

CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

Page 1

May 6, 2009

The Board of Retirement met in regular session at 9:00 a.m. on Wednesday, May 6, 2009 in the Conference Room of the Contra Costa County Employees' Retirement Association, 1355 Willow Way, Suite 221, Concord, CA.

Present: Terry Buck, Dave Gaynor, Brian Hast, Jerry Holcombe, Paul Katz, William J. Pollacek, and Jerry Telles

Staff: Marilyn Leedom, Retirement Chief Executive Officer; Cary Hally, Retirement Chief Investment Officer; Rick Koehler, Retirement Accounting Manager; Kathy Somsen, Retirement Benefits Manager; Toni Warren, Retirement Administration Manager; Karen Levy, Counsel

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

Other Attendees:

Tracy Kroll	Contra Costa County Employees' Retirement Association (CCCERA) Staff
Joelle Luhn	CCCERA Staff
Luz Casas	CCCERA Staff
Margie Breen	CCCERA Staff
Karen Davis	CCCERA Staff
Mary Lou Williams	CCC Retirees' Association
Jerrie Davis	CCCERA Staff
Satomi Cadena	CCC Retirees' Association

1. Pledge of Allegiance

Telles led all in the *Pledge of Allegiance*.

2. Jerrie Davis, 20 Year Service Award

Hast congratulated CCCERA employee, Jerrie Davis, on the occasion of her 20th Anniversary and thanked her for her years of dedicated service to the Retirement Association.

3. Public Comment

In public comment, Mary Lou Williams of the Retirees' Association stated she appreciates the information received from the seminar/conference reports from trustees.

4. Routine Items

It was **M/S/C** to approve the routine items of the May 6, 2009 meeting (Yes: Buck, Gaynor, Hast, Holcombe, Katz, Pollacek, and Telles)

The Board moved into closed session pursuant to Govt. Code Section 54957 to consider the Medical Advisor and/or staff's recommendation regarding disability retirement applications.

The Board moved into open session.

5. Disability Retirements

It was **M/S/C** to accept the Medical Advisor's recommendation and grant the following disability benefits:

- (a) Kelly Nash Non Service Connected (Yes: Buck, Gaynor, Hast, Holcombe, Katz, Pollacek, and Telles)
- (b) James Bradley Service Connected (Yes: Buck, Gaynor, Hast, Holcombe, Katz, Pollacek, and Telles)

6. Disability Application of Gloria Paduveris

It was **M/S/C** to accept the recommendation of County Counsel to grant a non-service connected disability retirement to Gloria Paduveris. (Yes: Buck, Gaynor, Hast, Holcombe, Katz, Pollacek, and Telles)

7. Slate of SACRS Officers for 2009-2010

It was **M/S/C** to vote yes at the SACRS Spring Conference for the recommended slate of candidates for the annual SACRS Executive Committee elections. (Yes: Buck, Gaynor, Hast, Holcombe, Katz, Pollacek, and Telles)

8. Records Retention Policy

Leedom noted the history behind and the reasons for adopting a formal Records Retention Policy.

Levy reviewed the draft Records Retention Policy and briefly discussed determinations made for retention. Several items in the retention schedule were discussed in-depth. After removing "Retiree Medical Records" and changing the retention from two to seven years for "Public Records Requests and Responses", it was **M/S/C** to adopt the CCCERA Records Retention Policy as amended. (Yes: Buck, Gaynor, Hast, Holcombe, Katz, Pollacek, and Telles)

9. Disaster Recovery Services

Leedom provided an overview of her recommendations for the first stages of disaster recovery. After discussion, it was **M/S/C** to adopt staff's recommendation to authorize a contract with Sungard for cold site restoration of CCCERA's mission critical processes, to approve continued discussion with San Diego County Employees' Retirement Association (SDCERA) to install cooperative hot site capabilities at each

respective office, and develop a budget for required equipment, communications and data transfer. (Yes: Buck, Gaynor, Hast, Holcombe, Katz, Pollacek, and Telles)

10. Request from Contra Costa County Retired Employees' Association (CCCREA), Local 1

Leedom discussed the policy for Mailings to Retirees, noting this procedure must be followed for all requests from retiree groups. There were several suggestions on updating the Policy on Mailings to Retirees. It was **M/S/C** to allow the mailing as requested by CCCREA. (Yes: Buck, Gaynor, Hast, Holcombe, Katz, Pollacek, and Telles)

11. Conference Seminar Attendance

- (a) It was **M/S/C** to authorize the attendance of one staff member and Telles at the Investor Conference, Paladin, June 10 - June 11, 2009, Washington, D.C. (Yes: Buck, Gaynor, Hast, Holcombe, Katz, Pollacek, and Telles)
- (b) It was **M/S/C** to authorize the attendance of Remick and Buck at Guns & Hoses, IIR, September 13 - 15, 2009, San Diego, CA. (Yes: Buck, Gaynor, Hast, Holcombe, Katz, Pollacek, and Telles)

12. Miscellaneous

- (a) Staff Report - Leedom reported approximately 433 letters were mailed to retirees regarding a public information request for retirees or beneficiaries receiving \$8,333 per month or \$100,000 per year or more. The letter notified retirees of the request and advised them they could obtain a court order to stop the disclosure, in accordance to CCCERA's Accessibility of Records Policy.

Leiderman discussed CCCERA's public information policy. Leedom noted we have a legal opinion stating CCCERA has to disclose names and dollar amounts of pensioners if a request is made. Katz noted he had discussed a request for the mean and median pension amounts for our system with staff, as most CCCERA pensioners do not receive \$100,000 per year.

Leedom noted a recent opening in Retirement's IT Department and indicated intent to complete an alternate certification in order to bring an employee from the County layoff list on-board.

Leedom concluded by noting all will receive an updated copy of the Investment Guidelines and the new Records Retention Schedule.

- (b) Outside Professionals' Report - Leiderman noted Contra Costa County, the State and other counties are considering work furloughs for staff. Staff and counsel are looking into the impact on retirement allowances. The details will be important in determining the impact on final average salary, contributions and whether the program is temporary in nature or is similar to an unpaid absence rather than a permanent reduction in hours and wages. Some board members commented that

CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

Page 4

May 6, 2009

temporary furloughs are for budget reasons and required by employers and final average salary shouldn't be affected.

- (c) Trustees' Comments - Telles discussed the NCPERS conference he recently attended. He discussed an exercise on asset class mix with bonds and equity. He learned only small changes should be made when working with asset allocation, rather than major shifts in allocations.

- (d) Pollacek noted in his various endeavors, he is beginning to see some healing in the credit market.

Brian Hast, Chairman

Jerry Telles, Secretary