CONTRA COSTA COUNTY CCCERA
Employees' Retirement Association

AGENDA

RETIREMENT BOARD MEETING

SECOND MONTHLY MEETING
January 28, 2015
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. Staff presentation on survey of 1937 Act systems regarding pay items included in "Pensionable Compensation."

4. Consider and take possible action on leave cashout assumption for Tier Safety C.

5. Consider and take possible action regarding employer/member cost sharing of leave cashout assumption.

6. Consider and take possible action on employer contribution rates effective July 1, 2015 for Central Contra Costa Sanitary District.

7. Consider and take possible action on contribution rates effective January 1, 2015 and July 1, 2015 for Contra Costa County Fire Protection District.

8. Consider and take possible action on renewal of contract with Segal Consulting for actuarial services.

9. Consider and take possible action to adopt Resolution 2015-1 providing for salary and benefits for unrepresented employees of CCCERA effective January 1, 2015.

10. Consider and take possible action to adopt the pay schedules for all CCCERA classifications effective January 1, 2015.

11. Consider and take possible action to approve the proposed CCCERA CEO employment agreement and authorize Board Chairperson to execute on behalf of the Board.

12. Consider and take possible action to revise investment guidelines for Adelante Capital Management.

> 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.

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13. Consider and take possible action regarding recommendation from Investment Consultant Search Committee regarding finalist candidates.

14. Consider authorizing the attendance of Board and/or staff:
    a. RFK Compass Conference – West Coast, Sausalito, CA, March 4-5, 2015.
    b. PIMCO Client Conference: INSIGHT 2015, Newport Beach, CA, March 15-18, 2015 (Note: Staff only).

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

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CONTRA COSTA COUNTY CCCERA
Employees' Retirement Association

MEETING DATE
JAN 28 2015
AGENDA ITEM
3

MEMORANDUM

Date: January 28, 2015

To: CCCERA Board of Retirement

From: Kurt Schneider, Deputy Retirement Chief Executive Officer

Subject: Survey of CERL Systems Regarding Pensionable Compensation

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Background

On September 12, 2012, PEPRA was enacted and created a new definition of "pensionable compensation" which applies to new members entering CCCERA on or after January 1, 2013.

At the December 12, 2012 CCCERA Board meeting, the Retirement Board determined that "pensionable compensation" under Government Code §7522.34 is limited to base pay but that the determination is subject to being revisited based on future developments in the law, and also on any future positions taken by CalPERS.

On December 27, 2012, CalPERS published a Circular Letter to its participating employers with information regarding PEPRA. CalPERS' circular stated that CalPERS intends to promulgate regulations to, among other things, include a list of these additional pay items as "pensionable compensation" which CalPERS' participating employers would be reporting as pensionable. CalPERS statutes and regulations refer to these pay items as "special compensation," which includes certification pay, special shift or assignment pay, longevity and bilingual bonuses, etc.

In light of this development, the Board directed CCCERA staff to conduct an analysis of all pay items beyond base pay for all participating employers in order to determine whether they meet the definition of "pensionable compensation." On April 10, 2013 and September 4, 2013, staff presented analyses which included detailed spreadsheets for all pay items under consideration. At the September 4, 2013 meeting the Board determined that "pensionable compensation" would be limited to base pay. This decision is reflected in the Board's Policy on "pensionable compensation" adopted September 10, 2014. (Copy enclosed.)

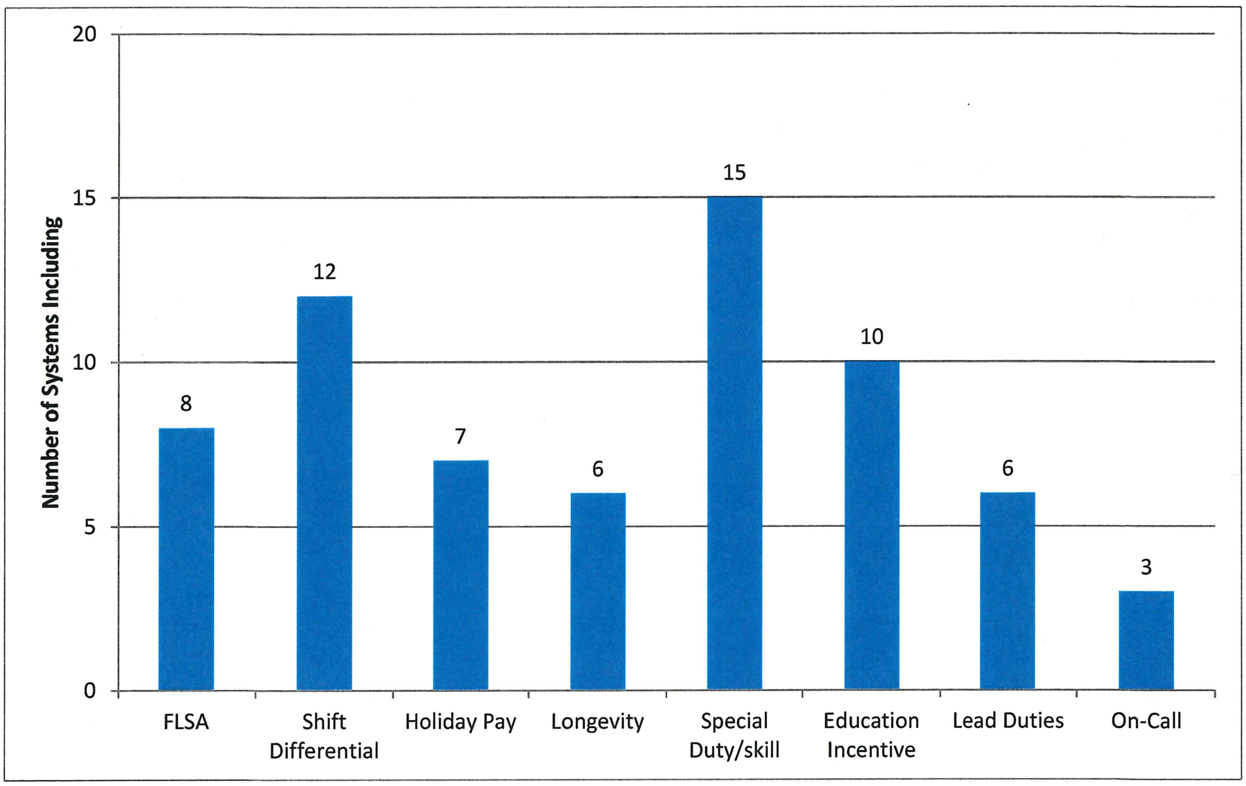
On August 20, 2014, CalPERS adopted its final regulation defining "pensionable compensation" for CalPERS members. The CalPERS regulation includes 99 pay items beyond base pay in "pensionable compensation" for CalPERS members. In light of this action, the Board directed CCCERA staff to survey other 1937 Act systems to determine what pay items beyond base pay are included in "pensionable compensation" in other counties.

Survey Results

The results of the survey are below.

Aside from CCCERA, there are 19 other 1937 Act systems. All 19 systems were surveyed and were able to provide information on included pay items. A sample of pay items included by the other 1937 Act systems are shown below.

Included Pay Items by Type



Two other CERL systems, Stanislaus and Sacramento, like CCCERA, include only base pay in pensionable compensation. Marin and Ventura, meanwhile, currently include only one pay item in addition to base pay, FLSA pay.

Issues to consider

- As directed by the Board, no retirement contributions have been collected on any items of pay beyond base pay for CCCERA PEPRA members.
- CCCERA stakeholders have not officially weighed in on this matter. The Board has received correspondence from the DSA requesting a re-evaluation of the policy. (Copy enclosed.)

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A14-3

CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
BOARD OF RETIREMENT

POLICY ON DETERMINING "PENSIONABLE COMPENSATION" UNDER PEPRA FOR PURPOSES OF CALCULATING RETIREMENT BENEFITS

Adopted: 9/10/2014

I. INTRODUCTION

In 2012, the Legislature enacted and the Governor signed into law Assembly Bill 340, which included the California Public Employees' Pension Reform Act of 2013 ("PEPRA.") PEPRA changes the terms, conditions and calculation of retirement allowances for new CCCERA members from those previously in place for "Legacy Members" of CCCERA. This Policy is effective as to the calculation and amount of retirement allowances for those members of CCCERA who become "new members" of the retirement system, as defined in PEPRA, Gov. Code Section 7522.04(f), on or after January 1, 2013.

II. PURPOSE

The purpose of this Policy is to implement provisions of PEPRA relating to member compensation included in pensionable compensation in accordance with G.C. Section 7522.34. Pursuant to PEPRA, "pensionable compensation" is used to calculate members' retirement allowances. (Note: "Pensionable compensation" under PEPRA is comparable to "compensation earnable" under the County Employees' Retirement Law of 1937, which is used to calculate the retirement allowances of Legacy Members.)

III. POLICY

Applicable Law: PEPRA defines "pensionable compensation" as follows:

> *"Pensionable compensation" of a new member of any public retirement system means the normal monthly rate of pay or base pay of the member paid in cash to similarly situated members of the same group or class of employment for services rendered on a full-time basis during normal working hours, pursuant to publicly available pay schedules.*
>
> *Compensation that has been deferred shall be deemed pensionable compensation when earned rather than when paid.*
>
> (Gov. Code Section 7522.34(a) and (b).)

PEPRA excludes from "pensionable compensation" the following:

(1) Any compensation determined by the board to have been paid to increase a member's retirement benefit under that system.
(2) Compensation that had previously been provided in kind to the member by the employer or paid directly by the employer to a third party other than the retirement system for the benefit of the member and which was converted to and received by the member in the form of a cash payment.
(3) Any one-time or ad hoc payments made to a member.
(4) Severance or any other payment that is granted or awarded to a member in connection with or in anticipation of a separation from employment, but is received by the member while employed.
(5) Payments for unused vacation, annual leave, personal leave, sick leave, or compensatory time off, however denominated, whether paid in a lump sum or otherwise, regardless of when reported or paid.
(6) Payments for additional services rendered outside of normal working hours, whether paid in a lump sum or otherwise.
(7) Any employer-provided allowance, reimbursement, or payment, including, but not limited to, one made for housing, vehicle, or uniforms.
(8) Compensation for overtime work, other than as defined in Section 207(k) of Title 29 of the United States Code [FLSA].
(9) Employer contributions to deferred compensation or defined contribution plans.
(10) Any bonus paid in addition to the compensation described in subdivision (a) [of G.C. § 7522.34].
(11) Any other form of compensation a public retirement board determines is inconsistent with the requirements of subdivision (a) [of G.C. § 7522.34].
(12) Any other form of compensation a public retirement board determines should not be pensionable compensation.

(Gov. Code Section 7522.34(a) and (b).)

<u>CCCERA Policies and Practices</u>. The CCCERA Board has determined that "Pensionable Compensation" includes "base pay." Pensionable compensation does not include any pay other than base pay, in accordance with Govt. Code Sections 7522.34(c)(11) and (12).

For purposes of determining the amount of "pensionable compensation," pensionable compensation shall be limited to the amount listed on "publicly available pay schedules." A "publicly available pay schedule" must meet all of the following requirements:

1. Has been duly approved and adopted by the employer's governing body in accordance with requirements of applicable public meetings laws;

2. Identifies the position title for every employee position;

3. Shows the pay rate for each identified position, which may be stated as a single amount or as multiple amounts within a range;

4. Indicates the time base, including, but not limited to, whether the time base is hourly, daily, bi-weekly, monthly, bi-monthly, or annually;

5. Is posted at the office of the employer or immediately accessible and available for public review from the employer during normal business hours or posted on the employer's internet website;

6. Indicates an effective date and date of any revisions;

7. Is retained by the employer and available for public inspection for not less than five years; and

8. Does not reference another document in lieu of disclosing the pay rate.

Whenever an employer fails to meet all of the foregoing requirements, the Retirement Board, in its sole discretion, may determine an amount that will be considered to be "pensionable compensation," taking into consideration all information it deems relevant including, but not limited to:

(a) Documents approved by the employer's governing body in accordance with requirements of public meetings laws and maintained by the employer; and

(b) Pensionable compensation earned by the member that last met the foregoing requirements.

This policy was adopted by the Board of Retirement on September 10, 2014 and supersedes the predecessor "Second Addendum to Policy for Determining Which Pay Items are 'Compensation' for Retirement Purposes."

RECD SEP 24 2014

Contra Costa County Deputy Sheriffs Association

September 23, 2014

CCCERA
1355 Willow Way, Suite 221
Concord, CA 94520

Subject: Determining pensionable compensation for PEPRA members

Board of Trustees:

In October 2012, Governor Brown signed AB 340 (PEPRA) changing the future of public employee pensions in the State of California. This new law, intended to affect "new members", went into effect on January 1, 2013, and was designed to bring greater transparency and consistency to California's pension systems operating under PERL and CERL; these include CalPERS, CalSTRS, and the 20 "1937-Act" Counties.

As a result, the various governing bodies of these pension systems set out to interpret and apply this new law. On December 12, 2012, agenda item number 9: Addendum to "Compensation for Retirement Purposes" policy for new members on or after January 1, 2013 (PEPRA)", was discussed. During the Board's conversation of this item, there appears to have been considerable discussion about how other 37-Act systems and CalPERS were viewing and defining terms within the new statute. CCCERA Council, Karen Levy, recommended that the pensionable compensation implementation approach selected by CCCERA should be subject to further clarification of the law, including legislative and decisional law, as well as clarification from CalPERS on how they intend to implement "pensionable compensation."

Between December 2012 and April 2013, CCCERA underwent an analysis of determining which employer pay codes met the statutory requirements for pensionable compensation under PEPRA, Government Code Section 7522.34. The analysis required the individual pay code items meet four statutory requirements in order to be considered as pensionable compensation. The analysis concluded that there were existing employer pay codes which did, and not, meet the requirements to be included in pensionable compensation for PEPRA members. At the April 10, 2013 CCCERA Board meeting, and despite the above mentioned extensive efforts to clarify legislative intent, the Board remained divided about whether or not items beyond base pay were intended by the legislature to be included in final compensation.

During the September 4, 2013, CCCERA Board meeting, a divided board voted to take the position that base pay ONLY would be included when calculating a new PEPRA members final average salary. This decision was voted on despite available information that other 37 Act systems, and CalPERS, were still including items above base pay and had yet to amend their respective final compensation polices for PEPRA members.

Nearly one year later, CalPERS finally decided to formally adopt their final compensation policy for PEPRA Members. Prior to formally adopting their new policy, CalPERS published a circular letter outlining which pay items beyond "base pay" would be used in calculating final average salary for PEPRA members. Similarly, other 37 Act systems like ACERA (Alameda County) and LACERA (Los Angeles County) have adopted policies which reasonably include pay items beyond that of base pay. In a letter from Gov. Brown, dated August 15, 2014 (attached), to the Director of CalPERS, Governor Brown states the following:

> ***While the proposed regulations are largely consistent with the purposes of our Pension Reform Act*** *(emphasis added), they would improperly allow temporary pay resulting from short-term promotions to count towards workers' pensions. This disregards the rule that pensions will be based on normal monthly pay and not on short term, ad hoc pay increases.*

1780 Muir Road, Martinez, CA 94553 (925) 228-9710 Fax (925) 228-1637

This paragraph in Governor Brown's letter, finally makes very clear the intent of the PEPRA legislation, and supports the DSA's long-held position that using base-pay only to determine a PEPRA members final average salary was not the intent of the Governor or the Legislature. What is equally clear is that the viewpoint and analysis held by retirement associations representing the majority of public employees statewide is inconsistent with those of CCCERA.

From the beginning, the DSA has stated that there is a difference between "base pay" and "normal monthly rate of pay". These words do not mean the same thing; nor should they be an "option" for retirement boards to select according to which definition better suits their political taste.

The fact is, some classifications are truly base pay only, while other classifications have built in, institutionally recognized, permanent or semi-permanent pay premiums which make up the normal monthly rate of pay for similarly situated members within the classification. Consistency on this issue statewide is extremely important for Contra Costa County to recruit and retain quality employees for its workforce.

With this new light being shed on the California pension landscape, the Deputy Sheriff's Association is requesting CCCERA reevaluate its pensionable compensation policy for PEPRA members. Additionally, we respectfully request the topic be placed on the next available Board of Trustees agenda for open discussion/take possible action, and that notification be sent to all stakeholders.

Sincerely,

Ken Westermann
President
Contra Costa DSA

Segal Consulting

100 Montgomery Street Suite 500 San Francisco, CA 94104-4308
T 415.263.8200 www.segalco.com

MEETING DATE
JAN 28 2015
AGENDA ITEM
#4

January 22, 2015

Mr. Kurt Schneider
Deputy Chief Executive Officer
Contra Costa County Employees' Retirement Association
1355 Willow Way, Suite 221
Concord, CA 94520

Re: Leave Cashout Assumptions Used in Annual Actuarial Valuation Including Proposed Change to Safety Tier C Assumption

Dear Kurt:

As requested, this letter provides information regarding the leave cashout assumptions used in the annual actuarial valuation. Note that for purposes of this letter and the annual actuarial valuation we use the term "leave cashouts" as a broad term that includes such items as vacation sellbacks during the final average salary (FAS) period. In addition, we have included a detailed discussion of the leave cashout assumption for Safety Tier C and are proposing a change to that assumption.

BACKGROUND

In 1997 the Board adopted a policy that determined which pay items are considered compensation for retirement purposes. Under that policy, various types of leave cashouts were included in the determination of compensation for retirement purposes.

In March 2010, the Board adopted a change to this policy for members with membership dates on or after January 1, 2011[1]. Under this amended policy, certain types of leave cashouts are no longer included in the determination of compensation for retirement purposes.

On September 12, 2012, the Governor signed into law Assembly Bill 197, with an effective date of January 1, 2013. The measure changed how county retirement boards were permitted to calculate their current members' retirement allowances. For CCCERA, this effectively made

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[1] Note that as a result of the passage of the California Public Employees' Pension Reform Act of 2013 (CalPEPRA), leave cashouts would no longer be considered in determining Pensionable Compensation for members covered by the CalPEPRA plans.

members with membership dates before January 1, 2011 subject to the policy that currently applies to members with membership dates on or after January 1, 2011.

We understand that the Contra Costa County Superior Court has entered a judgment in the litigation and a Writ directing CCCERA to proceed to comply with AB 197. However, the matter was appealed and a request was filed on June 9, 2014 with the Court of Appeal for an immediate "stay" of the Superior Court's ruling. On June 30, 2014, the Court of Appeal issued an order denying the request for an additional stay. Therefore, we understand that CCCERA is required to implement the AB 197 changes in calculating benefits for all retirements with an effective date of July 12, 2014 or later. It is our understanding from the Association that a final resolution of this issue in the courts could take several years.

At its July 9, 2014 meeting, the Board decided that the December 31, 2013 valuation should be completed assuming that AB 197 will be implemented according to the judge's final ruling, regardless of the fact that the appeal is ongoing.

In addition, the Board decided to discontinue allowing a practice sometimes referred to as "straddling" where employees could time their leave cashouts so that two leave cashouts would occur during their 12-month final average earnings period. The Board decided that on a prospective basis only one such payment should be included in final average earnings.

Current Leave Cashout Assumptions

CCCERA provided us with updated leave cashout information for actual retirements during the period from January 1, 2010 through December 31, 2012 (the same period over which information was collected for the last experience study). That information was adjusted to reflect the hypothetical impact of AB 197 and the discontinuation of "straddling" on those members. Based on that information, we recommended new leave cashout assumptions for all non-PEPRA members that were adopted by the Board on August 13, 2014 and were used in the December 31, 2013 actuarial valuation.

The table below contains those current leave cashout assumptions as a percentage of final average pay for non-PEPRA members.

	All Non-PEPRA Members
Cost Group 1:	1.50%
Cost Group 2:	0.50% for Tier 2 0.75% for Tier 3
Cost Group 3:	6.50%
Cost Group 4:	0.25%
Cost Group 5:	1.50%
Cost Group 6:	1.25%
Cost Group 7:	0.75%
Cost Group 8:	0.75%
Cost Group 9:	0.25%
Cost Group 10:	1.50%
Cost Group 11	3.00%
Cost Group 12:	3.50%

HOW THE LEAVE CASHOUT ASSUMPTIONS ARE DETERMINED

Normally, the leave cashout assumptions are reviewed every three years at the time of the actuarial experience study. The next actuarial experience study is scheduled to be performed as of December 31, 2015.

For each experience study, we request and receive data from the Association that contains information on leave cashouts for members that retired during the three-year period ending on the date of the experience study. That data includes the amount of leave cashouts the member actually received at retirement under CCCERA's Compensation Earnable Policy that applied at their retirement date. In addition (as was done last year and described above), we would also be provided with the amount of leave cashouts the member would have <u>hypothetically</u> received at retirement under CCCERA's <u>current</u> Compensation Earnable Policy.

Specifically, the following types of leave cashouts could potentially be included in Compensation Earnable and as appropriate would be included in the <u>actual</u> cashout data sent to us:

- Vacation sales
- Vacation payoffs
- Holiday compensation payoffs
- Personal holiday payoffs
- Sabbatical hours payoffs
- Sick leave payoffs (only for Central Contra Costa Sanitary District)
- Administration leave payoffs (a few districts only)

We understand that the only type of leave cashout that might generally be included under the current rules for County members would be vacation sales. This means that the hypothetical data we receive would be adjusted to include only vacation sales for County members.

Any proposed changes to the assumptions would be based on a combination of the actual or more likely the hypothetical experience in the next experience study and the current leave cashout assumption.

DISCUSSION AND PROPOSED CHANGE TO SAFETY TIER C LEAVE CASHOUT ASSUMPTION

At the August 13, 2014 meeting there was significant discussion regarding the adopted Safety Tier C leave cashout assumption of 0.25%. Since Safety Tier C is a newer tier, there have been very few actual retirements from this tier. For this reason, we have historically proposed leave cashout assumptions for Safety Tier C that are about one-third of those used for Safety Tier A. This is because Safety Tier C uses a three-year FAS period compared to a one-year FAS under Safety Tier A.

The actual experience during the period from January 1, 2010 through December 31, 2012 included only one Safety Tier C retiree and that member had no leave cashouts included in their FAS based on the current policy. At the time, we felt that lowering the assumption to zero based on the experience for one person would not necessarily be appropriate and we proposed the 0.25% assumption that was adopted by the Board.

As requested by the Board, we have conferred with the Association and understand that the following rules currently apply to Safety Tier C based on the most recent Memorandum of Understanding (MOU) and Resolutions:

- Rank & File: No vacation sales allowed
- Management Unit:
  - Hired before November 1, 2011: Allowed to cash out 1/3 of annual accruals per calendar year
  - Hired (or promoted into this MOU) on or after November 1, 2011: No vacation sales allowed
- Unrepresented management:
  - Hired before April 1, 2011: Allowed to cash out 1/3 of annual accruals every 13 months
  - Hired on or after April 1, 2011: No vacation sales allowed

Based on the above information, it was then necessary to look at current Safety Tier C members to see if any of them were hired in 2011 or before as those members would be eligible for some leave cashouts depending on their classification.

Further information provided by the Association showed that, with the exception of one individual, everyone currently in Safety Tier C is covered under the Deputy Sheriffs' Association Rank & File MOU. As stated above, under the current MOU these employees may not sell back vacation leave during service. If any of these employees are promoted to a position covered by the Deputy Sheriffs' Association Management Unit or the Unrepresented Management Resolution, they will not be permitted to sell back vacation leave under the current provision of those documents since the promotion will occur after 2011.

There is one Safety Tier C member currently covered under the Unrepresented Management Resolution who would be permitted to sell back vacation leave. However, as an elected department head this individual does not accrue vacation leave, and his only employment with Contra Costa County thus far was as an elected department head.

Based on this information, we are proposing a reduction in the Safety Tier C leave cashout assumption from 0.25% to 0.00% effective with the December 31, 2014 actuarial valuation.

COST IMPACT

We have estimated the cost impact of the proposed leave cashout assumption change as if it was applied to the December 31, 2013 actuarial valuation. If the proposed change were implemented, the Safety Tier C employer rate would decrease by 0.09% of compensation, where the Normal Cost rate decreased by 0.08% and the Unfunded Actuarial Accrued Liability (UAAL) amortization rate decreased by 0.01%. The Safety Tier C member rate would have decreased by 0.01% of compensation.

Unless otherwise noted, this cost estimate was made using generally accepted actuarial practices and is based on the December 31, 2013 actuarial valuation, including the participant and actuarial assumptions upon which that valuation was based. Calculations were completed under the supervision of John Monroe, ASA, MAAA, Enrolled Actuary.

We are members of the American Academy of Actuaries and we meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein.

Please let us know if you have any questions, and we look forward to discussing this with the Board.

Sincerely,

Paul Angelo, FSA, EA, MAAA
Senior Vice President and Actuary

John Monroe
John Monroe, ASA, EA, MAAA
Vice President and Actuary

AW/bqb

MEETING DATE

JAN 28 2015

AGENDA ITEM

#5

Segal Consulting

CCCERA
Board of Retirement

Follow-up to Application of Leave Cashout Assumptions in Development Member Contribution Rates for Non-PEPRA Members

January 28, 2014

Paul Angelo, FSA
John Monroe, ASA

Segal Consulting

San Francisco

5353757v1

Member Contributions: Leave Cashout Assumption

- Formerly Known as "Terminal Pay" assumption
- Cash outs of accumulated annual vacation leave or compensatory time off
  - Included in benefit calculation as a result of CCCERA's (and other 1937 CERL systems) Paulson Settlement (or Ventura Decision)
    - Similar for other 1937 CERL systems
  - Include in "compensation earnable" if earned and cashed out during final average salary measuring period
    - Excludes unused leave that could not be cashed out annually during service
  - Only applicable to legacy (or non-CalPEPRA plans)
    - Specifically excluded by CalPEPRA for new CCCERA members with membership dates on or after January 1, 2013
- Includes proposed change to Safety Tier C leave cashout assumption

Member Contributions: Leave Cashout Assumption

- After Paulson Settlement, new assumption for leave cashouts at retirement added to actuarial valuation
  - For leave cashouts in final average compensation period
  - Increased actuarial accrued liability and (total) normal cost
  - Increased employer contribution rates
- No change in the 1937 CERL to address calculation of Basic and COLA member contribution rates to reflect for new pay elements as a result of settlement agreements
  - Some systems (including CCCERA) continued to use same pre-Paulsen/Ventura procedure to calculate member contribution rates
- In August 2014 Board adopted a change to include the leave cashout assumption in the Basic member contribution rates
  - No action taken on which option (A or B, discussed later) would be used in the implementation
  - Options differ in how the leave cashout assumptions are pooled across different cost groups with the same tier

Two Policy Options to Calculate Member Contributions

- Two policy options for calculating member contribution rates to reflect additional cashout at retirement
- Option A: For members, include leave cashout assumption in Basic and COLA rates with <u>average</u> leave cashout assumption applied for each <u>tier</u>
  - Develop average assumption for each <u>tier</u> based on cost group specific assumptions
    - Used for Basic member rates for all members in all cost groups within each tier
    - Same increase in Basic member rate for all members in each tier, regardless of cost group
  - Consistent with current practice for COLA member rates
    - Current practice for COLA rates uses same cashout assumption for all cost groups within each tier
    - No change in average or individual COLA member rate

Two Policy Options to Calculate Member Contributions

- Two policy options for calculating member contribution rates to reflect additional cashout at retirement (continued)
- Option B: For members, include leave cashout assumption in Basic and COLA rates with separate leave cashout assumption applied for each cost group
  - Use specific leave cashout assumption for each different cost group
    - Consistent with current practice for employer rates
  - COLA member rates no longer pooled across all members of a tier
    - Change from current practice
    - Instead COLA rates also determined separately for each specific cost group
    - One result: average member rates decrease for some cost groups
      - Decrease from depooling COLA rates greater than increase from including cashout assumption in Basic rates
- NOTE: Option A and Option B have same impact on total average employer rate
  - Differences are by cost group within tiers

Member Contributions - Option A – Review/Comment

- Option A: include leave cashout assumption in Basic and COLA member rates with average leave cashout assumption applied by tier
  - Average assumption for each tier is based on cost group specific leave cashout assumptions
  - Used for Basic and COLA member rates for all cost groups within a tier
  - Six member contribution rate tables for non-PEPRA members
    - Same number of member rates as current method
- Leave cashout assumptions used in employee Basic and COLA contribution rates would reflect average leave cashout experience for each tier:
  - Different cashout assumptions for each cost group pooled across the tier
  - Subsidization of members in higher leave cashout assumption cost groups

Member Contributions as of December 31, 2013: Leave Cashout Assumption Under Option A

Impact of including average leave cashout assumptions for each tier in Basic member rates	Average Non-PEPRA Member Rate Before Adjustment to Basic Rate For Leave Cashout	Average Non-PEPRA Member Rate After Adjustment to Basic Rate For Leave Cashout	Increase in Average Member Rate
Cost Group #1 – General Enhanced Tier 1 (County and Small Districts)	10.57%	10.83%	0.26%
Cost Group #2 – General Enhanced Tier 3 (County and Small Districts)	10.61%	10.66%	0.05%
Cost Group #3 – General Enhanced Tier 1 (Contra Costa Sanitary District)	11.08%	11.34%	0.26%
Cost Group #4 – General Enhanced Tier 1 (Housing Authority)	11.24%	11.50%	0.26%
Cost Group #5 – General Enhanced Tier 1 (CCCFPD)	11.00%	11.26%	0.26%
Cost Group #6 – General Non-Enhanced Tier 1 (Non-Enhanced Districts)	12.41%	12.51%	0.10%
Cost Group #7 – Safety Enhanced Tier A (County)	17.36%	17.46%	0.10%
Cost Group #8 – Safety Enhanced Tier A (East CCCFPD/CCCFPD)	17.13%	17.23%	0.10%
Cost Group #9 – Safety Enhanced Tier C (County)	13.50%	13.50%	0.00%
Cost Group #10 – Safety Enhanced Tier A (Moraga-Orinda FD)	16.90%	17.00%	0.10%
Cost Group #11 – Safety Enhanced Tier A (San Ramon Valley FD)	16.85%	16.95%	0.10%
Cost Group #12 – Safety Non-Enhanced Tier A (Rodeo-Hercules FPD)	15.78%	16.04%	0.26%
All Categories Combined	11.94%	12.02%	0.08%

Member Contributions - Option B – Review/Comment

- Option B: include leave cashout assumption in Basic and COLA member rates with specific assumption applied for each cost group
  - Reflect specific leave cashout assumptions for each different cost group
  - Twelve member contribution rate tables for non-PEPRA members
- Leave cashout assumptions used in employer and employee Basic and COLA contribution rates would reflect specific leave cashout experience for each different cost group
  - If intent is to have leave cashout assumptions used in member rates match more closely with experience of individuals then recommend adoption of Option B

Member Contributions as of December 31, 2013: Leave Cashout Assumption Under Option B

Impact of including leave cashout assumptions for each cost group in Basic member rates	Average Non-PEPRA Member Rate Before Adjustment to Basic Rate For Leave Cashout	Average Non-PEPRA Member Rate After Adjustment to Basic Rate For Leave Cashout	Increase in Average Member Rate
Cost Group #1 – General Enhanced Tier 1 (County and Small Districts)	10.57%	10.58%	0.01%
Cost Group #2 – General Enhanced Tier 3 (County and Small Districts)	10.61%	10.66%	0.05%
Cost Group #3 – General Enhanced Tier 1 (Contra Costa Sanitary District)	11.08%	11.63%	0.55%
Cost Group #4 – General Enhanced Tier 1 (Housing Authority)	11.24%	11.14%	-0.10%
Cost Group #5 – General Enhanced Tier 1 (CCCFPD)	11.00%	10.93%	-0.07%
Cost Group #6 – General Non-Enhanced Tier 1 (Non-Enhanced Districts)	12.41%	12.51%	0.10%
Cost Group #7 – Safety Enhanced Tier A (County)	17.36%	17.39%	0.03%
Cost Group #8 – Safety Enhanced Tier A (East CCCFPD/CCCFPD)	17.13%	17.21%	0.08%
Cost Group #9 – Safety Enhanced Tier C (County)	13.50%	13.50%	0.00%
Cost Group #10 – Safety Enhanced Tier A (Moraga-Orinda FD)	16.90%	17.02%	0.12%
Cost Group #11 – Safety Enhanced Tier A (San Ramon Valley FD)	16.85%	17.21%	0.36%
Cost Group #12 – Safety Non-Enhanced Tier A (Rodeo-Hercules FPD)	15.78%	16.04%	0.26%
All Categories Combined	11.94%	12.02%	0.08%

Discussion

Segal Consulting

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January 22, 2015

Mr. Kurt Schneider
Deputy Chief Executive Officer
Contra Costa County Employees' Retirement Association
1355 Willow Way, Suite 221
Concord, CA 94520

Re: Follow-up Regarding Application of Leave Cashout Assumptions in the Development of Member Contribution Rates for Non-PEPRA Members

Dear Kurt:

As requested by CCCERA, we have prepared follow-up information regarding how the leave cashout assumptions are reflected in the development of member contribution rates for Non-PEPRA members in the actuarial valuation. Detailed information on this subject can be found in our previous letter on this subject that was dated August 6, 2014 and is included as an enclosure. That letter was presented to the Board of Retirement on August 13, 2014.

As described in that letter, previously the leave cashout assumptions were not applied in developing the Basic member contribution rates, but they were applied in developing the member COLA rates. At the August 13, 2014 meeting the Board took action to also include the leave cashout assumptions in the development of the Basic member contribution rates effective with the December 31, 2014 valuation. However, no action was taken regarding which option (A or B as discussed in our August 6 letter) would be used in the implementation. The options differ in how the leave cashout assumptions are pooled across different cost groups with the same tier.

The information that follows regarding each option is similar to that provided in our previous letter, except that the results have been updated based on the December 31, 2013 actuarial valuation. To summarize, the options differ as to the level of cost-sharing or pooling. Option A pools by tier (more pooling and is less reflective of individual member experience) while Option B pools by cost group (less pooling and is more reflective of individual member experience).

Option A - Apply Average Leave Cashout Assumptions for Each Tier in Developing Member Basic Rate

If we were to develop an average leave cashout assumption for each of the tiers (based on the cost group specific leave cashout assumptions) and apply those assumptions in developing the Basic member rates for all members in all cost groups within each tier, it would result in the same amount of increase in the member rates for all members in each tier, regardless of which cost group they are in. There would be a comparable decrease in the employer rates after adjusting the employer rates for refundability. Option A would be consistent with how the COLA member rates are currently pooled across the tiers. For that reason, there would be no change in the COLA member rates. There would be six member contribution rate tables for non-PEPRA members under Option A (one for each tier).

A comparison of the average member contribution rates by cost group based on the December 31, 2013 valuation[1] before and after this adjustment is provided in the table below:

1 The Safety Tier C member contribution rates shown in this letter include the proposed change to the leave cashout assumption for this tier as documented in our letter entitled "Leave Cashout Assumptions Used in Annual Actuarial Valuation Including Proposed Change to Safety Tier C Assumption".

Option A – Apply Average Leave Cashout Assumptions for Each Tier in Member Basic Rate			
	Average Non-PEPRA Member Rate Before Adjustment to Basic Rate For Leave Cashout	Average Non-PEPRA Member Rate After Adjustment to Basic Rate For Leave Cashout	Increase/ (Decrease) in Average Member Rate
Cost Group #1 – General Enhanced Tier 1 (County and Small Districts)	10.57%	10.83%	0.26%
Cost Group #2 – General Enhanced Tier 3 (County and Small Districts)	10.61%	10.66%	0.05%
Cost Group #3 – General Enhanced Tier 1 (Contra Cost County Sanitary District)	11.08%	11.34%	0.26%
Cost Group #4 – General Enhanced Tier 1 (Housing Authority)	11.24%	11.50%	0.26%
Cost Group #5 – General Enhanced Tier 1 (CCCFPD)	11.00%	11.26%	0.26%
Cost Group #6 – General Non-Enhanced Tier 1 (Non-Enhanced Districts)	12.41%	12.51%	0.10%
Cost Group #7 – Safety Enhanced Tier A (County)	17.36%	17.46%	0.10%
Cost Group #8 – Safety Enhanced Tier A (East CCCFPD/CCCFPD)	17.13%	17.23%	0.10%
Cost Group #9 – Safety Enhanced Tier C (County)	13.50%	13.50%	0.00%
Cost Group #10 – Safety Enhanced Tier A (Moraga-Orinda FPD)	16.90%	17.00%	0.10%
Cost Group #11 – Safety Enhanced Tier A (San Ramon Valley FD)	16.85%	16.95%	0.10%
Cost Group #12 – Safety Non-Enhanced Tier A (Rodeo-Hercules FPD)	15.78%	16.04%	0.26%
Grand Total	11.94%	12.02%	0.08%

OPTION B - APPLY LEAVE CASHOUT ASSUMPTIONS SPECIFIC TO EACH COST GROUP IN DEVELOPING MEMBER BASIC RATE

If we were to instead apply the leave cashout assumptions for each cost group in developing separate Basic member rates for members in each cost group, it would also result in an increase in the average member rate and a comparable decrease in the average employer rates after adjusting the employer rates for refundability for most cost groups. However, the rate changes for each cost group would differ as compared to Option A.

Under Option B, the specific leave cashout assumptions for each cost group would be used in the determination of the Basic member rates for the members of that specific cost group. In addition, the COLA member rates would no longer be pooled across all members of a tier as they currently are; instead, they would also be determined separately for each specific cost group. This last point is the reason that the member rates for some cost groups actually show decreases even after including the leave cashout assumption in the determination of the Basic member rate.

A comparison of the average member contribution rates by cost group based on the December 31, 2013 valuation[1] before and after this adjustment is provided in the table below. The "after" column is after changing the member rate methodology to include the leave cashout assumptions for each specific cost group in developing the Basic member contribution rates for that cost group.

This methodology results in twelve different sets of member contribution rates for non-PEPRA members (one for each cost group) as compared to six under Option A (one for each tier).

Option B – Apply Leave Cashout Assumptions for Each Cost Group in Member Basic Rate[2]			
	Average Non-PEPRA Member Rate Before Adjustment to Basic Rate For Leave Cashout	Average Non-PEPRA Member Rate After Adjustment to Basic Rate For Leave Cashout	Increase in Average Member Rate
Cost Group #1 – General Enhanced Tier 1 (County and Small Districts)	10.57%	10.58%	0.01%
Cost Group #2 – General Enhanced Tier 3 (County and Small Districts)	10.61%	10.66%	0.05%
Cost Group #3 – General Enhanced Tier 1 (Contra Cost County Sanitary District)	11.08%	11.63%	0.55%
Cost Group #4 – General Enhanced Tier 1 (Housing Authority)	11.24%	11.14%	-0.10%
Cost Group #5 – General Enhanced Tier 1 (CCCFPD)	11.00%	10.93%	-0.07%
Cost Group #6 – General Non-Enhanced Tier 1 (Non-Enhanced Districts)	12.41%	12.51%	0.10%
Cost Group #7 – Safety Enhanced Tier A (County)	17.36%	17.39%	0.03%
Cost Group #8 – Safety Enhanced Tier A (East CCCFPD/CCCFPD)	17.13%	17.21%	0.08%
Cost Group #9 – Safety Enhanced Tier C (County)	13.50%	13.50%	0.00%
Cost Group #10 – Safety Enhanced Tier A (Moraga-Orinda FPD)	16.90%	17.02%	0.12%
Cost Group #11 – Safety Enhanced Tier A (San Ramon Valley FD)	16.85%	17.21%	0.36%
Cost Group #12 – Safety Non-Enhanced Tier A (Rodeo-Hercules FPD)	15.78%	16.04%	0.26%
Grand Total	11.94%	12.02%	0.08%

2 In addition, the leave cashout assumptions continue to be applied in determining the member COLA rate, however, that calculation is now done separately for each specific cost group instead of on a pooled basis for each tier.

If the intent is to have the leave cashout assumptions used in the determination of the member contribution rate match more closely with the experience of individual members then we recommend that Option B be adopted as there is less cost sharing or pooling under this option.

Unless otherwise noted, these cost estimates were made using generally accepted actuarial practices and are based on the December 31, 2014 actuarial valuation, including the participant and actuarial assumptions upon which that valuation was based. The one exception is that the proposed change to the Safety Tier C leave cashout assumption from our letter entitled "Leave Cashout Assumptions Used in Annual Actuarial Valuation Including Proposed Change to Safety Tier C Assumption" has been reflected in the cost estimates. Calculations were completed under the supervision of John Monroe, ASA, MAAA, Enrolled Actuary.

We are members of the American Academy of Actuaries and we meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein.

Please let us know if you have any comments or questions, and look forward to discussing this issue with the Board.

Sincerely,

John Monroe

Paul Angelo, FSA, MAAA, FCA, EA
Senior Vice President and Actuary

John Monroe, ASA, MAAA, EA
Vice President and Actuary

AW/bqb
Enclosures (5325538)

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~~Meeting Date
08/13/14
Agenda Item
#10~~

August 6, 2014

Mr. Kurt Schneider
Deputy Chief Executive Officer
Contra Costa County Employees' Retirement Association
1355 Willow Way, Suite 221
Concord, CA 94520

Re: Application of Leave Cashout Assumptions in the Development of Member Contribution Rates

Dear Kurt:

As requested by CCCERA, we are providing information regarding a long-standing practice at CCCERA that is followed by Segal (and CCCERA's prior actuary) as to how the leave cashout (formerly terminal pay) assumptions are reflected in the development of the member contribution rates in the actuarial valuation. Note that all results in this letter are based on the proposed leave cashout assumptions for all non-PEPRA members in our letter dated August 5, 2014.

In particular, we have been following the same method used by the prior actuary (presumably applied by them since CCCERA's Paulson Settlement) to reflect leave cashouts at retirement when establishing member contribution rates. For this discussion, "leave cashouts" refer to the cashing out of accumulated annual vacation leave or compensatory time off both earned and available to be cashed out during the final average salary measuring period. The methods – both current and alternative – available to be used to reflect leave cashouts in determining member rates are described in this letter.

BACKGROUND

As a result of CCCERA's Paulson Settlement, leave cashouts count as compensation earnable for use in determining retirement benefits for current legacy members[1].

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1 Note that as a result of the passage of the California Public Employees' Pension Reform Act of 2013 (CalPEPRA), leave cashouts would no longer be considered in determining pensionable compensation for members covered by the CalPEPRA plans.

While there are separate and specific procedures outlined in the County Employees Retirement Law (CERL) of 1937 that public plan actuaries have followed in determining member basic and COLA contribution rates, those procedures were not modified by the legislature after the Paulson Settlement and Ventura Decision in order to clarify how elements of salary that emerge primarily during the final salary averaging period immediately preceding retirement should be treated in determining member basic and COLA contribution rates. As a result, some retirement systems that entered into settlement agreements (including CCCERA) have continued to follow the same procedures used before the Paulson Settlement Agreement to establish member basic and COLA contribution rates. Those procedures are detailed in Attachment A of this letter.

Actuarial assumptions as to expected leave cashout amounts are applied in developing employer contribution rates (basic and COLA) as well as the member COLA contribution rates. However, the additional leave cashout assumptions are not applied in developing member basic contribution rates. A more detailed discussion of all the assumptions that apply in the development of each of the basic and COLA member rates is provided in Attachment A.

It is our recollection that this difference in treatment for the leave cashout assumptions originated from informal discussions among public plan actuaries shortly after the settlement agreements, as well as discussions between those actuaries and their client systems. During those discussions, concerns were expressed that it might not be equitable to apply the same additional leave cashout assumptions (which are based on aggregate plan experience) used in developing employer rates when calculating the individual entry age based basic member rates.

One consideration was that female members might reach retirement with lower levels of accumulated leave as compared to male members. Another consideration was that members entering at younger ages could have more service at retirement and so might have higher leave cashouts at retirement. These considerations are not a concern when setting the employer rates where average experience is pooled across all members of a cost group. However, basing the basic member rates on average leave cashout experience would potentially overcharge (or undercharge) categories of members with generally smaller (or larger) levels of additional leave cashout.

As a result, the leave cashout assumptions were not applied in developing the basic member rates at some 1937 Act systems. Note that (as detailed in Attachment A) even for these systems the member COLA rates did reflect the leave cashout assumptions because, under the 1937 CERL, they are based on the employer COLA rates that do reflect the leave cashout assumption.

It is our understanding that since the settlement agreements many 1937 CERL systems that originally excluded the leave cashout assumption from the basic member rate calculation now include that assumption. To our knowledge, systems that continue to exclude this assumption include CCCERA and VCERA.

LEAVE CASHOUT ASSUMPTIONS

The following assumptions for leave cashout as a percentage of final average pay are proposed in our letter dated August 5, 2014 for use in the December 31, 2013 actuarial valuation for non-PEPRA members pending the Board's approval.

	Membership Date before January 1, 2013
Cost Group 1:	1.50%
Cost Group 2:	0.50% for Tier 2 0.75% for Tier 3
Cost Group 3:	6.50%
Cost Group 4:	0.25%
Cost Group 5:	1.50%
Cost Group 6:	1.25%
Cost Group 7:	0.75%
Cost Group 8:	0.75%
Cost Group 9:	0.25%
Cost Group 10:	1.50%
Cost Group 11	3.00%
Cost Group 12:	3.50%

IMPACT OF LEAVE CASHOUTS ON CONTRIBUTION RATES

The portion of the aggregate employer and member contribution rates due to the proposed leave cashout assumptions based on the December 31, 2012 actuarial valuation is shown in the table below, based on the current practice of not reflecting the leave cashout assumptions in the member basic rates:

Portion of Contribution Rate Due to the Application of the New Leave Cashout Assumptions based on the December 31, 2012 Actuarial Valuation			
	Basic	COL	Total
Employer Normal Cost	0.21%	0.05%	0.26%
Employer UAAL	0.21%	0.08%	0.29%
Member Normal Cost	0.00%	0.04%	0.04%
Total	0.42%	0.17%	0.59%

If the Board wants to change policy so as to reflect the leave cashout assumption in the member basic rates, then there are two ways to do so, depending on how the leave cashout assumptions are pooled across different cost groups within the same tier.

OPTION A - APPLY AVERAGE LEAVE CASHOUT ASSUMPTIONS FOR EACH TIER IN DEVELOPING MEMBER BASIC RATE

If we were to develop an average leave cashout assumption for each of the tiers (based on the cost group specific leave cashout assumptions) and apply those assumptions in developing the basic member rates for all members in all cost groups within each tier, it would also result in an increase in the member rates and a comparable decrease in the employer rates after adjusting the employer rates for refundability. Option A would be consistent with how the COLA member rates are currently pooled across the tiers. So, there would be no change in the COLA member rates. There would be six member contribution rate tables for non-PEPRA members under Option B (one for each tier).

A comparison of the average member contribution rates based on the December 31, 2012 valuation before and after this adjustment is provided in the table below:

Option A – Apply Average Leave Cashout Assumptions for Each Tier in Member Basic Rate			
	Average Member Rate Before Adjustment to Basic Rate For Leave Cashout	Average Member Rate After Adjustment to Basic Rate For Leave Cashout	Increase/ (Decrease) in Average Member Rate
Cost Group #1 – General Enhanced Tier 1 (County and Small Districts)	10.43%	10.67%	0.24%
Cost Group #2 – General Enhanced Tier 3 (County and Small Districts)	10.59%	10.63%	0.04%
Cost Group #3 – General Enhanced Tier 1 (Contra Cost County Sanitary District)	10.83%	11.07%	0.24%
Cost Group #4 – General Enhanced Tier 1 (Housing Authority)	11.09%	11.33%	0.24%
Cost Group #5 – General Enhanced Tier 1 (CCCFPD)	10.69%	10.93%	0.24%
Cost Group #6 – General Non-Enhanced Tier 1 (Non-Enhanced Districts)	12.60%	12.71%	0.11%
Cost Group #7 – Safety Enhanced Tier A (County)	17.06%	17.15%	0.09%
Cost Group #8 – Safety Enhanced Tier A (East CCCFPD/CCCFPD)	16.74%	16.84%	0.10%
Cost Group #9 – Safety Enhanced Tier C (County)	13.96%	13.98%	0.02%
Cost Group #10 – Safety Enhanced Tier A (Moraga-Orinda FPD)	16.57%	16.68%	0.11%
Cost Group #11 – Safety Enhanced Tier A (San Ramon Valley FD)	16.51%	16.62%	0.11%
Cost Group #12 – Safety Non-Enhanced Tier A (Rodeo-Hercules FPD)	15.68%	15.95%	0.27%
Grand Total	11.86%	11.94%	0.08%

OPTION B - APPLY LEAVE CASHOUT ASSUMPTIONS SPECIFIC TO EACH COST GROUP IN DEVELOPING MEMBER BASIC RATE

If we were to instead apply the leave cashout assumptions for each cost group in developing separate basic member rates for members in each cost group, it would also result in an increase in the average member rate and a comparable decrease in the average employer rates after adjusting the employer rates for refundability for most cost groups. However, the rate changes for each cost group would differ as compared to Option A.

Under Option B, the specific leave cashout assumptions for each cost group are used in the determination of the basic member rates for the members of that specific cost group. In addition, the COLA member rates are no longer pooled across all members of a tier as they currently are; instead they are also determined separately for each specific cost group. This last point is the reason that the member rates for some cost groups actually show decreases even after including the leave cashout assumption in the determination of the basic member rate.

A comparison of the average member contribution rates based on the December 31, 2012 valuation before and after this adjustment is provided in the table below. Note that the "before" column uses the proposed leave cashout assumptions in our August 5, 2014 letter with no change in the member rate methodology. The "after" column is after changing the member rate methodology to include the leave cashout assumptions for each specific cost group in developing the basic member contribution rates for that cost group.

This methodology results in twelve different sets of member contribution rates for non-PEPRA members (one for each cost group) as compared to six under Option A (one for each tier).

Option B – Apply Leave Cashout Assumptions for Each Cost Group in Member Basic Rate[2]			
	Average Member Rate Before Adjustment to Basic Rate For Leave Cashout	Average Member Rate After Adjustment to Basic Rate For Leave Cashout	Increase in Average Member Rate
Cost Group #1 – General Enhanced Tier 1 (County and Small Districts)	10.43%	10.37%	-0.06%
Cost Group #2 – General Enhanced Tier 3 (County and Small Districts)	10.59%	10.63%	0.04%
Cost Group #3 – General Enhanced Tier 1 (Contra Cost County Sanitary District)	10.83%	11.50%	0.67%
Cost Group #4 – General Enhanced Tier 1 (Housing Authority)	11.09%	10.83%	-0.26%
Cost Group #5 – General Enhanced Tier 1 (CCCFPD)	10.69%	10.62%	-0.07%
Cost Group #6 – General Non-Enhanced Tier 1 (Non-Enhanced Districts)	12.60%	12.71%	0.11%
Cost Group #7 – Safety Enhanced Tier A (County)	17.06%	17.10%	0.04%
Cost Group #8 – Safety Enhanced Tier A (East CCCFPD/CCCFPD)	16.74%	16.80%	0.06%
Cost Group #9 – Safety Enhanced Tier C (County)	13.96%	13.98%	0.02%
Cost Group #10 – Safety Enhanced Tier A (Moraga-Orinda FPD)	16.57%	16.74%	0.17%
Cost Group #11 – Safety Enhanced Tier A (San Ramon Valley FD)	16.51%	16.87%	0.36%
Cost Group #12 – Safety Non-Enhanced Tier A (Rodeo-Hercules FPD)	15.68%	15.95%	0.27%
Grand Total	11.86%	11.94%	0.08%

[2] In addition, the leave cashout assumptions continue to be applied in determining the member COLA rate, however, that calculation is now done separately for each specific cost group instead of on a pooled basis for each tier.

COLLECTION OF EMPLOYER AND MEMBER CONTRIBUTIONS ON LEAVE CASHOUT

It is our understanding that historically both employer and member contributions are collected on all salaries that are considered pensionable, including the additional leave cashout. We concur with this methodology and recommend that it continue going forward.

Unless otherwise noted, these cost estimates were made using generally accepted actuarial practices and are based on the December 31, 2012 actuarial valuation, including the participant and actuarial assumptions upon which that valuation was based. The one exception is that the proposed leave cashout assumptions from our August 5, 2014 letter have been reflected in the cost estimates. Calculations were completed under the supervision of John Monroe, ASA, MAAA, Enrolled Actuary.

We are members of the American Academy of Actuaries and we meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein.

Please let us know if you have any comments or questions, and look forward to discussing this issue with the Board.

Sincerely,

Paul Angelo, FSA, MAAA, FCA, EA
Senior Vice President and Actuary

John Monroe
John Monroe, ASA, MAAA, EA
Vice President and Associate Actuary

AW/bqb
Enclosures

Attachment A

Detailed Discussion on Development of Member Basic and Member COLA Contribution Rates

MEMBER BASIC CONTRIBUTION RATE

The member basic contribution rate is calculated to fund the present value of a specified percent of final average salary at a specified age.

The present value is calculated assuming a level benefit (i.e., no COLA) payable over a member's lifetime only (i.e., it excludes the 60% automatic continuance payable to an eligible spouse/domestic partner). Both the percent and age are specified for each retirement benefit formula. For instance, for non-PEPRA Safety members covered under the 3% at 50 enhanced benefit formula in Cost Group 7, member basic contribution rates are calculated to fund the present value of a benefit equal to 1% of one-year average salary per year of service assuming that the benefit would be paid commencing at age 50.

Under the current procedure, the following actuarial assumptions are used to calculate the member basic rate:

- Salary increase assumption to project the change in compensation from entry age to the specified age
- Mortality assumption used for service retiree to estimate how long the benefit would be paid to a member at the specified benefit commencement age
- Investment return assumption to calculate the present value of the future benefit and the present value of the future salary in determining the contribution rate

In addition to the partial set of actuarial assumptions described above for calculating the member basic rate, the following experience based actuarial assumptions are included in the valuation (along with a few other minor assumptions) to determine the total basic contribution rate (and hence the net employer's basic contribution rate because that rate is just the difference between the total rate and the member rate):

- Probability of a member with a spouse/domestic partner eligible for an automatic continuance benefit
- Probability of a member either dying, terminating, or becoming disabled and receiving benefits specific to those events
- Probability of service retirement (this is different from the specified benefit commencement age used in developing the member basic rate because the probability of service retirement has been developed based on the experience of members retiring at various actual retirement ages).

- Level of leave cashouts observed at service and disability retirement and has been developed based on the experience of members retiring at actual retirement ages

- Level of additional service due to accumulated sick leave observed at service and disability retirement and has been developed based on the experience of members retiring at actual retirement ages

From the above discussions, the last five actuarial assumptions are only used in developing the employer's basic rate. In particular, the leave cashout assumptions developed using the experience observed at the actual retirement ages are <u>not</u> used in developing the member basic rate.

MEMBER COLA CONTRIBUTION RATE

The member COLA contribution rate is calculated so that the cost to provide a COLA benefit is "shared equally between the county or district and the contributing members" as described in Section 31873 of the CERL.

Based on this definition, the member COLA contribution rates are calculated taking into account the level of the annual COLA benefit plus the full set of actuarial assumptions described above for use in setting the total basic contribution rates. In particular, the actual retirement ages and the leave cashout assumptions developed observed at those ages are used in developing both the member and the employer's COLA rates.

While not every retirement system under the CERL had entered into a settlement agreement, we are aware of one other retirement system that has followed these same procedures in setting member basic and COLA contribution rates. Also, for at least one other system that had entered into a settlement agreement, they originally used the same procedures as described above but amended their procedures so that the leave cashout assumptions observed at the actual retirement ages is applied in developing member basic contribution rates at the specified age.

CONTRA COSTA COUNTY CCCERA
Employees' Retirement Association

MEETING DATE
JAN 28 2015
AGENDA ITEM
#6

MEMORANDUM

Date: January 28, 2015

To: CCCERA Board of Retirement

From: Kurt Schneider, Deputy Retirement Chief Executive Officer

Subject: Contribution Rate Adjustment for Central Contra Costa Sanitary District

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On December 30, 2014, Central Contra Costa Sanitary District (the District) made a $5 million prepayment towards the District's Unfunded Actuarial Accrued Liability (UAAL). Along with a reduction in the UAAL, the prepayment reduces the District's required UAAL contribution rate. Consistent with CCCERA's past practice, the District's contribution rate will be reduced effective July 1, 2015 (the July 1 following receipt of the payment.)

Since the contribution rates scheduled to go into effect July 1, 2015 were determined in the December 31, 2013 Actuarial Valuation, it is the contribution rates in that valuation report that are being adjusted. In order to make that adjustment, the $5 million prepayment is discounted to December 31, 2013 and amortized over 18 years as a level percent of pay based on the assumptions adopted by the Board for that valuation.

The District has contribution rates for two benefit tiers. The contribution rates before the prepayment can be seen on page 25 of the December 31, 2013 Actuarial Valuation. The effect of the prepayment is a reduction of the District's UAAL contribution rate of 1.27% of payroll. The contribution rates, taking into account the prepayment, are shown in the attached letter from CCCERA's actuary, Segal Consulting.

Recommendation: Adopt the contribution rates for the District as shown in the attached letter from Segal Consulting, effective July 1, 2015.

Segal Consulting

100 Montgomery Street Suite 500 San Francisco, CA 94104-4308
T 415.263.8260 www.segalco.com

John W. Monroe, ASA, MAAA, EA
Vice President & Actuary
jmonroe@segalco.com

VIA E-MAIL

January 12, 2015

Mr. Kurt Schneider
Deputy Chief Executive Officer
Contra Costa County Employees' Retirement Association
1355 Willow Way, Suite 221
Concord, CA 94520

Re: Contra Costa County Employees' Retirement Association 2015/2016 Employer Contribution Rates Reflecting Central Contra Costa Sanitary District Prepayment Towards Unfunded Actuarial Accrued Liability (UAAL)

Dear Kurt:

We have been provided information from CCCERA regarding Central Contra Costa Sanitary District's ("the District") $5 million prepayment towards their December 31, 2013 UAAL. The prepayment will be amortized over 18 years as a level percent of pay and will be used to reduce Central Contra Costa Sanitary District's UAAL contribution rate.

We understand that the $5 million prepayment was made on December 30, 2014 so the UAAL rate reduction for the District would be effective on July 1, 2015, which is the date that the contribution rates from the December 31, 2013 valuation become effective.

In order to determine the reduction in the UAAL, we have discounted the $5 million prepayment back to the December 31, 2013 valuation date using the current 7.25% investment return assumption. That discounted prepayment was then amortized over an 18-year period as level percent of pay installments, with the resulting current amortization credit divided by the District's payroll from the December 31, 2013 valuation. The resulting percentage amount represents the reduction in the District's UAAL contribution rate effective for the 2015/16 fiscal year. The District's contribution rates for the 2015/2016 fiscal year after applying the UAAL rate reduction are shown in Exhibit A.

We were also requested to provide a breakdown of how the $5 million prepayment should be allocated between General Tier 1 and General Tier 4 (3% COLA) Basic and COLA reserves. We have based the allocation between Basic and COLA reserves on the Cost Group #3 Basic and COLA UAAL rates as of December 31, 2013. The allocation between General Tier 1 and General Tier 4 (3% COLA) are based on the Cost Group #3 payroll under the two tiers. This allocation is shown in the table below:

	General Tier 1	General Tier 4	Total
Basic	$3,281,384.74	$45,377.78	$3,326,762.52
COLA	$1,650,414.15	$22,823.33	$1,673,237.48
Total	$4,931,798.89	$68,201.11	$5,000,000.00

These calculations are based on the December 31, 2013 actuarial valuation results including the participant data and actuarial assumptions on which that valuation was based. That valuation and these calculations were completed under the supervision of John Monroe, ASA, MAAA, Enrolled Actuary. The undersigned is a member of the American Academy of Actuaries and meets the qualification requirements to render the actuarial opinion contained herein.

Sincerely,

John Monroe

John Monroe

AW/hy
Enclosure

Exhibit A
Central Contra Costa Sanitary District Contribution Rates for 2015/16 Fiscal Year After Reflecting $5 Million Prepayment

Cost Group #3

General Tier 1

	Basic	COLA	Total
Normal Cost	13.26%	4.20%	17.46%
UAAL	27.85%	14.00%	41.85%
Total	41.11%	18.20%	59.31%

General Tier 4 (3% COLA)

	Basic	COLA	Total
Normal	9.20%	3.42%	12.62%
UAAL	27.85%	14.00%	41.85%
Total	37.05%	17.42%	54.47%

CONTRA COSTA COUNTY CCCERA
Employees' Retirement Association

MEETING DATE
JAN 28 2015
AGENDA ITEM
7

MEMORANDUM

Date: January 28, 2015

To: CCCERA Board of Retirement

From: Kurt Schneider, Deputy Retirement Chief Executive Officer

Subject: PEPRA Safety Tier E (2% COLA) Contribution Rates for Contra Costa County Fire Protection District

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On December 19, 2014, the Board of Directors of the Contra Costa County Fire Protection District approved a Memorandum of Understanding (MOU) with IAFF, Local 1230, which grants employees who become new Safety members of CCCERA, on or after January 1, 2015, a post-retirement cost-of-living adjustment limited to 2% per year. This means that new PEPRA Safety members covered by this MOU will enter Safety Tier E.

The System's actuary, Segal Consulting, has calculated member and employer rates for this District for Safety Tier E. The contribution rates effective January 1, 2015 are based on the December 31, 2012 Actuarial Valuation, and the contribution rates that will go into effect July 1, 2015 are based on the December 31, 2013 Actuarial Valuation.

Recommendation: Adopt the employer contribution rates as shown in the Segal letter.

Segal Consulting

100 Montgomery Street Suite 500 San Francisco, CA 94104-4308
T 415.263.8260 www.segalco.com

John W. Monroe, ASA, MAAA, EA
Vice President & Actuary
jmonroe@segalco.com

January 12, 2015

Mr. Kurt Schneider
Deputy Chief Executive Officer
Contra Costa County Employees' Retirement Association
1355 Willow Way, Suite 221
Concord, CA 94520

**Re: Contra Costa County Employees' Retirement Association
FY14-15 and FY15-16 Employer and Member Contribution Rates for PEPRA Safety Tier E Members in Contra Costa County Fire Protection District**

Dear Kurt:

Enclosed please find the employer and member contribution rates for PEPRA Safety Tier E members in Contra Costa County Fire Protection District (Cost Group #8) for the the July 1, 2014 through June 30, 2015 fiscal year and the July 1, 2015 through June 30, 2016 fiscal year.

We understand that these contribution rates are necessary for Contra Costa County Fire Protection PEPRA members covered under a MOU recently approved by the Board of Supervisors with the 2% COLA provisions for those who become members on or after January 1, 2015.

The normal cost contribution rates for the period from July 1, 2014 through June 30, 2015 and the period from July 1, 2015 through June 30, 2016 have been developed based on the same methodology used to previously estimate the costs for the PEPRA tiers in the December 31, 2012 valuation. In particular, we have assumed that the demographic profile of the new members covered under this tier can be approximated by the data profiles of active Safety members as of December 31, 2012 (for FY14-15) and as of December 31, 2013 (for FY15-16) with membership dates on or after January 1, 2011. The costs in future actuarial valuations could vary from those shown in this letter as they will be based on the actual demographics of the new members once actual membership data becomes available.

These calculations of the FY14-15 and FY15-16 contribution rates are based on the December 31, 2012 actuarial valuation and December 31, 2013 actuarial valuation results, respectively, including the participant data and actuarial assumptions on which those valuations were based. Those valuations and these calculations were completed under the supervision of John Monroe, ASA, MAAA, Enrolled Actuary. The undersigned is a member of the American Academy of Actuaries and meets the qualification requirements to render the actuarial opinion contained herein.

Sincerely,

John Monroe

John Monroe

AW/bqb
Enclosure

EXHIBIT

Employer Contribution Rates for Contra Costa County Fire Protection District PEPRA Safety Tier E members

Cost Group #8	December 31, 2012 (Recommended Rates for FY 14-15)		
CCCFPD Safety Tier E	**Basic**	**COLA**	**Total**
Normal Cost	11.54%	3.05%	14.59%
UAAL	26.63%	29.09%	55.72%
Total Contributions	38.17%	32.14%	70.31%

Cost Group #8	December 31, 2013 (Recommended Rates for FY 15-16)		
CCCFPD Safety Tier E	**Basic**	**COLA**	**Total**
Normal Cost	12.45%	3.28%	15.73%
UAAL	21.90%	27.67%	49.57%
Total Contributions	34.35%	30.95%	65.30%

Member Contribution Rates for Contra Costa County Fire Protection District PEPRA Safety Tier E members

	December 31, 2012 (Recommended Rates for FY 14-15)		
Cost Group #8	**Basic**	**COLA**	**Total**
CCCFPD Safety Tier E	11.66%	3.09%	14.75%

	December 31, 2013 (Recommended Rates for FY 15-16)		
Cost Group #8	**Basic**	**COLA**	**Total**
CCCFPD Safety Tier E	12.45%	3.28%	15.73%

CONTRA COSTA COUNTY CCCERA
Employees' Retirement Association

MEETING DATE
JAN 28 2015
AGENDA ITEM
#8

MEMORANDUM

Date: January 28, 2015

To: CCCERA Board of Retirement

From: Gail Strohl, Retirement Chief Executive Officer

Subject: Renewal of Contract with Segal Consulting for Actuarial Services

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The term of the Actuarial Services Agreement between CCCERA and The Segal Company (now Segal Consulting) was three years and expired on December 31, 2014. Segal has submitted an actuarial fee proposal to CCCERA for the next three years. If the proposed fees are approved by the Board, the Agreement will be amended to extend it for another three years.

Note that under the terms of the Agreement, either party may terminate the Agreement at any time for any reason by providing at least 30 days prior written notice to the other party. The purpose of the extension of the Agreement is to fix the fees should CCCERA continue to rely on Segal to provide actuarial services for the next three years.

The proposed fees include continued annual increases in the cost of the actuarial valuation of $2,500 (approximately 2.5%) per year. This is partly due to inflation and partly due to the increasing complexity of CCCERA's valuation, mostly notably the addition of six new tiers due to PEPRA. Hourly rates for additional services are proposed to increase at approximately 2% per year.

Recommendation: Consider and take possible action on renewal of contract with Segal Consulting for actuarial services.

Segal Consulting

100 Montgomery Street Suite 500 San Francisco, CA 94104-4308
T 415.263.8200 www.segalco.com

John W. Monroe, ASA, MAAA
Vice President & Actuary
jmonroe@segalco.com

January 16, 2015

Mr. Kurt Schneider
Deputy Chief Executive Officer
Contra Costa County Employees' Retirement Association
1355 Willow Way, Suite 221
Concord, CA 94520

Re: Actuarial Fee Proposal for a Three-Year Contract Renewal

Dear Kurt:

This letter presents our proposed schedule of fixed valuation fees and hourly billing rates for our services to CCCERA, commencing January 1, 2015.

This letter proposes three years of fixed fees and hourly billing rates starting January 1, 2015. Note that the December 31, 2014, 2015 and 2016 actuarial valuations will be performed during 2015, 2016 and 2017, respectively and are shown under those columns in the table below.

Fixed Fee Valuation and Retainer Services

Task	Current: 2014	Proposed: 2015	Proposed: 2016	Proposed: 2017
Actuarial Valuation (includes one meeting)	$95,000	$97,500	$100,000	$102,500
January 1, 2013 through December 31, 2015 Experience Study (includes two meetings)			$60,000	
General Consulting Services (per year)	$16,000	$16,000	$16,000	$16,000

Our fee for the last valuation as of December 31, 2013 was $95,000. Our proposed fees for the next three valuations have been adjusted to reflect the expansion of the valuation to include the new CalPEPRA tiers and implementing leave cashout assumptions in member Basic contribution rates.

Our actual time charges accruals for the 2010 and 2013 experience studies were $77,000 and $69,000, respectively. The increase in the experience study fee is based on this experience and reflects the complex structure of CCCERA's actuarial assumptions.

Hourly Rates for Additional Services

The table below shows the current rates and the rates we are proposing effective January 1, 2015.

Class of Personnel	Current: Jan 2014 to Dec 2014	Proposed: Jan 2015 to Dec 2015	Proposed: Jan 2016 to Dec 2016	Proposed: Jan 2017 to Dec 2017
Principal Actuaries (Angelo)	$495	$500	$500	$510
Reviewing Actuaries	$460	$470	$480	$490
Supervising Actuaries (Monroe)	$440	$450	$460	$470
Senior Actuarial Analysts	$265 - $430	$280 - $440	$290 - $450	$300 - $460
Actuarial Analysts	$160 - $260	$180 - $270	$190 - $280	$200 - $290
Compliance Consultant	$440	$450	$460	$470

GASB DISCLOSURES

As you know, the Governmental Accounting Standards Board (GASB) approved two new Statements affecting the reporting of pension liabilities for accounting purposes. Statement 67 replaces Statement 25 and is for plan reporting. Statement 68 replaces Statements 27 and is for employer reporting. As the valuation results for funding purposes can no longer be used for financial disclosure purposes, we anticipate that there will be significant amount of additional work in preparing the new disclosures. This is especially the case during the first year of implementation as results for the first and prior year(s) have to be compiled under the new Statement.

As the scope of the project is not completely defined at this time[1], we would propose that our cost to assist the Association to comply with the new GASB Statement Nos. 67 and 68 be based on our actual time charges associated with completing these projects. If it is essential that a budget be established ahead of time, then we would suggest a budget in the following ranges for the first year of implementation of each Statement:

[1] For instance, the employers may find it beneficial to request the Association to have Segal prepare the disclosures that are only applicable to Statement No. 68. If this is going to be the case, we can separately identify that cost when we prepare our invoices for the Association.

- $20,000 to $30,000 for GASB 67 reporting for the plan year ending December 31, 2014

- $25,000 to $40,000 for GASB 68 reporting for the fiscal year ending June 30, 2015

These fee estimates include time that has already been spent on implementation. However, our actual billing may turn out to be significantly different depending on how many meetings are needed with the other stakeholders.

Note that after the first few years of implementation, we will have a much better sense regarding the amount of additional fees above those currently charged for the actuarial valuation that will be necessary for the ongoing work associated with complying with GASB Statement No. 67 and 68 in future years. On that basis, if desired we could develop an incremental fixed fee for the GASB related work as of the fixed valuation fees.

We look forward to working with you and the Board of Retirement for the next three years.

Sincerely,

Paul Angelo, FSA, MAAA, FCA, EA
Senior Vice President and Actuary

John Monroe ASA, MAAA, EA
Vice President and Actuary

AW/hy

CONTRA COSTA COUNTY CCCERA
Employees' Retirement Association

MEETING DATE
JAN 28 2015
AGENDA ITEM
#9 & 10

MEMORANDUM

Date: January 28, 2015

To: CCCERA Board of Retirement

From: Christina Dunn, Retirement Administration Manager

Subject: Resolution for Salary and Benefits for Unrepresented Employees and Adoption of Publicly Available Pay Schedules

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Background

On January 1, 2015 the Contra Costa County Employees' Retirement Association ("CCCERA") became an independent employer separate from Contra Costa County ("County") creating the need to implement CCCERA personnel governing documents.

Prior to January 1, 2015 employees at CCCERA were governed by County created documents including Administrative Bulletins, Salary Regulations, Personnel Management Regulations, Management Resolution, Memorandum of Understandings between the County and IFPTE, Local 21 or AFSCME, Local 2700, various Board of Supervisor Resolutions and the CCCERA Department Handbook. As CCCERA creates personnel governing documents that pertain to their staff we will streamline the documents for ease of administration. Staff has created a draft Resolution for Salary and Benefits for Unrepresented Employees and a publicly available pay schedule for all classifications. Staff will be continue to work on creating Personnel Policies, an Employee Benefits Guide and negotiating new Memorandum of Understandings.

Next Steps

In order to provide salary and benefits to unrepresented staff at CCCERA, a resolution should be adopted by the Board of Retirement. Staff have created a draft resolution based on the salary and benefits provided by the County to CCCERA unrepresented employees as of December 31, 2014. Listed below are the main differences between the County Management Resolution and the proposed CCCERA Unrepresented Employees Resolution.

CONTRA COSTA COUNTY CCCERA
Employees' Retirement Association

MEMORANDUM

Items that have been removed from the County Management Resolution and will appear in the *CCCERA Personnel Polices*:

Subject	County Management Resolution Reference
➢ Work Schedule Definitions	Section 1.11
➢ Leave without pay – use of accruals	Section 1.21
➢ Mileage Reimbursement	Section 4
➢ Higher Pay for Work in Higher Classification	Section 9
➢ Length of Service Credits	Section 11.12

Items that have been removed from the County Management Resolution and will appear in the *CCCERA Employee Benefits Guide*:

Subject	County Management Resolution Reference
➢ Loss of Coverage due to layoff	Section 2.14
➢ Health Plan Coverage and Provisions	Section 2.15
➢ Family Member Eligibility for Health and Dental Insurance	Section 2.16
➢ Supplemental Life Insurance	Section 2.25
➢ PERS Long-Term Care	Section 2.28

Items that have been changed from the County Management Resolution:

Subject	County Reference	Change
➢ Health and Dental Coverage upon retirement	Section 2.13	Language added to include time worked at CCCERA
➢ New Retirement Plan (PEPRA)	Section 6	Refers to CCCERA Member Handbooks
➢ Training	Section 7 and Section 17	Included Career Development training and Professional Development Reimbursement

CONTRA COSTA COUNTY CCCERA
Employees' Retirement Association

MEMORANDUM

Items that have been removed from the County Management Resolution and *<u>will not</u>* *appear elsewhere:*

Subject	County Reference	Reason for Deletion
➢ Employees in Classifications who receive Health Care Coverage from CalPERS	Section 2.B	N/A
➢ Catastrophic Leave Bank	Section 2.26	Unable to participate in County's program.
➢ Personal Protective Equipment	Section 3	N/A
➢ County Subvention for Retirement CEO	Section 5.11	As of 7/1/14 no longer applicable
➢ Bilingual Pay Differential	Section 8	N/A
➢ Overtime Exempt Exclusion	Section 11.10	Not utilized by CCCERA staff
➢ Mirror Classifications	Section 11.13	N/A
➢ Deep Classifications	Section 11.14	N/A
➢ Vacation Buy Back for Employees hired on and after 4/1/11	Section 16.B	As of 9/1/13 no longer applies to CCCERA staff
➢ Executive Automobile Allowance	Section 21	N/A
➢ Certified Employee Benefit Specialist (CEBS)	Section 56	Not currently utilized by CCCERA staff

➢ Any items that were specific to other departments in the County were removed.

Recommendation

1. Consider and take possible action to adopt Resolution 2015-1 providing for salary and benefits for unrepresented employees of CCCERA effective January 1, 2015.
2. Consider and take possible action to adopt the publicly available pay schedules for all CCCERA classifications effective January 1, 2015.

MEETING DATE

JAN 28 2015

AGENDA ITEM
#9

BOR Reso. No. 2015-1

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

CCCERA RESOLUTION FOR SALARY AND BENEFITS FOR UNREPRESENTED EMPLOYEES

EFFECTIVE JANUARY 1, 2015

Table of Contents

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 x 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.

<u>Flexible Compensation</u>: 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. **<u>Personal Holidays:</u>**

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. **<u>Vacation:</u>**

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

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

Length of Service*	Monthly Accrual Hours	Maximum Cumulative Hours
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 Retirement 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 Retirement 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 1st 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 Retirement 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:

Years of Payment Continuous Service	Payment of Unused Sick Leave Payable
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. <u>Management Administrative Leave</u>

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 31st of each year.

A. On January 1st of each year, all full-time management employees in paid status, except for the Retirement Chief Executive Officer, will be credited with ninety four (94) hours of paid Management Administrative Leave. The Retirement 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 31st 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. <u>Other Unpaid Leaves:</u>

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.

<u>Request for Leave</u>: As soon as an employee learns of the need for a leave of absence, the employee should submit a request for leave to the Retirement Administration 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 Retirement Administration 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.

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. "Eligible dependents" who become survivors of employees or retirees are not eligible for any monthly premium subsidy.

3. For 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 full premium cost under the health and/or dental plan without any CCCERA premium subsidy.

4. 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.

5. 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.

6. 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.

7. 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 twenty-four (24) months of application for deferred retirement; and
      d. file an election to defer retirement and to continue health benefits hereunder with the Contra Costa County Human Resources Benefits Service Unit 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 10th of each month, to the Contra Costa County Auditor-Controller. 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, provided reinstatement to a CCCERA group health and/or dental plan will only occur following a three (3) full calendar month waiting period after the month in which their retirement allowance commences.

(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 twenty-four (24) months 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.

9. Long-Term Disability Insurance

CCCERA will provide Long-Term Disability Insurance with a replacement limit of eight-five percent (85%) of total monthly base earnings reduced by any deductible benefits.

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)

Employees are eligible to receive an annual eye examination on CCCERA time and at the expense of CCCERA provided that the employee regularly uses a video display terminal at least an average of two (2) hours per day as certified by the employee's supervisor.

Employees certified for examination under this program must make their request through the Contra Costa County Human Resources Benefits Service Unit. Should prescription CVC eyeglasses be prescribed for the employee following the examination, CCCERA agrees to provide, at no cost, basic CVC eye wear consisting of a ten dollar ($10) frame and single, bifocal or trifocal lenses. Employees may, through individual arrangement between the employee and the employees' doctor and solely at the employee's expense, include blended lenses and other care, services or materials not covered by the Plan. Please refer to the Benefits Service Unit of the Contra Costa County Human Resources Department for more information on the CVC Program.

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 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).
3. The employee must have been employed by CCCERA or Contra Costa County for at least 90 calendar days.
4. 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.
5. 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.
6. The employee may not exceed the annual maximum contribution amount allowable by the United States Internal Revenue Code.
7. 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__

Management employees are not entitled to receive overtime pay, holiday pay, holiday compensatory, or overtime compensatory time.

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.

- Chartered Financial Analyst (CFA)

Employees who possess an active CFA 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.

- 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.

Attachment A

Effective January 1, 2015

Class Title	Monthly Salary Range					
	Step 1	**Step 2**	**Step 3**	**Step 4**	**Step 5**	**Step 6**
Retirement Administrative/HR Coordinator	$6,009.02	$6,309.47	$6,624.93	$6,956.19	$7,303.99	$7,669.19
Retirement Benefits Program Coordinator	$6,307.74	$6,623.12	$6,954.27	$7,301.99	$7,667.09	
Retirement Information Technology Coordinator II	$6,307.74	$6,623.12	$6,954.27	$7,301.99	$7,667.09	
Retirement Communications Coordinator	$6,491.48	$6,816.05	$7,156.86	$7,514.70	$7,890.43	
Retirement Administration Manager	$6,747.06	$7,084.41	$7,438.63	$7,810.56	$8,201.08	
Retirement Information Technology Manager	$7,545.81	$7,923.09	$8,319.25	$8,735.21	$9,171.97	$9,630.56
Retirement Investment Analyst	$7,842.89	$8,235.02	$8,646.78	$9,079.11	$9,533.07	
Retirement Accounting Manager	$8,257.27	$8,670.13	$9,103.63	$9,558.81	$10,036.76	
Retirement Benefits Manager	$8,257.27	$8,670.13	$9,103.63	$9,558.81	$10,036.76	
Retirement Compliance Officer	$8,257.27	$8,670.13	$9,103.63	$9,558.81	$10,036.76	$10,538.59
Deputy Retirement Chief Executive Officer	$9,838.93	$10,330.88	$10,847.42	$11,389.80	$11,959.29	$12,556.22
Retirement General Counsel	$10,971.88	$11,520.47	$12,096.50	$12,701.32	$13,336.38	
Retirement Chief Investment Officer	$12,577.39	$13,206.25	$13,866.57	$14,559.90	$15,287.90	
Retirement Chief Executive Officer	$15,166.67					

Attachment B

Health and Dental Coverage Monthly Premium Subsidy

Effective: January 1, 2015

Health Plans:

- Contra Costa County Health Plan, (CCHP), Plan A

  Single: $509.92
  Family: $1,214.90

- Contra Costa County Health Plan, (CCHP), Plan B

  Single: $528.50
  Family: $1,255.79

- Kaiser Permanente Health Plan, Plan A

  Single: $478.91
  Family: $1,115.84

- Kaiser Permanente Health Plan, Plan B

  Single: $478.91
  Family: $1,115.84

- Health Net HMO, Plan A

  Single: $627.79
  Family: $1,540.02

- Health Net HMO, Plan B

  Single: $627.79
  Family: $1,540.02

- Health Net CA & Nat'l PPO, Plan A

  Single: $604.60
  Family: $1,436.25

- Health Net CA & Nat'l PPO, Plan B

  Single: $604.60
  Family: $1,436.25

Attachment B

Dental Plans:

Delta Dental Premier

- Employee Enrolled in Contra Costa County Health Plan, (CCHP), Plan A or B

  Single: $41.17
  Family: $93.00

- Employee Enrolled in Kaiser Permanente Health Plan, Plan A or B

  Single: $34.02
  Family: $76.77

- Employee Enrolled in Health Net HMO, Plan A or B

  Single: $34.02
  Family: $76.77

- Employee not enrolled in a CCCERA Health Plan

  Single: $43.35
  Family: $97.81

Delta Care (PMI)

- Employee Enrolled in Contra Costa County Health Plan, (CCHP), Plan A or B

  Single: $25.41
  Family: $54.91

- Employee Enrolled in Kaiser Permanente Health Plan, Plan A or B

  Single: $21.31
  Family: $46.05

- Employee Enrolled in Health Net HMO, Plan A or B

  Single: $21.31
  Family: $46.05

- Employee not enrolled in a CCCERA Health Plan

  Single: $27.31
  Family: $59.03

MEETING DATE
JAN 28 2015
AGENDA ITEM
10

CCCERA Position Pay Schedules - Effective 1/1/15

Positions represented by Local 2700:

Class Title	Monthly Pay: Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Eligible for Differential: 10 year Longevity 2.50%
Retirement Office Specialist	$3,276.95	$3,440.80	$3,612.83	$3,793.48	$3,983.16	$4,182.32	$4,391.43	$4,611.00	Yes
Retirement Member Services Technician	$3,276.95	$3,440.80	$3,612.83	$3,793.48	$3,983.16	$4,182.32	$4,391.43	$4,611.00	Yes
Retirement Accounting Specialist I	$3,587.28	$3,766.65	$3,954.98	$4,152.72	$4,360.36	$4,469.37	$4,581.11		Yes
Retirement Counselor I	$3,587.28	$3,766.65	$3,954.98	$4,152.72	$4,360.36	$4,469.37	$4,581.11		Yes
Retirement Accounting Technician	$3,943.50	$4,140.67	$4,347.71	$4,565.09	$4,793.35	$5,033.01			Yes
Retirement Accounting Specialist II	$4,139.54	$4,346.52	$4,563.85	$4,792.03	$5,031.64	$5,283.22			Yes
Retirement Counselor II	$4,139.54	$4,346.52	$4,563.85	$4,792.03	$5,031.64	$5,283.22			Yes
Retirement Member Services Data Specialist	$4,139.54	$4,346.52	$4,563.85	$4,792.03	$5,031.64	$5,283.22			Yes
Retitrement Administrative Assistant	$4,209.81	$4,420.31	$4,641.31	$4,873.38	$5,117.05				Yes
Retirement Accounting Specialist III	$4,773.90	$5,012.60	$5,263.22	$5,526.39	$5,802.71	$6,092.85			Yes
Retirement Counselor III	$4,773.90	$5,012.60	$5,263.22	$5,526.39	$5,802.71	$6,092.85			Yes
Retirement Senior Member Services Data Specialist	$4,773.90	$5,012.60	$5,263.22	$5,526.39	$5,802.71	$6,092.85			Yes

Positions represented by Local 21:

Class Title	Monthly Pay: Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Eligible for Differential*: 10 year Longevity 2.50%	15 year Longevity 2.50%	CPA, CGFM, CIA, CMA 5%
Retirement Accountant	$5,451.24	$5,723.80	$6,009.99	$6,310.48	$6,625.97		Yes	Yes	Yes
Retirement Information Technology Coordinator I	$5,483.72	$5,757.90	$6,045.80	$6,348.09	$6,665.50		Yes	Yes	No
Retirement Information System Programmer/Analyst	$5,941.63	$6,238.71	$6,550.65	$6,878.19	$7,222.09	$7,583.20	Yes	Yes	No
Retirement Supervising Accountant	$6,120.78	$6,426.81	$6,748.15	$7,085.56	$7,439.84		Yes	Yes	Yes

Positions unrepresented:

Class Title	Monthly Pay: Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Eligible for Differential*: 10 year Longevity 2.50%	15 year Longevity 2.50%	20 year Longevity 2.00%	CPA, CGFM, 5%	CFA 5%	ASA 5%
Retirement Administrative/HR Coordinator	$6,009.02	$6,309.47	$6,624.93	$6,956.19	$7,303.99	$7,669.19	Yes	Yes	No	No	Yes	Yes
Retirement Benefits Program Coordinator	$6,307.74	$6,623.12	$6,954.27	$7,301.99	$7,667.09		Yes	Yes	No	No	Yes	Yes
Retirement Information Technology Coordinator II	$6,307.74	$6,623.12	$6,954.27	$7,301.99	$7,667.09		Yes	Yes	No	No	Yes	Yes
Retirement Communications Coordinator	$6,491.48	$6,816.05	$7,156.86	$7,514.70	$7,890.43		Yes	Yes	No	No	Yes	Yes
Retirement Administration Manager	$6,747.06	$7,084.41	$7,438.63	$7,810.56	$8,201.08		Yes	Yes	No	No	Yes	Yes
Retirement Information Technology Manager	$7,545.81	$7,923.09	$8,319.25	$8,735.21	$9,171.97	$9,630.56	Yes	Yes	No	No	Yes	Yes
Retirement Investment Analyst	$7,842.89	$8,235.02	$8,646.78	$9,079.11	$9,533.07		Yes	Yes	No	No	Yes	Yes
Retirement Accounting Manager	$8,257.27	$8,670.13	$9,103.63	$9,558.81	$10,036.76		Yes	Yes	No	Yes	Yes	Yes
Retirement Benefits Manager	$8,257.27	$8,670.13	$9,103.63	$9,558.81	$10,036.76		Yes	Yes	No	No	Yes	Yes
Retirement Compliance Officer	$8,257.27	$8,670.13	$9,103.63	$9,558.81	$10,036.76	$10,538.59	Yes	Yes	No	No	Yes	Yes
Deputy Retirement Chief Executive Officer	$9,838.93	$10,330.88	$10,847.42	$11,389.80	$11,959.29	$12,556.22	Yes	Yes	No	No	Yes	Yes
Retirement General Counsel	$10,971.88	$11,520.47	$12,096.50	$12,701.32	$13,336.38		Yes	Yes	Yes	No	Yes	Yes
Retirement Chief Investment Officer	$12,577.39	$13,206.25	$13,866.57	$14,559.90	$15,287.90		Yes	Yes	No	No	Yes	Yes
Retirement Chief Executive Officer	$15,166.67						Yes	Yes	No	No	Yes	Yes

*NOTE: Certificate Differentials can not be combined with other certificate differentials

CONTRA COSTA COUNTY CCCERA
Employees' Retirement Association

MEETING DATE
JAN 28 2015
AGENDA ITEM
11

MEMORANDUM

Date: January 28, 2015

To: Board of Retirement

From: Karen Levy, General Counsel

Subject: Consider and take possible action to approve the proposed CCCERA CEO employment agreement and authorize Board Chairperson to execute on behalf of the Board

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Background:

In May of 2014, the CCCERA Retirement Board entered into an Employment Agreement For Chief Executive Officer with Gail Strohl (the 2014 Agreement). The Board appointed Ms. Strohl pursuant to Government Code Section 31522.2, and Ms. Strohl began her employment as Retirement Chief Executive Officer on July 14, 2014. Prior to January 1, 2015, Government Code Section 31522.2 authorized the Board of Retirement to appoint an Administrator (also known as a "Chief Executive Officer") and provided that the Administrator is an employee of Contra Costa County but not be subject to county civil service or merit system rules. Due to the passage of SB 673, effective January 1, 2015, Section 31522.2 no longer applies; instead, new CERL Section 31522.9 authorizes the Board of Retirement to appoint a Chief Executive Officer who must be an employee of CCCERA and not an employee of Contra Costa County.

Due to the statutory changes summarized above, a new CEO employment agreement is needed. Enclosed, for the Board's consideration, is a proposed new CEO employment agreement. The proposed agreement reflects the same salary, terms and conditions of employment as the 2014 Agreement, except that it specifies that Ms. Strohl is an employee of CCCERA rather than Contra Costa County. It provides that additional benefits applicable to the CEO will be set forth in an Unrepresented Employees Resolution duly adopted by the Board of Retirement, which may be amended and/or restated from time to time. The proposed agreement further provides that, until the effective date of the first such Unrepresented Employees Resolution, Ms. Strohl shall continue to receive the additional benefits as set forth in Resolution No. 2014/205 adopted by the Board of Supervisors of Contra Costa County, as that Resolution applies to County Appointed Department Heads. A copy of Resolution No. 2014/205 is attached as Exhibit A.
Lastly, the proposed agreement brings current Sections 5.1 (severance pay) and 7.17 (refund of relocation expense reimbursement) to reflect that Ms. Stohl has completed 6 full months of employment with CCCERA.

CONTRA COSTA COUNTY CCCERA
Employees' Retirement Association

MEMORANDUM

Recommendation:

Due to the statutory changes caused by the passage of SB 673, we respectfully recommend as follows:

- Approve the enclosed proposed Employment Agreement For Chief Executive Officer with Gail Strohl
- Authorize the Board Chairperson to execute the contract on behalf of the Retirement Board

EMPLOYMENT AGREEMENT
FOR CHIEF EXECUTIVE OFFICER

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CONTRA COSTA COUNTY
EMPLOYEES' RETIREMENT ASSOCIATION

This Employment Agreement for Retirement Chief Executive Officer (this "Agreement") is entered into as of January 1, 2015 (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.

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RECITALS

WHEREAS, prior to the Effective Date, 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

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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 authorizes 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, the Board of Retirement has determined to enter into a contractual arrangement with Strohl pertaining to salary, benefits, working conditions and termination of employment, effective as of the Effective Date; and

WHEREAS, Strohl desires to continue to be employed by CCCERA as Chief Executive Officer under the terms and conditions of this Agreement.

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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

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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 Salary.**

Commencing as of the Effective Date, Strohl's annual base salary shall be One Hundred Eighty Two Thousand Dollars ($182,000.00), paid in arrears as a gross monthly salary of Fifteen Thousand One Hundred Sixty-Six Dollars and Sixty-Seven Cents ($15,166.67), 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. Until the effective date of the first such Unrepresented Employees Resolution, Strohl shall continue to receive the additional benefits as set forth in Resolution No. 2014/205 adopted by the Board of Supervisors of Contra Costa County, as that Resolution applies to County Appointed Department Heads. A true and correct copy of Resolution No. 2014/205 is attached hereto as Exhibit A. Except as provided below, the additional benefits provided to Strohl as set forth in Exhibit A include without limitation, leaves with and without pay, health and dental benefits, executive life insurance, executive professional development reimbursement, and retirement benefits.

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Strohl and Board of Retirement acknowledge that CCCERA and the County of Contra Costa have entered into a Settlement Agreement and Stipulated Judgment ("Settlement Agreement"), attached as Exhibit "B" and incorporated by reference as thou ...

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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

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employment, as of the effective date. In the event that the Board determines to terminate Strohl without cause, the following severance payments shall apply:

i. if the termination is within the seventh (7th) month of employment, the severance shall be a payment equivalent to five (5) month's base salary, without benefits;

ii. if the termination is within the eight (8th) month of employment, the severance shall be a payment equivalent to four (4) month's base salary, without benefits;

iii. if the termination is within the ninth (9th) or any subsequent month of employment, the severance shall be a payment equivalent to three (3) month's base salary, without benefits;

(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;

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(a) 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;

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

(a) 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

(a) 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**

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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, with a severance as determined in accordance with paragraph 5.1(a)(i) through (iv). If the termination results from termination by Strohl, the provisions of paragraph 5.1(b) shall apply and no severance shall be paid to Strohl. In the event the termination is for cause as directed by the Board, the provisions of paragraphs 5.1(c) and 5.2 shall apply, and no severance shall be paid to Strohl. For any termination, voluntary or with or without cause, the remaining terms of this Agreement shall also apply.

7. **Miscellaneous**

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7.1 **Severability.**

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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.

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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.

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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 pre-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.**

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.

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7.12 **<u>Attorneys' Fees</u>.**

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.

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7.13 **<u>Arbitration Agreement.</u>**

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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 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

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7.14 **Relocation Expenses.**

CCCERA has previously reimbursed Strohl for actual and reasonable relocation and moving expenses incurred in connection with her becoming Chief Executive Officer of CCCERA, in the amount of $7,930.59. If this Agreement is terminated by the Board with or without cause pursuant to paragraph 5.1(a) or (c), or Strohl terminates her employment pursuant to paragraph 5.1 (b), the following provisions shall apply:

a. If the termination is within the seventh (7th) month of employment, 5/12 of the reimbursement payment made under this Paragraph 7.14 shall be due and payable and refunded back to CCCERA by Strohl, by set-off or cash payment at CCCERA's election;

a. If the termination is within the eighth (8th) month of employment, 1/3 of the reimbursement payment made under this Paragraph 7.14 shall be due and payable and refunded back to CCCERA by Strohl, by set-off or cash payment at CCCERA's election;

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For a termination occurring after twelve (12) months of employment (i.e., July 14, 2015), the provisions of this section 7.14 shall no longer apply.

CCCERA and Strohl have entered into this Agreement effective January 1, 2015.

[signatures appear on following page]

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CHIEF EXECUTIVE OFFICER:

______________________________ Date:______________________

Gail Strohl

CCCERA:

By:

______________________________ Date:______________________

Brian Hast
Chairperson, Board of Retirement

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EMPLOYMENT AGREEMENT
FOR CHIEF EXECUTIVE OFFICER

CONTRA COSTA COUNTY
EMPLOYEES' RETIREMENT ASSOCIATION

This Employment Agreement for Retirement Chief Executive Officer (this "Agreement") is entered into as of January 1, 2015 (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 the Effective Date, 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 authorizes 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, the Board of Retirement has determined to enter into a contractual arrangement with Strohl pertaining to salary, benefits, working conditions and termination of employment, effective as of the Effective Date; and

WHEREAS, Strohl desires to continue to be employed by CCCERA as Chief Executive Officer under the terms and conditions of this Agreement.

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 Salary.

Commencing as of the Effective Date, Strohl's annual base salary shall be One Hundred Eighty Two Thousand Dollars ($182,000.00), paid in arrears as a gross monthly salary of Fifteen Thousand One Hundred Sixty-Six Dollars and Sixty-Seven Cents ($15,166.67), 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. Until the effective date of the first such Unrepresented Employees Resolution, Strohl shall continue to receive the additional benefits as set forth in Resolution No. 2014/205 adopted by the Board of Supervisors of Contra Costa County, as that Resolution applies to County Appointed Department Heads. A true and correct copy of Resolution No. 2014/205 is attached hereto as Exhibit A. Except as provided below, the additional benefits provided to Strohl as set forth in Exhibit A include without limitation, leaves with and without pay, health and dental benefits, executive life insurance, executive professional development reimbursement, and retirement benefits.

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 following severance payments shall apply:

i. if the termination is within the seventh (7^{th}) month of employment, the severance shall be a payment equivalent to five (5) month's base salary, without benefits;

ii. if the termination is within the eight (8^{th}) month of employment, the severance shall be a payment equivalent to four (4) month's base salary, without benefits;

iii. if the termination is within the ninth (9^{th}) or any subsequent month of employment, the severance shall be a payment equivalent to three (3) month's base salary, without benefits;

(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, with a severance as determined in accordance with paragraph 5.1(a)(i) through (iv). If the termination results from termination by Strohl, the provisions of paragraph 5.1(b) shall apply and no severance shall be paid to Strohl. In the event the termination is for cause as directed by the Board, the provisions of paragraphs 5.1(c) and 5.2 shall apply, and no severance shall be paid to Strohl. For 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.

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.**

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.

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[signatures appear on following page]

CHIEF EXECUTIVE OFFICER:

_______________________________ Date:_______________________

Gail Strohl

CCCERA:

By:

_______________________________ Date:_______________________

Brian Hast
Chairperson, Board of Retirement

EMPLOYMENT AGREEMENT
FOR CHIEF EXECUTIVE OFFICER

CONTRA COSTA COUNTY
EMPLOYEES' RETIREMENT ASSOCIATION

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RECITALS

WHEREAS, prior to the Effective Date, 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

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WHEREAS, effective January 1, 2015, CERL Section 31522.9 authorizes 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, the Board of Retirement has determined to enter into a contractual arrangement with Strohl pertaining to salary, benefits, working conditions and termination of employment, effective as of the Effective Date; and

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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

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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 Salary.**

Commencing as of the Effective Date, Strohl's annual base salary shall be One Hundred Eighty Two Thousand Dollars ($182,000.00), paid in arrears as a gross monthly salary of Fifteen Thousand One Hundred Sixty-Six Dollars and Sixty-Seven Cents ($15,166.67), 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. Until the effective date of the first such Unrepresented Employees Resolution, Strohl shall continue to receive the additional benefits as set forth in Resolution No. 2014/205 adopted by the Board of Supervisors of Contra Costa County, as that Resolution applies to County Appointed Department Heads. A true and correct copy of Resolution No. 2014/205 is attached hereto as Exhibit A. Except as provided below, the additional benefits provided to Strohl as set forth in Exhibit A include without limitation, leaves with and without pay, health and dental benefits, executive life insurance, executive professional development reimbursement, and retirement benefits.

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 following severance payments shall apply:

i. if the termination is within the seventh (7th) month of employment, the severance shall be a payment equivalent to five (5) month's base salary, without benefits;
ii. if the termination is within the eight (8th) month of employment, the severance shall be a payment equivalent to four (4) month's base salary, without benefits;
iii. if the termination is within the ninth (9th) or any subsequent month of employment, the severance shall be a payment equivalent to three (3) month's base salary, without benefits;

(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, with a severance as determined in accordance with paragraph 5.1(a)(i) through (iv). If the termination results from termination by Strohl, the provisions of paragraph 5.1(b) shall apply and no severance shall be paid to Strohl. In the event the termination is for cause as directed by the Board, the provisions of paragraphs 5.1(c) and 5.2 shall apply, and no severance shall be paid to Strohl. For 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.

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.**

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 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.

7.14 **<u>Relocation Expenses.</u>**

CCCERA has previously reimbursed Strohl for actual and reasonable relocation and moving expenses incurred in connection with her becoming Chief Executive Officer of CCCERA, in the amount of $7,930.50. If this Agreement is terminated by the Board with or without cause pursuant to paragraph 5.1(a) or (c), or Strohl terminates her employment pursuant to paragraph 5.1 (b), the following provisions shall apply:

a. If the termination is within the seventh (7th) month of employment, 5/12 of the reimbursement payment made under this Paragraph 7.14 shall be due and payable and refunded back to CCCERA by Strohl, by set-off or cash payment at CCCERA's election;
b. If the termination is within the eighth (8th) month of employment, 1/3 of the reimbursement payment made under this Paragraph 7.14 shall be due and payable and refunded back to CCCERA by Strohl, by set-off or cash payment at CCCERA's election;
c. If the termination is within the ninth (9th) month of employment, 1/4 of the reimbursement payment made under this Paragraph 7.14 shall be due and payable and refunded back to CCCERA by Strohl, by set-off or cash payment at CCCERA's election;
d. If the termination is within the tenth through twelfth (10^{th}- 12^{th}) months of employment, 1/6 of the reimbursement payment made under this Paragraph 7.14 shall be due and payable and refunded back to CCCERA by Strohl, by set-off or cash payment at CCCERA's election;

For a termination occurring after twelve (12) months of employment (i.e., July 14, 2015), the provisions of this section 7.14 shall no longer apply.

CCCERA and Strohl have entered into this Agreement effective January 1, 2015.

[signatures appear on following page]

CHIEF EXECUTIVE OFFICER:

______________________________ Date:________________________

Gail Strohl

CCCERA:

By:

______________________________ Date:________________________

Brian Hast
Chairperson, Board of Retirement

Exhibit

A

THE BOARD OF SUPERVISORS OF CONTRA COSTA COUNTY, CALIFORNIA

and for Special Districts, Agencies and Authorities Governed by the Board

Adopted this Resolution on 07/08/2014 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

RECUSE:

Resolution No. 2014/205

In The Matter Of: Benefits and Other Compensation for County Elected and Appointed Department Heads, Management, Exempt, and Unrepresented Employees for the Period from July 1, 2014 through June 30, 2016 and Until Further Order

The Contra Costa County Board of Supervisors acting solely in its capacity as the governing board of the County of Contra Costa **RESOLVES THAT**:

Effective upon adoption and continuing to June 30, 2016, and until further order of the Board, the Board adopts the attached program of compensation and benefits for County Elected and Appointed Department Heads, Management Employees, Exempt Employees, and Unrepresented Employees. Except for Resolution No. 2002/608 (excluding inconsistent provisions concerning the amount of employee contributions for retirement benefits), as amended, this Resolution supersedes all previous resolutions providing compensation and benefits for the employees listed herein, including but not limited to Resolution No. 2013/299.

Unless expressly provided otherwise, this Resolution is subject to the provisions of resolutions providing general and pay equity salary adjustments, Administrative Bulletins, the 1937 County Employees Retirement Act, the Public Employees Pension Reform Act, the County Salary Regulations, and the County Personnel Management Regulations. This Resolution does not authorize compensation and benefits for any employees of the Contra Costa Superior Court or for any management employee who is represented by an employee organization with a Memorandum of Understanding.

Management and Unrepresented employees include employees in Classified, Project, and Exempt classifications. Unless otherwise expressly provided, compensation and benefits under this Resolution are authorized only for permanent and project employees who work full-time or part-time, twenty (20) or more hours per week.

The full text of this Resolution is attached. Also attached are the following exhibits:

I. **BENEFITS FOR MANAGEMENT, EXEMPT AND UNREPRESENTED EMPLOYEES** are provided for those classes listed in **Exhibit A**.

II. **BENEFITS FOR MANAGEMENT AND EXEMPT EMPLOYEES** are provided for those classes listed in Exhibit A, except for the classes listed in **Exhibit B**.

III. **BENEFITS FOR ELECTED AND APPOINTED DEPARTMENT HEADS** are provided for those classes listed in **Exhibit C**.

IV. **SPECIAL BENEFITS FOR MANAGEMENT EMPLOYEES BY DEPARTMENT OR CLASS** are provided as indicated in each section.

V. **DEPARTMENT HEADS AND THEIR CHIEF ASSISTANTS** for purposes of Section 23 are listed in **Exhibit D**.

VI. **CALPERS HEALTH PLAN CLASSES** for purposes of Section 2 are listed in **Exhibit E**.

Contact: Lisa Driscoll, County Finance Director (925) 335-1023

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: July 8, 2014

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: Robert Campbell, Auditor-Controller, Lisa Driscoll, County Finance Director, Mary Ann McNett Mason, Assistant County Counsel, Kurt Schneider, Deputy Chief Executive Officer

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[end]

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I. BENEFITS FOR MANAGEMENT, EXEMPT, AND UNREPRESENTED EMPLOYEES

1. Leaves With and Without Pay

1.10 Holidays: The County will observe the following 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

Such other days as the Board of Supervisors may designate by Resolution as holidays.

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

1.11 Definitions:

Regular Work Schedule: The regular work schedule is eight (8) hours per day, Monday through Friday, inclusive, for a total of forty (40) hours per week.

Flexible Work Schedule: A flexible work schedule is any schedule that is not a regular, alternate, 9/80, or 4/10 work schedule and where the employee is not scheduled to work more than 40 hours in a "workweek" as defined below.

Alternate Work Schedule: An alternate work schedule is any work schedule where the employee is regularly scheduled to work five (5) days per week, but the employee's regularly scheduled days off are NOT Saturday and Sunday.

4/10 Work Schedule: A 4/10 work schedule is four (4) ten hour days in a seven (7) day period, for a total of forty (40) hours per week.

9/80 Work Schedule: A 9/80 work schedule is where an employee works a recurring schedule of thirty six (36) hours in one calendar week and forty four (44) hours in the next calendar week, but only forty (40) hours in the designated workweek. In the thirty six hour (36) calendar week, the employee works four (4) nine (9) hour days and has the same day of the week off that is worked for eight (8) hours in the forty four (44) hour calendar week. In the forty four (44) hour calendar week, the employee works four (4) nine (9) hour days and one eight (8) hour day.

Workweek for Employees on Regular, Flexible, Alternate, and 4/10 Schedules: For employees on regular, flexible, alternate, and 4/10 schedules, the workweek begins at 12:01 a.m. on Monday and ends at 12 midnight on Sunday. For employees who work in a twenty-four (24) hour facility in the Contra Costa Regional Medical Center and who are not on a 9/80 work schedule, the workweek begins at 12:01 a.m. Sunday and ends at 12:00 midnight on Saturday.

Workweek for Employees on a 9/80 Schedule: The 9/80 workweek begins on the same day of the week as the employee's eight (8) hour work day and regularly scheduled 9/80 day off. The start time of the workweek is four (4) hours and one (1) minute after the start time of the eight (8) hour work day. The end time of the workweek is four (4) hours after the start time of the eight (8) hour work day. The result is a workweek that is a fixed and regularly recurring period of seven (7) consecutive twenty four (24) hour periods (168 hours).

1.12 Holidays Observed: Employees are entitled to observe a holiday (day off work), without a reduction in pay, whenever a holiday is observed by the County.

1.13 Holidays - Flexible, Alternate, 9/80, and 4/10 Work Schedules: When a holiday falls on the regularly scheduled day off of any employee who is on a flexible, alternate, 9/80, or 4/10 work schedule, the employee is entitled to take the day off, without a reduction in pay, in recognition of the holiday. These employees are entitled to request another day off in recognition of their regularly scheduled day off. The requested day off must be within the same month and workweek as the holiday and it must be pre-approved by the employee's supervisor. If the day off is not approved by the supervisor, it is lost. If the approved day off is a nine (9) hour workday, the employee must use one (1) hour of non-sick-leave accruals. If the approved day off is a ten (10) hour workday, the employee must use two (2) hours of non-sick-leave accruals. If the employee does not have any non-sick-leave accrual balances, leave without pay (AWOP) will be authorized.

1.14 Holiday Observed - Part-Time Employees: When a holiday is observed by the County, each part-time employee is entitled to observe the holiday in the same ratio as his/her number of position hours bears to forty (40) hours, multipled by 8 hours, without a reduction in pay. 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 multipled by 8=4.8). Hereafter, the number of hours produced by this calculation will be referred to as the "part-time employee's holiday hours."

When the number of hours in a part-time employee's scheduled work day that falls on a holiday ("scheduled work hours") is less than the employee's part-time employee's holiday hours,the employee also is entitled to receive flexible pay at the rate of one (1.0) times his/her base rate of pay (not including differentials) for the difference between the employee's scheduled work hours and the employee's part-time employee's holiday hours.

When the number of hours in a part-time employee's scheduled work day that falls on a holiday (scheduled work hours) is more than the employee's part-time employee's holiday hours, the employee must use non-sick leave accruals for the difference between the employee's scheduled work hours and the employee's part-time employee's holiday hours. If the employee does not have any non-sick leave accrual balances, leave without pay (AWOP) will be authorized.

1.15 No Overtime Pay, Holiday Pay, or Comp Time: Unrepresented, management, and exempt employees are not entitled to receive overtime pay, holiday pay, overtime compensatory time, or holiday compensatory time. Employees who are unable or not permitted to observe a holiday (take the day off), are authorized to receive overtime pay ONLY IF the employee is on the Overtime Exempt Exclusion List (see Section 11).

1.16 Personal Holiday Credit:

A. County Librarian. The County Librarian is entitled to accrue two (2) hours of personal holiday credit each month. The County Librarian may accrue no more than twenty four (24) hours of personal holiday credit. On separation from County service, the County Librarian will be paid for any unused personal holiday credit hours at his/her then current rate of pay, up to a maximum of twenty four (24) hours.

B. Other Employees. Employees are entitled to accrue two (2) hours of personal holiday credit each month. This time is prorated for part time employees. No employee may accrue more than forty (40) hours of personal holiday credit. On separation from County service, employees are paid for any unused personal holiday credit hours at the employee's then current rate of pay, up to a maximum of forty (40) hours.

1.17 Vacation: Employees are entitled to accrue paid vacation credit not to exceed the maximum cumulative hours as follows:

Length of Service	Monthly Accrual Hours	Maximum Cumulative Hours
Under 11 years	10	240
11 years	10-2/3	256
12 years	11-1/3	272
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

However, for the Director of Employment and Human Services (job code XAA2, County Welfare Director) only, the monthly accrual amount is 12 hours for the first 13 years of County service and the maximum cumulative hours is 240 for the first 11 years of County service. Thereafter, the Director is subject to the maximums set forth in the above chart.

Each employee is eligible to accrue increased vacation hours on the first day of the month following the employee's Service Award Date.

An employee's Service Award Date is the first day of his/her temporary, provisional, or permanent appointment to a position in the County. If an employee is first appointed to a temporary or provisional position and then later appointed to a permanent position, the Service Award Date for that employee is the date of the first day of the temporary or provisional appointment.

1.18 Sick Leave: Employees are entitled to accrue paid sick leave credit in accordance with the provisions of the County Salary Regulations and Administrative Bulletin No. 411.7 (Sick Leave Policy) adopted on October 17, 1997, as periodically amended.

1.19 Part-Time Employees: Part-time employees are entitled to accrue paid vacation and sick leave credit on a pro-rata basis.

1.20 Family Care Leave: The provisions of Section 1006.3 of the Personnel Management Regulations and Resolution No. 94/416, as amended, relating to Leaves of Absence and Family Care Medical Leave apply to all employees covered by this Resolution, except that such employees are not entitled to Family Care or Medical Leave on a calendar year basis. Instead, such employees are entitled to at least eighteen (18) weeks of leave in a "rolling" twelve (12) month period, which period is to be measured backward from the date the employee uses FMLA leave.

1.21 Leave Without Pay - Use of Accruals: The provisions of Section 1006.6 of the Personnel Management Regulations, as amended, relating to the use of accruals while on leave without pay, apply to all employees covered by this Resolution.

2. Health, Dental, and Related Benefits

2.10 Application:

a. Employees in classifications who receive health care coverage from County Plans: The following Sections apply to all employees in classifications covered by this Resolution who receive health care coverage from County Plans and do not receive health plan coverage through CalPERS: Section 2.11 "Health Plan Coverages," Section 2.12 "County Health and Dental Plan Contribution Rates," Section 2.13 "Retirement Coverage," Section 2.14 "Layoff and Other Loss of Coverage," Section 2.15 "Health Plan Coverages and Provisions," and Section 2.16 "Family Member Eligibility."

b. Employees in classifications who receive health care coverage from CalPERS: The following Sections apply to all employees in the classifications listed in Exhibit E: Section 2.17 "CalPERS Controls," Section 2.18 "Contra Costa Health Plan (CCHP)," Section 2.19 "CalPERS Health Plan Monthly Premium Subsidy," Section 2.20 "CalPERS Retirement Coverage," Section 2.21 "CalPERS Premium Payments," and Section 2.22 "Dental Plan - CalPERS Participants."

c. General provisions: The following Sections apply to all employees in all the classifications covered by this Resolution: Section 2.23 " Dual Coverage," Section 2.24 "Life Insurance Benefit Under Health and Dental Plans," Section 2.25 "Supplemental Life Insurance," Section 2.26 "Catastrophic Leave Bank," Section 2.27 "Health Care Spending Account," Sections 2.28 "PERS Long-Term Care," Section 2.29 "Dependent Care Assistance Program," Section 2.30 "Premium Conversion Plan," and Section 2.31 "Prevailing Section."

2.A. Employees In Classifications Who Receive Health Care Coverage From County Plans

2.11 Health Plan Coverages: The County will provide the medical and dental coverage for Management, Exempt, and Unrepresented employees and for their eligible family members, expressed in one of the Health Plan contracts and one of the Dental Plan contracts between the County and the following providers:

a. Contra Costa Health Plans (CCHP)
b. Kaiser Permanente Health Plan
c. Health Net
d. Delta Dental
e. DeltaCare (PMI)

2.12 Monthly Premium Subsidy:

a. For each health and/or dental plan, the County's monthly premium subsidy is a set dollar amount and is not a percentage of the premium charged by the plan. The County will pay the following monthly premium subsidy:

1. Contra Costa County Health Plan, (CCHP), Plan A
Single: $509.92
Family: $1,214.90

2. Contra Costa County Health Plan, (CCHP) Plan B
Single: $528.50
Family: $1,255.79

3. Kaiser Permanente Health Plan

Single: $478.91
Family: $1,115.84

4. Health Net HMO
Single: $627.79
Family: $1,540.02

5. Health Net PPO
Single: $604.60
Family: $1,436.25

6. Delta Dental with CCHP A or B
Single: $41.17
Family: $93.00

7. Delta Dental with Kaiser or Health Net
Single: $34.02
Family: $76.77

8. Delta Dental without a Health Plan
Single: $43.35
Family: $97.81

9. DeltaCare (PMI) with CCHP A or B
Single: $25.41
Family: $54.91

10. DeltaCare (PMI) with Kaiser or Health Net
Single: $21.31
Family: $46.05

11. DeltaCare (PMI) without a Health Plan
Single: $27.31
Family: $59.03

b. If the County contracts with a health or dental plan that is not listed above, the County will determine the monthly dollar premium subsidy that it will pay to that health plan for employees and their eligible family members.

c. In the event that the County premium subsidy amounts are greater than one hundred percent (100%) of the applicable premium of any health or dental plan, for any plan year, the County's contribution will not exceed one hundred percent (100%) of the applicable plan premium.

2.13 <u>Retirement Coverage:</u>

a. <u>Upon Retirement:</u>

1. Upon retirement and for the term of this resolution, eligible employees and their eligible family members may remain in their County health/dental plan, but without County-paid life insurance coverage, if immediately before their proposed retirement the employees and dependents are either active subscribers to one of the County contracted health/dental plans or if while on authorized leave of absence without pay, they have retained continuous coverage during the leave period. The County will pay the health/dental plan monthly premium subsidies set forth in Section 2.12(a) for eligible retirees and their eligible family members.

2. Any person 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.

3. For employees hired on or after January 1, 2009 and their eligible family members, no monthly premium subsidy will be paid by the County for any health or dental plan after they separate from County employment. However, any such eligible employee who retires under the Contra Costa County Employees' Retirement Association ("CCCERA") may retain continuous coverage of a county 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 County employment and (ii) he or she pays the full premium cost under the health and/or dental plan without any County premium subsidy. This provision does not apply to any member of the Board of Supervisors who was a County employee when elected to the Board of Supervisors with a County employee hire date that is earlier than January 1, 2009.

b. Employees Who File For Deferred Retirement: Employees, who resign and file for a deferred retirement and their eligible family members, may continue in their County group health and/or dental plan under the following conditions and limitations.

1. Health and dental coverage during the deferred retirement period is totally at the expense of the employee, without any County contributions.

2. Life insurance coverage is not included.

3. To continue health and dental coverage, the employee must:

i. be qualified for a deferred retirement under the 1937 Retirement Act provisions;
ii. be an active member of a County group health and/or dental plan at the time of filing their deferred retirement application and elect to continue plan benefits;
iii. be eligible for a monthly allowance from the Retirement System and direct receipt of a monthly allowance within twenty-four (24) months of application for deferred retirement; and

iv. file an election to defer retirement and to continue health benefits hereunder with the County Benefits Division within thirty (30) days before separation from County service.

4. Deferred retirees who elect continued health benefits hereunder and their eligible family members may maintain continuous membership in their County 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 10th of each month, to the Contra Costa County Auditor-Controller. When the deferred retirees begin to receive retirement benefits, they will qualify for the same health and/or dental coverage pursuant to subsection (a) above, as similarly situated retirees who did not defer retirement.

5. Deferred retirees may elect retiree health benefits hereunder without electing to maintain participation in their County 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 subsection (a) above, as similarly situated retirees who did not defer retirement, provided reinstatement to a County group health and/or dental plan will only occur following a three (3) full calendar month waiting period after the month in which their retirement allowance commences.

6. Employees who elect deferred retirement will not be eligible in any event for County health and/or dental plan subvention unless the member draws a monthly retirement allowance within twenty-four (24) months after separation from County service.

7. 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.

8. This subpart b "Employees Who File for Deferred Retirement" does not apply to any employee in any classification listed in Exhibit E.

c. Employees Hired After December 31, 2006 - Eligibility for Retiree Health Coverage: All employees hired after December 31, 2006 are eligible for retiree health/dental coverage pursuant to subsections (a) and (b), above, upon completion of fifteen (15) years of service as an employee of Contra Costa County. For purposes of retiree health eligibility, one year of service is defined as one thousand (1,000) hours worked within one anniversary year. The existing method of crediting service while an employee is on an approved leave of absence will continue for the duration of this Resolution.

d. Subject to the provisions of Section 2.13, subparts (a), (b), and (c), and upon retirement and for the term of this resolution, the following employees (and their eligible family members) are eligible to receive a monthly premium subsidy for health and dental plans or are eligible to retain continuous coverage of such plans: County Elected and Appointed Department Heads, Management Employees, Exempt Employees, Unrepresented Employees, and each employee who retired from a position or classification that was unrepresented at the time of his or her retirement.

e. For purposes of this Section 2.13 only, "eligible family members" does not include Survivors of employees or retirees.

2.14 Layoff and Other Loss of Coverage:

a. If a husband and wife both work for the County and one (1) of them is laid off, the remaining employee, if eligible, will be allowed to enroll or transfer into the health and/or dental coverage combination of his/her choice.

b. An eligible employee who loses medical or dental coverage through a spouse or partner not employed by the County will be allowed to enroll or transfer
into the County health and/or dental plan of his/her choice within thirty (30) days of the date coverage is no longer afforded under the spouse's plan.

2.15 Health Plan Coverages and Provisions: The following provisions are applicable to County Health and Dental Plan participation:

a. Health, Dental and Life Participation by Other Employees: Permanent part-time employees working nineteen (19) hours per week or less and permanent-intermittent employees may participate in the County Health and/or Dental plans (with the associated life insurance benefit) at the employee's full expense.

b. Employee Contribution Deficiencies: The County's contributions to the Health Plan and/or Dental Plan premiums are payable for any month in which the employee is paid. If an employee's compensation in any month is not sufficient to pay the employee share of the premium, the employee must make up the difference by remitting the unpaid amount to the Auditor-Controller. The responsibility for this payment rests solely with the employee.

c. Leave of Absence: The County will continue to pay the County shares of health and/or dental plan premiums for enrolled employees who are on an approved paid or unpaid leave of absence for a period of thirty (30) days or more provided the employee's share of the premiums is paid by the employee.

d. Coverage Upon Separation: An employee who separates from County employment is covered by his/her County health and/or dental plan through the last day of the month in which he/she separates. Employees who separate from County employment may continue group health and/or dental plan coverage to the extent provided by the COBRA laws and regulations.

2.16 Family Member Eligibility Criteria: The following persons may be enrolled as the eligible Family Members of a medical and/or dental plan Subscriber:

A. Health Insurance

1. Eligible Dependents:

a. Employee's legal spouse
b. Employee's qualified domestic partner
c. Employee's child to age 26
d. Employee's disabled child who is over age 26, unmarried, and incapable of sustaining employment due to a physical or mental disability that existed prior to the child attainment of age 19.

2. "Employee's child" includes natural child, step-child, adopted child, child of a qualified domestic partner, and a child specified in a Qualified Medical Child Support Order (QMCSO) or similar court order.

B. Dental Insurance

1. Eligible Dependents:

a. Employee's legal spouse
b. Employee's qualified domestic partner
c. Employee's unmarried child who is:
(1) under age 19; or
(2) Age 19 or above, but under age 24; and who
i. Resides with the employee for more than 50% of the year, excluding time living at school; and
ii. Receives at least 50% of support from employee; and
iii. Is enrolled and attends school on a full-time basis, as defined by the school.
d. Employee's disabled child who is over age 19, unmarried, and incapable of sustaining employment due to a physical or mental disability that existed prior to the child's attainment of age 19.

2. "Employee's child" includes natural child, step-child, adopted child, child of a qualified domestic partner, and a child specified in a Qualified Medical Child Support Order (QMCSO) or similar court order.

2.B. Employees In Classifications Who Receive Health Care Coverage From

CalPERS

2.17 CalPERS Controls: The CalPERS health care program, as regulated by the Public Employees' Medical and Hospital Care Act (PEMHCA), regulations issued pursuant to PEMHCA, and the administration of PEMHCA by CalPERS, controls on all health plan issues for employees who receive health care coverage from CalPERS, including, but not limited to, eligibility, benefit plans, benefit levels, minimum premium subsidies, and costs.

2.18 Contra Costa Health Plan (CCHP): Because CCHP has met the minimum standards required under PEMHCA and is approved as an alternative CalPERS plan option, employees and COBRA counterparts may elect to enroll in CCHP under the CalPERS plan rules and regulations.

2.19 CalPERS Health Plan Monthly Premium Subsidy: The County's subsidy to the CalPERS monthly health plan premiums is as provided below. The employee must pay any CalPERS health plan premium costs that are greater than the County's subsidies identified below.

a. County Health Plan Premium Subsidy. Beginning on January 1, 2010, and for each calendar year thereafter, the amount of the County premium subsidy that is paid for employees and eligible family members is a set dollar amount and is not a percentage of the premium charged by the plan. The County will pay the CalPERS statutory minimum employer monthly health plan premium subsidy or the following monthly health plan premium subsidy, whichever is greater:

Employee/Retiree/Survivor Only	$478.69
Employee/Retiree/Survivor & One Dependent	$957.38
Employee/Retiree/Survivor & Two or more Dependents	$1228.67

b. In the event that the County health plan premium subsidy amounts are greater than one hundred percent (100%) of the applicable premium of any health plan, for any plan year, the County's contribution will not exceed one hundred percent (100%) of the applicable health plan premium.

2.20 CalPERS Retirement Coverage: Government Code section 22892 applies to all employees in those classifications listed in Exhibit E.

2.21 CalPERS Premium Payments: Employee participation in any CalPERS health plan is contingent upon the employee authorizing payroll deduction by the County of the employee's share of the premium cost. If an employee's compensation in any month (including during a leave of absence) is not sufficient to pay the employee's share of the premium, the employee must pay the difference to the Auditor-Controller. The responsibility for this payment rests solely with the employee.

2.22 Dental Plan - CalPERS Participants:

a. Employees in the classifications listed in Exhibit E may participate in any available County Group Dental Plan. The County may change dental plan providers at any time during the term of this resolution.

b. Dental Plan Monthly Premium Subsidy. On and after January 1, 2010, the provisions of Section 2.12 "Monthly Premium Subsidy," relating to the County subsidies for dental coverage, apply to all classifications listed in Exhibit E.

c. As to dental coverage only, the following Sections apply to all classifications listed in Exhibit E: Section 2.13 "Retirement Coverage," Section 2.14 "Layoff and Other Loss of Coverage," Section 2.15 "Health Plan Coverages and Provisions," and Section 2.16 "Family Member Eligibility Criteria."

2.C. All Employees

2.23 Dual Coverage:

a. Each employee and retiree may be covered by only a single County health (or dental) plan, including a CalPERS plan. For example, a County employee may be covered under a single County health and/or dental plan as either the primary insured or the dependent of another County employee or retiree, but not as both the primary insured and the dependent of another County employee or retiree.

b. All dependents, as defined in Section 2.16, Family Member Eligibility Criteria, may be covered by the health and/or dental plan of only one spouse or one domestic partner. For example, when both husband and wife are County employees, all of their eligible children may be covered as dependents of either the husband or the wife, but not both.

c. For purposes of this Section 2.23 only, "County" includes the County of Contra Costa and all special districts governed by the Board of Supervisors, including but not limited to, the Contra Costa County Fire Protection District.

2.24 Life Insurance Benefit Under Health and Dental Plans: 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 the County.

2.25 Supplemental Life Insurance: In addition to the life insurance benefits provided by this resolution, employees may subscribe voluntarily and at their own expense for supplemental life insurance. Employees may subscribe for an amount not to exceed five hundred thousand dollars ($500,000), of which one hundred thousand ($100,000) is a guaranteed issue, provided the election is made within the required enrollment periods.

2.26 Catastrophic Leave Bank: All employees are included in the Catastrophic Leave Bank and may designate a portion of accrued vacation, compensatory time, holiday compensatory time, or personal holiday credit to be deducted from the donor's existing balances and credited to the bank or to a specific eligible employee.

a. The County Human Resources Department operates a Catastrophic Leave Bank which is designed to assist any County employee who has exhausted all paid accruals due to a serious or catastrophic illness, injury, or condition of the employee or family member. The program establishes and maintains a Countywide bank wherein any employee who wishes to contribute may authorize that a portion of his/her accrued vacation, compensatory time, holiday compensatory time or personal holiday credit be deducted from those account(s) and credited to the Catastrophic Leave Bank. Employees may donate hours either to a specific eligible employee or to the bank. Upon approval, credits from the Catastrophic Leave Bank may be transferred to a requesting employee's sick leave account so that employee may remain in paid status for a longer period of time, thus partially ameliorating the financial impact of the illness, injury or condition. Catastrophic illness or injury is defined as a critical medical condition, a long-term major physical impairment or disability that manifests itself during employment.

b. The plan is administered under the direction of the Director of Human Resources. The Human Resources Department is responsible for receiving and recording all donations of accruals and for initiating transfer of credits from the Bank to the recipient's sick leave account. Disbursement of accruals is subject to the approval of a six (6) member committee composed of three (3) members appointed by the County Administrator and three (3) members appointed by the majority representative employee organizations. The committee will meet once a month, if necessary, to consider all requests for credits and will make determinations as to the appropriateness of the request. The committee will determine the amount of accruals to be awarded for employees whose donations are non-specific. Consideration of all requests by the committee will be on an anonymous requester basis.

c. Hours transferred from the Catastrophic Leave Bank to a recipient will be in the form of sick leave accruals and will be treated as regular sick leave accruals.

d. To receive credits under this plan, an employee must have permanent status, have exhausted all time off accruals to a level below eight (8) hours total, have applied for a medical leave of absence, and have medical verification of need.

e. Donations are irrevocable unless the donation to the eligible employee is denied. Donations may be made in hourly blocks with a minimum donation of not less than four (4) hours from balances in the vacation, holiday, personal holiday, compensatory time or holiday compensatory time accounts. Employees who elect to donate to a specific individual will have seventy-five percent (75%) of their donation credited to the individual and twenty-five percent (25%) credited to the Catastrophic Leave Bank.

f. Time donated will be converted to a dollar value and the dollar value will be converted back to sick leave accruals at the recipient's base hourly rate when disbursed. Credits will not be on a straight hour-for-hour basis. All computations will be on a standard 173.33 basis, except that employees on other than a forty (40) hour week will have hours prorated according to their status.

g. Each recipient is limited to a total of one thousand forty (1040) hours or its equivalent per catastrophic event; each donor is limited to one hundred twenty (120) hours per calendar year.

h. All appeals from either a donor or recipient will be resolved on a final basis by the Director of Human Resources.

I. No employee has any entitlement to catastrophic leave benefits. The award of Catastrophic Leave is at the sole discretion of the committee, both as to amounts of benefits awarded and as to persons awarded benefits. Benefits may be denied, or awarded for less than six (6) months. The committee may limit benefits in accordance with available contributions and choose from among eligible applicants on an anonymous basis those who will receive benefits, except for hours donated to a specific employee. In the event a donation is made to a specific employee and the committee determines the employee does not meet the Catastrophic Leave Bank criteria, the donating employee may authorize the hours to be donated to the bank or returned to the donor's account.

j. Any unused hours transferred to a recipient will be returned to the Catastrophic Leave Bank.

2.27 Health Care Spending Account: After six (6) months of permanent 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. Any unused balance is forfeited and cannot be recovered by the employee.

2.28 PERS Long-Term Care: The County will deduct and remit monthly premiums to the PERS Long-Term Care Administrator for employees who are eligible and voluntarily elect to purchase long-term care at their personal expense through the PERS Long-Term Care Program.

2.29 Dependent Care Assistance Program: The County will continue to offer the option of enrolling 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 dollars ($5,000) of annual salary (before taxes) per calendar year to pay for eligible dependent care (child and elder care) expenses. Any unused balance is forfeited and cannot be recovered by the employee.

2.30 Premium Conversion Plan: The County will continue to offer 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 dollars to pay health and dental premiums.

2.31 Prevailing Section: To the extent that any provision of this Section (Section 2. Health, Dental, and Related Benefits) is inconsistent with any provision of any other County enactment or policy, including but not limited to Administrative Bulletins, the Salary Regulations, the Personnel Management Regulations, or any other resolution or order of the Board of Supervisors, the provision(s) of this Section (Section 2. Health, Dental, and Related Benefits) will prevail.

3. **Personal Protective Equipment:** The County will reimburse employees for safety shoes and prescription safety eyeglasses in those Management, Exempt and Unrepresented classifications which the County Administrator has determined eligible for such reimbursement.

3.10 Safety Shoes. The County will reimburse eligible employees for the purchase and repair of safety shoes in an amount not to exceed two hundred seventy-five dollars ($275) for each two (2) year period beginning on January 1, 2002. There is no limit on the number of shoes or repairs allowed.

3.11 Safety Eyeglasses. The County will reimburse eligible Management, Exempt and Unrepresented employees for prescription safety eyeglasses which are approved by the County and are obtained from an establishment approved by the County.

4. **Mileage Reimbursement:** The County will pay a mileage allowance for the use of personal vehicles on County business at the rate allowed by the Internal Revenue Service (IRS) as a tax deductible expense, adjusted to reflect changes in this rate on the date it becomes effective or the first of the month following announcement of the changed rate by the IRS, whichever is later.

5. **Retirement Contributions:**

5.10 No County Subvention. Effective on October 1, 2011, employees are responsible for the payment of one hundred percent (100%) of the employees' basic retirement benefit contributions determined annually by the Board of Retirement of the Contra Costa County Employees' Retirement Association without the County paying any part of the employees' contribution. Employees are also responsible for the payment of the employees' contributions to the retirement cost-of-living program as determined annually by the Board of Retirement without the County paying any part of the employees' contributions. Except as provided in Section 36 (District Attorney Investigator - Safety Employees Retirement Tier) Section 44 (Probation - Safety Employees Retirement Tiers) and Section 53 (Safety Employees Retirement Tiers- Miscellaneous Safety Classifications), the County is responsible for one hundred percent (100%) of the employer's retirement contributions determined annually by the Board of Retirement.

5.11 County Subvention for Retirement Chief Executive Officer. Effective October 1, 2011, pursuant to Government Code Section 31581.1, the County will pay fifty percent (50%) of the Retirement Chief Executive Officer's retirement contribution normally required of members. Effective on June 30, 2014, this payment will cease. Effective on July 1, 2014, the Retirement Chief Executive Officer is responsible for the payment of one hundred percent (100%) of the employees' basic retirement benefit contributions determined annually by the Board of Retirement of the Contra Costa County Employees' Retirement Association without the County paying any part of the employee's contribution. The Retirement Chief Executive Officer also is responsible for payment of the employee's contribution for the retirement cost-of-living program as determined by the Board of Retirement of the Contra Costa County Employees' Retirement Association without the County paying any part of the employee's share. The County is responsible for one hundred percent (100%) of the employer's retirement contributions determined annually by the Board of Retirement.

5.12 414H2 Participation. The County will continue to implement Section 414(h) (2) of the Internal Revenue Code which allows the County Auditor–Controller to reduce the gross monthly pay of employees by an amount equal to the employee's total contribution to the County Retirement System before Federal and State income taxes are withheld, and forward that amount to the Retirement system. This program of deferred retirement contribution will be universal and non-voluntary as required by statute.

6. **New Retirement Plan:**

A. PEPRA for Employees who become CCCERA Members on or after January 1, 2013. For employees who, under the California Public Employees Pension Reform

Act of 2013 (PEPRA) (Chapters 296 and 297, Statutes of 2012), become New Members of the Contra Costa County Employees Retirement Association (CCCERA) on or after January 1, 2013, retirement benefits are governed by PEPRA. To the extent that this resolution conflicts with any provision of PEPRA, PEPRA governs.

B. COLA. For employees hired by the County on and after January 1, 2014, who, under PEPRA, become New Members of CCCERA, the cost of living adjustment to the retirement allowance will not exceed two percent (2%) per year, and the cost of living adjustment will be banked.

C. DISABILITY STANDARD. For employees, who under PEPRA, become New Members of CCCERA, the disability provisions are the same as the current Tier III disability provisions.

D. Subsections B and C of this Section 6 do not apply to persons employed as staff to CCCERA.

E. This section 6 does not apply to employees who are safety members of the Contra Costa County Employees Retirement Association.

7. **Training:**

7.10 Career Development Training Reimbursement: All full-time employees (excluding attorney classes) are eligible for career development training reimbursement not to exceed seven hundred fifty dollars ($750) per fiscal year. The reimbursement of training expenses includes books and is governed by any Administrative Bulletins on Travel or Training.

7.11 Management Development Policy: Employees are authorized to attend professional training programs, seminars, and workshops, during normal work hours at the discretion of their Department Head, for the purpose of developing knowledge, skills, and abilities in the areas of supervision, management, and County policies and procedures. Up to thirty (30) hours of such training time is recommended annually.

a. Departments are encouraged to provide for professional development training exceeding thirty (30) hours annually for people newly promoted to positions of direct supervision.
b. To encourage personal and professional growth, the County provides reimbursement for certain expenses incurred by employees for job-related training (required training and career development training/education). Provision for eligibility and reimbursement is identified in Administrative Bulletin 112.9.
c. The Department Head is responsible for authorization of individual professional development reimbursement requests. Reimbursement is

through the regular demand process with demands being accompanied by proof of payment (copy of invoice or canceled check).

8. **Bilingual Pay Differential:** A monthly salary differential will be paid to incumbents of positions requiring bilingual proficiency as designated by the Appointing Authority and the Director of Human Resources. The differential will be prorated for employees working less than full time and/or on an unpaid leave of absence during any given month. The differential is one hundred dollars ($100.00) per month.

   Designation of positions for which bilingual proficiency is required is the sole prerogative of the County, and such designations may be amended or deleted at any time.

9. **Higher Pay for Work in a Higher Classification:** The County Salary Regulations notwithstanding, when an employee is required to work in a higher paid classification, the employee will receive the higher compensation for such work, pursuant to the County Salary Regulations, plus any differentials and incentives the employee would have received in his/her regular position. Unless the Board has by Resolution otherwise specified, the higher pay entitlement will begin on the completion of the 40th consecutive hour in the assignment, retroactive to the beginning of the second full day of work in the assignment.

10. **Workers' Compensation and Continuing Pay:** For all accepted workers' compensation claims filed with the County during calendar year 2007, employees will receive eighty percent (80%) of their regular monthly salary during any period of compensable temporary disability not to exceed one (1) year. For all accepted workers' compensation claims filed with the County on or after January 1, 2008, 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. Pay based on accepted workers' compensation claims filed before January 1, 2007, but after December 31, 1999, will be paid as provided in Resolution No. 2006/22. Pay based on accepted workers' compensation claims filed before January 1, 2000, will be paid as provided in resolution No. 96/488. If workers' compensation benefits become taxable income, the County will restore the former benefit level, one hundred percent (100%) of regular monthly salary.

    10.10 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.

10.11 Continuing Pay: A permanent 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 County service by resignation, retirement, layoff, or the employee is no longer employed by the County. In these instances, employees will be paid workers' compensation benefits as prescribed by workers' compensation laws. All continuing pay must be cleared through the County Administrator's Office, Risk Management Division.

10.12 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 the County as work related.

10.13 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.

11. Other Terms and Conditions of Employment

11.10 Overtime Exempt Exclusion: Employees in unrepresented, management, and exempt classifications are overtime exempt and are not eligible for overtime pay, holiday pay, overtime compensatory time, or holiday compensatory time. Instead, these employees are awarded Annual Management Administrative Leave in recognition of the extra burden their job responsibilities may sometimes place on their work schedules. However, unrepresented, management, and exempt employees may be made eligible for overtime pay if their names are placed on the Overtime Exempt Exclusion List by the County Administrator's Office. Employees on the Overtime Exempt Exclusion List are authorized to receive overtime pay, only. These employees are NOT eligible for holiday pay, overtime compensatory time, or holiday compensatory time. Employees on the Overtime Exempt Exclusion List are also NOT eligible for Annual Management Administrative Leave for the quarter they are on the Overtime Exempt Exclusion List. The policies and procedures for the Overtime Exempt Exclusion List are set forth in the County Administrator's memo of November 6, 2002, as may be amended.

Employees may be approved for placement on the Overtime Exempt Exclusion List if and when they are assigned to a special or temporary project or task that requires persistent, excess work hours, without relief from their regular job duties. Overtime pay will not be authorized as a means to address normal staffing or operational issues.

11.11 Overtime: Employees on the Overtime Exempt Exclusion List will be compensated at one and one-half (1.5) times their base rate of pay (excluding differentials) for authorized work exceeding eight (8) hours in a day or forty (40) hours in a week.

11.12 Length of Service Credits: Length of service credit dates from the beginning of the last period of continuous County employment, including temporary, provisional and permanent status and absences on an approved leave of absence; except that when an employee separates from a permanent position in good standing and is subsequently re-employed in a permanent County position within two (2) years from the date of separation, the period of separation will be bridged. Under these circumstances, the service credits will include all credits accumulated at the time of separation but will not include the period of separation. The service credits of an employee are determined from employee status records maintained by the Human Resources Department.

11.13 Mirror Classifications: As determined in the sole discretion of the Director of Human Resources, employees in unrepresented job classifications that mirror Management, represented or unrepresented job classifications may receive the salary and fringe benefits that are received by employees in the mirror classification.

11.14 Deep Classes: No provision of this Resolution regarding terms and conditions of employment supersedes any provision of any Deep Class Resolution.

11.15 Administrative Provisions: The County Administrator may establish guidelines, bulletins or directives as necessary to further define or implement the provisions of this resolution.

II. BENEFITS FOR MANAGEMENT AND EXEMPT EMPLOYEES

Management and Exempt employees will receive the benefits set forth in Part I and also the following additional benefits:

12. Management Longevity Pay:

12.10 Ten Years of Service:

a. Employees who have completed ten (10) years of service for the County 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.

b. In lieu of subsection a, employees in positions ineligible to receive vacation or sick leave accruals or to convert a portion of those accruals to cash under the terms of this Resolution are eligible to receive a five percent (5%) longevity differential upon the completion of ten years of service effective on the first day of the month following the month in which the employee qualifies for the ten (10) year service award.

c. Effective April 1, 2007, this section does not apply to members of the Board of Supervisors, except those members who earned this benefit while serving on the Board of Supervisors and were receiving this benefit as of March 31, 2007.

d. Effective November 1, 2007, for employees who were employed by Contra Costa County, became employees of the Contra Costa Superior Court by operation of law, and thereafter are rehired by Contra Costa County in the classification of District Attorney Manager of Law Offices (JJGE), eligibility for this longevity differential will be determined by adding together all service time with Contra Costa County and all service time with the Contra Costa Superior Court. If this sum is more than ten (10) years, this longevity differential will only be paid prospectively from the date the employee is rehired by Contra Costa County.

12.11 Fifteen Years of Service:

a. Employees who have completed fifteen (15) years of service for the County 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. For employees who completed fifteen (15) years of service on or before January 1, 2007, this longevity differential will be paid prospectively only from January 1, 2007.

b. In lieu of subsection a, employees in positions ineligible to receive vacation or sick leave accruals or to convert a portion of those accruals to cash under the terms of this Resolution are eligible to receive an additional two and one-half percent (2.5%) longevity differential upon the completion of fifteen (15) years of service effective on the first day of the month following the month in which the employee qualifies for the fifteen (15) year service award. For employees who completed fifteen years of service on or before January 1, 2007, this longevity differential will be paid prospectively only from January 1, 2007.

c. This section does not apply to employees who are eligible to receive the District Attorney Inspectors Longevity Differential set forth in Section 35 or the Sheriff Law Enforcement Longevity Differential set forth in Section 51.

d. Effective April 1, 2007, this section does not apply to members of the Board of Supervisors, except those members who earned this benefit while serving on the Board of Supervisors and were receiving this benefit as of March 31, 2007.

e. Effective November 1, 2007, for employees who were employed by Contra Costa County, became employees of the Contra Costa Superior Court by operation of law, and thereafter are rehired by Contra Costa County in the classification of District Attorney Manager of Law Offices (JJGE), eligibility for this longevity differential will be determined by adding together all service time with Contra Costa County and all service time with the Contra Costa Superior Court. If this sum is more than fifteen (15) years, this longevity differential will only be paid prospectively from the date the employee is rehired by Contra Costa County.

13. Deferred Compensation:

A. Deferred Compensation Incentive. The County will contribute eighty-five dollars ($85) per month to each employee who participates in the County'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 dollar ($85) Deferred Compensation Incentive. To reestablish eligibility, employees must again make a Base Contribution Amount 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. <u>Special Benefit for Permanent Employees Hired on and after January 1, 2009</u>.

1. Beginning on April 1, 2009 and for the term of this resolution, the County will contribute 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 the County, for employees who meet all of the following conditions:

a. The employee must be hired by Contra Costa County on or after January 1, 2009.

b. The employee must be appointed to a permanent position. The position may be either full time or part time, but if it is part time, it must be designated, at a minimum, as 20 hours per week.

c. The employee must have been employed by Contra Costa County for at least 90 calendar days.

d. 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 the County.

e. The employee must complete and sign the required enrollment form(s) for his/her deferred compensation account and submit those forms to the Human Resources Department, Employee Benefits Services Unit.

f. The employee may not exceed the annual maximum contribution amount allowable by the United States Internal Revenue Code.

C. No Cross Crediting. The amounts contributed by the employee and the County pursuant to Subsection B do not count towards the "Qualifying Base Contribution Amount" or the "Monthly Contribution Required to Maintain Incentive Program Eligibility" in Subsection A. Similarly, the amounts contributed by the employee and the County pursuant to Subsection A do not count towards the employee's $25 per month minimum contribution required by Subsection B.

D. Maximum Annual Contribution. All of the employee and County contributions set forth in Subsections A and B will be added together to ensure that the annual maximum contribution to the employee's deferred compensation account does not exceed the annual maximum contribution rate set forth in the United States Internal Revenue Code.

E. Eligibility for Loan Program. All employees are eligible to apply for loans from the Contra Costa County Deferred Compensation Plan loan program established by the Board of Supervisors on June 26, 2012, by Resolution No. 2012/298.

14. Annual Management Administrative Leave:

A. On January 1st of each year, all full-time unrepresented, management, and exempt employees in paid status, except for the Retirement Chief Executive Officer, will be credited with ninety four (94) hours of paid Management Administrative Leave. The Retirement Chief Executive Officer will be credited with seventy (70) hours of paid Management Administrative Leave. All Management Administrative Leave time is non-accruable and all balances will be zeroed out on December 31 of each year.

B. Permanent part-time employees are eligible for Management Administrative Leave on a prorated basis, based upon their position hours. Permanent-intermittent employees are not eligible for Management Administrative Leave.

C. Employees appointed (hired or promoted) to unrepresented, management, or exempt positions 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.

D. Unrepresented, management, and exempt employees on the Overtime Exempt Exclusion List are authorized to receive overtime pay; therefore, their Management Administrative Leave will be reduced by 25% each time the employee is on the List. The 25% reduction will be deducted from the employee's current leave balance, but if there is no balance, it will be deducted from future awarded Annual Management Administrative Leave. This section does not apply to the unrepresented, management, and exempt attorneys of the

Offices of the District Attorney, County Counsel, and Public Defender. (See Section 31.)

15. **Management Life Insurance:** Employees are covered at County expense by term life insurance in the amount of fifty seven thousand dollars ($57,000) in addition to the insurance provided in Section 2.24.

16. **Vacation Buy Back:**

A. **Employees Hired Before April 1, 2011:**

1. Employees hired before April 1, 2011, 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 12 full months between each election; (2) payment is based on an hourly rate determined by dividing the employee's 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.

2. Lump Sum Payments. 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.

B. **Employees Hired On and After April 1, 2011 and the County Librarian:**

1. Employees hired on and after April 1, 2011, and the County Librarian may not elect payment of their vacation accruals, unless the employee was eligible for a Vacation Buy Back benefit before being promoted into any classification covered by this Resolution. This Section 16, subsection B (1) does not apply to the Retirement classifications listed in subsection B (2).

2. Employees hired or promoted into the below-listed Retirement Classifications on and after April 1, 2011,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 12 full months between each election; (2) payment is based on an hourly rate determined by dividing the employee's 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. Such sales may be made prospectively only from September 1, 2013.

Retirement Accounting Manager (97DA)
Retirement Administrative /Human Resources Coordinator (97HD)
Retirement Administration Manager (97HA)
Retirement Assistant General Counsel- Exempt (97B4)
Retirement Benefits Manager (97GA)
Retirement Benefits Program Coordinator (97HB)
Retirement Chief Investment Officer- Exempt (97B2)
Retirement Compliance Officer (97SD)
Retirement Communications Coordinator (97SA)
Deputy Retirement Chief Executive Officer-Exempt (97B1)
Retirement General Counsel- Exempt (97B3)
Retirement Information Technology Manager (97HE)
Retirement Information Technology Coordinator II (97SC)
Retirement Investment Analyst (97TF)

C. **Retirement Chief Executive Officer:**

1. The Retirement Chief Executive Officer may elect payment of up to one-third (1/3) of her/his 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 Retirement Chief Executive Officer's monthly salary by 173.33; and (3) the maximum number of vacation hours that may be paid in any calendar year is one-third (1/3) of her/his annual accrual.

2. Lump Sum Payments. Where a lump-sum payment is made to the Retirement Chief Executive Officer as a retroactive general salary adjustment for a portion of a calendar year that is subsequent to the exercise of this vacation buy-back provision, the Retirement Chief Executive Officer'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.

17. **Professional Development Reimbursement:** Employees (excluding Department Heads, their Chief Assistant(s), Engineering Managers, and all Attorney classes) are eligible for reimbursement of up to six hundred twenty-five dollars ($625) for each two (2) year period beginning on January 1, 1999, for memberships in professional organizations, subscriptions to professional publications, attendance fees at job-related professional development activities and purchase of job-related computer hardware and software (excludes automation connectivity, support, or subscription fees) from a standardized County-approved list or with Department Head approval, provided each employee complies with the provisions of the Computer Use and Security Policy adopted by the Board of Supervisors and the applicable manuals. In order to receive reimbursement, the employee must have been in an eligible classification when the expense was incurred.

Each professional development reimbursement request must be approved by the Department Head and submitted through the regular demand process. Demands must be accompanied by proof of payment (copy of invoice or receipt). Certification regarding compliance with the County's computer use and security policy may be required. Questions regarding the appropriateness of a request will be answered by the Office of the County Administrator.

18. **Sick Leave Incentive Plan:** Employees may be eligible for a payoff of a part of unused sick leave accruals at separation. This program 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 Director of Human Resources, and is subject to the following conditions:

A. The employee must have resigned in good standing.

B. Payout is not available if the employee is eligible to retire.

C. The balance of sick leave at resignation must be at least seventy percent (70%) of accruals earned in the preceding continuous period of employment excluding any sick leave use covered by the Family and Medical Leave Act, the California Family Rights Act, or the California Pregnancy Disability Act.

D. Payout is by the following schedule:

Years of Payment Continuous Service	Payment of Unused Sick Leave Payable
3 – 5 years	30%
5 – 7 years	40%
7 plus years	50%

E. No payoff will be made pursuant to this section unless the Contra Costa County Employees' Retirement Association has certified that an employee requesting a sick leave payoff has terminated membership in, and has withdrawn his or her contributions from, the Retirement Association.

F. It is the intent of the Board of Supervisors that payments made pursuant to this section are in lieu of County retirement benefits resulting from employment by this County or by Districts governed by this Board.

19. **Video Display Terminal (VDT) Users Eye Examination:** Employees are eligible to receive an annual eye examination on County time and at County expense provided that the employee regularly uses a video display terminal at least an average of two (2) hours per day as certified by their department.

Employees certified for examination under this program must make their request through the Benefits Service Unit of the County Human Resources Department. Should prescription VDT eyeglasses be prescribed for the employee following the examination, the County agrees to provide, at no cost, basic VDT eye wear consisting of a ten dollar ($10) frame and single, bifocal or trifocal lenses. Employees may, through individual arrangement between the employee and the employees' doctor and solely at the employee's expense, include blended lenses and other care, services or materials not covered by the Plan.

20. **Long-Term Disability Insurance:** The County will continue in force the Long-Term Disability Insurance program with a replacement limit of eighty-five (85%) of total monthly base earnings reduced by any deductible benefits.

III. BENEFITS FOR ELECTED AND APPOINTED DEPARTMENT HEADS

Department Heads will receive the benefits set forth in Part I and Part II and the following additional benefits:

21. **Executive Automobile Allowance:**

A. Elected Department Heads

The below-listed elected Department Heads are eligible to receive a $600 per month automobile allowance plus mileage for miles driven outside Contra Costa County at the rate per mile allowed by the Internal Revenue Service (IRS) as a deductible expense. Receipt of this automobile allowance means that the elected Department Head must use a private automobile for County business.

Assessor (DAA1)
Auditor–Controller (SAA1)
Clerk–Recorder (ALA1)
District Attorney-Public Administrator (2KA1)
Treasurer–Tax Collector (S5A1)

The Sheriff-Coroner (6XA1) is eligible to receive a $500 per month automobile allowance plus mileage for miles driven inside and outside of Contra Costa County at the rate per mile allowed by the Internal Revenue Service (IRS) as a deductible expense. Receipt of this automobile allowance means that the Sheriff-Coroner must use a private automobile for County business.

B. Appointed Department Heads appointed prior to February 1, 2012

The below-listed Department Heads who were appointed to their positions prior to February 1, 2012 are eligible to receive a $600 per month automobile allowance plus mileage for miles driven outside Contra Costa County at the rate per mile allowed by the Internal Revenue Service (IRS) as a deductible expense. Receipt of this automobile allowance means that the appointed Department Head must use a private automobile for County business.

County Administrator (ADA2)
Chief Assistant County Administrator (ADB1)
County Counsel (2EA1)
County Probation Officer (7AA1)
Director of Animal Services (BJA1)
Director of Child Support Services (SMA1)
Director of Conservation and Development (4AA1)
Director of Employment and Human Services/County Welfare Director (XAA2)
Director of Health Services (VCA1)
Director of Information Technology (LTA1)
Public Defender (25A1)
Public Works Director (NAA1)

C. Appointed Department Heads appointed on and after February 1, 2012

Every appointed Department Head, except the Retirement Chief Executive Officer, who is appointed to his/her position on and after February 1, 2012, is ineligible to receive an automobile allowance. Every Retirement Chief Executive Officer who is appointed to his/her position on and after July 1, 2014, is ineligible to receive an automobile allowance.

D. Temporary Loss of Vehicle

If use of a County vehicle is temporarily required as the result of an emergency, such as an accident or mechanical failure to the recipient's personal automobile, a County vehicle may be used if approved by the County Administrator or his/her designee. The user's department will be charged for the costs of the temporary use of the County vehicle. Further, the user of the County vehicle will not receive his/her automobile allowance while using the County vehicle.

22. **Executive Life Insurance:** In lieu of the insurance provided under Section 15, Department Heads are covered at County expense by term life insurance in the amount of sixty thousand dollars ($60,000) additional to the insurance provided under Section 2.12.

23. **Executive Professional Development Reimbursement:** Department Heads and those chief assistants listed in Exhibit D (excluding Attorney classes) are eligible for reimbursement of up to nine hundred twenty-five dollars ($925) for each two (2) year period beginning January 1, 1999 for memberships in professional organizations, subscriptions to professional organizations, subscriptions to professional publications, attendance fees at job-related professional development activities, and purchase of job-related computer hardware and software, such as blackberries, I-phones, and treos (excluding automation connectivity, support, or subscription fees) from a standardized County-approved list or with Department Head approval, provided each employee complies with the provisions of the Computer Use and Security Policy adopted by the Board of Supervisors and the applicable manuals. In order to receive reimbursement, the employee must have been in an eligible classification when the expense was incurred.

Each executive professional development reimbursement request must be approved by the Department Head and submitted through the regular demand process. Demands must be accompanied by proof of payment (copy of invoice or receipt). Certification regarding compliance with the County's computer use and security policy may be required. Questions regarding the appropriateness of a request will be determined by the Office of the County Administrator.

24. **Appointed Department Heads:** The Appointed Department Heads are the Agricultural Commissioner/Director of Weights and Measures, Chief Assistant County Administrator, County Counsel, County Finance Director, County Librarian, County Probation Officer, County Veteran's Services Officer, Director of Employment and Human Services, Director of Animal Services, Director of Child Support Services, Director of Conservation and Development, Director of Health Services, Director of Human Resources, Director of Information Technology, Public Defender, Public Works Director, and Retirement Chief Executive Officer. (The Fire Chief of the Contra Costa County Fire Protection District is also an appointed Department Head, but the benefits for the Fire Chief are set forth in a separate Fire Management Resolution.)

25. **Elected Department Heads:** The Elected Department Heads are the Assessor, Auditor–Controller, Clerk–Recorder, District Attorney–Public Administrator, Sheriff–Coroner, and Treasurer–Tax Collector.

26. **Elected Department Head Benefits:** Elected Department Heads will receive only the following benefits under Parts I, II, and III, together with such benefits as may be authorized under Part IV:

A. All Elected Department Heads will receive the benefits set forth in Part I, Sections 5, 6, 7, 8, 10, and 11.12.

B. Elected Department Heads will receive the benefits set forth in Part I, Section 2 in accordance with the following:

1. Those Elected Department Heads who were County employees when elected to County office with a County employee hire date that is earlier than January 1, 2009, will receive the benefits set forth in Part I, Section 2, except the provisions set forth in Section 2.13 (a) (3) do not apply.

2. Those Elected Department Heads who were County employees when elected to County office with a County employee hire date that is on or after January 1, 2009, will receive all of the benefits set forth in Part I, Section 2.

3. Those Elected Department Heads who were not County employees when elected to County office will receive all of the benefits set forth in Part I, Section 2.

C. All Elected Department Heads will receive the benefits set forth in Part II, Sections 13 and 20.

D. Elected Department Heads will not receive the benefits set forth in Part II, Section 12, except for those Elected Department Heads who are in their elected office and receiving longevity pay as of October 1, 2010.

E. As compensation for not accruing paid vacation credit, in addition to the benefits of Part II, Section 13, twelve thousand dollars ($12,000) as a deferred compensation contribution will be added to the elected department head's deferred compensation account effective July 1 of each year (commencing July 1, 2007). If after July 1, but prior to June 30 of the next succeeding year, for any reason, the elected department head's occupancy of office terminates and/or expires, the elected department head is entitled to an additional deferred compensation account contribution prorated from July 1 to include the time period the elected department head served prior to the next June 30. Further, if, for any reason, all or part of such deferred compensation cannot be paid into a deferred compensation account the elected department head is entitled to an equivalent lump-sum payment. None of the County's twelve thousand dollar ($12,000) contribution may be used to establish eligibility and qualification to receive the additional eighty-five dollars ($85) monthly Deferred Compensation Incentive contribution otherwise provided by the County.

F. All Elected Department Heads will receive the benefits set forth in Part III, Sections 21, 22, and 23.

G. A County employee who becomes a County elected official may receive payment for unused vacation accruals only at the rate of pay that the elected official last earned as a County employee. The elected official may not be paid for unused vacation accruals at the rate of pay earned as an elected official.

H. Only the Board of Supervisors is authorized to prescribe the compensation of County elected officials pursuant to Government Code section 25300.

IV. SPECIAL BENEFITS FOR MANAGEMENT EMPLOYEES BY DEPARTMENT OR CLASS

27. Accounting Certificate Differential: Incumbents of Management professional accounting, auditing or fiscal officer positions who possess one of the following certifications in good standing will receive a differential of five percent (5%) of base monthly salary: (1) A valid 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.

28. **Animal Services Search Warrant:** Employees in the management class of Deputy Director of Animal Services (BJDF) will be compensated for time spent in assisting law enforcement agencies in the serving of search warrants. The amount of special compensation per incident is one hundred dollars ($100) and it will continue to be equal to that paid to Animal Services Officers for performing this duty. Only employees involved in actual entry team activities will be so compensated. The department continues to retain the sole right to select and assign personnel to such search warrant duty.

29. **Animal Services Uniform Allowance:** The uniform allowance for employees in the management class of Deputy Director of Animal Services (BJD1) is eight hundred dollars ($800) effective July 1, 2001, payable one-twelfth (1/12) of the yearly total in monthly pay warrants. Any other increase in the Uniform Allowance, which may be granted to Animal Services Officers while this Resolution is in effect, is granted to the Animal Services Management classes.

30. **Attorney State Bar Dues and Professional Development Reimbursement:**

30.10 State Bar Dues Reimbursement. The County will reimburse employees in the classes set forth below for California State Bar Membership dues (but not penalty fees) and, if annually approved in advance by the Department Head, fees for criminal and/or civil specialization.

30.11 Professional Development Reimbursement. The County will reimburse employees in the classes listed in Section 30.12 up to a maximum of seven hundred dollars ($700) each fiscal year for the following types of expenses:

A. Purchase of job-related computer hardware and software.
B. Membership dues in legal professional associations.
C. Purchase of legal publications.
D. Training and travel costs for job-related educational courses.
E. Legal on-line computer services.

Any unused accrual may be carried forward to the next fiscal year up to a maximum of eight hundred dollars ($800).

30.12 Eligible Classes.
This section applies only to the following classifications:

Assistant County Counsel-Exempt (2ED1)

Assistant District Attorney-Exempt (2KD3)
Assistant Public Defender-Exempt (25D2)
Chief Asst. County Counsel-Exempt (2ED2)
Chief Asst. Deputy District Atty-Exempt (2KD2)
Chief Assistant Public Defender-Exempt (25D1)
Chief Trial Deputy Public Defender (25DB)
Civil Litigation Attorney-Advanced (2ETG)
Civil Litigation Attorney-Standard (2ETF)
Civil Litigation Attorney-Basic (2ETE)
County Counsel (2EA1)
Deputy County Counsel-Advanced (2ETK)
Deputy County Counsel-Standard (2ETJ)
Deputy County Counsel-Basic (2ETH)
Deputy County Counsel- Advanced- Exempt (2ET3)
Deputy County Counsel- Standard- Exempt (2ET2)
Deputy County Counsel-Basic- Exempt (2ET1)
District Attorney-Public Administrator (2KA1)
Public Defender (25A1)
Retirement General Counsel-Exempt (97B3)
Senior Deputy District Attorney-Exempt (2KD1)
Senior Financial Counsel-Exempt (2ED3)
Supervising Attorney-Child Support Services (29HA)
Attorney Basic-Child Support Services (29VA)
Attorney Advanced-Child Support Services (29TA)
Attorney Entry-Child Support Services (29WA)

31. Attorney Management Administrative Leave and Additional Longevity Pay:

31.10 Attorney Management Administrative Leave.

A. On January 1st of each year, the employees in the classes set forth below who are in paid status, excluding fixed-term employees and contract attorneys, will be credited with ninety four (94) hours of Management Administrative Leave. Management Administrative Leave must be used during the calendar year in which it is credited and any unused hours may not be carried forward.

B. Attorneys appointed between January 1st and June 30th, inclusive, are eligible for ninety four (94) hours of Management Administrative Leave on the first succeeding January 1st and annually thereafter. Attorneys appointed on or after July 1st are eligible for seventy one (71) hours of Management Administrative Leave on the first succeeding January 1st and are eligible for ninety four (94) hours annually thereafter.

C. Permanent part time attorneys are eligible for Management Administrative Leave on a prorated basis, based upon their position hours, beginning on January 1st following their appointment and in the same proportion on each January 1st thereafter. Permanent-intermittent attorneys are not entitled to Management Administrative Leave. Any attorney on a leave of absence will have his/her Management Administrative Leave hours pro rated upon his/her return.

D. Unrepresented, management, and exempt attorneys on the Overtime Exempt Exclusion List are authorized to receive overtime pay; therefore, their Management Administrative Leave will be reduced by 25% each time the attorney is on the List. The 25% reduction will be deducted from the employee's current leave balance, but if there is no balance, it will be deducted from future awarded Management Administrative Leave.

31.11 Additional Longevity Pay at 20 Years of County Service.

In addition to the Longevity Pay provided in Section 12 of this resolution, employees in the classes set forth below are eligible to 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, beginning on November 1, 2012. For those employees who have twenty years of service on or before November 1, 2012, this longevity differential will be paid prospectively only from November 1, 2012.

31.12 Eligible Classes.
This section applies only to the following classifications:

Assistant County Counsel-Exempt (2ED1)
Assistant District Attorney-Exempt (2KD3)
Assistant Public Defender-Exempt (25D2)
Chief Asst. County Counsel-Exempt (2ED2)
Chief Asst. Deputy District Atty-Exempt (2KD2)
Chief Assistant Public Defender-Exempt (25D1)
Chief Trial Deputy Public Defender (25DB)
Civil Litigation Attorney-Advanced (2ETG)
Civil Litigation Attorney-Standard (2ETF)
Civil Litigation Attorney-Basic (2ETE)
County Counsel (2EA1)
Deputy County Counsel-Advanced (2ETK)
Deputy County Counsel-Standard (2ETJ)
Deputy County Counsel-Basic (2ETH)

Deputy County Counsel- Advanced- Exempt (2ET3)
Deputy County Counsel- Standard- Exempt (2ET2)
Deputy County Counsel-Basic- Exempt (2ET1)
Public Defender (25A1)
Retirement General Counsel-Exempt (97B3)
Senior Deputy District Attorney-Exempt (2KD1)
Senior Financial Counsel-Exempt (2ED3)
Supervising Attorney-Child Support Services (29HA)
Attorney Basic-Child Support Services (29VA)
Attorney Advanced-Child Support Services (29TA)
Attorney Entry-Child Support Services (29WA)

32. **Assessor Education Differential:** Employees in the management class of Assistant County Assessor-Exempt (DAB1) are entitled to a salary differential of two and one-half percent (2.5%) of base monthly salary for possession of a certification for educational achievement from at least one of the following:

A. American Institute of Real Estate Appraisers Residential Member designation.
B. State Board of Equalization Advanced Appraiser Certification.
C. International Association of Assessing Officers Residential Evaluation Specialist.
D. Society of Auditor-Appraiser Master Auditor-Appraiser designation.
E. Society of Real Estate Appraisers Senior Residential Appraiser designation.
F. Any other certification approved by the County Assessor and the Director of Human Resources.

33. **Certified Elections/Registration Administrator Certification Differential:** Employees in the classification of Clerk-Recorder (ALA1) are entitled to receive a monthly differential in the amount of five percent (5%) of base monthly salary for possession of a valid Certified Elections/Registration Administrator Certificate issued by The Election Center-Professional Education Program. Verification of eligibility is by the County Administrator or designee. Eligibility for receipt of the differential begins on the first day of the month following the month in which the County Administrator verifies eligibility.

34. **District Attorney Inspectors Longevity Differential:** Incumbents of the classes of District Attorney Chief of Inspectors–Exempt (6KD1), District Attorney Lieutenant of Inspectors (6KNB), and Lieutenant of Inspectors–Welfare Fraud (6KWG) are eligible for a differential of five percent (5%) of base monthly salary when the following conditions are satisfied: The employee has (1) four (4) years of experience as a peace officer with Contra Costa County; (2) fifteen (15) years of P.O.S.T. experience; and (3) has reached the age of thirty-five (35).

35. **District Attorney Inspector P.O.S.T.:** Incumbents of the classes of District

Attorney Lieutenant of Inspectors (6KNB), District Attorney Lieutenant of Inspectors–Welfare Fraud (6KWG) and District Attorney Chief of Inspectors–Exempt (6KD1) who possess the appropriate certificates beyond the minimum P.O.S.T. qualifications required in their class may qualify for one of the following career incentive allowances:

A. A career incentive allowance of two and one-half percent (2.5%) of base monthly salary will be paid to DA Lieutenant of Inspectors and DA Lieutenant of Inspectors-Welfare Fraud for the possession of an Advanced P.O.S.T. certificate. This allowance will be paid to the DA Chief of Inspectors-Exempt for possession of a Management and/or Executive P.O.S.T. Certificate.

B. A career incentive allowance of five percent (5%) of base monthly salary will be paid to DA Lieutenant of Inspectors and DA Lieutenant of Inspectors–Welfare Fraud for possession of an Advanced P.O.S.T. certificate <u>and</u> an approved Baccalaureate Degree. This allowance will be paid to the DA Chief of Inspectors for possession of a Management and/or Executive P.O.S.T. certificate <u>and</u> possession of an approved Baccalaureate Degree.

C. A career incentive allowance of seven and one-half percent (7.5%) of base monthly salary will be paid to DA Lieutenant of Inspectors and DA Lieutenant of Inspectors–Welfare Fraud for the possession of an Advanced P.O.S.T. certificate <u>and</u> possession of an approved Master's Degree. This allowance will be paid to the DA Chief of Inspectors–Exempt for possession of an approved Management and/or Executive P.O.S.T. certificate <u>and</u> possession of an approved Master's Degree. No contining education is required in order to be entitled to any of the foregoing allowances.

36. <u>District Attorney Investigator - Safety Employees Retirement Tiers; Contribution Toward Cost of Enhanced Retirement Benefit</u>:

36.10 <u>Safety Tier A</u>. The retirement formula of "3 percent at 50" applies to employees in the classifications set forth below who become members of the Contra Costa County Employees Retirement Association (CCCERA) on or before December 31, 2012 or who, under PEPRA, become reciprocal members of CCCERA, as determined by CCCERA. The cost of living adjustment (COLA) to the retirement allowances of these employees will not exceed three percent (3%) per year. The final compensation of these employees will be based on a twelve (12) consecutive month salary average. This retirement benefit is known as Safety Tier A.

1. Until July 1, 2012, each employee in Tier A will pay nine percent (9%) of his or her retirement base to pay part of the employer's contribution for the cost of Safety Tier A retirement benefits.

2. Effective on July 1, 2012, each employee in Tier A will pay three percent (3%) of his/her retirement base to pay part of the employer's contribution for the cost

of Safety Tier A retirement benefits.

3. Effective on June 30, 2016, these payments will cease.

The payments set forth above will be made on a pre-tax basis in accordance with applicable tax laws. "Retirement base" means base salary and other payments, such as salary differential and flat rate pay allowances, used to compute retirement deductions.

36.11 Safety PEPRA Tier. For employees who become safety New Members of the Contra Costa County Employees Retirement Association (CCCERA) on or after January 1, 2013, retirement benefits are governed by the California Public Employees Pension Reform Act of 2013 (PEPRA) (Chapters 296 and 297, Statutes of 2012) and Safety Option Plan Two (2.7% @ 57) applies. For employees hired on or after July 1, 2014, who under PEPRA, become safety New Members of CCCERA, the cost of living adjustment to the retirement allowance will not exceed two percent (2%) per year and will be banked. To the extent that this resolution conflicts with any provision of PEPRA, PEPRA governs.

36.12 Employees with more than 30 years of Service. Commencing on July 1, 2007, eligible employees in the classifications set forth below and designated by the Contra Costa County Employees' Retirement Association as safety members with credit for more than thirty (30) years of continuous service as safety members, will not make payments from their retirement base to pay part of the employer's contribution towards the cost of Safety Tier A.

36.13 Eligible Classes.

This section applies only to the following classifications:

District Attorney Chief of Inspectors-Exempt (6KD1)
District Attorney Lieutenant of Inspectors (6KNB)
Lieutenant of Inspectors-Welfare Fraud (6KWG)

37. Engineer Continuing Education Allowance: Employees in the classification of Deputy Public Works Director-Exempt (NAD0) are eligible to receive a one year Continuing Education Allowance of two and one-half percent (2.5%) of base monthly salary if they complete at least (60) hours of approved education or training or at least three (3) semester units of approved college credit or approved combination thereof, subject to the following conditions.

A. The specific education or training must be submitted in writing by the employee to the Public Works Director or his designee prior to beginning the course work.

B. The education or training must be reviewed and approved in advance by the

Public Works Director or his designee as having a relationship to the technical or managerial responsibilities of the employee's current or potential County job classifications.

C. Employees who qualify for this allowance do so for a period of only twelve (12) months, commencing on the first day of the month after proof of completion is received and approved by the Public Works Director or his designee. This allowance automatically terminates at the end of the twelve (12) month period.

38. **Engineer Professional Development Reimbursement:** Employees in the classification of Engineering Managers will be allowed reimbursement for qualifying professional development expenses and professional engineering license fees required by the employee's classification up to a total of seven hundred dollars ($700) for each two (2) year period beginning on January 1, 2000. Effective July 1, 2007, the allowable reimbursement amount will be increased by one hundred fifty dollars ($150) for a total of eight hundred fifty dollars ($850). Effective on January 1, 2008, Engineering Managers will be allowed reimbursement for qualifying professional development expenses and professional engineering license fees required by the employee's classification up to a total of nine hundred dollars ($900) for each two (2) year period.

Allowable expenses include the following activities and materials directly related to the profession in which the individual is engaged as a County employee:

A. Membership dues to professional organizations.
B. Registration fees for attendance at professional meetings, conferences and seminars.
C. Books, journals and periodicals.
D. Tuition and text book reimbursement for accredited college or university classes.
E. Professional license fees required by the employee's classification.
F. Application and examination fees for registration as a professional engineer, architect or engineer-in-training.
G. Certain job-related instruments, job-related computer hardware and software from a standardized County approved list or with Department Head approval, provided each Engineer complies with the provisions of the Computer Use and Security Policy adopted by the Board of Supervisors and the applicable manuals.

Individual professional development reimbursement requests require the approval of the Department Head. Reimbursement occurs through the regular demand process with demands being accompanied by proof of payment (copy of invoice or canceled check).

In order to receive reimbursement, the employee must have been in an eligible classification when the expense was incurred.

39. **Library Department Holidays:** For all management and unrepresented employees

in the County Library Department, the day after Thanksgiving is deleted as a holiday and the day before Christmas is added as a holiday.

40. **Library Differentials:** The classifications of Library Student Assistant Exempt (3KW2) and Library Aide Exempt (3KWF) may earn the following differential pays under the following circumstances:

A. Employees in the above-listed classes who work between the hours of 6:00p.m. and 9:00p.m. at any County library are entitled to a differential of five percent (5%) of the employee's base rate of pay (not including differentials).

B. Employees in the above-listed classes who work on Saturday are entitled to a differential of five percent (5%) of the employee's base rate of pay (not including differentials). This differential does not apply to any overtime hours worked on a Saturday.

C. Employees in the above-listed classes who work on a Sunday are entitled to a differential of seven and one half percent (7.5%) of the employee's base rate of pay (not including differentials).

41. **Nursing Shift Coordinator-Per Diem Differentials:** The classification of Nursing Shift Coordinator-Per Diem (VWHD) may earn the following differential pays under the following circumstances:

A. Evening Shift. An employee will receive a shift differential of twelve percent (12%) of the employee's base hourly rate of pay for the employee's entire shift designation when the employee works four (4) or more hours between 5:00 p.m. and 11:00 p.m. In order to receive the shift differential, the employee must start work between 11:00 a.m. and midnight on the day the shift is scheduled to begin. Hours worked in excess of the employee's shift designation will count towards qualifying for the shift differential, but the employee will not be paid the shift differential on any hours worked in excess of the employee's shift designation.

B. Night Shift. An employee will receive a shift differential of fifteen percent (15%) of the employee's base hourly rate of pay for the employee's entire shift designation when the employee works works four (4) or more hours between 11:00 p.m. and 8:00 a.m. In order to receive the shift differential, the employee must start work between the hours of 7:00 p.m. and midnight or midnight and 8:00 a.m. on the day the shift is scheduled to begin. Hours worked in excess of the employee's shift designation will count towards qualifying for the shift differential, but the employee will not be paid the shift differential on any hours worked in excess of the employee's shift designation.

C. Shift Differential. An employee will receive a shift differential of five percent (5%) for a maximum of eight (8) hours per work day and/or forty (40) hours per workweek when the employee works four (4) or more hours between 5:00 p.m. and 9:00 a.m. In order to receive the shift differential, the employee must start work between the hours of midnight and 5:00 a.m., or 11:00 a.m. and midnight on the day the shift is scheduled to begin. Hours worked in excess of eight (8) hours in a workday will count toward qualifying for the shift differential, but the employee will not be paid the shift differential on any excess hours worked.

D. Code Gray/STAT Team Differential. An employee in the above-listed class who is assigned by hospital administration to respond to emergency Code Gray calls as a member of the STAT Team is entitled to a differential of ten percent (10%) of the employee's base rate of pay (not including differentials).

42. Nursing Shift Coordinator-Per Diem Overtime: Employees in the classification of Nursing Shift Coordinator - Per Diem (VWHD) who work on a holiday are entitled to receive overtime pay at the rate of one and one-half (1.5) times his/her hourly rate for all hours worked on the holiday, up to a maximum of eight (8) hours.

43. Podiatrists- Unrepresented Status: In addition to all general benefits afforded unrepresented employees in Section I of this Resolution, the class of Exempt Medical Staff Podiatrist (VPS2) is also eligible for the following benefits:

Educational Leave. Each permanent full-time employee with at least one (1) year of service is entitled to five (5) days leave with pay each year to attend courses, institutions, workshops or classes which meet requirements for American Medical Association Category One Continuing Medical Education. Requests must be submitted for approval in advance to the Medical Director and Service Chief. Permanent part-time employees are entitled to educational leave under this section on a pro-rated basis.

Long-Term Disability Insurance: The County will continue in force the Long-Term Disability Insurance program with a replacement limit of eighty-five percent (85%) of total monthly base earnings reduced by any deductible benefits.

Malpractice Coverage. The County will provide coverage under the Continuing Practice Physician's Insurance Plan.

Paid Personal Leave. Permanent full-time employees with three (3) years of service will be credited with five (5) days of non-accruable paid personal leave effective January 1 of each calendar year. Balances not used will be returned to zero (0) at the end of each year. Permanent part-time employees are entitled to paid personal leave under this section on a pro-rated basis.

44. Probation - Safety Employees Retirement Tiers; Contribution Toward Cost of Enhanced Retirement Benefit:

44.10 Safety Tier A. The retirement formula of "3 percent at 50" applies to employees in the classifications set forth below who become Safety members of the Contra Costa County Employees Retirement Association (CCCERA) on or before December 31, 2012 or who, under PEPRA, become reciprocal members of

CCCERA, as determined by CCCERA. The cost of living adjustment (COLA) to the retirement allowances of these employees will not exceed three percent (3%) per year. The final compensation of these employees will be based on a twelve (12) consecutive month salary average.

1. Until July 1, 2012, each employee in Tier A will pay nine percent (9%) of his/her retirement base to pay part of the employer's contribution for the cost of Tier A retirement benefits.

2. For the period of July 1, 2012 through and including December 31, 2014, each employee in Tier A will pay four and one half percent (4.5%) of his/her retirement base to pay part of the employer's contribution for the cost of Tier A retirement benefits.

3. For the period of January 1, 2015 through and including June 29, 2015, each employee will pay two and one quarter percent (2.25%) of his/her retirement base to pay part of the employer's contribution for the cost of Tier A retirement benefits.

4. Effective on June 30, 2015, each employee's payment of two and one quarter percent (2.25%) of his/her retirement base to pay part of the employer's contribution for the cost of Tier A retirement benefits will cease.

The payments set forth above will be made on a pre-tax basis in accordance with applicable tax laws. "Retirement base" means base salary and other payments, such as salary differential and flat rate pay allowances, used to compute retirement deductions.

44.11 Safety PEPRA Tier. For employees who become Safety New Members of the Contra Costa County Employees Retirement Association (CCCERA) on or after January 1, 2013, retirement benefits are governed by the California Public Employees Pension Reform Act of 2013 (PEPRA) (Chapters 296 and 297, Statutes of 2012) and Safety Option Plan Two (2.7% @ 57) applies. To the extent that this resolution conflicts with any provision of PEPRA, PEPRA governs.

44.12 Eligible Classes.
This section applies only to the following classifications:

Assistant County Probation Officer-Exempt (7AB1)
County Probation Officer-Exempt (7AA1)
Chief Deputy Probation Officer (7ADC)
Probation Manager (7AGB)
Probation Director (7BFA)

45. Real Property Agent Advanced Certificate Differential: Employees in the classifications of Assessor (DAA1), Assistant County Assessor (DAB1), and Real Estate Manager-Exempt (DYD1) are entitled to receive a monthly differential in the amount of five percent (5%) of base monthly salary for possessing and maintaining either a valid Senior Member Certificate issued by the International Executive Committee of the International Right of Way Association (IRWA) or a certification issued by the Building Owners and Managers Institute (BOMI) with a designation as either a Real Property Administrator (RPA) or Facilities Management Administrator (FMA). Verification of eligibility will be by the Department Head or his/her designee. Eligibility for receipt of the differential begins on the first day of the month following the month in which eligibility is verified by the Department Head.

All employees who qualify for the Senior Member certificate must recertify every five (5) years with the International Right of Way Association in order to retain the Senior Member designation and continue to receive the differential. In order to recertify, a Senior Member must accumulate seventy-five (75) hours of approved education which may include successfully completing courses, attending educational seminars or teaching approved courses.

All employees who qualify for the RPA or FMA designation must recertify every three (3) years with BOMI in order to retain the RPA or FMA designation and continue to receive this differential. In order to retain certification, an employee must achieve eighteen (18) points of continuing professional development, which may include successfully completing courses, attending educational seminars, or teaching approved courses related to the industry.

46. Sheriff Sworn Management P.O.S.T.:

A. Incumbents of the classes of Sheriff-Coroner (6XA1), Undersheriff–Exempt (6XB4), Assistant Sheriff- Exempt (6XB2) and Commander–Exempt (6XD1) who possess the appropriate certificates beyond the minimum P.O.S.T. qualifications required in their class may qualify for one, and only one, of the following career incentive allowances:

1. A career incentive allowance of two and one-half percent (2.5%) of monthly base pay will be awarded for the possession of a Management and/or Executive P.O.S.T. Certificate and possession of an approved Baccalaureate Degree.

2. A career allowance of five percent (5%) of monthly base pay will be awarded for the possession of a Management and/or Executive P.O.S.T. Certificate and possession of an approved Master's Degree.

B. Incumbents in the class of Chief of Police-Contract Agency-Exempt who possess the appropriate certificates beyond the minimum P.O.S.T. qualifications required in their class may qualify for one, and only one, of the following career incentive allowances:

1. A career incentive allowance of two and one-half percent (2.5%) of monthly base pay will be awarded for the possession of an Advanced P.O.S.T. Certificate.

2. A career incentive allowance of five percent (5%) will be awarded for the possession of an Advanced P.O.S.T. Certificate and possession of an approved Baccalaureate or Master's Degree.

47. **Sheriff Continuing Education Allowance:** Sheriff's Department employees in the classifications of Sheriff's Fiscal Officer (APSA) and Sheriff's Chief of Management Services (APDC) are eligible to receive a Continuing Education Allowance of two and one-half percent (2.5%) of base monthly salary for any fiscal year in which they complete at least sixty (60) hours of education or training or at least three(3) semester units of college credit or a combination thereof, approved by the department, subject to all of the following conditions:

A. An application must be submitted in advance, to the Sheriff's Department prior to the fiscal year in which the education or training will occur.

B. The education or training must be directly related to the technical or Management duties of the employee's job.

C. The course must be reviewed and approved in advance by the Sheriff's Department Standards and Resources Bureau.

D. The employee must show evidence of completion with a passing grade.

48. **Sheriff Emergency Services Standby Differential:** Employees in the classification of Emergency Planning Specialist–Exempt (9GS1) who perform standby duty for the Office of Emergency Services at least one (1) week per month, are entitled to receive a differential in the amount of two and one-half percent (2.5%) of base monthly salary.

49. **Sheriff Law Enforcement Longevity Differential:**

49.10. 15 years of sworn County service. Incumbents in the classifications of Undersheriff (6XB4), Assistant Sheriff- Exempt (6XB2), Commander (6XD1), and Chief of Police-Contract Agency-Exempt (6XF1) are eligible for a differential of five percent (5%) of base monthly salary upon completion of fifteen (15) years of County service as a full-time, permanent, sworn law enforcement officer.

49.11. 20 years of sworn County service. Incumbents in the classifications of Undersheriff (6XB4), Assistant Sheriff- Exempt (6XB2), Commander (6XD1), and Chief of Police-Contract Agency-Exempt (6XF1) are eligible for a differential of two percent (2%) of base monthly salary upon completion of twenty (20) years of County service as a full-time, permanent, sworn law enforcement officer. For employees who completed twenty (20) years of such service on or before September 1, 2013, this longevity differential will be paid prospectively only from September 1, 2013.

50. **<u>Sheriff Uniform Allowance</u>:** The Sheriff-Coroner (6XA1), Undersheriff (6XB4, Assistant Sheriff- Exempt (6XB2), Commander (6XD1), Chief of Police-Contract Agency-Exempt (6XF1) and non-sworn management employees in the Sheriff-Coroner's Department will be paid a uniform allowance in the amount of eight hundred seventy-two dollars ($872) per year effective July 1, 2007, payable one-twelfth (1/12) of the yearly total in monthly pay warrants. The non-sworn management employees eligible for this uniform allowance are: Sheriff's Fiscal Officer (APSA) and Sheriff's Chief of Management Services (APDC).

51. **<u>Sheriff - Detention Division Meals</u>:** Employees assigned to the Detention Division will have fifteen dollars ($15.00) per month deducted from their pay checks in exchange for meals provided by the Department. The employee may choose not to eat facility food. In that case, no fees will be deducted.

52. **<u>Sheriff - Safety Employees Retirement Tiers</u>:**

52.10. <u>Safety Tier A</u>. The retirement formula of "3 percent at 50" applies to employees in the classifications set forth below, who are employed by the County as of December 31, 2006. The cost of living adjustment (COLA) to the retirement allowances of these employees will not exceed three percent (3%) per year. The final compensation of these employees will be based on a twelve (12) consecutive month salary average. Safety Tier A is closed to all employees initially hired by Contra Costa County after December 31, 2006.

52.11 <u>Safety Tier C</u>. The retirement formula of "3 percent at 50" applies to employees in the classifications set forth below, who are hired by the County after December 31, 2006 and on or before December 31, 2012, or who, under PEPRA, become reciprocal members of CCCERA, as determined by CCCERA. The cost of living adjustment (COLA) to the retirement allowances of these employees will not exceed two percent (2%) per year. The final compensation of these employees will be based on a thirty-six (36) consecutive month salary average.

52.12 <u>Safety PEPRA Tier</u>. For employees who become Safety New Members of the Contra Costa County Employees Retirement Association (CCCERA) on or after January 1, 2013, retirement benefits are governed by the California Public Employees Pension Reform Act of 2013 (PEPRA) (Chapters 296 and 297, Statutes of 2012) and Safety Option Plan Two (2.7% @ 57) applies. The cost of living adjustment to the retirement allowances of these employees will not exceed two percent (2%) per year and will be banked. To the extent that this resolution conflicts with any provision of PEPRA, PEPRA governs.

52.13 <u>Employees with more than 30 years of Service</u>. Commencing January 1, 2007, employees in the classifications set forth below and designated by the Contra

Costa County Employees' Retirement Association as safety members with credit for more than thirty (30) years of continuous service as safety members, will not make payments from their retirement base to pay part of the employer's contribution towards the cost of Safety Tier A.

52.14 Retirement Tier Elections. If members of the Deputy Sheriffs' Association have the opportunity to elect different retirement tiers, employees in the classifications set forth below and employed by the County as of December 31, 2012, will be offered the same opportunity to elect the new Safety PEPRA Tier at the same time and on the same terms and conditions as are applicable to members of the Deputy Sheriffs' Association.

52.15 Eligible Classes.

This section applies only to the following classifications:

Sheriff-Coroner (6XA1)
Undersheriff- Exempt (6XB4)
Assistant Sheriff-Exempt (6XB2)
Commander (6XD1)
Chief of Police-Contract Agency-Exempt (6XF1)

53. Safety Employees Retirement Tiers (Miscellaneous Safety Classifications) Benefit

53.10 Safety Tier A. The retirement formula of "3 percent at 50" applies to employees in the classifications set forth below who become Safety members of the Contra Costa County Employees Retirement Association (CCCERA) on or before December 31, 2012, or who under PEPRA, become reciprocal members of CCCERA as determined by CCCERA. The cost of living adjustment (COLA) to the retirement allowances of these employees will not exceed three percent (3%) per year. The final compensation of these employees will be based on a twelve (12) consecutive month salary average.

1. Until September 1, 2013, each employee in Tier A will pay nine percent (9%) of his/her retirement base to pay part of the employer's contribution for the cost of Tier A retirement benefits.

2. For the period September 1, 2013, through and including December 31, 2014, each employee in Tier A will pay four and one half (4.5%) of his/her retirement base to pay part of the employer's contribution for the cost of Tier A retirement benefits.

3. For the period January 1, 2015, through and including June 30, 2015, each employee in Tier A will pay two and a quarter percent (2.25%) of his/her retirement base to pay part of the employer's contribution for the cost of the Tier

A retirement benefit.

4. Effective June 30, 2015, these payments will cease

The payments set forth above will be made on a pre-tax basis in accordance with applicable tax laws. "Retirement base" means base salary and other payments, such as salary differential and flat rate pay allowances used to compute retirement deductions.

53.11 Safety PEPRA Tier. For employees who become safety New Members of the Contra Costa County Employees Retirement Association (CCCERA) on or after January 1, 2013, retirement benefits are governed by the California Public Employees Pension Reform Act of 2013 (PEPRA) (Chapters 296 and 297, Statutes of 2012) and Safety Option Plan Two (2.7% @ 57) applies. For employees hired by the County on or after January 1, 2014, who under PEPRA, become safety New Members of CCCERA, the cost of living adjustment to the retirement allowance will not exceed two percent (2%) per year and will be banked. To the extent that this resolution conflicts with any provision of PEPRA, PEPRA governs.

53.12 Eligible Classes.
This section applies only to the following classifications:

Assistant Chief Public Service Officer (64BA)
Director of Hazardous Materials Program-Exempt (VLD2)

54. Treasurer-Tax Collector Professional Development Differential: Treasurer-Tax Collector employees in one of the classifications listed below are eligible to receive a monthly differential equivalent to five percent (5%) of base salary for possession of at least one (1) of the following specified professional certifications and for completion of required continuing education requirements associated with the individual certifications. Verification of eligibility for any such differential must be provided to the Auditor in writing by the Treasurer-Tax Collector or his/her designee. Under this program, no employee may receive more than a single five percent (5%) differential at one time, regardless of the number of certificates held by that employee.

This section applies only to the following classifications:

Treasurer-Tax Collector (S5A1)
Treasurer's Investment Officer-Exempt (S5S3)
Assistant County Treasurer-Exempt (S5B4)
Assistant County Tax Collector (S5DF)
Chief Deputy Treasurer Tax Collector-Exempt (S5B2)

Qualifying Certificates:

Certified Cash Manager (C.C.M.)
Certified Financial Planner (C.F.P.)
Certified Government Planner (C.G.F.P.)
Certified Treasury Manager (C.T.M.)
Chartered Financial Analyst (C.F.A.)

55. **Executive Assistant to the County Administrator Differential**. At the discretion of the County Administrator, an employee in the classification of Executive Assistant II to the County Administrator- Exempt (J3H2) is eligible to receive a monthly differential equivalent to five percent (5%) of base salary while the employee is performing work on special project assignments. Verification of eligibility for any such differential must be provided to the Auditor in writing by the County Administrator or his/her designee.

56. **Contra Costa County Employees Retirement Association Staff Professional Development Differentials**. Commencing August 1, 2013, Employees in one of the Retirement classifications listed below are eligible to receive a monthly differential, equivalent to the percentage of base salary specified below, for possession of at least one (1) of the following professional certifications and for completion of required continuing education requirements associated with the individual certifications:

Chartered Financial Analyst (C.F.A.) – Five percent (5%)
Associate of the Society of Actuaries (A.S.A.)– Five Percent (5%)
Certified Employee Benefit Specialist (C.E.B.S.)– Two and one-half Percent (2.5%)

Verification of eligibility for any such differential must be provided to the Auditor in writing by the Retirement Chief Executive Officer or his/her designee. Under this program, no employee may receive more than one of the above listed professional development differentials at one time, regardless of the number of certificates held by that employee.

This section applies only to the following Retirement classifications:

Retirement Accounting Manager (97DA)
Retirement Administrative /Human Resources Coordinator (97HD)
Retirement Administration Manager (97HA)
Retirement Assistant General Counsel- Exempt (97B4)
Retirement Benefits Manager (97GA)
Retirement Benefits Program Coordinator (97HB)
Retirement Chief Executive Officer (97A1)
Retirement Chief Investment Officer- Exempt (97B2)
Retirement Compliance Officer (97SD)
Retirement Communications Coordinator (97SA)
Deputy Retirement Chief Executive Officer- Exempt (97B1)
Retirement General Counsel- Exempt (97B3)
Retirement Information Technology Manager (97HE)
Retirement Information Technology Coordinator II (97SC)
Retirement Investment Analyst (97TF)

[EXHIBITS ATTACHED]

Exhibit A

Management, Exempt and Unrepresented

Job Code	Job Title
AP7A	ADMINISTRATIVE AIDE-DEEP CLASS
AP73	ADMINISTRATIVE AIDE-PROJECT
AP9A	ADMINISTRATIVE INTERN-DEEP CLS
APDB	ADMINISTRATIVE SVCS OFFICER
AJDB	AFFIRMATIVE ACTION/EEOO
XQD2	AGING/ADULT SVCS DIRECTOR-EX
VHD1	ALCOHOL/OTHER DRUG SVCS DIR-EX
VAB1	AMBULATORY CARE CHF EXC OFC-EX
BKS1	ANIMAL CLINIC VETERINARIAN-EX
JJNG	ASSESSOR'S CLERICAL STAFF MNGR
VCS1	ASSIST TO HLTH SVC DIR - EX
9MD3	ASSISTANT DIRECTOR-PROJECT
BAB1	ASST AGR COM/WTS/MEAS-EXEMPT
64BA	ASST CHIEF PUBLIC SVC OFFICER
7AB1	ASST CO PROB OFF - EXEMPT
ADB4	ASST COUNTY ADMINISTRATOR
DAB1	ASST COUNTY ASSESSOR-EXE
SAB1	ASST COUNTY AUDITOR CONTROLLE
2ED1	ASST COUNTY COUNSEL-EXEMPT
3AB1	ASST COUNTY LIBRARIAN-EXEMPT
ALB3	ASST COUNTY RECORDER-EXEMPT
ALB1	ASST COUNTY REGISTRAR-EXEMPT
S5DF	ASST COUNTY TAX COLLECTOR
S5B4	ASST COUNTY TREASURER-EXEMPT
VCB1	ASST DIR OF HEALTH SVCS
AGB1	ASST DIR OF HUMAN RESOURCES-EX
XAD7	ASST DIR-POLICY & PLANNING-EX
2KD3	ASST DISTRICT ATTORNEY-EXEMPT
LBD4	ASST HS IT DIR-APP DEV-EX
LBD2	ASST HS IT DIR-CUSTOMER SUPP-E
LBD7	ASST HS IT DIR-INFO SECURITY-E
LBD3	ASST HS IT DIR-INFRASTRUCT-EX
LBD1	ASST HS IT DIR-PROJECT MGMT-EX
25D2	ASST PUBLIC DEFENDER-EXEMPT
AJDP	ASST RISK MANAGER
6XB2	ASST SHERIFF-EXEMPT
ADBA	ASST TO THE COUNTY ADMIN
29TA	ATTORNEY ADVANCE-CHLD SPPT SVC
29VA	ATTORNEY BASIC-CHILD SPPT SVCS
29WA	ATTORNEY ENTRY-CHILD SPPT SVCS
J995	BD OF SUPVR ASST-CHIEF ASST
J992	BD OF SUPVR ASST-GEN OFFICE
J993	BD OF SUPVR ASST-GEN SECRETARY

Exhibit A

Management, Exempt and Unrepresented

Job Code	Job Title
J994	BD OF SUPVR ASST-SPECIALIST
ADT2	CAPITAL FACILITIES ANALYST-PRJ
NEG1	CAPITAL PROJECTS DIV MGR-EX
VPD4	CCHP MEDICAL DIRECTOR-EXEMPT
VCB2	CCRMC CHIEF EXEC OFC - EXEMPT
5ABD	CHF, ANEX AND ECON STM PROG
SAGC	CHIEF ACCOUNTANT
JJDA	CHIEF ASSISTANT CLERK-BOS
2ED2	CHIEF ASST COUNTY COUNSEL
SMBA	CHIEF ASST DIRECTOR/DCSS
2KD2	CHIEF ASST DISTRICT ATTORNEY-E
25D1	CHIEF ASST PUBLIC DEFENDER
SFDB	CHIEF AUDITOR
7ADC	CHIEF DEP PROBATION OFFICER
AXD1	CHIEF DEP PUBLIC ADMIN-EXEMPT
S5B2	CHIEF DEP TREASURE/TAX COLL-EX
XAB1	CHIEF DEPUTY DIRECTOR-EXEMPT
NAB1	CHIEF DEPUTY PW DIRECTOR-EX
VCB3	CHIEF EXECUTIVE OFFICER-CCHP-E
6EH1	CHIEF INVESTIGATOR PD-EXEMPT
S5BC	CHIEF INVESTMENT OFFICER
VPS4	CHIEF MEDICAL OFFICER - EXEMPT
VWD2	CHIEF NURSING OFFICER-EXEMPT
AGD3	CHIEF OF LABOR RELATIONS - EX
VWD1	CHIEF OPERATIONS OFFICER-EXEMP
6XF1	CHIEF POLICE-CONTRACT AGNCY-EX
ADS2	CHIEF PUBLIC COMMUN OFFICER-EX
VAB2	CHIEF QUALITY OFFICER-EXEMPT
25DB	CHIEF TRIAL DEPUTY PUBLIC DEF
9JS2	CHILD NUTRT DIV NUTRI-PROJECT
9JS3	CHILD NUTRT FOOD OPER SUPV-PRJ
9CDA	CHILD SPPRT SVCS MANAGER
XAD5	CHILDREN AND FAMILY SVCS DIR-E
9MH1	CHILDREN SVCS MGR-PROJECT
2ETG	CIVIL LITIG ATTY-ADVANCED
2ETE	CIVIL LITIG ATTY-BASIC LVL
2ETF	CIVIL LITIG ATTY-STANDARD
6XD1	COMMANDER-EXEMPT
CCD1	COMMUNITY SVCS DIRECTOR-EXEMPT
CCHA	COMMUNITY SVCS PERSONNEL ADMIN
9J71	COMMUNITY SVCS PERSONNEL TECH
9MS7	COMPREHENSIVE SVCS ASST MGR-PR
9MS3	COMPREHENSIVE SVCS MAN -PRJ

Exhibit A

Management, Exempt and Unrepresented

Job Code	Job Title
ADB6	COUNTY FINANCE DIRECTOR-EX
NAF1	COUNTY SURVEYOR-EXEMPT
CJH3	CS MENTAL HLTH CLIN SUPV-PROJ
APDD	DA CHIEF OF ADMINISTRATIVE SVC
6KD1	DA CHIEF OF INSPECTORS-EXEMPT
6KNB	DA LIEUTENANT OF INSPECTORS
JJGE	DA MANAGER OF LAW OFFICES
JJHG	DA OFFICE MANAGER
J3T7	DA PROGRAM ASSISTANT-EXEMPT
4AD1	DEP DIR OF CONSERV & DEV-EX
APSA	DEPARTMENTAL FISCAL OFFICER
ADSH	DEPTL COMM & MEDIA REL COORD
LTD2	DEPUTY CIO-GIS-EXEMPT
JJHD	DEPUTY CLERK-BOARD OF SUPV
ADDG	DEPUTY CO ADMINISTRATOR
ALB2	DEPUTY CO CLERK-RECORDER-EX
2ETK	DEPUTY CO COUNSEL-ADVANCED
2ET3	DEPUTY CO COUNSEL-ADVANCED-EX
2ETH	DEPUTY CO COUNSEL-BASIC
2ET1	DEPUTY CO COUNSEL-BASIC-EXEMPT
2ETJ	DEPUTY CO COUNSEL-STANDARD
2ET2	DEPUTY CO COUNSEL-STANDARD-EX
3AFE	DEPUTY CO LIBRARIAN-PUB SVCS
3AFG	DEPUTY CO LIBRARIAN-SUPT SVCS
LWS1	DEPUTY DIR CHF INFO SEC OFC-EX
5AB2	DEPUTY DIR COM DEV/CURR-EX
5AH2	DEPUTY DIR COM DEV/TRANS-EX
LTD1	DEPUTY DIR/INFO TECHNOLOGY-EXE
BJD1	DEPUTY DIRECTOR ANIMAL SVC-EX
XAD8	DEPUTY DIR-WORKFORCE SVC-EX
2KWF	DEPUTY DISTRICT ATTORNEY-FT-FL
VCD2	DEPUTY EXECUTIVE DIR/CCHP-EX
NAD8	DEPUTY GENERAL SVCS DIRECTOR/E
NAD0	DEPUTY PUBLIC WORKS DIRECTOR-E
97B1	DEPUTY RETIREMENT CEO -EX
6XW3	DEPUTY SHERIFF RESERVE-EXEMPT
6XWC	DEPUTY SHERIFF-PER DIEM
6XW1	DEPUTY SPEC IN CO SVC AREA P-1
VRG1	DIR MKTG/MEM SVCS & PR-CCHP-EX
VQD4	DIR OF MENTAL HEALTH SVCS-EX
VAD1	DIR OF PATIENT FIN SVCS-EXEMPT
ADD5	DIR OFFICE CHILD SVCS - EX
9BD1	DIRECTOR OF AIRPORTS

Exhibit A

Management, Exempt and Unrepresented

Job Code	Job Title
VLD1	DIRECTOR OF ENV HEALTH SVCS-EX
VLD2	DIRECTOR OF HAZ MAT PROGRAM-EX
5AB1	DIRECTOR OF REDEVEL-EXEMPT
SMD1	DIRECTOR OF REVENUE COLLECTION
ADSB	DIRECTOR OFFICE OF COMM/MEDIA
XASJ	EHS CHIEF FINANCIAL OFFICER
XAD6	EHS DIRECTOR OF ADMIN-EXEMPT
AV71	EHS WORKER TRAINEE-PROJECT
X761	EHS WORKFORCE DEV YOUTH TRN-PJ
X762	EHS WORKFORCE DEV YOUTH WKR-PJ
XAGB	EHSD PERSONNEL OFFICER
VBSC	EMERGENCY MEDICAL SVS DIRECTOR
9GS1	EMERGENCY PLANNING SPEC-EXEMPT
AGD2	EMPLOYEE BENEFITS MANAGER
AGSC	EMPLOYEE BENEFITS SPECIALIST
AJHA	EMPLOYEE BENEFITS SUPERVISOR
J3V2	EXEC ASST I TO CO ADMINIS-EX
J3H2	EXEC ASST II TO CO ADMINIS-EX
J3T6	EXEC SECRETARY/ MERIT BOARD
J3T5	EXEC SECRETARY-EXEMPT
J3TJ	EXECUTIVE SECRETARY-DCSS
VPS2	EXEMPT MED STF PODIATRIST
APDE	FIRE DISTRICT CHIEF/ADMIN SVCS
6CW1	FORENSIC ANALYST-PROJECT
VASH	HEALTH EQUITY PROGRAM MANAGER
VRGC	HEALTH PLAN DIR COMP & GOV REL
VCS3	HEALTH PLAN SERVICES ASST-EX
LBB3	HEALTH SVCS IT DIRECTOR-EX
VCN2	HEALTH SVCS PERSNL OFFICER-EX
VQHA	HLTH/HUMAN SVC RES & EVAL MGR
AGSE	HR DATA ADMINISTRATOR
AGVF	HUMAN RESOURCES CONSULTANT
AGDF	HUMAN RESOURCES PROJECT MNGR
AG7B	HUMAN RESOURCES TECHNICIAN
VTWB	INTERIM PERMIT NURSE
ADSI	LABOR RELATIONS ANALYST I
ADSJ	LABOR RELATIONS ANALYST II
AD7C	LABOR RELATIONS ASSISTANT
ADD6	LABOR RELATIONS MANAGER-EXEMPT
5ASF	LAND INFORMATION BUS OPS MNGR
2YWB	LAW CLERK I
2YVA	LAW CLERK II
2YTA	LAW CLERK III

Exhibit A

Management, Exempt and Unrepresented

Job Code	Job Title
64WB	LAW ENFORCE TRNG INSTR-PER DM
AJTA	LEAD EXAMINATION PROCTOR
3KW4	LIBRARY AIDE-EXEMPT
3KW2	LIBRARY STUDENT ASSISTANT-EX
6KWG	LIEUTENANT OF INSP-WELF FRAUD
ADVB	MANAGEMENT ANALYST
ADD4	MANAGER CAP FAC/DEBT MGMT-EX
VCA2	MEDICAL DIRECTOR
VPD1	MH MEDICAL DIRECTOR-EX
V07A	MICROBIOLOGIST TRAINEE
VWHD	NURSING SHIFT COORD - PER DIEM
SAHM	PAYROLL SYSTEMS ADMINISTRATOR
ARVA	PERSONNEL SERVICES ASST II
ARTA	PERSONNEL SERVICES ASST III
AGDE	PERSONNEL SERVICES SUPERVISOR
AP7B	PERSONNEL TECHNICIAN
ADS5	PRIN MANAGEMENT ANALYST - PROJ
ADHB	PRINCIPAL MANAGEMENT ANALYST
7BFA	PROBATION DIRECTOR
7AGB	PROBATION MANAGER
STD1	PROCUREMENT SVCS MANAGER-EX
ADS1	PUBLIC INFORMATION OFFICER
APDF	PUBLIC WORKS CHIEF OF ADM SVCS
DYD1	REAL ESTATE MANAGER-EXEMPT
9T95	RECREATION INSTRUCTOR-LVL 422
5AH4	REDEVELOPMENT PROJ MANAGER-PRJ
VPD5	RESIDENCY DIRECTOR-EXEMPT
97DA	RETIREMENT ACCOUNTING MANAGER
97HD	RETIREMENT ADMIN/HR COORD
97HA	RETIREMENT ADMINISTRATION MNGR
97B4	RETIREMENT ASST GEN COUNSEL-EX
97GA	RETIREMENT BENEFITS MANAGER
97HB	RETIREMENT BENEFITS PRG COORD
97B2	RETIREMENT CHF INVEST OFCR-EX
97SA	RETIREMENT COMMUNICATIONS CORD
97SD	RETIREMENT COMPLIANCE OFFICER
97B3	RETIREMENT GENERAL COUNSEL-EX
97SC	RETIREMENT INFO TECH COORD II
97TF	RETIREMENT INVESTMENT ANALYST
97HE	RETIREMENT IT MANAGER
AJD1	RISK MANAGER
AJH1	RISK MGMT TRAINING COORD-PRJ
AVS4	SBDC BUSINESS CONSULTANT-PRJ

Exhibit A

Management, Exempt and Unrepresented

Job Code	Job Title
AVD3	SBDC DIRECTOR-PROJECT
CCG1	SCHOOL READINESS PROG COOR-PRJ
J3S2	SECRETARY TO UNDERSHERIFF
NSGA	SENIOR LAND SURVEYOR
ADTD	SENIOR MANAGEMENT ANALYST
APDC	SHERIFF'S CHF OF MGNT SVCS
J3T0	SHERIFF'S EXECUTIVE ASST-EX
ADB5	SPECIAL ASST TO THE CO ADMN-EX
ADDH	SR DEPUTY COUNTY ADMNISTRATOR
2KD1	SR DEPUTY DISTRICT ATTORNEY-EX
2ED3	SR FINANCIAL COUNSELOR-EXEMPT
AGTF	SR HUMAN RESOURCES CONSULTANT
NK7A	STUDENT AIDE-CIVIL ENGINEER
999E	STUDENT WORKER-DEEP CLASS
29HA	SUPERVISING ATTORNEY-DCSS
S5S3	TREASURER'S INVEST OFFICER-EX
6XB4	UNDERSHERIFF-EXEMPT
9KN3	WEATHERIZATION/HM REPAIR SUPV
XAD4	WORKFORCE INV BD EXC DIR-EX
XAD3	WORKFORCE SVCS DIRECTOR-EXEMPT

Exhibit B

Unrepresented

Job Code	Job Title
9JS2	CHILD NUTRT DIV NUTRI-PROJECT
2KWF	DEPUTY DISTRICT ATTORNEY-FT-FL
6XW3	DEPUTY SHERIFF RESERVE-EXEMPT
6XWC	DEPUTY SHERIFF-PER DIEM
6XW1	DEPUTY SPEC IN CO SVC AREA P-1
AV71	EHS WORKER TRAINEE-PROJECT
X761	EHS WORKFORCE DEV YOUTH TRN-PJ
X762	EHS WORKFORCE DEV YOUTH WKR-PJ
VPS2	EXEMPT MED STF PODIATRIST
6CW1	FORENSIC ANALYST-PROJECT
VTWB	INTERIM PERMIT NURSE
2YWB	LAW CLERK I
2YVA	LAW CLERK II
2YTA	LAW CLERK III
64WB	LAW ENFORCE TRNG INSTR-PER DM
AJTA	LEAD EXAMINATION PROCTOR
3KW4	LIBRARY AIDE-EXEMPT
3KW2	LIBRARY STUDENT ASSISTANT-EX
V07A	MICROBIOLOGIST TRAINEE
VWHD	NURSING SHIFT COORD - PER DIEM
9T95	RECREATION INSTRUCTOR-LVL 422
NK7A	STUDENT AIDE-CIVIL ENGINEER
999E	STUDENT WORKER-DEEP CLASS

Exhibit C

Elected and Appointed Department Heads

Job Code	Job Title
BAA1	AGRICULTURAL COM-DIR WTS/MEAS
DAA1	ASSESSOR
SAA1	AUDITOR-CONTROLLER
ADA1	BD OF SUPVR MEMBER
ADB1	CHIEF ASST COUNTY ADMIN
LTA1	CHIEF INFO OFF/DIR OF INFO TEC
ALA1	CLERK RECORDER
ADA2	COUNTY ADMINISTRATOR
2EA1	COUNTY COUNSEL
3AAA	COUNTY LIBRARIAN
7AA1	COUNTY PROBATION OFFICER-EX
96A1	COUNTY VETERANS' SVCS OFFICER
2KA1	DA PUBLIC ADMININSTATOR
4AA1	DIR OF CONSERVATION & DEVLP-EX
BJA1	DIRECTOR OF ANIMAL SERVICES
SMA1	DIRECTOR OF CHILD SUPPORT SVCS
NAA2	DIRECTOR OF GENERAL SERVICES-E
VCA1	DIRECTOR OF HEALTH SERVICES
AGA2	DIRECTOR OF HUMAN RESOURCES-EX
XAA2	DIRECTOR-EHSD-EXEMPT
25A1	PUBLIC DEFENDER
NAA1	PW DIRECTOR
97A1	RETIREMENT CHIEF EXEC OFCR-EX
6XA1	SHERIFF-CORONER
S5A1	TREASURER-TAX COLLECTOR

Exhibit D
Department Heads and Chief Assistants

Department Head	Job Code	Chief Assistant Department Head	Job Code
Agricultural Commissioner/Director of Weights and Measures	BAA1	Assistant Agricultural Commissioner/Sealer of Weights and Measures	BAB1
Assessor	DAA1	Assistant County Assessor	DAB1
Auditor-Controller	SAA1	Assistant County Auditor-Controller	SAB1
Board of Supervisors Member	ADA1	No Chief Assistant	
Chief Information Officer/Director of Information Technology	LTA1	Deputy Chief Information Officer - GIS-Exempt	LTD2
Clerk Recorder	ALA1	Assistant County Registrar	ALB1
		Assistant County Recorder	ALB3
		Deputy County Clerk-Recorder-Exempt	ALB2
County Administrator	ADA2	Chief Assistant County Administrator	ADB1
		County Finance Director-Exempt	ADB6
County Counsel	2EA1	Excluded Classification	
County Librarian	3AAA	Deputy County Librarian - Public Services	3AFE
		Deputy County Librarian - Support Services	3AFG
County Probation Officer	7AA1	Chief Deputy Probation Officer	7ADC
County Veterans' Services Officer	96A1	No Chief Assistant	
Director of Animal Services	BJA1	Deputy Director of Animal Services	BJD1
Director of Child Support Services	SMA1	Chief Assistant Director of Child Support Services	SMBA
Director of Conservation and Development	4AA1	Deputy Director of Community Development/Transportation Planning	5AH2
		Deputy Director of Conservation and Development	4AD1
Director-Employment and Human Services	XAA2	Aging/Adult Svcs Director	XQD2
		Children and Family Svcs Director	XAD5
		Community Svcs Director	CCD1
		EHS Director of Admin	XAD6
		Workforce Inv Bd Exec Director	XAD4
Director of Health Services	VCA1	No Chief Assistant	
Director of Human Resources	AGA2	Assistant Director of Human Resources	AGB1
District Attorney-Public Administrator	2KA1	Excluded Classification	
Public Defender	25A1	Excluded Classification	
Public Works Director	NAA1	Deputy Public Works Director	NAD0
Retirement Chief Executive Officer	97A1	Retirement Chief Investment Officer	97B2
		Deputy Retirement CEO-Exempt	97B1
Sheriff-Coroner	6XA1	Undersheriff	6XB4
Treasurer-Tax Collector	S5A1	Chief Deputy Treasurer-Tax Collector	S5B2

Exhibit E

CalPers Health Plan Classes

Job Code	Job Title
6XB2	ASST SHERIFF-EXEMPT
6XF1	CHIEF POLICE-CONTRACT AGNCY-EX
6XD1	COMMANDER-EXEMPT
6XA1	SHERIFF-CORONER
6XB4	UNDERSHERIFF-EXEMPT

MEETING DATE
JAN 28 2015
AGENDA ITEM
12

CONTRA COSTA COUNTY CCCERA
Employees' Retirement Association

MEMORANDUM

Date: January 20, 2015

To: CCCERA Board of Retirement

From: Timothy Price, Retirement CIO

Subject: Adelante request for modification of investment guidelines

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Overview and Recommendation

Michael Torres of Adelante Capital Management has requested two changes to the investment guidelines for the US REIT portfolio that they manage on our behalf. The requested changes are:

1. Increase the maximum security position from the current limit of 10% to the greater of 10% or 1.5x the index weight. This would allow Adelante the latitude to materially overweight Simon Properties, which currently stands at approximately 9.7% of the Wilshire REIT Index.
2. Change aggregate sector weight limit from 3x the index weight to 2x the index weight or 5%.

I believe both requests are reasonable updates and would align our portfolio with the firm's recommendation for other Total Return Strategy institutional clients. I recommend that the Board approve both changes and authorize the CEO to execute and amended Investment Guideline appendix to our existing contract with Adelante.

ADELANTE
Capital Management

December 19, 2014

Mr. Timothy Price
Chief Investment Officer
Contra Costa County Employees' Retirement Association
1355 Willow Way, Suite 221
Concord, CA 94520

Re: Proposed update to *Investment Guidelines - Total Return Strategy*

Dear Tim:

In conjunction with our recent acceptance of the revised CCCERA Investment Policies and Guidelines dated October 30, 2013, we thought it would be an appropriate time to update the Investment Guidelines associated with the Investment Management Agreement between CCCERA and Adelante dated July 30, 2001. The primary purpose of our request is to align these Investment Guidelines with those of the other institutional separate account clients utilizing our Total Return Strategy. CCCERA is one of approximately ten members of our Total Return Strategy composite which has a cumulative market value exceeding $1.4 billion and we are interested in minimizing composite dispersion.

Attached is a marked version of the Investment Guidelines showing the proposed edits. A summary of these edits include:

Restrictions:	*Existing - No security shall represent more than 10% of the Portfolio net assets.* Proposed - No security shall represent more than the greater of 10% or 1.5x its index weight of the Portfolio net assets.
Restrictions:	*Existing - Aggregate property sector exposure shall not exceed three times the sector's market weight.* Proposed - Aggregate property sector exposure shall not exceed the greater of two times the sector's market weight or 5%.

We appreciate your consideration of our request. Please let us know if you have any questions related to the edits. We value our long-standing relationship and appreciate the continued faith the CCCERA board has in Adelante.

Sincerely,

Mark A. Hoopes
Chief Compliance Officer

Accepted:

Contra Costa County Employees' Retirement Association Board of Retirement

Signed

Name

Title

Date

APPENDIX A-1

Investment Guidelines – Total Return Strategy

Strategy: The Manager shall actively construct and manage a diversified portfolio of publicly traded real estate securities, predominately equity REITs.

Portfolio Managers: ~~Kenneth T. Rosen and~~ Michael A. Torres & Jeung Hyun

Investment Powers: The Manager may invest and reinvest the Portfolio at the Portfolio Manager's discretion, subject to the restrictions below.

Negative Covenants: The Manager may not (i) sell securities short, buy securities on margin, borrow money or pledge assets, or buy or sell options, derivative securities, commodities or currencies, (ii) engage in securities lending or (iii) purchase any security for other than cash or settle on other than customary market terms.

Holdings: The Portfolio will generally include between twenty (20) and thirty-five (35) securities. Securities may include:

1) equity shares of companies;
2) preferred shares, up to 25% of the Portfolio; and
3) convertible preferred debentures, up to 25% of the Portfolio;

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Restrictions:

1) No security shall represent more than the greater of 10% ~~of the Portfolio net assets; except Equity Office Properties, which shall not represent more than 15%~~ or 1.5x its index weight of the Portfolio net assets;
2) Aggregate property sector exposure shall not exceed the greater of two times the sector's market weight or 5%~~three times the sector's market weight~~.

Reporting: The Manager shall prepare and submit the following reports within 40 days of quarter-end:

1) Transaction summary;
2) Valuation and Performance reports, including Manager's perspectives;

Unless otherwise noted, whenever an investment restriction states a maximum percentage of the Portfolio's assets that may be invested in any security or sector, such percentage limitation will be determined at market at month-end. Accordingly, any subsequent change in values, net assets, or other circumstances will be not considered when determining whether the investment complies with the investment restrictions.

RFK COMPASS CONFERENCE

WEST COAST | 2015

CAVALLO POINT LODGE

SAN FRANCISCO BAY AREA | MARCH 4–5, 2015

MEETING DATE

JAN 28 2015

AGENDA ITEM

#14a.

4th ANNUAL WEST COAST CONFERENCE

PRELIMINARY AGENDA

WEDNESDAY, MARCH 4TH

3:00 pm **Conference registration begins**

3:30-5:15 pm **Opening Workshop: The Share Buyback Bubble**

Technology R&D is a source of long-term shareholder value for companies. To what extent do aggressive efforts to repurchase shares hurt investment in R&D? To what extent are interests of long-term and short-term shareowners aligned?

This workshop will be dedicated to providing an overview of the trend in share repurchases. Participants will be provided a short case study shareholder engagement involving share repurchase plans to discuss in small groups. Each group will then share their findings.

5:30 pm **Welcome Cocktail Reception**

7:00 pm **Welcome Dinner**

THURSDAY, MARCH 5TH

7:30 am ***Registration & Continental Breakfast***

8:30 am **Opening Remarks**

9:00 am **Managing Risk, Return Expectations and Fulfilling Fiduciary Duties in Challenging Times**

- Evaluating the shift in asset allocation strategies in lieu of high correlations amongst asset classes and disappointing returns

- Determining how risk behavior has changed and whether institutional investors are focusing on managing risk rather than generating returns
- Transforming to a risk-based asset allocation process as fiduciaries continue to weather financial storms
- Discussing the need for new portfolio construction techniques as investors move away from traditional diversification and style-box framework
- Understanding how risk-based approach supports better portfolio performance with less volatility?

9:45 am **Alpha Generating Strategies; Building a Successful Investment Portfolio with a Long-Term Horizon**

- How will hedge funds be viewed when managing risk and optimizing asset allocation?
- Does the recent underperformance of hedge fund make this an out- of-favor asset class or an attractive opportunity?
- How has CalPERS decision to divest impacted the pension landscape?
- Where do traditional investments fit in the new age portfolio?
- New opportunities in the fixed income market – cutting edge debt strategies including opportunistic, unconstrained, alternative and active approaches
- What is the appetite for private equity amongst LPs and the expectations for returns and their place in the investment portfolio?
- Insights on where opportunities with alternatives are emerging: What's the next best idea?

10:30 am **Refreshment Break**

10:45 am **Giving Back: Success in Local Investing Opportunities**

- How have foundations across the country managed and grown robust opportunities?
- How institutional investing has contributed to their success?
- What are the most attractive and feasible opportunities in the eyes of institutions?
- What are some of the flavors of partnerships?
- What is the implementation process for a successful outcome?

11:30 am **Putting the S in ESG: How to Incorporate Human Rights in Investment Decisions**

- What are the various ways investors think about S in ESG?
- What are the effective, tested metrics that institutional investors, especially those in Europe have used in their investment

considerations?
- What can the investment community do to overcome some of the hurdles?
- Where have investors benefited from comprehensive human rights information?

12:15 pm	**Luncheon**
2:00-3:15 pm	**Concurrent Roundtable Sessions**
	Session A: Environmentally-Sound Investing Opportunities
	Session B: Developments in Real Estate and Infrastructure Investing
	Session C: Case Study on the Information and Communications Technology (ICT) Sector and Human Rights
3:30 pm	**Conference Concludes**

PIMCO

MEETING DATE
JAN 28 2015
AGENDA ITEM
14 b.

PIMCO Client Conference: INSIGHT 2015 AGENDA

(Agenda subject to change)

Time (PDT)	Topic	Speaker(s)	Moderator
Sunday, March 15, 2015			
3:00 - 7:30 PM	Conference Registration		
4:30 - 7:30 PM	Welcome Dinner		
Monday, March 16, 2015			
8:00 - 8:30 AM	Welcome & CEO Remarks	Douglas Hodge	
8:30 - 9:45 AM	Secular Outlook Panel Discussion	Andrew Balls Mark Kiesel Dan Ivascyn Virginnie Maisonneuve Scott Mather Marc Seidner Mihir Worah	Dan Ivascyn
10:00 - 10:45 AM	Top Down Opportunities	Andrew Balls Scott Mather Mike Spence Saumil Parikh	Olivia Albrecht
10:45 - 11:30 AM	Bottom Up Opportunities	Mark Kiesel Dan Ivascyn Marc Seidner	Jen Bridwell
11:30 - 1:00 PM	*Lunch*		
1:15 - 2:15 PM	Solutions Center & Analytics Demos		
2:30 - 3:45 PM	Bringing It All Together: From Investment Committee to Analytics	Mark Kiesel Scott Mather Mihir Worah Ravi Mattu	David Fisher
4:00 - 5:15 PM	Keynote Remarks		
6:00 PM	*Reception & Dinner*		

PIMCO

Time (PDT)	Topic	Speaker(s)	Moderator
Tuesday, March 17, 2015			
8:00 - 8:15 AM	Remarks from PIMCO's President	Jay Jacobs	
8:15 - 9:30 AM	Keynote Remarks		
10:00 - 11:00 AM and repeated at 11:15 - 12:15 PM	*Breakout Sessions (choose two)*		
	Navigating Rising Rates	Beth MacLean Mohit Mittal Jeremie Banet Josh Thimons	Beth MacLean
	Equities: Active, StocksPLUS and Smart Beta	Andy Pyne Brad Kinkelaar Jason Hsu	Andy Pyne
	Alternatives	Mohsen Fahmi Jon Horne Greg Sharenow Sai Devabhaktuni	Ryan Korinke
	Role of Global Credit Research in Portfolios	Christian Stracke Raja Mukherji Eve Tournier	Candice Stack
12:30 - 1:20 PM	*Lunch*		
1:30 - 2:30 PM	Peer Group Roundtables		
2:45 - 3:45 PM	Cyclical Opportunities: Multi-Asset	Virginnie Maisonneuve Geraldine Sundstrom Mihir Worah	John Cavalieri
4:00 - 5:00 PM	Optimizing Retirement Outcomes in a Misbehaving World	Sebastien Page Stacy Schaus Richard Thaler	Stacy Schaus
5:00 - 5:30 PM	Closing Remarks		
6:00 PM	*Finale Dinner*		
Wednesday, March 18, 2015			
6:00 - 9:00 AM	Grab-N-Go Breakfast & Departures		