



RETIREMENT BOARD MEETING
SECOND MONTHLY MEETING

9:00 a.m.
June 26, 2013

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

Present: Debra Allen, Brice Bins, Terry Buck, Richard Cabral, Brian Hast, Jerry Holcombe, Karen Mitchoff, Sharon Naramore, Gabe Rodrigues, Jerry Telles and Maria Theresa Viramontes

Absent: John Phillips

Staff: Marilyn Leedom, Retirement Chief Executive Officer; Kurt Schneider, Retirement Deputy Chief Executive Officer; Timothy Price, Retirement Chief Investment Officer; Karen Levy, General Counsel; Vickie Kaplan, Retirement Accounting Manager; and Christina Dunn, Retirement Administration Manager

Outside Professional Support:
Harvey Leiderman
Rosalva Flores

Representing:
Reed Smith LLP
Brown Armstrong

1. Pledge of Allegiance

Viramontes led all in the *Pledge of Allegiance*.

2. Public Comment

No members of the public offered comment.

3. Approval of Minutes

It was M/S/C to approve the minutes of the May 8, 2013 meeting. (Yes: Allen, Buck, Hast, Holcombe, Mitchoff, Rodrigues, Telles and Viramontes. Abs. Bins)

**4. Presentation by Brown Armstrong on the audit of the December 31, 2012 financial statements –
Rosalva Flores**

Flores gave an overview of the audit process noting the report format has changed due to new GASB requirements.

Flores reported Brown Armstrong gave CCCERA an unmodified opinion, which is the highest form of opinion, on the financial statements and congratulated the Board. She also reported there were no material weaknesses and no issues with internal controls.

Cabral was present for subsequent discussion and voting.

Flores reviewed the Comprehensive Annual Financial Report (CAFR).

The Board discussed the Current Year Agreed Upon Conditions and Recommendations and the Status of the Prior Year Agreed Upon Conditions and Recommendations. They also discussed revisiting the matter of requiring retirement checks be electronically deposited as opposed to issuing live checks.

It was **M/S/C** to accept the independent auditor's report and the Comprehensive Annual Report (CAFR) for the year ended December 31, 2012. (Yes: Allen, Bins, Buck, Cabral, Hast, Holcombe, Mitchoff, Telles and Viramontes)

The Board complimented staff on the successful outcome of the audit. Leedom complimented staff on the production of the CAFR noting all of the work on the CAFR is done in-house.

5. Update from staff on pending legislation pertaining to the County Employees Retirement Law of 1937

Levy reviewed her memo summarizing pending legislation including AB 1380 - County Employees' Retirement, AB 205 – Public Employees' Retirement: Pension Fund Management, and SB 13 – Public Employees' Retirement Benefits, noting SB 13 is PEPPRA clean-up legislation.

It was **M/S/C** to accept and file the report. (Yes: Allen, Bins, Buck, Cabral, Hast, Holcombe, Mitchoff, Telles and Viramontes)

6. Update from staff on application for IRS Letter of Determination

Levy gave an update on the application for a Letter of Determination from the Internal Revenue Service noting CCCERA will be filing a supplement to include PEPPRA in the plan document which consists of the '37 Act and other key CCCERA regulations and policies.

It was the consensus of the Board to move to Item 8.

8. Miscellaneous

(a) Staff Report -

Leedom presented Naramore with a Certificate of Appreciation for her 14 years of service on the Board and presented Viramontes with a Certificate of Appreciation for her 12 years of service on the Board.

(b) Outside Professionals' Report - None

(c) Trustees' comments

Telles thanked Naramore and Viramontes for their years of service on the Board.

Viramontes congratulated Gordon for his appointment to the Board.

CLOSED SESSION

The Board moved into closed session pursuant to Govt. Code Section 54956.9(a) (four cases).

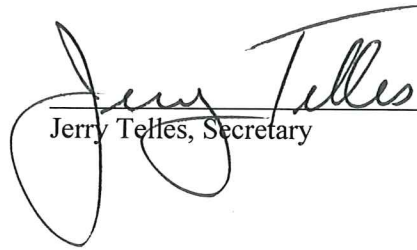
The Board moved into open session.

- 7a. Leiderman reported on the *Board of Retirement v. County of Contra Costa, et al.*, Alameda County Superior Court, Case No. RG11608520. The court granted the stipulated judgment on June 24, 2013 and the case is no longer pending.
- 7b. Levy reported on the *Contra Costa County Deputy Sheriffs Association, et al., v. CCCERA, et al.*, Contra Costa County Superior Court, Case No. N12-1870. There will be a hearing at 9:00 a.m. on June 27, 2013.
- 7c. The following was read into the record on the *In Re: Tribune Company Fraudulent Conveyance Litigation*, United States District Court For the Southern District of New York, Case No. 11 MD 2296 (WHP). A final settlement has been reached to resolve *In Re: Tribune Company Fraudulent Conveyance Litigation*, United States District Court For the Southern District of new York, Case No. 11 MD 2296 (WHP). The settlement amount was Forty One Thousand Eighty Dollars and Eighty Cents (\$41,080.80). The CCCERA Board of Retirement's November 20, 2012 vote approving the settlement was: Yes: Allen, Buck, Cabral, Gioia, Hast, Phillips, Telles, Viramontes and Watts.
- 7d. There was no reportable action related to Govt. Code Section 54956.9(a).

It was M/S/C to adjourn the meeting in respect for the service provided by Naramore and Viramontes to the Board of Retirement. (Yes: Allen, Bins, Buck, Cabral, Hast, Holcombe, Mitchoff, Telles and Viramontes)



Brian Hast, Chairman



Jerry Telles, Secretary