

CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

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October 12, 2011

MEETING DATE
10/26/11
AGENDA ITEM
3

The Board of Retirement met in regular session at 9:00 a.m. on Wednesday, October 12, 2011 in the Conference Room of the Contra Costa County Employees' Retirement Association, 1355 Willow Way, Suite 221, Concord, CA.

Present: Debora Allen, Brice Bins, Terry Buck, Richard Cabral, John Gioia, Brian Hast, Jerry Holcombe, Sharon Naramore, John Phillips and Jerry Telles

Staff: Marilyn Leedom, Retirement Chief Executive Officer; Cary Hally, Retirement Chief Investment Officer; Karen Levy, General Counsel; Debbie Carmel, Retirement Benefits Manager; and Vickie Kaplan, Retirement Accounting Manager

Outside Professional Support:	Representing:
Harvey Leiderman	Reed Smith LLP
John Monroe	The Segal Company

Other Attendees:

Luz Casas	Contra Costa County Employees' Retirement Association (CCCERA) Staff
Christina Dunn	CCCERA Staff
Joelle Luhn	CCCERA Staff
Justine Oyler	CCCERA Staff
Kathy Somsen	CCCERA Staff
Lisa Driscoll	County Administrators Office
Harjit Nahal	Auditor-Controller Office
Colette Curtis-Brown	Centra Contra Costa Sanitary District
Daniel Freeland	Self
Lisa Vorderbrueggen	Contra Costa Times
Ted Cwiek	Contra Costa County Human Resources
Suzie Griffith	AFSCME 2700

1. Pledge of Allegiance

Naramore led all in the *Pledge of Allegiance*.

2. Public Comment

No members of the public offered comment.

3. Approval of Minutes

It was *M/S/C* to approve the minutes of the September 7, 2011 Board meeting with a correction to item 4 (a) changing "Helliesen reported" to "Price reported." (Yes: Allen, Bins, Buck, Cabral, Gioia, Hast, Holcombe, Phillips and Telles)

It was *M/S/C* to approve the minutes of the September 14, 2011 Board meeting with a correction to item 13 (b) changing the second sentence to read "The issue is whether there is an implied

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contract right to have the retirees' health care insurance pooled with actives." (Yes: Allen, Bins, Buck, Cabral, Gioia, Hast, Holcombe, Phillips and Telles)

4. Routine Items

It was *M/S/C* to approve the routine items of the October 12, 2011 meeting. (Yes: Allen, Bins, Buck, Cabral, Gioia, Hast, Holcombe, Phillips and Telles)

5. Contribution rates for the period July 1, 2012 through June 30, 2011

Leedom received a letter from Central Contra Costa Sanitary District stating they have reviewed the calculations and have no issues with the calculations or the proposed rates.

It was *M/S/C* to adopt the contribution rates for the period July 1, 2012 through June 30, 2013 as outlined in the CCCERA 2010 Actuarial Valuation. (Yes: Allen, Bins, Buck, Cabral, Gioia, Hast, Holcombe, Phillips and Telles)

CLOSED SESSION

The Board moved into Closed Session pursuant to Govt. Code Section 54957 and Govt. Code Section 54956.9(c).

The Board moved into open session.

6. Disability Retirements

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

(a) Henry West - Service Connected (Yes: Allen, Bins, Buck, Cabral, Gioia, Hast, Holcombe, Phillips and Telles)

7. It was *M/S/C* to accept the Medical Advisor's recommendation and deny the non-service connected disability retirement for Gary Archambault. (Yes: Allen, Bins, Buck, Cabral, Gioia, Hast, Holcombe, Phillips and Telles)

Gioia recused himself from item 8 and was not present for subsequent discussion and voting.

8. There was no reportable action related to Govt. Code Section 54956.9(c).

9. Changes approved by the County Board of Supervisors regarding Local 21 and Unrepresented Employees

At the Chairperson's discretion, this item will be continued to a future meeting.

Gioia was present for future discussion and voting.

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10. SACRS proposed 2012 legislation

Levy summarized the legislative proposals for SACRS sponsorship in 2012.

It was *M/S/C* to support LACERA #2, Electronic Signatures. (Yes: Allen, Bins, Buck, Cabral, Gioia, Hast, Holcombe, Phillips and Telles)

It was *M/S* to support LACERA #3, Public Records Act Requests. After discussion, the motion was withdrawn. It was *M/S/C* to abstain from voting on this item. (Yes: Allen, Bins, Buck, Cabral, Gioia, Hast, Holcombe, Phillips and Telles)

It was *M/S/C* to support SACRS #1, Group Dental Plan. (Yes: Allen, Bins, Buck, Gioia, Hast, Holcombe and Telles. No: Phillips. Abs: Cabral)

It was *M/S/C* to support 1937 Act Trustee Continuing Education. (Yes: Allen, Bins, Buck, Gioia, Hast, Holcombe and Telles. No: Cabral. Abs: Telles)

It was *M/S/C* to abstain from voting on Mendocino #1, Heart Illness Rebuttable Presumption, with direction to recommend all disability presumptions be considered in legislation. (Yes: Allen, Bins, Cabral, Gioia, Hast, Holcombe, Phillips and Telles. Abs: Buck)

11. Conference Seminar Attendance

(a) No action was taken on the Trustees Roundtable, CALAPRS, October 14, 2011, San Jose, CA.

12. Miscellaneous

(a) Staff Report -

Leedom reported she, Hally and Buck attended an on-site visit with Grant & Eisenhofer, one of the finalist firms for securities litigation monitoring. They also coordinated on-site visits with Delaware Investments and Paladin Capital Group. Leedom, Hally and Holcombe will conduct an on-site visit with Berman DeValerio in San Francisco on October 14, 2012. An on-site visit with Robbins Geller Ruman & Dowd in San Diego will be scheduled for the beginning of November.

Leedom gave an update on the Deputy CEO position, noting it is currently on hold.

Leedom reported that public record requests have been received regarding the RFI for Securities Litigation Monitoring.

Chu is working with Milliman on the RFP for Real Estate managers. The finalist list will be presented to the Board at the last meeting in October.

Leedom also reported staff is working with Ice Miller to review IRS requirements when multiple beneficiaries are named under a chosen retirement option.

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Levy reported the Court of Appeals determined Sonoma County should disclose the name and amount of retirement in response to public records requests. However, the age of retiree at retirement is confidential and should not be disclosed.

Levy noted that LACERA was sued by the LA Times. The Los Angeles Superior Court ordered disclosure of the retiree names and retirement amounts. The court is to decide in November whether names of deputy sheriffs should be disclosed if the deputy sheriffs worked undercover within the last 18 months before retirement.

Levy reported Senate Bill 398 was signed into law regarding lobbyist registration and disclosure requirements for placement agents. Staff will review the Placement Agent Disclosure Policy for possible changes in light of the legislation.

Levy gave an update on Assembly Bill 340 stating the legislature appointed Senators Negrete McLeod, Simitian, and Walters to a conference committee to draft legislation to reform state and local pension systems.

Levy attended the Supreme Court Hearing on the Retired Employees Association of Orange County (REAOC) vs. the County of Orange with Leiderman and Telles. The case involves a question certified to the California Supreme Court by the federal Ninth Circuit Court of Appeals on whether, under California law, a county and its employees can form an implied contract that confers vested rights to health benefits on retired county employees.

(b) Outside Professionals' Report -

Leiderman reported on the REAOC Supreme Court Hearing noting once a decision is made the case will be referred back to federal court.

(c) Trustees' Comments -

Cabral requested a copy of the Fair Political Practices settlement with CalPERS regarding violations on reporting and accepting gifts. Staff will provide a copy.

Holcombe reported he attended the Milliman Conference, noting a specific presentation on REITs and another by First Eagle. He felt the conference was good.

Gioia was not present for future discussion and voting.

Phillips reported he also attended the Milliman Conference and asked for additional information on ethanol investments.

Buck was not present for future discussion and voting.

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It was *M/S/C* to adjourn the meeting. (Yes: Allen, Bins, Cabral, Hast, Holcombe, Phillips and Telles)

Maria Theresa Viramontes, Chairman

John Phillips, Secretary