funds even have the scale to participate in the bulk mineral markets?
- ❖ How large is the manager universe and can investors deploy enough capital in this sector to impact their portfolios?
- ❖ Should investors consider funds that combined debt with structured equity kickers or other alternatives?

11:30 to 11:45 am

#### Presentation

### Energy Investments Outside North America

- ❖ The role of nationally owned companies in these markets: Do they skew the investment landscape?
- ❖ Do international investments present a greater level of exploration, technical and other risks?
- ❖ What opportunities are available in midstream and downstream markets internationally?

11:45 to 12:00 pm

#### Presentation

### Listed Infrastructure (and REITS)

Presented by: Morgan Stanley (Proposed)



12:00 to 12:20 pm

### Table Discussions

Seated in small groups, delegates will share their views on the previous presentations. Do they agree or disagree, and what are the reasons for their views? Are there other factors which should also be taken into consideration? How are the investors in attendance managing liquidity? Which factors have contributed to investors taking their respective positions and how are they changing their allocations and reconstructing their portfolios? As well as sharing knowledge and opinions, each table will be tasked with coming up with a set of questions or comments which they must be prepared to pose to the speakers in the subsequent session.

12:20 to 12:40 pm

### Panel and Audience Q&A

#### Moderator:

Bei Saville, *Director of Alternative Investments, Helmsley Trust*

The original speakers will retake the stage, answer questions, and react to comments from the table discussions.

12:40 to 2:10 pm

### Lunch

*Riverpark*

2:10 to 2:15 pm

### Benchmarking Survey

*Apella 200*

What are the issues, concerns and primary interests of your peers – investment decision-makers from the larger pension plans, endowments, and foundations? Attendees will be polled on a number of high-interest topics using an anonymous, interactive electronic response system. By doing this, we will provide all attendees with useful benchmarks and unique insight into the concerns of investors. We will also strive to key up certain points of discussion for subsequent sessions.

### Presentation Series III

#### Rethinking Your Real Estate Portfolio

*Apella 200*

#### Session Chair:

Caixia Ziegler, *Associate Director, Head of Real Estate, Ford Foundation*

- ❖ What risks, and what types of assets, and in which markets do investors now need to consider in order to generate somewhat compelling returns?
- ❖ Should investors be allowing their managers more flexible and broader mandates?

2:15 to 2:30 pm

### Presentation

#### Creating a Truly Opportunistic Real Estate Portfolio

- ❖ Developed markets v. emerging markets
- ❖ Opportunities in distressed assets

2:30 to 2:45 pm

### **Presentation**

#### **The Rise of Private RE Strategies**

- ❖ Exit strategies for end investors
- ❖ Pros and cons of private v. public equity investment opportunities in real estate

2:45 to 3:00 pm

### **Presentation**

#### **To Be Determined**

##### **Presented by:**

Jamie Behar, *Managing Director, Real Estate & Alternative Investments, General Motors Asset Management* (Pending confirmation)

3:00 to 3:20 pm

### **Table Discussions**

Seated in small groups, delegates will share their views on the previous presentations. Do they agree or disagree, and what are the reasons for their views? Are there other factors which should also be taken into consideration? Which new asset classes and strategies are investors employing to meet their investment objectives? As well as sharing knowledge and opinions, each table must come up with a set of questions or comments which they must be prepared to pose to the speakers.

3:20 to 3:40 pm

### **Panel and Audience Q&A**

##### **Moderator:**

Caixia Ziegler, *Associate Director, Head of Real Estate, Ford Foundation*

The original speakers will retake the stage, answer questions, and react to comments from the table discussions.

3:40 to 4:10 pm

### **Coffee Break**

*Apella Lounge*

4:10 to 4:55 pm

### **Panel Discussion of Investors**

#### **Manager Selection and Evaluation**

*Apella 200*

##### **Moderator:**

Aaron Garrett, *Specialist, Utah State Office of Education*

##### **Panelists:**

Sarah Angus, *Vice President, Callan Associates* (Timber)

Ali J. Naqvi, *Manager, Total Portfolio Management, Canada Pension Plan Investment Board* (Proposed)

---

Michael Leifeste, *Real Estate Portfolio Manager, Texas Treasury Safekeeping Trust Company* (Real Estate, Timber and Infrastructure)

Additional panelist to be identified

- ❖ How useful is past performance?
- ❖ Can the same managers succeed in today's environment?
- ❖ Evaluating managers using tried and true strategies v. up and coming managers

4:55 to 5:15 pm

### **Chairman's Recap**

**Symposium Chairman (Day One):**

John Ritter, *Director, Texas Teachers' Retirement System*

*Apella 200*

5:15 to 6:30 pm

### **Cocktail Reception**

*Apella Lounge*

## Wednesday, February 25

8:00 to 8:55 am

### **Breakfast Discussion Tables**

*Apella 207 and Apella 203*

At peer-moderated tables of 8-10 participants, delegates will share their opinions and compare notes on a number of important issues identified by Advisory Board members as worthy of discussion. Delegates will be asked to contribute to the overall discussion with the intention of sharing information and learning from others' experiences.

#### **Discussion Table 1: Defining the Value Your Real Assets Managers Can Add**

#### **Discussion Table 2: Infrastructure** (Topic to be clarified)

**Discussion Leader:**

Guillaume Morency, *ASA, CFA, FRM, Portfolio Manager, Alternative Investments, Desjardins*

#### **Discussion Table 3: To Be Determined**

#### **Discussion Table 4: To Be Determined**

#### **Discussion Table 5: To Be Determined**

8:55 to 9:00 am

### **Chairperson's Welcome**

*Apella 200*

**Symposium Chairman (Day Two):**

To be invited

9:00 to 9:10 am

### **Benchmarking Survey**

*Apella 200*

**Benchmarking Session Leader:**

---

To be invited

What are the issues, concerns and primary interests of your peers – investment decision-makers from the larger pension plans, endowments, and foundations? Attendees will be polled once again on a number of high-interest topics using an anonymous, interactive electronic response system. By doing this, we will provide all attendees with useful benchmarks and unique insight into the concerns of investors. We will also strive to key up certain points of discussion for subsequent sessions.

## Presentation Series IV

### **Rethinking Commodities Investments for 2015-2016**

*Apella 200*

#### **Session Chair:**

Christian Busken, *Senior Vice President – Director of Real Assets Research, Fund Evaluation Group, LLC*

- ❖ The importance of managing your current exposures
- ❖ How should investors position commodities in their portfolio when inflations in most developed markets is expected to stay low for a prolonged period?

9:10 to 9:25 am

#### **Presentation**

### **How Can Commodities Investments Be Used Tactically?**

#### **Presented by:**

Dennis Wilber, *Director of Investments & Treasury, Visiting Nurse Services of NY*

- ❖ Do liquid commodities make sense anymore? Can private equity investments in natural resources be just as effective?
- ❖ What are best practices in implementing a tactical commodity program?

9:25 to 9:40 am

#### **Presentation**

### **To Be Determined**

Presented by **Cohen & Steers**

9:40 to 9:55 am

#### **Presentation**

### **Agriculture – Can You Deploy Enough Capital to Make It Worthwhile?**

- ❖ What are the niches that still present good opportunities?
- ❖ As the asset class matures, will skilled investment managers make the own-and-operate model preferable to the buy-and-lease approach?
- ❖ Are strategies that emphasize vertical integration along the food supply chain a complement or a replacement for traditional upstream investments strategies?

9:55 to 10:15 am

#### **Table Discussions**

Seated in small groups, delegates will share their views on the previous presentations. Do they agree or disagree, and what are the reasons for their views? Are there other factors which should also be taken into consideration? Which factors have

contributed to investors taking their respective positions? As well as sharing knowledge and opinions, each table must come up with a set of questions or comments which they must be prepared to pose to the speakers.

10:15 to 10:40 am

**Panel and Audience Q&A**

**Moderator:**

Christian Busken, *Senior Vice President – Director of Real Assets Research, Fund Evaluation Group, LLC*

The original speakers will retake the stage, answer questions, and react to comments from the table discussions.

10:40 to 11:10 am

**Coffee Break**

*Apella Lounge*

11:10 to 11:50 am

**Investor Panel Discussion**

**Assessing Direct, Co- and Consortium Investing Opportunities**

*Apella 200*

11:50 to 12:30 pm

**Investor Presentation**

**The Specter of Inflation – Time to Put It to Rest? For How Long?**

*Apella 200*

**Presented by:**

*Representative, UAW Retiree Medical Trust (Pending confirmation)*

❖ What will trigger a rise in inflation?

12:30 to 2:00 pm

**Lunch**

*Apella Lounge*

2:00 pm

**Forum Concludes**

# CALAPRS

EDUCATION • COMMUNICATION • NETWORKING

California Association of Public Retirement Systems

## SAVE THE DATE 2015 GENERAL ASSEMBLY

**MARCH 7-10**

**MONTEREY MARRIOTT | MONTEREY, CA**

### SCHEDULE AT A GLANCE

*Breakfast will be served Monday and Tuesday.  
Lunch will be served Monday.*

#### **Saturday, March 7**

4:00pm - 6:00pm Registration Open

#### **Sunday, March 8**

7:00am - 12:00pm Golf (*optional activity*)

2:00pm - 5:00pm Educational Sessions

7:00pm - 10:00pm Strolling Dinner at the Monterey  
Bay Aquarium (*guests welcome*)

#### **Monday, March 9**

8:30am - 4:00pm Educational Sessions

5:00pm - 6:00pm Networking Reception

#### **Tuesday, March 10**

8:30am - 11:00am Educational Sessions

### REGISTRATION

Online: [www.calaprs.org/content/register](http://www.calaprs.org/content/register)

Email: [register@calaprs.org](mailto:register@calaprs.org) / Phone: 415-769-4860

Registration Fee: \$100 billed per system rep

### HOTEL ACCOMMODATIONS

Monterey Marriott

350 Calle Principal, Monterey, CA 93940

Phone: 1-877-901-6632/ Group ID: CALAPRS2015

Online:

<https://resweb.passkey.com/go/CALAPRS2015>

Room Rate: \$189.00/night (+ tax)

*To secure the discounted rate, reserve your room  
by February 9, 2015*

### GA PLANNING COMMITTEE

Stanley McDivitt (Co-Chair), Brian White (Co-Chair),  
David Bailey, David Kehler, Donna Lum, and  
Jeff Wickman

*Visit us online at [www.calaprs.org/content/general-assembly-2015](http://www.calaprs.org/content/general-assembly-2015)  
for updated program information.*

**CALAPRS GENERAL ASSEMBLY 2015 PROGRAM | MARCH 7-10, 2015**

**SATURDAY - MARCH 7, 2015**

4:00 PM - 6:00 PM Early-Bird Registration

**SUNDAY - MARCH 8, 2015**

7:00 AM - 12 PM Golf (optional)

10:00 AM - 5:00 PM Registration

2:00 PM - 2:15 PM Opening Remarks

2:15 PM - 3:15 PM Economic Forecast with a Focus on "Long Term Market Assumptions"  
Moderator: Stanley McDivitt, Administrator, CFRS  
Speaker: Saumil Parikh, Managing Director, PIMCO

3:15 PM - 3:30 PM Networking Break

3:30 PM - 4:30 PM Is Your Investment Compliance Program Sufficient? *What are the Elements of a Good Investment Compliance Program?*  
Moderator: Stanley McDivitt, Administrator, CFRS  
Speakers: David Kushner, CIO, LACERA and Girard Miller, CIO, OCERS

7:00 PM - 9:30 PM Strolling Dinner at the Monterey Bay Aquarium  
*Guests welcome and transportation provided.*

**MONDAY - MARCH 9, 2015**

7:00 AM - 4:00 PM Registration

7:30 AM - 8:25 AM Breakfast

8:30 AM - 8:45 AM Opening Remarks

8:45 - 9:45 AM Global Growth and U.S. Monetary Policy Outlook  
Moderator: Dave Kehler, Administrator, TCERA  
Speaker: John Bellows, PhD, Portfolio Manager and Research Analyst, Western Asset Management Company

9:45 AM - 10:00 AM Networking Break

10:00 AM - 11:00 AM Risk Management, Risk Parity, and Leverage Issues  
Moderator: Brian White, CEO, SDCERA  
Speaker: Allan Martin, Partner, NEPC

11:00 AM - 12:00 PM Here Come the RP 2014 Mortality Tables! What About Using the Generational Mortality Approach and the Direct Rate Smoothing Concept  
Moderator: Donna Lum, Deputy Executive Officer, Customer Services and Support, CalPERS  
Speakers: Paul Angelo, Senior Vice President and Actuary, Segal Consulting and Alan Milligan, Chief Actuary, CalPERS

12:15 PM - 1:15 PM Lunch

1:30 PM - 2:45 PM Update and Impact from Recent Bankruptcy Decisions and Vested Rights Issues  
Moderator: Jeff Wickman, Administrator, MCERA  
Speaker: Harvey Leiderman, Partner, Reed Smith

2:45 - 3:00 PM Networking Break

3:00 PM - 4:00 PM Master Limited Partnerships (MLP'S): Do They Have a Place in Our Portfolios?  
Moderator: Scott Whalen, Executive Vice President and Senior Consultant, Wurts & Associates  
Speakers: Ian Toner, Managing Director, Strategic Research, Wurts & Associates and Abel Mojica, Head of Corporate Development, Tortoise Capital Advisors

5:00 PM - 6:00 PM Hosted Reception at the Monterey Marriott

**TUESDAY - MARCH 10, 2015**

7:30 AM - 8:25 AM Breakfast

8:30 AM - 9:30 AM The Retirement Revolution: Implications for Public Retirement Systems  
Moderator: Jeff Wickman, Administrator, MCERA  
Speaker: Helen Dennis, a recognized leader on issues of aging, employment and retirement

9:30 AM - 9:45 AM Networking Break

9:45 AM - 11:00 AM Cyber Threats and Data Breach Response  
Moderator: Stanley McDivitt, Administrator, CFRS  
Speaker: James Pu, CIO, LACERA

11:00 AM Closing Remarks

# CII Spring 2015 Conference & 30<sup>th</sup> Anniversary Celebration

March 30 – April 1 | Mandarin Oriental Hotel  
1330 Maryland Ave SW, Washington, DC

## MONDAY, MARCH 30

- 12:00 – 1:30**      *CII Board – Advisory Council Buffet Lunch*
- 1:30 – 3:00**      *CII Advisory Council Meetings*
- 1:30 – 3:00**      *Policies Executive Session*
- 3:00 – 3:30**      *New Member/First-Time Attendee Welcome*
- 3:45 – 4:15**      *Speaker 1*
- 4:15 – 5:15**      *Panel Discussion 1*
- 5:15– 6:30**      *Reception*

## TUESDAY, MARCH 31

- 8:30 – 8:45**      *Welcome and 30 Year Overview*
- 8:45 – 9:30**      *Speaker 2*
- 9:30 – 10:30**      *Panel Discussion 2*
- 10:30 – 11:00**      *Networking Break*
- 11:00 – 12:00**      *Panel Workshops*  
*Panel Discussion 3*  
*Panel Discussion 4*
- 12:15 – 1:30**      *Luncheon Keynote Speaker 3*
- 1:30 – 2:00**      *Networking Break*
- 2:00 – 3:00**      *Panel Discussion 5*
- 3:15 – 4:15**      *Constituency Meetings—Election of Directors*
- 4:15 – 5:30**      *Board Meeting*



- 4:15 – 5:30 *Member- Hosted Meeting*
- 5:30 – 8:00 *Reception and Gala Dinner*

**WEDNESDAY, APRIL 1**

- 8:00 – 9:15 *General Members' Business Meeting & Breakfast*
- 9:30 – 12:00 *Market Structure Roundtable of CIO's (Invite Only)*
- 9:30 – 9:45 *Policies Committee Update*
- 9:45 – 10:45 *International Governance Committee*
- 10:45 – 11:00 *Networking Break*
- 11:00 – 12:30 *Activism Committee*
- 12:30 – 1:30 *Networking Buffet Lunch*

**THURSDAY, APRIL 2**

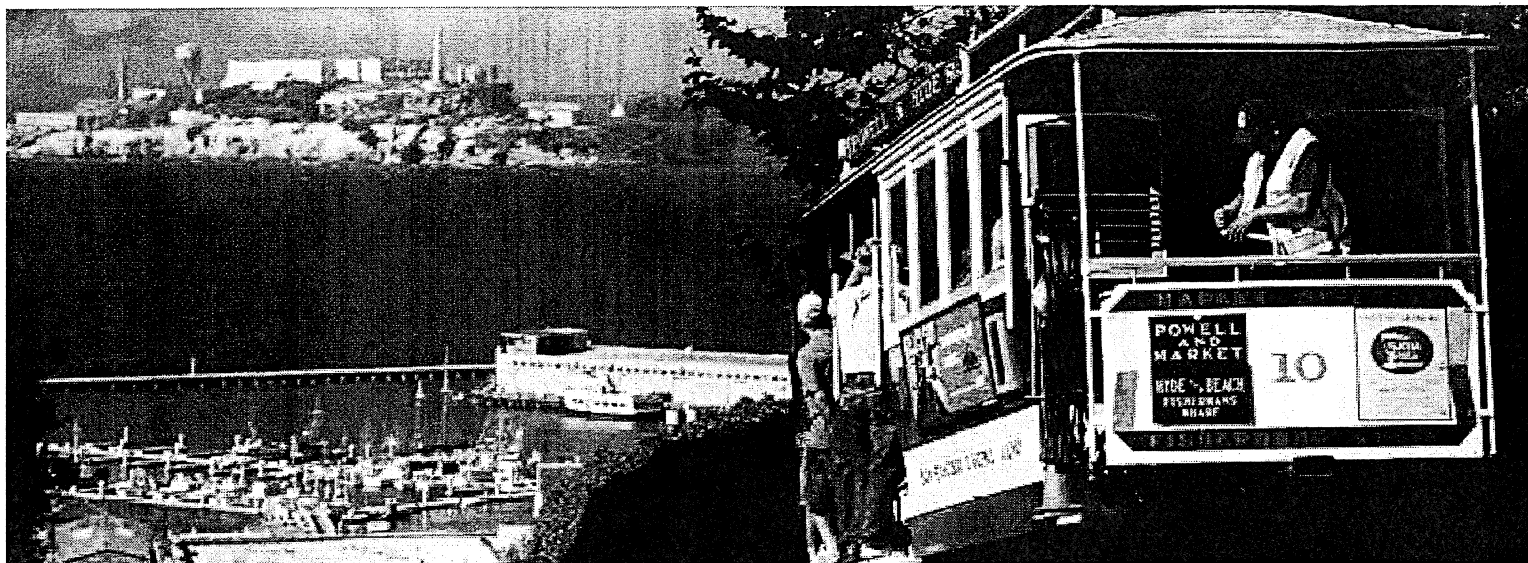
- 8:00 – 2:00 *General Members Visit to Capitol Hill*



*Celebrating 10 Years*

# THE PENSION BRIDGE ANNUAL

April 7th & 8th, 2015 | San Francisco



## Welcome to the 2015 Pension Bridge Annual

The Four Seasons Hotel, San Francisco, CA

*The Pension Bridge Annual Conference* provides the highest level of education and networking to the Institutional Investment Community. A mix of Public Funds, Corporate Funds, Foundations, Endowments, Unions, Taft-Hartleys, Consultants and Investment Managers will come together for this exclusive event.

We will provide a controlled attendance structure in order to maintain the best conference industry ratio. There will be **over 150 Pension Funds/Non-Discretionary Consultants** in attendance and we allow for **only 100 Manager Firms**. This better than 1:1 ratio, combined with participation from the most influential industry figures, creates a more enjoyable environment.

Learn from the experts about the most important issues, challenges, trends, opportunities and strategies that will shape our industry for today and the future:

- Macro Economic View of the Economy
- Post Fed Stimulus – which Strategies will Outperform or Show Weakness?
- Best Approaches to handle the Upcoming Rise in Interest Rates
- Risk Parity and LDI Asset Allocation Models – which one will be Most Effective in Preserving Capital and Providing Steady Returns?
- Best Practices for Constructing a Liability Hedging Portfolio
- What should Boards Consider when Adopting a Risk Culture?
- New Paradigm of Risk Allocation – Creating Fixed Income Sub-Allocations and Understanding where Specific Hedge Fund and Private Equity Strategies Fit
- The Changing Landscape of Fixed Income and the Shift into Next Generation Strategies
- Finding the Best Non-Correlated Investments to Prevent Portfolio Drawdowns
- In-Depth Coverage of the Real Assets Space
- A Close-Up Look at the Hedge Fund Industry
- Is there Froth in Private Equity and how will the Overhang Play Out?
- European and Emerging Market Opportunity Set
- ESG Considerations and Issues – Is there a Fiduciary Duty to Address them?
- CIO's Perspectives
- Best Practices for the way we Evaluate, Allocate and Invest
- A Glimpse of what our Industry will look like in the Future
- Strategies that will Outperform in the Next Few Years

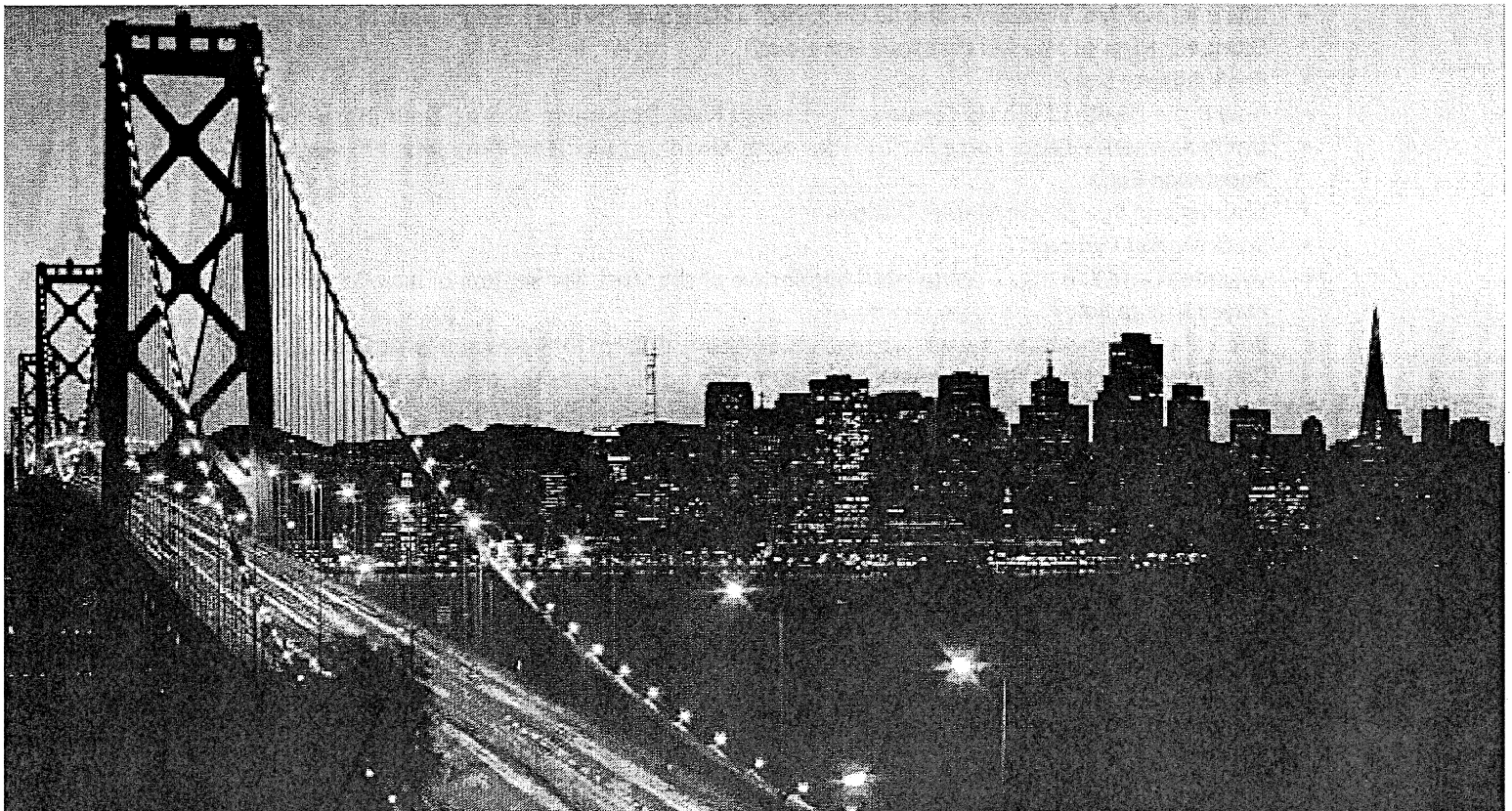
The Pension Bridge Annual  
April 7th & 8th, 2015 | San Francisco

10 Years  
2006-2015

We remain in a post-crisis environment and are trying to find the best ways to position portfolios as the Fed backs off from monetary stimulus. In addition to the listed themes above, we will be covering many more challenging issues that are crucial to the investment decision making process during this uncertain economic time. We will learn from the best about how to adapt in our industry which is always evolving and transforming.

*The Pension Bridge Annual* has two goals in mind. First is to provide the **highest level of education** with the top speaker faculty. This highly regarded group will bring forth influential insights and concepts. The second goal is to help **build relationships** between the pension plans, consultants and investment managers. We have provided the best possible networking environment for this event with the proper networking sessions. We will cap off the event with a fun and enjoyable networking outing necessary for maintaining relationships and connecting with your peers and prospective business contacts.

We look forward to a strong event and a very productive one from both an educational and relationship perspective. We have structured this conference in a manner that will be the most productive and beneficial for you. We hope that you will join us to be amongst your industry peers to learn about the most up-to-date insights, investment strategies and trends.



The Pension Bridge Annual  
April 7th & 8th, 2015 | San Francisco

10 Years  
2006-2015

**Tuesday, April 7th**

**7:10 AM – Breakfast**

*Sponsored By:*

**ClearBridge**  
Investments

**8:10 AM – Opening Remarks**

**8:15 AM – Keynote Speaker**

**Speakers:**

**Donald Pierce**, CFA, Chief Investment Officer, **San Bernardino County Employees' Retirement Association**

**Timothy Barrett**, CFA, Associate Vice Chancellor & Chief Investment Officer, **Texas Tech University**

**8:55 AM – Macro Economic View**

- Fed's Role in the Stock Market and Bond Market
- Aftermath of Fed Stimulus – Should we expect a Hangover? Will the Fed go back to QE with any Economic Hiccups and will that have less clout?
- Fed's Balance Sheet
- How is the Health of the US Consumer? – Savings Rate, Disposable Income, Debt, Homeowner Equity
- Unemployment – Labor Force Participation Rate, Quality of Jobs/Part Time Jobs, Employment Population Ratio
- Housing and Real Estate Market Outlook
- Stock Market Outlook
- Valuations and Earnings Growth – is it Supportive of the Stock Market Run or have Stock Buybacks played a large Role?
- Bond Market Expectations – will we reach the Historical Norm for Rates and what might be the Consequence? Expectations for where the 10 Year is heading over the next few years?
- Derivatives Risk from a Rapid Move in the 10 Year Yield
- Outlook for the Dollar – is the World's Reserve Currency Status in Jeopardy?
- When will the Excess Bank Reserves created from QE make its way to the Consumer side and Create Inflation? Will we see Deflation first?
- European Sovereign Debt Crisis
- Future Municipal Bond Defaults – Expectations and Implications
- Is there a Black Swan Event in the Future? What would be the most likely cause?

**Speaker:**

**Bud Conrad**, Chief Economist, Casey Research, LLC

**9:25 AM – Risk Parity and LDI in a Dynamic Asset Allocation Context**

**(A) Risk Parity**

- Risk Parity Explained
- Does Risk Parity Make Sense Now Considering Current and Future Market Conditions?

**The Pension Bridge Annual**  
**April 7th & 8th, 2015 | San Francisco**

*10 Years*  
2006-2015

- Performance in the Past Decade and Longer – How does Risk Parity look over time Compared to Other Models?
- Rising Rates and Current Bond Valuations – Should we Expect Drawdowns or will it be Muted? How would a Risk Parity Portfolio have Performed in Past Rate Increase Periods?
- Performance during Periods of Inflation/Deflation? During Lower Economic Growth Periods? During Large Equity Draw-Downs?
- Is it possible that Bonds will become Less Likely to Protect against Volatility in Equities?
- Should we be Worried about Leverage or Leveraging the Inappropriate Assets? Is there an Over-Reliance on Bonds with Current Valuations?
- Do you Consider it a Drawback that there's Only a Positive Weight to an Asset with No Ability to go Short?
- Leverage and Illiquidity Do Not Mix – any Approaches to Avoid this Combination?
- Do you View it as a Flaw that Portfolio Construction Approaches only consider Volatility Risk, Not Tail Risk or Drawdown Risk?
- Can Tail Risk Parity be the newest Trend? Thoughts on the Concept of Measuring Expected Tail Loss rather than Volatility – Cheaper Hedges for Protection, Reducing Tail Risks while Retaining More Upside than Risk Parity?
- Aside from the Money Concentrated in the Top “Founding Firms,” how should we Approach Managers with Short Track Records?

#### **(B) Liability Driven Investment, (LDI)**

- What is LDI and how is it Interpreted in the Market?
- What have Plans done to address the Hurdles of Low Pension Funded Status and Low Interest Rates over the past few years?
- Does LDI Make Sense Now Considering Current and Future Market Conditions?
- Reducing Funding Ratio Volatility
- Risk/Return
- Are Plan Liabilities the only appropriate Benchmark?
- Understanding the Components of Performance Measurement and Evaluation – Risk Budgeting, Scenario Analysis, Liquidity Analysis and Performance Reporting
- Beyond the Ability to Earn Excess Returns, what should Investors look for in Selecting LDI Managers?
- Understanding Implementation Approaches, Strategies and Issues
- How to Implement LDI in a Public Fund Context – are the LDI Methods Applicable?
- Risk Transfer – Lump Sum Payments, Buyouts – what Trends are we seeing?
- How is LDI Compatible with the New Developments in Pension Risk Transfer?

#### **10:10 AM – Refreshment Break**

*Sponsored By:*



#### **10:40 AM – Risk Management and Adopting a Risk Culture**

- How the Financial Crisis changed the way Pension Plans Measure and Manage Risk – Overview of the Shift from an Asset Allocation-Centered Process to a more Comprehensive Risk Allocation-Based Process
- Understanding Current Asset Class Behavior Risk – Tendency of Interest Rate and Inflation Shocks Driving Equities and Bonds in the Same Direction

- Asset Allocation Strategies – which are the most effective ones for dealing with Future Financial Challenges?
- From Asset Class Decisions to Risk Allocation Decisions – explain the Transformation and how could it be improved
- Correlation and Drawdown Risk
- Transparency and Liquidity Risk – Basing it on a Cost/Benefit Evaluation
- What's the best Approach to Liquidity Risk as it applies to Meeting Future Cash Flow Obligations?
- Leverage Risk – what are the Best Approaches to keep these Risks within Acceptable Parameters?
- The Importance of Monitoring Counterparty Risk being taken by Managers – any new measures?
- Why do we still allow Traditional Asset Managers to Not take Daily Changes of Risk into Consideration and Rebalance at the End of the Quarter Instead?
- What Developments have we seen for Combining Several Risk Premiums as a part of Portfolio Diversification?
- How has the Role of Fiduciary Responsibility Changed in this new Era of Risk?
- What should Boards/Organizations Consider when Building a Risk Culture?
- How can Fiduciaries Adapt and Safeguard against today's Challenges?
- How do you go about Educating a Board on Risk?
- How does a Plan's Size affect the Approach to Pension Risk Management?
- What kinds of Future Risk should US Pension Plans be most wary of?
- How does Stress Testing or Scenario Analysis factor into your Process?
- Do your Hedge Fund Strategies and other Allocations actually provide a Cushion for the next Market Downturn?

**Speakers:**

**Guy J. Foutz, CFA, PRM, FSA, Investment Risk Officer, Utah Retirement Systems**

**Jeffrey MacLean, CEO, Wurts & Associates, Inc.**

**11:25 AM – The Risk Allocation Framework – A New Paradigm**

Understanding how knocking down old walls and developing new asset class boundaries through risk allocation can protect your portfolio – We now know that diversification was flawed during the last market downturn. With most alternative assets showing a high correlation to equities, we have changed the way we measure risk. While the traditional asset class allocation model has proven to be ineffective, there has been slow change in reclassifying where assets should fit into portfolios even with the new risk allocation-based measures. We will discover the progress of this transformation and what it will look in the future.

- The Shifted Focus from Traditional Asset Class Allocations to a Dynamic Analysis of Cross-Asset Class Drivers of Risk and Return
- Are we looking at the End of Asset Class Allocation when finding the Most Useful Way to Break Down particular Investments into Subsets?
- What Irregularities might we see in Portfolios if Asset Classes are Redrawn and Renamed via Risk Allocation? Are we still too heavy with the “New” Equities Allocation? How much is too much?
- Might we see Duration or Lock-Up Periods being established to Distinguish Between Liquid and Illiquid?
- Changing Landscape of Fixed Income – Should Return Seeking Fixed Income such as Fixed Income Hedge Funds, High Yield/Bank Loans, Emerging Market Debt and other Alternative Approaches be a Separate Bucket from Traditional Risk Reducing Fixed Income?
- What Fixed Income Sub-Allocations make sense to meet Liquidity Needs?
- “Opportunity” or “Diversified Growth” as its own Separate Bucket. Any other terms that you prefer for this Subset?
- Equity Hedge Funds – have we seen Progress towards Re-Classifying this into the Equity Bucket?

- Should Equity Market Neutral be Re-Assigned to Equities or might this fit into “Opportunity/ Diversified Growth”?
- Where do Global Macro Hedge Funds fit?
- Private Equity – should Buyouts fit into the Equities Bucket because of the Historic Correlation? Thoughts on Venture Capital?
- Real Assets – Own Separate Bucket or Classified in Inflation Linked Bucket?
- Does it seem that the Term Alternative Investments makes Less Sense and could use of that Term eventually Disappear?
- Will we see more Managers begin to Develop Blended Vehicles?
- What do you feel is the Most Important Change to make when taking Steps towards the New Paradigm of Risk Asset Class Allocation?
- Any Industry Myths that must be Addressed?
- Strategies that provide a Low Correlation to Traditional Investments that can Provide Outsized Returns during Periods of Market Stress – which ones do you like the most? Should this be its own Bucket?

**Moderator:**

**John Linder**, CFA, CPA, Consultant, Principal, Pension Consulting Alliance, Inc., (PCA)

**Speaker:**

**Eugene L. Podkaminer**, CFA, Senior Vice President, Capital Markets Research, Callan Associates, Inc.

**11:55 AM – Tail Risk Hedging**

*Presented By:*

**JANUS CAPITAL**  
**Institutional**

- Understanding Tail Risk Frequency, Severity and Impact – are the Markets Vulnerable to a Substantial Decline Today?
- Understanding Risk of the Globalization of Capital Markets – Connected Marketplace
- Why is this a Good Time to Mitigate Equity Tail Risk?
- Is Raising Cash a Proper Tail-Risk Strategy?
- Importance of Understanding where in the Market your Existential Tail Risks come from and how Big they Could Be – Analysis of your Liquidity and Leverage
- Limits of Diversification and Beta Hedging
- Implicit vs Explicit Hedging – what are the Advantages and Disadvantages of each?
- What Types of Strategies and Approaches are used to Hedge?
- Derivatives Overlay Hedges – Dedicated and Customized
- Option Overlay Strategy – Cash Flow Generation in Down Markets but can you Maintain Upside Exposure in Rising Markets?
- What Liquidity Considerations should Investors pay attention to?
- Active Management
- Pension Plans developing a Contingency Plan – What are the Best Practices to Navigate through Stressful Periods?
- Disadvantages – Cost, Implementation, Risks, etc.
- Why is there often Difficulty Implementing a Tail Risk Program within the context of a Committee and how can we overcome this? Any other Implementation Challenges?
- Portfolio Drawdown Management via Tail Risk Parity – Understanding how Measuring Expected Tail



Loss rather than Volatility can provide Cheaper Hedges for Protection, Reduce Tail Risks and Retain More Upside than Risk Parity

**Speaker:**

**Ashwin Alankar**, Senior Vice President, Head of Asset Allocation & Risk Management, Janus Capital Institutional

**12:25 PM – Lunch**

*Sponsored By:*



**1:35 PM – Next Generation Fixed Income Strategies**

With traditional fixed income at risk after a 30 year bull market, investors are expected to move an estimated \$1 trillion out of bonds and shift the assets into next generation debt strategies over the next three to five years. The landscape of the Asset Class is in the early stages of a drastic transformation.

- Assessing the Current Environment – Fed Policy, Interest Rates, Spreads, U.S. Dollar, Foreign Investment in US Treasuries, Global Fixed Income Landscape and Default Rate Expectations
- Supply and Demand Imbalance in Long-Duration Fixed Income
- Need and Appetite for Alternative, Opportunistic, Absolute Return, Unconstrained, Active Approaches
- Understanding how to Select Alternative Managers – Multi-Sector, Multi-Region and Multi-Currency Skill Set
- Portfolio Construction – Need for Increased Disaggregation of Alpha Sources and the Dangers of Correlations that are Unseen
- What are your Best Ideas for ways to Simplify the Sub-Allocations within the Fixed Income space? Any preferred Allocation Breakdowns or Weightings?
- Modern Risk Management – what Progress have we seen for Developing a Risk Premium Approach applied to Next Generation Fixed Income Portfolios? What Dynamic Approaches are Valid?
- Using Structured Products, Swaps and Derivatives to Create Alpha and Hedge Volatility
- Why Invest in Emerging Markets Local Fixed Income? Is Currency Risk Higher?
- Opportunities in Global and Emerging Market Debt – why is it Appealing?
- Making the case for Corporate Debt – Less Sensitivity to Rising Rate Environment
- Bank Loans – Attractive or Not a Good Hedge in Rising Rate Environment?
- Landscape for MBS Market with GSE Reform Considerations
- Inflation Protection – Risk/Reward for TIPS, Interest Rate and Inflation Swaps, Inflation Bonds and Overlays
- Where do you see the Greatest Risks in the Debt Markets and what might be the Trigger Points that enhance that potential?
- What's your best Projection for the 10 Year Yield 1-2 Years from now?

**Moderator:**

**Andrew C. Palmer**, CFA, Deputy Chief Investment Officer, Director of Fixed Income State, Tennessee Treasury Department, Investment Division, Tennessee Consolidated Retirement System

**The Pension Bridge Annual**  
**April 7th & 8th, 2015 | San Francisco**

*10 Years*  
2006-2015

**Speaker:**

**Peter Ehret, CFA, High Yield Portfolio Manager, Employees Retirement System of Texas**

**Real Asset Strategies**

**2:20 PM – Commodities**

- Current Market Environment and Outlook
- European Deflationary Pressures – how should this affect our Allocation and Approach in the Commodities Space?
- View on Sub-Sectors and Pockets of Value
- Long Term Global Supply, Demand, Pricing, Fed Policy and China/Emerging Market Growth as Factors
- Diversification and Low Historical Correlation to Equities
- Commodities as an Inflation Hedge
- Performance during Previous Down Equity Markets
- Understanding the Different Approaches to Investing in Commodities – Equities, Indexes, Futures, Physical Commodities, Private Equity Real Assets
- Investing in Commodities through Private Equity vs. Stocks or Indexes – Benefits and Drawbacks
- Argument that Natural Resource Stocks are Not a Good Way to get Commodities Exposure – Less Correlation to Inflation than Commodities, Higher Correlation to Equities, Different Return Pattern to the Commodity, Higher Volatility, Lower Diversification Benefit
- Investing in Long/Short vs. Long Only
- Active vs. Passive
- Any Recent Developments in Commodities Risk Premia? Smart Beta as applied to Commodities?
- What are the Key Criteria that would lead to Manager Outperformance?
- Risk Factors

**2:50 PM – Refreshment Break**

**Real Asset Strategies (Cont'd)**

**3:20 PM – Agriculture/Farmland**

- Attributes – Natural Inflation Hedge, Low Correlation, Diversification, Income Generation, Historic Risk/Return Benefit
- Positive Global Macro Trends – Population Growth, Emerging Markets, Increase in Pricing, Global and U.S. Supply/Demand
- Institutional Ownership of Farmland and Erosion of Farmland Acreage – Increased Opportunity to Benefit from Shortfall
- Federal Crop Insurance to Safeguard against Droughts
- Various Ways to Invest in Global Agriculture
- Benefits of Active Management
- Long Term Performance – Low Risk, High Return
- Return Expectations
- Return Profile Components
- What are the Key Criteria that would lead to Manager Outperformance?

**3:35 PM – Energy**

- Portfolio Benefits – Inflation Hedge, Diversification, Low Correlation, Attractive Risk Adjusted Returns
- Projections of Global Energy Supply/Demand and Consumption
- China and Emerging Market Consumption Projections
- How will the Drop in Oil Prices affect Returns?

- Oil and Gas Pricing Trends – Are Investments likely to produce Returns Independent of Prices?
- Access – Public, (Stocks and MLPs), Indexes, Futures, Private, (Direct, Funds, Fund of Funds). Which one is most likely to Benefit from Rising U.S. Energy Production?
- What are the Advantages of Investing in Private Energy?
- Market Underserved by Private Equity Capital?
- Recent and Long-Term Performance
- Upstream, Midstream and Downstream Overview
- Equipment and Services Sector Growth Demands
- Rapid Growth of Oil and Gas Production
- The Shale Oil and Gas Revolution and what it means for the U.S.

**Moderator:**

Kirk Rostron, Board of Trustees, Investment Committee, Florida State University Foundation

**Speaker:**

Vaughn Brock, Director of Energy and Natural Resources, Teacher Retirement System of Texas

**4:05 PM – Infrastructure**

- Deal Flow Activity and Fundraising Environment
- Objective in Portfolio – Diversification, Inflation Protection, Low Correlation, Low Volatility, Susceptibility to Market Downturns, Stable Yield
- Infrastructure Demand and Size of the Market – where are they projected to be for the Future?
- Infrastructure Spending/Funding Gap – Explanation of the Shortfall and how it Translates into Increased Opportunities for Pension Plans
- In which Sectors will Investors find the Best Opportunities and Returns?
- Energy Infrastructure and U.S. Shale Gas Hot Spots – are you still looking to invest in this area going forward and why?
- Trend of Infrastructure Debt, (Non-Bank) – How Attractive is it?
- Implementation Approaches – Primary Partnerships, Direct, Co-Investment, Fund of Funds, Publicly Listed – MLP's, Separate Accounts. What are the Advantages and Limitations of each?
- What are the Key Elements for a Good Infrastructure Investment?
- What are the Advantages of Open-Ended Funds over Closed-Ended Funds and do you expect a Surge in Open-Ended Funds in the Coming Years?
- What should you look for when Selecting an Infrastructure Manager?
- Mature vs. Emerging Markets, U.S. vs. Europe
- How has Performance been and what are the Return Expectations from Plan Sponsors?
- What is a Suitable Benchmark?
- Valuations of Infrastructure Assets over the past few years in a Low Interest Rate Environment and Implications for Valuations when Interest Rates Rise
- Risk/Return Profiling – which Infrastructure Assets are classified as High Risk and Low Risk?
- What are the Largest Challenges/Risks associated with Infrastructure Investing?

**Moderator:**

Randall P. Mullan, Senior Portfolio Manager, Infrastructure & Forestland Investments, California Public Employees' Retirement System, (CalPERS)

**4:35 PM – Real Estate**

- Current State of the Real Estate Market – how Frothy is it and do you perceive it to be High Risk right now?
- How will Normalization of Monetary Policy Impact the Industry? How much has the Fed Impacted

- our Current Environment?
- Are we at the End of this Cycle of Expansion?
  - Is Supply and Demand in Balance?
  - What would be the Impact of Rising Rates on your Real Estate Portfolio? What are the Short-Term and Long-Term Implications?
  - Is Core Too Expensive? Is it likely to get your Expected Returns right now?
  - Do you see Capital Moving Out of Core and Into Value Added and Opportunistic?
  - What Value-Added and Opportunistic Strategies are most appealing?
  - What's happening with Leverage?
  - Commercial Real Estate Challenges and Debt Maturities Coming Due
  - Commercial Pricing – Fully Priced and Not Pricing in Risk or Disruption?
  - Multifamily Conditions – might it become Less Desirable compared to the past few years?
  - Tactical Strategy of Investing in Single-Family Homes and Institutionalizing the Sector – Thoughts on this Trend?
  - What sort of Debt Investments are you looking at?
  - Analysis of Cap Rates and Vacancy/Occupancy Rates – any Conclusions you can draw?
  - Joint Ventures with REITs – will we see more Pension Plans re-enter the Market by Teaming up with Commercial REITs? Why are these Joint Ventures being done?
  - Asia and European Real Estate Outlook – Opportunities, Investment Trends and Capital Flows
  - Larger vs. Smaller Fund Size – which ones will Outperform going forward?
  - Closed Ended Funds Unpopular?
  - Entry Issues with Open-End Funds and Concentration into Fewer Funds?
  - Will Co-Investments become more Common?
  - Current State of the Real Estate Secondary Market
  - What Strategies do you see as the Biggest Risks and the Biggest Rewards/Relative Value for the Future?

**Moderator:**

Micolyn Magee, Principal, The Townsend Group

**Speakers:**

David Corpus, Board of Trustees, Teacher Retirement System of Texas  
Field Griffith, Director, Real Assets, Virginia Retirement System

**5:20 PM – Cocktail Reception**

**6:35 PM – Cocktail Reception Concludes**

**Wednesday, April 8th**

**7:15 AM – Breakfast**

*Sponsored By:*



**8:15 AM – Emerging Markets**

- Long Term Global Outlook – Weaker Growth Expectations?
- What Major Developments have we seen in the Past Year?
- Winding Down Global Central Bank Monetary Stimulus – how much of an Effect will we see on Capital Inflows? Any Markets that will be Most Affected?
- What would be the Effects on Emerging Markets if we see a Recession in Developed Markets?
- Breaking down BRIC Prospects – which Countries offer the Best Opportunities and Returns?
- Outlook for China – is the Growth Play Over or are there particular Sectors that will deliver Double Digit Returns?
- Are you investing in Higher Growth Markets such as Southeast Asia, Africa or Latin America? Do you see Higher Risk, Returns and Diversification Factors here?
- How has the Emerging Markets Asset Class Evolved?
- What is an appropriate Long-Term Allocation to Emerging Markets?
- Do you consider Emerging Markets to be an Inefficient Asset Class?
- Public vs. Private Emerging Markets – Benefits and Drawbacks of each
- Choosing an Emerging Markets Fund or Manager – should you be Investing by Region, Country or Sector?
- Which Rapidly Growing Sectors within Emerging Markets offer the Best Opportunity?
- The Case for Emerging Markets Corporate Debt
- Active vs. Passive Debate
- How do Valuations look Relative to Risk? Are Risk and Return in Balance?
- How should Inflation and Currency Risk be factored in?
- Given the Current Environment, will Emerging Markets Outperform Developed Markets?
- What are Realistic Return Expectations and should it Differ based on Region?

**Moderator:**

**Andy T. Iseri, CFA, Senior Vice President, Callan Associates, Inc.**

**Speaker:**

**Kenyatta K. Matheny, Senior Investment Officer, Emerging Managers & Private Equity, Teachers' Retirement System of the State of Illinois**

**8:55 AM – Frontier Markets**

- Characteristics – Lower Correlation and Volatility to other Emerging Markets, Diversification, Higher Returns, Less Vulnerability to Global Central Bank Stimulus Tapering and Slowing China Growth
- What Growth can we expect in Comparison to Emerging and Developed Economies?
- How does Currency factor into Performance?
- What are Country Allocation Decisions Based on?
- Which Markets and Sectors in Frontier Countries can you profit from Strong Growth?
- Attractiveness of Southeast Asia

**The Pension Bridge Annual**  
**April 7th & 8th, 2015 | San Francisco**

*10 Years*  
2006-2015

- MENA Outlook – Pros and Cons
- Risks Associated with Frontier Markets – political instability, social unrest, corruption, fickle regulatory environment, lower liquidity, lack of transparency, etc.

## 9:10 AM – Hedge Funds

### (A) Current and Future State of the Hedge Fund Industry

- What are the Biggest Misconceptions or Challenges facing the Hedge Fund Industry?
- How Large is the Industry now? How many Good Hedge Funds are there?
- Pension Inflows – are they still going to the Largest Hedge Funds or has this Trend from a few years ago Shifted to Small and Mid-Sized Managers?
- Fund of Funds – what are the Key Changes we've seen the past few years and what Developments do you see taking place in the Future to Stay Competitive?
- To use an Intermediary or not?
- Transparency and Risk Aggregation Data – are they valuable and accurate?
- Explain the Benefits of Open Protocol Enabling Risk Aggregation, (OPERA) Standards
- Valuation Procedures and Controls
- Fees – what sort of Trends are you seeing? Do Investors have the ability to Renegotiate? Will Hedge Fund of Funds Cut Fees?
- How do you assess the Tradeoff between Lower Fees and Longer Lock-ups?
- Returns of Liquid Hedge Fund Strategies Lagging Private Partnership Versions of the Same Approach – why and will this continue?
- Importance of Operations Due Diligence. Any recent Developments? How often should Operations be Reviewed?
- How do you Explain Recent Industry Underperformance?
- CalPERS Decision to Divest – what will be the Impact on the Hedge Fund Industry? Impact on Pension Fund Industry?

### (B) Hedge Fund Portfolio Construction, Selection and Strategies

- Considerations for Selecting the right Hedge Fund or Fund of Funds – Due Diligence and Manager Selection. What are the Key Traits you should be looking for?
- Deciding Between Fund of Funds vs. Direct – what are the Key Considerations?
- What have you seen regarding Small Hedge Fund Performance vs. Large Hedge Fund Performance?
- True or False: Large Hedge Fund Managers have Accumulated Too Many Assets which will Dilute their Alpha over a Larger Asset Base and Increase Investor Risk because of the Larger Bets they were required to make in Individual Securities due to their Size
- Long-Short Hedge Funds – should they be in the Domestic Equity Allocation to Reduce Exposure?
- Which Strategies offer more Transparency and Liquidity?
- Should you ask for a Separate Account?
- Is the Trend towards Managed Accounts the Future? Understanding the Benefits of Increased Transparency and Control, more Liberal Liquidity Terms for Redemption/Termination, Outsourcing Operational Oversight/Support
- Does Portfolio Construction change based on the Size of the Portfolio?
- How many Hedge Fund Strategies do you need? Should you focus on a few better Strategies or is the Size of your Portfolio a Factor?
- Can Hedge Fund Strategies be Tactically Managed?
- Do you find Opportunities within the Global Macro Space attractive and if so, why?
- Hedge Fund Replication – will this Strategy catch on? How do the Fees and Returns Compare?
- If there was a Hedge Fund Strategy you would Invest in over the next Decade, which one would it be and why?

**Moderator:**

**Jim Vos**, Chief Executive Officer, Aksia

**Speakers:**

**Chris Schelling**, CAIA, Director, Absolute and Real Return, Kentucky Retirement Systems

**Phil Roblee**, Senior Investment Officer – Multi-Asset Active Strategies, School Employees Retirement System of Ohio

**10:00 AM – Refreshment Break**

*Sponsored By:*

# GUGGENHEIM

**10:30 AM – Managed Futures**

- Global Macro's place in the Hedge Fund Industry – what are the key Differences from other Hedge Fund Strategies?
- Diversification and Non-Correlation to Equities and Hedge Fund Strategies
- Performance during Periods of Stress or Crisis Events
- Historical Performance of Managed Futures
- Decreasing Depth of Portfolio Drawdowns and Volatility
- Qualitative Traits – Liquid, Transparent and Regulated
- Increasing your Exposure to Global Markets and Non-Financial Sectors
- Do Managed Futures provide an Inflation Hedge?
- How to Implement an Allocation to Managed Futures
- How do you Manage Risk and Volatility?
- CTA Recent Underperformance – why and what are the Expectations Going Forward?
- Size of the CTA in terms of Assets Under Management – any considerations to factor in?
- Dynamic Beta – the Emerging Trend of Lower Cost Alternative Risk Premia

**Speaker:**

**Derek Drummond**, CAIA, Senior Analyst, State of Wisconsin Investment Board

**11:00 AM – Distressed Investing – Opportunistic and Special Situations**

- Where are we in the Distressed Cycle? When will the High Cash Positions come in off the Sidelines?
- How have Financing Markets Activity affected the Opportunity Set and what is the Outlook? Maturity Wall?
- Effects of Basel III, Dodd-Frank and Volker Rule on the Opportunity Set?
- What are the Implications and Risks associated with Investing in Distressed now? Pitfalls of the Economy?
- Which Sectors, Strategies and Geographies will create the Best Opportunities?
- Scope of the Distressed Market and Segments – Corporate Credit, Structured Credit, Commercial Real Estate, Hard Assets, Liquidations, Segmentation by Deal Size, etc.
- Prevalent Covenant-Lite Deals – are we seeing Bubble Conditions setting us up for Problems during the Next Cycle?
- Eurozone Opportunities – what Investments are sensible and when will they Arrive in Scale? Still Too Early? Which Countries, Sectors, Types of Deals should be looked at?
- U.S. vs. the European Opportunity Set – what do we need to know before making Allocation Decisions?
- Use of Leverage – Attractive or too much of a Repeat of 2006-2007?

- Control vs. Non-Control – when is one Approach better than the other?
- How does a Pension Plan go about choosing the right Distressed Strategy, Investment Style and Approach?
- What Skill Sets/Characteristics should Pension Plans look for in a Distressed Manager?
- What Returns can Investors expect over the next Five Years? Are Expectations too Optimistic/Aggressive?

**Moderator:**

**Pete Keliuotis, Senior Managing Director, Cliffwater, LLC**

**11:35 AM – Credit Strategies**

- Current State of the Credit Market
- Where are we in the Credit Cycle and how will it play out?
- Are Bargain Buys still Tough to Find and are Firms Accumulating Cash on the Sidelines?
- Default Rates and Expectations
- Where are we in the High Yield Market? What's the Upside and Downside from here?
- What Subsectors of Credit are Most Attractive? What are your Best Ideas for Finding Value?
- State of Securitized Markets – how Cheap is Securitized Risk vs. Unsecuritized Risk and how do you measure that? Long-Term Prognosis for Spreads?
- Bank Loans Overview – are we seeing a Bubble in Covenant Lite Loans?
- How is the Credit Quality of New Issuance?
- What do you expect will be New Issuance Volumes in ABS, CLOs, CMBS and RMBS in 2015?
- CLO Market Outlook and Reinvestment Challenge
- Dodd-Frank Risk Retention Requirement to Dramatically Shrink CLO Market by up to 75%? Will that happen and what are the Far-Reaching Effects?
- European Market Opportunity Set
- Are you seeing Increased Opportunities Outside of the U.S.?
- Considerations for Selecting a Manager and Strategy
- How will the Sector you Invest in do During Rising Rates? Is that a Concern and how do you Manage that?
- What are the Trade-offs between Mid-Market and Large Market Credit Investing?
- Do you see Investors being more willing to Trade Liquidity for Yield and should that be of Concern?
- Credit Investment Mandates – are they Too Narrow? Which Bucket or Asset Class does it fit into and should it be Defined as Opportunistic Credit?

**12:20 PM – Global Trade Finance Market**

The estimated \$10 trillion market supports more than 80% of global trade. Due to Basel III bank reserve capital requirements to cover their loans, we're seeing the development of alternative sources of non-bank credit. Trade Finance is set to catch on big with institutional investors.

- The Effects of Basel III Regulations and how it will cause Commodity Trade Finance Demand to Emerge
- Is this the Future for Short Duration Credit?
- How does it Fit in the Fixed Income or Credit Bucket?
- Attractive Characteristics of Trade Finance – Diversification, Non-Correlation, Low Volatility, Low Duration, Lower Risk, Collateralized
- Trade Finance Risk – Not Market Risk but Contract Risk making Execution/Operational Capabilities more Important
- What is the Length of Short Term and Long Term Investments?
- What are some Case Studies or Examples of Commodity Trade Finance Investments?



- Any Regulatory Concerns or Actions from the Basel Committee on Banking Supervision that might soften the blow to Trade Finance and change the Demand?
- Despite the Favorable Conditions, why are Opportunities for Investors Materializing at a Slow Pace? What Industry Barriers need to be overcome?

**Speaker:**

**Simon Lim, CFA, CAIA, Senior Consultant, Alan Biller and Associates**

**12:35 PM – Lunch**

**1:40 PM – Currency and Currency Alpha**

Central banks stimulus policy around the world has crushed currency volatility. As developed economies begin to depart from global central bank easing, higher rates will cause currency volatility to recover. Unlike other asset classes, volatility is considered a positive for currency which supports increased opportunity and performance, especially for active management.

- What is Currency Alpha and how is it done?
- Liquid and Transparent Market
- Goals of a Currency Program
- Non-Correlated Returns to Equities, Fixed Income, and Alternative Investments
- How does Investing in Currency Diversify and Reduce Risk? Natural Diversifier for the Duration Risk in Bonds?
- Can Currencies be Forecasted via Fundamentals, Cycles and Trends?
- Relationship of Volatility and Currency Returns – Extended Volatility Period Ahead?
- Importance of Currency Hedging to Reduce Portfolio Volatility and Risk
- Managing Currency Risk Factors
- Challenging Environment – how Central Bank Efforts and Low Rates Created an Environment of Diminished Returns and why it will Improve
- Will Active Management Benefit in the Coming Years and why?
- What considering Investing in an Active Currency Strategy, what should you look for in a Manager?

**2:10 PM – Emerging Managers**

- How are Plans defining Emerging Managers and how has the Term Evolved?
- What are the Benefits and Opportunities offered by Investing in Next Generation Managers?
- Explain Diversity and how you Achieve it
- Any Best Practices with respect to Implementing a Successful Emerging Manager Program?
- Due Diligence and Key Points of Analysis for Selecting Emerging Managers
- What are the Perceived Risks of Emerging Managers? Are they Myths or Realities?
- Comparing the Risk/Return Profile of Emerging Managers to Established Managers
- Research Statistics and Results on Emerging Manager Performance
- Are there certain Asset Classes where Emerging Firms do Better or have a Performance Advantage?
- Are there any Differences in Procedures for Monitoring Emerging Managers?
- New Firms Fundraising – how important is it to be spun out from Traditional or Name-Brand Firms? Key Differentiators that enable a Successful Fund Raising?
- Insider's View – Fundraising Process, Responsibilities, Balancing Time and Priorities
- What is an important Lesson Learned from your Experiences?
- Is there a Need for Niche Strategies to Capitalize on Market Inefficiencies in order to Expand in this Market?
- What is happening with Firms that have Reached Critical Mass?

**Moderator:**

**Cheryl Lynette Hines**, Emerging Manager Program Director, Teacher Retirement System of Texas

**Speakers:**

**Laurie Weir**, Senior Portfolio Manager, Targeted Investment Programs, California Public Employees' Retirement System, (CalPERS)

**2:45 PM – ESG, (Environmental, Social and Governance)**

- What are the Recent Market Developments in ESG for the U.S. and Abroad?
- Why should we consider ESG Issues and is there a Fiduciary Duty to address them?
- How ESG should be best Incorporated into the Investment Process – Portfolio Integration into all Asset Classes?
- Is Supply Chain Management the Next Big Trend? – Looking past the Portfolio Company with a View on its Relationship with Large Enterprise Customers
- What type of ESG Research or Data is most helpful are you using it?
- Relevant Benchmarks for ESG Risk Measurement and Assessing ESG Factors
- ESG Fund Performance vs. Traditional Funds
- Do we have Proof that ESG Integration Adds Value?
- Climate Change and Investment – what's the Relationship and how do you Integrate Climate Risks into your Process? What are the Alternatives to Divestment?
- What should Pension Funds be asking their Existing Active Managers in terms of whether they are looking at Climate Risk or Opportunity?
- Hiring an In-House ESG Specialist or Outside ESG Consultant
- What are some ESG Misconceptions?

**Moderator:**

**Jessica Matthews**, Managing Director, Mission-Related Investing Group, Cambridge Associates LLC

**3:15 PM – Refreshment Break**

**3:40 PM – Private Equity**

- Current State of the Industry – does it seem Frothy like the Pre-Recession Days?
- Fundraising Environment – will Sovereign Wealth Funds and the DC Plan Shift into Private Equity help for Future Fundraising?
- Dry Powder – Is there Pressure to put Money to Work and will it Hurt a Firm's Ability to Raise a Future Fund because of Uninvested Capital?
- What will be the Impact of the Global Private Equity Capital Overhang on Returns?
- As an LP, how do you go about Maintaining your Allocation while Reducing your GPs?
- What Percentage of your Existing Managers that are in the Market do you Expect to Back? What Criteria besides Performance is Important to you?
- Trend of Big LPs committing to Customized GP Relationships with Separate Accounts – how will it affect the Industry?
- Fund of Funds Consolidation – how will the space Evolve and how are GPs Adapting? Specialization?
- Do Fund of Funds Add enough Value to Offset the Costs?
- What are your Expectations for Buyout Exits and Distributions? Increased Emphasis on Post-Acquisition Value-Add? Will the Average Hold Period Remain Long and what are the Implications?
- Risk/Return Profiling of Small, Middle and Large Buyouts – any Conclusions?
- Trend of Co-Investments – Approach and Criteria. Do's and Don'ts of Co-Investing
- Do you side with the various White Paper Skeptics on Co-Investment Underperformance or do you

- see the Benefits with the Proper Approach?
- Venture IPO and M&A Exit Pipeline Outlook. Thoughts on Lack of Performance over past Decade? Outperformance of Smaller Venture Funds?
- Why are LPs focused on Growth Equity as a Strategy? How does it Differ from Buyouts and Venture in terms of Capital Loss Ratio and Returns?
- Secondary Market – what are you seeing in regards to Supply, Demand and Pricing? Who are the typical Sellers today and why are they Selling?
- What are the Risk/Return Characteristics of Secondaries vs. Private Equity in general?
- Do you see Opportunities in Europe?
- What Trends have you seen for Fees and Terms?
- Liquidity Concerns – which Strategies offer Shorter Time Horizons, Cash Yield and Greater Liquidity?
- Where do you expect that we'll see the Best Returns over the next Five Years? Favorite Sector?

**Moderator:**

Allen E. Waldrop, CFA, Managing Director, LP Capital Advisors, (LPCA)

**Speaker:**

Aaron Au, Investment Officer-Illiquid Markets, Employees' Retirement System of the State of Hawaii (HIERS)

**4:25 PM – CIO Roundtable**

**(A) Fiscal Health and Asset/Liability Evaluation**

- Has your Funded Status changed your Long Term Decisions with regards to Liquid or Illiquid Investments?
- Is your Fund adequately Protected for Liquidity and Cash Flow Requirements whether it is for Benefits and/or other Commitments?
- Has your Fund taken adequate Risk Measures and Diversified via Non-Correlated Strategies to guard against a Large or Prolonged Decline in Equities? Is your Fund Better Positioned to withstand Major Market Volatility than it was in 2008?
- Do you believe your Hedge Fund Strategies and other Allocations will actually provide a Cushion for the next Market Downturn?
- Has your Fund done any Stress-Testing under Extreme Economic Scenarios?
- What sort of De-Risking Strategies or Risk Management Approaches has your Fund Integrated into the Investment Decision Process?
- Do you employ or have you considered utilizing any Risk Parity Strategies in the Future?
- What Strategies do you incorporate for a Dynamic or Opportunistic Approach?
- Do you believe Plans in general will be able to Meet or Beat the Assumed Rate of Return over the next 10 Years?

**(B) Allocation and Considerations for the Future**

- What are your Biggest Concerns about the End of QE and the End of Global Central Banks Stimulus Policies? Have you taken any steps as a result?
- Are you worried about the Long Term Aftermath of a "Bond Bubble" and have you positioned your Fund accordingly? How do you Approach Duration Risk?
- What Strategies does your Fund utilize that will Protect against Rising Interest Rates?
- What Strategies does your Fund utilize that will Protect or Hedge against Future Inflation?
- What do you feel is the proper Emerging Markets Allocation and are there any Regional or Frontier Strategies that interest you?
- What Trends have you seen towards more Liquid Investments and has your Fund deployed Assets into these types of Investments?

- Which Strategies do you expect to Outperform in the next 3-5 Years?

**(C) Alignment of Interests**

- What Changes or Trends have you noticed in Fee Structures/Terms and your Bargaining Power?
- What Tactics work best for you when attempting to Negotiate Private Placement Agreements?
- What are your Concerns about Operational Due Diligence and what can you do about this Issue?
- What Support would help you to do a better job of Addressing and Solving Investment Problems?
- What Discretion and Authority do you have with those Problems?
- Any Progress in granting you and your Investment Departments more Latitude in Tactically Managing your Portfolios in response to Extreme Economic Conditions?
- How do you keep your Trustees Educated so they can make more Timely and Effective Decisions? Any Programs?
- Any important Lessons Learned that you can share from your Individual Plan Experiences?

**Moderator:**

**Rob Feckner, President, Board of Administration, California Public Employees' Retirement System, (CalPERS)**

**Speakers:**

**Vijoy Chattergy, CAIA, Chief Investment Officer, Employees' Retirement System of the State of Hawaii (HIERS)**

**William J. Coaker Jr., CFA, Chief Investment Officer, San Francisco Employees Retirement System**

**5:25 PM – Conference Concludes**

**5:30 PM – Tickets for Networking Event handed out in Conference Room**

**6:15 PM – Wine Tasting Networking Dinner**

Hosted by The Pension Bridge – Join our group at for a wine tasting and dinner at the Press Club, located just next door to the Four Seasons. Meet your industry peers in great setting as California Wine Country comes to the heart of the city. Experience the finest winemakers with new and rare vintages. We'll have a fun wine tasting reception, followed by a tasteful dinner with the highest quality organic ingredients. With 9000 square feet of the award winning "Best Restaurant Design" event space, the Pension Bridge Group is sure to utilize it for conversation with quality contacts.

## REGISTRATION:

To register or receive more information on The 2015 Pension Bridge Annual:

### Florida Office Contact:

Brett Semel  
(561) 455-2729  
bsemel@pensionbridge.com

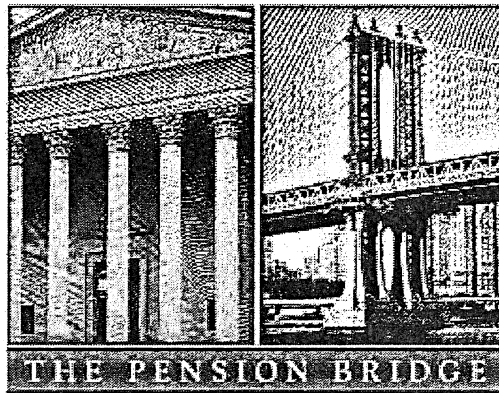
### New York Office Contact:

Andrew Blake  
(516) 818-7989  
ablake@pensionbridge.com

Please visit [www.pensionbridge.com](http://www.pensionbridge.com) for additional details. Registration is not available online.

About The Pension Bridge: We are an innovative company offering educational conferences of the highest quality. Our objective is to provide an education to the institutional investment community while providing an impressive speaker faculty in a setting that is conducive to great networking. We help institutional money managers connect with Pension Funds and Consultants across the country in a fun, enjoyable atmosphere. Our events can act as a stepping stone to a successful financial relationship or simply help build the investment education.

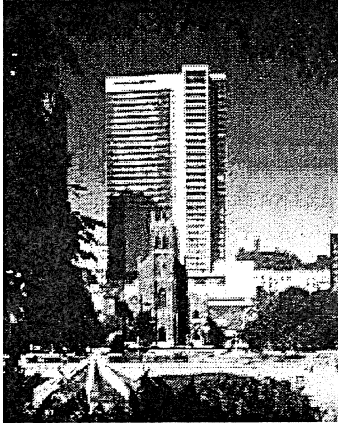
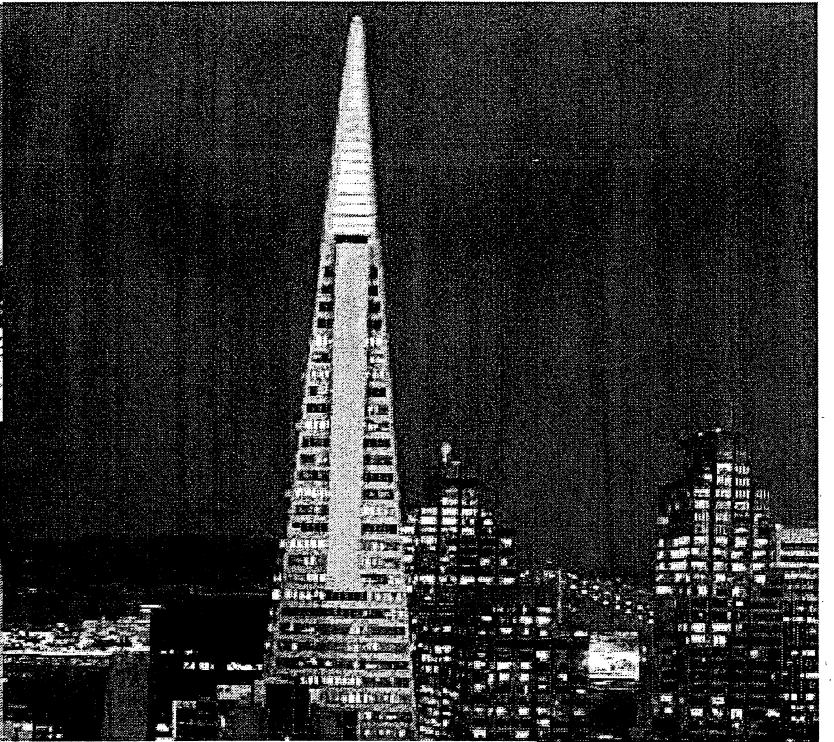
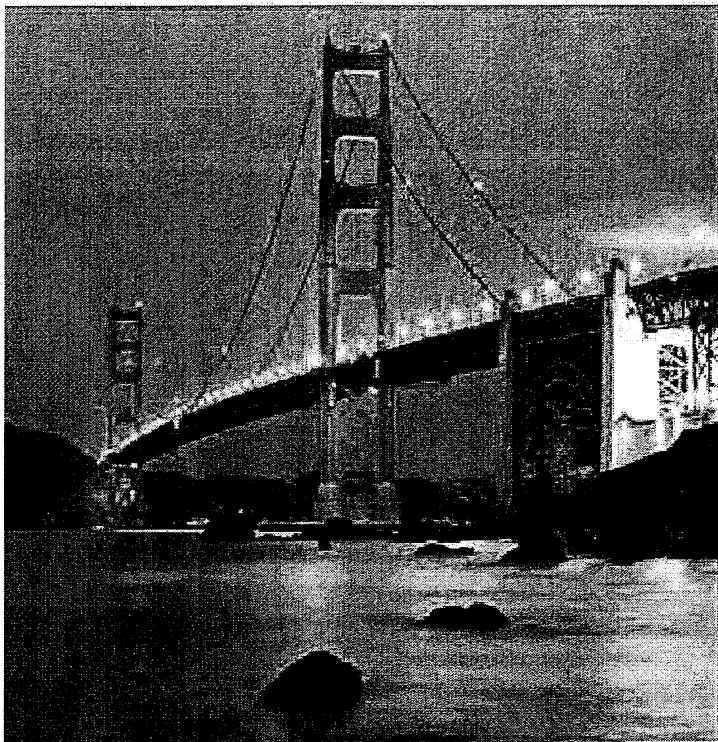
Our management team's unique skills, operating experience, and industry relationships help to make our events the main attraction in the industry. We pride ourselves on being there to cater to our clients' wants and needs. Our ratio of plan sponsor to investment manager allows our events to be the most desirable and accommodating in the conference industry. The Pension Bridge is known for its strength, stability, relationships and operational excellence.



The Pension Bridge ▪ 1015 Bel Air Drive, Building 1 ▪ Highland Beach, FL 33487 ▪ (561) 455-2729  
[www.pensionbridge.com](http://www.pensionbridge.com)

**The Pension Bridge Annual**  
April 7th & 8th, 2015 | San Francisco

*10 Years*  
2006-2015



The Pension Bridge Annual  
April 7th & 8th, 2015  
The Four Seasons Hotel  
San Francisco, CA

