



**AGENDA**

**RETIREMENT BOARD MEETING**

REGULAR MEETING  
June 14, 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. Accept comments from the public.
3. Approve minutes from the April 26 and May 10, 2017 meetings.
4. Routine items for June 14, 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***

5. 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. LeRhonda Birden | Service Connected  | Service Connected     |

***OPEN SESSION***

6. Consider and take possible action regarding non-service connected disability retirement allowance of deceased member Brenda Parker.
7. Presentation on communication to employers and members concerning the review of improper compensation enhancements and review results.
8. Consider and take possible action to:
  - a. Adopt Board of Retirement Resolution 2017-2 to increase the salary of the Chief Executive Officer by 4.5% effective July 1, 2017.
  - b. Authorize the Board Chairperson to execute the amended and restated employment agreement for the Chief Executive Officer effective July 1, 2017.

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.

9. Consider and take possible action to adopt Board of Retirement Resolution 2017-3 to increase the salary ranges by 3% for all unrepresented classifications effective July 1, 2017, with the exception of the Chief Executive Officer.
10. Consider and take possible action to adopt CCCERA Position Pay Schedules effective July 1, 2017 which reflect the salary range changes in Board of Retirement Resolutions 2017-2 and 2017-3.
11. Legislative update.
12. Miscellaneous
  - a. Staff Report
  - b. Outside Professionals' Report
  - c. Trustees' comments



Meeting Date  
**06/14/17**  
Agenda Item  
**#3**

MINUTES

RETIREMENT BOARD MEETING MINUTES

SECOND MONTHLY MEETING  
April 26, 2017  
9:00 a.m.

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

Present: Debora Allen, Candace Andersen, Scott Gordon, Jerry Holcombe, Louie Kroll, David MacDonald, John Phillips, Gabe Rodrigues, Todd Smithy, Jerry Telles and Russell Watts

Absent: William Pigeon

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

Outside Professional Support:                      Representing:  
Ed Hoffman    Verus  
Harvey Leiderman                                      Reed Smith LLP

**1. Pledge of Allegiance**

Holcombe led all in the *Pledge of Allegiance*.

**2. Accept comments from the public**

No member of the public offered comment.

Andersen was present for subsequent discussion and voting.

**3. Approve minutes from the March 8, 2017 meeting**

It was M/S/C to approve the minutes of the March 8, 2017 meeting with a correction to the last paragraph on page 3 deleting the first sentence and adding "The Board directed staff to:" at the beginning of the second sentence. (Yes: Andersen, Gordon, Holcombe, Kroll, Phillips, Rodrigues, Telles and Watts)

Allen was present for subsequent discussion and voting.

**4. Presentation of staff recommendation to retain StepStone Group for private markets advisory and investment management services**

Price reviewed the RFP process to search for a more cost effective and customized approach to implementing a private markets program compared to the current practice of using fund-of-funds. He

stated a private markets advisor and manager would provide many of the services currently accessed by CCCERA via fund-of-funds at a lower cost to CCCERA and with a greater amount of control to both the Board and staff.

Smithy was present for subsequent discussion and voting.

Price reviewed private equity and private credit and who would be involved including general partners. Staff is proposing an advisory model for private equity which would provide oversight and research and will also recommend funds. The private credit side would establish a single investor partnership that would invest in a core of separately managed accounts, supplemented by funds and co-investments.

MacDonald was present for subsequent discussion and voting.

There was discussion on making joint decisions as opposed to having an advisor make the decisions and when the investment staff would be involved in the process and able to make changes. Price stated there are three goals; increased customization, lower fees, and transfer of market knowledge to CCCERA staff.

StepStone – Tom Keck, Jose Fernandez, Natalie Walker and Marcel Schindler

Keck introduced the group and reviewed their background noting this would be the team servicing CCCERA's account. He reviewed their philosophy stating it is built around people, processes and systems that could provide better risk adjusted returns in private markets for institutions like CCCERA. He stated they have a global team with 14 offices around the country, they are research focused and an active investor and they have \$28 billion in Assets under Management (AUM).

Fernandez reviewed their investment philosophy noting they want to provide a customized plan for CCCERA. He stated their focus on alignment of interest is the same for all strategies and they consider the managers environmental, social responsibility and corporate governance practices as part of their due diligence. He also reviewed the investment team and investment committee noting they have a very strong back office team that includes legal and compliance.

Walker reported the team members are all sector experts. She reviewed their customized approach noting they have the ability work with clients in varying degrees. She stated they structure private equity and private debt differently noting they use a more active approach with private debt. She reviewed the customized private markets program they created for CCCERA stating their objective for private equity is a target net return greater than 15% and for private debt the target net return is greater than 10%.

Schindler reviewed how private debt would be managed and the different manager strategies. He reviewed private debt separately managed accounts noting the advantages are having a customized portfolio, increased flexibility, and lower fees. He also reviewed the implementation of private debt for CCCERA with allocation thresholds and noted the importance of market conditions at the beginning of the program.

Allen was no longer present for subsequent discussion and voting.

**5. Consider and take possible action to retain StepStone for:**

a. Private equity advisory services to be implemented on a non-discretionary basis

Price recommended hiring StepStone on a non-discretionary basis and reviewed the implementation of the fees.

After a discussion on fees, it was M/S/C to retain StepStone to provide private equity oversight and implementation services on a non-discretionary basis at the annual fee of \$500,000 with a current target allocation to private equity of approximately \$900 million subject to legal review and successful due diligence and authorize the CEO to execute said contracts. (Yes: Anderson, Gordon, Holcombe, MacDonald, Phillips, Rodrigues, Smithey, Telles and Watts)

- b. Private credit advisory and investment management services to be implemented on a discretionary basis

It was M/S/C retain StepStone to provide private credit oversight and implementation services on a discretionary basis in a “Fund of One” structure at the annual fee of \$1,500,000 plus 40 bps on any co-investments with a current target allocation to private credit of approximately \$1.2 billion subject to legal review and successful due diligence and authorize the CEO to execute said contracts. Yes: Anderson, Gordon, Holcombe, MacDonald, Phillips, Rodrigues, Smithey, Telles and Watts)

**6. Educational presentation from Verus regarding potential investment strategies to be used in Diversifying sub-portfolio**

Hoffman introduced Glenn Cagan, a consultant who has been working with him and has been working on CCCERA’s account for the past year.

Hoffman reported CCCERA’s asset allocation prescribes a 9% allocation to risk diversifying strategies. He reviewed the desirable characteristics of the risk diversifying strategies including a low to negative correlation with the growth portfolio, a positive expected return in normal market environments, and a high degree of liquidity in periods of equity market stress. He also reviewed their return roles and diversification & volatility roles. He reviewed capital and risk allocations for the traditional and risk parity portfolios noting each asset class contributes to a different level of risk in the traditional approach and each asset class contributes the same level of risk in the risk parity approach.

Cagan reviewed the diversification of growth assets, liquidity, and expected returns for return enhancing, diversified core and risk diversifying strategies. He reviewed explicit leverage where you can borrow against the fund’s balance sheet and implicit leverage which is generally obtained by investing in options, swaps, and futures. He also reviewed unique considerations in liquidity including methods for managing liquidity risk and unique considerations in shorting noting the challenges include higher costs and lower rebates.

Hoffman reviewed the decision making criteria to implement and oversee the risk diversifying allocation including governance considerations and operational due diligence. He also reviewed the advantages and disadvantages of a commingled fund-of-funds structure, a customized fund-of-one structure, and a specialty consultant.

Hoffman reported Verus and staff are seeking direction from the Board as to which strategies should or should not be included in modeling the asset allocation and present a final asset allocation at the May Board meeting for approval.

**7. Presentation from Chief Investment Officer on Liquidity sub-portfolio monthly report**

Price reported this is likely the last time the report will be a separate item on the agenda noting it will be moved to the consent calendar in May. He stated everything is operating as expected.

**8. Consider and take possible action to authorize Chief Executive Officer to extend the contract with Koff and Associates for a total compensation and classification study**

Strohl reported we are ready to complete the classification and compensation study and additional funding is required to complete the study.

It was **M/S/C** to authorize the Chief Executive Officer to extend the contract with Koff and Associates for a total compensation and classification study. (Yes: Andersen, Gordon, Holcombe, MacDonald, Phillips, Rodrigues, Smithey, Telles and Watts)

**9. Appointment of ad hoc advisory committee to review the Chief Executive Officer compensation package**

Phillips reported it is time to review the CEO compensation package noting the contract is from 7/1/17-6/30/18. He would like to appoint an ad hoc advisory committee to evaluate the CEO's performance and review the compensation package.

It was **M/S/C** to appoint an ad hoc advisory committee consisting of Smithey as Chair, Gordon as Vice-Chair, and Phillips to review the Chief Executive Officer's compensation package. (Yes: Andersen, Gordon, Holcombe, MacDonald, Phillips, Rodrigues, Smithey, Telles and Watts)

**10. Consider and take possible action to add meetings on June 14 and 28, 2017 and to cancel the meetings on June 7 and 21, 2017**

After a discussion, it was **M/S/C** to add a meeting on June 14, 2017 and cancel the June 7, 2017 meeting. (Yes: Andersen, Gordon, Holcombe, MacDonald, Phillips, Rodrigues, Smithey, Telles and Watts)

**11. Conference Seminar Attendance**

- a. It was **M/S/C** to authorize the attendance of 1 Board member at the Trustees' Roundtable, CALAPRS, June 2, 2017, Burbank, CA. (Yes: Andersen, Gordon, Holcombe, MacDonald, Phillips, Rodrigues, Smithey, Telles and Watts)
- b. It was **M/S/C** to authorize the attendance of 1 Board member at the Certificate of Achievement in Public Plan Policy-Pension Part II, IFEBP, June 15, 2017, San Jose, CA. (Yes: Andersen, Gordon, Holcombe, MacDonald, Phillips, Rodrigues, Smithey, Telles and Watts)
- c. It was **M/S/C** to authorize the attendance of 4 Board members and 1 staff member at the Principals of Pension Management, CALAPRS, August 28-31, 2017, Malibu, CA. (Yes: Andersen, Gordon, Holcombe, MacDonald, Phillips, Rodrigues, Smithey, Telles and Watts)

**12. Miscellaneous**

(a) Staff Report –

Strohl reported at the March 8, 2017 meeting the Board gave direction to staff to come back with additional items on the lookback project and it will be coming back at a future Board meeting; she received a draft report from Milliman on CCCERA's Other Post Employment Benefits (OPEB) which will also be presented at a future Board meeting; and, hard copies of the 2017 CERL Lawbook are available and it is also on CCCERA's website.

(b) Outside Professionals' Report -

None

(c) Trustees' comments –

Smithey reported the Audit Committee met on April 12, 2017 and the external auditors Brown Armstrong gave a presentation on the scope of the 2016 audit; Icon Integration and Design, Inc. (ICON) gave a presentation on pension administration information management and reporting services and the committee voted 4/0 to approve recommending ICON to the full Board; Dutkiewicz gave a presentation on CCCERA's 2017 Compliance Activity Plan; and, Gudino gave an update on employer contribution payments and reporting. Strohl noted the ICON item will be on the next Board meeting agenda for approval.

Andersen reported the Board of Supervisors received 9 eligible applicants to fill the upcoming CCCERA Board positions and the Internal Operations committee will be interviewing the applicants in May and the Board of Supervisors will be interviewing the recommended candidates in June.

Macdonald reported he attended the ARES EIF annual investor meeting and the DFA annual institutional symposium and felt they were both good conferences.

Phillips reported he, Strohl, Watts, Rodrigues and Youngman attended the Pension Bridge conference and he felt it was an interesting conference but very negative on the economy.

Telles reported he attended the CCCREA conference and felt it was a good conference.

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

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John Phillips, Chairman

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Scott Gordon, Secretary



Meeting Date  
**06/14/17**  
Agenda Item  
**#3**

MINUTES

RETIREMENT BOARD MEETING MINUTES

REGULAR MEETING

May 10, 2017  
9:00 a.m.

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

Present: Debora Allen, Candace Andersen, Scott Gordon, Jerry Holcombe, David MacDonald, John Phillips, William Pigeon, Gabe Rodrigues, Todd Smithey, Jerry Telles and Belinda Zhu (Deputy Treasurer, present and voting in Russell Watts' absence)

Absent: Louie Kroll and Russell Watts

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

Outside Professional Support:

Harvey Leiderman  
Susan Hastings  
Joe Wiley

Representing:

Reed Smith LLP  
Laughlin, Falbo, Levy & Moresi LLP  
Wiley Price & Radulovich LLP

**1. Pledge of Allegiance**

Rodrigues led all in the *Pledge of Allegiance*.

MacDonald was present for subsequent discussion and voting.

**2. Recognition of Glenis Castelino for 10 years of service and Tim Price for 5 years of service**

Phillips recognized and congratulated Glenis Castelino for her 10 years of service and Tim Price for his 5 years of service.

**3. Accept comments from the public**

No member of the public offered comment.

**4. Approval of Minutes**

It was M/S/C to approve the minutes of the March 22, 2017 meeting. (Yes: Allen, Andersen, Gordon, MacDonald, Phillips, Rodrigues, Smithey, Telles and Zhu).

**5. Routine Items**

It was **M/S/C** to approve the routine items of the May 10, 2017 meeting. (Yes: Allen, Andersen, Gordon, MacDonald, Phillips, Rodrigues, Smithey, Telles and Zhu)

Pigeon was present for subsequent discussion and voting.

**CLOSED SESSION**

The Board moved into closed session pursuant to Govt. Code Section 54957.6, 54957 and 54956.9(d)(1).

The Board moved into open session.

6. There was no reportable action related to Govt. Code Section 54957.6.
7. It was **M/S/C** to accept the Medical Advisor's recommendation and grant the following disability benefits:
  - a. Graciela Perez – Service Connected (Yes: Allen, Andersen, Gordon, MacDonald, Phillips, Rodrigues, Smithey, Telles and Zhu)
8. There was no reportable action related to Govt. Code Section 54956.9(d)(1). (MacDonald recused himself from this item and was not present for discussion and voting.)
9. There was no reportable action related to Govt. Code Section 54956.9(d)(1).
10. **Consider and take possible action to authorize the CEO to execute a contract with Icon Integration and Design, Inc. to provide pension administration information management and reporting services**

Strohl introduced Mike Thibault from Icon Integration and Design, Inc.

Thibault reviewed ICON's methodology, work products, and emphasis on data management. He reviewed their services and their past and current clients. He reviewed the three aspects of the project elements; the system, the people, and the data noting the main focus is the data. They will focus on what can go wrong and how to reduce the risks of what can go wrong.

He stated they approach the data in levels which allows them to methodically research, analyze, identify and condition data in an order that matches the flow of the entire pension administration system. He also stated ICON has a library of over 750 Data Quality Check Points (DQCP) which will be used as the starting point.

It was **M/S/C** to authorize the CEO to execute a contract with Icon Integration and Design, Inc. to conduct an audit of the pension administration information management and reporting system in an amount not to exceed \$250,000. (Yes: Allen, Andersen, Gordon, MacDonald, Phillips, Rodrigues, Smithey, Telles and Zhu)

Telles was no longer present for subsequent discussion and voting.

11. **Consider and take possible action to issue a Request for Proposal for investment legal counsel**

Strohl reported she would like to issue a Request for Proposal to create a pool of pre-qualified law firms that specialize in investment matters. Price reviewed the areas of specialization that the firms would be involved in.

It was **M/S/C** to issue a Request for Proposal for investment legal counsel. (Yes: Allen, Andersen, Gordon, MacDonald, Phillips, Pigeon, Rodrigues, Smithey and Zhu)

**12. Consider authorizing the attendance of Board and/or staff:**

- a. It was **M/S/C** to authorize the attendance of 1 Board member and 1 staff member at the 2017 Chicago Client Conference, Adams Street Partners, May 31-June 1, 2017, Chicago, IL. (Yes: Allen, Andersen, Gordon, MacDonald, Phillips, Pigeon, Rodrigues, Smithey and Zhu)
- b. There was no action taken on this item.
- c. It was **M/S/C** to authorize the attendance of 1 Board member and 1 staff member at the Equilibrium's 6<sup>th</sup> Annual Forum, Equilibrium, June 15, 2017, San Francisco, CA. (Yes: Allen, Andersen, Gordon, MacDonald, Phillips, Pigeon, Rodrigues, Smithey and Zhu)
- d. It was **M/S/C** to authorize the attendance of 1 Board member and 1 staff member at the Public Pensions Investment Management Program, SACRS, July 24-26, 2017, Berkeley, CA. (Yes: Allen, Andersen, Gordon, MacDonald, Phillips, Pigeon, Rodrigues, Smithey and Zhu)

**13. Miscellaneous**

- (a) Staff Report –

Strohl reported the CCCERA picnic will be held on June 4, 2017; effective 5/16/17 Christina Dunn will be the Deputy CEO for CCCERA.

- (b) Outside Professionals' Report -

Leiderman reported AB1250 is working its way through the senate. The bill, if passed, would seriously impact the ability to hire third party vendors with contracts exceeding \$5,000,000.

Zhu was no longer present for subsequent discussion and voting.

- (c) Trustees' comments –

MacDonald reported he attended the Institutional Investor Public Funds Roundtable. He also attended the IFEBP/Wharton Portfolio Concepts and Management Conference and felt it was a great program.

Andersen reported the Internal Operations Committee held interviews for the upcoming CCCERA Board positions. The Board of Supervisors will be interviewing the recommended candidates in June.

Gordon asked that the meeting be adjourned in memory of John Delchini.

It was **M/S/C** to adjourn the meeting in memory of John Delchini. (Yes: Allen, Andersen, Gordon, MacDonald, Phillips, Pigeon, Rodrigues and Smithey)

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John Phillips, Chairman

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Scott Gordon, Secretary

CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

BOARD OF RETIREMENT

Meeting Date  
**06/14/17**  
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**#4**

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June 14, 2017

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> |
|-------------------------|---------------|-----------------------|--------------------|-----------------|-----------------|
| Adams, Olga             | 53432         | 03/31/17              | SR                 | Tier II and III | Option 2        |
| Adams, Victoria         | 69377         | 03/01/17              | SR                 | Tier III        | Unmod           |
| Barker, Charles         | 67496         | 03/15/17              | SR                 | Tier I          | Unmod           |
| Barta, Peter            | 45726         | 03/01/17              | SR                 | Tier II and III | Unmod           |
| Bennett, Ruth           | D3406         | 03/18/17              | SR                 | Tier I          | Unmod           |
| Blanco, Emilio          | 71826         | 03/01/17              | SR                 | Tier III        | Unmod           |
| Bowen, Teresa           | 35302         | 03/06/17              | SR                 | Tier I          | Unmod           |
| Bulcao, Tamera          | D9500         | 03/18/17              | SR                 | Tier II and III | Option 1        |
| Burdette, Marcie        | D9500         | 03/31/17              | SR                 | Tier II and III | Unmod           |
| Carson, Sarah           | 47931         | 03/17/17              | SR                 | Safety A        | Unmod           |
| Castelan, Onalee        | 69372         | 03/01/17              | SR                 | Tier III        | Unmod           |
| Cordova, Lorraine       | 37869         | 03/25/17              | SR                 | Tier II and III | Unmod           |
| Dalziel, Thomas         | 49912         | 03/31/17              | SR                 | Tier III        | Unmod           |
| Davis-Russell, DiAngela | 57072         | 08/05/11              | SCD                | Tier III        | Unmod           |
| Diaz, Guillermina       | 53858         | 02/24/17              | SR                 | Tier I and III  | Option 2        |
| Dobey, Bruce            | D3406         | 03/31/17              | SR                 | Tier I          | Unmod           |
| Eglite, Michael         | 41020         | 03/31/17              | SR                 | Safety A        | Unmod           |
| Estrada, Edward         | 43367         | 03/29/17              | SR                 | Safety A        | Unmod           |
| Gay Jr., William        | D3406         | 03/18/17              | SR                 | Tier I          | Unmod           |
| Gomes, Raquel           | 55248         | 03/01/17              | SR                 | Tier II and III | Unmod           |
| Gray, Paula             | 56948         | 03/25/17              | SR                 | Tier III        | Unmod           |
| Gray, Sylvia            | D3406         | 03/01/17              | SR                 | Tier I          | Unmod           |
| Gutierrez, Esther       | 63805         | 03/31/17              | SR                 | Tier II and III | Unmod           |
| Harris, Toni            | 72333         | 01/19/17              | SCD                | Safety C        | Unmod           |
| Hofherr, Patricia       | 61171         | 03/31/17              | SR                 | Tier III        | Unmod           |
| Hutchinson, Eric        | 47911         | 11/16/16              | SR                 | Tier II and III | Option 1        |
| Jensen, Denise          | 61814         | 03/25/17              | SR                 | Tier II and III | 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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|                         |          |          |    |                 |          |
|-------------------------|----------|----------|----|-----------------|----------|
| Johnson, Alan           | 45933    | 03/20/17 | SR | Safety A        | Unmod    |
| Karki, Adrienne         | 38124    | 03/31/17 | SR | Tier II and III | Unmod    |
| Kaufman, Jeff           | 54668    | 02/27/17 | SR | Tier II         | Unmod    |
| Klinger, Leslie         | 43347    | 03/31/17 | SR | Tier III        | Option 2 |
| Lansburgh, Roy          | 61169    | 03/31/17 | SR | Safety A        | Unmod    |
| Lewis, Matthew          | 50942    | 03/27/17 | SR | Tier II and III | Unmod    |
| Locker, Jan             | 36922    | 03/31/17 | SR | Tier II         | Unmod    |
| Lopez, Yolanda          | D9991    | 01/13/17 | SR | Tier II         | Unmod    |
| Lowe, Bonnie            | D3406    | 03/18/17 | SR | Tier I          | Unmod    |
| Marzette, Steven        | 43284    | 03/23/17 | SR | Tier II and III | Unmod    |
| Morrison, Debra         | 70638A/P | 01/17/17 | SR | Safety A        | Unmod    |
| Niber, Denise           | 70067    | 03/02/17 | SR | Tier III        | Unmod    |
| Parham, Daryl           | 62629    | 03/29/17 | SR | Safety A        | Unmod    |
| Profit-Atkins, Rosemary | 60645    | 03/11/17 | SR | Tier III        | Unmod    |
| Rebollini, Michele      | D9500    | 03/31/17 | SR | Tier II and III | Unmod    |
| Reed, Marge             | D7830    | 03/04/17 | SR | Tier I          | Unmod    |
| Renteria, Jeffrey       | D9500    | 03/18/17 | SR | Tier III        | Unmod    |
| Rolley, David           | D3406    | 03/18/17 | SR | Tier I          | Unmod    |
| Rosa, Laurie            | 41830    | 03/31/17 | SR | Tier III        | Unmod    |
| Rozul, Alex             | D3406    | 03/18/17 | SR | Tier I          | Unmod    |
| Scudiere, Amelia        | 56306    | 03/16/17 | SR | Tier II and III | Unmod    |
| Shafer, Barbara         | 62635    | 03/15/17 | SR | Tier III        | Unmod    |
| Simmons, Barbara        | 74988    | 03/24/17 | SR | Tier III        | Unmod    |
| Spediacci, Steven       | D7160    | 03/25/17 | SR | Safety A        | Unmod    |
| Strain, Joyce           | 52305    | 03/30/17 | SR | Tier III        | Option 2 |
| Walker, Gregory         | D7830    | 03/30/17 | SR | Safety A        | Unmod    |
| Watson, Janice          | 46084    | 03/30/17 | SR | Tier III        | Unmod    |
| Wixom, Gregory          | 70908    | 03/01/17 | SR | Tier III        | Unmod    |

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

| <u>Name</u>     | <u>Number</u> | <u>Filed</u> | <u>Type</u> |
|-----------------|---------------|--------------|-------------|
| Snell, Bernell  | #9500/xx2274  | 04/27/17     | NSCD        |
| Eglite, Michael | 41020         | 05/12/17     | SCD         |

**KEY:**

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

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

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

CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

BOARD OF RETIREMENT

**D.**

***Deaths:***

| <u>Name</u>            | <u>Date of Death</u> | <u>Employer as of Date of Death</u>                 |
|------------------------|----------------------|---|
| Barnes, Ann            | 04/25/17             | Contra Costa County                                 |
| Berlingeri, Rochelle   | 05/04/17             | Beneficiary   |
| Booth, Pauline         | 05/01/17             | Contra Costa County                                 |
| Carey, Michael         | 05/15/17             | Contra Costa County                                 |
| Cobette, Robin         | 04/18/17             | Contra Costa County                                 |
| Crites, Wanda          | 04/23/17             | Contra Costa County                                 |
| Cudney, Carol          | 03/24/17             | Beneficiary   |
| Delchini, John         | 03/30/17             | Contra Costa County                                 |
| Dell'Immagine, Rita    | 04/12/17             | Beneficiary   |
| Dobias, Wilma          | 03/23/17             | Contra Costa County                                 |
| Dunlop, Sarah          | 05/02/17             | Contra Costa County                                 |
| Elkins, Thelma         | 02/15/17             | Beneficiary   |
| Ellingson, Lee         | 03/16/17             | Contra Costa County                                 |
| Fosenburg, Marjorie    | 04/20/17             | Beneficiary   |
| Haynie, Charles        | 04/21/17             | Contra Costa County                                 |
| Herrera, Patricia      | 04/10/17             | Contra Costa County                                 |
| Hyder, Lester          | 03/01/17             | Contra Costa County                                 |
| Kesler, Calvin         | 05/03/17             | Contra Costa County                                 |
| Lessman, Walter        | 04/25/17             | Beneficiary   |
| Minor, Alvin           | 04/21/17             | East Contra Costa County Fire Protection District   |
| Norman, Lenora         | 05/13/17             | Contra Costa County                                 |
| Petko, Norma           | 05/18/17             | Beneficiary   |
| Powell, Kathleen       | 04/25/17             | Contra Costa County                                 |
| Schwartzman, William   | 04/25/17             | Contra Costa County                                 |
| Strusis, Gloria        | 05/05/17             | Superior Court of California County of Contra Costa |
| Sutton, Delcie         | 05/01/17             | Contra Costa County                                 |
| Teitelman, Allen       | 04/26/17             | Contra Costa County                                 |
| West, Clayton          | 05/09/17             | Contra Costa County                                 |
| West, JoAnn            | 03/27/17             | Contra Costa County Fire Protection District        |
| Westmoreland, Virginia | 05/26/17             | Contra Costa County                                 |
| Witherspoon, Lena      | 05/19/17             | 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**

| <b>Name</b>               | <b>Employee Number</b> | <b>Tier</b> | <b>Membership Date</b> | <b>Employer</b>                           |
|---------------------------|------------------------|-------------|------------------------|---|
| Aguilar, Rebecca A.       | 84469                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Alvarez-Cruz, Cindy E.    | 76411                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Balberona, Dennis L.      | 84465                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Balisi, Anita Y.          | 84543                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Bentley, Thelma S.        | 67979                  | III         | 04/01/17               | Contra Costa County                       |
| Bland, Geneen M.          | 84544                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Bloxham, Julia M.         | 84482                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Bonifacio, Janelle V.     | 83635                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Burke, Sarah A.           | 75689                  | P4.3        | 04/01/17               | First Five of Contra Costa                |
| Burnett, Jamie K.         | 84505                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Carzon, Vanessa Mae C.    | 84579                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Chow, Jaclyn A.           | 84464                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Christiansen, Blaine W.   | 72045                  | S/A         | 04/01/17               | CCC Fire Protection District              |
| Clamucha, Maureen         | 79682                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Devlin III, James A,      | 82834                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Dongallo, Leila J.        | 84494                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Drayton, Frank S.         | D7830                  | P4.3        | 04/01/17               | San Ramon Valley Fire Protection District |
| Eger, Vivian O.           | 84564                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Elliott, Marissa A.       | 84468                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Fabie, Erin R.            | 84539                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Fan, Qun                  | 84483                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Farrell, Elizabeth C.     | 84484                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Fischer, Mollie J.        | 84506                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Flores Paniagua, Nati V.  | 84410                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Florido, Joshua R.        | 84462                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Fountain, Nakia A.        | 83596                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Frias, Mark A.            | 84574                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Gagajena, Rosemarie P.    | 84447                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Galato, Osman H.          | 84501                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Gale, Debra A.            | 84527                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Garcia, Ervin J.          | 83663                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Gatmaitan, Carmen R.      | 84538                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Granger, Michael E.       | 84553                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Grimmond, Susan M.        | 81466                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Guzman, Eric W.           | 84509                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Haymon, Elgina A.         | 84507                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Hernandez Rodriguez, Adam | 84487                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Herndon, Lisa M.          | 84534                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Hira, Raman J.            | 84463                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Illagan, Johnna Lyn A.    | 79345                  | P5.2        | 04/01/17               | Contra Costa County                       |

**Key:**

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

## CERTIFICATION OF MEMBERSHIPS

| <i>Name</i>               | <i>Employee Number</i> | <i>Tier</i> | <i>Membership Date</i> | <i>Employer</i>                           |
|---------------------------|------------------------|-------------|------------------------|---|
| Isenberg, Colleen A.      | 84575                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Jamwal, Abhilasha         | 84535                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Jauregui, Daisy J.        | 83237                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Jew, Diana L.             | 45345                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Kaur, Gurbir              | 83661                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Kaur, Monika              | 84466                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Landry-Garner, Carmen Y.  | 84437                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Linton, Carol A.          | 41105                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Logwood, Christopher J.   | 75698                  | S/E         | 04/01/17               | Contra Costa County                       |
| Long, Makiaha M.B.        | 80206                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Lunardi, Jennifer J.      | 82260                  | P5.2        | 03/01/17               | Contra Costa County                       |
| Martin, Joy B.L.          | 84528                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Melgar, Ivania L.         | 84530                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Miller, Brandy J.         | 84545                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Miranda, Sayonara L.      | 84526                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Moreno, Liliana           | 84488                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Nusog, Francisco O.       | 84517                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Oberholtzer, Elizabeth M. | 84438                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Pajar, Abigail N.         | 84461                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Partlan, Ryan T.          | 78144                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Patwardhan, Kalpana       | D4980                  | P4.3        | 04/01/17               | CCCERA                                    |
| Pedraza, Christopher N.   | 84489                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Perceval, Amanda L.       | D7830                  | P4.3        | 02/01/17               | San Ramon Valley Fire Protection District |
| Peterson, Justine L.      | 84511                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Polos, Susanne            | 84532                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Ponce, Amanda B.A.        | 84467                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Richardson, Christine C.  | 84520                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Rodriguez, Amanda S.      | 84440                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Rushing, Evalyn J.        | 84459                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Sabino, Janelle R.        | 84508                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Santasia, Rosita C.       | 81534                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Slessinger, Constance J.  | 84531                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Smith, Shannon L.         | 84411                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Steward, James C.         | 83060                  | S/E         | 04/01/17               | Contra Costa County                       |
| Thompson, Debra B.        | D9500                  | P5.3        | 04/01/17               | Superior Courts                           |
| Umar, Aisha M.            | 84369                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Visbal, Kristin M.        | 84460                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Walicki, Nicole M.        | 84610                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Walters, Janessa R.       | 84585                  | P5.2        | 04/01/17               | Contra Costa County                       |
| Waterhouse, Brett F.      | 84542                  | P5.2        | 04/01/17               | Contra Costa County                       |

**Key:**

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

## CERTIFICATION OF MEMBERSHIPS

| <i>Name</i>     | <i>Employee Number</i> | <i>Tier</i> | <i>Membership Date</i> | <i>Employer</i>     |
|-----------------|------------------------|-------------|------------------------|---------------------|
| Yuen, Angela M. | 83213                  | P5.2        | 04/01/17               | Contra Costa County |

**Key:**

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

## TIER CHANGES

| <i>Name</i>              | <i>Employee Number</i> | <i>Old Tier</i> | <i>New Tier</i> | <i>Effective Date</i> | <i>Employer</i>                    | <i>Reason for Change</i> |
|--------------------------|------------------------|-----------------|-----------------|-----------------------|------------------------------------|--------------------------|
| Barruel, Cecelia L.      | 83859                  | P5.2            | S/E             | 4/1/2017              | County Costa County                | Position Change          |
| Berumen, Amelia          | D3406                  | P4.3            | I               | 3/1/2017              | Central Contra Costa Sanitary Dist | Reciprocity              |
| Bradford, Alan           | 73313                  | S/E             | S/A             | 6/1/2016              | CCC Fire Protection District       | Reciprocity              |
| Burnthorne, Christopher  | 83828                  | P5.2            | S/E             | 4/1/2017              | County Costa County                | Position Change          |
| Cisneros, Austin A.      | 79462                  | P5.2            | S/E             | 4/1/2017              | County Costa County                | Position Change          |
| Cosajay Jr., Ronny       | 83845                  | P5.2            | S/E             | 4/1/2017              | County Costa County                | Position Change          |
| Davis II, Ronald L.      | 82851                  | S/E             | S/A             | 6/1/2016              | CCC Fire Protection District       | Reciprocity              |
| Davis, Jeffrey H.        | 74626                  | P5.2            | S/E             | 4/1/2017              | County Costa County                | Position Change          |
| Devera, Gil J.           | 83846                  | P5.2            | S/E             | 4/1/2017              | County Costa County                | Position Change          |
| Duke, Kevin K.           | 83850                  | P5.2            | S/E             | 4/1/2017              | County Costa County                | Position Change          |
| Holmes, Alisha S.        | 83834                  | P5.2            | S/E             | 4/1/2017              | County Costa County                | Position Change          |
| Jones, Samuel D.         | 83844                  | P5.2            | S/E             | 4/1/2017              | County Costa County                | Position Change          |
| Joseph, Mary P.          | 84372                  | P5.2            | III             | 3/1/2017              | County Costa County                | Reciprocity              |
| Kirby, Robert C.         | 83236                  | P5.2            | S/E             | 4/1/2017              | County Costa County                | Position Change          |
| Kruzona, Vincent S.W.    | 83843                  | P5.2            | S/E             | 4/1/2017              | County Costa County                | Position Change          |
| Lopez, Obdulia           | 84104                  | P5.2            | III             | 11/1/2016             | County Costa County                | Reciprocity              |
| Marzilli III, Daniel W.  | 83849                  | P5.2            | S/E             | 4/1/2017              | County Costa County                | Position Change          |
| Mazza, Nicholas W.       | 83858                  | P5.2            | S/E             | 4/1/2017              | County Costa County                | Position Change          |
| McAlister, Aaron J.      | 83746                  | S/E             | S/A             | 9/1/2016              | CCC Fire Protection District       | Reciprocity              |
| McClay, Jarek A.         | 83831                  | P5.2            | S/E             | 4/1/2017              | County Costa County                | Position Change          |
| Morales Jr., Raul        | 83835                  | P5.2            | S/E             | 4/1/2017              | County Costa County                | Position Change          |
| Morales, Austin G.       | 83848                  | P5.2            | S/E             | 4/1/2017              | County Costa County                | Position Change          |
| Morrison, Steven         | 82859                  | S/E             | S/A             | 6/1/2016              | CCC Fire Protection District       | Reciprocity              |
| Pickett, Dasia M.        | 84323                  | P5.2            | S/E             | 4/1/2017              | County Costa County                | Position Change          |
| Roman, Michael A.        | 83829                  | P5.2            | S/E             | 4/1/2017              | County Costa County                | Position Change          |
| Valenzuela, Emmanuel J.  | 83832                  | P5.2            | S/E             | 4/1/2017              | County Costa County                | Position Change          |
| Watts, Trevor L.         | 82866                  | S/E             | S/A             | 6/1/2016              | CCC Fire Protection District       | Reciprocity              |
| Wishart-Powell, Summer B | 83836                  | P5.2            | S/E             | 4/1/2017              | County Costa County                | Position Change          |
| Yuen, Melanie A.         | 83510                  | P5.2            | III             | 8/1/2016              | County Costa County                | Reciprocity              |

**Key:**

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

**Contra Costa County Employees' Retirement Association**  
Asset Allocation as of April 30, 2017

**Meeting Date**  
**06/14/17**  
**Agenda Item**  
**#4e.**

| <b>Liquidity</b>          | Market Value         | Percentage of Total Fund | Phase 2a Target Percentage | Phase 2a Over/(Under) | Long Term Target | Long Term Over/(Under) |
|---------------------------|----------------------|--------------------------|----------------------------|-----------------------|------------------|------------------------|
| Insight                   | 731,114,846          | 9.5%                     | 10.7%                      | -1.2%                 |                  |                        |
| Sit                       | 431,908,797          | 5.6%                     | 6.0%                       | -0.4%                 |                  |                        |
| Dimensional Fund Advisors | 355,605,712          | 4.6%                     | 5.3%                       | -0.7%                 |                  |                        |
| Goldman Sachs             | 53,971               | 0.0%                     | 0.0%                       | 0.0%                  |                  |                        |
| Lazard                    | 1,045,852            | 0.0%                     | 0.0%                       | 0.0%                  |                  |                        |
| Cash                      | 90,610,961           | 1.2%                     | 1.4%                       | -0.2%                 | 1.0%             | 0.2%                   |
| <b>Total Liquidity</b>    | <b>1,610,340,139</b> | <b>20.9%</b>             | <b>23.4%</b>               | <b>-2.5%</b>          | <b>25.0%</b>     | <b>-4.1%</b>           |

**Range**  
**20% - 28%**

| <b>Growth</b>                |                      |              |              |             |             |              |
|------------------------------|----------------------|--------------|--------------|-------------|-------------|--------------|
| <b>Domestic Equity</b>       |                      |              |              |             |             |              |
| Boston Partners              | 356,135,276          | 4.6%         | 4.5%         | 0.1%        |             |              |
| Jackson Square               | 344,618,363          | 4.5%         | 4.5%         | -0.0%       |             |              |
| BlackRock Index Fund         | 76,879,619           | 1.0%         | 1.0%         | -0.0%       |             |              |
| Emerald Advisors             | 265,641,013          | 3.4%         | 3.3%         | 0.1%        |             |              |
| Intech (Core)                | 299,700,033          | 3.9%         | 0.0%         | 3.9%        |             |              |
| PIMCO Stocks+                | 163,481,945          | 2.1%         | 0.0%         | 2.1%        |             |              |
| Ceredex                      | 249,551,719          | 3.2%         | 3.3%         | -0.1%       |             |              |
| <b>Total Domestic Equity</b> | <b>1,756,007,968</b> | <b>22.8%</b> | <b>16.6%</b> | <b>6.2%</b> | <b>6.0%</b> | <b>16.8%</b> |

| <b>Global &amp; International Equity</b>       |                      |              |              |              |              |             |
|--|----------------------|--------------|--------------|--------------|--------------|-------------|
| Pyrford (BMO)                                  | 441,546,405          | 5.7%         | 5.4%         | 0.3%         | 5.0%         | 0.7%        |
| William Blair                                  | 447,656,030          | 5.8%         | 5.4%         | 0.4%         | 5.0%         | 0.8%        |
| JPMorgan Global Opportunities                  | 207,066              | 0.0%         | 0.0%         | 0.0%         |              |             |
| First Eagle                                    | 341,808,595          | 4.4%         | 4.3%         | 0.1%         |              |             |
| Artisan Global Opportunities                   | 365,903,534          | 4.7%         | 4.3%         | 0.4%         |              |             |
| Intech (Global Low Volatility)                 | 24,430,661           | 0.3%         | 0.0%         | 0.3%         |              |             |
| PIMCO/RAE Emerging Markets                     | 303,351,401          | 3.9%         | 4.2%         | -0.3%        | 5.0%         | -1.1%       |
| TT Emerging Markets                            | 0                    | 0.0%         | 4.2%         | -4.2%        | 5.0%         | -5.0%       |
| <b>Total Global &amp; International Equity</b> | <b>1,924,903,692</b> | <b>24.9%</b> | <b>27.8%</b> | <b>-2.9%</b> | <b>20.0%</b> | <b>4.9%</b> |

|   |                      |              |              |             |              |              |
|---|----------------------|--------------|--------------|-------------|--------------|--------------|
| <b>Private Equity</b>                               | 762,713,000          | 9.9%         | 9.6%         | 0.3%        | 12.0%        | -2.1%        |
| <b>Private Credit</b>                               | 147,265,000          | 1.9%         | 2.4%         | -0.5%       | 16.0%        | -14.1%       |
| <b>Real Estate - Value Add</b>                      | 157,676,000          | 2.0%         | 4.1%         | -2.1%       | 4.0%         | -2.0%        |
| <b>Real Estate - Opportunistic &amp; Distressed</b> | 456,421,000          | 5.9%         | 4.1%         | 1.8%        | 4.0%         | 1.9%         |
| <b>Real Estate - REIT (Adelante)</b>                | 64,821,827           | 0.8%         | 1.0%         | -0.2%       | 1.0%         | -0.2%        |
| <b>High Yield (Allianz)</b>                         | 393,898,696          | 5.1%         | 5.0%         | 0.1%        | 0.0%         | 5.1%         |
| <b>Overlay (Parametric)</b>                         | 16,818,244           | 0.2%         | 0.0%         | 0.2%        | 0.0%         | 0.2%         |
| <b>Total Growth Assets</b>                          | <b>5,680,525,427</b> | <b>73.6%</b> | <b>70.6%</b> | <b>3.0%</b> | <b>63.0%</b> | <b>10.6%</b> |

**Range**  
**60% - 80%**

| <b>Risk Diversifying</b>             |                    |             |             |              |              |              |
|--------------------------------------|--------------------|-------------|-------------|--------------|--------------|--------------|
| AFL-CIO                              | 238,217,678        | 3.1%        | 3.5%        | -0.4%        | 3.0%         | 0.1%         |
| Diversifying Strategies (Wellington) | 187,327,054        | 2.4%        | 2.5%        | -0.1%        | 9.0%         | -6.6%        |
| <b>Total Risk Diversifying</b>       | <b>425,544,732</b> | <b>5.5%</b> | <b>6.0%</b> | <b>-0.5%</b> | <b>12.0%</b> | <b>-6.5%</b> |

**Range**  
**0% - 10%**

|                   |                      |             |             |           |             |           |
|-------------------|----------------------|-------------|-------------|-----------|-------------|-----------|
| <b>Total Fund</b> | <b>7,716,410,298</b> | <b>100%</b> | <b>100%</b> | <b>0%</b> | <b>100%</b> | <b>0%</b> |
|-------------------|----------------------|-------------|-------------|-----------|-------------|-----------|

\*Phase 2a targets and ranges reflect Phase 2a asset allocation targets accepted by the Board on March 8, 2017 (BOR Resolution 2017-1)

**Private Market Investments  
As of April 30, 2017**

| <b>REAL ESTATE - Value Add</b> |                    |                |                     |                        |                    |                    |                  |                        |  |  |
|--------------------------------|--------------------|----------------|---------------------|------------------------|--------------------|--------------------|------------------|------------------------|--|--|
| 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         | 123,000            | 0.00%            |                        |  |  |
| 05/30/07                       | 12/31/15           |                |                     |                        | 85,000,000         | 436,000            | 0.01%            |                        |  |  |
| 08/01/13                       | 08/01/20           |                |                     |                        | 35,000,000         | 14,144,000         | 0.18%            | 11,634,000             |  |  |
| 12/01/14                       | 12/01/21           |                |                     |                        | 35,000,000         | 21,071,000         | 0.27%            | 8,170,000              |  |  |
| 03/30/07                       | 12/30/15           |                |                     |                        | 75,000,000         | 4,610,000          | 0.06%            |                        |  |  |
| 08/14/13                       | 09/30/21           |                |                     |                        | 25,000,000         | 21,891,000         | 0.28%            |                        |  |  |
| 10/31/16                       | 09/30/24           |                |                     |                        | 50,000,000         | 13,026,000         | 0.17%            | 35,766,000             |  |  |
| 01/31/12                       | 01/31/19           |                |                     |                        | 75,000,000         | 39,609,000         | 0.51%            | 3,946,000              |  |  |
| 10/31/16                       | 09/30/24           |                |                     |                        | 75,000,000         | 42,766,000         | 0.55%            | 32,234,000             |  |  |
| <b>Outstanding Commitments</b> |                    |                |                     |                        | <b>505,000,000</b> | <b>157,676,000</b> | <b>2.04%</b>     | <b>91,750,000</b>      |  |  |
| <b>Total</b>                   |                    |                |                     |                        | <b>249,426,000</b> |                    |                  |                        |  |  |

| <b>REAL ESTATE - Opportunistic &amp; Distressed</b> |                    |                |                     |                        |                    |                    |                  |                        |  |  |
|---|--------------------|----------------|---------------------|------------------------|--------------------|--------------------|------------------|------------------------|--|--|
| 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         | 33,323,000         | 0.43%            |                        |  |  |
| 12/31/07  | 09/30/16           |                |                     |                        | 100,000,000        | 81,371,000         | 1.05%            |                        |  |  |
| 07/31/13  | 12/31/22           |                |                     |                        | 75,000,000         | 26,575,000         | 0.34%            | 39,072,000             |  |  |
| 12/15/11  | 12/31/16           |                |                     |                        | 50,000,000         | 16,891,000         | 0.22%            |                        |  |  |
| 09/30/13  | 09/30/20           |                |                     |                        | 80,000,000         | 71,292,000         | 0.92%            | 5,682,000              |  |  |
| 02/28/15  | 02/28/23           |                |                     |                        | 65,000,000         | 3,211,000          | 0.04%            | 63,289,000             |  |  |
| 12/31/11  | 12/31/16           |                |                     |                        | 75,000,000         | 55,155,000         | 0.71%            | 11,993,000             |  |  |
| 08/31/13  | 08/31/20           |                |                     |                        | 70,000,000         | 52,949,000         | 0.69%            | 24,867,000             |  |  |
| 01/31/16  | 01/31/23           |                |                     |                        | 25,000,000         | 14,433,000         | 0.19%            | 10,567,000             |  |  |
| 11/10/13  | 11/10/20           |                |                     |                        | 20,000,000         | 21,913,000         | 0.28%            | 1,874,000              |  |  |
| 12/31/11  | 12/31/18           |                |                     |                        | 80,000,000         | 46,807,000         | 0.61%            | 18,145,000             |  |  |
| 10/10/14  | 10/10/22           |                |                     |                        | 65,000,000         | 32,501,000         | 0.42%            | 37,591,000             |  |  |
| <b>Outstanding Commitments</b>                      |                    |                |                     |                        | <b>780,000,000</b> | <b>456,421,000</b> | <b>5.91%</b>     | <b>213,080,000</b>     |  |  |
| <b>Total</b>  |                    |                |                     |                        | <b>213,080,000</b> | <b>669,501,000</b> |                  |                        |  |  |

| <b>PRIVATE CREDIT</b>          |                    |                |                     |                        |                    |                    |                  |                        |  |  |
|--------------------------------|--------------------|----------------|---------------------|------------------------|--------------------|--------------------|------------------|------------------------|--|--|
| 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        | 45,722,000         | 0.59%            |                        |  |  |
| 09/30/08                       | 09/30/16           |                |                     |                        | 75,000,000         | 10,575,000         | 0.14%            |                        |  |  |
| 08/01/12                       | 08/30/20           |                |                     |                        | 60,000,000         | 61,946,000         | 0.80%            | 63,750,000             |  |  |
| 12/31/14                       | 09/17/22           |                |                     |                        | 75,000,000         | 15,100,000         | 0.20%            | 9,375,000              |  |  |
| 09/10/15                       | 09/10/20           |                |                     |                        | 28,125,000         | 13,922,000         | 0.18%            |                        |  |  |
| <b>Outstanding Commitments</b> |                    |                |                     |                        | <b>366,125,000</b> | <b>147,265,000</b> | <b>1.91%</b>     | <b>73,125,000</b>      |  |  |
| <b>Total</b>                   |                    |                |                     |                        | <b>73,125,000</b>  | <b>220,390,000</b> |                  |                        |  |  |

**Private Market Investments  
As of April 30, 2017**

| 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          | 128,397,000          | 1.66%            | 83,757,000             |
| Adams Street Secondary II               | 12/31/08       | 12/31/20           |                |                     |                        | 30,000,000           | 13,463,000           | 0.17%            | 12,637,000             |
| Adams Street Secondary V                | 10/31/12       | 10/31/22           |                |                     |                        | 40,000,000           | 21,412,000           | 0.28%            | 17,900,000             |
| Adams Street Venture Innovation Fund    | 03/09/16       | 03/09/28           |                |                     |                        | 75,000,000           | 3,413,000            | 0.04%            | 71,587,000             |
| Bay Area Equity Fund                    | 06/14/04       | 01/15/13           | 1st 2 YR       | LP                  | 1/15/2015              | 10,000,000           | 3,117,000            | 0.04%            |                        |
| Bay Area Equity Fund II                 | 2/29/09        | 12/31/17           |                |                     |                        | 10,000,000           | 9,399,000            | 0.12%            |                        |
| Carpenter Community BancFund            | 01/31/08       | 01/31/16           |                |                     |                        | 30,000,000           | 28,175,000           | 0.37%            |                        |
| EIF USPF I                              | 11/08/02       | 11/08/12           | 3rd 1YR        | LP                  | 11/08/15               | 30,000,000           | 569,000              | 0.01%            |                        |
| EIF USPF II                             | 06/15/05       | 06/15/15           |                |                     |                        | 50,000,000           | 41,287,000           | 0.54%            |                        |
| EIF USPF III                            | 02/28/07       | 02/28/17           |                |                     |                        | 65,000,000           | 59,219,000           | 0.77%            |                        |
| EIF USPF IV                             | 06/28/10       | 06/28/20           |                |                     |                        | 50,000,000           | 49,775,000           | 0.65%            |                        |
| Oaktree Private Investment Fund 2009    | 02/28/10       | 01/31/17           |                |                     |                        | 40,000,000           | 13,451,000           | 0.24%            | 10,384,000             |
| Ocean Avenue Fund II                    | 06/11/14       | 05/31/24           |                |                     |                        | 30,000,000           | 18,392,000           | 0.24%            | 42,500,000             |
| Ocean Avenue Fund III                   | 06/11/14       | 05/31/24           |                |                     |                        | 50,000,000           | 7,500,000            | 0.07%            |                        |
| Paladin III                             | 11/30/07       | 12/31/17           |                |                     |                        | 25,000,000           | 25,348,000           | 0.33%            |                        |
| Pathway                                 | 11/09/98       | 05/31/21           |                |                     |                        | 125,000,000          | 34,370,000           | 0.45%            | 14,604,000             |
| Pathway 2008                            | 12/26/08       | 12/26/23           |                |                     |                        | 30,000,000           | 21,622,000           | 0.28%            | 6,931,000              |
| Pathway 6                               | 05/24/11       | 05/24/26           |                |                     |                        | 40,000,000           | 30,436,000           | 0.39%            | 12,721,000             |
| Pathway 7                               | 02/07/13       | 02/07/23           |                |                     |                        | 70,000,000           | 38,863,000           | 0.50%            | 29,319,000             |
| Pathway 8                               | 11/23/15       | 11/23/25           |                |                     |                        | 50,000,000           | 11,528,000           | 0.15%            | 38,234,000             |
| Siguler Guff CCCERA Opportunities       | 06/03/14       | 05/31/25           |                |                     |                        | 200,000,000          | 83,103,000           | 1.08%            | 124,748,000            |
| Siguler Guff Secondary Opportunities    | 12/31/16       | 12/31/26           |                |                     |                        | 50,000,000           | 8,725,000            | 0.11%            | 45,682,000             |
| <b>Real Assets</b>                      |                |                    |                |                     |                        |                      |                      |                  |                        |
| Aether III & III Surplus                | 11/30/13       | 11/30/20           |                |                     |                        | 75,000,000           | 58,011,000           | 0.62%            | 20,958,000             |
| Aether IV                               | 01/01/16       | 01/01/28           |                |                     |                        | 50,000,000           | 7,505,000            | 0.08%            | 42,082,000             |
| 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           | 30,486,000           | 0.35%            | 18,125,000             |
| Wastewater Opportunity Fund             | 12/31/15       | 11/30/22           |                |                     |                        | 25,000,000           | 3,708,000            | 0.05%            | 21,292,000             |
| <b>Outstanding Commitments</b>          |                |                    |                |                     |                        | <b>1,545,000,000</b> | <b>762,713,000</b>   | <b>9.58%</b>     | <b>652,022,000</b>     |
| <b>Total</b>                            |                |                    |                |                     |                        |                      | <b>1,414,735,000</b> |                  |                        |

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

## MEMORANDUM

Date: June 14, 2017

To: CCCERA Board of Retirement

From: Tim Hoppe, Retirement Services Manager

Subject: Brenda Parker, Application for Non-Service Connected Disability, Tier 3

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On May 2, 2016, Brenda Parker, a 66-year old Medical Records Technician in the CCC Health Services Department, and active CCCERA member, died as a result of complications from cancer of the kidney. Prior to her death, Ms. Parker previously had on file the Member Election Form for Non-Service Connected Disability Retirement in the Event of Member's Death During Active Service (*Active Death Form*). Ms. Parker had approximately 19.75 years of service at the time of her death.

CCCERA has filed an application for disability on behalf of the member. Medical records were analyzed by the Board's medical advisor, who concluded that the evidence showed Ms. Parker was totally disabled from any substantial gainful employment as defined by GC 31720.1, prior to her death. She became disabled in late April and remained totally disabled from any substantial gainful employment for the remainder of her life. Therefore, she meets the medical requirements of permanent disability for a Tier III member on a non-service connected basis.

The Board is now called upon to make a determination as to whether the member became permanently unable to engage in any substantial gainful employment and if the Member Election Form for a Non-Service Connected Disability Retirement in the Event of Member's Death During Active Service (*Active Death Form*) should be granted.

### **Recommendation:**

1. Find that the member was permanently unable to engage in any substantial gainful employment and grant a non-service connected disability retirement, effective May 2, 2016.
2. Grant the member's beneficiary (member's daughter) benefits pursuant to Government Code Section 31762 (Optional Settlement allowance for the life of the named beneficiary).

*Notes: Upon approval of the form, her beneficiary would receive a lifetime monthly allowance equal to 100% of the Optional Settlement 2 allowance (GC 31762).*

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Meeting Date  
**06/14/17**  
Agenda Item  
**#7**

## ***MEMORANDUM***

Date: June 14, 2017  
To: CCCERA Board of Retirement  
From: Gail Strohl, Chief Executive Officer  
Subject: Presentation on communication to employers and members concerning the review of improper compensation enhancements and review results.

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### ***Background***

At the March 8, 2017 Board of Retirement meeting, there was a request for additional information concerning the following items:

- Communication to and acknowledgement of members and employers regarding improper compensation enhancements
- Report of the compensation enhancement reviews that have occurred

### ***Requested Information***

It is important that employers and members are aware that compensation enhancements may be excluded from compensation for retirement purposes and that CCCERA conducts assessments to review compensation enhancements. CCCERA has updated materials to disseminate this information. As requested, the following communications are attached.

- Disclaimer added to new membership letters and estimate letters that CCCERA provides to members (began in mid-May 2017)
- Verbiage being added to member handbooks (expected to be updated on the CCCERA website soon)
- Information added to 2016 benefit statements (will be mailed to active and deferred members in June)
- Slide added to the group counseling session presentation for future presentations.
- Revised counseling/application checklist, including a reference to compensation enhancements, was implemented June 1, 2017. Members sign this checklist during the retirement process, acknowledging they understand the listed items.
- An employer handbook is nearing completion, the attached text has been added to the draft.
- Disclaimer being added to the estimate calculators on the website.

The attached memo from CCCERA's Compliance Officer and Retirement Services Manager outlines the compensation review process and data that has been generated.

There will be periodic summaries of the compensation enhancement reviews provided to the Board in the future.

***Recommendation***

This is informational only. No Board action is necessary at this time.

## Disclaimer added to new membership letters and estimate letters to members

*Note that causing excess compensation at the end of your career may be deemed an “enhancement” and may be excluded from your pension calculations. CCCERA is governed by the County Employees Retirement Law of 1937, the California Public Employees' Pension Reform Act of 2013, as well as the Internal Revenue Code, and various rules and regulations, all of which are complex and subject to change. In the event of any conflict between those governing authorities and the information contained herein, the law shall prevail.*

Verbiage being added to member handbooks:

### **Excludable Enhancements to Compensation**

CCCERA monitors compensation elements that go into your retirement benefit calculations to assess whether ‘pension spiking’ has taken place. CCCERA must exclude any compensation it determines was paid to increase your retirement benefit. Regular, recurring pay made to all qualified people in the same job classification is unlikely to be excluded under this criteria. Examples of potentially excludable pay: (a) Compensation previously paid in-kind (like use of an automobile) or to a third party (like an insurer) on behalf of employee but converted to cash payment directly to employee in the final average salary period; (b) One-time or ad hoc payment (like a “retirement bonus”) not given to similarly situated employees in same grade or class; (c) Severance or separation pay received while employed; (d) any compensation improperly increased by the member. There could be other types of pay deemed to be excludable compensation enhancements, either before or after you retire. If CCCERA determines that compensation will be excluded, you and your employer will have an opportunity to contest that determination. Please see the CCCERA Policy Regarding Assessment and Determination of Compensation Enhancements for more information.

It is possible that after you retire and begin to receive your benefits, CCCERA may later determine that a pay element should have been excluded from your benefit calculation. Any benefit estimates provided to you before retirement are just that – estimates – and may not be relied upon to prevent CCCERA from later reevaluating the correctness of your benefit amount.

Cites:

PEPRA Member Handbooks: Government Code Sections 7522.34, 31539, 31542)

Legacy Member Handbooks: Government Code Sections 31461, 31539, 31542)

## Information added to 2016 benefit statements:

This amount is based on compensation reported to CCCERA by your employer in 2016. It may include pay items that will not be included in compensation for retirement purposes. Please be aware that causing compensation at the end of your career may be deemed an “enhancement” and may be excluded from your pension calculation.

## Pension Spiking

- Causing excess compensation at the end of your career may be deemed an “enhancement” and may be excluded from your pension calculation.
- More info: CCCERA Policy On Assessment of Compensation Enhancement

### COUNSELING CHECKLIST

1. \_\_\_\_\_ **RETIREMENT DATE** – What is the best time for you – a personal decision.
2. \_\_\_\_\_ **YOUR MONTHLY BENEFIT AMOUNT** – You should have an idea of what your monthly retirement allowance will be. The figure is based on your age, final average salary and years of retirement service (for each tier, if applicable) at retirement.
3. \_\_\_\_\_ **SOCIAL SECURITY CARDS.** A copy of your Social Security card, as well as a copy of your beneficiary's card, is needed for identification purposes. **\*\*A copy of your 1040 Form (tax return) will suffice in lieu of a Social Security card.**
4. \_\_\_\_\_ **COPIES OF YOUR BIRTH CERTIFICATE (or passport) and your beneficiary's birth certificate (or passport).** If you are currently married, we will also need a **copy of your marriage certificate.**
5. \_\_\_\_\_ **PREVIOUS MARRIAGES** – Is there a Joinder on file? Were you married and divorced during your membership? If so, we need a copy of the court order stating whether your ex-spouse has any entitlement.
6. \_\_\_\_\_ **SOCIAL SECURITY ESTIMATE FOR TIER II** – If your total retirement income is calculated using Tier 2 only – or - multiple tiers **and one of the tiers is Tier II, you must provide the Retirement Office with an estimate from the Social Security Administration before** your final benefit calculation can be completed. **Or you may also visit [www.ssa.gov](http://www.ssa.gov) and create an account at “My Social Security”. Estimate must include your full name and/or tax ID number and be at least 1 year current.**
- 6a. \_\_\_\_\_ **PLEASE NOTE: If you are retiring older than the age of 65, please provide us with a copy of what your Social Security benefit was when you FIRST started receiving it.**
7. \_\_\_\_\_ **PURCHASE ADDITIONAL SERVICE CREDIT.** Have you received information for service purchases (i.e. Leave of Absence, Time Prior to Membership {Pickup}, Redeposit, Public Service) that you want to buy prior to your date of retirement? **If so, please contact a Retirement Counselor.** Please note: You are also allowed to complete service purchases **after** you retire, provided your payment is received **NO LATER THAN 120 DAYS** from your date of retirement.
8. \_\_\_\_\_ **FINAL ADJUSTED CALCULATION** – The final retirement benefit calculations are processed after your employer has issued your final check. Frequently, your payroll department makes lump sum payments at termination in a separate check after the last regular paycheck has been issued. If a final calculation is processed, retroactive adjustments to your monthly pension, if any, will be made.
9. \_\_\_\_\_ **NOTICE REGARDING COMPENSATION ENHANCEMENTS** – Note that causing excess compensation at the end of your career may be deemed an “enhancement” and may be excluded from your pension calculations.
10. \_\_\_\_\_ **OPTIONS** – Unmodified – no reduction to member and 60% continue to qualified surviving beneficiary. The following are all reduced benefit options; Option 1- reduced benefit for member with lump sum amount (not monthly) to surviving beneficiary, Option 2 - reduced benefit for member with surviving beneficiary receiving same amount, Option 3 - reduced benefit for member and 50% continuance to surviving beneficiary.
11. \_\_\_\_\_ **OPTION PACKAGE** – Options will be sent to you for signature approximately **6-10 weeks** after your retirement date. The option selection **must** be signed, witnessed and received in our office before the first pension check can be issued. **Important: Once you sign your option selection, it is irrevocable.** If the final calculation changes the amount of your monthly retirement benefit, you cannot change your option selection.
12. \_\_\_\_\_ **YOUR FIRST RETIREMENT CHECK** – It takes between **8-12 weeks** FROM YOUR DATE OF RETIREMENT to receive your first check. After the first check is received, retiree payroll is processed monthly and released on the last working day of the month.



|                                 |
|---------------------------------|
| _____<br><i>Employee Number</i> |
|---------------------------------|

**APPLICATION CHECKLIST**

- 13. \_\_\_\_ Applications cannot be accepted any earlier than 60 days prior to your date of retirement.
- 14. \_\_\_\_ **APPLICATION TO RETIRE** – Irrevocable after retirement date.
- 15. \_\_\_\_ **TAX WITHHOLDING FORMS** – May be returned with your option selection since your **tax exclusion amount** will be provided to you with your option package. The amount of your exclusion is based on current IRS tax rules.
- 16. \_\_\_\_ **ELECTRONIC FUND TRANSFER** – Your retirement benefit will be electronically transferred to your bank each month by completing the necessary form. When signing up for EFT, the first check is mailed to your residence and electronic transfer makes all future deposits.
- 17. \_\_\_\_ **HEALTH INSURANCE** – County Employees, except CalPERS members (DSA, Local 1230 & District Attorney Investigators) are eligible to carry their current health and dental coverage into retirement as long as they immediately retire and begin drawing a pension. DSA, Local 1230 and District Attorney Investigators may continue the County dental coverage if insured in a County dental plan at retirement. The Benefits Office continues to administer the health insurance for retirees.
- 17a. \_\_\_\_ **Insurance deductions will not be taken from your first (off-cycle) check. All questions concerning plan coverage and rates should be directed to the Benefits Office at (925) 335-1746.**
- 18. \_\_\_\_ **NOTIFICATION TO THE DEPARTMENT** – The Retirement Office will need to verify your termination date and in many cases, sick leave accruals, if any.
- 19. \_\_\_\_ **RECIPROCITY** – If you have reciprocity with another retirement system(s), you will need to file an application with each individual retirement system. You must retire concurrently from each system on the same date.

**OPTIONAL ITEMS**

- 20. \_\_\_\_ **CREDIT UNION DEDUCTIONS** – If you currently have credit union deductions withheld from your salary check, you need to contact the credit union to **re-sign** for these as a retiree. Deductions **do not automatically** transfer and will stop unless you sign a new authorization card.
- 21. \_\_\_\_ **AFSCME (Optional)** – Retiree Chapter 57, Dues \$2.00 per month. (1/1/2000)
- 22. \_\_\_\_ **LOCAL ONE (Optional)** – Contra Costa County Retired Employees' Association, Dues \$2.00 per month.
- 23. \_\_\_\_ **DUES** – DSA Dues and Firefighter Health/Welfare Dues (These dues can be deducted from your retirement check).

**QUESTIONS**

- 24. \_\_\_\_ **I understand the items addressed and initialed above and on the previous page. They were explained to me during a retirement counseling appointment. I have no further questions.**
- 25. \_\_\_\_ **I declare I have received a copy of CCCERA's Accessibility of Records Policy. I understand under the Public Records Act certain individual records are disclosable to agencies or persons requesting this information.**

\_\_\_\_\_  
*Signature of Member/ Print Name*

\_\_\_\_\_  
*Date*

\_\_\_\_\_  
*Signature of Counselor/ Print Name*

\_\_\_\_\_  
*Date*

**PLEASE RETURN THIS FORM WITH YOUR RETIREMENT APPLICATION PACKAGE.**

The following text is being added to the employer handbook:

### **Preventing Pension Spiking**

CCCERA takes pension spiking seriously. CCCERA has a fiduciary responsibility to collect and ensure accurate reporting of compensation. Efforts that improve our ability to aggressively detect and pursue instances of suspected inappropriate pension benefit enhancement, known as spiking, are underway.

CCCERA recently conducted a retiree lookback study, through which it became evident that that excessive compensation sometimes occurs at the end of members' careers. CCCERA determines spiking to be the inappropriate enhancement of the retirement benefit, which most frequently occurs when an employer pays an excessive increase in compensation to a member at the end of his or her career. In instances where spiking is found, CCCERA will adjust benefits to the appropriate level and collect overpayments in a manner consistent with the law.

**Audits:** CCCERA conducts audits and analyzes employer compensation reports to identify excessive increases that could enhance a member's final pension benefit. This includes an analysis of employer pay practices, such as large amounts of pay differential compensation, excessive on-call or other pay for work beyond normal work hours, and inconsistent pay raises throughout a member's career.

**Enhancement Review:** CCCERA reviews individual instances to determine if compensation changes have resulted in pension spiking. CCCERA monitors compensation elements that go into retiring members' retirement benefit calculations to assess whether 'pension spiking' has taken place. CCCERA must exclude any compensation it determines was paid to increase the member's retirement benefit. Regular, recurring pay made to all qualified people in the same job classification is unlikely to be excluded under this criteria. Examples of potentially excludable pay: (a) Compensation previously paid in-kind (like use of an automobile) or to a third party (like an insurer) on behalf of employee but converted to cash payment directly to employee in the final average salary period; (b) One-time or ad hoc payment (like a "retirement bonus") not given to similarly situated employees in same grade or class; (c) Severance or separation pay received while employed; (d) any compensation improperly increased by the member. There could be other types of pay deemed to be excludable compensation enhancements, either before or after retirement. If CCCERA determines that compensation will be excluded, the member and employer will have an opportunity to contest that determination. Please see the CCCERA Policy Regarding Assessment and Determination of Compensation Enhancements for more information.

CCCERA will continue to identify, evaluate and determine instances of pension spiking – the boosting of pay at the end of a career to increase a pension benefit.

Cites:

Government Code Sections 7522.34, 31539, 31542 (PEPRA Members)

Government Code Sections 31461, 31539, 31542 (Legacy Members)

Disclaimer being added to the estimate calculators on the website:

NOTICE REGARDING COMPENSATION ENHANCEMENTS. Note that causing excess compensation at the end of your career may be deemed an "enhancement" and may be excluded from your pension calculations.



## ***MEMORANDUM***

Date: June 14, 2017

To: Board of Retirement

From: Wrally Dutkiewicz  
Compliance Officer

Tim Hoppe  
Retirement Services Manager

Subject: Compensation Enhancement Reviews for the period of 2013 - 2017

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### ***Background***

At its January 9, 2013 meeting, the Board of Retirement adopted its *Policy Regarding Assessment And Determination Of Compensation Enhancements* otherwise referred as the "Compensation Enhancement Policy". The policy was adopted by the Board of Retirement to fulfill the requirement under Government Code Section 31542 which states:

- (a) The Board shall establish a procedure for assessing and determining whether an element of compensation was paid to enhance a member's retirement benefit. If the Board determines that compensation was paid to enhance a member's benefit, the member or the employer may present evidence that the compensation was not paid for that purpose. Upon receipt of sufficient evidence to the contrary, a Board may reverse its determination that compensation was paid to enhance a member's retirement benefits.*
- (b) Upon a final determination by the Board that compensation was paid to enhance a member's retirement benefit, the Board shall provide notice of that determination to the member and employer. The member or employer may obtain judicial review of the Board's action by filing a petition for writ of mandate within 30 days of the mailing of that notice.*
- (c) Compensation that a member was entitled to receive pursuant to a collective bargaining agreement that was subsequently deferred or otherwise modified as a result of a negotiated amendment of that agreement shall be considered compensation earnable and shall not be deemed to have been paid to enhance a member's retirement benefit.*

The *Compensation Enhancement Policy* outlines the steps that staff are to undertake when conducting compensation enhancement reviews. Staff shall consider:

1. Whether the item of compensation was earned within the period during which final compensation is to be calculated;
2. Whether the compensation exceeds a member's base pay, and if so, whether the earnings codes reported are retirement compensable;
3. Any other factors that cause staff to believe that an item of compensation included in final compensation was paid to enhance a member's retirement benefit; and
4. Information and explanation provided by the member and the employer in response to CCCERA's request as to the facts and circumstances concerning an item of compensation that staff believes may have been paid to enhance the member's retirement benefit.

CCCERA staff made a presentation on April 10, 2013 to the Board of Retirement outlining how the aforementioned four steps were to be incorporated into the compensation review process when a member has submitted a retirement application and a final average compensation calculation was performed. In the presentation it was stated that the first two steps had always been undertaken by CCCERA staff. The third step, as required under Government Code Section 31542 was implemented along with consideration of step four, as to whether a compensation enhancement might have occurred based on the compensation pattern observed.

During the implementation, CCCERA staff began to use a comparative analysis that focused on the changes between total compensation during the final average compensation period and the pre-final average compensation period. In addition, individual pay items in a member's final average compensation period were flagged for further review if they trended above that which the member had received in the time periods preceding the member's final average compensation period.

In September 2014 the Board of Retirement adopted the *Policy On Determining "Compensation Earnable" Under Assembly Bill 197 For Purposes Of Calculating Retirement Benefits For "Legacy" (Pre-PEPRA) Members* which set forth what items of compensation qualify as "compensation earnable" under applicable law, including the court order issued by Contra Costa County Superior Court on May 12, 2014

Also in September of 2014, the Board adopted the *Policy On Determining "Pensionable Compensation" Under PEPRA For Purposes Of Calculating Retirement Benefits* which set forth that, for PEPRA members, no pay items beyond base pay will be used in the calculation of the retirement benefit, and that all employers should continue to report to CCCERA as pensionable, and collect contributions on, base pay only.

During the course of 2015 the compensation enhancement review process was augmented with further final average compensation component analysis as required under the Board's *Policy*

*On Determining “Compensation Earnable” Under Assembly Bill 197 For Purposes Of Calculating Retirement Benefits For “Legacy” (Pre-PEPRA) Members.*

Staff were provided with the capability to identify specific elements of compensation and created flags for compensation elements that increase 5% or more between pre-final average salary period and final average salary periods when reviewing compensation.

In January 2016 Benefits department staff received additional training on the compensation review policies and department review procedures. These reviews are conducted when an Active Counselor joins the staff and on an annual basis for all Active Counselors thereafter. Every compensation review that an Active Counselor prepares is reviewed and approved by the Department Supervisor and Retirement Benefits Manager.

As new and/or questionable compensation situations arise, the Active Counselors, Supervisor and Retirement Benefits Manager meet to review the facts, supporting documents, findings and recommended actions. If needed, the case is escalated to the Compliance Officer and/or General Counsel for guidance and recommendation. Upon the recommendation of the Compliance Officer and/or General Counsel, a case could be escalated to the Board of Retirement for determination.

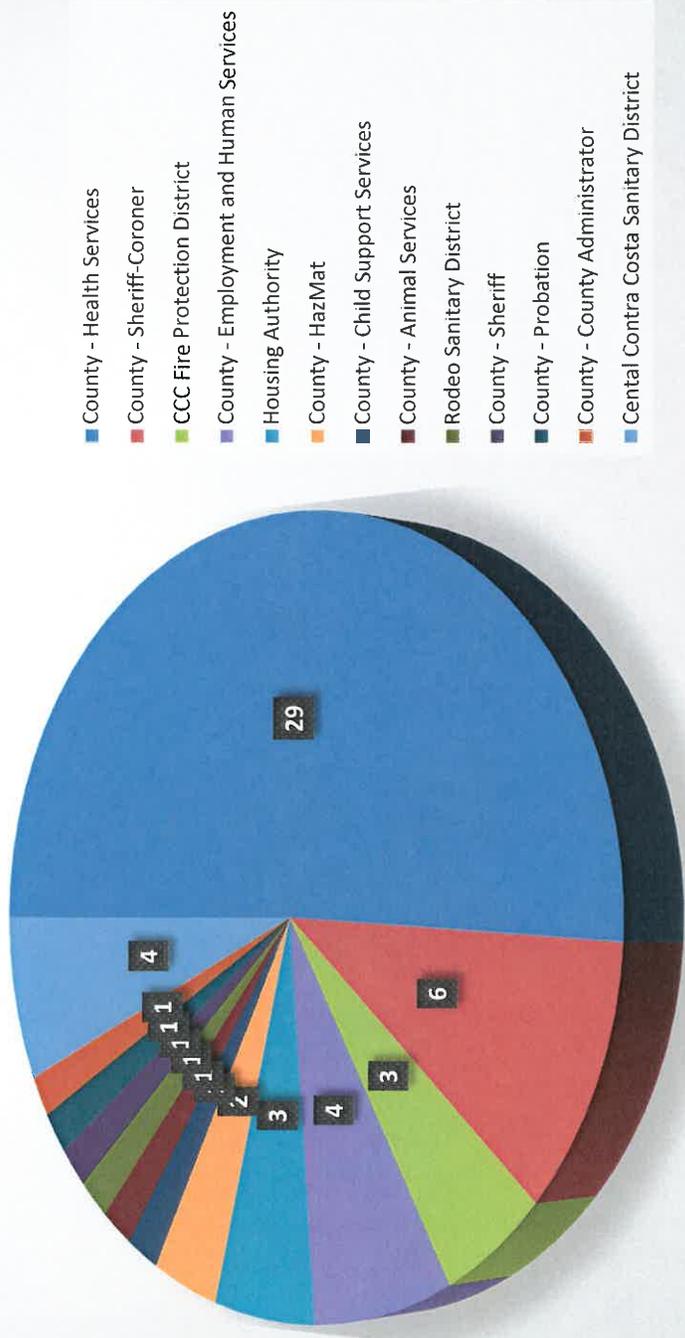
*Compensation Enhancement Reviews for the period of 2013 – 2017*

A summary of the number of compensation enhancement reviews conducted between 2013 - 2017 and their outcomes are summarized in the following Attachment A:

| Attachment A: Compensation Enhancement Review Tracking 2013 - 2017 |                            |                    |  |  |                  |                               |  |  |         |
|--|----------------------------|--------------------|--|--|------------------|-------------------------------|--|--|---------|
| Year   | Total Benefit Calculations | Supervisory Review | Escalated to Benefits Manager for Review | Escalated Compensation Earnable Reviews by Retirement Type |                  |                               | Possible Compensation Enhancements Escalated to Board                                      | Type of Compensation Reviewed  | Outcome |
|  |                            |                    |  | Service Retirements  | Other: SCD/ NSCD | Compensation Earnable Reviews |  |  |         |
| 2017   | 151                        | 151                | 8  | 8  |                  | 8                             | On Call (D33), Standby Pay (C13) Vacation buy back for estoppel class                      | On Call (D33) or standby pay (C13) excluded, Call back excluded, vacation buy back amount allowable included   |         |
| 2016   | 270                        | 270                | 12                                       | 12   |                  | 12                            | On Call (D32 and D33) and Call Back  | Call Back excluded, On Call (D32 and D33) generally excluded with 2 exceptions   |         |
| 2015   | 216                        | 216                | 11                                       | 10   | 1                | 11                            | On Call (D33) to Board 5/6/2015 for retiree who retired 3/27/2014<br>Others: On Call (D33) | Board outcome: D33 partially excluded if in excess of average of the minimum number of on-call hours that were required and worked,<br>On Call (D32 and D33) generally excluded with 1 exception |         |

| Attachment A: Compensation Enhancement Review Tracking 2013 - 2017 |                            |                    |  |  |                  |                               |   |  |  |
|--|----------------------------|--------------------|--|--|------------------|-------------------------------|---|--|--|
| Year   | Total Benefit Calculations | Supervisory Review | Escalated to Benefits Manager for Review | Escalated Compensation Earnable Reviews by Retirement Type |                  |                               | Possible Compensation Enhancements Escalated to Board | Type of Compensation Reviewed  | Outcome  |
|  |                            |                    |  | Service Retirements  | Other: SCD/ NSCD | Compensation Earnable Reviews |   |  |  |
| 2014   | 380                        | 380                | 24                                       | 23   | 1                | N/A                           | 2   | On Call (D25) to Board 5/7/14, HP2 and SH to Board 5/7/14, Others: Call Back, On Call (D33), Holiday Comp, Differential Investigative Duties (D73) | Board outcome: D25 included for one retiree, HP2 and SH included for another retiree, Board requested to be informed of payment of compensation that could be excluded from the final average compensation calculation were it not for the stay order prohibiting CCCERA from implementing AB 197. On Call (D33) generally excluded with 1 exception |
| 2013   | 303                        | 303                | 2  | 2  |                  | N/A                           |   | Call Back (D19) and On Call (D33)  | Call Back (D19) excluded, On Call (D33) included   |

## Escalated Reviews of Final Average Salary Compensation Calculations by Employer





Meeting Date  
**06/14/17**  
Agenda Item  
**#8**

## **MEMORANDUM**

Date: June 14, 2017

To: CCCERA Board of Retirement

From: Todd Smithey, Trustee/Chairperson of *ad hoc* CEO Compensation Review Committee

Subject: Resolution 2017-2 increasing the salary of the Chief Executive Officer by 4.5% effective July 1, 2017 and Employment Agreement For Chief Executive Officer

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### ***Background***

The employment contract between the Board and CCCERA's Chief Executive Officer (CEO) mandates an annual review and evaluation of the CEO's job performance. The Board may review the total compensation and benefits for possible adjustment and may grant any merit and/or equity salary adjustment the Board may elect to authorize.

Based on the annual review of the CEO, the ad hoc CEO Compensation Review Committee is recommending a salary increase of 4.5% effective July 1, 2017 and amending the current 3-months' salary severance pay to a 6-months' salary termination payment in exchange for a release of claims, as per the enclosed draft Amended and Restated Employment Agreement For Chief Executive Officer ("Employment Agreement") and Board of Retirement Resolution 2017-2, Salary Resolution For Chief Executive Officer ("Resolution 2017-2").

### ***Recommendation***

Consider and take possible action to:

- a. Adopt Resolution 2017-2 increasing the salary of the Chief Executive Officer by 4.5% effective July 1, 2017.
- b. Authorize the Board Chairperson to execute the Employment Contract with Ms. Strohl effective July 1, 2017.

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

**SALARY RESOLUTION FOR CHIEF EXECUTIVE OFFICER  
PURSUANT TO GOVERNMENT CODE SECTION 31522.9**

WHEREAS, effective July 1, 2017, the Board of Retirement ("Board") of the Contra Costa County Employees' Retirement Association ("CCCERA") has entered into that certain Amended and Restated Employment Agreement for Chief Executive Officer with Gail Strohl, dated July 1, 2017 ("Employment Agreement"), pursuant to Government Code section 31522.9; and

WHEREAS, the Employment Agreement provides, at Section 3.1, that Gail Strohl's annual base salary shall be as set by the Board in a Salary Resolution adopted by the Board from time to time.

NOW, THEREFORE BE IT RESOLVED that commencing as of July 1, 2017, Gail Strohl's annual base salary for purposes of the Employment Agreement shall be Two Hundred Forty Thousand Seven Hundred Sixty Eight Dollars and no cents (\$240,768.00), payable in twelve monthly installments in arrears at a gross monthly rate of Twenty Thousand Sixty Four Dollars and no cents (\$20,064.00), less applicable taxes, and other customary and applicable payroll deductions.

BE IT FURTHER RESOLVED that the annual base salary set by this Resolution shall remain in effect during the term of Gail Strohl's continuing employment in accordance with the terms of the Employment Agreement unless and until modified by further resolution of the Board of Retirement.

THIS RESOLUTION WAS ADOPTED BY THE AFFIRMATIVE VOTE OF THE BOARD OF RETIREMENT OF THE CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION THIS \_\_\_\_\_ DAY OF JUNE, 2017.

AYES:

NOES:

ABSTAIN:

ABSENT:

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John Phillips  
Chairperson of the Board of Retirement

Attest:

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Scott Gordon  
Secretary of the Board of Retirement

**AMENDED AND RESTATED EMPLOYMENT AGREEMENT  
FOR CHIEF EXECUTIVE OFFICER**

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**CONTRA COSTA COUNTY  
EMPLOYEES' RETIREMENT ASSOCIATION**

This Amended and Restated Employment Agreement for Chief Executive Officer (this "Agreement") is entered into as of July 1, 2017 (the "Effective Date") by and between the Contra Costa County Employees' Retirement Association ("CCCERA") through its Board of Retirement ("Board of Retirement"), on the one hand, and Gail Strohl ("Strohl"), on the other.

**RECITALS**

WHEREAS, prior to January 1, 2015, the provisions of the County Employees Retirement Law of 1937, California Government Code Section 31450 *et seq.*, ("CERL") and specifically California Government Code Section 31522.2, authorized the Board of Retirement to appoint an Administrator (also known as a "Chief Executive Officer") who shall be an employee of Contra Costa County but not be subject to county civil service or merit system rules; and

WHEREAS, on or about May 30, 2014, the Board of Retirement appointed Strohl as Chief Executive Officer of CCCERA, pursuant to CERL Section 31522.2, and entered into an Employment Agreement for Retirement Chief Executive Officer, dated as of May 30, 2014 with Strohl; and

WHEREAS, Strohl began her employment as Retirement Chief Executive Officer on July 14, 2014; and

WHEREAS, effective January 1, 2015, CERL Section 31522.9 authorized the Board of Retirement to appoint a Chief Executive Officer who shall be an employee of CCCERA and not an employee of Contra Costa County; and

WHEREAS, effective January 1, 2015, CCCERA and Strohl entered into that certain Employment Agreement for Chief Executive Officer ("Prior Agreement"); and

WHEREAS, effective August 27, 2015, CCCERA and Strohl agreed to a First Amendment to the Prior Agreement; and

WHEREAS, effective June 22, 2016, CCCERA and Strohl agreed to a Second Amendment to the Prior Agreement; and

WHEREAS, CCCERA and Strohl desire to enter into an amended and restated Employment Agreement for Chief Executive Officer, effective July 1, 2017, replacing and superseding the Prior Agreement, as amended.

NOW, THEREFORE, in consideration of the mutual agreements, covenants and conditions contained herein, CCCERA and Strohl hereby agree as follows:

**AGREEMENT**

1. **Employment at Will**

Pursuant to Section 31522.9 of CERL, the Board of Retirement hereby appoints Strohl in the position of Chief Executive Officer of CCCERA, effective as of the Effective Date, subject, however, to termination as hereinafter provided in this Agreement and under applicable law. Strohl shall be directed by, shall serve at the pleasure of, and may be dismissed at the will of the Board of Retirement and shall report directly to the Board of Retirement. Strohl understands and agrees that specific charges, a statement of reasons, or good cause shall not be required as a basis for dismissal of Strohl by the Board of Retirement, it being understood that the employment relationship is "at-will" and may be terminated by the Retirement Board at any time, with or without cause, or for any reason or no reason at all, with or without notice, except as expressly provided for in this Agreement. Strohl expressly waives and disclaims any right to any pre-termination or post-termination notice and hearing, unless specifically provided for in this Agreement. The term of Strohl's employment shall be from the Effective Date until the effective date of termination by either party in accordance with the terms of this Agreement ("Term").

2. **Duties**

2.1 **In General.**

Strohl shall perform such duties and responsibilities as may from time to time be assigned to Strohl by the Board of Retirement, commensurate with Strohl's title and position. Such duties shall include, but shall not be limited to (a) planning, organizing, coordinating and supervising the work of CCCERA as directed by the Board of Retirement; (b) developing, implementing and maintaining appropriate accounting and financial systems; (c) supervising the maintenance of records and accounts for all members of CCCERA and their beneficiaries; (d) directing the preparation and issuance of the retirement payroll; (e) preparing the retirement financial statements and other appropriate financial and statistical reports; (f) reviewing and analyzing cash flow needs and projecting funds available for investment; (g) analyzing new legislation and actuarial studies to determine financial and administrative impact on CCCERA's responsibilities; (h) participating in the selection of professional managers and consultants in areas such as investments, custodial services, legal services and actuarial services; (i) developing and administering the administrative budget; and (j) supervising, training and evaluating the staff and managers of CCCERA.

## 2.2 Applicable Law and Regulation.

Strohl shall perform the duties of Chief Executive Officer in accordance with CERL, the California Constitution and all other applicable laws as they now provide or may hereafter be amended, and such other duties as may be prescribed by the Board of Retirement in accordance with CCCERA's operating policies, procedures, and practices from time to time in effect during Strohl's employment. Strohl shall perform all duties hereunder in a manner consistent with the level of competency and standard of care normally observed by a person employed as a Chief Executive Officer of a public employees' retirement fund. Strohl shall devote all her ordinary working time and efforts to the business and affairs of CCCERA.

## 3. Compensation and Benefits

### 3.1 Annual Base Salary.

Commencing as of the Effective Date, Strohl's annual base salary shall be the amount set forth in a certain Salary Resolution for Chief Executive Officer adopted by the Board of Retirement from time to time, for the period specified in each such Resolution, less applicable taxes, and other customary and applicable payroll deductions.

### 3.2 Adjustments to Salary/Performance Review.

The Board of Retirement shall annually review and evaluate Strohl's job performance. The review and evaluation shall be in accordance with criteria developed by the Board after consultation with Strohl. As part of the evaluation, the Board may review the total compensation and benefits of Strohl for possible adjustment. The Board may, in its sole and exclusive discretion, grant Strohl any merit and/or equity salary adjustment the Board may elect to authorize. Strohl understands and agrees that concerns that the Board or individual Board members may have concerning Strohl's performance shall not be considered "specific complaints or charges brought against the employee by another person or employee" as that phrase is used in Government Code section 54957 and, therefore, the notice requirement of that Code section shall not be applicable.

### 3.3 Additional Benefits.

Following the Effective Date, Strohl shall receive the additional benefits as required by law and set forth from time to time in an Unrepresented Employees Resolution duly adopted by the Board of Retirement, as amended and/or restated from time to time thereafter.

### 3.4 Expenses.

CCCERA shall reimburse Strohl for all reasonable and necessary expenses incurred by Strohl in the course and scope of her employment with CCCERA, provided that, such expenses are in accordance with applicable CCCERA policies and they are properly documented and accounted for pursuant to such policies and the requirement of the Internal Revenue Service. Such expenses may include, but are not limited to, expenses of Strohl for official travel and meetings necessary in order to continue the professional development of Strohl including national, regional, state and local conferences, training programs, retirement organizations and committees on which Strohl may serve as a member, as approved by the Board of Retirement.

### 4. Administrative Leave

With the prior approval of the Board of Retirement, the Chairperson of the Board of Retirement may place Strohl on administrative leave when Strohl's temporary suspension from office would be in the best interests of CCCERA, as determined by the Board of Retirement in its sole discretion. The administrative leave shall be effective as of the date set forth in a written notice delivered to Strohl. The Chairperson shall also deliver a copy of the notice to any other such other employee, determined by the Board of Retirement, who shall serve as Acting Chief Executive Officer during the period of administrative leave. Upon the delivery of the notice to Strohl, Strohl's duties under this Agreement shall be suspended as of the effective date stated in the notice but all other provisions of this Agreement shall remain in full force and effect. Thereafter, Strohl's duties under this Agreement shall be performed by the Acting Chief Executive Officer or other designee of the Board of Retirement. Strohl agrees that she shall not perform or attempt to perform any of the duties of Chief Executive Officer, or in any other way interfere with the administration or operation of CCCERA during the period of administrative leave. The administrative leave and the suspension of the duties provided for herein shall terminate on the Chairperson's delivery to Strohl a written notice terminating the leave.

### 5. Termination

#### 5.1 Termination Events.

Strohl's employment with CCCERA is at will. Strohl's employment shall terminate upon the occurrence of any of the following:

(a) Termination Without Cause. The Board of Retirement may, at any time, terminate Strohl's employment without cause, for any reason or for no reason at all, in the sole discretion of the Board of Retirement. The effective date of termination shall be the date set forth in a written notice sent to Strohl by the Board of Retirement stating that CCCERA is terminating the employment, as of the effective date. In the event that the Board determines to terminate Strohl

without cause, the Board will pay Strohl a sum equivalent to one-half (1/2) of the annual base salary specified in the Salary Resolution for Chief Executive Officer referred to in Paragraph 3.1 of this Agreement, less applicable withholdings for federal and state income and employment taxes but no other payroll deductions, solely in exchange for a release of all claims or demands of any nature or amount whatsoever that Strohl (or anyone acting on her behalf or through her) may have at termination or in the future, against CCCERA, the Board, its members, employees, agents and anyone acting by or on their behalf. The release shall be in form satisfactory to CCCERA at the time of termination, shall be fully executed by Strohl upon the advice of counsel of her choice, and to be effective shall be delivered to the Chair of the Board within thirty (30) days after termination. Within five (5) business days of its receipt of the executed, fully effective release, and after expiration of any right-to-revoke periods under law, CCCERA shall deliver the foregoing net payment to Strohl, in the manner that Strohl may reasonably direct. The release shall not include a release of Strohl's rights under the County Employees' Retirement Law of 1937 or the Public Employees' Pension Reform Act of 2013, if any, to any retirement, disability or survivor benefits administered by CCCERA to which she or others may be entitled. The payment shall not be treated as pensionable compensation for purposes of calculating any retirement or disability benefits to which Strohl may be entitled.

(b) Voluntary Termination by Resignation. Strohl may, effective ninety (90) days after the date of a written notice sent to the Board of Retirement, elect to voluntarily terminate employment with CCCERA, at Strohl's sole discretion, for any reason or for no reason at all. Such resignation shall be irrevocable unless the Board, in its sole and exclusive discretion, allows it to be withdrawn. From the date on which Strohl gives notice of her resignation, Strohl shall continue to devote her full time, attention and effort to the duties contemplated under this Agreement and shall perform those duties in a professional and competent manner. Strohl shall, if requested, provide reasonable assistance to CCCERA and the Board in orienting Strohl's successor and shall perform such tasks as are reasonably necessary to accomplish an effective transition in the Chief Executive Officer position. Those tasks may include, but are not limited to, providing information or testimony regarding matters that arose during the Term. No severance payment shall attach to a decision by Strohl to terminate employment as set forth in this paragraph.

(c) Termination for Cause. The Board of Retirement may terminate the employment of Strohl for "cause," as defined under Section 5.2 below, effective upon the date set forth in a written notice sent to Strohl stating that Strohl is terminated for cause after notice and reasonable opportunity to cure, by failing to comply in one or more respects with a material term of this Agreement.

## 5.2 "Cause" Defined.

For purposes of this Agreement, "cause" for Strohl's termination shall exist at any time after the happening of one or more of the following events:

(a) Strohl's refusal or failure to perform her duties in accordance with this Agreement in the determination of the Board of Retirement, after Administrator is given notice of the failure or refusal to perform and a reasonable period of time and opportunity to cure, if cure is possible. Results of any performance review under section 3.2 may serve as the basis for the Board of Retirement's determination that Strohl has failed or refused to perform her duties;

(b) Any unprofessional, unethical or fraudulent act or omission, or conduct that discredits CCCERA or is detrimental to the business, reputation, character or standing of CCCERA, without the requirement of moral turpitude;

(c) Strohl's breach of this Agreement, including without limitation committing an act of dishonesty or deceit in the performance of Administrator's duties;

(d) A plea to or a trial court conviction of a criminal act, whether misdemeanor or felony, which in the opinion of the Board of Retirement in its sole discretion renders Strohl unfit to continue employment, notwithstanding any subsequent appeals, exoneration, expungement, reduction or vacating of the plea or conviction; or

(e) Strohl's death or disability which cannot reasonably be accommodated (for these purposes, Strohl shall be deemed disabled if, in the judgment of a licensed physician selected by the Board of Retirement, she is physically or mentally unable to fully discharge her duties hereunder for a period of 90 consecutive days or for 90 days in any 180 calendar day period).

## 6. Effect of Termination

Termination ends the employment relationship. In the event of a Termination, CCCERA shall pay Strohl the compensation and benefits otherwise payable to Strohl under Section 3 above, pro-rated on a daily basis through the effective date of termination. If the termination results from an action of the Board without cause, as defined herein, the provisions of paragraph 5.1(a) shall apply. If the termination results from termination by Strohl, the provisions of paragraph 5.1(b) shall apply. In the event termination is for cause as directed by the Board, the provisions of paragraph 5.1(c) and 5.2 shall apply. Under no circumstances of termination shall any severance payment be payable to Strohl. Upon any termination, voluntary or with or without cause, the remaining terms of this Agreement shall also apply.

## 7. Miscellaneous

### 7.1 Severability.

If any provision of this Agreement shall be found by any court of competent jurisdiction

to be invalid or unenforceable, then the parties hereby waive such provision to the extent that it is found to be invalid or unenforceable and to the extent that to do so would not deprive one of the parties of the substantial benefit of its bargain. Such provision shall, to the extent allowable by law and the preceding sentence, be reformed by such court to comport as nearly as possible with the intent of the parties to this Agreement so that it becomes enforceable and, as reformed, shall be enforced as any other provision hereof, all the other provisions continuing in full force and effect.

7.2 **No Waiver.**

The failure by either party at any time to require performance or compliance by the other of any of its obligations or agreements shall in no way affect the right to require such performance or compliance at any time thereafter, The waiver by either party of a breach of any provision hereof shall not be taken or held to be a waiver of any preceding or succeeding breach of such provision or as a waiver of the provision itself. No waiver of any kind shall be effective or binding, unless it is in writing and is signed by the party against whom such waiver is sought to be enforced.

7.3 **Assignment.**

This Agreement and all rights hereunder are personal to Strohl and may not be transferred or assigned by Strohl at any time.

7.4 **Withholding.**

All sums payable to Strohl hereunder shall be reduced by all federal, state, local and other withholding and similar taxes and customary payroll deductions required by applicable law.

7.5 **Advice of Counsel; Interpretation of Agreement.**

Strohl acknowledges that she has been advised to seek the advice of independent counsel who is not counsel to the Board of Retirement in connection with the negotiation of this Agreement. Strohl and CCCERA, through the Chairperson of the Board of Retirement, acknowledge that regardless of whether they each have consulted with counsel, they have each read this Agreement and each and every part thereof and fully understand the implications of the same, Strohl and CCCERA further agree that this Agreement is the product of negotiation and preparation by and among each party hereto. Therefore, Strohl and CCCERA acknowledge and agree that this Agreement shall not be deemed to have been prepared or drafted by one party or another, and that it shall be construed accordingly.

7.6 **Entire Agreement; Prior Employment Agreement Null and Void.**

This Agreement, and the CCCERA policies in effect from time to time, constitute the entire and only agreement and understanding between the parties relating to employment of Strohl with CCCERA as of the Effective Date and this Agreement supersedes and cancels any and all

previous contracts, arrangements or understandings with respect to Strohl's employment, including, without limitation, that certain Employment Agreement for Retirement Chief Executive Officer, dated as of May 30, 2014 and the Prior Agreement.

7.7 **Amendment.**

This Agreement may be amended, modified, superseded, cancelled, renewed or extended only by an agreement in writing executed by both parties hereto.

7.8 **Notices.**

All notices and other communications required or permitted under this Agreement shall be in writing and hand delivered, sent by facsimile, sent by registered first class mail, postage pm-paid, or sent by nationally recognized express courier service. Such notices and other communications shall be effective upon receipt if hand delivered or sent by facsimile, five (5) days after mailing if sent by mail, and one (1) day after dispatch if sent by overnight courier, to the following addresses, or such other addresses as any party shall notify the other parties:

If to CCCERA:                   1355 Willow Way, Suite 221  
  Concord, CA 94520  
  Facsimile: (925) 646-5741  
  Attention: Chairperson, Board of Retirement

If to Strohl:                    Gail Strohl  
  [address on file with Administration Manager]

7.9 **Binding Nature.**

This Agreement shall be binding upon, and inure to the benefit of, the Board of Retirement members, officers, employees, successors, heirs, agents and personal representatives of the respective parties hereto.

7.10 **Counterparts,**

This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original but all of which, taken together, constitute one and the same agreement.

7.11 **Governing Law.**

Employment Agreement – Gail Strohl  
Chief Executive Officer

This Agreement and the rights and obligations of the parties hereto shall be construed in accordance with the laws of the State of California, as applied to domiciliaries thereof.

7.12 **Attorneys' Fees.**

In the event of any claim, demand, proceeding or suit arising out of or with respect to this Agreement, the prevailing party in any such action shall be entitled to reasonable costs and attorneys' fees, including any such costs and fees on appeal.

7.13 **Arbitration Agreement.**

7.13.1 Strohl and CCCERA agree that any and all controversies, claims, or disputes with anyone (including CCCERA and any of its officers, board members, employees, advisors, consultants and agents) arising out of, relating to, or resulting from Strohl's employment with CCCERA, including but not limited to any breach of this Employment Agreement, or any action in contract, tort or equity, shall be subject to exclusive binding arbitration under the JAMS Arbitration Rules for employment disputes in effect at the time that either CCCERA or Strohl make demand for arbitration under this Agreement. Disputes that CCCERA and Strohl agree to submit to arbitration, and thereby **agree to waive any right to a trial by jury and any other court actions except provided for in subpar. 7.13.4, below**, include any claims under state or federal law (including, but not limited to, claims under Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act of 1990, the Age Discrimination in Employment Act of 1967, the Older Workers Benefit Protection Act, the California Fair Employment and Housing Act, and the California Labor Code), claims of harassment, discrimination or wrongful termination and any other statutory claims. This Arbitration Agreement shall not, however, apply to any claims that Strohl may have to a retirement allowance from CCCERA under CERL. Strohl further understands that this Agreement also applies to any disputes that CCCERA may have with Strohl.

7.13.2 Arbitration shall be at and through the auspices of the JAMS office in San Francisco, California, before a single neutral arbitrator selected by agreement of CCCERA and Strohl. In the event CCCERA and Strohl have not reached agreement on the selection of the arbitrator within thirty (30) days following demand for arbitration being served by one party on the other, selection of the arbitrator shall be made in accordance with the JAMS Arbitration Rules. The costs charged by JAMS to conduct the arbitration shall be the responsibility of CCCERA alone.

7.13.3 Both CCCERA and Strohl will be entitled to discovery sufficient to adequately arbitrate any claims, including access to essential documents, and, at a minimum, one deposition per party, as determined by the neutral arbitrator and subject to limited judicial review pursuant to California Code of Civil Procedure section 1286.2.

7.13.4 Except as provided for in the JAMS Arbitration Rules, arbitration

Employment Agreement – Gail Strohl  
Chief Executive Officer

shall be the sole, exclusive and final remedy for any dispute between CCCERA and Strohl. Accordingly, except as provided for by the JAMS Arbitration Rules, California Code of Civil Procedure section 1285, *et seq.*, and below, neither CCCERA nor Strohl will be entitled to pursue court action regarding any claims that are subject to arbitration. The neutral arbitrator shall have the authority to issue relief as provided by applicable law, and this Agreement shall not limit any statutory remedies either party has under applicable law. Notwithstanding the above, CCCERA and Strohl each reserve the right to petition a court for provisional or injunctive relief against the other.

CCCERA and Strohl have entered into this Agreement effective July 1, 2017.

**CHIEF EXECUTIVE OFFICER:**

\_\_\_\_\_  
Gail Strohl

Date: \_\_\_\_\_

**CCCERA:**

By:

\_\_\_\_\_  
John Phillips  
Chairperson, Board of Retirement

Date: \_\_\_\_\_



Meeting Date  
**06/14/17**  
Agenda Item  
**#9**

## **MEMORANDUM**

Date: June 14, 2017

To: CCCERA Board of Retirement

From: Gail Strohl, Chief Executive Officer

Subject: Consider and take possible action to adopt Board of Retirement Resolution 2017-3 to increase the salary ranges by 3% for all unrepresented classifications effective July 1, 2017, with the exception of the Chief Executive Officer

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### ***Background***

On August 12, 2015 the Board of Retirement authorized the Chief Executive Officer to execute a contract with Koff & Associates for a total compensation and classification study for all CCCERA classifications, with the exception of the investment classifications. On September 23, 2015 the Board of Retirement authorized the Chief Executive Officer to execute a contract with McLagan for a compensation study of the investment classifications. The studies were completed for the unrepresented classifications in late 2015. The results of the studies were adopted and implemented effective February 1, 2016 for the unrepresented classifications. The recommendations from the studies included title changes, salary changes, and changes to the overtime exemption category for some classifications.

A 3% increase to the salary ranges of the unrepresented classifications effective July 1, 2017, will allow CCCERA to maintain a strong salary structure with the overall labor market. The Chief Executive Officer classification is governed by an employment contract therefore it should not be included in the change of the salary ranges.

For administrative purposes there is a clarification regarding the method of payment of overtime in *Section 22. Overtime* of the Resolution.

### ***Recommendation***

Consider and take possible action to adopt Board of Retirement Resolution 2017-3 to increase the salary ranges by 3% for all unrepresented classifications effective July 1, 2017, with the exception of the Chief Executive Officer.

**BOR Reso. No. 2017-3**

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

**CCCERA RESOLUTION FOR SALARY AND BENEFITS  
FOR UNREPRESENTED EMPLOYEES**

**EFFECTIVE FEBRUARY 1, 2016**

**AMENDED MAY 25, 2016**

**AMENDED JUNE 14, 2017**

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WHEREAS, the Contra Costa County Employees' Retirement Association ("CCCERA") is a public agency established by virtue of, and governed by the County Employees' Retirement Law of 1937, Government Code sections 31450, *et seq.*, ("CERL") and Article XVI, section 17 of the California Constitution.

WHEREAS, CCCERA administers a retirement system for the County of Contra Costa and for other participating employers located within the County, including CCCERA, by and through its Board of Retirement ("Board"), and as the Board delegates to its employees who are appointed by CCCERA pursuant to CERL section 31529.9 ("CCCERA Employees.")

WHEREAS, the Board wishes to provide salary and benefits to the unrepresented employees of CCCERA, effective from January 1, 2015 until further notice;

NOW THEREFORE IT IS HEREBY RESOLVED that effective January 1, 2015 and until further notice employees of CCCERA in the job classifications identified on Attachment A hereto shall receive the following salary and benefits:

**1. Paid Holidays:**

CCCERA observes the following paid holidays during the term covered by this Resolution:

|                            |                        |
|----------------------------|------------------------|
| New Year's Day             | Labor Day              |
| Martin Luther King Jr. Day | Veterans' Day          |
| Presidents' Day            | Thanksgiving Day       |
| Memorial Day               | Day after Thanksgiving |
| Independence Day           | Christmas Day          |

Any paid holiday observed by CCCERA that falls on a Saturday is observed on the preceding Friday and any paid holiday that falls on a Sunday is observed on the following Monday.

Eligibility for Paid Holidays: Regular full-time employees are entitled to a paid day off in recognition of the holiday without a reduction in monthly base pay for CCCERA-observed holidays listed above.

If a holiday falls on an employee's regularly scheduled day off due to an alternative work schedule, the employee is entitled to take the day off, without a reduction in pay in recognition of the holiday. The employee is entitled to receive 8 hours of flexible compensation hours or pay at the rate of one times the employees' base rate of pay.

Part-time employees [*who are regularly scheduled to work a minimum of 20 hours per week*] are entitled to the listed paid holidays on a pro rata basis. For example, a part time employee whose position hours are 24 per week is entitled to 4.8 hours off work on a holiday ( $24/40 \times 8 = 4.8$ ).

When a paid holiday falls on a part-time employee's normally scheduled work day and the part-time paid holiday hours are more than the normally scheduled work hours the employee is entitled to receive flexible compensation hours or pay at the rate of one times the employees' base rate of pay for the difference between the employee's normally scheduled work hours and the paid part-time holiday hours.

When a paid holiday falls on a part-time employee's normally scheduled work day and the part-time paid holiday hours are less than the normally scheduled work hours the employee must use non-sick leave accruals for the difference between the employee's normally scheduled work hours and the part-time paid holiday hours. If the employee does not have any non-sick leave accrual balances, leave without pay will be authorized.

Flexible Compensation: Flexible Compensation may not be accumulated in excess of 288 hours. After 288 hours are accrued by an employee, the employee will receive flexible pay at the rate of 1.0 times the employee's base rate of pay. Flexible compensation may be taken on those dates and times determined by mutual agreement of the employee and their supervisor.

**2. Personal Holidays:**

Regular employees subject to this Resolution are entitled to accrue up to two hours of personal holiday credit each month.

Part-time employees [*who are regularly scheduled to work a minimum of 20 hours per week*] accrue personal holiday hours on a pro rata basis.

No employee may accrue more than forty hours of personal holiday credit at any time. Once the employee reaches forty hours of personal holiday, the employee will cease accruing such paid time off until he/she uses sufficient such time to reduce his/her bank below the forty-hour maximum, after at which time the employee may begin to accrue additional hours up to the forty-hour maximum.

On separation from CCCERA service, employees shall be paid for any accrued and unused personal holiday hours at the employee's then-current rate of pay.

**3. Vacation:**

Regular full-time employees subject to this Resolution are entitled to accrue paid vacation as follows:

| <u>Length of Service*</u> | <u>Monthly Accrual Hours</u> | <u>Maximum Cumulative Hours</u> |
|---------------------------|------------------------------|---------------------------------|
| Fewer than 11 years       | 10                           | 240                             |
| 11 years                  | 10-2/3                       | 256                             |
| 12 years                  | 11-1/3                       | 272                             |

| <u>Length of Service*</u> | <u>Monthly<br/>Accrual<br/>Hours</u> | <u>Maximum<br/>Cumulative<br/>Hours</u> |
|---------------------------|--------------------------------------|---|
| 13 years                  | 12                                   | 288                                     |
| 14 years                  | 12-2/3                               | 304                                     |
| 15 through 19 years       | 13-1/3                               | 320                                     |
| 20 through 24 years       | 16-2/3                               | 400                                     |
| 25 through 29 years       | 20                                   | 480                                     |
| 30 years and up           | 23-1/3                               | 560                                     |

\* Includes County service if employed at CCCERA before January 1, 2015.

Part-time employees [*who are regularly scheduled to work a minimum of 20 hours per week*] are entitled to the listed paid vacation on a pro rata basis.

Employees may accrue paid vacation time up to a maximum of twice their annual vacation accrual. That is, for a full-time employee with 8 years of service, the employee may accrue up to a maximum of 240 hours (120 hours maximum annual accrual x 2 = 240 hours). Once the employee reaches this maximum cumulative hours, she/he will cease accruing paid vacation time until he/she uses sufficient vacation to drop below the maximum cumulative hours after which time the employee may begin to accrue additional hours up to the maximum cumulative hours.

On separation from CCCERA service, employees shall be paid for any accrued and unused vacation hours at the employee's then-current rate of pay.

**Vacation Buy Back:**

- A. With the exception of the Chief Executive Officer, employees may elect payment of up to one-third (1/3) of their annual vacation accrual, subject to the following conditions:
  - (1) the choice can be made only once every thirteen (13) months and there must be at least twelve (12) full months between each election;
  - (2) payment is based on an hourly rate determined by dividing the employee's current monthly salary by 173.33; and
  - (3) the maximum number of vacation hours that may be paid in any one sale is one-third (1/3) of the annual accrual.
  
- B. The Chief Executive Officer may elect payment of up to one-third (1/3) of their annual vacation accrual, subject to the following conditions:
  - (1) the choice can be made only once in each calendar year;
  - (2) payment is based on an hourly rate determined by dividing the employee's

- current monthly salary by 173.33; and
- (3) the maximum number of vacation hours that may be paid in any one sale is one-third (1/3) of the annual accrual.

**NOTE:** Where a lump-sum payment is made to employees as a retroactive general salary adjustment for a portion of a calendar year that is subsequent to the exercise by an employee of the vacation buy-back provision herein, that employee's vacation buy-back will be adjusted to reflect the percentage difference in base pay rates upon which the lump-sum payment was computed, provided that the period covered by the lump-sum payment includes the effective date of the vacation buy-back. *For example: In May a salary increase is approved with an effective date of January 1<sup>st</sup> and the employee completed a vacation buy-back in March, a lump sum payment for the difference in base pay of the vacation buy-back would be calculated.*

4. **Sick Leave:**

Regular full-time employees subject to this Resolution shall earn paid sick leave benefits at the rate of eight (8) hours per month. Regular part-time employees [*who are regularly scheduled to work a minimum of 20 hours per week*] are entitled to sick leave benefits on a pro rata basis.

Unused sick leave hours accumulate from year to year. When an employee is separated, other than through retirement, accumulated sick leave hours shall be cancelled, unless the separation results from layoff, in which case the accumulated hours shall be restored if reemployed in a regular position within the period of layoff eligibility. At retirement, employees are credited, at the rate of one day for each one day earned, with sick leave accumulated as of the day of retirement and that sick leave credit counts as additional retirement service credit.

For more information on sick leave benefits please refer to the CCCERA Personnel Policies.

5. **Sick Leave Incentive Plan:**

Employees may be eligible for a payoff of a part of unused sick leave accruals at separation. The sick leave incentive plan is an incentive for employees to safeguard sick leave accruals as protection against wage loss due to time lost for injury or illness. Payoff must be approved by the Chief Executive Officer, and is subject to the following conditions:

- The employee must have resigned in good standing
- Payout is not available if the employee is eligible to retire
- The balance of sick leave at resignation must be at least 70% of accruals earned in the preceding continuous period of employment excluding any sick leave use covered by the Family and Medical Leave Act (FMLA), the California Family

Rights Act (CFRA) or the California Pregnancy Disability Act (PDL).

- Payout is by the following schedule:

| <u>Years of Payment<br/>Continuous Service</u> | <u>Payment of Unused<br/>Sick Leave Payable</u> |
|--|---|
| 3 – 5 years                                    | 30%   |
| 5 – 7 years                                    | 40%   |
| 7 plus years                                   | 50%   |

- No payoff will be made pursuant to this section unless CCCERA certifies that an employee requesting as sick leave payoff has terminated membership in, and has withdrawn their contributions from CCCERA.
- It is the intent of the Board of Retirement that payments made pursuant to this section are in lieu of CCCERA retirement benefits resulting from employment with any of the employers in the CCCERA retirement plan.

**6. Management Administrative Leave**

Management Administrative Leave is authorized time away from the job for any personal activities and needs which are not charged to sick leave or vacation hours. Unrepresented employees who are exempt from the payment of overtime are eligible for this benefit.

Use of Management Administrative Leave may be requested whenever desired by the employee; however; approval of request shall be subject to the same department process as used for vacation requests.

All unused Management Administrative Leave will be cancelled at 11:59 p.m. on December 31<sup>st</sup> of each year.

- A. On January 1<sup>st</sup> of each year, all full-time management employees in paid status, except for the Chief Executive Officer, will be credited with ninety four (94) hours of paid Management Administrative Leave. The Chief Executive Officer will be credited with seventy (70) hours of paid Management Administrative Leave. All Management Administrative Leave is non-accruable and all balances will be zeroed out on December 31<sup>st</sup> of each year.
- B. Regular part-time employees [*who are regularly scheduled to work a minimum of 20 hours per week*] are eligible for Management Administrative Leave on a prorated basis, based upon their position hours.
- C. Employees appointed (hired or promoted) to a management position are eligible for Management Administrative Leave on the first day of the month following their appointment date and will receive Management Administrative Leave on a prorated basis for that first year.

7. **Other Unpaid Leaves:**

CCCERA provides leaves of absence to eligible employees in a variety of circumstances. In all cases, CCCERA intends to comply with applicable federal and state laws. For additional information on unpaid leaves please refer to the CCCERA Personnel Policies.

- Pregnancy disability leave may be requested by any employee at any time.
- Workers' compensation leave is provided to any employee as needed.
- Leave as a reasonable accommodation of an employee's disability is provided to any employee as needed.

Request for Leave: As soon as an employee learns of the need for a leave of absence, the employee should submit a request for leave to the Administrative/HR Manager. Request forms are available from Human Resources. Any leave request must state the purpose of the leave being requested. If approved, the leave must be used for that purpose.

A. Medical/Family Illness/Child Care Leave (FMLA/CFRA LEAVE)

Eligible employees may request an unpaid Family Medical Leave Act ("FMLA") of up to 18 workweeks in a rolling 12-month period (measured backwards from the date the leave begins) for any of the following reasons:

- Birth of the employee's child and to care for the child within the first year of birth;
- The care of an adopted or foster child which the first year of placement with the employee;
- Care for the employee's child, spouse or domestic partner, or parent with a serious health condition;
- Serious health condition of the employee;
- A qualifying exigency arising out of an eligible family member's call to military duty; or
- To care for a covered military service member who is the employee's eligible family member/next-of-kin.

For purposes of this Resolution, an eligible employee is one who has completed one year of continuous employment with CCCERA and worked a minimum of 1,250 hours during the preceding 12 months.

Medical certification is required for leaves necessitated by the serious health condition of the employee or of a family member, but an employee or his/her health care provider need not, and should not, disclose the employee's underlying condition. medical history, results

of tests, or any genetic information. A “serious health condition” means an illness, injury, impairment, or physical or mental condition that involves any of the following:

- Time or treatment in connection with inpatient care;
- Period of incapacity of more than three consecutive days that involves treatment by a health care provider; or
- Any period of incapacity or treatment that is permanent or long term.

Employees will continue to be covered by CCCERA health insurance benefits under pre-leave conditions during the entire approved FMLA leave.

FMLA leave is unpaid, except that employees [*may elect* to use any accrued vacation, sick, personal holiday or management administrative leave time.

Intermittent leave or a reduced work schedule may be approved with medical certification for an employee’s Serious Health Condition, for the employee to care for a child, parent, spouse, or domestic partner (under the CFRA only) with a serious health condition.

Medical certification that the employee is released to return to work is required before the employee will be permitted to return.

If an employee needs to extend his or her leave, he/she must request an extension for FMLA/CFRA leave as soon as practicable after he/she has knowledge of the need for additional leave time. Recertification by a treating health care provider may be required every 30 calendar days in connection with an employee’s absence where appropriate.

#### B. Pregnancy Disability Leave

Pregnancy Disability Leave (PDL) is a leave due to pregnancy, childbirth, or related reasons preventing the employee from performing her job functions. PDL includes leave needed for prenatal care and prenatal complications.

Employees may take up to a maximum of four months of PDL per pregnancy. Medical certification of the need for the leave is required, and the length of PDL will depend on the medical necessity for the leave. Medical certification that the employee is released to return to work is required before the employee will be permitted to return.

Employees will continue to be covered by CCCERA health insurance benefits under pre-leave conditions during the entire approved PDL.

Leave for pregnancy disability is unpaid, except that employees may elect to use any accrued vacation, sick, personal holiday or management administrative leave time.

### C. Military Leave

Federal and state mandated-military leaves of absence are granted without pay to members of the United States Uniformed Services, the California National Guard, or the reserves. To be eligible, an employee must submit written verification from the appropriate military authority. Such leaves will be granted in accordance with state and federal law.

When an employee goes on Military Leave for more than 30 days, any applicable group insurance (existing provisions will apply) continues for 90 days following the commencement of unpaid Military Leave. Beyond the 90 days, the employee may elect to continue the same group health care coverage, including dependent coverage, if applicable, for up to 24 months at his/her own expense.

An employee may elect to use accrued personal holidays, vacation, and/or management administrative leave at the beginning of unpaid military service or may retain earned and accrued vacation for use upon return from the leave. The employee must provide this request/election in writing to Administrative/HR Manager prior to the start of the military leave.

At the conclusion of military service, an employee will be reinstated upon giving notice of his/her intent to return to work by either (1) reporting to work or (2) submitting a timely oral or written request to CCCERA for reinstatement within 90 days of days after their release from active duty or any extended period required by law. The Military Leave will expire upon the employee's failure to request reinstatement or return to work in a timely manner after conclusion of service.

## 8. Health, Dental, and Related Benefits

Regular full-time and part-time employees [*who are regularly scheduled to work a minimum of 20 hours per week*] and their eligible dependents may be entitled to receive medical and dental insurance coverage through CCCERA Plans. Attached hereto as Attachment B, is the monthly premium subsidy for unrepresented employees.

Effective January 1, 2016, CCCERA shall offer an Internal Revenue Code Section 125 Flexible Benefits Plan that offers (i) CalPERS health plan coverages for each eligible employee and the employee's eligible family members and (ii) at least one other nontaxable benefit. CCCERA shall make monthly contributions under the plan for each eligible employee and their dependents (if applicable) up to the relevant amount set forth in Attachment B. Such contributions shall consist of (i) the Minimum Employer Contribution (MEC) established by the Public Employees' Medical and Hospital Care Act, and designated by CCCERA as the MEC, and (ii) the additional amount of such contributions in excess of the MEC.

Any eligible employee who enrolls in health coverage with a higher total premium than CCCERA's contributions with respect to the eligible employee, as stated in Attachment B, will pay the difference via pre-tax payroll deductions under the plan to the extent permitted by Internal Revenue Code Section 125.

Dual Coverage: Each employee, eligible dependent and retiree may be covered by only a single CCCERA health or dental plan.

Please refer any questions about medical/dental benefits to Human Resources.

Health and Dental Coverage Upon Retirement

1. Any CCCERA retiree or their eligible dependent who becomes age 65 on or after January 1, 2009 and who is eligible for Medicare must immediately enroll in Medicare Parts A and B.
2. Employees hired by Contra Costa County or CCCERA on or after January 1, 2009 and their eligible dependents, are eligible for retiree health/dental coverage upon completion of fifteen (15) years of service of which five (5) of those years must be as an active employee of CCCERA with no monthly premium subsidy paid by CCCERA for any health or dental plan after they separate from CCCERA employment. However, any such eligible employee who retires from CCCERA may retain continuous coverage of a CCCERA health and/or dental plan provided that:
  - (i) he or she begins to receive a monthly retirement allowance from CCCERA within 120 days of separation from CCCERA employment and
  - (ii) he or she pays the difference between the Public Employees' Medical and Hospital Care Act (PEMHCA) minimum contribution and the premium cost of the dental plan without any CCCERA premium subsidy.
3. Employees hired by Contra Costa County on January 1, 2007 to December 31, 2008 and their eligible dependents, are eligible for retiree health/dental coverage premium subsidy upon completion of fifteen (15) years of service of which five (5) of those years must be as an active employee of CCCERA. For purposes of retiree health eligibility, one year of service is defined as one thousand (1,000) hours worked within one anniversary year.
4. Employees hired by Contra Costa County on or before December 31, 2006 and their eligible dependents, may remain in their CCCERA health/dental plan, but without CCCERA-paid life insurance coverage, if immediately before their proposed retirement the employees and dependents are either active subscribers to one of the CCCERA contracted health/dental plans or if while on authorized leave of absence without pay, they have retained continuous coverage during the leave period. CCCERA will pay the health/dental plan monthly premium established by the Board of Retirement for eligible retirees and their eligible dependents.
5. All periods of benefit eligible employment will be included in the fifteen (15) years of service calculation for purposes of health and dental coverage upon retirement.
6. Employees, who resign and file for a deferred retirement and their eligible dependents, may continue in their CCCERA group health and/or dental plan under the following conditions and limitations:

- (i) Health and dental coverage during the deferred retirement period is totally at the expense of the employee, without any CCCERA contributions.
- (ii) Life insurance coverage is not included.
- (iii) To continue health and dental coverage, the employee must:
  - a. be qualified for a deferred retirement under the 1937 Retirement Act provisions;
  - b. be an active member of a CCCERA group health and/or dental plan at the time of filing their deferred retirement application and elect to continue plan benefits;
  - c. be eligible for a monthly allowance from the Retirement System and direct receipt of a monthly allowance within one hundred twenty (120) days of application for deferred retirement; and
  - d. file an election to defer retirement and to continue health benefits hereunder with the CCCERA within thirty (30) days before separation from CCCERA service.
- (iv) Deferred retirees who elect continued health benefits hereunder and their eligible dependents may maintain continuous membership in their CCCERA health and/or dental plan group during the period of deferred retirement by paying the full premium for health and dental coverage on or before the 10<sup>th</sup> of each month, to the CCCERA. When the deferred retirees begin to receive retirement benefits, they will qualify for the same health and/or dental coverage pursuant to section 7 above, as similarly situated retirees who did not defer retirement.
- (v) Deferred retirees may elect retiree health benefits hereunder without electing to maintain participation in their CCCERA health and/or dental plan during their deferred retirement period. When they begin to receive retirement benefits, they will qualify for the same health and/or dental coverage pursuant to section 7 above, as similarly situated retirees who did not defer retirement.
- (vi) Employees who elect deferred retirement will not be eligible in any event for CCCERA health and/or dental plan subvention unless the member draws a monthly retirement allowance within one hundred twenty (120) days after separation from CCCERA employment.
- (vii) Deferred retirees and their eligible family members are required to meet the same eligibility provisions for retiree health/dental coverage as similarly situated retirees who did not defer retirement.

For employees who retire and are eligible to receive a medical premium subsidy that is greater than the PEMHCA minimum contribution, each month during which such retiree medical coverage continues, CCCERA will provide each such retiree with a medical expense reimbursement plan (MERP), also known as a health reimbursement arrangement (HRA), subject to Internal Revenue Code Section 105, with a monthly credit equal to the excess of (i) the relevant medical coverage monthly premium subsidy set forth in Section

17.2 for such eligible retiree and his or her eligible family members over (ii) the then current MEC.

9. **Long-Term and Short-Term Disability Insurance**

CCCERA will provide Long-Term and Short-Term Disability Insurance.

10. **State Disability Insurance**

Unrepresented employees do not contribute towards State Disability Insurance.

11. **Life Insurance**

For employees who are enrolled in the County's program of medical or dental coverage as either the primary or the dependent, term life insurance in the amount of ten thousand dollars (\$10,000) will be provided by CCCERA.

Management employees, with the exception of the Chief Executive Officer will also receive fifty-seven thousand dollars (\$57,000) in addition to the life insurance provided above. The Chief Executive Officer will receive an additional sixty thousand dollars (\$60,000) in addition to the ten thousand dollars (\$10,000) insurance provided above.

In addition to the life insurance benefits provided by CCCERA, employees may subscribe voluntarily and at their own expense for supplemental life insurance. Please refer to Human Resources for additional information.

12. **Workers Compensation Insurance**

1. For all accepted workers' compensation claims filed with CCCERA employees will receive seventy five percent (75%) of their regular monthly salary during any period of compensable temporary disability not to exceed one (1) year. If workers' compensation benefits become taxable income, CCCERA will restore the former benefit level, one hundred percent (100%) of regular monthly salary.
2. Waiting Period: There is a three (3) calendar day waiting period before workers' compensation benefits commence. If the injured worker loses any time on the date of injury, that day counts as day one (1) of the waiting period. If the injured worker does not lose time on the date of the injury, the waiting period is the first three (3) days following the date of the injury. The time the employee is scheduled to work during this waiting period will be charged to the employee's sick leave and/or vacation accruals. In order to qualify for workers' compensation the employee must be under the care of a physician. Temporary compensation is payable on the first three (3) days of disability when the injury necessitates hospitalization, or when the disability exceeds

fourteen (14) days.

3. Continuing Pay: A regular employee will receive the applicable percentage of regular monthly salary in lieu of workers' compensation during any period of compensable temporary disability not to exceed one year. "Compensable temporary disability absence" for the purpose of this Section, is any absence due to work-connected disability which qualifies for temporary disability compensation under workers' compensation law set forth in Division 4 of the California Labor Code. When any disability becomes medically permanent and stationary, the salary provided by this Section will terminate. No charge will be made against sick leave or vacation for these salary payments. Sick leave and vacation rights do not accrue for those periods during which continuing pay is received. Employees are entitled to a maximum of one (1) year of continuing pay benefits for any one injury or illness.

Continuing pay begins at the same time that temporary workers' compensation benefits commence and continues until either the member is declared medically permanent/stationary, or until one (1) year of continuing pay, whichever comes first, provided the employee remains in an active employed status. Continuing pay is automatically terminated on the date an employee is separated from CCCERA by resignation, retirement, layoff, or the employee is no longer employed by CCCERA. In these instances, employees will be paid workers' compensation benefits as prescribed by workers' compensation laws. All continuing pay must be cleared through CCCERA.

4. Physician Visits: Whenever an employee who has been injured on the job and has returned to work is required by an attending physician to leave work for treatment during working hours, the employee is allowed time off, up to three (3) hours for such treatment, without loss of pay or benefits. Said visits are to be scheduled contiguous to either the beginning or end of the scheduled workday whenever possible. This provision applies only to injuries/illnesses that have been accepted by CCCERA as work related.
5. Labor Code §4850 Exclusion: The foregoing provisions for workers' compensation and continuing pay are inapplicable in the case of employees entitled to benefits under Labor Code Section 4850.

### 13. Health Care Spending Account

After six (6) months of regular employment, full time and part time (20/40 or greater) employees may elect to participate in a Health Care Spending Account (HCSA) Program designated to qualify for tax savings under Section 125 of the Internal Revenue Code, but such savings are not guaranteed. The HCSA Program allows employees to set aside a predetermined amount of money from their pay, before taxes, for health care expenses not reimbursed by any other health benefit plans. HCSA dollars may be expended on any eligible medical expenses allowed by Internal Revenue Code Section 125. According to IRS regulations, any unused balance is forfeited and may not be recovered by the employee. Please refer to Human Resources for more information on the HCSA Program.

**14. Dependent Care Assistance Program**

Full time and part time (20/40 or greater) employees may elect to participate in a Dependent Care Assistance Program (DCAP) designed to qualify for tax savings under Section 129 of the Internal Revenue Code, but such savings are not guaranteed. The program allows employees to set aside up to five thousand (\$5,000) of annual salary (before taxes) per calendar year to pay for eligible dependent care (child and elder care) expenses. According to IRS regulations, any unused balance is forfeited and may not be recovered by the employee. Please refer to Human Resources for more information on DCAP.

**15. Premium Conversion Plan**

CCCERA offers the Premium Conversion Plan (PCP) designed to qualify for tax savings under Section 125 of the Internal Revenue Code, but tax savings are not guaranteed. The program allows employees to use pre-tax salary to pay health and dental premiums. Please refer to Human Resources for more information on the PCP.

**16. Computer Vision Care (CVC)**

CCCERA will pay 100% of the employee only premium for EyeMed Option 2 vision coverage and up to two hours of CCCERA paid time for exam and to obtain glasses. Employees may obtain spouse and dependent coverage at their own cost.

**17. Retirement:**

CCCERA Membership:

*Contributions:* Employees are responsible for the payment of one hundred percent of the employees' basic retirement benefit contributions determined annually by the Board. Employees are also responsible for the payment of the employee's contributions to the retirement cost-of-living program as determined annually by the Board. CCCERA is responsible for payment of one hundred percent of the employer's retirement contributions as determined annually by the Board.

- A. Employees who are not classified as new members under PEPRA will be enrolled in Retirement Tier 1 enhanced. For more information on retirement tiers please refer to the CCCERA member handbooks.
- B. Employees who are classified as new members under PEPRA will be enrolled in Retirement IV (3% COLA). For more information on retirement tiers please refer to the CCCERA member handbooks.
- C. CCCERA will implement Section 414(h) (2) of the Internal Revenue Code which allows CCCERA to reduce the gross monthly pay of employees by an amount equal to

the employee’s total contribution to the CCCERA Retirement Plan before Federal and State income taxes are withheld, and forward that amount to the CCCERA Retirement Plan. This program of deferred retirement contribution will be universal and non-voluntary as required by statute.

Deferred Compensation:

A. CCCERA will contribute eighty-five dollars (\$85) per month to each employee who participates in CCCERA’s Deferred Compensation Plan. To be eligible for this Deferred Compensation Incentive, the employee must contribute to the deferred compensation plan as indicated below:

| Employees with Current Monthly Salary of: | Qualifying Base Contribution Amount | Monthly Contribution Required to Maintain Incentive Program Eligibility |
|---|-------------------------------------|---|
| \$2,500 and below                         | \$250                               | \$50  |
| \$2,501 – 3,334                           | \$500                               | \$50  |
| \$3,335 – 4,167                           | \$750                               | \$50  |
| \$4,168 – 5,000                           | \$1,000                             | \$50  |
| \$5,001 – 5,834                           | \$1,500                             | \$100   |
| \$5,835 – 6,667                           | \$2,000                             | \$100   |
| \$6,668 and above                         | \$2,500                             | \$100   |

Employees who discontinue contributions or who contribute less than the required amount per month for a period of one (1) month or more will no longer be eligible for the eighty-five dollars (\$85) Deferred Compensation Incentive. To reestablish eligibility, employees must again make a Base Contribution Amounts as set forth above based on current monthly salary. Employees with a break in deferred compensation contributions either because of an approved medical leave or an approved financial hardship withdrawal will not be required to reestablish eligibility. Further, employees who lose eligibility due to displacement by layoff, but maintain contributions at the required level and are later employed in an eligible position, will not be required to reestablish eligibility.

B. Regular employees hired on and after January 1, 2009 will receive one hundred and fifty dollars (\$150) per month to an employee’s account in the Contra Costa County Deferred Compensation Plan or other tax-qualified savings program designated by CCCERA, for employees who meet all of the following conditions:

1. The employee must be hired by CCCERA on or after January 1, 2009.
2. The employee is not eligible for a monthly premium subsidy for health and/or dental upon retirement as set forth in Section 8.
3. The employee must be appointed to a regular position. The position may be either full time or part time (designated at a minimum of 20 hours per week).

4. The employee must have been employed by CCCERA or Contra Costa County for at least 90 calendar days.
5. The employee must contribute a minimum of twenty-five dollars (\$25) per month to the Contra Costa County Deferred Compensation Plan, or other tax-qualified savings program designated by CCCERA.
6. The employee must complete and sign the required enrollment form(s) for his/her deferred compensation account and submit those forms to the Benefits Services Unit of Contra Costa County.
7. The employee may not exceed the annual maximum contribution amount allowable by the United States Internal Revenue Code.
8. Employees are eligible to apply for loans from the Contra Costa County Deferred Compensation Plan loan program. For more information on the loan program refer to Human Resources.

**18. General Training**

CCCERA periodically provides training to employees on its harassment prevention and equal opportunity/discrimination policies. The purpose of these training sessions is to inform and remind employees of CCCERA's policies on these matters. These training sessions are mandatory.

Employees also receive safety training as part of CCCERA's Injury and Illness Prevention program.

**19. Other Job-Related Training**

Employees may request to attend training sessions on topics that are directly related to the employee's current job and that are likely to improve the employee's job knowledge and skills. Requests to attend training must be submitted to the employee's department manager. It is within the sole discretion of CCCERA whether or not to grant a training request.

**20. Professional Development Reimbursement**

To encourage personal and professional growth which is beneficial to both CCCERA and the employee, CCCERA reimburses for certain expenses incurred by employees which are related to an employee's current work assignment.

Expenses that may be eligible for reimbursement include certification programs and courses offered through accredited colleges, universities and technical schools.

Guidelines: Prior to registering for a course, the employee must provide appropriate information to Human Resources to begin the approval process.

If granted, reimbursement may be used to defray actual costs of tuition, registration, testing materials, testing fees and books only and is limited to \$2,000 per year.

Course attendance, study, class assignments and exams must be accomplished outside of the employee's regular working hours.

*Reimbursement:* Reimbursement will only be provided for course work in which the employee achieves a grade of C or better. Reimbursement will be provided only to employees who are employed by CCCERA at the time CCCERA receives evidence of satisfactory completion of the course or certification exam.

If the employee does not successfully complete the course or certification exam, no reimbursement will be provided.

*Exceptions:* For classifications which require a certification or technical license, CCCERA will reimburse the entire cost of certification fees and membership dues without reducing the maximum annual Professional Development Reimbursement amount.

**21. Salary**

Attached hereto as Attachment A, is the salary schedule for all classifications of unrepresented employees.

**22. Overtime**

Unrepresented employees who are exempt from the payment of overtime are not entitled to receive overtime pay, holiday pay, holiday compensatory, or overtime compensatory time. Unrepresented employees who are non-exempt from the payment of overtime will receive overtime for hours worked in excess of 40 hours in the workweek and paid at a rate of time and one-half their hourly rate of pay.

**23. Differential Pay**

A. Longevity

Ten Years of Service:

Employees who have completed ten (10) years of service for Contra Costa County and/or CCCERA are eligible to receive a two and one-half percent (2.5%) longevity differential effective on the first day of the month following the month in which the employee qualifies for the ten (10) year service award.

Fifteen Years of Service:

Employees who have completed fifteen (15) years of service for Contra Costa County and/or CCCERA are eligible to receive an additional two and one-half percent (2.5%) longevity differential effective on the first day of the month following the month in which the employee qualifies for the fifteen (15) year service award.

Twenty Years of Service:

Employees in the Retirement General Counsel classification who have completed twenty (20) years of service for Contra Costa County and/or CCCERA will receive an additional two percent (2%) longevity differential effective on the first day of the month following the month in which the employee qualifies for the twenty (20) year service award.

B. Certificate Differentials

**NOTE:** No employee may receive more than one certificate differential at one time, regardless of the number of certificates held by that employee.

➤ Accounting Certificate Differential

Incumbents of unrepresented professional accounting, auditing or fiscal officer positions who possess one of the following active certifications will receive a differential of five percent (5%) of base monthly salary:

- (1) a Certified Public Accountant (CPA) license issued by the State of California, Department of Consumer Affairs, Board of Accountancy;
- (2) a Certified Internal Auditor (CIA) certification issued by the Institute of Internal Auditors;
- (3) a Certified Management Accountant (CMA) certification issued by the Institute of Management Accountants; or
- (4) a Certified Government Financial Manager (CGFM) certification issued by the Association of Government Accountants.

➤ Associate of the Society of Actuaries (ASA)

Employees who possess an active ASA certification will receive a differential of five percent (5%) of base monthly salary. Verification of eligibility for any such differential must be provided to Human Resources.

Resolution of the Board of Retirement  
 Contra Costa County Employees' Retirement Association  
 CCCERA Resolution for Salary and Benefits for Unrepresented Employees  
 (BOR Reso. No. 2017-3)

**Attachment A**

Effective July 1, 2017

| Class Title                           |                     | Salary Range |          |          |          |          |
|---------------------------------------|---------------------|--------------|----------|----------|----------|----------|
|                                       |                     | Step 1       | Step 2   | Step 3   | Step 4   | Step 5   |
| Accountant                            | Exempt (Monthly)    | \$5,419      | \$5,690  | \$5,974  | \$6,273  | \$6,586  |
| Accounting Manager                    | Exempt (Monthly)    | \$9,268      | \$9,731  | \$10,218 | \$10,729 | \$11,265 |
| Accounting Supervisor                 | Exempt (Monthly)    | \$6,916      | \$7,261  | \$7,625  | \$8,006  | \$8,406  |
| Administrative/HR Manager             | Exempt (Monthly)    | \$9,047      | \$9,499  | \$9,974  | \$10,473 | \$10,997 |
| Administrative/HR Supervisor          | Exempt (Monthly)    | \$6,916      | \$7,261  | \$7,625  | \$8,006  | \$8,406  |
| Communications Coordinator            | Exempt (Monthly)    | \$6,430      | \$6,751  | \$7,089  | \$7,443  | \$7,815  |
| Compliance Business Analyst           | Exempt (Monthly)    | \$7,089      | \$7,443  | \$7,815  | \$8,206  | \$8,616  |
| Deputy General Counsel                | Exempt (Monthly)    | \$13,041     | \$13,693 | \$14,377 | \$15,096 | \$15,851 |
| Executive Assistant                   | Non-Exempt (Hourly) | \$32.82      | \$34.47  | \$36.19  | \$38.00  | \$39.90  |
| Information System Programmer/Analyst | Exempt (Monthly)    | \$6,586      | \$6,916  | \$7,261  | \$7,625  | \$8,006  |
| Information Technology Coordinator    | Non-Exempt (Hourly) | \$34.47      | \$36.19  | \$38.00  | \$39.90  | \$41.89  |
| Information Technology Manager        | Exempt (Monthly)    | \$10,997     | \$11,547 | \$12,124 | \$12,730 | \$13,367 |
| Investment Analyst                    | Exempt (Monthly)    | \$9,499      | \$9,974  | \$10,473 | \$10,997 | \$11,547 |
| Investment Officer                    | Exempt (Monthly)    | \$13,367     | \$14,035 | \$14,737 | \$15,474 | \$16,247 |
| Member Services Manager               | Exempt (Monthly)    | \$9,047      | \$9,499  | \$9,974  | \$10,473 | \$10,997 |
| Member Services Supervisor            | Non-Exempt (Hourly) | \$39.90      | \$41.89  | \$43.99  | \$46.19  | \$48.50  |
| Retirement Services Manager           | Exempt (Monthly)    | \$9,047      | \$9,499  | \$9,974  | \$10,473 | \$10,997 |
| Retirement Services Supervisor        | Non-Exempt (Hourly) | \$39.90      | \$41.89  | \$43.99  | \$46.19  | \$48.50  |

| Executive Class Title          | Monthly Salary Range |
|--------------------------------|----------------------|
| Chief Executive Officer        | \$20,064             |
| Chief Investment Officer       | \$17,848 - \$23,203  |
| Compliance Officer             | \$9,224 - \$11,991   |
| Deputy Chief Executive Officer | \$14,309 - \$18,601  |
| General Counsel                | \$15,775 - \$20,507  |

# *Attachment B*

## Health and Dental Coverage Monthly Premium Subsidy

Effective: January 1, 2016

### Health Plans:

➤ CalPERS

Employee Only: \$746.47  
Employee + 1: \$1,492.94  
Employee + Family: \$1,940.82

➤ Delta Dental

Employee Only: \$46.21  
Employee and Spouse: \$103.72  
Employee and Children: \$103.41  
Family: \$169.38

Effective January 1, 2016, CCCERA shall offer an Internal Revenue Code Section 125 Flexible Benefits Plan that offers (i) CalPERS health plan coverages for each eligible employee and the employee's eligible family members and (ii) at least one other nontaxable benefit. CCCERA shall make monthly contributions under the plan for each eligible employee and their dependents (if applicable) up to the relevant amount set forth above. Such contributions shall consist of (i) the Minimum Employer Contribution (MEC) established by the Public Employees' Medical and Hospital Care Act, and designated by CCCERA as the MEC, and (ii) the additional amount of such contributions in excess of the MEC.

**CCCERA Position Pay Schedules - Effective 7/1/17**

Revision Dates: 4/16/17, 7/1/16, 2/1/16, 9/1/15, 1/1/15

Positions represented by AFSCME, Local 2700:

| Classification Title                              | Hourly (Non-Exempt) |         |         |         |         |         |         |         | Eligible for Differential<br>10 Year<br>Longevity |
|---|---------------------|---------|---------|---------|---------|---------|---------|---------|---|
|   | Step 1              | Step 2  | Step 3  | Step 4  | Step 5  | Step 6  | Step 7  | Step 8  |   |
| Retirement Office Specialist                      | \$20.46             | \$21.48 | \$22.55 | \$23.68 | \$24.87 | \$26.11 | \$27.42 | \$28.78 | Yes   |
| Retirement Member Services Technician             | \$20.46             | \$21.48 | \$22.55 | \$23.68 | \$24.87 | \$26.11 | \$27.42 | \$28.78 | Yes   |
| Retirement Accounting Specialist I                | \$22.40             | \$23.51 | \$24.69 | \$25.93 | \$27.22 | \$27.91 | \$28.60 |         | Yes   |
| Retirement Counselor I                            | \$22.40             | \$23.51 | \$24.69 | \$25.93 | \$27.22 | \$27.91 | \$28.60 |         | Yes   |
| Retirement Accounting Technician                  | \$24.62             | \$25.85 | \$27.14 | \$28.50 | \$29.93 | \$31.42 |         |         | Yes   |
| Retirement Accounting Specialist II               | \$25.85             | \$27.13 | \$28.49 | \$29.92 | \$31.42 | \$32.99 |         |         | Yes   |
| Retirement Counselor II                           | \$25.85             | \$27.13 | \$28.49 | \$29.92 | \$31.42 | \$32.99 |         |         | Yes   |
| Retirement Member Services Data Specialist        | \$25.85             | \$27.13 | \$28.49 | \$29.92 | \$31.42 | \$32.99 |         |         | Yes   |
| Retirement Administrative Assistant               | \$26.29             | \$27.59 | \$28.99 | \$30.43 | \$31.95 |         |         |         | Yes   |
| Retirement Accounting Specialist III              | \$29.80             | \$31.29 | \$32.85 | \$34.50 | \$36.23 | \$38.04 |         |         | Yes   |
| Retirement Counselor III                          | \$29.80             | \$31.29 | \$32.85 | \$34.50 | \$36.23 | \$38.04 |         |         | Yes   |
| Retirement Senior Member Services Data Specialist | \$29.80             | \$31.29 | \$32.85 | \$34.50 | \$36.23 | \$38.04 |         |         | Yes   |
| Disability Specialist                             | \$34.99             | \$36.74 | \$38.58 | \$40.50 | \$42.52 |         |         |         | Yes   |

| Classification Title                  | Step                |          |          |          |          | Eligible for Differential* |                   |                   |                     |     |
|---------------------------------------|---------------------|----------|----------|----------|----------|----------------------------|-------------------|-------------------|---------------------|-----|
|                                       | Step 1              | Step 2   | Step 3   | Step 4   | Step 5   | 10 year Longevity          | 15 year Longevity | 20 year Longevity | CPA, CGFM, CIA, CMA | ASA |
| <b>Unrepresented positions:</b>       |                     |          |          |          |          |                            |                   |                   |                     |     |
| <b>Hourly (Non-Exempt)</b>            |                     |          |          |          |          |                            |                   |                   |                     |     |
| Executive Assistant                   | \$32.82             | \$34.47  | \$36.19  | \$38.00  | \$39.90  | Yes                        | Yes               | No                | No                  | Yes |
| Information Technology Coordinator    | \$34.47             | \$36.19  | \$38.00  | \$39.90  | \$41.89  | Yes                        | Yes               | No                | No                  | Yes |
| Member Services Supervisor            | \$39.90             | \$41.89  | \$43.99  | \$46.19  | \$48.50  | Yes                        | Yes               | No                | No                  | Yes |
| Retirement Services Supervisor        | \$39.90             | \$41.89  | \$43.99  | \$46.19  | \$48.50  | Yes                        | Yes               | No                | No                  | Yes |
| <b>Monthly (Exempt)</b>               |                     |          |          |          |          |                            |                   |                   |                     |     |
| Accountant                            | \$5,419             | \$5,690  | \$5,974  | \$6,273  | \$6,586  | Yes                        | Yes               | No                | Yes                 | Yes |
| Accounting Manager                    | \$9,268             | \$9,731  | \$10,218 | \$10,729 | \$11,265 | Yes                        | Yes               | No                | Yes                 | Yes |
| Accounting Supervisor                 | \$6,916             | \$7,261  | \$7,625  | \$8,006  | \$8,406  | Yes                        | Yes               | No                | Yes                 | Yes |
| Administrative/HR Manager             | \$9,047             | \$9,499  | \$9,974  | \$10,473 | \$10,997 | Yes                        | Yes               | No                | No                  | Yes |
| Administrative/HR Supervisor          | \$6,916             | \$7,261  | \$7,625  | \$8,006  | \$8,406  | Yes                        | Yes               | No                | No                  | Yes |
| Communications Coordinator            | \$6,430             | \$6,751  | \$7,089  | \$7,443  | \$7,815  | Yes                        | Yes               | No                | No                  | Yes |
| Compliance Business Analyst           | \$7,089             | \$7,443  | \$7,815  | \$8,206  | \$8,616  | Yes                        | Yes               | No                | No                  | Yes |
| Deputy General Counsel                | \$13,041            | \$13,693 | \$14,377 | \$15,096 | \$15,851 | Yes                        | Yes               | No                | No                  | Yes |
| Information System Programmer/Analyst | \$6,586             | \$6,916  | \$7,261  | \$7,625  | \$8,006  | Yes                        | Yes               | No                | No                  | Yes |
| Information Technology Manager        | \$10,997            | \$11,547 | \$12,124 | \$12,730 | \$13,367 | Yes                        | Yes               | No                | No                  | Yes |
| Investment Analyst                    | \$9,499             | \$9,974  | \$10,473 | \$10,997 | \$11,547 | Yes                        | Yes               | No                | No                  | Yes |
| Investment Officer                    | \$13,367            | \$14,035 | \$14,737 | \$15,474 | \$16,247 | Yes                        | Yes               | No                | No                  | Yes |
| Member Services Manager               | \$9,047             | \$9,499  | \$9,974  | \$10,473 | \$10,997 | Yes                        | Yes               | No                | No                  | Yes |
| Retirement Services Manager           | \$9,047             | \$9,499  | \$9,974  | \$10,473 | \$10,997 | Yes                        | Yes               | No                | No                  | Yes |
| <b>Monthly Salary Range (Exempt)</b>  |                     |          |          |          |          |                            |                   |                   |                     |     |
| Chief Executive Officer               | \$20,064            |          |          |          |          |                            |                   |                   |                     |     |
| Chief Investment Officer              | \$17,848 - \$23,203 |          |          |          |          |                            |                   |                   |                     |     |
| Compliance Officer                    | \$9,224 - \$11,991  |          |          |          |          |                            |                   |                   |                     |     |
| Deputy Chief Executive Officer        | \$14,309 - \$18,601 |          |          |          |          |                            |                   |                   |                     |     |
| General Counsel                       | \$15,775 - \$20,507 |          |          |          |          |                            |                   |                   |                     |     |

\*NOTE: Certificate Differentials cannot be combined with other certificate differentials



Meeting Date  
**06/14/17**  
Agenda Item  
**#11**

## MEMORANDUM

Date: June 14, 2017  
To: Board of Retirement  
Gail Strohl, Chief Executive Officer  
From: Karen Levy, General Counsel  
Subject: Legislative Update

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### Recommendation

Receive and File.

### Summary of Pending Legislation

The California State Legislature reconvened on January 4, 2017 for the 2017-18 legislative session. February 17, 2017 was the last day for bills to be introduced. September 15, 2017 is the last day for each house to pass bills, and October 15, 2017 is the last day for the Governor to sign or veto bills passed by the Legislature.

Set forth below is a summary of legislation of interest to CCCERA and its Board of Retirement.

#### **SCA 8 (Moorlach) – Public employee retirement benefits.**

This measure would amend the California State Constitution<sup>1</sup> to permit a government employer to reduce retirement benefits that are based on work not yet performed by an employee regardless of the date that the employee was first hired.

**Status:** In Senate.

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<sup>1</sup> Constitutional amendment measures propose changes to the language of the California State Constitution. To become effective, they must be adopted by a two-thirds vote of the Legislature or presented by initiative. Constitutional amendments require an affirmative vote of the majority of the electorate to become effective.

**SCA 10 (Moorlach) – Public employee retirement benefits.**

This measure would prohibit a government employer from providing public employees any retirement benefit increase until that increase is approved by a 2/3 vote of the electorate of the applicable jurisdiction and that vote is certified.

*Status:* In Senate.

**AB 283 (Cooper) – County employees' retirement: permanent incapacity.**

This bill would amend the CERL Government Code Section 31720 to require, for purposes of determining permanent incapacity of certain peace officers, that those members be evaluated by the retirement system to determine if they can perform all of the usual and customary duties of a peace officer. The comments explain that this bill would address the issue of management safety positions who are in management positions whose day-to-day activities do not require constant physical activities: "AB 283 will fix this issue by specifying that any member who is classified as a peace officer, regardless of rank or assignment, will be granted permanent disability status upon meeting the criteria for this designation." (LACPPO comments.)

*Status:* In Senate.

**AB 526 (Cooper) – County employees' retirement: districts: retirement system governance.**

AB 526 would make the Sacramento County Employees Retirement System a district under the CERL.

*Status:* In Senate.

**AB 551 (Levine) Political Reform Act of 1974: postemployment restrictions.**

This bill would extend the prohibition of the Political Reform Act (Government Code Section 87406.3), which prohibits elected and other local officials, for a period of one year after they leave their positions, from appearing before their former local government agencies for the purpose of influencing administrative or legislative action, to independent contractors of the local government agency.

*Status:* In Senate.

**AB 1025 (Rubio) – Incompatible public offices.**

Would repeal Government Code section 1099 which currently prohibits a public officer, including an appointed or elected member of a governmental board, from simultaneously holding two public offices that are incompatible.

*Status:* Assembly Education Committee.

**AB 1310 (Travis Allen) – Public retirement systems: member statements: unfunded liability disclosure.**

This bill would require the retirement board of a public retirement system, including county systems under the CERL, to disclose the unfunded liability and healthcare debt of the system on each member statement provided to members of the system.

*Status:* Inactive bill – died.

**AB 1479 (Bonta) – Public records: custodian of records: civil penalties.**

This bill would require state and local agencies to designate a person or office to act as the agency's custodian of records who is responsible for responding to any request made pursuant to the California Public Records Act (CPRA) and any inquiry from the public about a decision by the agency to deny a request for records. It would also authorize a court to assess a civil penalty against the agency in an amount not less than \$1,000, nor more than \$5,000, for violations of the CPRA.

**Status:** Assembly Appropriations Committee.

**SB 32 (Moorlach) – California Public Employees' Pension Reform Act of 2018.**

This bill would enact the California Public Employees' Pension Reform Act of 2018 (PEPRA 2018). PEPRA 2018 would prohibit a public retirement board from deeming the following as pensionable pay: incentive pay, educational pay, premium pay, special assignment pay, or holiday pay. For individuals who become members of any public retirement system, as defined, for the first time on or after January 1, 2018, and who were not members of any other public retirement system prior to that date, the final compensation used to determine the member's retirement benefits to be the highest annual pensionable compensation earned by the member during a period of at least 60 consecutive months. PEPRA 2018 would prohibit a public retirement system from making a cost of living adjustment to any allowance payable to, or on behalf of, a person retired under the system, or to any survivor or beneficiary of a member or person retired under the system, for any year beginning on or after January 1, 2018, in which PERS or STRS is not fully funded.

**Status:** Senate Public Employment and Retirement Committee.

**SB 671 (Moorlach) – County employees' retirement: retirement funds: transfers.**

This bill would amend CERL Government Code Section 31582 that permits a county and district to make an advance payment of all or part of the county's or district's estimated annual contributions to the retirement fund. Current law permits the board of supervisors to authorize the county auditor to make an advance payment of all or part of the county's estimated annual contributions to the retirement fund, provided that the payment is made within 30 days after the commencement of the county's fiscal year. This allows the retirement system to deploy a larger sum of money into the system's investments earlier than they would if those contributions were paid periodically over the year.

This bill:

- 1) Clarifies that the board of supervisors or the governing body of a district is not prevented from authorizing the county auditor or the district, respectively, from making an advance payment for the estimated annual county contributions for an additional year or partial year if the advance payment is made no later than 30 days after the commencement of the county or district fiscal year, respectively, for which the advance payment is made.
- 2) Clarifies that districts in all 37 Act counties may make advanced payments of their estimated annual 37 Act contributions.
- 3) Includes technical, conforming clean up language to add references to "pensionable compensation" as defined by PEPRA to the requirement that the county auditor determine and

transfer the estimated annual employer contribution based on the employees' "compensation earnable" as defined under the classic formula.

**Status:** Assembly Committee on Public Employees, Retirement/Social Security

The following bills apply to CalPERS and/or CalSTRS Only:

**AB 679 (Cooley)** would require CalPERS to take a security interest in specific types of collateral of at least 102% to secure CalPERS' securities lending agreements.

**AB 1309 (Cooley)** would authorize CalPERS to assess an employer who fails to report the number of hours worked by retired members who are re-employed \$200 per retired member per month until the information is reported.

**SB 525 (Pan)** would redefine the terms "disability" and "incapacity for performance of duty" as used in the Public Employees Retirement Law to specify that the duration of the disability or incapacity must be expected to last at least 12 consecutive months or result in death.

**SB 560 (Allen)** would require CalPERS and CalSTRS to consider financial climate risk, as defined, in their management of any funds they administer, and to include in their CAFRs the financial climate risks of their investments.

The following divestment bill apply to CalPERS and/or CalSTRS Only:

**AB 20 (Kalra)** would prohibit CalPERS and CalSTRS from investing in companies constructing or funding the construction of the Dakota Access Pipeline.

**AB 946 (Ting)** would prohibit new investments and require liquidation of existing investments of CalPERS and CalSTRS in border wall construction companies.

**AB 1597 (Nazarian)** would prohibit new investments and require liquidation of existing investments of CalPERS and CalSTRS in investment vehicles issued, owned, controlled or managed by the government of Turkey.