



Meeting Date  
**11/26/13**  
Agenda Item  
**Misc.**

## **MEMORANDUM**

Date: November 12, 2013

To: Board of Retirement  
Marilyn Leedom, Retirement Chief Executive Officer

From: Karen Levy, General Counsel

Subject: Update: CCCERA Has Received A Favorable Letter of Determination  
From the Internal Revenue Service Effective September 17, 2013

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### **Recommendation**

Receive and file.

### **Update**

Congratulations! The Contra Costa County Employees' Retirement Association has received a favorable "Letter of Determination" from the Internal Revenue Service, effective September 17, 2013. A "Letter of Determination" is a favorable ruling that the terms of the retirement plan comply with applicable provisions of the Internal Revenue Code and IRS rules. It means that the retirement plan is "tax-qualified" under the Internal Revenue Code and IRS rules, and therefore plan participants are not taxed when contributions are made to the plan, but rather upon receipt of benefits at retirement. CCCERA had previously applied for, and received, a favorable Letter of Determination from the IRS in 1987.

### **Background**

CCCERA filed an application with the IRS for a letter of determination within Cycle E, which ended on January 31, 2011. The application was made after the Board adopted changes and tax compliance policies, as recommended by tax counsel, Mary Beth Braitman of Ice Miller LLP. Included with the application was a Voluntary Compliance Program ("VCP") application, whereby certain plan amendments and corrections were raised. In February 2011, CCCERA received a ruling from the IRS regarding the VCP portion of the application. The ruling provided that the plan amendments would be treated as if they were adopted timely. The IRS



advised in 2011 that CCCERA's application would now be transferred to the group in charge of handling the determination letter portion of the application. CCCERA's tax counsel has contacted the IRS periodically to check on the status of CCCERA's application. On September 17, 2013, the IRS issued a favorable determination as to CCCERA's tax qualified status. The determination letter was received today, and will be kept in CCCERA's permanent records. A copy is enclosed.

***The next step:*** The IRS is allowing governmental plans to file the next application for a Letter of Determination in Cycle E, from February 1, 2015 to Jan. 31, 2016 (instead of Cycle C, which would have required filing applications by Jan. 31, 2014).

INTERNAL REVENUE SERVICE  
P. O. BOX 2508  
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date:

SEP 17 2013

CONTRA COSTA COUNTY EMPLOYEES'  
RETIREMENT ASSOCIATION  
C/O MARY B BRAITMAN  
ICE MILLER LLP  
ONE AMERICAN SQUARE SUITE 2900  
INDIANAPOLIS, IN 46282

Employer Identification Number:

94-2478110

DLN:

601024001

Person to Contact:

MAXINE B TERRY

ID# 50016

Contact Telephone Number:

(202) 283-9644

Plan Name:

CONTRA COSTA COUNTY EMPLOYEES'  
RETIREMENT ASSOCIATION

Plan Number: 001

Dear Applicant:

We have made a favorable determination on the plan identified above based on the information you have supplied. Please keep this letter, the application forms submitted to request this letter and all correspondence with the Internal Revenue Service regarding your application for a determination letter in your permanent records. You must retain this information to preserve your reliance on this letter.

Continued qualification of the plan under its present form will depend on its effect in operation. See section 1.401-1(b)(3) of the Income Tax Regulations. We will review the status of the plan in operation periodically.

The enclosed Publication 794 explains the significance and the scope of this favorable determination letter based on the determination requests selected on your application forms. Publication 794 describes the information that must be retained to have reliance on this favorable determination letter. The publication also provides examples of the effect of a plan's operation on its qualified status and discusses the reporting requirements for qualified plans. Please read Publication 794.

This letter relates only to the status of your plan under the Internal Revenue Code. It is not a determination regarding the effect of other federal or local statutes.

This determination letter gives no reliance for any qualification change that becomes effective, any guidance published, or any statutes enacted, after the issuance of the Cumulative List (unless the item has been identified in the Cumulative List) for the cycle under which this application was submitted.

This letter may not be relied on after the end of the plan's first five-year remedial amendment cycle that ends more than twelve months after the application was received. This letter expires on January 31, 2014. This letter considered the 2009 Cumulative List of Plan Qualification Requirements.

This determination letter is applicable for the plan adopted on 07/01/1945.

Letter 2002 (DO/CG)

CONTRA COSTA COUNTY EMPLOYEES'

This determination letter is applicable for the amendment(s) executed on 7/19/2010 8/18/2010.

This determination letter is also applicable for the amendment(s) dated on 8/27/2010 9/30/2010.

This determination letter is also applicable for the amendment(s) dated on 7/7/2011 7/27/2011.

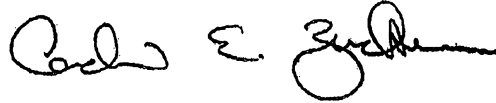
This determination letter is based solely on your assertion that the plan is entitled to be treated as a Governmental plan under section 414(d) of the Internal Revenue Code.

This determination letter is applicable to the plan and related documents submitted in conjunction with your application filed during the remedial amendment cycle ending 2011.

We have sent a copy of this letter to your representative as indicated in the Form 2848 Power of Attorney or appointee as indicated by the Form 8821 Tax Information Authorization.

If you have questions concerning this matter, please contact the person whose name and telephone number are shown above.

Sincerely,



Andrew E. Zuckerman  
Director, EP Rulings & Agreements

Enclosures:  
Publication 794