Contra Costa County Employees' Retirement Association

AGENDA

RETIREMENT BOARD MEETING

REGULAR MEETING
September 8, 2021, 9:00 a.m.

The Board of Retirement will hold its meeting via teleconferencing as permitted by Executive Order N-29-20. The meeting is accessible telephonically at 669-900-6833, Webinar ID: 815 8550 9705, Passcode: 041848, or via the web at:
https://us06web.zoom.us/j/81585509705?pwd=QUJoQ3BHK0s0T1lXempXd09ScVRqQT09
Passcode: 041848

Persons may request to make public comment by emailing publiccomment@cccera.org the day before the Board meeting or the day of the Board meeting either before or during the meeting. Public comments are limited to any item that is within the subject matter jurisdiction of the Board of Retirement. Both written and oral comments will be accepted, subject to a three-minute time limit per speaker. Written comments will be read into the record at the meeting. All comments submitted will be included in the record of the meeting.

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

1. Pledge of Allegiance.

2. Roll Call.

3. Accept comments from the public.

4. Recognition of Kelli Ingersoll for 30 years of service; Francisca Citero for 25 years of service; Kristina Dohrn for 5 years of service; and Dorothy Saechao for 5 years of service.

5. Approve minutes from the August 11, 2021 meeting.

6. Routine items for September 8, 2021.
    a. Approve certifications of membership.
    b. Approve service and disability allowances.
    c. Accept disability applications and authorize subpoenas as required.
    d. Approve death benefits.

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.

e. Accept asset allocation report.
f. Accept liquidity report.

CLOSED SESSION

7. The Board will go into closed session pursuant to Govt. Code Section 54957 to consider recommendations from the medical advisor and/or staff regarding the following disability retirement applications:

Member	Type Sought	Recommendation
a. Kristy Trindade	Service Connected	Service Connected
b. Minh Vu	Service Connected	Service Connected

8. The Board will continue in closed session pursuant to Govt. Code Section 54957 to consider the Hearing Officer's recommendation regarding the disability application for Neal Bassett.

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

   a. *Contra Costa County Deputy Sheriffs Association, et al., v. Board of Retirement of CCCERA, et al.,* Contra Costa County Superior Court, Case No. MSN12-1870
   b. *Contra Costa County Deputy Sheriffs Association, et al., v. Board of Retirement of CCCERA, et al.,* Contra Costa County Superior Court, Case No. C15-00598
   c. *Public Employees Union Local No. 1, et al., v. Board of Retirement of CCCERA, et al.,* Contra Costa County Superior Court, Case No. N14-2021

OPEN SESSION

10. Consider and take possible action to adopt Resolution 2021-5 authorizing actions in compliance with Assembly Bill 197 and the Alameda decision.

11. Presentation of Semi-Annual Disability Retirement Report.

12. Consider and take possible action to amend the IRC 415 Tax Compliance Policy.

13. Review of the Accessibility of Investment Records Policy.

14. Consider and take possible action on SACRS voting proxy form.

15. Report from Audit Committee Chair on August 25, 2021 Audit Committee meeting.

16. Consider authorizing the attendance of Board:
    a. CALAPRS Trustees Roundtable, October 29, 2021, Virtual.
    b. CRCEA Fall Conference, November 7-10, 2021, Long Beach, CA.
    c. SACRS Fall Conference, November 9-12, 2021, Hollywood, CA.

17. Miscellaneous

   a. Staff Report
   b. Outside Professionals' Report
   c. Trustees' comments

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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.

Contra Costa County Employees' Retirement Association

RETIREMENT BOARD MEETING MINUTES

REGULAR MEETING
August 11, 2021
9:00 a.m.

The Board of Retirement meeting was accessible telephonically at (669) 900-6833, Webinar ID 848 6538 2371, Passcode 539395 due to the Contra Costa County and State of California Coronavirus (COVID-19) Shelter In Place Orders, and as permitted by Executive Order N-29-20 issued on March 17, 2020.

1. Pledge of Allegiance

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

2. Roll Call

Present: Candace Andersen, Dennis Chebotarev, Donald Finley, Scott Gordon, Jerry Holcombe, Louie Kroll, Jay Kwon, David MacDonald, John Phillips, Reggie Powell, Mike Sloan and Belinda Zhu (Deputy Treasurer, present and voting in Treasurer Russell Watts' absence).

Absent: None

Staff: Gail Strohl, Chief Executive Officer; Christina Dunn, Deputy Chief Executive Officer; Timothy Price, Chief Investment Officer; Karen Levy, General Counsel; Wrally Dutkiewicz, Compliance Officer; Anne Sommers, Administrative/HR Manager; Henry Gudino, Accounting Manager; and Tim Hoppe, Retirement Services Manager.

Outside Professional Support:	Representing:
Paul Angelo	Segal Consulting
Andy Yeung	Segal Consulting
Eva Yum	Segal Consulting

3. Recognition of Jennifer Love for 20 years of service and Brittany Revuelta-Ozuna for 5 years of service

Gordon recognized and congratulated Jennifer Love for 20 years of service and Brittany Revuelta-Ozuna for 5 years of service.

4. Accept comments from the public

No member of the public offered comment.

5. Approval of Minutes

It was **M/S/C** to approve the minutes from the June 23, 2021 Board meeting. (Yes: Anderson, Chebotarev, Finley, Gordon, Holcombe, Kroll, MacDonald, Phillips and Zhu)

6. Routine Items

It was **M/S/C** to approve the routine items of the August 11, 2021 Board meeting. (Yes: Andersen, Chebotarev, Finley, Gordon, Holcombe, Kroll, MacDonald, Phillips and Zhu)

7. Presentation from Segal regarding the December 31, 2020 Valuation Report

Angelo presented the Valuation Report as of December 31, 2020.

8. Consider and take possible action to adopt the December 31, 2020 Valuation Report and contribution rates for the period July 1, 2022-June 30, 202

It was **M/S/C** to adopt the December 31, 2020 Valuation Report and contribution rates for the period July 1, 2022-June 30, 2023. (Yes: Andersen, Chebotarev, Finley, Gordon, Holcombe, Kroll, MacDonald, Phillips and Zhu)

9. Consider authorizing the attendance of Board:

a. It was M/S/C to authorize the attendance of 3 Board members at the SACRS Summer Webinar Series, August 12 and August 24, 2021, Webinar. (Yes: Andersen, Chebotarev, Finley, Gordon, Holcombe, Kroll, MacDonald, Phillips and Zhu)
b. There was no action taken on this item. Trustees Masters Program, IFEBP, October 16-17, 2021, Denver, CO.
c. It was M/S/C to authorize the attendance of 4 Board members at the 8th Annual California Institutional Forum, December 17, 2021, Napa, CA. (Yes: Andersen, Chebotarev, Finley, Gordon, Holcombe, Kroll, MacDonald, Phillips and Zhu)

10. Miscellaneous

a. Staff Report –

Strohl reported that in July, CCCERA increased the phone hours and we are now allowing in-person appointments.

b. Outside Professionals' Report -

None

c. Trustees' comments –

Phillips asked if there is an update on the Board meeting in person. Strohl commented that unless there is a change, the Board meetings will be in person beginning October 13th.

Gordon asked that the meeting be adjourned in memory and honor of Richard Rainey, former Contra Costa County Sheriff, Assemblyman and Senator.

It was **M/S/C** to adjourn the meeting in memory and honor of Richard Rainey. (Yes: Andersen, Chebotarev, Finley, Gordon, Holcombe, Kroll, MacDonald, Phillips and Zhu)

Scott Gordon, Chairman

Jerry Holcombe, Secretary

CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

BOARD OF RETIREMENT

September 8, 2021

Items requiring Board Action

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

B. Service and Disability Retirement Allowances:

Name	Number	Effective Date	Option Type	Tier	Selected
Allen, Timothy	60628	05/01/21	SR	Safety A	Unmodified
Bracho, Elio	56523	03/31/21	SR	Tier II and III	Unmodified
Bunting, Lorene	53631	03/31/21	SR	Tier II and III	Option 1
Deaton, James	66404	04/09/21	SR	Tier III	Option 2
Donez-Lacy, Sally	D9990	07/03/21	SR	Tier I	Unmodified
Eastridge, Debra	D9500	03/31/21	SR	Tier II and III	Unmodified
Fadrigo, Maribel	57154	03/31/21	SR	Tier II and III	Unmodified
Frost, Lisa	74895	04/01/21	SR	Tier III	Option 1
Furtado, Marcia	52559	03/31/21	SR	Tier III	Unmodified
Ginther, Wendy	72565	04/13/21	SR	Tier III	Option 1
Graney, Pamela	76042	04/10/21	SR	Tier III	Unmodified
Horvath, Theresa	40570	03/31/21	SR	Tier III	Option 4
Jazgar, Bogdan	47186	03/31/21	SR	Tier III	Unmodified
Lal, Adi	34041	03/31/21	SR	Tier I and III	Unmodified
Linder, Via	51637	03/31/21	SR	Tier II and III	Unmodified
Moody, Benet	40114	03/31/21	SR	Tier II and III	Unmodified
Owens, Nancy	45887	03/31/21	SR	Tier II and III	Unmodified
Perry, Shannon	D9500	03/31/21	SR	Tier II and III	Option 1
Pun, Warren	44192	03/31/21	SR	Tier III	Unmodified
Quichocho, Frederick	70630	03/31/21	SCD	Safety A	Unmodified
Riwkes, Edna	42281	03/31/21	SR	Tier II and III	Unmodified
Sook, Cynthia	50375	03/31/21	SR	Tier II and III	Option 1
Steelman, Kelene	45400	05/15/21	SR	Tier II and III	Option 1
Thomas, David	68609	02/26/21	SR	Tier III	Option 2
Tummings, Laquita	60180	05/01/21	SR	Tier II and III	Unmodified
Wilkins, Stephanie	72103	03/30/21	SR	Tier III	Unmodified

Option Type

NSP = Non-Specified
SCD = Service Connected Disability
SR = Service Retirement
NSCD = Non-Service Connected Disability
* = County Advance
Selected w/option

Tier

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

Pepra 4.2 = Pepra Tier 4 (2% COLA)
Pepra 4.3 = Pepra Tier 4 (3% COLA)
Pepra 5.2 = Pepra Tier 5 (2% COLA)
Pepra 5.3 = Pepra Tier 5 (3% COLA)
S/D = Pepra Safety Tier D
S/E = Pepra Safety Tier E

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

Name	Number	Filed	Type
Behrmann, Nathan	70587	08/23/21	SCD
Brashem, Kevin	D7274	08/05/21	SCD
Hoschouer, Jason	60701	07/13/21	SCD

D. Deaths:

Name	Date of Death	Employer as of Date of Death
Bortin, Beverly	06/21/21	Contra Costa County
Boyle, Patrick	06/30/21	Contra Costa County
Burrious, Dale	07/01/21	Contra Costa County
Carter, Dizella	07/30/21	Contra Costa County Housing Authority
Davidson, Hazel	06/05/21	Contra Costa County
Dillard, William	08/05/21	Contra Costa County
Green, Janice	07/03/21	Contra Costa County
Lucas De Leon, Dionicia	01/04/21	Contra Costa County
Olson, Ronald	07/07/21	Contra Costa County
Rankin, Shirley	05/18/21	Contra Costa County
Transchel, Nancy	08/03/21	Contra Costa County
Ward, Mary	07/19/21	Contra Costa County
West, Coynell	07/29/21	Contra Costa County

Option Type

NSP = Non-Specified
SCD = Service Connected Disability
SR = Service Retirement
NSCD = Non-Service Connected Disability
* = County Advance
Selected w/option

Tier

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

Pepra 4.2 = Pepra Tier 4 (2% COLA)
Pepra 4.3 = Pepra Tier 4 (3% COLA)
Pepra 5.2 = Pepra Tier 5 (2% COLA)
Pepra 5.3 = Pepra Tier 5 (3% COLA)
S/D = Pepra Safety Tier D
S/E = Pepra Safety Tier E

Meeting Date
09/08/2021
Agenda Item
#6

CERTIFICATION OF MEMBERSHIPS

Name	Employee Number	Tier	Membership Date	Employer
Adams, Tristen	90789	P5.2	07/01/21	Contra Costa County
Aguilar, Bianka	90790	P5.2	07/01/21	Contra Costa County
Aikens, Shaunte	87202	P5.2	07/01/21	Contra Costa County
Alarcon-Bowen, Aaron	90739	P5.2	07/01/21	Contra Costa County
Allen, Chauntel	D9500	P5.3	07/01/21	Contra Costa County Superior Courts
Allen, Destiny	D9500	III	07/01/21	Contra Costa County Superior Courts
Anderson, Portia	D9500	P5.3	07/01/21	Contra Costa County Superior Courts
Atabati, Manzar	79695	P5.2	07/01/21	Contra Costa County
Bagtas, Ana	90746	P5.2	07/01/21	Contra Costa County
Baldoza, Raymund	90794	P5.2	07/01/21	Contra Costa County
Bansah, Senam	90706	P5.2	07/01/21	Contra Costa County
Bell, Ricky	90766	P5.2	07/01/21	Contra Costa County
Bitar, Juliana	89647	P5.2	07/01/21	Contra Costa County
Brown, Stephanie	90811	III	07/01/21	Contra Costa County
Bugara, Lyla	89908	P5.2	07/01/21	Contra Costa County
Caballero, Katherine	90730	P5.2	07/01/21	Contra Costa County
Calica, Kaeli	90524	P5.2	07/01/21	Contra Costa County
Campos, Maria	90743	P5.2	07/01/21	Contra Costa County
Cardinale, Gianna	D9500	P5.3	07/01/21	Contra Costa County Superior Courts
Carneal, Hillary	90780	P5.2	07/01/21	Contra Costa County
Castillo, Jacqueline	90732	P5.2	07/01/21	Contra Costa County
Chaet-Lopez, Alexis	90783	P5.2	07/01/21	Contra Costa County
Chandar, Samantha	90787	P5.2	07/01/21	Contra Costa County
Chantharath, Anna	86247	P5.2	07/01/21	Contra Costa County
Chou, Chin	D7274	S/D	07/01/21	Moraga-Orinda Fire District
Cless, Mallory	90778	P5.2	07/01/21	Contra Costa County
Cline, Kristen	90738	P5.2	07/01/21	Contra Costa County
Cohen, Jordan	89820	P5.2	07/01/21	Contra Costa County
Conate, Amani	87861	P5.2	07/01/21	Contra Costa County
Dayal, Komal	90736	P5.2	07/01/21	Contra Costa County
DeGroote, Maya	90779	P5.2	07/01/21	Contra Costa County
DelCarmen, John Darren	90721	P5.2	07/01/21	Contra Costa County
Donato, Bennet	90764	P5.2	07/01/21	Contra Costa County
Doshi, Kunal	90775	P5.2	07/01/21	Contra Costa County
Dowke, Anna	88564	P5.2	07/01/21	Contra Costa County
Earlywine III, George	85227	P5.2	07/01/21	Contra Costa County
Egu, Gertrude	87885	P5.2	07/01/21	Contra Costa County
Espinoza, Monica	90828	P5.2	07/01/21	Contra Costa County
Fisher, Tammy-Jay	90762	P5.2	07/01/21	Contra Costa County
Forrest, Brooklynn	90829	P5.2	07/01/21	Contra Costa County

Key:

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

CERTIFICATION OF MEMBERSHIPS

Name	*Employee Number*	*Tier*	*Membership Date*	*Employer*
Frolli, Leta	90806	P5.2	07/01/21	Contra Costa County
Garcia, Laraine	90809	P5.2	07/01/21	Contra Costa County
Gay, Giana	90850	P5.2	07/01/21	Contra Costa County
Gay, Taylor	D3406	P4.3	07/01/21	Central Costra Costa Sanitary District
Gibson, Dominyque	90812	P5.2	07/01/21	Contra Costa County
Glick, Stephanie	90792	P5.2	07/01/21	Contra Costa County
Gomez, Nalin	89895	P5.2	07/01/21	Contra Costa County
Gonzalez, Gilbert	90179	P5.2	07/01/21	Contra Costa County
Greenberg, Scott	90824	III	07/01/21	Contra Costa County
Gutierrez, Joselyn	D9500	P5.3	07/01/21	Contra Costa County
Hansen, Heather	90727	P5.2	07/01/21	Contra Costa County
Harris, Kesha	90579	P5.2	07/01/21	Contra Costa County
Hawkins, John	90795	P5.2	07/01/21	Contra Costa County
Herrera, Ruben	D3406	P4.3	07/01/21	Central Costra Costa Sanitary District
Hicks, Kimberlee	64248	III	07/01/21	Contra Costa County
Howell, Marlene	D9500	P5.3	07/01/21	Contra Costa County Superior Courts
Hoy, Ryan	90777	P5.2	07/01/21	Contra Costa County
Johnson, Darlene	77902	P5.2	07/01/21	Contra Costa County
Jolliff, Lyana	89263	P5.2	07/01/21	Contra Costa County
Khouie-Vargas, Roya	90772	III	07/01/21	Contra Costa County
King, Amber	89091	P5.2	07/01/21	Contra Costa County
Kirkpatrick, Karlee	90781	P5.2	07/01/21	Contra Costa County
Ku, Tiffany	90782	P5.2	07/01/21	Contra Costa County
Kuemmerle, Dezaray	D9500	P5.3	07/01/21	Contra Costa County Superior Courts
Lash, Cherryl	88918	P5.2	06/01/21	Contra Costa County
Leahy, Sarah	89915	P5.2	07/01/21	Contra Costa County
Lopez, Eliana	90711	P5.2	07/01/21	Contra Costa County
Luy, Catherine	D9500	P5.3	07/01/21	Contra Costa County Superior Courts
Madrigal, Armando	90799	P5.2	07/01/21	Contra Costa County
Manuel, Carlos	89061	P5.2	07/01/21	Contra Costa County
Medina, Mitzi	90816	P5.2	07/01/21	Contra Costa County
Medina, Nancy	90726	P5.2	07/01/21	Contra Costa County
Miller, Kacey	90796	P5.2	07/01/21	Contra Costa County
Morgan, Folasa	90820	P5.2	07/01/21	Contra Costa County
Munoz, Dora	90769	P5.2	07/01/21	Contra Costa County
Oden, Oshmin	90585	P5.2	07/01/21	Contra Costa County
Oyita, Nduka	90731	P5.2	07/01/21	Contra Costa County
Pacheco, Alexandra	81257	P5.2	07/01/21	Contra Costa County
Pascua, Maria Belinda	88389	P5.2	07/01/21	Contra Costa County
Peabody, Kierra	90813	P5.2	07/01/21	Contra Costa County
Pham, Cindy	89367	P5.2	07/01/21	Contra Costa County

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II = Tier II	**P4.3 = PEPRA Tier 4 (3% COLA)**	**S/C = Safety Tier C**
III = Tier III	**P5.2 = PEPRA Tier 5 (2% COLA)**	**S/D = Safety Tier D**
	P5.3 = PEPRA Tier 5 (3% COLA)	**S/E = Safety Tier E**

CERTIFICATION OF MEMBERSHIPS

Name	*Employee Number*	*Tier*	*Membership Date*	*Employer*
Pipo, Shelby	90699	P5.2	07/01/21	Contra Costa County
Purcell-DeAbreu, Bronwyn	90808	P5.2	07/01/21	Contra Costa County
Ramirez, Ector	D3603	P4.3	07/01/21	Byron/Brentwood Cemetery
Ratcliff, Stephannie	90776	P5.2	07/01/21	Contra Costa County
Robin, Arianna	90788	P5.2	07/01/21	Contra Costa County
Rodriguez, Kathleen	D3406	I	07/01/21	Central Costra Costa Sanitary District
Rogers, Sade	D9500	P5.3	07/01/21	Contra Costa County Superior Courts
Royston, LeKashi	90690	P5.2	07/01/21	Contra Costa County
Salazar, Judith	90815	P5.2	07/01/21	Contra Costa County
Sanchez Lopez, Cinthia	90742	P5.2	07/01/21	Contra Costa County
Savelli, Leanne	90785	P5.2	07/01/21	Contra Costa County
Sedano, Roberto	90684	P5.2	07/01/21	Contra Costa County
Sharma, Neha	90614	P5.2	07/01/21	Contra Costa County
Shepherd, La'Quondra	90728	P5.2	07/01/21	Contra Costa County
Ssentongo, Ramadhan	89093	P5.2	07/01/21	Contra Costa County
Tecco, Rick	90845	P5.2	07/01/21	Contra Costa County
Thomaes, Susan	90758	P5.2	07/01/21	Contra Costa County
Tran, Thu	89146	P5.2	07/01/21	Contra Costa County
Tran, Vivian	90562	P5.2	07/01/21	Contra Costa County
Trujillo, Alysa	90705	P5.2	07/01/21	Contra Costa County
Uy, Kenneth	90847	P5.2	07/01/21	Contra Costa County
VanHoose, Allie	90722	P5.2	07/01/21	Contra Costa County
Villa, Kristine Joy	90821	P5.2	07/01/21	Contra Costa County
Ward, Michael	90768	P5.2	07/01/21	Contra Costa County
Whitt, Justin	90767	P5.2	07/01/21	Contra Costa County
Williams, Lacreena	90825	P5.2	07/01/21	Contra Costa County
Woods, Xavier	83992	P5.2	07/01/21	Contra Costa County
Wu, Ming Yang	90805	P5.2	07/01/21	Contra Costa County
Yoshiki, Kevin	D3406	P4.3	07/01/21	Central Costra Costa Sanitary District
Zepeda, Mairlen	72568	P5.2	07/01/21	Contra Costa County
Zorn, Jeff	90832	P5.2	07/01/21	Contra Costa County

Key:

I = Tier I	**P4.2 = PEPRA Tier 4 (2% COLA)**	**S/A = Safety Tier A**
II = Tier II	**P4.3 = PEPRA Tier 4 (3% COLA)**	**S/C = Safety Tier C**
III = Tier III	**P5.2 = PEPRA Tier 5 (2% COLA)**	**S/D = Safety Tier D**
	P5.3 = PEPRA Tier 5 (3% COLA)	**S/E = Safety Tier E**

TIER CHANGES

Name	*Employee Number*	*Old Tier*	*New Tier*	*Effective Date*	*Employer*	*Reason for Change*
Dark, Erich	90608	P4.2	I	06/01/21	Conta Costa County Fire Protection District	Recip In - age & tier change

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	P5.3 = PEPRA Tier 5 (3% COLA)	**S/E = Safety Tier E**

Meeting Date
09/08/2021
Agenda Item
#6

Contra Costa County Employees' Retirement Association
Asset Allocation as of July 31, 2021

Liquidity	Market Value	Percentage of Total Fund	Current Target* Percentage	Current Target Over/(Under)	Long Term Target	Long Term Over/(Under)
Sit	595,842,855	5.3%	7.0%	-1.7%		
Dimensional Fund Advisors	323,385,343	2.9%	4.0%	-1.1%		
Insight	877,285,915	7.8%	7.0%	0.8%		
Total Liquidity	**1,796,514,113**	**16.0%**	**18.0%**	**-2.0%**	**17.0%**	**-1.0%**
		Range 11-22%				
Growth						
Domestic Equity						
Boston Partners	285,493,659	2.5%	4.0%	-1.5%		
Jackson Square	269,572,694	2.4%	4.0%	-1.6%		
BlackRock Index Fund	473,979,124	4.2%	5.0%	-0.8%		
Emerald Advisors	203,455,512	1.8%	1.5%	0.3%		
Ceredex	196,140,362	1.7%	1.5%	0.2%		
Total Domestic Equity	1,428,641,350	12.7%	16.0%	-3.3%	13.0%	-0.3%
Global & International Equity						
Pyrford (BMO)	495,126,519	4.4%	4.0%	0.4%		
William Blair	565,301,572	5.0%	4.0%	1.0%		
First Eagle	514,129,492	4.6%	4.5%	0.1%		
Artisan Global Opportunities	613,570,449	5.5%	4.5%	1.0%		
PIMCO/RAE Emerging Markets	442,292,127	3.9%	4.0%	-0.1%		
TT Emerging Markets	465,029,210	4.1%	4.0%	0.1%		
Total Global & International Equity	3,095,449,369	27.5%	25.0%	2.5%	19.0%	8.5%
Private Equity**	1,207,277,337	10.7%	11.0%	-0.3%	18.0%	-7.3%
Private Credit	748,550,149	6.7%	8.0%	-1.3%	13.0%	-6.3%
Real Estate - Value Add	196,901,701	1.7%	4.0%	-2.3%	5.0%	-3.3%
Real Estate - Opportunistic & Distress	406,820,862	3.6%	4.0%	-0.4%	5.0%	-1.4%
Real Estate - REIT (Adelante)	99,558,617	0.9%	2.0%	-1.1%	0.0%	0.9%
High Yield (Allianz)	181,207,440	1.6%	2.0%	-0.4%	0.0%	1.6%
Risk Parity			3.0%	1.5%	3.0%	1.5%
AQR GRP EL	226,771,937	2.0%				
PanAgora	275,400,582	2.4%				
Total Other Growth Assets	3,342,488,625	29.7%	34.0%	-4.3%	44.0%	-14.3%
Total Growth Assets	**7,866,579,345**	**69.9%**	**75.0%**	**-5.1%**	**76.0%**	**-6.1%**
		Range 65-85%				
Risk Diversifying						
AFL-CIO	267,215,326	2.4%	2.5%	-0.1%	2.5%	-0.1%
Parametric Defensive Equity	113,660,462	1.0%	1.5%	-0.5%	1.5%	-0.5%
Acadian MAARS	130,778,451	1.2%	1.5%	-0.3%	1.5%	-0.3%
Sit LLCAR	157,799,806	1.4%	1.5%		1.5%	
Wellington Real Total Return	157,283	0.0%	0.0%			
Total Risk Diversifying	**669,611,327**	**6.0%**	**7.0%**	-1.0%	**7.0%**	**-1.0%**
		Range 0% - 10%				
Cash and Overlay						
Overlay (Parametric)	149,403,544	1.3%		1.3%		
Cash	771,287,846	6.9%		6.9%		
Total Cash and Overlay	**920,691,390**	**8.2%**	**0.0%**	8.2%	**0.0%**	**8.2%**
Total Fund	**11,253,396,175**	**100%**	**100%**		**100%**	

*Current targets and ranges reflect asset allocation targets accepted by the Board on April 28, 2021 (BOR Resolution 2021-4).
**Private Equity long-term target includes Real Assets/Infrastructure (see Asset Allocation Mix 5 adopted December 9, 2020).

Private Market Investments
As of July 31, 2021

REAL ESTATE - Value Add	Inception Date	Target Termination	# of Extension	Discretion by GP/LP	New Target Termination	Funding Commitment	Market Value	% of Total Asset	Outstanding Commitment
Invesco IREF III	08/01/13	08/01/20				35,000,000	162,975	0.00%	
Invesco IREF IV	12/01/14	12/01/21				35,000,000	15,672,044	0.14%	4,453,599
Invesco IREF V	09/11/18	09/11/25				75,000,000	58,675,782	0.52%	21,256,455
Long Wharf FREG IV	08/14/13	09/30/21				25,000,000	1,705,111	0.02%	
Long Wharf FREG V	10/31/16	09/30/24				50,000,000	34,006,119	0.30%	
Long Wharf LREP VI	02/05/20	02/05/28				50,000,000	13,123,262	0.12%	33,723,223
LaSalle Income & Growth Fund VI	01/31/12	01/31/19				75,000,000	19,555,813	0.17%	3,946,000
LaSalle Income & Growth Fund VII	10/31/16	09/30/24				75,000,000	54,000,595	0.48%	8,502,404
						630,000,000	**196,901,701**	**1.75%**	**71,881,682**
	Outstanding Commitments						**71,881,682**		
	Total						**268,783,383**		

REAL ESTATE -Opportunistic & Distressed	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. III	06/30/05	06/30/14	in full liq.			75,000,000	15,569,477	0.14%	4,031,338
DLJ Real Estate Capital Partners, L.P. IV	12/31/07	09/30/18				100,000,000	55,633,435	0.49%	1,876,084
DLJ Real Estate Capital Partners, L.P. V	07/31/13	12/31/22				75,000,000	61,868,932	0.55%	5,200,784
DLJ Real Estate Capital Partners, L.P. VI	02/28/19	01/31/29				50,000,000	30,863,739	0.27%	21,346,526
Oaktree Real Estate Opportunities Fund V	02/01/11	02/01/21				50,000,000	3,009,870	0.03%	25,750,000
Oaktree Real Estate Opportunities Fund VI	09/30/13	09/30/20				80,000,000	27,929,114	0.25%	18,400,000
Oaktree Real Estate Opportunities Fund VII	02/28/15	02/28/23				65,000,000	39,589,608	0.35%	16,120,000
Siguler Guff Distressed Real Estate Opp. Fund	07/30/11	07/30/22				75,000,000	22,498,913	0.20%	5,625,000
Siguler Guff Distressed Real Estate Opp. Fund II	08/31/13	08/31/25				70,000,000	41,702,206	0.37%	8,015,000
Siguler Guff Distressed Real Estate Opp. II Co-Inv	01/31/16	10/31/25				25,000,000	15,795,735	0.14%	4,462,138
Paulson Real Estate Fund II	11/10/13	11/10/20				20,000,000	19,231,221	0.17%	654,377
Angelo Gordon Realty Fund VIII	12/31/11	12/31/18				80,000,000	18,487,795	0.16%	12,334,302
Angelo Gordon Realty Fund IX	10/10/14	10/10/22				65,000,000	54,640,817	0.49%	7,572,500
						830,000,000	**406,820,862**	**3.62%**	**131,388,049**
	Outstanding Commitments						**131,388,049**		
	Total						**538,208,911**		

PRIVATE CREDIT	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 III	09/30/08	06/30/16	2nd 1 YR	LP	06/30/18	75,000,000	0	0.00%	0
Torchlight Debt Opportunity Fund IV	08/01/12	08/30/20				60,000,000	9,895,374	0.09%	0
Torchlight Debt Opportunity Fund V	12/31/14	09/17/22				75,000,000	18,003,033	0.16%	15,000,000
Angelo Gordon Energy Credit Opportunities	09/10/15	09/10/20				16,500,000	3,274,937	0.03%	2,319,783
CCCERA StepStone	12/01/17	11/30/27				1,020,000,000	717,376,805	6.37%	420,071,737
						1,374,500,000	**748,550,149**	**6.65%**	**437,391,520**
	Outstanding Commitments						**437,391,520**		
	Total						**1,185,941,669**		

Private Market Investments
As of July 31, 2021

PRIVATE EQUITY	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	12/22/25				269,565,614	179,381,698	1.59%	21,172,580
Adams Street Secondary II	12/31/08	12/31/20				30,000,000	5,917,328	0.05%	1,635,000
Adams Street Secondary V	10/31/12	10/31/22				40,000,000	19,063,555	0.17%	9,154,125
Adams Street Venture Innovation Fund	03/09/16	03/09/28				75,000,000	104,626,170	0.93%	15,712,500
AE Industrial Partners Fund II	05/18/18	05/18/28				35,000,000	28,921,274	0.26%	17,192,048
Bay Area Equity Fund	06/14/04	12/31/14	2nd 2 YR	LP	12/31/2017	10,000,000	2,389,492	0.02%	0
Bay Area Equity Fund II	2/29/09	12/31/19				10,000,000	12,656,090	0.11%	0
Carpenter Community BancFund	10/31/09	10/31/19				30,000,000	0	0.00%	0
EIF USPF II	06/15/05	06/15/15	3rd 1 YR	LP	06/15/18	50,000,000	4,883,535	0.04%	0
EIF USPF III	02/28/07	02/28/17	1st 1 YR	LP	02/28/18	65,000,000	20,836,279	0.19%	0
EIF USPF IV	06/28/10	06/28/20				50,000,000	34,605,663	0.31%	(383,080)
Ares EIF V	09/09/15	11/19/25				50,000,000	20,343,562	0.18%	22,742,894
Genstar Capital Partners IX	02/18/19	02/18/29				50,000,000	50,273,069	0.45%	15,309,844
Genstar Capital Partners X	04/01/21	04/01/31				42,500,000	0	0.00%	42,500,000
GTCR VIII	10/27/20	12/31/36				50,000,000	1,043,494	0.01%	50,000,000
Hellman & Friedman Capital Partners	05/10/21	05/10/31				75,000,000	0	0.00%	75,000,000
Oaktree Private Investment Fund 2009	02/28/10	12/15/19				40,000,000	1,265,097	0.01%	6,308,961
Ocean Avenue Fund II	05/07/14	05/07/24				30,000,000	27,153,134	0.24%	3,000,000
Ocean Avenue Fund III	12/09/15	12/09/25				50,000,000	59,100,795	0.53%	6,000,000
Paladin III	08/15/08	08/15/18				25,000,000	32,208,986	0.29%	419,157
Pathway	11/09/98	05/31/21				125,000,000	8,241,669	0.07%	10,544,177
Pathway 2008	12/26/08	12/26/23				30,000,000	14,451,142	0.13%	2,947,983
Pathway 6	05/24/11	05/24/26				40,000,000	40,777,942	0.36%	3,636,425
Pathway 7	02/07/13	02/07/23				70,000,000	77,832,674	0.69%	5,771,010
Pathway 8	11/23/15	11/23/25				50,000,000	66,399,665	0.59%	9,038,643
Siguler Guff CCCERA Opportunities	06/03/14	05/31/25				200,000,000	170,897,904	1.52%	30,597,500
Siguler Guff Secondary Opportunities	12/31/16	12/31/26				50,000,000	0	0.00%	0
Siris Partners IV	05/18/18	05/18/28				35,000,000	20,081,494	0.18%	17,473,632
TPG Healthcare Partners, L.P.	06/27/19	06/27/29				24,000,000	8,584,037	0.08%	17,127,594
Trident VIII, L.P.	05/24/19	05/24/29				40,000,000	32,170,099	0.29%	10,202,086
Real Assets									
Aether III & III Surplus	11/30/13	11/30/20				75,000,000	62,573,511	0.56%	4,915,056
Aether IV	01/01/16	01/01/28				50,000,000	46,805,709	0.42%	6,925,464
Commonfund Capital Natural Resources IX	06/30/13	06/30/20				50,000,000	37,971,266	0.34%	4,100,006
Wastewater Opportunity Fund	12/31/15	11/30/22				25,000,000	15,821,003	0.14%	1,659,124
						1,986,065,614	**1,207,277,337**	**12.32%**	**410,702,728**
	Outstanding Commitments						**410,702,728**		
	Total						**1,617,980,065**		

Market value equals the most recent reported net asset value, plus capital calls after net asset value date, less distributions after net asset value date.
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.

Meeting Date
09/08/2021
Agenda Item
#6

Contra Costa County Employees' Retirement Association

Contra Costa County Employees' Retirement Association
Liquidity Report – July 2021

July 2021 Performance

	Cash Flow	Coverage Ratio
Benefit Cash Flow Projected by Model	$44,750,000	
Liquidity Sub-Portfolio Cash Flow	$44,750,000	**100%**
Actual Benefits Paid	$45,606,318	**98.1%**
Next Month's Projected Benefit Payment	*$44,750,000*	

Monthly Manager Positioning – July 2021

	Beginning Market Value	Liquidity Program Cash Flow	Market Value Change/Other Activity	Ending Market Value
Sit	$594,126,829	($1,250,000)	$2,797,842	$595,674,671
DFA	$336,944,335	($15,250,000)	$1,533,684	$323,228,019
Insight	$904,613,359	($28,250,000)	$696,577	$877,059,936
Liquidity	**$1,835,684,523**	**($44,750,000)**	**$5,028,103**	**$1,795,962,626**
Cash	$165,372,809	($856,318)	$416,367,161	$580,883,652
Liquidity + Cash	**$2,001,057,332**	**($45,606,318)**	**$421,395,264**	**$2,376,846,279**

Functional Roles

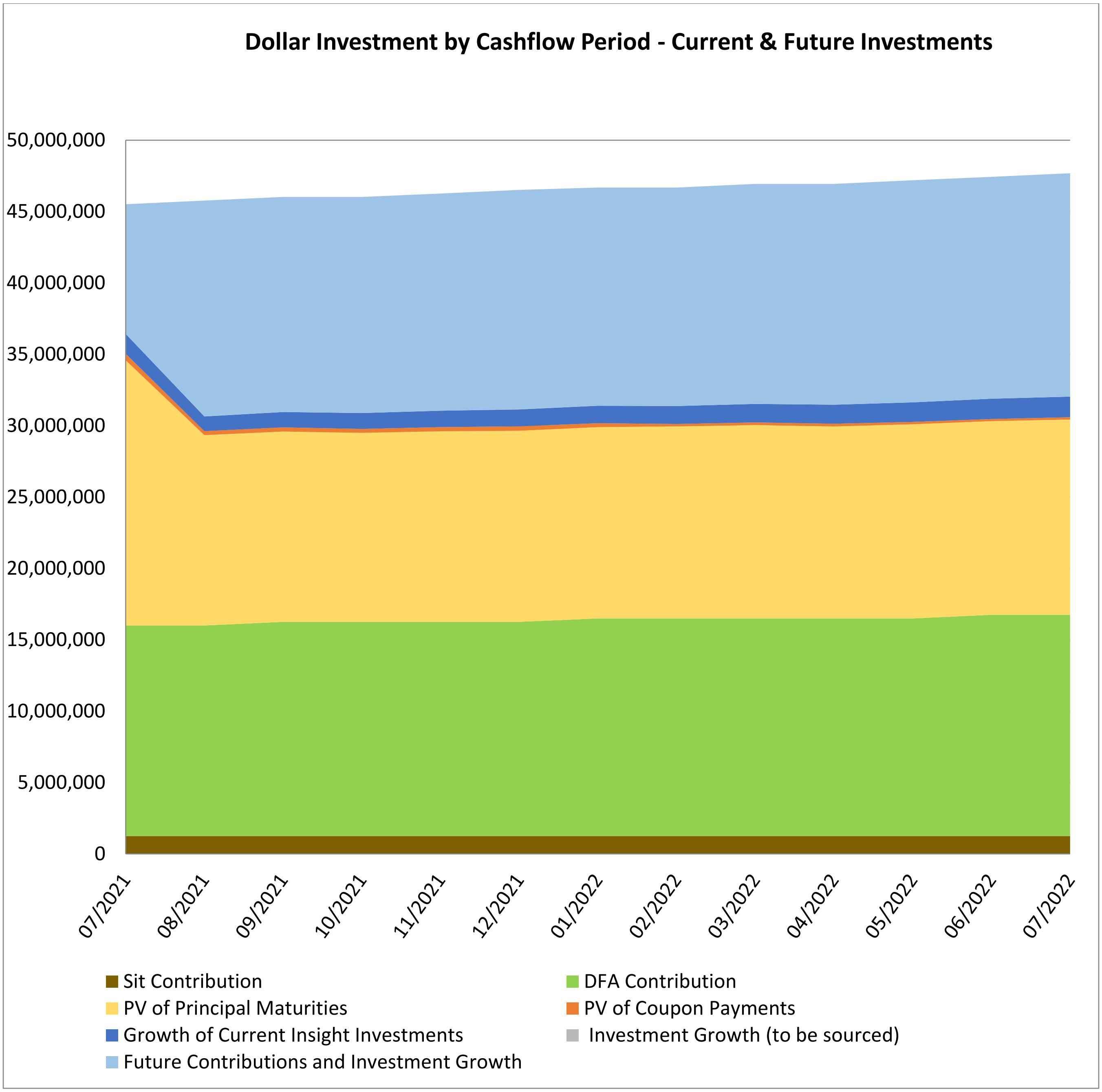
Manager	Portfolio Characteristics	Liquidity Contribution
Sit	High quality portfolio of small balance, government guaranteed mortgages with higher yields.	Pays out net income on monthly basis.
DFA	High quality, short duration portfolio of liquid, low volatility characteristics.	Pays out a pre-determined monthly amount. DFA sources liquidity from across their portfolio.
Insight	Buy and maintain (limited trading) portfolio of high quality, short duration, primarily corporates.	Completion portfolio makes a payment through net income and bond maturities that bridges the gap between other managers and projected payment.
Cash	STIF account at custodial bank.	Buffer in the event of any Liquidity shortfall/excess.

Notes

The seventh cash flow for 2021 from the liquidity program was completed on July 23rd. The actuarial model cash flow was slightly lower than actual experience, producing $856 thousand less than the actual benefits paid.

Cash Flow Structure

The chart below shows the sources of cash flow for the next year and a half of CCCERA's projected benefit payments. This table will change slightly as the model is tweaked and as the portfolios receive new rounds of funding each July as part of the Annual Funding Plan, as well as the reduction from four to three years of Liquidity needs in July 2021.



Meeting Date
09/08/2021
Agenda Item
#10

Contra Costa County Employees' Retirement Association

MEMORANDUM

Date: September 8, 2021

To: CCCERA Board of Retirement

From: Christina Dunn, Deputy Chief Executive Officer
Karen Levy, General Counsel

Subject: Resolution 2021-5 authorizing actions in compliance with Assembly Bill 197 and the *Alameda* decision

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Background

The California Supreme Court issued a unanimous decision upholding the constitutionality of the legislative changes contained in Assembly Bill 197 ("AB 197") to the definition of "compensation earnable." The effective date of AB 197 was January 1, 2013, but that date was postponed until July 12, 2014 by order of the Contra Costa County Superior Court ("Stay Order"). The Supreme Court decision was issued in the case *Alameda County Deputy Sheriff's Assoc. et al., v. Alameda County Employees' Retirement Assn., et al*, and is referred to as the *Alameda* decision. The decision resolved legal challenges which sought to prevent CCCERA and two other county retirement systems from implementing the AB 197 amendments to the County Employees Retirement Law of 1937 ("CERL"), Govt. Code §31450 *et seq.*

The enclosed Resolution 2021-5 was first considered by the Board at a duly noticed public meeting on July 14, 2021, at which time the Board requested additional information. The requested additional information is enclosed as Attachment 4, consisting of tax counsel's guidance on the matters raised. Tax counsel will be available to address these matters at the Board's public meeting on September 8, 2021.

As previously noted, when taking actions in compliance with AB 197 and the *Alameda* decision, CCCERA must adhere to applicable federal tax rules and California law. In particular, CCCERA is a tax qualified public pension plan under Internal Revenue Code Section 401(a), meaning that plan participants are not taxed when contributions are made to the plan, but rather upon receipt of benefits at retirement. As such, CCCERA will continue to follow the Internal Revenue Service ("IRS") Employee Plans Compliance Resolution System ("EPCRS") rules and procedures regarding overpayments and underpayments of benefits and contributions, including any corrective distributions, as set forth in the enclosed policies governing the overpayment and underpayment of retirement benefits and contributions. (See Attachments 2 and 3.)

Resolution 2021-5 is enclosed as Attachment 1. It addresses the following items in connection with AB 197 and the *Alameda* decision:

1. Member contributions towards items of pay no longer pensionable pursuant to AB 197 and potential refunds;

2. Overpayments of benefits paid to the Estoppel Class; and

3. Any other overpayments of benefits arising from any post July 12, 2014 inclusion of pay for services outside normal working hours such as on-call or standby.

Specifically, Resolution 2021-5 would authorize the following actions in compliance with AB 197 and the *Alameda* decision:

1. Determine all member contributions attributable to excluded Terminal Pay Items and On-Call Pay Items made on and after July 12, 2014 and credit or refund all such contributions, with appropriate interest, to the affected members, in a manner that complies with applicable federal tax rules and California law, and

2. Determine all overpayments of benefits made to retired members due to excluded Estoppel Benefits and On-Call items since July 12, 2014 and recover those overpayments from the affected members, with appropriate interest, net of any contributions made on and after July 12, 2014 attributable to such excluded items, in a manner that complies with applicable federal tax rules and California law.

Resolution 2021-5 would become effective upon the conclusion of the three AB 197 lawsuits currently pending against CCCERA. Its scope is limited to contributions and benefits paid post-July 12, 2014, the date on which the AB 197 exclusions from compensation earnable became effective, pursuant to the court's Stay Order.

Lastly, at the July 14, 2021 Board meeting, CCCERA's actuary presented information about the member contributions paid towards terminal pay or leave cash outs. (See Attachment 5.) The actuary will be available to address these matters at the Board’s public meeting on September 8, 2021.

Recommendation
Consider and take possible action to adopt Resolution 2021-5 authorizing actions in compliance with Assembly Bill 197 and the *Alameda* decision.

Attachment 1

RESOLUTION OF THE BOARD OF RETIREMENT
CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

AUTHORIZING ACTIONS IN COMPLIANCE
WITH ASSEMBLY BILL 197 AND THE *ALAMEDA* DECISION

Background

In 1997, the California Supreme Court held that "compensation earnable" used to determine a member's retirement allowance ordinarily includes all cash payments received during a member's final average salary period ("FAS Period") for services performed, with the exception of overtime pay. *Ventura Deputy Sheriffs' Assn. v. Board of Retirement* (1997) 16 Cal.4th 483.

In 2003 and 2004, the California Courts of Appeal ruled that "compensation earnable" did not include cash received at termination of a member's employment for the value of accrued leave time in excess of the amount earned during the FAS period. *In re Retirement Cases* (2003) 110 Cal.App.4th 426; *Salus v. San Diego County Employees Retirement Association* (2004) 117 Cal.App.4th 734.

In 2010, the Board of Retirement revised its policy for calculating compensation earnable for new members entering CCCERA membership on or after January 1, 2011, to exclude from compensation earnable amounts paid in cash at termination of a member's employment for the value of accrued leave time in excess of the amount earned during the FAS Period.

In 2012, the California Legislature enacted and the Governor signed into law Assembly Bill 197, which amended Govt Code section 31461 to change the way the Board of Retirement must calculate "compensation earnable." AB 197 applies to the calculation of benefits for all active or deferred employees who first became CCCERA members before January 1, 2013. AB 197 does not apply generally to those who became members of CCCERA for the first time on or after January 1, 2013. The effective date of AB 197 was January 1, 2013, but that date was postponed until July 12, 2014 by orders of the Contra Costa County Superior Court in the AB 197 Action described below ("Stay Order").

In November, 2012, various Petitioners filed suit against CCCERA and the Board of Retirement in Contra Costa County Superior Court as Civil Action No. MSN12-1870 (the "AB 197 Action"). On May 12, 2014, the Contra Costa County Superior Court issued a final Judgment and Writ interpreting AB 197. The Court's Statement of Decision supporting the Judgment concluded that several of CCCERA's prior practices were not consistent with applicable law — primarily with reference to the inclusion of accrued leave cash-outs for time that was not both earned and payable annually during the FAS Period. Notwithstanding the express terms of AB 197, the Writ created (a) an "Estoppel Class" of members for certain leave cash out benefits and (b) a standard by which to determine whether certain on-call and standby pay items must continue to be included in compensation earnable.

The Writ commanded CCCERA to follow AB 197 except as otherwise provided in the Writ, to all member retirements occurring on or after July 12, 2014. To that end, on September 10, 2014, the Board of Retirement adopted its Policy On Determining "Compensation Earnable" Under Assembly Bill 197 For Purposes of Calculating Retirement Benefits For "Legacy" (Pre-PEPRA) Members ("Compensation Earnable Policy").

The Judgment and Writ were appealed to the First District Court of Appeal, which rendered its decision in February, 2018. The California Supreme Court granted the petitions for review of the appellate court decision filed by various parties. On July 30, 2020, the Supreme Court issued a unanimous decision upholding the validity of the statutory exclusions from compensation earnable in AB 197, rejecting the estoppel claims made by the petitioners, and remanding the case to the trial court with directions to vacate the Judgment and conduct further proceedings consistent with the decision. *Alameda County Deputy Sheriff's Assoc. et al., v. Alameda County Employees' Retirement Assn., et al.*, (2020) 9 Cal.5th 1032 ("*Alameda* Decision").

The *Alameda* Decision concludes that all amendments to the definition of compensation earnable in Government Code section 31461 enacted as a result of AB 197 are constitutional, and that CERL retirement boards may not be contractually bound or estopped by settlement agreements, board resolutions, or other similar actions, from implementing those amendments. Accordingly, the Board of Retirement is legally obligated to follow the *Alameda* Decision in implementing the provisions of AB 197. To that end, on May 5, 2021, the Board of Retirement amended its Compensation Earnable Policy.

The *Alameda* Decision and other applicable law require CCCERA to exclude from compensation earnable:

- All items of pay for accrued leave in an amount that exceeds that which may be earned and payable in each 12-month period during the FAS Period, regardless of when reported or paid, as set forth in CERL Section 31461 subd. (b)(2) (collectively, "Leave Pay Items").
- All payments made at the termination of employment, except those payments that do not exceed the amount that is both earned and payable in each 12-month period during the FAS Period, as set forth in CERL Section 31461 subd. (b)(4) (collectively, "Terminal Pay Items").
- All items of pay for additional services rendered outside of normal working hours, as set forth in CERL Sections 31461 subd. (a) and 31461 subd. (b)(3). Examples include on-call pay and standby pay (together, "On Call Pay Items").
- Pay for accrued leave granted to the "Estoppel Class" members created by the May 12, 2014 Writ.

Board Determinations

The Board of Retirement determines that from the expiration of the Stay Order as of July 12, 2014 and for a period of time thereafter, CCCERA continued to collect contributions from active members on pay attributable to items excluded from compensation earnable under CERL Sections 31461 subds. (b)(2), (3) and (4), and began collecting contributions from active members on excluded Estoppel Class leave cash outs which later was determined to be excluded under the *Alameda* Decision. The Board of Retirement further determines that the *Alameda* Decision and other applicable law make it appropriate to credit or refund certain members' contributions and take further actions, as set forth below.

The Board of Retirement further determines that this Resolution is intended to and shall comply with the requirements of the Internal Revenue Code of 1986, as amended or replaced from time to time and the regulations issued thereunder (the "Code"), as applicable.

RESOLUTION

NOW THEREFORE, BE IT RESOLVED that CCCERA shall take the following actions as herein authorized by the Board:

1) Determine all member contributions attributable to excluded Terminal Pay Items and On-Call Pay Items made on and after July 12, 2014 and credit or refund all such contributions, with appropriate interest, to the affected members, in a manner that complies with applicable federal tax rules and California law.

2) Determine all overpayments of benefits made to retired members due to excluded Estoppel Benefits and On-Call Pay Items since July 12, 2014 and recover those overpayments from the affected members, with appropriate interest, net of any contributions made on and after July 12, 2014 attributable to such excluded items, in a manner that complies with applicable federal tax rules and California law.

3) Determine appropriate adjustments to the future retirement benefits paid to affected members in Item 2 above and implement those adjustments at the earliest practicable time.

4) Provide notice and an opportunity to be heard to all members affected by Items 2 and 3, above.

IT IS FURTHER RESOLVED that this Resolution shall only become effective upon the occurrence of all of the following events:

1) Entry of a final Judgment in the AB 197 Action, vacating the May 12, 2014 Judgment and Writ in favor of CCCERA, with all parties to bear their own costs of suit, on terms satisfactory to the Board of Retirement.

2) The absence of any timely appeals from the final Judgment entered in the AB 197 Action.

3) Entry of dismissals, with prejudice, in Contra Costa County Superior Court Civil Actions No. 14-1221 and 15-00598.

THIS RESOLUTION WAS ADOPTED BY THE AFFIRMATIVE VOTE OF THE BOARD OF RETIREMENT OF THE CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION THIS EIGHTH DAY OF SEPTEMBER 2021.

AYES:

NOES:

ABSTAIN:

ABSENT:

Scott W. Gordon
Chairperson of the Board of Retirement

Attest:

____

Jerry R. Holcombe
Secretary of the Board of Retirement

Attachment 2

CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
BOARD OF RETIREMENT

POLICY GOVERNING THE OVERPAYMENT OR UNDERPAYMENT OF MEMBER BENEFITS

Adopted: 12/10/2014

I. INTRODUCTION

The Board of Retirement ("Board") has a fiduciary obligation to the retirement fund to conserve fund assets and protect the integrity of the fund, for the benefit of the members and beneficiaries ("Members") of the Contra Costa County Employees' Retirement Association ("CCCERA").

Members have a right to accurate pension benefit payments. Except as determined by a court of law or this Board pursuant to this Policy, no Member has the right to receive or retain retirement benefit payments that exceed the amounts to which a Member is entitled, and no Member should be deprived of any benefit payments that he or she is entitled to receive. Subject to all applicable laws, it shall be CCCERA's policy to remit to a Member the amount of any underpayment of benefits, and to make every reasonable effort to recover from a Member the amount of any overpayment of benefits consistent with this Policy and the procedures established herein by the Board.

Accordingly, after discovery of an overpayment or underpayment of benefits, and within a reasonable period of time after written notification to the affected Member, CCCERA will adjust future benefit payments to the Member to reflect the correct total amount to which the Member is entitled, as indicated below; and will pay or assess the Member for the overpayment or underpayment, as the case may be, in a lump sum, installment payments, adjustments to future monthly benefits, or a combination of these methods.

This Policy is designed for use when calculation and other errors affect an ***individual*** member's retirement benefits. In the event of a system-wide error that affects ***multiple*** members' benefits, the Board may implement a system-wide correction process that it determines is appropriate under all the circumstances.

In the event of any inconsistency between applicable law and this Policy, the law shall take precedence.

II. PURPOSE

The purpose of this Policy is to set forth procedures for handling the overpayment and underpayment of benefits to members.

III. POLICY

A. Overpayment of Benefits To Members

1. CCCERA will adjust the Member's monthly benefit going forward to the correct amount at the earliest practical time after discovering the error.

2. CCCERA shall take all reasonable steps to recover the full amount of all overpayments, with "appropriate interest," subject to the provisions of this Policy and applicable law. If the overpayment was due to fraudulent, improper or inaccurate information provided to CCCERA by the member, appropriate interest shall be CCCERA's actuarially assumed rate of return that was applicable during the period in which the overpayments were made, running until such amounts are fully repaid. If the overpayment was the result of an error by CCCERA or the member's employer, appropriate interest shall be 3% per annum during the period in which the overpayments were made, running until such amounts are fully repaid.

3. CCCERA will recover overpayments by (a) a lump sum payment from the Member, (b) periodic installment payments from the member or (c) offsetting the amount to be recovered against future benefits, over a period of time as determined by the Board, or a combination of these methods; unless the Board, in its discretion and because of legal or practical considerations, determines that another process is warranted.

4. The Board believes that considerations of cost effectiveness make it prudent and reasonable to pursue recovery of overpayments only where the cumulative total amount overpaid to the Member is $50 or more. Accordingly, the Retirement CEO is authorized to not seek recovery of any overpayments where the total amount overpaid to the Member is less than $50.

5. The Retirement CEO shall have authority, on the advice of legal counsel, to compromise recovery of overpayments when the total amount of overpayment, not including interest, is less than $5,000. Only the Board may compromise claims in which the total amount of overpayment, not including interest, is $5,000 or more. Among other things, the likelihood of collection, the cost of collection, the amount of possible recovery and extreme hardship to the member will be considered by the Retirement CEO and/or the Board when determining whether to compromise a claim. Compromising claims may include a different method of repayment than is otherwise provided by this Policy and/or a partial forgiveness of the amounts overpaid. The Retirement CEO and Board will also consider seeking recovery from the employer.

6. The Board adopts the following procedures for accomplishing the recovery of overpaid benefits:

   A. Upon discovery of an overpayment, CCCERA shall send a letter by certified mail, return receipt requested, or by express delivery service, to the Member advising the Member of the overpayment and proposing a repayment schedule, as follows:

i. The letter will identify the circumstances of the overpayment and the fact that adjustments will be made to all future benefit payments.

ii. The letter will request payment to CCCERA of the amount overpaid, subject to the provisions of this Policy.

iii. The letter will include an agreement to repay excess benefits and a consent form for the spouse or beneficiaries, if applicable.

iv. The agreement to repay excess benefits will provide three options, one of which may be selected by the Member:

(1) Option 1 — equal installments over the same length of time that the overpayments occurred, with appropriate interest (as that phrase is defined in No. 2 above) applied during the overpayment period and during the repayment period.

(2) Option 2 — lump sum payment to CCCERA for the full amount overpaid, with appropriate interest (as that phrase is defined in No. 2 above) applied during the overpayment period.

(3) Option 3 — reduction of monthly benefit to zero until the overpayment is paid in full, with appropriate interest (as that phrase is defined in No. 2 above) applied during the overpayment period and during the repayment period.

v. The letter and agreement to repay excess benefits will provide that Option 3 will go into effect by default if a written response from the Member is not received within 30 days following the date the letter was delivered.

B. If the amount of the overpayment, not including interest, is $5,000 or more, CCCERA staff will attempt to contact the Member by phone to schedule a meeting to discuss the contents of the letter before the letter is sent out for delivery.

C. CCCERA may pursue all legal remedies to collect overpayments, including making a claim on an estate or trust, if appropriate.

D. Upon the death of the Member before full repayment has been made, CCCERA shall pursue a claim or claims against the Member's estate, survivors, heirs and/or beneficiaries to recover the unpaid amounts.

E. CCCERA will maintain a permanent record of all amounts of overpayments and the repayment to CCCERA of those overpayments.

B. <u>Underpayment of Benefits To Members</u>

1. When CCCERA has underpaid benefits, the Member shall be entitled to a prospective adjustment to his or her retirement benefits necessary to correct the underpayment, as well

as a lump sum payment for all past underpayments, with interest at CCCERA's actuarially assumed rate(s) of return throughout the applicable period of underpayment. Interest shall accrue on each underpayment amount from the date of the underpayment to the date of the lump sum corrective payment. The payment shall be made as soon as is reasonably practicable following CCCERA's discovery of the underpayment.

2. If a Member who was underpaid benefits has died prior to payment of the lump sum amount due, the following procedures will be followed:

   A. Member With Designated Beneficiary

      - If the Member has named a designated beneficiary, the payment will be made directly to the designated beneficiary. *See* CERL Section 31452.7.

   B. Member Without Designated Beneficiary

      - If there is an open estate (*i.e.*, no order for final distribution yet), payment will be made to the estate (through the personal representative).

      - If final distribution of the estate has already been made, CCCERA staff will review the order for final distribution to determine how assets that were unknown at the time of final distribution are to be distributed under the order. Payment will then be made in compliance with the order for final distribution, if possible.

      - If an estate was not established, distribution will be made in accordance with any applicable and valid Affidavit for Payment of Personal Property on file with CCCERA. *See* Prob. Code Section 13101.

      - CCCERA staff shall make reasonable efforts to locate the person(s) entitled to payment by sending a letter by certified mail, return receipt requested, to the last known address of each such person, or by other means of similar intended effect. The letter shall request written confirmation that the person entitled to payment still lives at that address and will accept payment. Upon receipt of such written confirmation, the payment will be mailed to that person at that address. *See* CERL Section 31783.5(b).

      - If, after taking the above steps, CCCERA staff has not been able locate a person entitled to payment, CCCERA shall hold the funds on behalf of that person for five years. If the funds are not claimed within five years, the funds may be transferred into the system's pension reserve fund. If someone later appears to claim the funds, the Board will consider such claims on a case-by-case basis. *See* CERL Section 31783.5(c).

      - CCCERA will maintain a permanent record of all amounts of outstanding refunds of underpayments and any amounts that have been transferred into the pension reserve fund.

- In cases where there is no designated beneficiary and the total amount of underpayment is less than $50, CCCERA staff need not take proactive measures to locate the person(s) entitled to such funds. All claims presented to CCCERA, however, will be considered regardless of size.

3. Underpayments of $5 or less will only be refunded at the request of the member.

Attachment 3

CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
BOARD OF RETIREMENT

POLICY GOVERNING THE OVERPAYMENT OR UNDERPAYMENT OF MEMBER CONTRIBUTIONS

Adopted: 12/10/2014

I. INTRODUCTION

The Board of Retirement ("Board") has a fiduciary obligation to conserve retirement fund assets and protect the integrity of the fund, for the benefit of the members and beneficiaries of the Contra Costa County Employees' Retirement Association ("CCCERA").

The Board determines the required member contributions in accordance with law and in consultation with its actuary. Subject to all applicable laws, it shall be CCCERA's policy to make every reasonable effort to recover from a member the amount of any underpayment of contributions, and to remit to a member the amount of any overpayment of contributions, consistent with this Policy and the procedures established by the Board.

Accordingly, after discovery of an overpayment or underpayment of member contributions, and within a reasonable period of time after written notification to the affected member, CCCERA will correct any overpayment or underpayment of member contributions.

This Policy is designed for use when errors affect an ***individual*** member's contributions. In the event of a system-wide error that affects ***multiple*** members' contributions, the Board may implement a system-wide correction process that it determines is appropriate under all the circumstances.

In the event of any inconsistency between applicable law and this Policy, the law shall take precedence.

Notwithstanding this Policy, if an overpayment results from provisions of federal tax law, any correction procedures specified by the IRS will be followed to the extent feasible.

II. PURPOSE

The purpose of this Policy is to set forth procedures for handling the overpayment and underpayment of retirement contributions.

III. POLICY

A. Overpayments of Contributions By Members

1. When a Member has overpaid contributions, the Member shall be entitled to a prospective adjustment to his or her contributions necessary to correct the overpayment, as well as a lump sum payment for all past overpayments, with appropriate interest. Appropriate interest shall be the rate set forth in the Board's Interest Crediting Policy (currently the actuarially assumed rate of return) for each applicable pay period. The adjustment shall be made in the Member's pay from their CCCERA participating employer as soon as is reasonably practicable following CCCERA's discovery of the overpayment.

2. If a Member who overpaid contributions has died prior to payment of the lump sum amount due, the following procedures will be followed:

   A. Member With Designated Beneficiary

   - If the Member has named a designated beneficiary, the payment will be made directly to the designated beneficiary. *See* County Employees Retirement Law of 1937 ("CERL"), Government Code Section 31452.7.

   B. Member Without Designated Beneficiary

   - If there is an open estate (*i.e.*, no order for final distribution yet), payment will be made to the estate (through the personal representative).

   - If final distribution of the estate has already been made, CCCERA staff will review the order for final distribution to determine how assets that were unknown at the time of final distribution are to be distributed under the order. Payment will then be made in compliance with the order for final distribution, if possible.

   - If an estate was not established, distribution will be made in accordance with any applicable and valid Affidavit for Payment of Personal Property on file with CCCERA. *See* Prob. Code Section 13101.

   - CCCERA staff shall make reasonable efforts to locate the person(s) entitled to payment by sending a letter by certified mail, return receipt requested, to the last known address of each such person, or by other means of similar intended effect. The letter shall request written confirmation that the person entitled to payment still lives at that address and will accept payment. Upon receipt of such written confirmation, the payment will be mailed to that person at that address. *See* CERL Section 31783.5(b).

   - If, after taking the above steps, CCCERA staff has not been able locate a person entitled to payment, CCCERA shall hold the funds on behalf of that person for five years. If the funds are not claimed within five years, the funds may be transferred into the system's pension reserve fund. If someone later claims the funds, the Board will consider such claims on a case-by-case basis. *See* CERL Section 31783.5(c).

- CCCERA will maintain a permanent record of all amounts of outstanding refunds of overpayments and any amounts that have been transferred into the pension reserve fund.

- In cases where there is no designated beneficiary and the total amount of overpayment is less than $50, CCCERA staff need not take proactive measures to locate the person(s) entitled to such funds. All claims presented to CCCERA, however, will be considered regardless of size.

3. Overpayments of $5 or less will only be refunded at the request of the Member.

B. <u>Underpayment of Retirement Contributions By Members</u>

1. Whenever an underpayment of contributions is discovered, CCCERA shall make a prospective adjustment to the member's contributions and take all reasonable steps to recover the full amount of all past underpayments, with "appropriate interest," subject to the provisions of this Policy and applicable law. If the underpayment was due to fraud, dishonest or improper conduct by the member, or by the member providing inaccurate information to CCCERA or the member's employer, appropriate interest shall be CCCERA's actuarially assumed rate of return that was applicable for the period in which the underpayments were made, applied to the outstanding amount due until such amount is fully repaid. If the underpayment was the result of an error by CCCERA or the member's employer, appropriate interest shall be 3% per annum for the period in which the underpayments were made, applied to the outstanding amount due until such amount is fully repaid.

2. CCCERA will recover underpayments by (a) a lump sum payment from the member, (b) installment payments from the member, (c) additional amounts added to the member's future contributions, over a period of time as determined by the Board, (d) offsets to future benefit payments to the member, over a period of time as determined by the Board or (e) a combination of the foregoing, unless the Board, in its discretion and because of legal or practical considerations, determines that another process is warranted.

3. The Board believes that considerations of cost effectiveness make it prudent and reasonable to pursue recovery of underpayments only where the cumulative total amount underpaid by the member is $50 or more. Accordingly, the Retirement CEO is authorized to not seek recovery of any underpayments where the total amount underpaid by the member is less than $50.

4. The Retirement CEO shall have authority, on the advice of legal counsel, to compromise recovery of underpayments when the total amount of underpayment, not including interest, is less than $5,000. Only the Board may compromise claims in which the total amount of underpayment, not including interest, is $5,000 or more. Among other things, the likelihood of collection, the cost of collection, the amount of possible recovery and

extreme hardship to the member will be considered by the Retirement CEO and/or the Board when determining whether to compromise a claim. Compromising claims may include a different method of repayment than is otherwise provided by this Policy and/or a partial forgiveness of the amounts underpaid.

5. The Board adopts the following procedures for accomplishing the recovery of underpaid contributions:

A. Upon discovery of an underpayment, CCCERA shall send a letter by certified mail, return receipt requested, or by express delivery service, to the member advising the member of the underpayment and proposing a repayment schedule, as follows:

i. The letter will identify the circumstances of the underpayment and the fact that adjustments will be made to all future contribution amounts.

ii. The letter will request payment to CCCERA of the past amount underpaid, subject to the provisions of this Policy.

iii. The letter will include an agreement to pay the amounts underpaid and a consent form for the spouse or beneficiaries, if applicable.

iv. The agreement to pay the amounts underpaid will provide two options, one of which may be selected by the Member:

(1) Option 1 — equal installments deducted from the Member's pay (in addition to the contributions otherwise required of the member), or benefit payments (if the Member is retired), over the same length of time that the underpayments occurred, with appropriate interest (as that phrase is defined in No. 1 above) applied for the underpayment period and the payment period. If the Member's employment terminates during the payment period, the Member shall be liable for all remaining unpaid amounts, which may be deducted from any amounts CCCERA owes the Member (in retirement benefits or otherwise), if the member does not make a lump sum payment.

(2) Option 2 — lump sum payment to CCCERA for the full amount underpaid, with appropriate interest (as that phrase is defined in No. 1 above) applied during the underpayment period.

(3) Option 3 – installment payments to CCCERA for the full amount underpaid, with appropriate interest (as that phrase is defined in No. 1 above) applied during the underpayment period.

v. The letter and agreement to pay underpaid amounts will provide that Option 1 will go into effect by default if a written response from the member is not received within 30 days following the date the letter was delivered.

B. If the amount of the underpayment, not including interest, is $5,000 or more, CCCERA staff will attempt to contact, the Member by phone to discuss the contents of the letter before the letter is sent out for delivery.

C. CCCERA may pursue, all legal remedies to collect underpayments, including making a claim on an estate or trust, if appropriate.

D. Upon the death of the Member before full repayment has been made, CCCERA shall pursue a claim or claims against the Member's estate, survivors, heirs and/or beneficiaries to recover the unpaid amounts.

CCCERA will maintain a permanent record of all amounts of underpayments and the payment to CCCERA of those underpayments.

Attachment 4

IceMiller
LEGAL COUNSEL

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August 25, 2021

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Members of the Board of Retirement
Contra Costa County Employees'
Retirement Association
1200 Concord Avenue, Suite 300
Concord, CA 94520

RE: Alameda Decision Implementation Q&As

Dear Members of the Board:

This letter responds to questions regarding the implementation of AB 197 in light of the California Supreme Court's *Alameda* decision.

Background

For purposes of this letter, we have considered and incorporate by reference, the "Background" section as set forth in the draft CCCERA Board Resolution 2021-5 "Authorizing Actions in Compliance with Assembly Bill 197 and the *Alameda* Decision." The guidance provided in this letter is limited to matters of federal law. Nothing in this letter should be construed as providing any state law advice or an interpretation of the state law requirements as to the date upon which corrections must be made due to the *Alameda* decision. Instead, we take the facts as stated in the "Background" as true and this response is limited to the required corrective actions under federal law.

Questions and Answers

We were provided with the following background and questions:

1. Prior to July 12, 2014, the CCCERA plan document provided that certain elements of employees' pay were to be included in calculating their retirement allowances. CCCERA collected employee contributions on such elements of pay. Anyone retiring before July 12, 2014 had their retirement allowances calculated on such elements of pay being included. As of July 12, 2014, however, the law *changed and these elements of pay could no longer be included in calculating retirement allowances. For about a year after July 12, 2014, however, CCCERA continued to collect contributions on such now-excluded elements of pay. This is because, as a matter of course, the newly reduced employee contribution rates went into effect with the July 1, 2015 payroll. CCCERA proposes to refund the overpaid contributions collected after July 12, 2014. Affected members are requesting that CCCERA also refund the contributions paid on the elements of pay before July 12, 2014, since the contributions were paid due to the expectation that the pay elements would be included in their retirement allowance calculations, which was taken away by the new law.*

Question. Under the IRC and IRS rules and regulations, may CCCERA refund contributions made before July 12, 2014 on the now-excluded elements of pay, even though they were required to be collected at the time since the pay items were pensionable at the time?

Answer: No. CCCERA is required to follow the terms of the Plan.

In order for a plan to be qualified, it must constitute a pension, profit sharing or stock bonus plan. Internal Revenue Code ("Code") § 401(a). All governmental defined benefit plans must meet the definition of a pension plan as set forth in Treas. Reg. § 1.401-1(b)(1)(i). A pension plan is defined as "a plan established and maintained by an employer primarily to provide systematically for the payment of definitely determinable benefits to his employees over a period of years, usually for life, after retirement." Treas. Reg. § 1.401-1(b)(1)(i). Additionally, Code § 401(a) requires that the plan of the employer be "for the exclusive benefit of [the employer's] employees or their beneficiaries …." Therefore, the plan may not benefit a person other than the employees or their beneficiaries. Accordingly, the IRS has held that "funds accumulated under a qualified plan in trust are intended primarily for distribution to employee participants." Rev. Rul. 72-240, 1972-1 C.B. 108. Compliance with this provision requires that benefits be provided in accordance with the terms of the plan document.

The Internal Revenue Service ("IRS") has established the Employee Plans Compliance Resolution System ("EPCRS"), which is a program intended to allow plan sponsors of a qualified plan (such as CCCERA) to meet the applicable requirements of the Code and permit them to correct plan deficiencies. Rev. Proc. 2019-19 (the most recent version of EPCRS, Rev. Proc. 2021-30, was just issued effective July 16, 2021 but does not change the analysis contained in these responses). A fundamental requirement under EPCRS is that a qualified retirement plan must be operated in accordance with its terms. An "Operational Failure" "means a Qualification Failure … that arises solely from the failure to follow plan provisions." EPCRS, Section 5.01(2)(b) (emphasis added). A "Qualification Failure" "means any failure that adversely affects the qualification of a plan," and includes an Operational Failure. EPCRS, Section 5.01(2). Further, an "Overpayment" "means a Qualification Failure due to <u>a payment being made</u> to a participant or beneficiary <u>that exceeds the amount payable to the participant or beneficiary under the terms of the plan</u> or that exceeds a limitation provided in the Code or regulations." EPCRS, Section 5.01(3)(c) (emphasis added). Therefore, under EPCRS the payment of benefits (or, in this instance, the retroactive correction of employee contributions) that are not authorized by the terms of the plan constitutes an Overpayment, which is an Operational Failure and a Qualification Failure.

Further, under Restatement (Third) of Trusts, fiduciaries have a duty to administer the trust in accordance with its terms and applicable law. *See* Restatement Third, Trust, § 76. As such, the fiduciaries have the duty to administer the trust diligently and in good faith, in accordance with the terms of the trust and applicable law. *Id.* Fiduciaries are responsible for ascertaining their duties and powers, collecting and protecting trust property and understanding the purposes of the trust with respect to the participants and their beneficiaries. *Id*. This places a burden on the fiduciaries to understand the governing documents of the plan and to operate in accordance with those governing documents.

Thus, for those elements of pay for which CCCERA was required to receive contributions and which were pensionable at the time the contributions were collected based upon the plan's then-existing terms, then CCCERA should not provide a refund of the contributions. In addition, even if CCCERA were to provide a refund of contributions, then for those retirees who retired and received an increased pension based on the now excludable pay, CCCERA would need to reduce the member's pension and recoup the overpayments. In sum, based on the relevant law and plan provisions at the time, which provided for inclusion of certain pay elements, the contributions paid and benefits calculated based on the now excludable pay elements were correct and should not be refunded nor should the overpayments be recouped.

> *2. Effective July 12, 2014, a trial court judgment ordered CCCERA to grant increased retirement allowances to certain members who retired thereafter. Following appeals, the Supreme Court declared the judgment invalid and ordered it vacated. CCCERA proposes to recover the overpaid retirement allowances paid from the date of retirement after July 12, 2014 to the present. Affected members ask that CCCERA only recover the overpaid allowances following the date of the Supreme Court order in July of 2020, and not collect the overpayments made before July 2020.*
>
> *Question. Under the IRC and IRS rules and regulations, may CCCERA decline to recover from affected members the overpaid allowances paid before July 2020?*

In general, no. The Employee Plans Compliance Resolution System ("EPCRS") requires the correction of overpayments as directed by the plan's terms (in this case, the *Alameda* decision). In this regard, the monthly pension benefits should be adjusted on a prospective basis to reflect the retirement allowance calculations without the now excluded pay. With respect to the overpayments, we recommend, in line with EPCRS and the *Alameda* decision, that CCCERA take reasonable steps to recoup the overpaid benefits. Specifically, Section 6.06(3)(b)(iii) of EPCRS, with regard to the correction of overpayments in a defined benefit plan, requires that "to the extent that the amount of an Overpayment adjusted for Earnings at the plan's earnings rate is not repaid to the plan [by the overpayment recipient], the Plan Sponsor or another person must contribute the difference to the plan." Thus, federal law requires recoupment of overpayments, whether repaid by the employee or the employer.

We hope this is helpful as you consider the implementation of *Alameda*. Of course, if you have any questions, please do not hesitate to let us know.

Very truly yours,

ICE MILLER LLP

Audra Ferguson-Allen

Robert L. Gauss

cc: Gail Strohl, CEO
Karen Levy, General Counsel

Attachment 5

Segal

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March 18, 2021

Christina Dunn
Deputy Chief Executive Officer
Contra Costa County Employees' Retirement Association
1200 Concord Avenue, Suite 300
Concord, CA 94520

Re: CCCERA Member Contributions Paid Towards Including Terminal Pay or Leave Cash Out at Retirement

Dear Christina:

As requested, we have provided in this letter the approximate reduction in employee normal cost rates (expressed as percentage of payroll for each of the different cost groups) as a result of reducing the terminal pay assumptions applied in the 12/31/2012 valuation to the lower terminal pay assumptions applied in the 12/31/2013 valuation.

These results were determined using membership and other information as used in the 12/31/2012 valuation. These changes in the employee normal cost rates averaged about 0.34% of payroll for all cost groups combined and that result (after being rounded to one decimal place or 0.3% of payroll) was included in our letter dated 8/5/2014. A copy of that letter is attached for your reference.

Average Member Contribution Rates and Annual Amount Based on Annual Payroll from 12/31/2012 Valuation

	Terminal Pay Assumptions Used in 12/31/2012 Valuation (Used in Setting Contribution Rates for 2014/2015)		Terminal Pay Assumptions Used in 12/31/2013 Valuation (As if Applied in 12/31/2012 Valuation to Set Contribution Rates for 2014/2015)		Difference Due to Change in Assumptions		
General	Total Rate	Annual Amount	Total Rate	Annual Amount	Total Rate	Annual Amount	Annual Payroll From 12/31/2012 Valuation
Cost Group #1 – County and Small Districts (Tier 1)	10.90%	$2,781,559	10.43%	$2,661,067	-0.47%	-$120,492	$25,513,582
Cost Group #2 – County and Small Districts (Tier 3)	10.81%	$49,226,376	10.59%	$48,207,473	-0.22%	-$1,018,903	$455,216,933
Cost Group #3 – Central Contra Costa Sanitary District	11.26%	$2,684,595	10.83%	$2,581,198	-0.43%	-$103,397	$23,833,773
Cost Group #4 – Contra Costa Housing Authority	11.59%	$585,541	11.09%	$560,502	-0.50%	-$25,039	$5,054,117
Cost Group #5 – Contra Costa County Fire Protection District	11.14%	$396,160	10.69%	$380,080	-0.45%	-$16,080	$3,555,471
Cost Group #6 – Small Districts (Tier 1 Non-Enhanced)	12.86%	$96,073	12.60%	$94,095	-0.26%	-$1,978	$746,787
Safety							
Cost Group #7 – County (Tier A)	17.80%	$11,851,328	17.06%	$11,357,770	-0.74%	-$493,558	$66,575,441
Cost Group #8 – Contra Costa and East Fire Protection Districts	17.43%	$5,681,658	16.74%	$5,458,057	-0.69%	-$223,601	$32,604,881
Cost Group #9 – County (Tier C)	14.06%	$1,926,255	13.96%	$1,912,144	-0.10%	-$14,111	$13,697,308
Cost Group #10 – Moraga-Orinda Fire District	17.31%	$1,226,374	16.57%	$1,173,947	-0.74%	-$52,427	$7,084,771
Cost Group #11 – San Ramon Valley Fire District	17.20%	$2,878,150	16.51%	$2,762,696	-0.69%	-$115,454	$16,733,471
Cost Group #12 – Rodeo-Hercules Fire Protection District	16.36%	$277,408	15.68%	$265,877	-0.68%	-$11,531	$1,695,645
All Categories Combined	12.20%	$79,611,477	11.86%	$77,414,906	-0.34%	-$2,196,571	$652,312,180

We note that the 0.3% of payroll impact was calculated by taking the difference between the member rates determined using the terminal pay (leave cash out) assumptions applied in the 12/31/2012 valuation and the member rates determined using the lower terminal pay assumptions used in preparing the 8/5/2014 letter. Those lower terminal pay assumptions were subsequently used in the 12/31/2013 valuation, and were reflected in the reduced member contribution rates effective 7/1/2015. The two sets of assumptions just referenced are provided in Appendix A for your reference.

Other Considerations

We note that the terminal pay assumptions have changed a few times to reflect the different actions taken by the Board in determining what would be considered pensionable. For instance, using the assumptions proposed for the 12/31/2013 valuation, the member normal cost rates used to provide for the terminal pay benefit were reduced to an average of 0.04% of total payroll when estimated using the membership and other information used in the 12/31/2012 valuation.

In answering the question on what portion of the member contribution rate was paid towards benefits provided by including terminal pay before the 12/31/2012 valuation, we have not attempted to go back to investigate what that portion was paid before the 12/31/2012 valuation as the information is not practically available.

We are members of the American Academy of Actuaries and we meet the Qualification Standards of the American Academy of actuaries to render the actuarial opinion herein.

Please let us know if you need any additional information and we look forward to discussing this letter with you.

Sincerely,

Paul Angelo, FSA, MAAA, FCA, EA
Senior Vice President & Actuary

Andy Yeung, ASA, MAAA, FCA, EA
Vice President & Actuary

/mv

Attachment (5325536)

Appendix A

Terminal Pay (Leave Cash Out) Assumptions Used in 12/31/2012 Valuation

	Membership Date before January 1, 2011	Membership Date on or after January 1, 2011 but before January 1, 2013
Cost Group 1:	12.50%	3.00%
Cost Group 2:	4.00% for Tier 2 8.00% for Tier 3	1.00%
Cost Group 3:	24.00%	8.75%
Cost Group 4:	5.75%	0.75%
Cost Group 5:	11.50%	2.75%
Cost Group 6:	9.00%	2.25%
Cost Group 7:	12.00%	1.50%
Cost Group 8:	10.50%	1.25%
Cost Group 9:	4.00%	0.50%
Cost Group 10:	13.00%	1.50%
Cost Group 11	14.00%	3.50%
Cost Group 12:	15.50%	6.25%

Terminal Pay (Leave Cash Out) Assumptions Proposed In 8/5/2014 Letter and Subsequently Used in 12/31/2013 Valuation

The first column of numbers in the table below shows the hypothetical leave cash out experience (as a percentage of final average pay) based on the data provided to us to prepare our 8/5/2014 letter. The second column is based on the first, and contains the new leave cash out assumptions as a percentage of final average pay that we proposed be used in the 12/31/2013 actuarial valuation for non-PEPRA members.

	Hypothetical Experience	Proposed Assumption
Cost Group 1:	1.59%	1.50%
Cost Group 2:	0.63% for Tier 2 0.77% for Tier 3	0.50% for Tier 2 0.75% for Tier 3
Cost Group 3:	6.84%	6.50%
Cost Group 4:	0.23%	0.25%
Cost Group 5:	1.56%	1.50%
Cost Group 6:	0.00%	1.25%
Cost Group 7:	0.74%	0.75%
Cost Group 8:	0.64%	0.75%
Cost Group 9:	0.00%	0.25%
Cost Group 10:	1.32%	1.50%
Cost Group 11	2.96%	3.00%
Cost Group 12:	3.49%	3.50%

SEGAL

THE SEGAL COMPANY
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August 5, 2014

Mr. Kurt Schneider
Deputy Chief Executive Officer
Contra Costa County Employees' Retirement Association
1355 Willow Way, Suite 221
Concord, CA 94520

Re: Leave Cashout (Terminal Pay) Assumptions for Non-PEPRA members for the December 31, 2013 Actuarial Valuation

Dear Kurt:

We are proposing new leave cashout assumptions that would replace the current terminal pay assumptions for all Non-PEPRA members. These new assumptions are based on the recent court ruling requiring CCCERA to implement AB 197 and changes that the CCCERA Board made to eliminate "straddling". Note that for purposes of this letter and the annual actuarial valuation we have historically used "terminal pay" as a broad term that includes such items as vacation sellbacks, administrative leave sellbacks and terminal pay items during the final average pay period. We will now be using the new term "leave cashouts" when describing the new assumption as it is more consistent with the items above that will occur during the final average earning period on a prospective basis.

BACKGROUND

In 1997 the Board adopted a policy that determined which pay items are considered compensation for retirement purposes. Under that policy, various types of terminal pay were included in the determination of compensation for retirement purposes. As of the December 31, 2012 actuarial valuation, this policy applies to members with membership dates before January 1, 2011.

In March 2010, the Board adopted a change to this policy for members with membership dates on or after January 1, 2011[1]. Under this amended policy, certain terminal pay elements are no longer included in the determination of compensation for retirement purposes.

[1] Note that as a result of the passage of the California Public Employees' Pension Reform Act of 2013 (CalPEPRA), terminal pay would no longer be considered in determining Pensionable Compensation for members covered by the CalPEPRA plans.

CURRENT TERMINAL PAY ASSUMPTIONS

Based on our experience study for the period from January 1, 2010 through December 31, 2012, the Board had previously adopted the following terminal pay assumptions shown below for members with membership dates before January 1, 2011 and for members with membership dates on or after January 1, 2011 but before January 1, 2013 who are under the new policy.

The following assumptions for terminal pay as a percentage of final average pay were used in the December 31, 2012 actuarial valuation for non-PEPRA members.

	Membership Date before January 1, 2011	Membership Date on or after January 1, 2011 but before January 1, 2013
Cost Group 1:	12.50%	3.00%
Cost Group 2:	4.00% for Tier 2 8.00% for Tier 3	1.00%
Cost Group 3:	24.00%	8.75%
Cost Group 4:	5.75%	0.75%
Cost Group 5:	11.50%	2.75%
Cost Group 6:	9.00%	2.25%
Cost Group 7:	12.00%	1.50%
Cost Group 8:	10.50%	1.25%
Cost Group 9:	4.00%	0.50%
Cost Group 10:	13.00%	1.50%
Cost Group 11	14.00%	3.50%
Cost Group 12:	15.50%	6.25%

RECENT EVENTS

On September 12, 2012, the Governor signed into law Assembly Bill 197, with an effective date of January 1, 2013. The measure changed how county retirement boards were permitted to calculate their current members’ retirement allowances. For CCCERA, this would effectively make members with membership dates before January 1, 2011 subject to the policy that currently applies to members with membership dates on or after January 1, 2011.

We understand that the Contra Costa County Superior Court has entered a judgment in the litigation and a Writ directing CCCERA to proceed to comply with AB 197. However, the matter was appealed and a request was filed on June 9, 2014 with the Court of Appeal for an immediate “stay” of the Superior Court’s ruling. On June 30, 2014, the Court of Appeal issued an order denying the request for an additional stay. Therefore, we understand that CCCERA is required to implement the AB 197 changes in calculating benefits for all retirements with an effective date of July 12, 2014 or later. Note that a final resolution of this issue in the courts could take several years.

At its July 9th meeting, the Board decided that the December 31, 2013 valuation should be done assuming that AB 197 will be implemented according to the judge's final ruling, regardless of the fact that the appeal is ongoing.

In addition, the Board decided to discontinue allowing a practice called "straddling" where employees could time their leave cashouts so that two leave cashouts would occur during their 12-month final average earnings period. The Board decided that only one such payment should be included on a prospective basis.

CCCERA provided us with updated leave cashout information for actual retirements during the period from January 1, 2010 through December 31, 2012 (the same period over which information was collected for the last experience study). That information reflects the hypothetical impact of AB 197 and the discontinuation of "straddling" on those members. Based on that information, we are recommending new leave cashout assumptions for all non-PEPRA members that would be used in the December 31, 2013 actuarial valuation.

PROPOSED LEAVE CASHOUT ASSUMPTIONS

The first column of numbers in the table below shows the hypothetical leave cashout experience (as a percentage of final average pay) based on the data provided to us. The second column contains the new leave cashout assumptions as a percentage of final average pay that we propose be used in the December 31, 2013 actuarial valuation for non-PEPRA members. These assumptions are all lower than the current assumptions for members with membership dates on or after January 1, 2011.

	Hypothetical Experience	Proposed Assumption
Cost Group 1:	1.59%	1.50%
Cost Group 2:	0.63% for Tier 2	0.50% for Tier 2
	0.77% for Tier 3	0.75% for Tier 3
Cost Group 3:	6.84%	6.50%
Cost Group 4:	0.23%	0.25%
Cost Group 5:	1.56%	1.50%
Cost Group 6:	0.00%	1.25%
Cost Group 7:	0.74%	0.75%
Cost Group 8:	0.64%	0.75%
Cost Group 9:	0.00%	0.25%
Cost Group 10:	1.32%	1.50%
Cost Group 11	2.96%	3.00%
Cost Group 12:	3.49%	3.50%

COST IMPACT

We have estimated the impact of proposed leave cashout assumption changes as if they were applied to the December 31, 2012 actuarial valuation. If the leave cashouts assumptions were implemented, the average employer rate would have decreased by 4.2% of compensation, where the Normal Cost rate decreased by 1.9% and the Unfunded Actuarial Accrued Liability (UAAL) amortization rate decreased by 2.3%. The average member rate would have decreased by 0.3% of compensation. The UAAL would have decreased by about $200 million.

Unless otherwise noted, this cost estimate was made using generally accepted actuarial practices and is based on the December 31, 2012 actuarial valuation, including the participant and actuarial assumptions upon which that valuation was based. Calculations were completed under the supervision of John Monroe, ASA, MAAA, Enrolled Actuary.

We are members of the American Academy of Actuaries and we meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein.

Please let us know if you have any questions, and we look forward to discussing this with the Board.

Sincerely,

John Monroe

Paul Angelo, FSA, EA, MAAA	John Monroe, ASA, EA, MAAA
Senior Vice President and Actuary	Vice President and Associate Actuary

AW/bqb

Meeting Date
09/08/2021
Agenda Item
#11

Contra Costa County Employees' Retirement Association

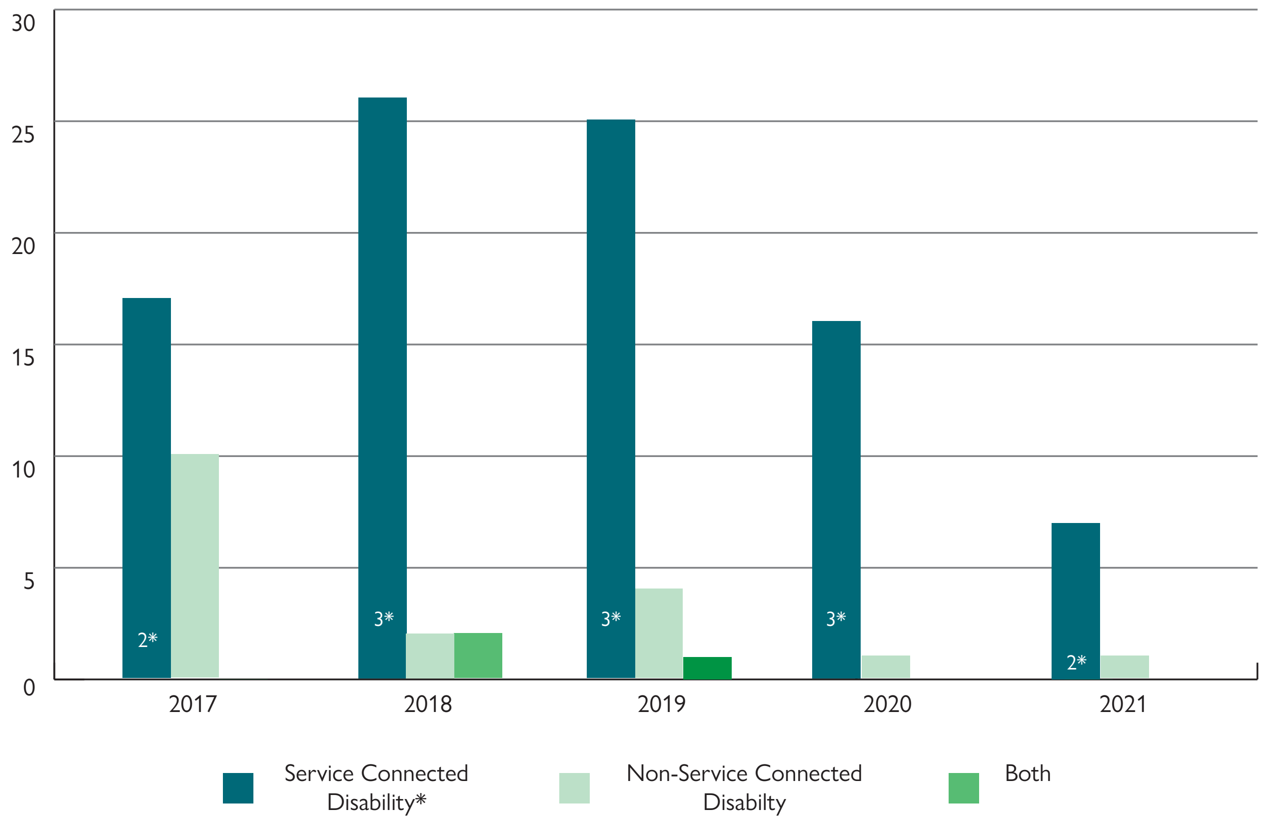
Semi-Annual Disability Retirement Report

for the years ended 2017, 2018, 2019, 2020,
and the period ending January 1 to June 30, 2021

Semi-Annual Disability Retirement Report

Exhibit 1: Disability Retirement Applications Received by Year

As of June 30, 2021



*Number of service connected disability applications accepted with less than 10 years of service.

Exhibit 2: Total Disability Applications Filed with CCCERA (totals listed by employer)

As of June 30, 2021

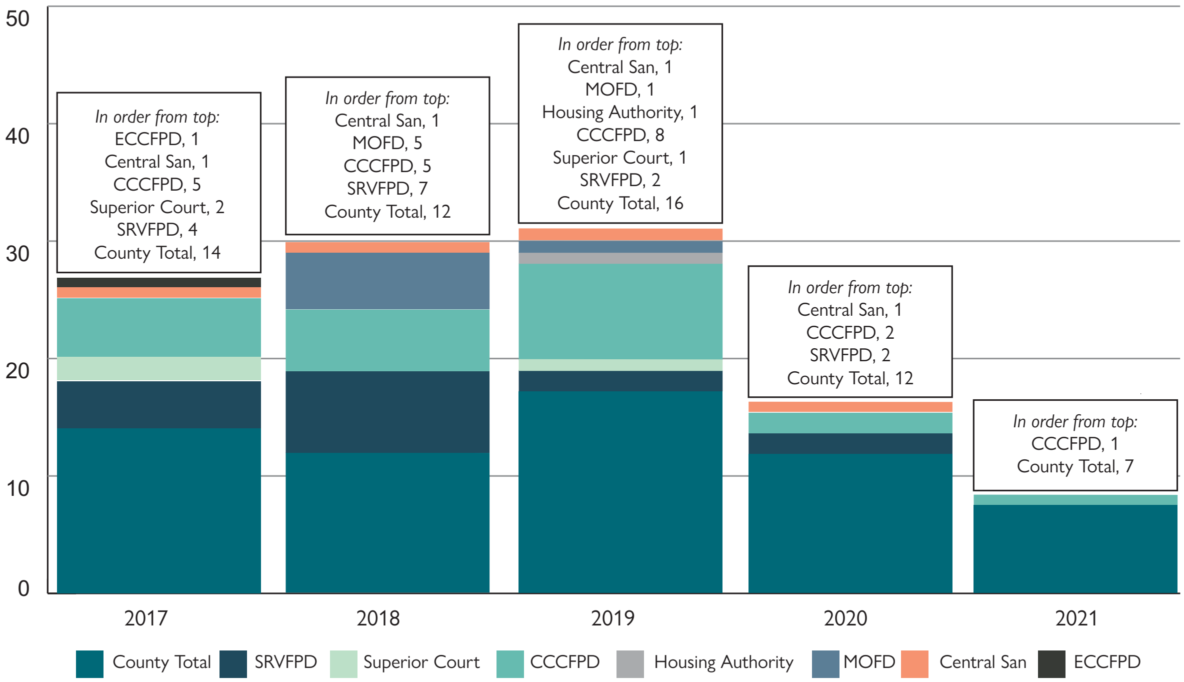


Exhibit 3: Total Disability Applications Filed with CCCERA (by County Department)

As of June 30, 2021

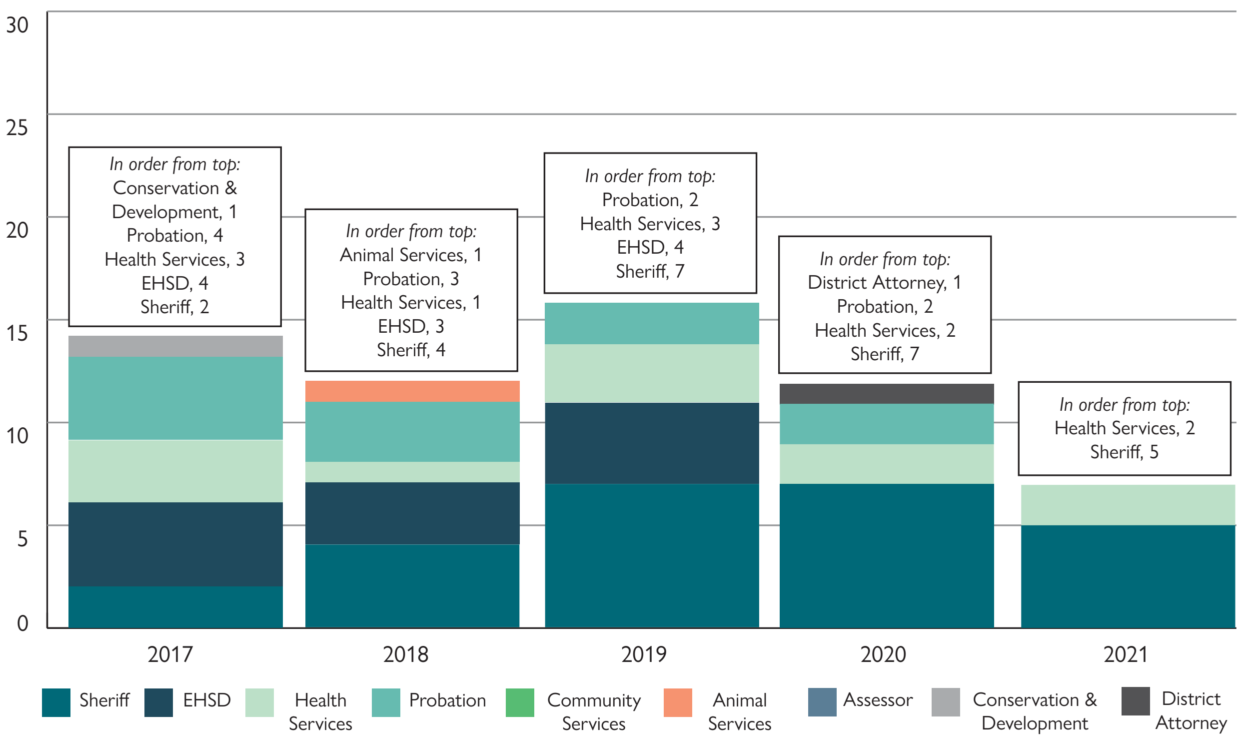
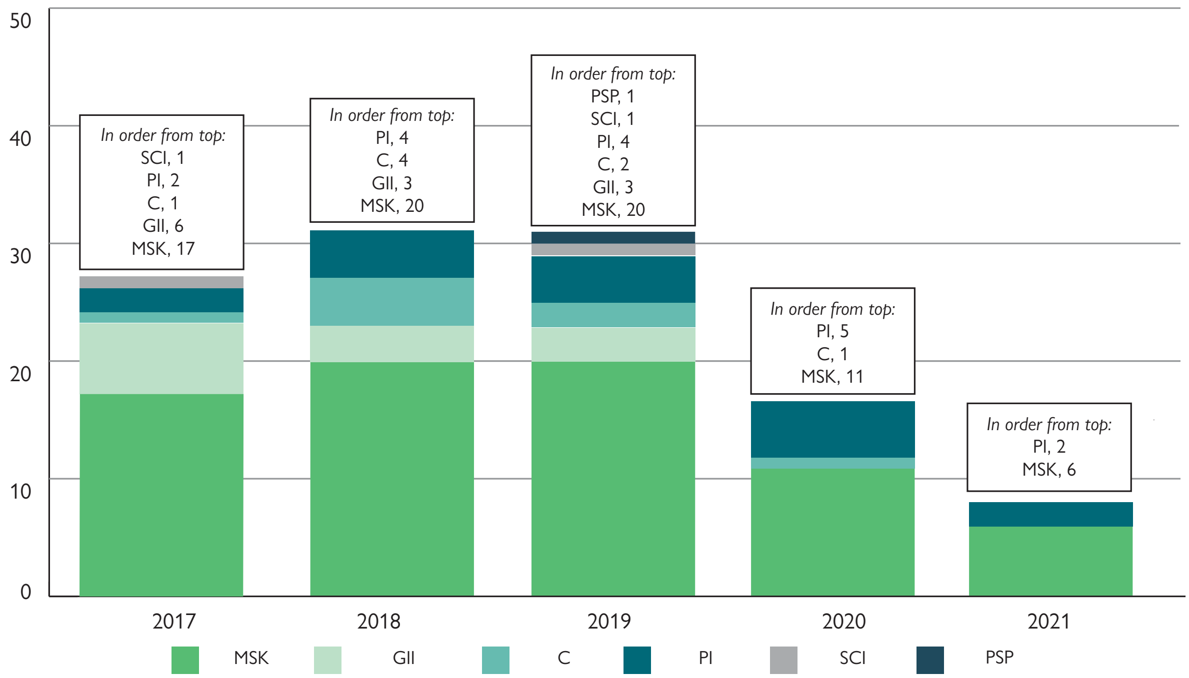


Exhibit 4: Total Disability Filed by Type *(Some applications filed with multiple disability types.)*

As of June 30, 2021



The following acronyms group different illnesses together by type to show trends and are not limited to the examples below.

Musculoskeletal (MSK)	Will include all orthopedic injuries and illness. Examples include carpal tunnel syndrome, amputation, avascular necrosis, back injury, degenerative disc disease, fibromyalgia, lumbar stenosis, neck injury, shoulder injury, and disc herniation.
General Internal Incapacitation (GII)	Will include all injuries and illness that are general non-orthopedic issues, not covered by the noted above. Examples include diabetes, any disease or injury to an internal organ, rheumatology, pulmonary, gastrointestinal.
Cancer (C)	Will include all permanent incapacitation that was the result of a form of cancer.
Psychiatric Incapacitation (PI)	Will include all psychiatric and mental health conditions and injuries. Examples would be PTSD, OCD, depression, schizophrenia, anxiety disorders, mood and emotional disorders.
Severe Cognitive Impairment (SCI)	Will include all illness' and injuries where the incapacitation has caused diminished cognitive function. Examples include traumatic brain injury, dementia, dyslexia, dyscalculia, memory impairments, diminished concentration and speech.
Public Safety Presumptions (PSP)	Will include all illness and injuries where the cause is governed under GC Sections 31720.5, 31720.6, 31720.7, or 31720.9. Presumptions will be listed twice; once under total presumption and once under type of disability.
Unknown (UKN)	Disability application filed for unknown medical reasons. An example would be an employer that filed an application with limited medical records due to HIPAA.

Exhibit 5: Type of Disability by Injury/Illness Group (Employer Level)					
Employer	**2017**	**2018**	**2019**	**2020**	**2021**
Contra Costa County Fire Protection District (CCCFPD)					
PI	0	2	3	2	0
MSK	5	4	4	0	0
C	0	0	1	0	0
PSP	0	0	1	0	0
Central Sanitary District					
MSK	0	1	1	1	0
GII	1	0	0	0	0
SCI	0	0	0	0	0
East County Fire					
PI	0	0	0	0	0
MSK	1	0	0	0	0
Housing Authority of Contra Costa County					
MSK	0	0	1	0	0
C	0	0	0	0	0
Moraga/Orinda Fire Protection District					
MSK	0	4	1	0	0
C	0	1	0	0	0
GII	0	0	0	0	0
San Ramon Valley Fire Protection District					
PI	0	1	0	2	0
MSK	4	4	2	0	0
GII	0	2	0	0	0
Contra Costa County Superior Court					
PI	0	0	1	0	0
MSK	0	0	0	0	1
C	0	0	0	0	0
GII	1	0	0	0	0
SCI	1	0	0	0	0
Contra Costa County*					
PI	2	1	0	1	2
MSK	7	7	11	10	5
C	1	3	1	1	0
GII	4	1	3	0	0
SCI	0	0	1	0	0

**Detail by Contra Costa County departments on following page.*

Semi-Annual Disability Retirement Report *(Concluded)*

Exhibit 5: Type of Disability by Injury/Illness Group (County Department Level)

Department	2017	2018	2019	2020	2021
Contra Costa County					
Animal Services					
GII	0	0	0	0	0
MSK	0	1	0	0	0
Assessor					
GII	0	0	0	0	0
Conservation and Development					
C	1	0	0	0	0
District Attorney					
MSK	0	0	0	1	0
Employment & Human Services Department (EHSD)					
PI	0	0	0	0	0
MSK	1	2	2	0	0
C	0	1	0	0	0
SCI	0	0	1	0	0
GII	3	0	1	0	0
Health Services Department					
PI	1	0	0	1	0
MSK	1	1	1	1	2
C	0	0	0	0	0
GII	1	0	2	0	0
Probation Department					
PI	1	0	0	0	0
MSK	3	2	2	2	0
C	0	1	0	0	0
GII	0	0	0	0	0
Sheriff's Office					
PI	0	1	0	0	2
MSK	2	1	6	6	3
C	0	1	1	1	0
SCI	0	0	0	0	0
GII	0	1	0	0	0

Meeting Date
09/08/2021
Agenda Item
#12

CCCERA
Contra Costa County Employees' Retirement Association

MEMORANDUM

Date: September 8, 2021

To: CCCERA Board of Retirement

From: Karen Levy, General Counsel

Subject: Consider and take possible action to amend the Policy on Internal Revenue Code Compliance.

Background

In 2010, CCCERA adopted a policy on Internal Revenue Code Section 415 Compliance. The policy was amended in 2013 and 2018.

Enclosed, for the Board's consideration, is an amended policy, along with a redline reflecting all suggested changes. The only substantive change recommended pertains to Section J, subdivision (iii), in order to clarify that the CCCERA plan does not allows for the purchase of "nonqualified service credit."

Recommendation

Consider and take possible action to amend the Policy on Internal Revenue Code Compliance.

CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

~~**BOARD OF RETIREMENT**~~

POLICY ON INTERNAL REVENUE CODE SECTION 415 COMPLIANCE

1. Purpose of this Policy

A. CCCERA is established as a qualified defined benefit plan under the County Employees Retirement Law of 1937, California Government Code sections 31450, *et seq.*, as amended from time to time ("CERL"), sections 401(a) and 414(d) of the Internal Revenue Code, such other provisions of the Internal Revenue Code as applicable, and applicable Treasury regulations and other guidance.

B. The Retirement Board is authorized to adopt regulations and policies which are appropriate or necessary to maintain the qualified status of the plan.

2. Definitions

A. All references to the Internal Revenue Code or IRC mean the Internal Revenue Code of 1986, as amended.

B. The plan year is the calendar year.

C. For IRC section 415 testing purposes, the limitation year is the calendar year.

3. Limitations on Contributions and Benefits (IRC Section 415; CERL Sections 31538 and 31899 et seq.)

A. As provided in CERL Chapter 3.9, Section 31899 et seq., benefits paid from the plan shall be limited to such extent as may be necessary to conform to the requirements of IRC Section 415 for a qualified pension plan. Notwithstanding any other law, the limitation with respect to a person who first became a member under the plan prior to January 1, 1990 shall not be less than the accrued benefit of the member under the plan (determined without regard to any amendment of this plan adopted after October 14, 1987).

B. *Basic 415(b) Limitation.*

(i) On and after January 1, 1995, a member may not receive an annual benefit that exceeds the dollar amount specified in IRC Section 415(b)(1)(A), subject to the applicable adjustments in IRC Section 415(b) and subject to any additional limits that may be specified in CERL and this Policy, and subject to the grandfather provisions of CERL Section 31899. In no event shall such member's benefit payable under the plan in any limitation year be greater than the limit applicable at the annuity starting date, as increased in subsequent years pursuant to IRC Section 415(d) and the regulations thereunder.

(ii) For purposes of IRC Section 415(b), the "annual benefit" means a benefit payable annually in the form of a straight life annuity (with no ancillary benefits) without regard to the benefit attributable to after-tax employee contributions (except pursuant to IRC Section 415(n)) and to rollover contributions (as defined in IRC Section 415(b)(2)(A)). The "benefit attributable" shall be determined in accordance with Treasury Regulations.

C. *Adjustments to Basic 415(b) Limitation for Form of Benefit*

If the benefit under the plan is other than the form specified in subsection (B)(ii), then the benefit shall be adjusted so that it is the equivalent of the annual benefit, using factors prescribed in Treasury Regulations.

(i) If the form of benefit without regard to the automatic benefit increase feature is not a straight life annuity or a qualified joint and survivor (spousal) annuity[1], then the preceding sentence is applied by either reducing the IRC Section 415(b) limit applicable at the annuity starting date or adjusting the form of benefit to an actuarially equivalent amount [determined using the assumptions specified in Treasury Regulation IRC Section 1.415(b)-1(c)(2)(ii)] that takes into account the additional benefits under the form of benefit as follows:

(ii) For a benefit paid in a form to which IRC Section 417(e)(3) (annuity, not lump sum, benefit) does not apply, the actuarially equivalent straight life annuity benefit that is the <u>greater of</u>:

(a) The annual amount of the straight life annuity (if any) payable to the member under the plan commencing at the same annuity starting date as the form of benefit to the member, or

(b) The annual amount of the straight life annuity commencing at the same annuity starting date that has the same actuarial present value as the form of benefit payable to the member, computed using a 5% interest assumption (or the applicable statutory interest assumption) and, for plan years after December 31, 2008, the applicable mortality tables described in IRC Section 417(e)(3)(B) (Notice 2008-85 or any subsequent Internal Revenue Service ("IRS") guidance implementing IRC Section 417(e)(3)(B)); or

(iii) For a benefit paid in a form to which IRC Section 417(e)(3) (lump sums) applies, the actuarially equivalent straight life annuity benefit that is the greatest of:

(a) The annual amount of the straight life annuity commencing at the annuity starting date that has the same actuarial present value as the particular

[1] A qualified joint and survivor annuity ("QJSA") means a 50% - 100% joint and survivor annuity with a <u>spouse</u> (same sex or opposite sex) as a designated beneficiary. No adjustment is required for the actuarial value of a QJSA that is fully or partially subsidized. See Treas. Reg. Section 1.415(b)-1(c)(4). If the survivor is a <u>non-spouse</u> beneficiary or domestic partner (thus, it is not a QJSA) then the entire benefit must be converted into a single-life annuity and tested under IRC Code Section 415(b).

form of benefit payable, computed using the interest rate and mortality table, or tabular factor, specified in the plan;

(b) The annual amount of the straight life annuity commencing at the annuity starting date that has the same actuarial present value as the particular form of benefit payable, computed using a 5.5 percent interest assumption (or the applicable statutory interest assumption) and, for plan years after December 31, 2008, the applicable mortality tables described in IRC Section 417(e)(3)(B) (Notice 2008-85 or any subsequent IRS guidance implementing IRC Section 417(e)(3)(B)); or

(c) The annual amount of the straight life annuity commencing at the annuity starting date that has the same actuarial present value as the particular form of benefit payable (computed using the applicable interest rate for the distribution under Treasury Regulation IRC Section 1.417(e)-1(d)(3) (using the rate in effect for the month prior to retirement) and, for plan years after December 31, 2008, the applicable mortality tables described in IRC Section 417(e)(3)(B) (Notice 2008-85 or any subsequent IRS guidance implementing IRC Section 417(e)(3)(B)), divided by 1.05.

(iv) In lieu of converting the optional form of benefit into a single-life annuity, the actuary may adjust the 415(b) limit at the annuity starting date in accordance with the above subsections (ii) and (iii).

(v) In the event that a qualified joint and survivor (spousal) annuity includes temporary benefits payable to minor children, no adjustment under 415(b) is required because the benefit remains a qualified joint and survivor annuity.

D. *Benefits Not Taken into Account for 415(b) Limitation*.

For purposes of this section, the following benefits shall not be taken into account in applying these limits:

(i) Any ancillary benefit (usually temporary, not annual or monthly) which is not directly related to retirement income benefits (e.g. burial benefits would be ancillary);

(ii) That portion of any joint and survivor annuity that constitutes a qualified joint and survivor annuity;

(iii) Any other benefit not required under IRC Section 415(b)(2) and Treasury Regulations thereunder to be taken into account for purposes of the limitation of IRC Section 415(b)(1).

E. *Other Adjustments in 415(b) Limitation.*

(i) In the event the member's retirement benefits become payable before age 62, the limit prescribed by this section shall be reduced in accordance with

Treasury Regulations pursuant to the provisions of IRC Section 415(b), so that such limit (as so reduced) equals an annual straight life benefit (when such retirement income benefit begins) which is equivalent to a one hundred sixty thousand dollar ($160,000) (as adjusted) annual benefit beginning at age 62.

The reduction in the limit shall be based on the following set of assumptions, whichever produces the lower limit:

(a) the interest rate and mortality table or tabular factor specified in the plan for commencement prior to the age of 62, or

(b) 5% and for plan years after December 31, 2008, the applicable mortality tables described in IRC section 417(e)(3)(B) (Notice 2008-85 or any subsequent IRS guidance implementing IRC Section 417(e)(3)(B)).

(ii) In the event the member's benefit is based on at least 15 years of service as a full-time employee of any police (sheriff's) or fire department or on 15 years of military service, the adjustments provided for in (i) above shall not apply. There is no age reduction for any employee of a police or fire department, regardless of whether that person otherwise qualifies as a public safety officer, but there is an age reduction for Safety Members who are not employed by a police or fire department. The application of this rule depends on whether the employer is a police department or fire department of the county, rather than on the job classification of the individual member. It is necessary that the employer (or at least the appropriate division of that employer) function as a police or fire department. The requirement of 15 years of service can be satisfied with a combination of police/fire services and military service.

(iii) The reductions provided for in (ii) above shall not be applicable to pre-retirement disability benefits or pre-retirement death benefits.

F. *Less than 10 Years of Participation Adjustment for 415(b) Limitations*.

The maximum retirement benefits payable to any member who has completed less than 10 years of participation shall be the amount determined under subsection (B) multiplied by a fraction, the numerator of which is the number of the member's years of participation and the denominator of which is 10. The service reduction provided by this subsection cannot reduce the maximum benefit below 10 percent. The reduction provided for in this subsection shall not be applicable to pre-retirement disability benefits or pre-retirement death benefits.

G. *Ten Thousand Dollar ($10,000) Limit*.

Notwithstanding the foregoing, the retirement benefit payable with respect to a member shall be deemed not to exceed the 415 limit if the benefits payable, with respect to such member under this plan and under all other qualified defined benefit pension plans to which the member's employer contributes, do not exceed ten thousand dollars ($10,000) for the applicable limitation year and for any prior limitation year and the employer has not any time maintained a qualified defined contribution plan in which the member participated.

H. *Effect of COLA without a Lump Sum Component on 415(b) Testing*.

Effective on and after January 1, 2009, for purposes of applying the limits under IRC Section 415(b) (the "Limit") to a member with no lump sum benefit, a member’s annual benefit, including any cost of living increases under CERL Article 16.5, shall be tested under the then applicable benefit Limit including any adjustment to the IRC Section 415(b)(1)(A) dollar limit under IRC Section 415(d), and the regulations thereunder.

On and after January 1, 2009, with respect to a member who receives a portion of the member's annual benefit in a lump sum, a member's applicable Limit will be applied taking into consideration cost of living increases as required by IRC Section 415(b) and applicable Treasury Regulations.

I. *IRC Section 415(c) limitations on contributions and other additions*.

415(c) limitations on contributions will only apply to CCCERA if the member has after-tax member contributions or service purchase after-tax amounts (see pg. 8) or other annual additions. All such annual additions, with respect to a member, may not exceed the lesser of $40,000 (as adjusted pursuant to IRC Section 415(d)) or 100% of the member's compensation.

(i) Annual additions are defined to mean the sum (for any year) of employer contributions to a defined contribution plan, member contributions, and forfeitures credited to a member's individual account. Member contributions are determined without regard to rollover contributions and to picked-up employee contributions that are paid to a defined benefit plan.

(ii) For purposes of applying IRC Section 415(c) and for no other purpose, the definition of compensation where applicable will be compensation actually paid or made available during a limitation year, except as noted below and as permitted by Treasury Regulation IRC Section 1.415(c)-2, or successor regulation; provided, however, that member contributions picked up under IRC Section 414(h) shall not be treated as compensation.

(iii) This section applies solely for purposes of IRC Section 415 testing. Compensation will be defined as wages within the meaning of IRC Section 3401(a) and all other payments of compensation to an employee by an employer for which the employer is required to furnish the employee a written statement under IRC Sections 6041(d), 6051(a)(3) and 6052 and will be determined without regard to any rules under IRC Section 3401(a) that limit the remuneration included in wages based on the nature or location of the employment or the services performed (such as the exception for agricultural labor in IRC Section 3401(a)(2)).

(a) However, for limitation years beginning after December 31, 1997, compensation will also include amounts that would otherwise be included in compensation but for an election under IRC Sections 125(a), 402(e)(3), 402(h)(1)(B), 402(k), or 457(b). For limitation years beginning after December 31, 2000, compensation shall also include any elective amounts that are not includible in the gross income of the member by reason of IRC Section 132(f)(4).

(b) For limitation years beginning on and after January 1, 2009, compensation for the limitation year shall also include compensation paid by the later of $2^1/_2$ months after a member's severance from employment or the end of the limitation year that includes the date of the member's severance from employment if:

(I) the payment is regular compensation for services during the member's regular working hours, or compensation for services outside the member's regular working hours (such as overtime or shift differential), commissions, bonuses or other similar payments, and, absent a severance from employment, the payments would have been paid to the member while the member continued in employment with the employer; or

(II) the payment is for unused accrued bona fide sick, vacation or other leave that the member would have been able to use if employment had continued; or

(III) payments pursuant to a nonqualified unfunded deferred compensation plan, but only if the payments would have been paid to the member at the same time if the member had continued employment with the employer and only to the extent that the payment is includible in the member's gross income.

(iv) Any payments not described in paragraph (iii)(b) above are not considered compensation if paid after severance from employment, even if they are paid within $2^1/_2$ months following severance from employment, except for payments to the individual who does not currently perform services for the employer by reason of qualified military service (within the meaning of IRC Section 414(u)(1)) to the extent these payments do not exceed the amounts the individual would have received if the individual had continued to perform services for the employer rather than entering qualified military service.

(v) An employee who is in qualified military service (within the meaning of IRC Section 414(u)(1)) shall be treated as receiving compensation from the employer during such period of qualified military service equal to (i) the compensation the employee would have received during such period if the employee were not in qualified military service, determined based on the rate of pay the employee would have received from the employer but for the absence during the period of qualified military service, or (ii) if the compensation the employee would have received during such period was not reasonably certain, the employee's average compensation from the employer during the twelve month period immediately preceding the qualified military service (or, if shorter, the period of employment immediately preceding the qualified military service).

(vi) Back pay, within the meaning of Treasury Regulation IRC Section 1.415(c)-2(g)(8), shall be treated as compensation for the limitation year to which the back pay relates to the extent the back pay represents wages and compensation that would otherwise be included under this definition.

(vii) For limitation years beginning on or after January 1, 2009, a member's compensation for purposes of this section shall not exceed the annual limit under IRC Section 401(a)(17).

J. *Service Purchases under IRC Section 415(n).*

(i) Effective for permissive service credit contributions made in limitation years beginning after December 31, 1997, if a member makes one or more contributions to purchase permissive service credit under the plan, then the requirements of IRC Section 415(n) will be treated as met only if:

(a) the requirements of IRC Section 415(b) are met (without regard to the age reduction under IRC Section 415(b)(2)(C)), determined by treating the accrued benefit derived from all such contributions as an annual benefit for purposes of IRC Section 415(b), or

(b) the requirements of IRC Section 415(c) are met, (without regard to the pay limit under IRC Section 415(c)(1)(B)) determined by treating all such contributions as annual additions for purposes of IRC Section 415(c).

(ii) For purposes of this subsection the term "permissive service credit" means service credit—

(a) recognized by the plan for purposes of calculating a member's benefit under the plan,

(b) which such member has not received under the plan, and

(c) which such member may receive only by making a voluntary additional contribution, in an amount determined under the plan, which does not exceed the amount necessary to fund the benefit attributable to such service credit.

(iii) The plan does not allow for the purchase of "nonqualified service credit."

~~Effective for permissive service credit contributions made in limitation years beginning after December 31, 1997, such term may include service credit for periods for which there is no performance of service, and, notwithstanding clause (b), may include service credited in order to provide an increased benefit for service credit which a member is receiving under the plan.~~

~~(iii) The plan will fail to meet the requirements of this section if —~~

~~(a) more than 5 years of nonqualified service credit are taken into account for purposes of this subparagraph, or~~

~~(b) any nonqualified service credit is taken into account under this paragraph before the member has at least 5 years of participation under the plan.~~

(iv) For purposes of subparagraph (iii), effective for permissive service credit contributions made in limitation years beginning after December 31, 1997, the term "nonqualified service credit" means permissive service credit other than that allowed with respect to—

(a) service (including parental, medical, sabbatical, and similar leave) as an employee of the Government of the United States, any State or political subdivision thereof, or any agency or instrumentality of any of the foregoing (other than military service or service for credit which was obtained as a result of a repayment described in IRC Section 415(k)(3)),

(b) service (including parental, medical, sabbatical, and similar leave) as an employee (other than as an employee described in clause (a)) of an education organization described in IRC Section 170(b)(1)(A)(ii) which is a public, private, or sectarian school which provides elementary or secondary education (through grade 12), or a comparable level of education, as determined under the applicable law of the jurisdiction in which the service was performed,

(c) service as an employee of an association of employees who are described in clause (a), or

(d) military service (other than qualified military service under IRC Section 414(u)) recognized by the plan.

In the case of service described in clause (a), (b), or (c), such service will be nonqualified service if recognition of such service would cause a member to receive a retirement benefit for the same service under more than one plan.

(v) In the case of a trustee-to-trustee transfer after December 31, 2001, to which IRC Section 403(b)(13)(A) or 457(e)(17)(A) applies (without regard to whether the transfer is made between plans maintained by the same employer)—

(a) the limitations of subparagraph (iii) will not apply in determining whether the transfer is for the purchase of permissive service credit, and

(b) the distribution rules applicable under federal law to the plan will apply to such amounts and any benefits attributable to such amounts.

(vi) For an eligible member, the IRC Section 415(c)(1) limitation shall not be applied to reduce the amount of permissive service credit which may be purchased to an amount less than the amount which was allowed to be purchased under the terms of a Plan as in effect on August 5, 1997. For purposes of this paragraph an eligible member is an individual who first became a member in the plan before January 1, 1998.

(vii) Any repayment of contributions (including interest) shall not be taken into account for IRC Section 415 purposes. So long as the amount repaid does not exceed the amount refunded, plus interest, IRC Section 415(c) will not apply to the repayment. However, the restored benefit is to be treated for testing purposes as the original benefit would have been treated. (See also Section M below).

(viii) In situations involving redeposit by the member of funds assigned to an alternate payee due to a domestic relations order, a member may make payments with post-tax dollars or complete a trustee-to-trustee transfer of 457 plan contributions to accomplish the redeposit. The benefit attributable to such amounts redeposited is not included in the benefit which is tested against the 415(b) limitation (provided that if post-tax dollars are used, the post-tax dollars satisfy the modified 415(c) limit described in paragraph (i)(b) above). The required method for allocating a portion of after-tax employee contributions, for purposes of excluding this amount from the annual benefit to be tested, is established in Reg. Section 1.411(c)-1(c). The method requires calculation of the after-tax employee contributions, plus interest, at rates specified by the regulations.

K. *Modification of Contributions for 415(c) and 415(n) Purposes*.

Notwithstanding any other provision of law to the contrary, CCCERA may modify a request by a member to make a contribution to the plan if the amount of the contribution would exceed the limits provided in IRC Section 415 by using the following methods:

(i) If the law requires a lump sum payment for the purchase of service credit, CCCERA may establish a periodic payment plan for the member to avoid a contribution in excess of the limits under IRC Section 415(c) or 415(n).

(ii) If payment pursuant to subparagraph (i) will not avoid a contribution in excess of the limits imposed by IRC Section 415(c) or 415(n), CCCERA may either reduce the member's contribution to an amount within the limits of those sections or refuse the member's contribution.

L. *Repayments of Cashouts.*

Any repayment of contributions (including interest thereon) to the plan with respect to an amount previously refunded upon a forfeiture of service credit under the plan or another governmental plan maintained by CCCERA shall not be taken into account for purposes of IRC Section 415, in accordance with applicable Treasury Regulations.

For example, if a member takes a refund and later returns to CCCERA membership, the member may redeposit the contributions to re-establish service credit. The member's service credit is restored and the 415 limit is applied as if the member had never left.

M. *Aggregation of Limits.*

(i) Participation in Other Qualified Plans

(a) The 415(b) limit with respect to any member who at any time has been a member in any other defined benefit plan as defined in IRC Section 414(j) maintained by the member's employer in this plan shall apply as if the total benefits payable under all such defined benefit plans in which the member has been a member were payable from one (1) plan.

(b) The 415(c) limit with respect to any member who at any time has been a member in any other defined contribution plan as defined in IRC Section 414(i) maintained by the member's employer in this plan shall apply as if the total annual additions under all such defined contribution plans in which the member has been a member were payable from one (1) plan.

(c) All defined benefit plans of the same employer must be aggregated for testing purposes and all defined contribution plans of the same employer must be aggregated. However, defined benefit and defined contribution plans are not combined for testing purposes. Thus, for example, if an employee, over the course of his or her career, is employed by Contra Costa County in different positions that are covered under both the CCCERA defined benefit plan and the Contra Costa County Deferred Compensation Plan, the benefit under both plans is not aggregated for purposes of IRC Section 415.

(ii) Alternate Payees/QDROs

(a) Benefits paid to alternate payees of members pursuant to a QDRO must be treated as if the benefit were paid to the participant for purposes of applying the IRC Section 415 limits.

(b) If the alternate payee is a former spouse and if the QDRO provides that the former spouse is to be treated as a spouse, then the value of the alternate payee's spousal benefit can, in effect, be disregarded for purposes of the 415(b) limits, under the normal rule that any portion of a QJSA need not be taken into account for 415(b) testing.

N. *Reduction of Benefits Priority*.

Reduction of benefits and/or contributions to all plans, where required, shall be accomplished by first reducing the member's benefit under any defined benefit plans in which the member participated, such reduction to be made first with respect to the plan in which the member most recently accrued benefits and thereafter in such priority as shall be determined by the plan and the plan administrator of such other plans, and next, by reducing or allocating excess forfeitures for defined contribution plans in which the member participated, such reduction to be made first with respect to the plan in which the member most recently accrued benefits and thereafter in such priority as shall be established by the plan and the plan administrator for such other plans provided, however, that necessary reductions may be made in a different manner and priority pursuant to the agreement of the plan and the plan administrator of all other plans covering such member.

4. Review

This policy shall be reviewed by the Board at least every three (3) years and may be amended at any time.

5. History

This policy was adopted on: 12/~~December~~ 8/~~,~~ 2010

Amended: 1/~~January~~ 9/~~,~~ 2013,~~;~~ 7/~~July~~ 11/~~,~~ 2018, __/__/2021

~~4849-4642-2264.1~~

CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

POLICY ON INTERNAL REVENUE CODE SECTION 415 COMPLIANCE

1. Purpose of this Policy

A. CCCERA is established as a qualified defined benefit plan under the County Employees Retirement Law of 1937, California Government Code sections 31450, *et seq.*, as amended from time to time ("CERL"), sections 401(a) and 414(d) of the Internal Revenue Code, such other provisions of the Internal Revenue Code as applicable, and applicable Treasury regulations and other guidance.

B. The Retirement Board is authorized to adopt regulations and policies which are appropriate or necessary to maintain the qualified status of the plan.

2. Definitions

A. All references to the Internal Revenue Code or IRC mean the Internal Revenue Code of 1986, as amended.

B. The plan year is the calendar year.

C. For IRC section 415 testing purposes, the limitation year is the calendar year.

3. Limitations on Contributions and Benefits (IRC Section 415; CERL Sections 31538 and 31899 et seq.)

A. As provided in CERL Chapter 3.9, Section 31899 et seq., benefits paid from the plan shall be limited to such extent as may be necessary to conform to the requirements of IRC Section 415 for a qualified pension plan. Notwithstanding any other law, the limitation with respect to a person who first became a member under the plan prior to January 1, 1990 shall not be less than the accrued benefit of the member under the plan (determined without regard to any amendment of this plan adopted after October 14, 1987).

B. *Basic 415(b) Limitation.*

(i) On and after January 1, 1995, a member may not receive an annual benefit that exceeds the dollar amount specified in IRC Section 415(b)(1)(A), subject to the applicable adjustments in IRC Section 415(b) and subject to any additional limits that may be specified in CERL and this Policy, and subject to the grandfather provisions of CERL Section 31899. In no event shall such member's benefit payable under the plan in any limitation year be greater than the limit applicable at the annuity starting date, as increased in subsequent years pursuant to IRC Section 415(d) and the regulations thereunder.

(ii) For purposes of IRC Section 415(b), the "annual benefit" means a benefit payable annually in the form of a straight life annuity (with no ancillary benefits) without regard to the benefit attributable to after-tax employee contributions (except pursuant to IRC Section 415(n)) and to rollover contributions (as defined in IRC Section 415(b)(2)(A)). The "benefit attributable" shall be determined in accordance with Treasury Regulations.

C. *Adjustments to Basic 415(b) Limitation for Form of Benefit*

If the benefit under the plan is other than the form specified in subsection (B)(ii), then the benefit shall be adjusted so that it is the equivalent of the annual benefit, using factors prescribed in Treasury Regulations.

(i) If the form of benefit without regard to the automatic benefit increase feature is not a straight life annuity or a qualified joint and survivor (spousal) annuity[1], then the preceding sentence is applied by either reducing the IRC Section 415(b) limit applicable at the annuity starting date or adjusting the form of benefit to an actuarially equivalent amount [determined using the assumptions specified in Treasury Regulation IRC Section 1.415(b)-1(c)(2)(ii)] that takes into account the additional benefits under the form of benefit as follows:

(ii) For a benefit paid in a form to which IRC Section 417(e)(3) (annuity, not lump sum, benefit) does not apply, the actuarially equivalent straight life annuity benefit that is the greater of:

(a) The annual amount of the straight life annuity (if any) payable to the member under the plan commencing at the same annuity starting date as the form of benefit to the member, or

(b) The annual amount of the straight life annuity commencing at the same annuity starting date that has the same actuarial present value as the form of benefit payable to the member, computed using a 5% interest assumption (or the applicable statutory interest assumption) and, for plan years after December 31, 2008, the applicable mortality tables described in IRC Section 417(e)(3)(B) (Notice 2008-85 or any subsequent Internal Revenue Service ("IRS") guidance implementing IRC Section 417(e)(3)(B)); or

(iii) For a benefit paid in a form to which IRC Section 417(e)(3) (lump sums) applies, the actuarially equivalent straight life annuity benefit that is the greatest of:

(a) The annual amount of the straight life annuity commencing at the annuity starting date that has the same actuarial present value as the particular

[1] A qualified joint and survivor annuity ("QJSA") means a 50% - 100% joint and survivor annuity with a spouse (same sex or opposite sex) as a designated beneficiary. No adjustment is required for the actuarial value of a QJSA that is fully or partially subsidized. See Treas. Reg. Section 1.415(b)-1(c)(4). If the survivor is a non-spouse beneficiary or domestic partner (thus, it is not a QJSA) then the entire benefit must be converted into a single-life annuity and tested under IRC Code Section 415(b).

form of benefit payable, computed using the interest rate and mortality table, or tabular factor, specified in the plan;

(b) The annual amount of the straight life annuity commencing at the annuity starting date that has the same actuarial present value as the particular form of benefit payable, computed using a 5.5 percent interest assumption (or the applicable statutory interest assumption) and, for plan years after December 31, 2008, the applicable mortality tables described in IRC Section 417(e)(3)(B) (Notice 2008-85 or any subsequent IRS guidance implementing IRC Section 417(e)(3)(B)); or

(c) The annual amount of the straight life annuity commencing at the annuity starting date that has the same actuarial present value as the particular form of benefit payable (computed using the applicable interest rate for the distribution under Treasury Regulation IRC Section 1.417(e)-1(d)(3) (using the rate in effect for the month prior to retirement) and, for plan years after December 31, 2008, the applicable mortality tables described in IRC Section 417(e)(3)(B) (Notice 2008-85 or any subsequent IRS guidance implementing IRC Section 417(e)(3)(B)), divided by 1.05.

(iv) In lieu of converting the optional form of benefit into a single-life annuity, the actuary may adjust the 415(b) limit at the annuity starting date in accordance with the above subsections (ii) and (iii).

(v) In the event that a qualified joint and survivor (spousal) annuity includes temporary benefits payable to minor children, no adjustment under 415(b) is required because the benefit remains a qualified joint and survivor annuity.

D. *Benefits Not Taken into Account for 415(b) Limitation*.

For purposes of this section, the following benefits shall not be taken into account in applying these limits:

(i) Any ancillary benefit (usually temporary, not annual or monthly) which is not directly related to retirement income benefits (e.g. burial benefits would be ancillary);

(ii) That portion of any joint and survivor annuity that constitutes a qualified joint and survivor annuity;

(iii) Any other benefit not required under IRC Section 415(b)(2) and Treasury Regulations thereunder to be taken into account for purposes of the limitation of IRC Section 415(b)(1).

E. *Other Adjustments in 415(b) Limitation.*

(i) In the event the member's retirement benefits become payable before age 62, the limit prescribed by this section shall be reduced in accordance with

Treasury Regulations pursuant to the provisions of IRC Section 415(b), so that such limit (as so reduced) equals an annual straight life benefit (when such retirement income benefit begins) which is equivalent to a one hundred sixty thousand dollar ($160,000) (as adjusted) annual benefit beginning at age 62.

<u>The reduction in the limit shall be based on the following set of assumptions, whichever produces the lower limit:</u>

(a) the interest rate and mortality table or tabular factor specified in the plan for commencement prior to the age of 62, or

(b) 5% and for plan years after December 31, 2008, the applicable mortality tables described in IRC section 417(e)(3)(B) (Notice 2008-85 or any subsequent IRS guidance implementing IRC Section 417(e)(3)(B)).

(ii) In the event the member's benefit is based on at least 15 years of service as a full-time employee of any police (sheriff's) or fire department or on 15 years of military service, the adjustments provided for in (i) above shall not apply. There is no age reduction for any employee of a police or fire department, regardless of whether that person otherwise qualifies as a public safety officer, but there is an age reduction for Safety Members who are not employed by a police or fire department. The application of this rule depends on whether the <u>employer</u> is a police department or fire department of the county, rather than on the job classification of the individual member. It is necessary that the employer (or at least the appropriate division of that employer) function as a police or fire department. The requirement of 15 years of service can be satisfied with a combination of police/fire services and military service.

(iii) The reductions provided for in (ii) above shall not be applicable to pre-retirement disability benefits or pre-retirement death benefits.

F. *Less than 10 Years of Participation Adjustment for 415(b) Limitations*.

The maximum retirement benefits payable to any member who has completed less than 10 years of participation shall be the amount determined under subsection (B) multiplied by a fraction, the numerator of which is the number of the member's years of participation and the denominator of which is 10. The service reduction provided by this subsection cannot reduce the maximum benefit below 10 percent. The reduction provided for in this subsection shall not be applicable to pre-retirement disability benefits or pre-retirement death benefits.

G. *Ten Thousand Dollar ($10,000) Limit*.

Notwithstanding the foregoing, the retirement benefit payable with respect to a member shall be deemed not to exceed the 415 limit if the benefits payable, with respect to such member under this plan and under all other qualified defined benefit pension plans to which the member's employer contributes, do not exceed ten thousand dollars ($10,000) for the applicable limitation year and for any prior limitation year and the employer has not any time maintained a qualified defined contribution plan in which the member participated.

H. *Effect of COLA without a Lump Sum Component on 415(b) Testing*.

Effective on and after January 1, 2009, for purposes of applying the limits under IRC Section 415(b) (the "Limit") to a member with no lump sum benefit, a member's annual benefit, including any cost of living increases under CERL Article 16.5, shall be tested under the then applicable benefit Limit including any adjustment to the IRC Section 415(b)(1)(A) dollar limit under IRC Section 415(d), and the regulations thereunder.

On and after January 1, 2009, with respect to a member who receives a portion of the member's annual benefit in a lump sum, a member's applicable Limit will be applied taking into consideration cost of living increases as required by IRC Section 415(b) and applicable Treasury Regulations.

I. *IRC Section 415(c) limitations on contributions and other additions*.

415(c) limitations on contributions will only apply to CCCERA if the member has after-tax member contributions or service purchase after-tax amounts (see pg. 8) or other annual additions. All such annual additions, with respect to a member, may not exceed the lesser of $40,000 (as adjusted pursuant to IRC Section 415(d)) or 100% of the member's compensation.

(i) Annual additions are defined to mean the sum (for any year) of employer contributions to a defined contribution plan, member contributions, and forfeitures credited to a member's individual account. Member contributions are determined without regard to rollover contributions and to picked-up employee contributions that are paid to a defined benefit plan.

(ii) For purposes of applying IRC Section 415(c) and for no other purpose, the definition of compensation where applicable will be compensation actually paid or made available during a limitation year, except as noted below and as permitted by Treasury Regulation IRC Section 1.415(c)-2, or successor regulation; provided, however, that member contributions picked up under IRC Section 414(h) shall not be treated as compensation.

(iii) This section applies solely for purposes of IRC Section 415 testing. Compensation will be defined as wages within the meaning of IRC Section 3401(a) and all other payments of compensation to an employee by an employer for which the employer is required to furnish the employee a written statement under IRC Sections 6041(d), 6051(a)(3) and 6052 and will be determined without regard to any rules under IRC Section 3401(a) that limit the remuneration included in wages based on the nature or location of the employment or the services performed (such as the exception for agricultural labor in IRC Section 3401(a)(2)).

(a) However, for limitation years beginning after December 31, 1997, compensation will also include amounts that would otherwise be included in compensation but for an election under IRC Sections 125(a), 402(e)(3), 402(h)(1)(B), 402(k), or 457(b). For limitation years beginning after December 31, 2000, compensation shall also include any elective amounts that are not includible in the gross income of the member by reason of IRC Section 132(f)(4).

(b) For limitation years beginning on and after January 1, 2009, compensation for the limitation year shall also include compensation paid by the later of $2^{1}/_{2}$ months after a member's severance from employment or the end of the limitation year that includes the date of the member's severance from employment if:

(I) the payment is regular compensation for services during the member's regular working hours, or compensation for services outside the member's regular working hours (such as overtime or shift differential), commissions, bonuses or other similar payments, and, absent a severance from employment, the payments would have been paid to the member while the member continued in employment with the employer; or

(II) the payment is for unused accrued bona fide sick, vacation or other leave that the member would have been able to use if employment had continued; or

(III) payments pursuant to a nonqualified unfunded deferred compensation plan, but only if the payments would have been paid to the member at the same time if the member had continued employment with the employer and only to the extent that the payment is includible in the member's gross income.

(iv) Any payments not described in paragraph (iii)(b) above are not considered compensation if paid after severance from employment, even if they are paid within $2^{1}/_{2}$ months following severance from employment, except for payments to the individual who does not currently perform services for the employer by reason of qualified military service (within the meaning of IRC Section 414(u)(1)) to the extent these payments do not exceed the amounts the individual would have received if the individual had continued to perform services for the employer rather than entering qualified military service.

(v) An employee who is in qualified military service (within the meaning of IRC Section 414(u)(1)) shall be treated as receiving compensation from the employer during such period of qualified military service equal to (i) the compensation the employee would have received during such period if the employee were not in qualified military service, determined based on the rate of pay the employee would have received from the employer but for the absence during the period of qualified military service, or (ii) if the compensation the employee would have received during such period was not reasonably certain, the employee's average compensation from the employer during the twelve month period immediately preceding the qualified military service (or, if shorter, the period of employment immediately preceding the qualified military service).

(vi) Back pay, within the meaning of Treasury Regulation IRC Section 1.415(c)-2(g)(8), shall be treated as compensation for the limitation year to which the back pay relates to the extent the back pay represents wages and compensation that would otherwise be included under this definition.

(vii) For limitation years beginning on or after January 1, 2009, a member's compensation for purposes of this section shall not exceed the annual limit under IRC Section 401(a)(17).

J. *Service Purchases under IRC Section 415(n).*

(i) Effective for permissive service credit contributions made in limitation years beginning after December 31, 1997, if a member makes one or more contributions to purchase permissive service credit under the plan, then the requirements of IRC Section 415(n) will be treated as met only if:

(a) the requirements of IRC Section 415(b) are met (without regard to the age reduction under IRC Section 415(b)(2)(C)), determined by treating the accrued benefit derived from all such contributions as an annual benefit for purposes of IRC Section 415(b), or

(b) the requirements of IRC Section 415(c) are met, (without regard to the pay limit under IRC Section 415(c)(1)(B)) determined by treating all such contributions as annual additions for purposes of IRC Section 415(c).

(ii) For purposes of this subsection the term "permissive service credit" means service credit—

(a) recognized by the plan for purposes of calculating a member's benefit under the plan,

(b) which such member has not received under the plan, and

(c) which such member may receive only by making a voluntary additional contribution, in an amount determined under the plan, which does not exceed the amount necessary to fund the benefit attributable to such service credit.

(iii) The plan does not allow for the purchase of "nonqualified service credit."

(iv) For purposes of subparagraph (iii), effective for permissive service credit contributions made in limitation years beginning after December 31, 1997, the term "nonqualified service credit" means permissive service credit other than that allowed with respect to—

(a) service (including parental, medical, sabbatical, and similar leave) as an employee of the Government of the United States, any State or political subdivision thereof, or any agency or instrumentality of any of the foregoing (other than military service or service for credit which was obtained as a result of a repayment described in IRC Section 415(k)(3)),

(b) service (including parental, medical, sabbatical, and similar leave) as an employee (other than as an employee described in clause (a)) of an education organization described in IRC Section 170(b)(1)(A)(ii) which is a public, private, or sectarian school which provides elementary or secondary education (through grade 12), or a comparable level of education, as determined under the applicable law of the jurisdiction in which the service was performed,

(c) service as an employee of an association of employees who are described in clause (a), or

(d) military service (other than qualified military service under IRC Section 414(u)) recognized by the plan.

In the case of service described in clause (a), (b), or (c), such service will be nonqualified service if recognition of such service would cause a member to receive a retirement benefit for the same service under more than one plan.

(v) In the case of a trustee-to-trustee transfer after December 31, 2001, to which IRC Section 403(b)(13)(A) or 457(e)(17)(A) applies (without regard to whether the transfer is made between plans maintained by the same employer)—

(a) the limitations of subparagraph (iii) will not apply in determining whether the transfer is for the purchase of permissive service credit, and

(b) the distribution rules applicable under federal law to the plan will apply to such amounts and any benefits attributable to such amounts.

(vi) For an eligible member, the IRC Section 415(c)(1) limitation shall not be applied to reduce the amount of permissive service credit which may be purchased to an amount less than the amount which was allowed to be purchased under the terms of a Plan as in effect on August 5, 1997. For purposes of this paragraph an eligible member is an individual who first became a member in the plan before January 1, 1998.

(vii) Any repayment of contributions (including interest) shall not be taken into account for IRC Section 415 purposes. So long as the amount repaid does not exceed the amount refunded, plus interest, IRC Section 415(c) will not apply to the repayment. However, the restored benefit is to be treated for testing purposes as the original benefit would have been treated. (See also Section M below).

(viii) In situations involving redeposit by the member of funds assigned to an alternate payee due to a domestic relations order, a member may make payments with post-tax dollars <u>or</u> complete a trustee-to-trustee transfer of 457 plan contributions to accomplish the redeposit. The benefit attributable to such amounts redeposited is not included in the benefit which is tested against the 415(b) limitation (provided that if post-tax dollars are used, the post-tax dollars satisfy the modified 415(c) limit described in paragraph (i)(b) above). The required method for allocating a portion of after-tax employee contributions, for purposes of excluding this amount from the annual benefit to be tested, is established in Reg. Section 1.411(c)-1(c). The method requires calculation of the after-tax employee contributions, plus interest, at rates specified by the regulations.

K. *Modification of Contributions for 415(c) and 415(n) Purposes*.

Notwithstanding any other provision of law to the contrary, CCCERA may modify a request by a member to make a contribution to the plan if the amount of the contribution would exceed the limits provided in IRC Section 415 by using the following methods:

(i) If the law requires a lump sum payment for the purchase of service credit, CCCERA may establish a periodic payment plan for the member to avoid a contribution in excess of the limits under IRC Section 415(c) or 415(n).

(ii) If payment pursuant to subparagraph (i) will not avoid a contribution in excess of the limits imposed by IRC Section 415(c) or 415(n), CCCERA may either reduce the member's contribution to an amount within the limits of those sections or refuse the member's contribution.

L. *Repayments of Cashouts.*

Any repayment of contributions (including interest thereon) to the plan with respect to an amount previously refunded upon a forfeiture of service credit under the plan or another governmental plan maintained by CCCERA shall not be taken into account for purposes of IRC Section 415, in accordance with applicable Treasury Regulations.

For example, if a member takes a refund and later returns to CCCERA membership, the member may redeposit the contributions to re-establish service credit. The member's service credit is restored and the 415 limit is applied as if the member had never left.

M. *Aggregation of Limits.*

(i) Participation in Other Qualified Plans

(a) The 415(b) limit with respect to any member who at any time has been a member in any other defined benefit plan as defined in IRC Section 414(j) maintained by the member's employer in this plan shall apply as if the total benefits payable under all such defined benefit plans in which the member has been a member were payable from one (1) plan.

(b) The 415(c) limit with respect to any member who at any time has been a member in any other defined contribution plan as defined in IRC Section 414(i) maintained by the member's employer in this plan shall apply as if the total annual additions under all such defined contribution plans in which the member has been a member were payable from one (1) plan.

(c) All defined benefit plans of the same employer must be aggregated for testing purposes and all defined contribution plans of the same employer must be aggregated. However, defined benefit and defined contribution plans are not combined for testing purposes. Thus, for example, if an employee, over the course of his or her career, is employed by Contra Costa County in different positions that are covered under both the CCCERA defined benefit plan and the Contra Costa County Deferred Compensation Plan, the benefit under both plans is not aggregated for purposes of IRC Section 415.

(ii) Alternate Payees/QDROs

(a) Benefits paid to alternate payees of members pursuant to a QDRO must be treated as if the benefit were paid to the participant for purposes of applying the IRC Section 415 limits.

(b) If the alternate payee is a former spouse and if the QDRO provides that the former spouse is to be treated as a spouse, then the value of the alternate payee's spousal benefit can, in effect, be disregarded for purposes of the 415(b) limits, under the normal rule that any portion of a QJSA need not be taken into account for 415(b) testing.

N. *Reduction of Benefits Priority.*

Reduction of benefits and/or contributions to all plans, where required, shall be accomplished by first reducing the member's benefit under any defined benefit plans in which the member participated, such reduction to be made first with respect to the plan in which the member most recently accrued benefits and thereafter in such priority as shall be determined by the plan and the plan administrator of such other plans, and next, by reducing or allocating excess forfeitures for defined contribution plans in which the member participated, such reduction to be made first with respect to the plan in which the member most recently accrued benefits and thereafter in such priority as shall be established by the plan and the plan administrator for such other plans provided, however, that necessary reductions may be made in a different manner and priority pursuant to the agreement of the plan and the plan administrator of all other plans covering such member.

4. Review

This policy shall be reviewed by the Board at least every three (3) years and may be amended at any time.

5. History

This policy was adopted on: 12/8/2010

Amended: 1/9/2013, 7/11/2018, __/__/2021

Meeting Date
09/08/2021
Agenda Item
#13

CCCERA
Contra Costa County Employees' Retirement Association

MEMORANDUM

Date: September 8, 2021

To: Board of Retirement

From: Karen Levy, General Counsel
Alison Greene, Deputy General Counsel

Subject: Review of Accessibility of Investment Records Policy

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Background:
The Accessibility of Investment Records Policy indicates that it should be reviewed by the Board at least every three years. It was last reviewed and amended in September 2018. There are no changes recommended at this time.

Recommendation:
This is informational only. No action is necessary.

CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

ACCESSIBILITY OF INVESTMENT RECORDS POLICY

I. PURPOSE

The Board of Retirement ("Board") of the Contra Costa County Employees' Retirement Association ("CCCERA") adopts this policy to establish guidelines and procedures for making determinations concerning the disclosure of investment records when responding to requests made under the Public Records Act ("PRA").

All staff should be familiar with these guidelines so that the process of responding to requests is efficient, consistent and compliant with the applicable laws. In many circumstances, these guidelines will enable staff to respond to requests without the need for substantial analysis or the assistance of legal counsel. However, given the complexities of the law, situations will likely arise where a simple application of the general guidelines will not provide a definitive answer. When such a situation arises, the Chief Executive Officer should refer any questions to legal counsel.

II. GUIDELINES

Records pertaining to CCCERA's investments that are in CCCERA's possession are generally accessible to the public, with the exception of records that are exempt from public disclosure pursuant to the California Public Records Act, Government Code section 6250, *et seq.*, as it may be amended from time to time. The following list of exemptions is not exhaustive.

A. Investment Records Exempt From Disclosure

The following records pertaining to investments are exempt from disclosure:

1. Records pertaining to pending litigation: This exemption extends only to pending litigation in which CCCERA is a named party or a real party in interest.

2. Records pertaining to communications by and between CCCERA staff or its Board and CCCERA's attorneys: This exemption extends to all records reflecting communications with in-house counsel or attorneys who have been retained to represent CCCERA.

3. Preliminary drafts, notes or CCCERA-related memoranda: This exemption extends to preliminary drafts, notes or CCCERA-related memoranda that are not retained by CCCERA in the ordinary course of business, so long as the public interest in withholding such records clearly outweighs the public interest in disclosure. (Government Code Section 6254(a).)

4. Real estate: The contents of real estate appraisals or engineering or feasibility estimates and evaluations made for or by the state or local agency relative to the acquisition of property, or

to prospective public supply and construction contracts, until all of the property has been acquired or all of the contract agreement obtained.

5. Confidential or privileged records. Records, the disclosure of which is exempted or prohibited pursuant to federal or state law, including but not limited to provisions of the Evidence Code relating to privilege.

6. Records of which the public interest served by not disclosing the record clearly outweighs the public interest served by disclosure of the record. (Sections 6254, *et seq.* and 6276.44 of the Government Code; Section 3426.1(d) of the Civil Code.)

7. Records pertaining to "alternative investments": "Alternative investments" are defined as "investment in private equity fund, venture fund, hedge fund, or absolute return fund," Government Code section 6254.26 specifies what is and is not subject to public disclosure. As to alternative investments, the following are exempt from disclosure:

(1) Due diligence materials that are proprietary to CCCERA or the alternative investment vehicle.
(2) Quarterly and annual financial statements of alternative investment vehicles.
(3) Meeting materials of alternative investment vehicles.
(4) Records pertaining to information regarding the portfolio positions in which alternative investment funds invest.
(5) Capital call and distribution notices.
(6) Alternative investment agreements and all related documents.

8. Trade secrets. This exemption extends to trade secrets, defined as information, including a formula, pattern, compilation, program, device, method, technique, or process, that:

(1) Derives independent economic value, actual or potential, from not being generally known to the public or to other persons who can obtain economic value from its disclosure or use; and
(2) Is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

B. Investment Records Subject to Disclosure

As to "alternative investments," the following information is subject to disclosure:

1. The name, address, and vintage year of each alternative investment vehicle.

2. The dollar amount of the commitment made to each alternative investment vehicle by the public investment fund since inception.

3. The dollar amount of cash contributions made by the public investment fund to each alternative investment vehicle since inception.

4. The dollar amount, on a fiscal yearend basis, of cash distributions received by the public investment fund from each alternative investment vehicle.

5. The dollar amount, on a fiscal yearend basis, of cash distributions received by the public investment fund plus remaining value of partnership assets attributable to the public investment fund's investment in each alternative investment vehicle.

6. The net internal rate of return of each alternative investment vehicle since inception.

7. The investment multiple of each alternative investment vehicle since inception.

8. The dollar amount of the total management fees and costs paid on an annual fiscal yearend basis, by the public investment fund to each alternative investment vehicle.

9. The dollar amount of cash profit received by public investment funds from each alternative investment vehicle on a fiscal year-end basis.

C. <u>Annual Disclosure Of Alternative Investments Information</u>

<u>Annual disclosure pertaining to “alternative investments”</u>: Government Code section 7514.7 requires CCCERA to disclose the following information at least once annually in a report presented at a meeting open to the public:

1. The fees and expenses that CCCERA pays directly to the alternative investment vehicle, the fund manager, or related parties.

2. CCCERA's pro rata share of fees and expenses not included in paragraph (1) that are paid from the alternative investment vehicle to the fund manager or related parties. CCCERA may independently calculate this information based on information contractually required to be provided by the alternative investment vehicle to the public investment fund. If CCCERA independently calculates this information, then the alternative investment vehicle shall not be required to provide the information identified in this paragraph.

3. CCCERA's pro rata share of carried interest distributed to the fund manager or related parties.

4. CCCERA's pro rata share of aggregate fees and expenses paid by all of the portfolio companies held within the alternative investment vehicle to the fund manager or related parties.

5. Any additional information described in subdivision (b) of Section 6254.26.

6. The gross and net rate of return of each alternative investment vehicle, since inception, in which CCCERA participates.

III. <u>REVIEW</u>

This policy shall be reviewed by the Board at least every three (3) years and may be amended at any time.

IV. <u>HISTORY</u>

Adopted: May 19, 2004
Amended: September 26, 2018

Meeting Date
09/08/2021
Agenda Item
#14

SACRS VOTING PROXY FORM

The following are authorized by the ___________________________ County Retirement Board to vote on behalf of the County Retirement System at the upcoming SACRS Conference

(if you have more than one alternate, please attach the list of alternates in priority order):

______________________________________ Voting Delegate

____________________________________ Alternate Voting Delegate

These delegates were approved by the Retirement Board on _____ / _____ / _____.

The person authorized to fill out this form and submit electronically on behalf of the Retirement Board:

Signature: ________________________________

Print Name: ________________________________

Position: ________________________________

Date: ________________________________

Please send your system's voting proxy by October 15, 2021 to Sulema H. Peterson, SACRS Executive Director at Sulema@sacrs.org.

Meeting Date
09/08/2021
Agenda Item
#16a.

CALAPRS
EDUCATION • COMMUNICATION • NETWORKING

California Association of Public Retirement Systems

About Programs Community Resources Contact

Virtual Trustees Round Table*

Tell a Friend

10/29/2021

When: Friday, October 29, 2021
8:30 am - 12:30 pm

Where: Online - zoom link to be sent out upon registration

Contact: CALAPRS
register@calaprs.org
415-764-4860

« Go to Upcoming Event List

The meeting agenda will be posted in the Round Table Group Forum and distributed via email once available. Share your suggestions for discussion topics with

CALAPRS
EDUCATION • COMMUNICATION • NETWORKING

Contact Us:

575 Market Street, Suite 400, San Francisco, CA 94105

Phone: 415-764-4860 or Toll-Free: 1-800-RETIRE-0
Fax: 415-764-4915

Email: info@calaprs.org

California Retired County Employees Association

Representing Over 180,000 California County Retirees

Meeting Date
09/08/2021
Agenda Item
#16b.

OFFICERS

E. F. (Skip) Murphy, President
Doug Fletcher, Vice President
Carlos Gonzalez, Treasurer
Virginia Adams, Secretary
William (Bill) de la Garza, Past Pres

MEMBER ASSOCIATIONS

Alameda
Contra Costa
Fresno
Imperial
Kern
Los Angeles
Marin
Mendocino
Merced
Orange
Sacramento
San Bernardino
San Diego
San Joaquin
San Mateo
Santa Barbara
Sonoma
Stanislaus
Tulare
Ventura

AFFILIATE MEMBERS

Member Extra, Inc.
My Senior Health Plan
Pacific Group Agencies, Inc
Segal

A 501(c)4 Association

August 16, 2021

CRCEA Delegates, Members, Affiliates and Friends of County Retirees, '37 ACT Retirement Board Members and Administrators

You are cordially invited to join your fellow retirees at our Annual CRCEA Fall Conference that will be held on **November 7-10, 2021,** in beautiful Los Angeles County, California, hosted by the Retired Employees of Los Angeles County (RELAC), and held at the Courtyard Hotel by Marriott in Long Beach.

Traveling to Long Beach, located in the heart of Southern California, will provide you with a great waterfront experience. You can visit the Aquarium of the Pacific, view the historic Queen Mary, dine at the Shoreline Village, and shop at the Long Beach Pike Outlet.

During these challenging times, CRCEA diligently continues to provide you with educational information on relevant current and future retiree issues. Our Los Angeles County host, and your CRCEA Executive and Conference Committees have collaborated on a meaningful and interesting conference, program workshops, and social events.

Focused on our mission to provide a forum for educating our members and promoting retiree benefits and issues, the 2021 Fall Conference will feature a legislative update, workshops on senior wellness, social connectivity, and California's Water Plan. The Conference Executive Committee has also allotted time for individual associations to present information on additional areas of interest to retirees.

Included with this letter, you will receive the tentative program which features a diversity of interesting topics and expert speakers. RELAC has also planned an early bird reception on Sunday at the Shoreline Village, a special Monday evening reception at the Aquarium of the Pacific sponsored by PGA, and a fun Tuesday evening banquet dinner featuring a tribute to the Beach Boys by The Bobby Z Band, and gift prizes.

CRCEA Office, P.O. Box 1708, Yucaipa, CA 92399-1438
Phone: 909-790-7199 intercomdistribution@gmail.com

The Wednesday Morning Business Session is an important segment, with a discussion lead by local associations, as well as updates from all Standing Committees.

We look forward to reuniting our California membership, especially during these public health and socially distancing times. We assure you that all local public health requirements will be followed. Together, we will safely and meaningfully host our 2021 Fall Conference in Long Beach. Your continued support and attendance are sincerely appreciated.

We look forward to seeing you and your guest in November! Stay well.

Sincerely,

SMurphy

SKIP MURPHY
President

Retired Employees of Los Angeles County

A non-profit organization ~ Serving over 17,000 members

August 16, 2021

CRCEA 2021 FALL CONFERENCE
November 7-10, 2021, Long Beach, California

To all CRCEA Delegates, Members, Affiliates and Friends of County Retirees, '37 ACT Retirement Board Members, Administrators, spouses, and guests:

The Retired Employees of Los Angeles County (RELAC) cordially invites you to attend the CRCEA Fall 2021 conference to be held November 7-10 at:

Courtyard Hotel by Marriott
500 East First Street, Long Beach, CA 90802
(800) 321-2211 or (866) 440-3390

Enclosed is the Registration Form for registering to attend the CRCEA Fall 2021 Conference. Please complete a registration form for each attendee, including spouse and/or guest. Your completed registration form(s) and check made payable to RELAC **must be mailed by September 15, 2021,** to our RELAC office in Alhambra. The check should include $75 for each attendee and $55 for each banquet dinner reservation.

Hotel reservations are to be made directly with the Courtyard Hotel by Marriott **by October 16, 2021.** The discounted room rate is $169 plus tax. The hotel discounted parking is $15 per night. For hotel room reservations, visit the CRCEA website, www.crcea.org for a link to book your room online, or call the hotel directly at (800) 321-2211 or (866) 440-3390 and request Group Rate Code **CRCEA 2021.**

RELAC has planned an early bird reception on Sunday at the Shoreline Village, a special Monday evening reception at the Aquarium of the Pacific hosted by Pacific Group Agencies, and a fun Tuesday evening Banquet dinner at the hotel, featuring "A Tribute to the Beach Boys" by The Bobby Z Band.

Included in the Registration packet is an Information Sheet which provides an overview of conference workshops, driving directions from LAX airport and Long Beach airport, local visitor attractions, and social highpoints.

We look forward to "reuniting" in Long Beach and are planning a safe and socially rewarding experience at our CRCEA 2021 Conference. For additional information please contact Conference Co-chairs Evelyn Gutierrez at egfierro@cs.com or Dave Muir at dmuir6@gmail.com.

Sincerely,

Brian H. Berger

Brian H. Berger, President
RELAC

CRCEA FALL 2021 CONFERENCE REGISTRATION FORM

November 7-10, 2021, at the Courtyard by Marriott Hotel, Downtown Long Beach
500 East First Street, Long Beach, CA 90802
Hosted by: Retired Employees of Los Angeles County (RELAC)

Please complete this form and mail with check payable to RELAC

NAME ____

Please check appropriate box for your preferred name badge designation:

- ❑ Delegate
- ❑ Alternate Delegate
- ❑ Retirement Board Member
- ❑ Member
- ❑ Affiliate (pay only banquet fee)__________
- ❑ CRCEA Officer (Title): ____________

ADDRESS ____

CITY ______________________ **STATE** ______________ **ZIP** __________

PHONE ______________________ **E-MAIL** ______________________

AFFILIATE OR ASSOCIATION NAME ______________________________

EMERGENCY CONTACT (full name & phone) ______________________________

CONFERENCE REGISTRATION DEADLINE: SEPTEMBER 15, 2021

RESERVATION DEADLINE FOR COURTYARD LONG BEACH DOWNTOWN: OCTOBER 16, 2021. For hotel reservations, visit the CRCEA website www.crcea.org for a link to book your room online or call the hotel directly at (800) 321-2211 or (866) 440-3390, and request Group Rate Code **"CRCEA 2021,"** which is $169. Single or double + taxes. Group rates apply 3 days prior and 3 days following the Conference. If there are any questions or issues, please contact Evelyn Gutierrez at egfierro@cs.com or Dave Muir at dmuir6@gmail.com.

REGISTRATION FEES

Attendee *(Entitles bearer to attend entire conference.)* $75 $ __________

Spouse/Significant Other *(Entitles bearer to attend entire conference. May only be purchased in combination with Attendee registration.)* $30 $ __________

Name: ______________________________________

Sunday Social Mixer at Shoreline Village – Hosted by RELAC, # of people: _____
4:00 – 6:00 p.m. A reunion of sorts after several missed conferences. Join retirees from across the state. No-Host bar with RELAC buying your first drink. Many restaurants are within walking distance for your dining enjoyment.

Monday Evening Reception at the Aquarium of the Pacific, Rooftop Veranda
Hosted by Steve Pettee, Pacific Group Agencies, 6:00 – 8:00 p.m.

Tuesday Evening Banquet
6:00 – 7:00 p.m. No-Host Bar
7:00 – 9:00 p.m. Dinner and Music $55 ea. X _____ = $ __________

Meal: Pan-Seared Salmon #____ Roasted Chicken Breast # ____
Vegetarian Pasta # ____

TOTAL $ __________

COVID-19 Safety Requirements

We are mindful of ongoing concerns regarding the COVID-19 pandemic and our individual and collective responsibility to provide a safe environment for conference attendees.

Accordingly, we require the following of all attendees:

1) Proof that each registered attendee has been fully vaccinated with a vaccine approved under the U.S. Food and Drug Administration's (FDA) emergency use authorization (Pfizer/BioNTech, Moderna, and Johnson & Johnson.) In general, people are considered f
2) 8ully vaccinated 2 weeks after their second dose in a 2-dose series, such as the Pfizer/BIONTech, Moderna vaccines, or 2 weeks after a single-dose vaccine, such as Johnson & Johnson's Janssen vaccine. If you do not meet these requirements, regardless of your age, you are NOT fully vaccinated.

   The proof can be your paper vaccination card given to you when vaccinated, or a screen shot from the State of California Department of Public Health's Digital COVID-19 Portal (https://myvaccinerecord.cadph.ca.gov). You will need to show this proof at the time you check in for the conference. The name on the vaccination card, digital record, or test result should match the attendee's name. Do not include copies of the proof with your registration materials.

3) If you have not been fully vaccinated by the conference date, then you will need to submit proof of a negative result from a COVID-19 test taken on or after November 4, 2021. The cost of such a test is the responsibility of the attendee.

You should also be aware that the City of Long Beach Public Health Officer requires all persons to wear masks, regardless of vaccination status, in all indoor public settings, gatherings and businesses. You may view the Health Officer's Order at https://longbeach.gov/health.

Due to the fluidity of the COVID-19 pandemic, we ask that you appreciate recommended public health protocols are subject to change.

Mail CHECK payable to RELAC along with the Registration FORM to:

RELAC, Attn: CRCEA Conference, 1000 S. Fremont Ave., Unit 15, Alhambra, CA 91803-8802

PRELIMINARY AGENDA

CRCEA 2021 FALL CONFERENCE – LONG BEACH
PROGRAM AGENDA – NOVEMBER 7-10, 2021

"New Horizons, Navigating into the Future"
Hosted by RELAC – Retired Employees of LA County

<u>SUNDAY, NOVEMBER 7</u>

2:00 p.m. – 6:00 p.m.	**Early Conference Registration – Naples Board Room**
4:00 p.m. – 6:00 p.m.	**Early Bird Reception - Shoreline Village** **NO-HOST Bar, With RELAC Hosting Your First Drink**

<u>MONDAY, NOVEMBER 8</u>

9:00 a.m. – 4:30 p.m.	**Registration – Naples Board Room**
9:00 a.m. – 11:00 a.m.	**CRCEA Membership Committee Meeting – Pacific Room** **Moderator:** Rhonda Biesemeier, CRCEA Membership Committee Chairperson
1:00 p.m. – 1:30 p.m.	**Opening Session – Pacific Ball Room** **Call to Order:** Skip Murphy, CRCEA President **Invocation:** J.P. Harris **Presentation of Colors:** L.A. County Sheriff's Honor Guard **National Anthem:** Ernie Perez **Pledge of Allegiance:** General Ruth Wong, DMVA **Roll Call of Counties:** CRCEA Secretary, Virginia Adams **Introduction of first time attendees:** President Murphy
1:30 p.m. – 1:45 p.m.	**Welcome Address** **Speaker:** Long Beach Mayor, Robert Garcia **Introduction:** Brian Berger, RELAC President
1:45 p.m. – 2:30 p.m.	**Keynote Address** **"Sacramento Insights and Political Update"** **Speaker:** Joe Akler, Akler and Associates **Introduction:** David Muir, Conference Co-Chair
2:30 p.m. – 3:15 p.m.	**"Senior Safe Driving Tips"** **Speaker:** Officer S. Yarbrough, PIO California Highway Patrol **Introduction:** Brian Berger, RELAC President
3:15 p.m. – 3:30 p.m.	**Afternoon Break** **Hosted by Michael J. Bidart, Shernoff, Bidart, Echeverria, LLP**

3:30 p.m. – 4:10 p.m.	**"Paws-itive Companions for Seniors"** **Speaker:** Dr. Sabio-Solacito L.A. County Department of Animal Control **Introduction**: Evelyn Gutierrez, Conference Co-Chair
4:10 p.m. – 5:00 p.m.	**Breakout Sessions:** If you are not assigned to a committee, please join any committee you like.
6:00 p.m. – 8:00 p.m.	**Hospitality Reception:** Aquarium of the Pacific, Veranda **Hosted by Steve Pettee, Pacific Group Agencies.** All Attendees and Affiliate Members are invited.
8:00 p.m.	**Dinner on your own.** A map of downtown local restaurants will be provided in your registration bag.

TUESDAY, NOVEMBER 9

6:00 a.m. – 8:30 a.m.	**Breakfast on your own**
8:00 a.m. – 2:00 p.m.	**Registration – Pacific Ball Room**
8:30 a.m. – 8:45 a.m.	**Morning General Session – Pacific Ball Room** **Call to Order:** President Murphy **Announcements:**
8:45 a.m. – 9:30 a.m.	**"Sustainability of the Oceans/the Blue Economy"** **Speaker:** Jason Donofrio, External Relations Officer The Ocean Foundation **Introduction:** David Muir, Conference Co-Chair
9:30 a.m. – 10:15 a.m.	**Round Table Session:** Led by President Murphy
10:15 a.m. – 10:30 a.m.	**Morning Break** **Hosted by Southland Credit Union**
10:30 a.m. – 11:15 a.m.	**Introduction of Affiliates:** Affiliate Committee Chair
11:15 a.m. – 12:00 p.m.	**"Navigating California's Water Plan"** **Speaker:** Charles Gale, Principle Government and Regional Affairs Representative, Metropolitan Water District **Introduction:** Linda Hopkins, RELAC Vice President
12:00 p.m. – 1:30 p.m.	**Lunch on your own**
1:45 p.m. – 2:30 p.m.	**"Healthy Minds in the Horizon"** **Speaker:** Tiffany Zhong, AARP Regional Director **Introduction:** Evelyn Gutierrez, Conference Co-Chair
2:30 p.m. – 2:45 p.m.	**Afternoon Break**

2:45 p.m. – 3:30 p.m.	**Legislation Update** Skip Murphy, CRCEA President **Introduction:** Dave Muir, RELAC Past President
3:30 p.m. – 4:15 p.m.	**Committee Breakout Session, All Standing Committees** **Introduction:** Mike Sloan, CRCEA Conference Committee Chair
4:15 p.m. – 5:00 p.m.	**"Senior Wellness & Healthy Hearts"** **Speaker: TBD,** Kaiser Permanente **Introduction:** Brian Berger, RELAC President
6:00 p.m. – 7:00 p.m.	**Social Hour – Atlantic Ball Room** – No Host Bar
7:00 p.m. – 9:30 p.m.	**Banquet Dinner – Atlantic Ballroom** **Master of Ceremonies:** Brian Berger, RELAC President **Entertainment:** Bobby Z Band – "Tribute to the Beach Boys" Door Prize Drawings

WEDNESDAY, NOVEMBER 10

6:00 a.m. – 8:30 a.m.	**Breakfast On Your Own**
8:30 a.m. – 11:00 a.m.	**Business Session – Pacific Ballroom** **Call to Order:** President Murphy **Announcements:** Presenter [TBD]

Conference Surveys Due

Approval of ________ Conference Minutes: Virginia Adams
Executive Committee Report: President Murphy
Financial Report: Treasurer Carlos Gonzalez

Committee Reports by Committee Chairs:

Affiliates: Mike Sloan
Bylaws: Dave Muir
Communications: Virginia Adams
Audit/Finance: Jerry Jacobs
Legislation: Art Goulet
Membership/Benefits: Rhonda Biesemeier
Nominating: Will Hoag
Conference: Mike Sloan
Invitation to the Spring 2022 Conference: Orange County

Closing Remarks: President Murphy

Rev. 8/13/21

CRCEA 2021 Fall Conference
Information Sheet

Long Beach attractions and great dining options await you. Traveling to Long Beach located in the heart of Southern California will provide you with a great waterfront experience. You can visit the Aquarium of the Pacific, view the historic Queen Mary, dine at the Shoreline Village, and shop at the Long Beach Pike Outlet.

Additional attractions include the Long Beach Art Museum, Museum of Latin American Art, Long Beach Convention Center, Performing Arts Center, and Pine Avenue attractions. Currently (in August) the Long Beach Convention and Visitors Bureau is working on restoring the Convention Discount Badge program and local business/restaurant discounts.

Conference Workshops:

Monday – Nov. 8
1:45 p.m. – Sacramento Political Insights – Joe Akler, Akler & Assoc.
2:30 p.m. – Senior Safe Driving Tips – Officer S. Yarbrough, CHP
3:30 p.m. – Paws-itive Companions for Seniors – Dr. Sabio-Solacito, Animal Care

Tuesday – Nov. 9
8:45 a.m. – Ocean Sustainability – Jason Donofrio, The Ocean Foundation
11:15 a.m. – Navigating California's Water Plan – Charles Gale, MWD
1:45 p.m. – Healthy Minds in the Horizon – Tiffany Zhong, AARP Regional Director
4:15 p.m. – Senior Wellness & Healthy Hearts – Kaiser Permanente

Wednesday – Nov. 10
8:30 am – 11:00 a.m. – Business Session and Standing Committee Reports

Social Highpoints:

RELAC will host a special $50 Visa gift card drawing on Monday. The first 50 CRCEA members or guests who register will be eligible for this special drawing. Special raffle prizes and banquet dinner prizes will include donated gift baskets, wine, Aquarium gift shop items, and special gift packages.

Hotel Directions:

From LAX Airport – Take I-405 South to I-710 South, keep left at the fork in ramp, turn right on Linden, turn left at First Street, the hotel is on the right.

From Long Beach Airport – Donald Douglas Dr., turn right onto Lakewood Blvd., South to I-405 North to Exit 32B to I-710 South to Exit IC to downtown Long Beach, exit Broadway Ave., East on Broadway for one mile, left on Linden Ave., and left on First Street to hotel.

We look forward to reuniting our California membership, especially during these public health and socially distancing times. We assure you that all local public health requirements will be followed. Together, we will safely and meaningfully host our 2021 Fall conference in Long Beach. Your continued support and attendance is sincerely appreciated. We look forward to seeing you in November.

For additional Conference information or assistance, please contact Conference Co-chairs:
Evelyn Gutierrez at egfierro@cs.com or Dave Muir at dmuir6@gmail.com.

MARK YOUR CALENDARS

The Queen Mary

Aquarium of the Pacific

Courtyard Hotel by Marriott

CRCEA

2021 Fall Conference

New Horizons

"Navigating into the Future"

November 7 – 10, 2021

Courtyard Hotel by Marriott, Long Beach
500 East First Street | Long Beach, CA 90802
Reservations: (800) 321-2211 or (866) 440-3390
Group Rate Code: "CRCEA 2021"

Conference Workshop Topics

Legislation, Ocean Sustainability, Senior Wellness, Healthy Lifestyles, and Social Connectivity

Sunday Social Hour – Shoreline Village
Monday Reception – Aquarium of the Pacific
Tuesday Banquet Dinner – Courtyard Hotel

Hotel and public safety requirements will be observed.
Room rates: $169 – Single or Double + taxes
Group Rates apply 3 days prior and 3 days following Conference

Hosted By

Retired Employees of Los Angeles County

RETIRED EMPLOYEES of
relac
LOS ANGELES COUNTY

Contact
Dave Muir
Conference Co-Chair
dmuir6@gmail.com

Contact
Evelyn Gutierrez
Conference Co-Chair
egfierro@cs.com

SACRS | FALL CONFERENCE

NOV. 9-12, 2021 | **LOEWS HOLLYWOOD HOTEL, HOLLYWOOD, CA**

PRELIMINARY CONFERENCE AGENDA

TUESDAY, NOVEMBER 9

3:00 PM - 5:00 PM | ETHICS TRAINING FOR TRUSTEES AND STAFF

This two-hour mandatory bi-annual training for public officials covers conflict of interest rules, public meeting and record requirements, due process requirements and other significant rules for legal compliance by public officials, with a particular focus on how these rules apply to retirement board trustees and senior staff.
*This class is pending approval for MCLE credit.

SPEAKERS: Ashely Dunning, Nossaman LLP and Peter Nixon, Nossaman LLP

3:00 PM - 5:00 PM | SEXUAL HARASSMENT PREVENTION TRAINING FOR LOCAL AGENCY OFFICIALS (AB1661)

Nossaman LLP attorneys John Kennedy and Pavneet Mac will present "Sexual Harassment Prevention Training for Local Agency Officials (AB1661)". AB 1661 requires that if a local agency provides any type of compensation, salary, or stipend to its officials, then all local agency officials of the agency shall receive at least two hours of sexual harassment prevention and education training within the first six months of taking office or commencing employment and every two years thereafter. This interactive training session will meet the requirements under AB 1661 and AB 1825 (sexual harassment prevention training to employees who perform supervisory functions) and assist attendees in preventing and effectively responding to complaints of sexual harassment.
*This class pending approval for MCLE credit.

SPEAKERS: Pavneet Mac, Nossaman LLP and John Kennedy, Nossaman LLP

5:00 PM - 6:00 PM | SACRS NETWORKING RECEPTION

Build interactive collaborations, uncover new opportunities, and enjoy a great networking experience.

5:00 AM - 6:00 PM | SACRS LABOR MEET AND GREET NETWORKING

Represented Labor Members Meet & Greet Networking: Come join your labor member and allies for a meet and greet. All are welcome to network.

WEDNESDAY, NOVEMBER 10

7:00 PM - 8:00 PM | SACRS WELLNESS SESSION – YOGA

Fitting in fitness when away from home is often difficult, but not during SACRS 2021 Fall Conference! We bring a yoga class onsite to start your day the right way. This class, led by a certified yoga instructor, is intended for everyone, beginner to expert. Yoga mats, water, and towels provided. Pre-registration is required to participate for conference attendees & guests and $15 participation fee.

SPEAKER: Laurie Whetstone, Holistic Wellness Design

8:45 AM - 10:00 AM | WELCOME VIVIAN GRAY, SACRS PRESIDENT AND KEYNOTE SPEAKER

SPEAKER: TBD

10:00 AM - 10:30 AM | SACRS NETWORKING BREAK

10:30 AM - 11:30 AM | GENERAL SESSION - Los Angeles Institutional Investors - What Can We Learn From Each Other?

The last twenty-four months have been challenging for even for the most disciplined long-term investors. Facing unique but similar challenges, the broader institutional investor community can lean on each other for investment ideas, best practices and lessons learned as they tackle today's unprecedented environment. Please join some of LA's brightest investment minds representing the public fund, endowment and insurance channels in a wide-ranging discussion on markets, governance and what we can learn from each other.

SPEAKERS: Ray Joseph, Los Angeles Fire and Police; Justin Barton, UCLA Investment Management Co., and Ken Chilton, Farmers Insurance

WEDNESDAY, NOVEMBER 10 continued

11:30 AM - 12:30 PM | GENERAL SESSION - Best Team Ever: The Surprising Science of High-Performing Teams

In this persuasive and provocative keynote, David Burkus outlines how to build teams that bring out the best in everyone...no matter where they work from. Drawing on decades of research and diverse case studies, Burkus reveals what some of the most effective teams in the world do differently, and how you can start doing the same on your team.

SPEAKER: David Burkus

12:30 PM - 1:45 PM | SACRS LUNCH

2:00 PM - 4:30 PM | CONCURRENT SESSIONS

ADMINISTRATORS BREAKOUT

SPEAKER: Donald Kendig, Fresno CERA

AFFILIATE BREAKOUT

SPEAKER: Scott Draper, Algert Global

ATTORNEYS BREAKOUT

INTERNAL AUDITORS BREAKOUT

SPEAKER: Harsh Jadhav, Alameda CERA

INVESTMENT BREAKOUT - Closed Session

SPEAKER: Tim Price, Contra Costa CERA

OPERATIONS/BENEFITS BREAKOUT

SAFETY BREAKOUT

SPEAKER: Brian Williams, Sonoma CERA

TRUSTEE BREAKOUT - Building The Best Team Ever- Workshop

Building off his keynote session, David Burkus dives deeper into policies and practices that can help build your best team ever. Participants will leave with a clear and concise understanding of how the culture of their team affects its performance, and a simple and practical blueprint for how to build the best team ever.

SPEAKER: David Burkus
MODERATOR: Kathryn Cavness, Mendocino CERA

5:30 PM - 8:30 PM | SACRS ANNUAL WEDNESDAY NIGHT EVENT

Meeting Date
09/08/2021
Agenda Item
#16c.

SACRS | FALL CONFERENCE

NOV. 9-12, 2021 | **LOEWS HOLLYWOOD HOTEL, HOLLYWOOD, CA**

PRELIMINARY CONFERENCE AGENDA

THURSDAY, NOVEMBER 11

7:00 AM - 8:00 AM | **SACRS FUN RUN**

Your morning starts off with an additional opportunity for teambuilding and networking, while enjoying the early morning air. A SACRS tradition, the 5K (3.1 miles) Fun Run course is the perfect way to get energized for the conference day ahead. Designed for the walker, jogger, or runner, the course is fl at and paved. Pre-registration is required and costs $15 per person. Pocket maps, Fun Run T-shirts, water, and snack at the end of the course will be provided.

8:45 AM - 10:00 AM | **GENERAL SESSION- Welcome, Recognitions & Volunteer Award, Keynote: NOT Your Standard Economic Update...The Big Questions of the Day Post COVID**

As the global economy recovers, much will go back to "normal". Many of the same questions that we asked before the COVID recession will still matter: where are we in the business cycle? Where will interest rates head next? How strong is the consumer? What about China? But the way we answer these questions isn't the same, and we need a post-COVID lens to address them. From the Federal Reserve's shifting mandate, to persistent supply chain disruptions, to ESG investing and beyond, new macroeconomics requires a forward-looking "twist" in order to get the outlook right. Merging old school and new school thinking, this session maps out where the global economy and markets are heading next.

SPEAKER: Francis Donald, Manulife

10:00 AM - 10:30 AM | **SACRS NETWORKING BREAK**

10:30 AM - 11:30 AM | **GENERAL SESSION - Transitioning to a Low Carbon Economy**

SPEAKERS: Steffen Reichold, Stone Harbor and John D'Agostino, DMS Governance

11:30 AM - 12:30 PM | **GENERAL SESSION - Urban Housing Project**

12:30 PM - 1:45 PM | **SACRS LUNCH**

2:00 PM - 3:00 PM | **CONCURRENT SESSIONS**

CONCURRENT SESSION A – The "B" Word; Institutional Considerations for Exploring Bitcoin & Cryptocurrency Adoption

This interactive panel will discuss the current state of cryptocurrency markets / blockchain technology and forward-looking expectations for institutional adoption. Along the way, industry thought leaders will opine on the pros and cons of investing in cryptocurrency, approaches to gaining exposure, and future applications of blockchain technology and decentralized ledgers more broadly. Regulatory considerations and potential ESG impacts will also be explored.

SPEAKERS: Mark Astley, Co-CEO / Member of Board of Directors, Millennium Global; Steve McCourt – Managing Principal / Co-CEO, Meketa Investment Group; and John D'Agostino – CEO, Dagger Consulting LLC; Senior Advisor for Strategic Partnerships at Coinbase Institutional

CONCURRENT SESSION B – Capitalizing on Controversy: Demystifying SPACs and PIPEs

SPACs are transforming how companies go public, but almost every SPAC requires PIPE capital to complete this process. Join us to learn more about the PIPE opportunity and how to capitalize on this inefficient market.

SPEAKER: Ronald Temple, Lazzard

CONCURRENT SESSION C – Having *That* Conversation

Trustees, it's time to talk. You know... persistently low interest rates, compressed risk premia, an increasingly complex investment stack, and the lasting damage a bear market could have on plan funding. This session will focus on framing future return expectations and asset allocation choices so that trustees and investment staff are better prepared for the next market cycle.

SPEAKER: John D. Skjervem, CFA, Principal, Chief Executive Officer & Director of Consulting, Capital Group

THURSDAY, NOVEMBER 11 continued

3:00 PM - 3:30 PM | **SACRS NETWORKING BREAK**

3:30 PM - 4:30 PM | **CONCURRENT SESSIONS**

CONCURRENT SESSION A – Why Infrastructure Debt & Equity Investing Makes Sense for Public Pensions

Infrastructure investing offers solutions to plan sponsors seeking additional yield for their fixed income allocations or investments less economically sensitive and less correlated with equity returns.

SPEAKERS: Nick Moller, J.P. Morgan Asset Management and Paul David, Allianz Global Investors

CONCURRENT SESSION B – SACRS Legislative Update 2021

SACRS Annual Legislative Update 2021

SPEAKERS: Mike Robson, SACRS Lobbying Team; Trent Smith, SACRS Lobbying Team, and Bridgett McGowan, SACRS Lobbying Team

CONCURRENT SESSION C – Middle-Market Real Estate Mezzanine Lending

Learn about a differentiated approach to real estate private credit where investors benefit from reduced competition, higher yields and stronger covenants.

SPEAKER: Andy Rubin, Institutional Portfolio Manager Fidelity Investments

4:30 PM - 5:30 PM | **SACRS EDUCATION COMMITTEE MEETING**

4:30 PM - 5:30 PM | **SACRS NOMINATING COMMITTEE MEETING**

5:30 PM - 6:30 PM | **SACRS RECEPTION**

FRIDAY, NOVEMBER 12

8:45 AM - 9:45 AM | **GENERAL SESSION - SACRS Annual System Comparison**

Annual Comparison of SACRS Systems RVK

SPEAKER: RVK

9:45 AM - 10:00 AM | **SACRS NETWORKING BREAK**

10:00 AM - 11:30 AM | **SACRS ANNUAL BUSINESS MEETING**

SPEAKERS: SACRS Board of Directors

SACRS Fall Conference 2021 will be held in accordance with all CDC, WHO, and California state and local agencies COVID-19 guidelines and requirements. All attendees must agree to SACRS Event Health Safety Code of Conduct, Statement of Requirement for Attendance and a Waiver of Covid-19 Liability. Forms may be agreed to at the time of registration electronically. All forms can be found online at SACRS.org.

If the forms were accepted electronically during online registration, they do not need to be sent to SACRS. If you are registering on behalf of an attendee, you must provide them with the information and confirm that they agree to comply with the Code of Conduct.

To: SACRS Administrators
From: Sulema H. Peterson, SACRS
Re: SACRS Fall Conference 2021– Conference Information

Online registration is now open for the State Association of County Retirement Systems (SACRS) Fall Conference 2021. SACRS Fall Conference 2021 is being held November 9-12 at the Loews Hollywood Hotel, Hollywood, CA. Enjoy all Hollywood has to offer- the Hollywood Hills sign, Universal Studios Hollywood, Walk of Fame, Griffith Observatory and of course the Dodgers. The Hotel is the urban oasis at the corner of Hollywood and Highland. Don't miss out on the opportunity to earn over 15 educational hours and network with your fellow SACRS members.

SACRS is dedicated to providing a safe in-person event experience for all participants, including attendees, sponsors, vendors, staff, exhibitors, and anyone else, who attends a SACRS' event. Given that the responsibility for a safe in-person event is equally shared by the event organizers, event vendors, event sponsors, and event attendees, SACRS has developed an Event Health Safety Code of Conduct which all participants must observe. The Event Health Safety Code of Conduct outlines a collection of rules and regulations describing what is and is not acceptable behavior at SACRS events as it relates to health safety, and it should serve as a reminder that, if we all collectively comply with this Health Code of Conduct, we are advocating for the well-being of our fellow participants.

In this packet, we've provided the following information to assist your System with:

- Hotel Information
- Transportation Information
- Conference Registration Information
- Cancelation policy for hotel and attendance
- SACRS Event Health Safety Code of Conduct

Looking forward to seeing you in November, please don't hesitate to contact me at Sulema@sacrs.org or (916) 701-5158 for questions, assistance or additional information.

Best,

Sulema H. Peterson
SACRS Executive Director

HOTEL INFORMATION

Loews Hollywood Hotel
1755 N Highland Ave
Hollywood, CA 90028
Hotel: (323) 856-1200
Hotel Reservations: (855) 563-9749

Conference Room Rate:

SACRS discounted rate is $239.00 a night (not including taxes or fees). A destination fee of $21.64 a night will be applied to each reservation. However, the fee comes with many amenities, please click here for a complete list.

Loews Hollywood Hotel has a Safety + Well-Being policy, please be sure to review and provide the information to your attendees.

To make your trustees and staff hotel reservations at the Loews Hollywood Hotel please see the link below:

Loews Hollywood Reservations

If you need additional assistance, please contact the hotel at (855) 563-9749 for reservation support.

If you need to pre-authorize payment via a credit card, please contact our office, sulema@sacrs.org asap so that we can connect you with the hotel directly.

Please be sure to reserve rooms as soon as possible, however please do not reserve more rooms than needed. Many Trustees end up at overflow hotels due to over booking by member Systems. Reservations made after October 5 are subject to availability and at the hotel's prevailing rate.

Hotel Waiting List:
If you are unable to secure the required room nights at the host hotel and want to be added to the hotel waiting list, please submit your request by completing a request via the online waitlist link. Placement on the waiting list does not guarantee a reservation. As rooms become available due to cancelations given back to us, we will assign to attendees on the list in the order received. **If you need to release a room, please contact our office first. Do not call the hotel and cancel, we will be unable to get that room night back. We will give the available room to a waiting list attendee**.

Check In/Check Out:
Guest accommodations are available at 4:00 pm on arrival and reserved until Noon on departure day. Attendees wishing special consideration for early arrival/late check-out should contact the hotel prior to arrival to avoid fees.

Parking:
The hotel offers valet and self-parking at Loews Hollywood. For valet parking, please allow 20 minutes for the retrieval of your vehicle.

Valet Parking is $49 + tax per vehicle, per day (includes in-and-out privileges)
Self-Parking is $18 + tax per vehicle, per day (does not include in-and-out privileges)

SACRS attendees receive a 10% discount on valet parking, discount will be given at hotel registration and can be charged to the room.
Self-Parking is located in the city lot next to the hotel in the Hollywood and Highland Complex. Self-Parking cannot be charged to the hotel room, payment is taken at the city lot kiosk.

TRANSPORTATION INFORMATION

The nearest airport to Loews Hollywood Hotel, Los Angeles is Burbank (BUR) Airport which is 6.5 miles away. Other nearby airports include Los Angeles (LAX) (11.8 miles), Long Beach (LGB) (22.8 miles), Santa Ana (SNA) (40.3 miles) and Ontario/San Bernardino (ONT) (42.7 miles).

For directions to/from the airports listed above and driving directions from nearby areas, please click here for a downloadable pdf.

CONFERENCE REGISTRATION INFORMATION

Conference Registration Fee:
System Members (Trustees & Staff) $120.00 per attendee

Conference Registration:
Online registration is open; please visit the SACRS Fall Conference page online to register your System's attendees. All conference registrations are electronic/online for the Fall Conference, we will not be accepting paper/scanned registration forms. All attendees must comply with the requirements of the Event Health Safety Code of Conduct to attend the conference. During the registration process, registrants will be asked to accept the Event Health Safety Code of Conduct and agree to the requirements. If Staff is registering on behalf of attendees, they must provide the information to the person and confirm they agree/accept the requirements and waivers.

Cancellations:
Conference Cancellation Policy
In order to receive a Conference Registration refund, you must cancel your registration by October 1, 2021. Please email cancellation to: Sulema@sacrs.org

Hotel Cancellation Policy:
Due to the high demand for rooms at the host hotel, any hotel room cancellations made after October 9 will incur a fee of $50 per cancellation from SACRS. Many systems book more rooms than needed and cancel last minute. This late cancellation creates a shortage of rooms for Trustees and staff members. The last-minute cancellation does not guarantee that SACRS will be able to utilize the room. We are then penalized by the hotel for unfilled room nights.
Name changes between same System staff/Trustees will not incur the fee nor will medically necessary cancellations. We ask that if you need to cancel prior to October 9, call SACRS office first at (916) 701-5158. We can utilize your cancellation for an attendee on the waiting list.
The hotel has a 24-hour cancellation policy, to avoid penalties cancellation must be made 24 hours prior to check in date.

If SACRS is required to cancel the Conference due to Covid-19 State and Local ordinances, all registrations will receive a full refund. We will alert all registered attendees via email of any developments impacting the Conference.

Conference Attire:
All sessions and social functions at SACRS Fall Conference 2021 are business casual.

Weather:
Average temperature for the Los Angeles area in November 2021;
- Daytime Highs: 89F
- Evening Lows: 65F

HEALTH CODE OF CONDUCT INFORMATION

By registering to attend the SACRS 2021 Fall Conference in-person on November 9-12, 2021, which will be held at the Loews Hollywood Hotel, Hollywood, California, attendees agree to comply with the provisions of the Event Health Safety Code of Conduct. All attendees further agree to the terms of the Waiver of Liability Relating to COVID-19. The Participant's Acknowledgement (located at the end of the Code of Conduct), the CDC Screening Questionnaire to Evaluate for COVID-19, and the Waiver must be agreed to or signed prior to being admitted to the Conference. During the registration process, attendees will be asked to agree/acknowledge to requirements, downloadable versions of the forms can also be found here and they are attached to this notice.

Waiver of COVID-19 Liability
Event Health Safety Code of Conduct

The CDC Screening Questionnaire must be signed and emailed to sacrs@sacrs.org between the dates of October 25 and November 5 prior to arrival at conference. A reminder will be sent to all registered attendees with the form the week of October 18.

HEALTH STANDARDS POLICY
- Do not travel if you feel sick
- Do not attend if you feel sick
- Complete health screening survey online while registering for Conference or upon checking in at the registration booth onsite
- Temperature check at health screening area prior to entering the Conference registration desk at the Loews Hollywood Hotel, Hollywood, CA
- Use the SACRS's provided PPEs and hand sanitization stations
- Wear a mask when required by the Centers for Disease Control and Prevention (CDC), the World Health Organization (WHO), the State, the county, the local health authority, SACRS, the event venue and/or venue management
- Wash your hands frequently
- Follow social distancing guidelines and traffic flow signs
- Be considerate and kind

EVENT HEALTH SAFETY CODE OF CONDUCT
As of 8-5-2021

SACRS is dedicated to providing a safe in-person event experience for all participants, including attendees, sponsors, vendors, staff, exhibitors, and anyone else, who attend a SACRS' event. Given that the responsibility for a safe in-person event is equally shared by the event organizers, event vendors, event sponsors, and event attendees, SACRS has developed this *Event Health Safety Code of Conduct* ("Code of Conduct") which all participants must observe. This Code of Conduct outlines a collection of rules and regulations describing what is and is not acceptable behavior at SACR events, and it should serve as a reminder that, if we all collectively comply with this Code of Conduct, we are advocating for the well-being of our fellow participants.

WHAT WE ARE ASKING YOU TO DO

Before Leaving Home

- Follow relevant guidance provided by the Centers for Disease Control and Prevention (CDC), the World Health Organization (WHO), the State, the county, and your local health authority.
- Adhere to government-issued travel restrictions, and guidance issued by the region you will be travelling to and the region you are travelling from.
- Evaluate your own health and that of people you are in close contact with; contact the meeting/event organizers if you have any concerns.
- Stay home if you feel sick, have tested positive for COVID-19, are waiting for COVID-19 test results, or have come into contact with someone who has tested positive for or has symptoms of COVID-19.
- Add to your phone's address book the event organizer's contact information listed at the end of this document.

On-site During the Event

- Abide by the venue and SACRS on-site rules and regulations.
- Assume all risks of attending an in-person event, including the potential risk of becoming infected with COVID-19
- Follow guidance from the CDC, WHO, State, county, and local health authority, for everyday preventive actions to help prevent the spread of respiratory viruses, including:
    - Washing hands often with soap and water for at least 20 seconds, or use an alcohol-based sanitizer with at least 60% alcohol.
    - Avoiding touching eyes, nose, and mouth with unwashed hands.

  - Covering your nose and mouth when coughing or sneezing. Throw used tissues in the trash.
  - Following mask and social distancing guidelines.
- Agree to have your temperature taken before entering the meeting/event venue, as required by SACRS.
- Agree to wear a mask or facial covering that fits completely over the nose and mouth, as required by the CDC, State, county, local health authority, SACRS or event venue or venue management.
- Agree to change your mask multiple times a day as required by as required by the CDC, State, county, local health authority, SACRS or event venue or venue management.
- Adhere to social distance protocols put in place by SACRS and respect others' personal space.
- Go to the event First Aid Office (or equivalent) any time you feel unwell or are experiencing flu-like symptoms.
- Stay in your room and contact SACRS for further instructions if you wake up not feeling well during the event. Contact information can be found at the end of this document.

Post-event
Based on current contact tracing advice from many health authorities, if you test positive for COVID-19 up to 14 days after returning home, please contact SACRS immediately and advise them of your diagnosis of COVID-19. Contact information can be found at the end of this document.

UNACCEPTABLE BEHAVIOR

"Unacceptable behavior" encompasses being negligent and unwilling to follow the rules and regulations described in this Code of Conduct, even after a verbal warning has been provided by the SACRS team.

Consequences of Unacceptable Behavior
If a participant chooses to not follow the rules and regulations listed in this Code of Conduct, SACRS may take any action deemed appropriate, depending on the circumstances, ranging from issuing a warning to expelling the defying participant from the event with no refund.

Witnessing Unacceptable Behavior
If at any point you feel unsafe because another participant is not adhering to this Code of Conduct, please contact SACRS. Contact information is below.

CONTACT INFORMATION

To communicate with the event organizer before, during, or after the event, please use the following contact information:

Sulema H Peterson, SACRS Executive Director
Phone: 916-701-5158 Office
Phone: 916-316-7632 Onsite
Email: sulema@sacrs.org

PARTICIPANT'S ACKNOWLEDGEMENT

I have read and understand the provisions of the "Event Health Safety Code of Conduct" ("Code of Conduct"), and I voluntarily sign my name showing my acceptance of its provisions. I agree that SACRS may take any action it deems appropriate, including expelling me from the event without a refund, if I fail to comply with the Code of Conduct.

Signature: ________________________________

Date: ____________________________________

Print Name: ______________________________

If this form was agreed to electronically during online registration, it does not need to be signed or sent to SACRS. If you are registering on behalf of an attendee, you must provide them with the information and confirm that they agree to comply with the Code of Conduct.

SACRS

WAIVER OF LIABILITY RELATING TO COVID-19
AS OF 8/5/2021

COVID-19 Warning

The State Association of County Retirement Systems' ("SACRS") cannot prevent attendees from becoming exposed to, contracting, or spreading COVID-19 as a result of your actions or those of other attendees or participants (including Venue employees and SACRS' directors, officers, staff, or agents) while attending, participating as a speaker or vendor SACRS' 2021 Fall Conference ("Conference") and/or entering onto premises where the Conference is being held Loews Hollywood Hotel ("Venue"). Because it is not possible to prevent the presence of COVID-19, you may be exposing yourself to and/or increasing your risk of contracting or spreading COVID-19 if you choose to attend the Conference and enter onto premises where the Conference Venue is held.

Waiver

Risk Assumption; Obligation. I am attending the Conference voluntarily and at my own risk. **I have read and understand the above warning concerning COVID-19.** Attending the Conference is of such importance and value to me that I am willing to accept the risk of being exposed to, contracting, and/or spreading COVID-19 in order to attend in-person. **I hereby choose to accept the risk of contracting COVID-19 in order to attend the Conference and enter the Venue**.

I acknowledge that I am obligated to comply with the "Event Health Safety Code of Conduct" ("Code of Conduct"), a copy of which I have read and understand, and follow all required and recommended health and safety measures while attending the Conference, including those of the Centers for Disease Control and Prevention (CDC), the World Health Organization (WHO), the State , the county, SACRS', and local health authority guidelines, as well as statutes, regulations, and other mandates applicable to the Conference (collectively, "Guidance"). I understand that the Code of Conduct and Guidance will continue to evolve over time.

Liability Waiver. **I hereby forever release and waive my right, and that of my heirs and personal representatives, to bring suit against SACRS and its directors, officers, staff, agents, members, or other SACRS' representatives for fault in connection with exposure, infection, and/or spread of COVID-19 related to my attending the Conference.** I understand that this waiver means that I am giving up my right, and that of my heirs and personal representatives, to bring any claim based in negligence, including for personal injuries, death, disease or property losses, or any other loss, whether known or unknown, foreseen or unforeseen.

Choice Of Law. I further understand and agree that the laws of the State of California will apply to this contract, **without regard** to the conflict of laws principles, and that any litigation concerning this contract must be brought in Sacramento County.

I HAVE READ THIS "WAIVER OF LIABILITY RELATING TO COVID-19" AND I UNDERSTAND THAT IT IS A RELEASE AND WAIVER OF ALL CLAIMS. I UNDERSTAND THAT BY SIGNING THIS WAIVER I ASSUME ALL RISKS INHERENT IN MY PARTICIPATION AT THE CONFERENCE. I VOLUNTARILY ACCEPT DURING ONLINE REGISTRATION ELECTRIONICCALY / SIGN MY NAME SHOWING MY ACCEPTANCE OF THE ABOVE PROVISIONS.

Signature: ________________________________

Date: ____________________________________

Print Name: ______________________________

If this form was agreed to electronically during online registration, it does not need to be signed or sent to SACRS. If you are registering on behalf of an attendee, you must provide them with the information and confirm that they accept the "WAIVER OF LIABILITY RELATING TO COVID-19".