



AGENDA

RETIREMENT BOARD MEETING

****AMENDED****

REGULAR MEETING
January 11, 2017
9:00 a.m.

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

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

1. Pledge of Allegiance.
2. Recognition of Luz Casas for 20 years of service.
3. Accept comments from the public.
4. Approve minutes from the December 14, 2016 meeting.
5. Routine items for January 11, 2017.
 - a. Approve certifications of membership.
 - b. Approve service and disability allowances.
 - c. Accept disability applications and authorize subpoenas as required.
 - d. Approve death benefits.
 - e. Accept Asset Allocation Report

CLOSED SESSION

6. CONFERENCE WITH LABOR NEGOTIATORS
(Government Code Section 54957.6)

Agency designated representatives:
Gail Strohl, Chief Executive Officer
Christina Dunn, Admin/HR Manager
Joe Wiley, CCCERA's Chief Negotiator

Employee Organization: AFSCME, Local 2700
Unrepresented Employees: All CCCERA unrepresented positions

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.

7. 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. Board of Administration, California Public Employees' Retirement System v. Donald R. Rhoads, et al., Office of Administrative Hearings, Case No. 2016-0892

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

<u>Member</u>	<u>Type Sought</u>	<u>Recommendation</u>
a. Spencer Chun	Non-Service Connected	Non-Service Connected
b. Richard Perry	Service Connected	Service Connected
c. Kyle Sevier	Service Connected	Service Connected
d. Graciela Perez	Service Connected	Service Connected
e. LeRhonda Birden	Service Connected	Service Connected

9. The Board will continue in closed session pursuant to Govt. Code Section 54956.9(d)(2) to confer with legal counsel regarding potential litigation (one case).

OPEN SESSION

10. Legislative Update

11. Update from Chief Investment Officer on implementation of Liquidity sub-portfolio.

12. Consider authorizing the attendance of Board & Staff:
 - a. General Assembly, CALAPRS, March 4-7, 2017, Monterey, CA
 - b. Sexual Harassment Prevention Training for Staff/Board, California Special Districts Association, January 24, 2017, Webinar
 - c. 2017 Investor Conference, Angelo, Gordon & Co, March 15, 2017, New York, NY
 - d. Trustees' Roundtable, CALAPRS, February 3, 2017, San Jose, CA
 - e. CII Spring 2017 Conference, Council of Institutional Investors, February 27-March 1, 2017, Washington, DC

13. Miscellaneous
 - a. Staff Report
 - b. Outside Professionals' Report
 - c. Trustees' comments

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



Meeting Date
1/11/17
Agenda Item
#4.

MINUTES

RETIREMENT BOARD MEETING MINUTES

REGULAR MEETING
December 14, 2016
9:00 a.m.

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

Present: Debora Allen, Candace Andersen, Jerry Holcombe, Louie Kroll, David MacDonald, John Phillips, William Pigeon, Gabe Rodrigues, Todd Smithey, Jerry Telles and Russell Watts

Absent: Scott Gordon

Staff: Gail Strohl, Chief Executive Officer; Karen Levy, General Counsel; Timothy Price, Chief Investment Officer; Wrally Dutkiewicz, Compliance Officer; Christina Dunn, Administrative/HR Manager; Tim Hoppe, Retirement Services Manager; Alexis Cox, Member Services Manager; Henry Gudino, Accounting Manager; and Son Lu, IT Manager

Outside Professional Support:
Harvey Leiderman
Joe Wiley

Representing:
Reed Smith LLP
Wiley, Price & Radulovich LLP

1. Pledge of Allegiance

MacDonald led all in the *Pledge of Allegiance*.

2. Accept comments from the public

No member of the public offered comment.

3. Approval of Minutes

It was **M/S/C** to approve the minutes of the October 20, 2016 Board meeting with an edit to the first sentence of Item 6 to read "Angelo discussed the December 31, 2015 valuation report noting that the Association's unfunded actuarial accrued liability decreased from \$1.5 billion to \$1.3 billion." (Yes: Allen, Andersen, Holcombe, MacDonald, Phillips, Rodrigues, Smithey, Telles and Watts)

It was **M/S/C** to approve the minutes of the October 26, 2016 Board meeting with the following edits: Item 3 change the words "timing of" to "timeframe provided for investing in"; adding the word "that," in the third sentence of Item 3 after the word "noting" and a comma after the word "closes" in the same sentence; and adding Chih-chi Chu's name to staff present. (Yes: Andersen, Holcombe, MacDonald, Phillips, Rodrigues, Smithey, Telles and Watts, Abs: Allen)

It was **M/S/C** to approve the minutes of the November 2, 2016 Board meeting. (Yes: Allen, Andersen, Holcombe, MacDonald, Phillips, Rodrigues, Smithey, Telles and Watts)

It was **M/S/C** to approve the minutes of the November 22, 2016 Board meeting changing the first sentence of Item 5 to “Gudino reviewed the 2015 and 2016 actual versus budget for the administrative budget and the non-administrative budget noting that, for 2016, the schedule reflects only the first six months.” (Yes: Andersen, Holcombe, MacDonald, Phillips, Rodrigues, Smithey, Telles and Watts, Abs: Allen)

4. Routine Items

It was **M/S/C** to approve the routine items of the December 14, 2016 meeting. (Yes: Allen, Andersen, Holcombe, MacDonald, Phillips, Rodrigues, Smithey, Telles and Watts)

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

CLOSED SESSION

The Board moved into closed session pursuant to Govt. Code Section 54957 to discuss Items 6b., 7, and 8. Items 5, 6a., 6c., and 9 will be discussed later.

The Board moved into open session.

6. It was **M/S/C** to accept the Medical Advisor’s recommendation and grant the following disability benefits:
 - b. Daniel Trujillo – Non-Service Connected (Yes: Allen, Andersen, Holcombe, MacDonald, Phillips, Rodrigues, Smithey, Telles and Watts)
7. It was **M/S/C** to refer this Item back to the Hearing Officer with instructions. (Yes: Andersen, Holcombe, MacDonald, Rodrigues, and Telles; No: Allen, Phillips, Smithey and Watts)
8. It was **M/S/C** to accept and approve the recommendation of the Administrative Law Judge and deny Debra Fernandez’s application for a service-connected disability retirement. (Yes: Allen, Andersen, Holcombe, Phillips, Rodrigues, Smithey, Telles and Watts; Abs: MacDonald)

Phillips and Telles were no longer present for subsequent discussion and voting.

Vice-Chairperson Smithey reported Chairperson Phillips is absent and will no longer be present for subsequent discussion and voting. Vice Chairperson Smithey reported he will be absent and is appointing Watts as the Chairperson pro tem for the remainder of the meeting and the appointment will expire at the adjournment of the meeting. There was no objection.

Smithey was not present for subsequent discussion and voting.

CLOSED SESSION

The Board moved into closed session pursuant to Govt. Code Section 54957.6 to discuss Item 5. Items 6a., 6c., and 9 will be discussed later.

The Board moved into open session.

5. There was no reportable action related to Govt. Code Section 54957.6.

Andersen and Pigeon were no longer present for subsequent discussion and voting.

Pro tem Chairperson Watts reported he will no longer be present for subsequent discussion and voting, therefore, as Pro tem Chairperson he is appointing Holcombe as the Chairperson pro tem for the remainder of the meeting and the appointment will expire at the adjournment of the meeting. There was no objection.

Watts was no longer present for subsequent discussion and voting.

It was the consensus of the Board to move to Item 12.

12. Consider and take possible action to adopt the 2017 CCCERA Budget

Gudino reviewed the 2017 CCCERA budget noting there was an increase in the total budget due to additional staffing in the Investment department and additional on-going expenditures that were not previously included in the budget.

There was discussion on the items that had notable percentage changes from the 2016 budget and the expenditures that were not previously reported. He noted the total 2017 proposed budget is \$13.4 million.

It was M/S/C to adopt the 2017 proposed total budget and approve two new Investment Officer positions. (Yes: Allen, Holcombe, Kroll, MacDonald, and Rodrigues)

CLOSED SESSION

The Board moved into closed session pursuant to Govt. Code Section 54957 and 54956.9(d)(1) to discuss Items 6a., 6c., and 9.

The Board moved into open session.

6.
 - a. It was M/S/C to accept the Medical Advisor's recommendation and grant Michele Sublett a Non-Service Connected disability retirement without prejudice to her pursuing a service connected disability retirement application. (Yes: Allen, Holcombe, Kroll, MacDonald, and Rodrigues)
 - c. This item was not discussed due to lack of a quorum.
9. There was no reportable action related to Govt. Code Section 54956.9(d)(1).

10. Legislative Update

This item was tabled for a future meeting.

11. Update from Chief Investment Officer on implementation of Liquidity sub-portfolio

This item was tabled for a future meeting.

13. Conference Seminar Attendance

- a. It was M/S/C to authorize the attendance of 4 Board members and 2 staff members to the 35th Annual Sit Investment Associates Client Workshop, Sit Investment Associates, February 16-19, 2017, Carlsbad, CA. (Yes: Allen, Holcombe, Kroll, MacDonald, and Rodrigues)

- b. It was **M/S/C** to authorize the attendance of 2 Board members and 3 staff members to the 6th Annual Risk & Liquidity, Institutional Investors Forum, January 24-25, 2017, San Francisco, CA. (Yes: Allen, Holcombe, Kroll, MacDonald, and Rodrigues)
- a. It was **M/S/C** to authorize the attendance of 2 Board members and 2 staff members to the Commonfund Forum, Commonfund, March 4-7, 2017, San Antonio, TX. (Yes: Allen, Holcombe, Kroll, MacDonald, and Rodrigues)
- b. It was **M/S/C** to authorize the attendance of 4 Board members to the 2017 Legislative Conference, National Conference on Public Employees Retirement Systems, January 29-31, 2017, Washington, DC. (Yes: Allen, Holcombe, Kroll, MacDonald, and Rodrigues)
- c. It was **M/S/C** to authorize the attendance of 2 Board members to the Advanced Principles of Pension Management for Trustees, CALAPRS, March 29-31, 2017, Los Angeles, CA. (Yes: Allen, Holcombe, Kroll, MacDonald, and Rodrigues)
- d. No action was taken on this Item.
- e. It was **M/S/C** to authorize the attendance of 4 Board members and 1 staff members to the Advanced Trustee and Administrators Institute, International Foundation of Employee Benefits Plans, June 26-28, 2017, San Diego, CA. (Yes: Allen, Holcombe, Kroll, MacDonald, and Rodrigues)

14. Miscellaneous

- a. Staff Report –

Strohl reported it has been two years since CCCERA separated from Contra Costa County and one year since Human Resources and Information Technology services have been transitioned from Contra Costa County and she would like to thank the staff and Board for their support through this process.

Allen was no longer present for subsequent discussion and voting.

- b. Outside Professional's Report –

This item was not presented due to lack of a quorum.

- c. Trustees' Comments –

This item was not presented due to lack of a quorum.

John Phillips, Chairman

Scott Gordon, Secretary

CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

BOARD OF RETIREMENT

Meeting Date
1/11/17
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#5.

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Items requiring Board Action

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

B. *Service and Disability Retirement Allowances:*

<u>Name</u>	<u>Number</u>	<u>Effective Date</u>	<u>Option Type</u>	<u>Group</u>	<u>Selected</u>
Barnes, Laurie	48584	10/01/16	SR	Safety A	Unmod
Botello, Benito	73233	09/20/16	SR	Tier III	Unmod
Burton, Michael	48565	09/02/16	SR	Safety A	Unmod
Butcher-Rankin, Jacquelyn	76476	10/08/16	SR	Tier III	Unmod
Chun, Spencer	D3406	12/12/15	SR	Tier I	Unmod
Crouse, Jeffery	47145	09/21/16	SR	Safety A	Unmod
Goldsmith, Barbara	71185	10/01/16	SR	Tier III	Unmod
Hefflefinger, David	D3406	09/01/16	SR	Tier I	Option 2
Judnick, Jesse	D9500	06/23/16	SR	Tier II and III	Unmod
Kick, Joy	65153	10/06/16	SR	Tier III	Unmod
Kinsley, Kristen	D9500	09/01/16	SR	Tier III	Unmod
Lofgren, Kim	39072	10/10/16	SR	Tier II and III	Unmod
MacArthur, Loretta	45285	09/07/16	SR	Tier II	Unmod
O'Connor, Cerise	70671	10/01/16	SR	Tier III	Unmod
Reilly, Brenda	62722	10/01/16	SR	Tier III	Unmod
Rucker, Charlotte	69124	10/01/16	SR	Tier III	Option 1
Spolerich, Denise	64522	09/26/16	SR	Tier II and III	Unmod
Stoddard, Denise	44272	09/13/16	SR	Tier III	Unmod
Swenson, Elaine	45619	10/01/16	SR	Tier II and III	Unmod
Weare, Lissa	65648	09/01/16	SR	Tier III	Option 1
Williams, Ella	48468	09/01/16	SR	Tier II and III	Option 1
Wilson, Shirley	D9500	10/01/16	SR	Tier II and III	Option 1
Wiseman, Dwayne	44918	09/01/16	SR	Tier II and III	Option 2
Worth, Guy	68969	07/13/16	SCD	Safety A	Unmod

KEY:

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

Option
 * = County Advance
 Selected w/option

Type
 NSP = Non-Specified
 SCD = Service Connected Disability
 SR = Service Retirement
 NSCD = Non-Service Connected Disability

CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

BOARD OF RETIREMENT

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January 11, 2017

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

<u>Name</u>	<u>Number</u>	<u>Filed</u>	<u>Type</u>
Cote, Melissa	CCCFPD	12/16/16	SCD
Moore, Terry	Courts	12/02/16	SCD

D.

Deaths:

<u>Name</u>	<u>Date of Death</u>	<u>Employer as of Date of Death</u>
Barrett-Sullivan, Barbara	12/05/16	Contra Costa County
Beasley, David	10/25/2016	Rodeo Sanitary District
Blevins, Lloy	8/11/2016	Beneficiary
Davenport, Walter	12/1/2016	Contra Costa County Fire Protection District
Doud, Frances	12/29/16	Contra Costa County
Downing Blanche	12/16/16	Beneficiary
Ekberg, Sue	09/15/16	Contra Costa County
Enzenauer, Donald	12/12/16	Contra Costa County
Goldberg, David	10/2/2016	Contra Costa County
Gray, Ardele	9/1/2016	Contra Costa County
Rodekohr, Nancy	11/16/16	Contra Costa County
Washington, Lula	12/6/2016	Contra Costa County
Williams, Ruby	12/25/16	Contra Costa County
Wolf, Marvin	12/08/16	Contra Costa County

KEY:

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

Option
 * = County Advance
 Selected w/option

Type
 NSP = Non-Specified
 SCD = Service Connected Disability
 SR = Service Retirement
 NSCD = Non-Service Connected Disability

CERTIFICATION OF MEMBERSHIPS

<i>Name</i>	<i>Employee Number</i>	<i>Tier</i>	<i>Membership Date</i>	<i>Employer</i>
Abella, Teddy F.	79720	P5.3	11/01/16	Contra Costa County
Aftab, Ayesha	80565	P5.2	11/01/16	Contra Costa County
Alfano, Shawna L.	83989	P5.2	11/01/16	Contra Costa County
Angel, Mark A.	D3406	P4.3	11/01/16	Central Contra Costa Sanitary District
Baker, Jennifer M.	84019	P5.2	11/01/16	Contra Costa County
Bautista, Salvatore S.	D7830	PDF.3	11/01/16	San Ramon Valley Fire District
Boler, Ronda E.	83647	P5.2	11/01/16	Contra Costa County
Brandt, Deanna M.	84115	P5.2	11/01/16	Contra Costa County
Brown, Brett J.	79919	P5.2	11/01/16	Contra Costa County
Brown, Christopher J.	84052	P5.2	11/01/16	Contra Costa County
Burns, Nicholas A.	83943	P5.2	11/01/16	Contra Costa County
Calvin, Tamara L.	43647	III	11/01/16	Contra Costa County
Carmichael, Buck S.	84030	P5.2	11/01/16	Contra Costa County
Carpetta, John V.	84070	P5.2	11/01/16	Contra Costa County
Cervantes, Melinda S.	62036	III	11/01/16	Contra Costa County
Childs, Kelsi E.	83949	P5.2	11/01/16	Contra Costa County
Cho, Steve C.	71134	III	11/01/16	Contra Costa County
Coleman, Demetria M.	83892	P5.2	11/01/16	Contra Costa County
Contreras, Katherine K.H.	84009	P5.2	11/01/16	Contra Costa County
Cunningham, Shawnie L.	83932	P5.2	11/01/16	Contra Costa County
Danila, Lorna Jean B.	83945	P5.2	11/01/16	Contra Costa County
Davis, Camerin C.	83676	PE.2	11/01/16	Contra Costa County
Davis, Daniel A.	D7830	PDF.3	11/01/16	San Ramon Valley Fire District
Demarty-Ooghe, Karla	D4980	P4.3	11/01/16	CCCERA
Dinsmore, Dianne R.	84022	P5.2	11/01/16	Contra Costa County
Dizon, Resa N.	84016	P5.2	11/01/16	Contra Costa County
Dolma, Tsering	83937	P5.2	11/01/16	Contra Costa County
Drake, Aaron J.	D7830	PDF.3	11/01/16	San Ramon Valley Fire District
Dunn, Mary	83947	P5.2	11/01/16	Contra Costa County
Eggert, Allyson J.	83946	P5.2	11/01/16	Contra Costa County
Enea Jr., Peter J.	84049	P5.2	11/01/16	Contra Costa County
Espinoza, Maria N.	67303	III	11/01/16	Contra Costa County
Flores, Alejandro M.	D7830	PDF.3	11/01/16	San Ramon Valley Fire District
Freitas, Jeannine M.	84029	P5.2	11/01/16	Contra Costa County
Gebre, Desbele K.	77436	P5.2	11/01/16	Contra Costa County
Gelber, Linda L.	83969	P5.2	11/01/16	Contra Costa County
Gonsalves, Jerome	84114	P5.2	11/01/16	Contra Costa County
Gonzales, Elizabeth M.	83988	P5.2	11/01/16	Contra Costa County
Graham, Anne M.	84032	P5.2	11/01/16	Contra Costa County
Greeff, Kristina A.	84068	P5.2	11/01/16	Contra Costa County

Key:

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

CERTIFICATION OF MEMBERSHIPS

<i>Name</i>	<i>Employee Number</i>	<i>Tier</i>	<i>Membership Date</i>	<i>Employer</i>
Greiner, Matthew	D7160	PDF.3	11/01/16	East Contra Costa Fire District
Gurley, David R.	83944	P5.2	11/01/16	Contra Costa County
Haley, Jennifer L.	D9500	P5.3	11/01/16	Superior Courts
Haning, Megan R.	D9500	P5.3	11/01/16	Superior Courts
Hara, Kyle A.	84026	P5.2	11/01/16	Contra Costa County
Hayat, Robina	75092	P5.2	11/01/16	Contra Costa County
Herrera, Dawn	69441	P5.2	11/01/16	Contra Costa County
Jackson, Kayla D.	84035	P5.2	11/01/16	Contra Costa County
Jackson, Marie A.	79654	S/E	11/01/16	Contra Costa County
Johnson, Michelle D.	84053	P5.2	11/01/16	Contra Costa County
Johnson, Nerissa	82610	P5.2	11/01/16	Contra Costa County
Juniel, Leah B.	81755	P5.2	11/01/16	Contra Costa County
Kaur, Rajbir	84069	P5.2	11/01/16	Contra Costa County
Kennon-Bizicki, Lori G.	83072	P5.2	11/01/16	Contra Costa County
Kim, Diana J.	78596	P5.2	11/01/16	Contra Costa County
Kim, Seung K.	84051	P5.2	11/01/16	Contra Costa County
Kisamov, Bela	84060	P5.2	11/01/16	Contra Costa County
Lakha-Jackson,Nula A	83942	P5.2	11/01/16	Contra Costa County
Lam, Cheng I.	D7160	PDF.3	11/01/16	East Contra Costa Fire District
Leckbee, Nancy S.	50288	P5.2	11/01/16	Contra Costa County
Lee, Cheo F.	80335	P5.2	11/01/16	Contra Costa County
Lester, Monique A.	83915	P5.2	11/01/16	Contra Costa County
Lopez, Obdulia	84104	P5.2	11/01/16	Contra Costa County
Mahan, Asante L.	77605	P5.2	11/01/16	Contra Costa County
Mangal, Turpekai	74968	III	11/01/16	Contra Costa County
Marleen, Seshna	84025	P5.2	11/01/16	Contra Costa County
McHale, Rory T.	81875	P5.2	11/01/16	Contra Costa County
Medina, Yuli	84011	P5.2	11/01/16	Contra Costa County
Middleton, Josephine P.	83953	P5.2	11/01/16	Contra Costa County
Myers, Elizabeth L.	44765	III	11/01/16	Contra Costa County
Night, Theresa A.	84008	P5.2	11/01/16	Contra Costa County
Orgera, Anamarie	78761	P5.2	11/01/16	Contra Costa County
Osorio, Jessica M.	83954	P5.2	11/01/16	Contra Costa County
Parsons-Barillas,Iliana M	84031	P5.2	11/01/16	Contra Costa County
Perez, Arturo P.	D7830	PDF.3	11/01/16	San Ramon Valley Fire District
Picasso, Madga Y.	83211	P5.2	11/01/16	Contra Costa County
Pulido, Elisa	78178	P5.2	11/01/16	Contra Costa County
Quimora, Ileen M.	83916	P5.2	11/01/16	Contra Costa County
Rabbi, Roheen	73551	P5.2	11/01/16	Contra Costa County
Randolph III, Wesley S.	D9500	P5.3	11/01/16	Superior Courts

Key:

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

CERTIFICATION OF MEMBERSHIPS

<i>Name</i>	<i>Employee Number</i>	<i>Tier</i>	<i>Membership Date</i>	<i>Employer</i>
Reed, Steven M.	D7830	PDF.3	11/01/16	San Ramon Valley Fire District
Reid, Rosalyn R.	83950	P5.2	11/01/16	Contra Costa County
Rovira-Hernandez, Cristeta	83973	P5.2	11/01/16	Contra Costa County
Rowand, Mark J.	83896	P5.2	11/01/16	Contra Costa County
Rutledge-Caughey, Loretta L.	83911	P5.2	11/01/16	Contra Costa County
Saindon, Patrice R.	83662	S/E	11/01/16	Contra Costa County
Sausa, Nhorilee G.	D9500	P5.3	11/01/16	Superior Courts
Scott, Joshua L.	D7830	PDF.3	11/01/16	San Ramon Valley Fire District
Sharp, Brianna M.	D9500	P5.3	11/01/16	Superior Courts
Shaw, Thomas W.	76449	III	11/01/16	Contra Costa County
Shepa, Zorana	D9500	P5.3	11/01/16	Superior Courts
Stewart, Marilou C.	48244	III	11/01/16	Contra Costa County
Tomlin, Brandon E.	83952	P5.2	11/01/16	Contra Costa County
Trinh, Theodore	82584	P5.2	11/01/16	Contra Costa County
Vasquez, Arnulfo	D7160	PDF.3	11/01/16	East Contra Costa Fire District
Velazquez, Cynthia F.	77300	P5.2	11/01/16	Contra Costa County
Vetterli, Karen A.	81370	P5.2	11/01/16	Contra Costa County
Waters, Kelly S.	75237	P5.2	11/01/16	Contra Costa County
Westeren, Taylor	D7830	PDF.3	11/01/16	San Ramon Valley Fire District
Whited, Cody J.	D7160	PDF.3	11/01/16	East Contra Costa Fire District
Wolfe, Marta L.	80144	P5.2	11/01/16	Contra Costa County
Woods, Steven	D7160	PDF.3	11/01/16	East Contra Costa Fire District
Wooten, Tressa S.	84067	P5.2	11/01/16	Contra Costa County

Key:

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

TIER CHANGES

<i>Name</i>	<i>Employee Number</i>	<i>Old Tier</i>	<i>New Tier</i>	<i>Effective Date</i>	<i>Employer</i>	<i>Reason for Change</i>
Arias, Jorge A.	83209	P5.2	S/E	11/1/2016	Contra Costa County	Recruit to Deputy Sheriff
Cullum, Matthew D.	83226	P5.2	S/E	11/1/2016	Contra Costa County	Recruit to Deputy Sheriff
Danielson, Scott E.	32022	III	S/D	11/1/2016	Contra Costa County	Reciprocity
Dotts, Kevin J.	83230	P5.2	S/E	11/1/2016	Contra Costa County	Recruit to Deputy Sheriff
Escover, Kevin C.	83231	P5.2	S/E	11/1/2016	Contra Costa County	Recruit to Deputy Sheriff
Graham, Ryan M.	83259	PE.2	S/A	11/1/2016	CCC Fire Protection District	Reciprocity
Gudino, Henry	4980	P4.3	I	11/1/2016	CCCERA	Reciprocity
Johnson, Jacob D.	83235	P5.2	S/E	11/1/2016	Contra Costa County	Recruit to Deputy Sheriff
Otico, Stephen G.	83904	P5.2	S/E	11/1/2016	Contra Costa County	Recruit to Deputy Sheriff
Polen, Michael J.	77561	P5.2	S/E	11/1/2016	Contra Costa County	Recruit to Deputy Sheriff
Proctor, Michael A.	83242	P5.2	S/E	11/1/2016	Contra Costa County	Recruit to Deputy Sheriff
Rowland, Kyle E.	82801	P5.2	S/E	11/1/2016	Contra Costa County	Recruit to Deputy Sheriff
Rupnow, Steven J.	82255	P4.3	I	11/1/2016	CCC Fire Protection District	Reciprocity
Sill, Nathan	7830	P4.3	I	11/1/2016	San Ramon Valley Fire	Reciprocity
Stokes, Scott C.	83244	P5.2	S/E	11/1/2016	Contra Costa County	Recruit to Deputy Sheriff
Walton, Nathan N.	83268	P5.2	S/E	11/1/2016	Contra Costa County	Recruit to Deputy Sheriff
Zaragoza, Elizabeth	83269	P5.2	S/E	11/1/2016	Contra Costa County	Recruit to Deputy Sheriff

Key:

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

Contra Costa County Employees' Retirement Association
Asset Allocation as of November 30, 2016

<p align="center"><i>Meeting Date</i> 1/11/17 <i>Agenda Item</i> #5e.</p>

Liquidity	Market Value	Percentage of Total Fund	Phase 1 Target Percentage	Phase 1 Over/(Under)	Long Term Target	Long Term Over/(Under)
Insight	822,919,000	10.8%	10.5%	0.3%		
Sit	292,049,000	3.8%	5.9%	-2.1%		
Dimensional Fund Advisors	400,498,000	5.3%	5.9%	-0.6%		
PIMCO Total Return	3,585,000	0.0%	0.0%	0.0%		
Goldman Sachs	4,072,000	0.1%	0.0%	0.1%		
Lazard	1,404,000	0.0%	0.0%	0.0%		
Cash	122,902,000	1.6%	1.6%	0.0%	1.0%	0.6%
Total Liquidity	1,647,429,000	21.6%	23.9%	-2.3%	25.0%	-3.4%

Range 20% - 28%

Growth

Domestic Equity

Robeco	338,551,000	4.4%	4.2%	0.2%		
Jackson Square	312,581,000	4.1%	4.3%	-0.2%		
Emerald Advisors	249,760,000	3.3%	3.2%	0.1%		
Intech (Core)	289,487,000	3.8%	3.8%	0.0%		
PIMCO Stocks+	340,320,000	4.5%	4.4%	0.1%		
Ceredex	239,095,000	3.1%	3.0%	0.1%		
Total Domestic Equity	1,769,794,000	23.3%	22.9%	0.4%	6.0%	17.3%

Global & International Equity

Pyrford (BMO)	392,704,000	5.2%	5.5%	-0.3%	5.0%	0.2%
William Blair	399,158,000	5.2%	5.5%	-0.3%	5.0%	0.2%
JPMorgan Global Opportunities	197,316,000	2.6%	1.8%	0.8%		
First Eagle	322,122,000	4.2%	4.3%	-0.1%		
Artisan Global Opportunities	326,799,000	4.3%	4.5%	-0.2%		
Intech (Global Low Volatility)	23,036,000	0.3%	0.3%	0.0%		
Emerging Markets Equity	0	0.0%	0.0%	0.0%	10.0%	-10.0%
Total Global & International Equity	1,661,135,000	21.8%	21.9%	-0.1%	20.0%	1.8%

High Yield (Allianz)

Private Equity	382,761,000	5.0%	5.1%	-0.1%	0.0%	5.0%
Private Credit	763,583,000	10.0%	8.8%	1.2%	12.0%	-2.0%
Real Estate - Value Add	158,189,000	2.1%	2.1%	-0.0%	16.0%	-13.9%
Real Estate - Opportunistic & Distressed	198,912,000	2.6%	4.2%	-1.6%	4.0%	-1.4%
Real Estate - REIT (Adelante)	541,079,000	7.1%	4.2%	2.9%	4.0%	3.1%
Real Estate - REIT (Adelante)	62,232,000	0.8%	1.0%	-0.2%	1.0%	-0.2%
Total Growth Assets	5,537,685,000	72.8%	70.2%	2.6%	63.0%	9.8%

Range 60% - 80%

Risk Diversifying

AFL-CIO	237,715,000	3.1%	3.2%	-0.1%	3.0%	0.1%
Diversifying Strategies (Wellington)	186,728,000	2.5%	2.5%	-0.0%	9.0%	-6.5%
Total Risk Diversifying	424,443,000	5.6%	5.7%	-0.1%	12.0%	-6.4%

Range 0% - 10%

Total Fund	7,609,557,000	100%	100%	0%	100%	0%
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*Phase 1 targets and ranges reflect Phase 1 asset allocation targets accepted by the Board on October 26, 2016 (BOR Resolution 2016-3)

**Private Market Investments
As of November 30, 2016**

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	INDEFINITE				180,000,000	133,945,000	1.76%	87,386,000
Adams Street Secondary II	12/31/08	12/31/20				30,000,000	19,395,000	0.25%	12,637,000
Adams Street Secondary V	10/31/12	10/31/22				40,000,000	19,618,000	0.26%	19,066,000
Adams Street Venture Innovation Fund	03/09/16	03/09/28		LP	1/15/2015	75,000,000	0	0.00%	75,000,000
Bay Area Equity Fund	06/14/04	01/15/13	1st 2 YR			10,000,000	5,554,000	0.07%	
Bay Area Equity Fund II	2/29/09	12/31/17				10,000,000	11,048,000	0.15%	
Carpenter Community BancFund	01/31/08	01/31/16		LP	11/08/15	30,000,000	27,135,000	0.36%	1,479,000
EIF USPF I	11/08/02	11/08/12	3rd 1YR			30,000,000	807,000	0.01%	
EIF USPF II	06/15/05	06/15/15				50,000,000	43,389,000	0.57%	
EIF USPF III	02/28/07	02/28/17				65,000,000	68,010,000	0.89%	
EIF USPF IV	06/28/10	06/28/20				50,000,000	50,086,000	0.66%	
Oaktree Private Investment Fund 2009	02/28/10	01/31/17				40,000,000	18,455,000	0.24%	14,884,000
Ocean Avenue Fund II	06/11/14	05/31/24				30,000,000	17,885,000	0.24%	45,000,000
Ocean Avenue Fund III	06/11/14	05/31/24				50,000,000	5,000,000	0.07%	
Paladin III	11/30/07	12/31/17				25,000,000	25,374,000	0.33%	
Pathway	11/09/98	05/31/21				125,000,000	49,874,000	0.66%	14,643,000
Pathway 2008	12/26/08	12/26/23				30,000,000	24,360,000	0.32%	6,931,000
Pathway 6	05/24/11	05/24/26				40,000,000	30,906,000	0.41%	13,050,000
Pathway 7	02/07/13	02/07/23				70,000,000	35,717,000	0.47%	33,482,000
Pathway 8	11/23/15	11/23/25				50,000,000	8,830,000	0.12%	40,972,000
Siguler Guff CCCERA Opportunities	06/03/14	05/31/25				200,000,000	64,582,000	0.85%	138,208,000
Siguler Guff Secondary Opportunities	12/31/16	12/31/26				50,000,000	8,250,000	0.11%	41,750,000
Real Assets									
Aether III & III Surplus	11/30/13	11/30/20				75,000,000	47,186,000	0.62%	27,869,000
Aether IV	01/01/16	01/01/28				50,000,000	5,957,000	0.08%	44,043,000
ARES EIF V	09/09/15	09/09/25				50,000,000	11,439,000	0.00%	38,561,000
Commonfund Capital Natural Resources IX	06/30/13	06/30/20				50,000,000	27,073,000	0.35%	20,500,000
Wastewater Opportunity Fund	12/31/15	11/30/22				25,000,000	3,708,000	0.05%	21,292,000
Total						1,545,000,000	763,583,000	9.88%	696,753,000
							1,460,336,000		

Outstanding Commitments

Total

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

Private Market Investments
As of November 30, 2016

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
10/22/03	04/30/11	3rd 1 YR	GP	4/30/2014	50,000,000	6,532,000	0.09%	
05/30/07	12/31/15				85,000,000	14,861,000	0.20%	
08/01/13	08/01/20				35,000,000	19,281,000	0.25%	20,305,000
12/01/14	12/01/21				25,170,000	12,558,000	0.17%	11,627,000
03/30/07	12/30/15				75,000,000	12,558,000	0.17%	
08/14/13	09/30/21				25,000,000	24,671,000	0.32%	
10/31/16	09/30/24				50,000,000	12,206,000	0.16%	37,794,000
01/31/12	01/31/19				75,000,000	83,633,000	1.10%	3,946,000
10/31/16	09/30/24				75,000,000	0	0.00%	75,000,000
Outstanding Commitments					505,000,000	198,912,000		148,672,000
Total						347,584,000		

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
06/30/05	06/30/14	1st 2 YR	GP	6/30/2016	75,000,000	41,782,000	0.55%	18,958,000
12/31/07	09/30/16				100,000,000	82,551,000	1.08%	19,113,000
07/31/13	12/31/22				75,000,000	45,214,000	0.59%	39,072,000
12/15/11	12/31/16				50,000,000	33,370,000	0.44%	
09/30/13	09/30/20				80,000,000	89,579,000	1.18%	5,682,000
02/28/15	02/28/23				65,000,000	0	0.00%	65,000,000
12/31/11	12/31/16				75,000,000	67,994,000	0.89%	11,993,000
08/31/13	08/31/20				70,000,000	50,771,000	0.67%	41,933,000
01/31/16	01/31/23				25,000,000	12,625,000	0.17%	12,375,000
11/10/13	11/10/20				20,000,000	21,913,000	0.29%	1,874,000
12/31/11	12/31/18				80,000,000	65,987,000	0.87%	18,145,000
10/10/14	10/10/22				65,000,000	29,293,000	0.38%	40,463,000
Outstanding Commitments					780,000,000	541,079,000		274,608,000
Total						815,687,000		

PRIVATE CREDIT

Inception Date	Target Termination	# of Extension	Discretion by GP/LP	New Target Termination	Funding Commitment	Market Value	% of Total Asset	Outstanding Commitment
09/28/06	09/30/16				128,000,000	48,577,000	0.64%	
09/30/08	09/30/16				75,000,000	10,513,000	0.14%	
08/01/12	08/30/20				60,000,000	61,858,000	0.81%	67,500,000
12/31/14	09/17/22				75,000,000	18,491,000	0.24%	56,250,000
09/10/15	09/10/20				75,000,000	18,750,000	0.25%	
Outstanding Commitments					413,000,000	158,189,000		123,750,000
Total						281,939,000		

MEMORANDUM

Date: January 11, 2017
To: CCCERA Board of Retirement
From: Karen Levy, General Counsel
Subject: Legislation Update

Summary of Enacted Legislation

The California State Legislature reconvened on January 4, 2016 for the 2015-16 legislative session. September 30, 2016 was the last day for the Governor to sign or veto bills passed by the Legislature. Below is a summary of approved legislation of interest to CCCERA and its Board of Retirement.

AB 241 – Local Government: bankruptcy; retired employees; disclosure of names and mailing addresses.

AB 241 requires local public entities to provide the name and mailing address of each retired employee (or employee's beneficiary) to organizations representing retired employees in municipal bankruptcy or similar proceedings, as specified in new Government Code Section 53760.9. The provision limits the organization to using the information for representation of the retired employees. Its stated purpose is to ensure that retirees have the opportunity to meaningfully participate in the legal processes of a local public entity filing bankruptcy. This bill could impact public entities such as CCCERA's participating employers in the event they are likely to become unable to meet their financial obligations and initiate a neutral evaluation process as prescribed in Government Code Section 53760.3. If that occurs, they would be subject to the notification requirements set forth in Government Code Section 53760.9.
Status: Approved by the Governor on September 9, 2016.

AB 1661 – Local Government: Sexual Harassment Training and Education.

Existing law requires CCCERA, as a local agency, to provide at least 2 hours of training and education regarding sexual harassment to all CCCERA supervisory employees. AB 1661 requires CCCERA trustees to receive sexual harassment prevention training and education. Each trustee must receive at least two hours of sexual harassment prevention training and education within the first six months of taking office, and every two years thereafter. (Article 2.4.5, Government Code Sections 53237-53237.5.)
Status: Approved by the Governor on September 29, 2016.

AB 1692 – County Employees’ Retirement: Contra Costa County.

Contra Costa County has a unique disability standard as compared to the rest of the retirement systems governed by the County Employees Retirement Law of 1937 (CERL). The unique disability standard applies a “substantial gainful employment” test for Tier III members. (Gov’t Code Sec. 31720.1.) AB 1692 authorizes the Board of Supervisors of Contra Costa County to require the application of the Tier III disability standard (31720.1 substantial gainful employment), Tier III disability amounts and Tier III COLA amounts to general (non-safety) California Public Employees’ Pension Reform Act of 2013 (PEPRA) members. This provision only apply to general (non-safety) PEPRA members who work for the County and other agencies for whom the County Board of Supervisors is the governing body. (Gov’t Code Sec. 31755.4.)
Status: Approved by the Governor on August 17, 2016.

AB 2257 – Local agency meetings: agenda: online posting.

Requires prominent posting of current meeting agendas on the CCCERA website. The new requirement applies to meetings held on or after January 1, 2019.
Status: Approved by the Governor on September 9, 2016.

AB 2376 - County Employees’ Retirement: Los Angeles County.

AB 2376 contains two provisions that impact CCCERA:

1. A provision sponsored by the California Retired County Employees Association (CRCEA) has expanded the voting powers of an alternate retired member of a CERL retirement board. Specifically, new Gov’t Code Section 31520.6 allows the alternate retired member to vote whenever two elected board members are absent. This change is effective January 1, 2017. Previously, the CERL allowed the alternate retirement member to vote only in place of the regular retired member of the board. For the Board’s ease of reference, please see Attachment A: CCCERA Alternate Board Members Voting Table.
2. A provision sponsored by the State Association of County Retirement Systems (SACRS) authorizes CERL systems to opt to accept electronic data from employers rather than a signed sworn statement from new members.

The remainder of AB 2376 applies only to Los Angeles County.

Status: Approved by the Governor on August 17, 2016.

AB 2833 – Public Retirement Systems: Funds: Disclosures.

This bill applies to contracts entered into on and after January 1, 2017 as well as existing contracts for which a new capital commitment is made on or after January 1, 2017. It requires a public pension or retirement system to require alternative investment vehicles in which it invests to make specified disclosures regarding fees, expenses, and the gross and net rate of return in connection with these vehicles and the underlying investments. The bill requires public pension systems to disclose the information received in connection with alternative investment vehicles at least once annually at a meeting open to the public. The bill further requires as to all other alternative investment contracts that the public pension fund undertake reasonable efforts to obtain the same fee information and comply with the annual public meeting report. For a full copy of this new law, please see Attachment B: Government Code Section 7514.7.

Status: Approved by the Governor on September 14, 2016.

SB 1436 - Local agency meetings: local agency executive compensation: oral report of final action recommendation.

The Ralph M. Brown Act requires that all meetings of a legislative body of a local agency be open and public, except that closed sessions may be held under prescribed circumstances. The CCCERA Board may hold a closed session to consider the appointment, employment, evaluation of performance, discipline, or dismissal of a public employee, but generally prohibits the closed session from including discussion or action on proposed compensation. The Board may hold a closed session with CCCERA's designated representatives regarding the salaries, salary schedules, or compensation paid in the form of fringe benefits of its represented and unrepresented employees, but prohibits the closed session from including final action on the proposed compensation of one or more unrepresented employees. Lastly, the Board is prohibited from calling a special meeting regarding the salaries, salary schedules, or compensation paid in the form of fringe benefits of CCCERA employees.

SB 1436 requires the Board, **prior** to taking final action, to orally report a summary of a recommendation for a final action on the salaries, salary schedules, or compensation paid in the form of fringe benefits of a local agency executive during the open meeting in which the final action is to be taken. This requirement only applies to a "Local Agency Executive" as defined by statute. (See Gov't Code Sections 54953 and 3511.1.)

Status: Approved by the Governor on August 22, 2016.

Recommendation

Receive and file.

Attachment A

**CCCERA Board of Retirement
Alternate Board Members Voting Table**

Effective January 1, 2017

Prepared by: Karen Levy, Esq., General Counsel

CCCERA Retirement Board Alternate Member	Voting	Government Code Section
i. Safety alternate (Will Pigeon)	Shall vote as a member of the Board if Board Members 2, 3 or 7 are absent (MacDonald, Smithey or Rodrigues)	31520.1(b)
	Also, shall vote if Board Member 8 (Telles) <u>and</u> Alternate Board member to 8 (Kroll) are not attending a meeting	31520.5(f)(2)
	Also, votes on a disability application of firefighters in place of safety Board member elected by non-firefighters (Rodrigues)	31520.1(b)
ii. Retiree Alternate (Louis Kroll)	Shall vote if Board member 8 (Telles) is absent	31520.5(b)
	Also, may vote if the following two are absent: 2 (Macdonald) and 3 (Smithey); 2 (Macdonald) and 7 (Rodrigues); or 3 (Smithey) and 7 (Rodrigues)	31520.6 (eff. 1/1/17)
iii. Appointed alternate (Jerry Holcombe)	Shall vote as a member of the Board if any of Board Members 4, 5, 6, or 9 are absent from a Board meeting (Gordon, Allen, Andersen and Phillips)	31520.12(a)

Attachment B

Section 7514.7 to the Government Code
Assembly Bill 2833 Approved By the Governor on September 14, 2016

(a) Every public investment fund shall require each alternative investment vehicle in which it invests to make the following disclosures at least annually:

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

(2) The public investment fund'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. The public investment fund may independently calculate this information based on information contractually required to be provided by the alternative investment vehicle to the public investment fund. If the public investment fund independently calculates this information, then the alternative investment vehicle shall not be required to provide the information identified in this paragraph.

(3) The public investment fund's pro rata share of carried interest distributed to the fund manager or related parties.

(4) The public investment fund'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.

(b) Every public investment fund shall disclose the information provided pursuant to subdivision (a) at least once annually in a report presented at a meeting open to the public. The public investment fund's report required pursuant to this subdivision shall also include the gross and net rate of return of each alternative investment vehicle, since inception, in which the public investment fund participates. The public investment fund may report the gross and net rate of return and information required by subdivision (a) based on its own calculations or based on calculations provided by the alternative investment vehicle.

(c) For purposes of this section:

(1) "Alternative investment" means an investment in a private equity fund, venture fund, hedge fund, or absolute return fund.

(2) "Alternative investment vehicle" means the limited partnership, limited liability company, or similar legal structure through which a public investment fund invests in an alternative investment.

(3) "Fund manager" means the general partner, managing manager, adviser, or other person or entity with primary investment decisionmaking authority over an alternative investment vehicle and related parties of the fund manager.

(4) "Carried interest" means any share of profits from an alternative investment vehicle that is distributed to a fund manager, general partner, or related parties, including allocations of alternative investment vehicle profits received by a fund manager in consideration of having waived fees that it might otherwise have been entitled to receive.

(5) “Portfolio companies” means individual portfolio investments made by the alternative investment vehicle.

(6) “Gross rate of return” means the internal rate of return for the alternative investment vehicle prior to the reduction of fees and expenses described in subdivision (a).

(7) “Public investment fund” means any fund of any public pension or retirement system, including that of the University of California.

(8) “Operational person” means any operational partner, senior advisor, or other consultant or employee whose primary activity for a relevant entity is to provide operational or back office support to any portfolio company of any alternative investment vehicle, account, or fund managed by a related person.

(9) “Related person” means any current or former employee, manager, or partner of any related entity that is involved in the investment activities or accounting and valuation functions of the relevant entity or any of their respective family members.

(10) “Related party” means:

(A) Any related person.

(B) Any operational person.

(C) Any entity more than 10 percent of the ownership of which is held directly or indirectly, whether through other entities or trusts, by a related person or operational person regardless if the related person or operational person participates in the carried interest received by the general partner or the special limited partner.

(D) Any consulting, legal, or other service provider regularly engaged by portfolio companies of an alternative investment vehicle, account, or fund managed by a related person and that also provides advice or services to any related person or relevant entity.

(11) “Relevant entity” means the general partner, any separate carry vehicle, the investor advisor, any of the investment advisor’s parent or subsidiary entities, or any similar entity related to any other alternative investment vehicle, account, or fund advised or managed by any current or former related person.

(d) (1) This section shall apply to all new contracts the public investment fund enters into on or after January 1, 2017, and to all existing contracts pursuant to which the public investment fund makes a new capital commitment on or after January 1, 2017.

(2) With respect to existing contracts not covered by paragraph (1), the public investment fund shall undertake reasonable efforts to obtain the information described in subdivision (a) and comply with the reporting requirements contained in subdivision (b) with respect to any information obtained after January 1, 2017.



Meeting Date
~~12/14/16~~
Agenda Item
~~#11~~

Meeting Date
1/11/17
Agenda Item
#10.

MEMORANDUM

Date: December 14, 2016
To: CCCERA Board of Retirement
From: Timothy Price, Chief Investment Officer
Subject: Update on Phase 1 Implementation of Asset Allocation

Background

At the October 26, 2016 meeting, the Board approved Resolution 2016-3 outlining the asset targets associated with implementing Phase 1 of the new asset allocation. Phase 1 deals primarily with the migration from domestic and global core fixed income portfolios to the new Liquidity sub-portfolio. This implementation involved the transition of over \$1.5 billion of CCCERA assets during a period of rising market volatility. At this time, the migration is largely complete and I am pleased to report that CCCERA assets were protected throughout this process we managed to avoid some of the post-election declines in the fixed income markets. This memo outlines the progress made to date toward the new asset allocation targets.

Phase 1 Asset Allocation Targets

The Board approved the Phase 1 Targets earlier this year (attached at end of this memo). To implement these targets, CCCERA Investment Staff developed a rebalancing, liquidation and re-investment plan outlined below. We examined the costs and benefits of using a transition manager to handle the liquidations and construction of the new liquidity manager portfolios. We ultimately determined that using a transition manager for a one-sided liquidation was the best option given the unique portfolio construction methodologies of each of the new managers. We used the recently commissioned CCCERA Transition Pool to receive bids from BlackRock and Russell. BlackRock was selected as the transition manager for this mandate.

We were able to transfer approximately \$80 million of securities in-kind from the legacy core managers to the new Insight account. Neither DFA nor Sit requested any in-kind transfers.

Review of Portfolio Liquidations

An overview of the managers that were redeemed, liquidated or funded is included below. These transfers follow the implementation plan presented to the Board when BOR Resolution 2016-3 was adopted.

Manager	October 31, 2016 Account Balance (\$mm)	Cash Delivered from Full / Partial Redemption	Assets Transferred In-Kind (Shares/Par Value)	Nov 30, 2016 Balance
Adelante	89.9	27.0	0.0	62.8
Goldman Sachs	325.6	299.8	13.3	3.0
INVESCO International REIT	55.7	55.9	0.0	0.0
JPMorgan	274.0	82.0	0.0	197.3
Lazard	238.7	223.2	0.0	5.0
Lord Abbett	329.9	268.3	55.5	0.0
PIMCO All Asset	129.1	129.1	0.0	0.0
PIMCO Total Return	439.0	421.8	4.0	3.6
Total	--	1,507.1	72.8	--

BlackRock received a certified asset list on Friday, November 11 and began trading the securities on November 14. Global bond markets were down significantly on November 14 and remained down during the course of the transition. They were able to liquidate 99% of the holdings over the first four trading days. BlackRock was able to sell 70% of the holdings on Day 1 and thus mitigate some of the losses. Over the course of the transition, November 11-21, the transition portfolio returned -0.7%. Of this, 10 bps was attributable to explicit costs (commission, spread and market impact), while the remainder was due to market losses. For comparison, the Barclays Aggregate Index returned -1.0% over the same period and the legacy portfolio would have returned -1.3%. BlackRock's trading authority was removed on December 6. Approximately \$1 mm of small mortgage and credit positions remained where BlackRock was unable to find competitive bids. These securities will be transferred to the new Liquidity managers with a mandate to sell them when appropriate bids become available.

The silver lining to the bond market volatility/re-pricing is that our new Liquidity managers are now able to purchase securities at lower prices and higher yields.

Status of New Portfolio Construction

Assets, both in-kind transfers and cash, were transferred to the new Liquidity sub-portfolio managers over the course of November. At this time, Insight and DFA have received their full initial balance and Sit has received approximately 2/3 of their funding. Sit will receive the remainder of their funding, an additional \$140 mm, by mid-December. The managers are in the process of constructing their portfolios with a target completion of early January.

Manager	October 31, 2016 Account Balance (\$mm)	Cash Received	Assets Received In-Kind (Shares/Par Value)	Nov 30, 2016 Balance
DFA	0.0	400.0	0.0	400.8
Insight	0.0	745.1	72.8	823.9
Sit	0.0	293.8	0.0	291.9
Total	0.0	1,438.9	72.8	1,516.6

Note that as of November 30, 2016, the estimated balance in the transition account was \$74.4mm.

Upcoming Activities

We are now in the midst of building out the monthly reports that will be provided to the Board to monitor the Liquidity sub-portfolio. We expect to introduce this report to the Board in January 2017. The first benefit payment will be made from the Liquidity sub-portfolio in late January and we will update the Board on the functioning of the program in February 2017.

Meeting Date
1/11/17
Agenda Item
#11a.

DEEPER WATERS AHEAD

CALAPRS GENERAL ASSEMBLY
MARCH 4-7, 2017 | MONTEREY MARRIOTT

CALAPRS
EDUCATION • COMMUNICATION • NETWORKING
California Association of Public Retirement Systems

The California Association of Public Retirement Systems, CALAPRS, invites you to attend the General Assembly on March 4-7, 2017 in Monterey, CA. The General Assembly is an educational conference for retirement system trustees, senior staff, and annual sponsors of CALAPRS.

3-WAYS TO REGISTER:



www.calaprs.org/content/register



415-764-4860



register@calaprs.org

HOTEL ACCOMMODATIONS:

Monterey Marriott
350 Calle Principal
Monterey, CA 93940

- Phone: 1-877-901-6632; refer to CALAPRS when making a reservation.
- Online:
bit.ly/CALAPRS2017_Lodging

Room Rate: \$204.00/night

Cut-Off: February 17, 2017 or until rooms sell out, whichever comes first. Book your room early!

CALAPRS GENERAL ASSEMBLY 2017 | PROGRAM

SATURDAY, MARCH 4, 2017

4:00 PM – 6:00 PM Early-Bird Registration

SUNDAY, MARCH 5, 2017

7:00 AM – 12:00 PM Golf (optional)
CALAPRS has arranged for discounted tee times at the Del Monte Golf Course, between 7:00 AM – 7:40 AM. The course takes about 4.5 hours to play. Interested participants should reserve their own tee time by calling (831) 373-2700, and reference CALAPRS. Golf attendees are responsible for all fees related to their participation, including transportation. Important: This is not a formal golf tournament. Once you reserve your time, you may play with other General Assembly attendees or other participants from the general public.
Golf Fee: \$110/person including golf cart rental
Reservation Deadline: February 26, 2017

**Participants will have up until 72 hours to cancel their tee time, without penalty. Cancellations received after that time will be subject to the full reservation fee amount, plus taxes and service charges.*

10:00 AM – 5:00 PM Registration

2:00 PM – 2:15 PM **Opening Remarks**
Featuring: Mark Hovey, *CEO, SDCERS, CALAPRS President* and Carl Nelson, *Executive Secretary and CIO, San Luis Obispo County Pension Trust, Conference Chair*

2:15 PM – 3:15 PM **A National Perspective on the Future of Pension Management**
Nearly every state has made meaningful changes in recent years to its pension plans' benefit structure, financing arrangements, or both. Meanwhile, challenging capital markets are forcing many plans to consider lowering their investment return assumption, which increases plan costs and unfunded liabilities. This opening session will feature an overview of these and other key trends affecting the public pension community, including the recent reforms, funding issues, actuarial assumptions, and discussion of other challenges facing public pensions.
Speakers: Keith Brainard, *Research Director, National Association of State Retirement Administrators (NASRA)*
Moderator: Steve Delaney, *CEO, OCERS*

3:15 PM – 3:30 PM Afternoon Refreshment Break

3:30 PM – 5:00 PM **Securing CalPERS' Future: Managing our Assets and Liabilities**
Managing funding risk to CalPERS, in the ever-changing economic and demographic climate, has never been more challenging. This session will walk you through the creation and development of CalPERS' current asset liability management process, the Risk Mitigation Policy, and what's on the horizon. Learn how CalPERS' actuarial, financial, and investment offices are working together to develop an integrated framework to manage assets and liabilities, as well as help prepare CalPERS for what lies ahead.
Speakers: Cheryl Eason, *Chief Financial Officer* and Scott Terando, *Deputy Chief Actuary, CalPERS*
Moderator: Donna Lum, *Deputy Executive Officer, Customer Services and Support, CalPERS*

7:00 PM – 9:30 PM

Strolling Dinner at the Monterey Bay Aquarium

Transportation will be provided for dinner participants. Buses will depart starting at 6:30pm. Guests welcome.

MONDAY, MARCH 6, 2017

7:00 AM – 4:00 PM

Registration

7:30 AM – 8:25 AM

Breakfast

8:30 AM – 8:45 AM

Opening Remarks

CALAPRS President Mark Hovey / Conference Chair Carl Nelson

8:45 AM – 9:45 AM

The Big Investment Issues of the Day

Speakers: Don Pierce, *CIO, SBCERA* and Vijoy Chattergy, *CIO, Hawaii Employees' Retirement System (ERS)*

Moderator: Gary Amelio, *CEO, SBCERA*

9:45 AM – 10:45 AM

Captivating and Capitalizing for California Pensions: A Panel Discussion

Panelists will discuss how California's pension funds can boost returns and save taxpayer dollars by "Captivating" the money management process and "Capitalizing" on California's innovation industries.

Panelists: Allan Emkin, *Managing Director, Pension Consulting Alliance*; Ashby Monk, Ph.D., *Executive and Research Director of the Stanford University Global Projects Center*; and James Meketa, *Managing Principal and Chairman of Meketa Investment Group*

Moderator: Tim Price, *CIO, CCCERA*

10:45 AM – 11:15 AM

Morning Refreshment Break

11:15 AM – 12:00 PM

The Actuarial Challenges of Adequate Funding

Speaker: Paul Angelo, *Senior Vice President and Actuary, Segal Consulting*

Moderator: Hugo Wildmann, *Retirement System Manager, AC Transit Employees' Retirement System*

12:00 PM – 1:15 PM

Networking Lunch

1:30 PM – 2:45 PM

Legal Update on CA DB Pension Plans

Panelists will discuss vested rights, implications of the Marin Appellate Court ruling and other current legal topics.

Speakers: Russ Richeda, *Shareholder and Lead Counsel, Public Retirement Law Practice, Salzman & Johnson* and Chris Waddell, *Senior Attorney, Public Retirement Law Practice, Olson Hagel & Fishburn, LLP*

Moderator: Hugo Wildmann, *Retirement System Manager, AC Transit Employees' Retirement System*

2:45 PM – 3:00 PM

Afternoon Refreshment Break

3:00 PM – 4:00 PM

The Governance Side of Effectively Managing Disability Cases

Panelists: Jackie Purter, *Retirement Analyst, SCERA*; Lita Payne, *Assistant General Manager, LACERS*; Jan Garner, *Disability Unit Manager, SDCERA*

Moderator: Suzanne Jenike, *Assistant CEO External Operations, OCERS*

5:00 PM – 6:00 PM

Hosted Reception at the Monterey Marriott Hotel, Ferrantes Ballroom

TUESDAY, MARCH 7, 2017

- 7:30 AM – 8:25 AM Breakfast
- 8:30 AM – 9:30 AM** **Power and Politics**
Best intentions, facts, logic, and analysis are great; however, they can lead to a myopic perspective and blind spots. Join us to engage and discover how political capital can be earned and leveraged to avoid blind spots, build trust, and help you gain momentum.
Speaker: Brian Beamish, M.S., M.Ed., *Managing Partner and Executive Consultant, The Beamish Group*
Moderator: Carl Nelson, *Executive Secretary and CIO, San Luis Obispo County Pension Trust*
- 9:30 AM – 9:45 AM Morning Refreshment Break
- 9:45 AM – 11:00 AM** **A Macro Economic Outlook on the Future**
Speaker: William Coaker, *CIO, SFERS*
Moderator: Carl Nelson, *Executive Secretary and CIO, San Luis Obispo County Pension Trust*
- 11:00 AM** **Closing Remarks & Adjourn**

CALAPRS GENERAL ASSEMBLY 2017 | PLANNING COMMITTEE

Carl Nelson, *Executive Secretary and CIO, San Luis Obispo County Pension Trust (Chair)*

Gary Amelio, *CEO, San Bernardino County Employees' Retirement Association*

Donna Lum, *Deputy Executive Officer, Customer Services and Support, CA Public Employees' Retirement System*

Steve Delaney, *CEO, Orange County Employees' Retirement System*

Hugo Wildmann, *Retirement System Manager, AC Transit Employees' Retirement System*

California Association of Public Employees' Retirement Systems (CALAPRS)
575 Market Street, Suite 2125 | San Francisco, CA 94105
P: 415-764-4860 | F: 415-764-4915
info@calaprs.org | www.calaprs.org

Meeting Date
1/11/17
Agenda Item
#11b.



California Special
Districts Association
Districts Stronger Together

[Home](#) [Advocacy](#) [Professional](#)

Webinar: Required Harassment Prevention for Staff/Board

Presenter: Dennis Timoney

Receive your harassment prevention compliance training for special districts with this webinar. Sexual harassment prevention training is mandatory for supervisory employees of special districts and other organizations as well as special district board members who receive any type of compensation and/or reimbursement. Employers are required to ensure that all managers/supervisory employees as well as directors/trustees receive at least two hours of sexual harassment prevention training every two years.

10:00 am - 12:00 pm

Free SDRMA member

\$65 CSDA member

\$95 Non-member

When 1/24/2017 - 1/24/2017

[Show All Descriptions](#) | [Hide All Descriptions](#)

Conference Events

Please see below details of the events included in Angelo, Gordon & Co.'s 2017 Investor Conference. Guests are invited to attend all sessions, but we understand that busy schedules can impact availability. Please check the box on each session you will attend below. Your personalized agenda will be provided as part of your registration confirmation at completion of this process.

March 15, 2017

11:45 AM | Arrival & Registration: Jazz At Lincoln Center

[Included in registration](#) | [Hide Description](#)

Jazz at Lincoln Center: 3 Columbus Circle, New York

<u>Meeting Date</u>
1/11/17
<u>Agenda Item</u>
#11c.

12:00 PM - 1:30 PM | Welcome Lunch: Jazz At Lincoln Center

[Hide Description](#)

Jazz at Lincoln Center: 3 Columbus Circle, New York

Following lunch, guests will be directed to the nearby Mandarin Oriental for the Real Estate program.

01:45 PM - 05:00 PM | Real Estate Review: Mandarin Oriental

[Hide Description](#)

Mandarin Oriental: 80 Columbus Circle, New York

The Real Estate program will feature presentations and discussions led by Angelo, Gordon's real estate investment professionals from the US, Europe and Asia.

A more detailed agenda will be provided closer to the Conference.

06:30 PM - 09:00 PM | Dinner Reception: Landmark

[Hide Description](#)

Landmark: 375 Park Avenue, New York (formerly *The Four Seasons*)

A private bus will be available to transport guests from the Mandarin Oriental to Landmark for a dinner reception.

March 16, 2017

08:00 AM - 11:45 AM | Credit Review: Mandarin Oriental

[Hide Description](#)

Mandarin Oriental: 80 Columbus Circle, New York

Light breakfast refreshments on arrival.

Angelo, Gordon's Credit Program will open with a presentation on key global economic factors shaping the credit markets by former Bank of England deputy governor, Sir Paul Tucker, one of the most respected central bankers and financial policy makers of our time.

Credit investment professionals from Angelo, Gordon's global offices will then lead presentations and discussions on key priorities, challenges and opportunities.

A more detailed agenda will be provided closer to the Conference.

12:00 PM - 2:00 PM | Closing Lunch: Mandarin Oriental

[Hide Description](#)

Mandarin Oriental: 80 Columbus Circle, New York



Meeting Date
1/11/17
Agenda Item
#11d.

TRUSTEES' ROUNDTABLE

Friday, February 3, 2017
Four Points by Sheraton – San Jose Airport
1471 North Fourth Street, San Jose, CA 95112

AGENDA

- 8:30 am Registration & Continental Breakfast
- 9:00 am Welcome & Introductions
(Name, Organization, Years as Trustee, "Day Job")
- 9:15 am *Changing Demographics and Their Impact to Our Systems*
Speaker: Paul Angelo, Vice-President at Segal Consulting
- 10:15 am BREAK
- 10:30 am Trustee Roundtable Discussion: Open Forum
- 11:00 am *Introduction to Futures & Options*
Speaker: Steve Marsh, Investment Officer at Sonoma County Employees Retirement Association
- 12:00 pm LUNCH BUFFET
- 1:00 pm *Legislative Update*
Ashley Dunning, Partner at Nossaman LLP
- 2:00 pm BREAK
- 2:15 pm Trustee Roundtable Discussion: Open Forum
- 2:45 pm Select next Chair
- 3:15 pm ADJOURN

CALAPRS, 575 Market Street, Suite 2125, San Francisco, CA 94105
Tel: (415) 764-4860 Fax: (415) 764-4915
register@calaprs.org www.calaprs.org

Biographies of Speakers:

Speaker Name: Paul Angelo

Speaker Business & Title: Senior Vice President and Actuary, Segal

Paul Angelo joined The Segal Group's San Francisco office in 1998 as a Vice President and Actuary and was promoted to Senior Vice President in 2006. Mr. Angelo's areas of expertise include the design and administration of large defined benefit plans, including extensive experience with large public sector plans, public universities and collectively bargained plans. Mr. Angelo currently serves as valuation actuary for 14 major California county and city retirement systems and associations. His assignments for these systems have included funding policy design and review, pension obligation bond issues and consulting to bargaining parties on benefit design. Mr. Angelo has over 30 years of actuarial consulting experience and is active in national actuarial organizations. He has a BS in Mathematics from the University of Notre Dame and an MA in Mathematics from Harvard University. He also holds an MAS from the University of Michigan Graduate School of Business Administration. Mr. Angelo is a Fellow of the Society of Actuaries, a Member of the American Academy of Actuaries, a Fellow of the Conference of Consulting Actuaries and an Enrolled Actuary. He is an accomplished speaker and has presented to the National Conference of Public Employee Retirement Systems, the National Association of State Retirement Administrators and the National Council on Teacher Retirement, as well as California's statewide public retirement associations.

Speaker Name: Stephen Marsh

Speaker Business & Title: Investment Officer, SCERA

Steve joined Sonoma County Employees' Retirement System in September 2012. Prior to SCERA he served as managing partner of AlphaStream Capital Management, an alternative investment firm he co-founded in 2002. Prior to AlphaStream, Steve worked for Zurich Scudder Investments (ZSI) in San Francisco where he was the Co-head US Quantitative Equities. Before ZSI, he spent six years with Baring Asset Management in London and ten years in investment consulting with stockbroker Wood MacKenzie in Edinburgh. Steve holds an M.Sc. in Operational Research from the Scottish Business School, Glasgow and a B.Sc. in Actuarial Mathematics and Statistics from Heriot-Watt University, Edinburgh and is a Chartered Alternative Investment Financial Analyst (CAIA).

Speaker Name: Ashley Dunning

Speaker Business & Title: Partner at Nossaman LLP

Ashley Dunning is Co-Chair of the Public Pension and Investments Group at Nossaman LLP and is a member of the firm's Litigation Group. She is a longtime fiduciary advisor to public pension boards, with nearly two decades of experience advising and representing such boards in adjudicated and non-adjudicated matters. Ms. Dunning currently serves as general counsel to MarinCERA, and provides fiduciary, litigation and/or other legal services to the California Public Employees Retirement System (CalPERS), the majority of the twenty retirement systems governed by the County Employees Retirement Law of 1937 (CERL), and to the city retirement systems in San Francisco, San Diego and Los Angeles.

CII Spring 2017 Conference

February 27 – March 1 | Mandarin Oriental Hotel
1330 Maryland Avenue SW, Washington, DC 20024

MONDAY, FEBRUARY 27

- 9:00 – 10:00** **Policies Committee** (closed meeting)
- 9:00 – 3:00** **Trustee Training** (separate registration and fees apply)
- 10:00 – 11:15** **Advisory Council Meetings** (closed meeting)
- 11:15- 11:45** **Advisory Council and Board Member Coffee** (closed meeting)
- 12:00 – 7:00** **Member Lounge Open**
Sponsored by EY
- 12:00 – 1:15** **Member-Hosted Lunches**
- 11:30 – 7:00** **Registration Open**
- 12:30 – 2:30** **Executive Compensation 201** (separate registration and fees apply)
- 2:00 – 3:15** **Member-Hosted Meetings**
- 3:00—3:30** **New Member and First Time Attendee Reception** (closed meeting)
Sponsored by GlobeTax
- 4:00—4:15** **Opening Remarks**
Ken Bertsch, CII Executive Director
Theresa Whitmarsh, CII Board Chair
- 4:15—5:15** **Plenary 1 What's Next for U.S. Policy & Regulation**
Daniel Crowley, Partner, K&L Gates
Annette Nazareth, Partner, Davis Polk
Harvey Pitt, Founder, CEO and Managing Director, Kalorama Partners
- 5:15—6:00** **Plenary 2 What's Next for Japan: Corporate Governance and ESG Investing Trends**
Hiromichi Mizuno, Executive Managing Director & CIO, Government Pension Investment Fund,
Japan
Moderator: Theresa Whitmarsh, CII Board Chair
- 6:00—7:15** **Networking Reception**
Sponsored by The Center for Audit Quality

TUESDAY, FEBRUARY 28

- 7:30– 7:00** **Member Lounge Open**
- 7:30– 7:00** **Registration Open**
- 7:30 – 8:30** **Networking Continental Breakfast**
Sponsored by Pomerantz LLP
- 8:30 – 8:40** **Welcome**
- 8:40 – 9:45** **Plenary 3 Next-Generation Investors**
Thomas Kamei, Executive Director, Morgan Stanley Investment Management
Moderator: Afsaneh Beschloss, President & CEO, The Rock Creek Group
- 9:45 – 10:45** **Plenary 4 Next-Generation Directors**
Ossa Fisher, Former Director, Rackspace Hosting
Moderator: Mayree Clark, Managing Partner, Eachwin Capital
- 10:45 – 11:15** **Networking Break**
- 11:15 – 12:15** **Breakout Sessions**
- 12:30 – 2:00** **Luncheon Keynote**
John Brennan, Director, General Electric, LPL Financial Holdings; former Chairman & CEO,
Vanguard
Moderator: Anne Sheehan, Director of Corporate Governance, California State Teachers'
Retirement System
- 2:00 – 2:30** **Networking Break**
- 2:30 – 3:10** **Plenary 5 What's Next for CalPERS?**
Marcie Frost, CEO, California Public Employees' Retirement System
- 3:10 – 3:45** **Plenary 6**
- 4:00 – 5:00** **Constituency Meetings**
- 5:00 – 6:15** **Member-Hosted Meetings**
- 5:00 – 6:00** **Board Meeting (closed meeting)**
- 6:00 – 7:00** **Networking Reception**
Sponsored by Innisfree M&A Incorporated
- 7:00 – 9:00** **Dinner**

WEDNESDAY, MARCH 1

- 8:00 – 9:15** **General Members' Business Meeting & Breakfast (closed meeting)**
- 8:00 – 1:00** **Member Lounge Open**
- 9:00 – 12:00** **Registration Open**
- 9:00 – 9:30** **Continental Breakfast**
- 9:30 – 9:45** **Plenary Six: Policies Committee Update**
- 9:45 – 10:45** **Plenary Seven: International Governance Committee**
David Frick, Senior Vice President, Corporate Governance, Compliance and Corporate Services,
Nestlé S.A.
Ben Mathews, Group Company Secretary, HSBC
- 10:45 – 11:00** **Networking Break**
- 11:00 – 12:15** **Plenary Eight: Activism Committee**
- 12:15 – 1:15** **Networking Buffet Lunch & *Meeting Adjourned***
- 12:15 – 2:15** **Proxy Voter Meeting (closed meeting)**

