

CCCERANEWS

Fall 2021

RETIRING SOON? KNOW YOUR NEXT STEPS

Active Members

STEP 1 - Determine your eligibility.

Pension benefits can only be received if you are eligible, meaning you meet the age and service requirements. Generally, you can retire at:

Legacy Tiers (1, 3, A or C)

- Any age, with 30 (20 for safety members) or more years of service
- Age 50, with 10 or more years of service
- Age 70 or older, regardless of service

PEPRA Tiers (4, 5, D or E)

- Age 52 (50 for safety tiers), with five or more years of service
- Age 70 or older, regardless of service

If you have left employment with a CCCERA employer before you are eligible to retire, you can defer your retirement until you become eligible, withdraw your funds, or rollover your funds to an Individual Retirement Account.

STEP 2 - Attend a workshop. Sessions are available year-round to all members but the Pre-Retirement Workshop (currently offered virtually) is particularly helpful for those planning to retire within five years. If you are *more* than five years away from retirement, you may find the Overview Workshop Video on our website helpful.

STEP 3 - Request your benefit estimate.

An estimate will give you an idea of your monthly benefit amount when you retire. It also gives you the opportunity to purchase or convert any eligible service time, consider your estimated benefit amounts at potential retirement ages and at which age retirement will be most beneficial. Calculate your own basic estimate for retirement at cccera.org/pension-calculator.

Members may request a maximum of two benefit estimates per year; the retirement dates should be within five years of the date of the request.

How does your salary contribute to your pension? *In a nutshell, you contribute to CCCERA to receive a pension. Then CCCERA uses a formula to determine your pension...*

During your employment you contribute a percentage of your pretax pay each pay period through automatic payroll deductions which are submitted to CCCERA and posted into your retirement account. If you withdraw these funds before retirement, you'll receive a lump sum payout, paying income tax on your contributions. Or, you can leave your contributions in your account and wait until you are eligible to retire and receive a pension.

CCCERA calculates your pension benefit using a formula based off your highest final average salary, years of service and your retirement age factor.

Highest Final Average Salary	X	Years of Retirement Service Credit	X	Retirement Age Factor	=	Monthly Pension Benefit
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Visit cccera.org/benefit-handbooks for details based on your tier.

STEP 4 - Speak with a retirement

counselor. Once you have decided on a retirement date, call CCCERA to make a virtual appointment with a retirement counselor. If you are ready, the retirement counselor may send you the Application for Service Retirement Packet, or you can download the packet from cccera.org/forms. During your appointment, the retirement counselor will discuss your specific situation and go over your application.

STEP 5 - Submit your Application to

Retire. Your application must be submitted within 60 days of your planned retirement date. By statute, CCCERA cannot accept your application more than 60 days prior to your final day at work. While you are not required to notify your employer, we highly encourage you to give your employer as much notice as possible. Once you have submitted your application, a notice will be sent to your employer, which states your decision to retire and the effective date.

Your application must include the following documents (please provide copies):

- Application to Retire (at cccera.org/forms)
- Social Security card.
- Beneficiary's Social Security card.
- Birth certificate or passport.
- Beneficiary's birth certificate or passport.
- Marriage certificate or registration if you are currently married or a State of California Registered Domestic Partner.
- If applicable, court documents stating whether your former spouse/partner has any entitlement to your benefit if you were married and divorced, or dissolved a registered domestic partnership during your membership.

If you have any service in Tier 2, you will also need to provide a current Social Security Estimate for your Tier 2 service from the Social Security Administration before your final benefit calculation can be completed.

After CCCERA receives all the necessary documentation, a retirement counselor will process your application. Generally, the time frame from your last paycheck to receipt of your Options Election Package is about eight to 12 weeks (see Step 6).

Submit Documents at Any Time

You can streamline the processing of your retirement benefits by having the necessary documents on file with CCCERA before you submit your retirement application.

What about reciprocity?

Reciprocity is an agreement among public retirement systems to allow members to move from one public employer to another public employer within a specific time limit without losing some privileges related to your retirement benefits. There is no transfer of funds or service credit between retirement systems when you establish reciprocity. You become a member of both systems and are subject to the membership obligations and rights of each system (for example, minimum retirement age may vary between systems), except as modified by the reciprocity agreement.

If you have reciprocity with another public retirement system(s), you must apply to retire from each system separately, and you will receive separate retirement allowances from each system. You must retire on the same date from each public retirement system participating in a reciprocal agreement for all benefits of reciprocity to apply. For more information, visit cccera.org/reciprocity.

STEP 6 - Choose your benefit payment

option. An Options Election Package will be sent for your signature about eight to 12 weeks after your last paycheck. Your option selection must be signed, witnessed, and received by CCCERA before your first pension check can be issued. Your option choice is irrevocable.

There are five benefit payment options you could be eligible for:

- **The Unmodified Allowance** gives you the highest monthly benefit with a 60% continuing benefit after your death to a eligible beneficiary(ies).
- **Option 1** reduces your benefit but leaves a lump sum amount of the remaining refundable employee contributions, if any, for your eligible beneficiary(ies).
- **Option 2** reduces your benefit, but leaves your eligible beneficiary a lifetime benefit of up to 100% of your benefit.
- **Option 3** reduces your benefit and provides a 50% lifetime continuance for your surviving, eligible beneficiary.
- **Option 4** reduces your benefit and provides a lifetime continuance for multiple, eligible beneficiaries.

To learn more, visit cccera.org/getting-ready-retire.

AB197

Retirees and Payees, Active Members

In 2012, the Governor signed 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. Later that year members and their representative bargaining units filed a lawsuit challenging the new law. By operation of a court-imposed Stay Order, CCCERA was prohibited from implementing the new law for members whose effective date of retirement was on or before July 11, 2014. In 2020, the California Supreme Court issued a unanimous decision upholding the constitutionality of the legislative changes contained in AB 197 to the definition of "compensation earnable."

In September 2021, the Board of Retirement considered the issues of member contributions and retirement benefit adjustments in connection with elements of pay no longer pensionable under

AB 197 and the Alameda decision. The Board adopted Resolution 2021-5 that authorizes the following actions in compliance with the Alameda decision and applicable state and federal law:

1. Determine all member contributions attributable to excluded Terminal Pay Items and On-Call Pay Items made on and after July 12, 2014 and credit or refund all such contributions, with appropriate interest, to the affected members, in a manner that complies with applicable federal tax rules and California law.
2. Determine all overpayments of benefits made to retired members due to excluded Estoppel Benefits and On-Call Pay Items since July 12, 2014 and recover those overpayments from the affected members, with appropriate interest, net of any contributions made on and after July 12, 2014 attributable to such excluded items, in a manner that complies with applicable federal tax rules and California law.
3. Determine appropriate adjustments to the future retirement benefits paid to affected members in Item 2 above and implement those adjustments at the earliest practicable time.

The above actions will commence upon the final resolution of the three AB 197 lawsuits involving CCCERA. Please contact CCCERA with specific questions affecting your retirement decisions. For more information and frequently asked questions, visit cccera.org/post/ab-197.

UPDATE YOUR INFORMATION

Retirees and Payees, Active Members

Recently married or divorced? Did you move? Need to update your electronic funds transfer or your tax withholding election? Visit cccera.org/forms. Forms can be printed and mailed to CCCERA; only original forms are accepted (they cannot be photocopied or submitted electronically).



Contra Costa County Employees'
Retirement Association

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CALL OR VISIT OUR OFFICE

CCCERA is open Monday to Friday, from 8 a.m. to 5 p.m. The office is closed from noon to 12:30 p.m.

2021 CALENDAR DATES

UPCOMING CLOSURE SCHEDULE

November 11 **November 25 & 26**
Veterans Day Holiday Thanksgiving Holiday

December 24
Christmas Holiday

VIRTUAL PRE-RETIREMENT WORKSHOPS

In-person workshops are currently on hold, and are now offered virtually. Sessions are available year-round to all members but the Pre-Retirement Workshop is particularly helpful for those planning to retire within five years. Visit cccera.org/retirement-counseling to see when the next workshops are scheduled. Reservations are required and fill up fast; please call CCCERA to sign up.

UPCOMING BOARD MEETINGS

October 27, 2021 **November 3, 2021**
November 17, 2021 **December 8, 2021**

2021 RETIREE PAYROLL DATES

Month	Pay Date	Month	Pay Date
January	February 1	July	August 2
February	March 1	August	September 1
March	April 1	September	October 1
April	May 3	October	November 1
May	June 1	November	December 1
June	July 1	December	January 3

NOTICE

This newsletter is intended to provide members with general information about the benefits available through CCCERA, but it does not describe every plan provision in detail. CCCERA is governed by the County Employees Retirement Law of 1937 (CERL, Government Code Section 31450 et. seq.) and the California Public Employees' Pension Reform Act of 2013 (PEPRA). The laws governing public retirement systems are complex. If conflict arises between this newsletter and the law, the law shall govern.

FUTURE ONLINE PORTAL

The CCCERA Retirement Board recently approved a contract with Sagitec Solutions, an application platform provider, to deliver a new pension administration system. This new system will include a portal for members to access their accounts online, as well as an employer self-service portal, where employers can upload active payroll files, view their employees membership contributions, rates and more. Contra Costa County and the Contra Costa County Superior Court, will help as pilot employers during the testing phase of the new system next year. Final testing with all employers will begin in 2023 when the employer platform is expected to go live. More details will follow; the project is estimated to be completed in 2024.

CONTRIBUTION RATES RATE IMPLEMENTATION & CALCULATOR

Contribution rates have been updated effective July 1, 2022. CCCERA employee contribution rates for members are based on two factors: the members' employer and their retirement tier. Contribution rates are set to provide an average retirement annuity at the specific tier for their benefit structure.

Contribution Rate Implementation

In order to allow employers to more accurately budget for pension contributions and other

practical considerations, the contribution rates determined in each valuation (as of December 31) apply to the 12-month period beginning 18 months after the valuation date. For example, the December 31, 2020 rates will be in effect July 1, 2022 through June 30, 2023. Any shortfall or excess contributions as a result of the implementation lag will be amortized as part of CCCERA's Unfunded Actuarial Accrued Liability (UAAL) in the following valuation.

Contribution Calculator

Contribution rates for members and employers change annually on July 1. Members can find their contribution rate effective July 1, 2022 by visiting cccera.org/contributioncalculator.

EMPLOYER RESPONSIBILITIES

BOARD REGULATIONS, CERTIFICATION REMINDERS & PENALTIES

The CCCERA Board of Retirement Regulations has many requirements that pertain to employers and is available at cccera.org/governance-and-policies.

Establishing and Reporting Newly-Eligible Members

Employers submit the following three forms on behalf of new members upon membership to CCCERA:

1. Enrollment Affidavit (Form 101) – **NEW FORM AVAILABLE**

Please note this form, as well as the New Member Enrollment Packet, has been updated. For the latest versions, visit cccera.org/forms.

Reciprocal members must complete Section 2 of Form 101. Upon receiving Form 101 with Section 2 completed, CCCERA will mail a Reciprocity Affidavit Form (Form 109) to the member.

2. Beneficiary Designation Form (Form 102)

Members who choose a beneficiary other than their spouse/registered partner must complete Section 5 of Form 102.

3. Death During Active Membership (Form 104)

This form should be filled out if the member would like to authorize CCCERA to file an application for non-service connected disability on a member's behalf, in the event that a member is permanently incapacitated by reason of injury or other disability leading to death while the member is an active member of CCCERA.

Eligible Members Effective Entry Date

A new member's effective entry date is the first of the month following their date of hire or transfer into an eligible position. New hire documents should be submitted to CCCERA within the first week of the employee's hire date or date of transfer to an eligible position. Employers must submit all new hire documents for the month to CCCERA no later than the 10th of the following month.

In accordance with CCCERA Board Regulation Sections III.3, every employee of the County or participating district must, upon entry into CCCERA, complete a sworn statement (Enrollment Affidavit Form 101) as provided for in Gov. Code Section 31526(b). A certified copy of the member's birth certificate or other evidence of birth may be required by the Board.

It is the employer's responsibility to assure compliance with this regulation. CCCERA will assess the employer with a five hundred (\$500) dollar per employee penalty for every month or fraction thereof that the required certification is not submitted. CCCERA will notify the employer in writing of the imposition of assessment at least thirty days before the assessment.

Due Dates for Contributions, I-29 and I-30 Reports, Adjustment and Retiree Health Files, and Member Data

Each employer must provide reports and contributions to CCCERA in a manner and frequency as determined by the CCCERA Board of Retirement sufficient for CCCERA to credit contributions and service to each member's record. Unless otherwise specified, reports will be due no later than the 10th of each month for the previous month's payroll and will be accompanied by member and employer contributions. Generally, the retiree health file is due no later than the 20th of each month. If the 10th or 20th of the month falls on a weekend or holiday, the due date will be the last working day before the 10th or 20th.

Reports that are unreadable or incorrect will not be accepted and will be returned to the employer. Reports and contributions received after the due date will be considered late and subject to a late reporting penalty equal to the prime rate in effect on the due date computed on a daily, non-compounding basis and applied to the contributions due. (CCCERA Board of Retirement Regulations, Section IV. 2.)

Direct all inquiries regarding secure site access and file transmission issues to employers@cccera.org.

New Pay Codes - Approval Process

When an employer has negotiated a new compensation item with its represented or unrepresented employees, the employer is required to seek advice from CCCERA as

to whether the compensation item would be considered as compensation earnable for retirement purposes.

Employers must submit a list of pay codes to CCCERA annually – both pensionable and non-pensionable for CCCERA review. New or changed codes must be reported to CCCERA in writing no later than 30 days prior to implementation. Notifications received after the 30 days will be considered late and subject to a late reporting penalty equal to the prime rate in effect on the due date computed on a daily, non-compounding basis and applied to the contribution rate. (CCCERA Board of Retirement Regulations, Sections VI. 2. C. and IV. 2.) Inquiries and notifications should be sent to employers@cccera.org for review.

Social Security Form 1945

Signed copies of Social Security Form 1945 must be submitted to CCCERA for employees who are not covered under social security.

In compliance with Social Security Administration (SSA) requirements, employers must submit copies of signed Form SSA-1945 “Statement Concerning Your Employment in a Job Not Covered by Social Security” to CCCERA for employees of your organization not participating in social security. Information about the SSA requirements can be found on the SSA website at ssa.gov/forms/ssa-1945.pdf.

Copies of signed Form SSA-1945 should be submitted to CCCERA for all current active employees that are not covered under social security. New employee enrollments should submit completed Form SSA-1945 with the employee Enrollment Affidavit (Form 101) to CCCERA. Questions? Email employers@cccera.org.

What is submitted on the I-29 File?

- Name changes
- Address changes
- Position changes

- Bargaining unit changes
- New hires
- Terminations
- Leaves of absences (LOA). If a member is on a LOA and contributions were not taken, regular monthly earnings with no retirement contributions for LOA member must be reported on a I-30 File.

What is submitted on the I-30 File?

- Earnings code
- Monthly hours
- Member and employer contribution amounts (basic and COLA contributions)
- Accruals

Employers should report all earnings/pay codes separately on the I-30 File. Please note, the I-30 headers *must* have the correct reporting dates (first day to the last day of the month). Corrections to data previously submitted on a I-30 File should be reported on an adjustment file.

What goes in Retiree Deduction Files?

The employer should provide a health deduction file which lists the retiree, the benefit deduction type and the amount of the monthly deduction.

EMPLOYER WORKSHOPS

Would your organization like a virtual meeting with CCCERA staff to review report and form submission requirements? Email employers@cccera.org.

OVERVIEW WORKSHOP VIDEO

CCCERA Overview Workshops, which are intended for members who have more than five years from retirement, is now available as a video on our website at cccera.org.

AB 197 LAWSUIT

In 2012, the Governor signed 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. Later that year members and their representative bargaining units filed a lawsuit challenging the new law. By operation of a court-imposed Stay Order, CCCERA was prohibited from implementing the new law for members whose effective date of retirement was on or before July 11, 2014. In 2020, the California Supreme Court issued a unanimous decision upholding the constitutionality of the legislative changes contained in AB 197 to the definition of "compensation earnable."

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NOTICE

The materials in this newsletter are intended to provide a general reference or resource only and are not to be construed as providing financial, legal, tax, or any other professional service or advice. CCCERA is governed by the County Employees Retirement Law of 1937 (CERL or 1937 Act) and PEPRRA; the CCCERA retirement system is administered in accordance with these laws. If there is any conflict between statements made herein and provisions of the applicable retirement law, the law will prevail.

CALENDAR DATES

UPCOMING CCCERA CLOSURES

December 24

Christmas Holiday

December 31

New Year's Day Holiday

VIRTUAL PRE-RETIREMENT WORKSHOPS

Workshops fill up fast. Please advise members to call or email CCCERA for availability and to sign up.

December 2, 2021, 3 p.m. – 5 p.m.

December 16, 2021, 9 a.m. – 11 a.m.

January 20, 2022, 2 p.m. – 4 p.m.

February 17, 2022, 9 a.m. – 11 a.m.

UPCOMING BOARD MEETINGS

December 8, 2021

January 12, 2022

January 26, 2022

NEWSLETTER SUGGESTIONS?

Please email employers@cccera.org.

CONTACT US

Contra Costa County
Employees' Retirement Association
1200 Concord Ave, Suite 300,
Concord, CA 94520
(925) 521-3960
info@cccera.org

Our office is now open to the public.

Open Monday – Friday

8 a.m. – 5 p.m.;

Closed noon to 12:30 p.m.



AGENDA

RETIREMENT BOARD MEETING

REGULAR MEETING

November 17, 2021, 9:00 a.m.

The Board of Retirement will hold its meeting via teleconferencing as permitted by Government Code Section 54953(e). The meeting is accessible telephonically at 669-900-6833, Webinar ID: 849 9279 7484, Passcode: 805759, or via the web at:

<https://us06web.zoom.us/j/84992797484?pwd=YkFnZ1FXb20rdEhuaURCME1iWTlidz09>

Passcode: 805759

Persons who wish to address the Board of Retirement during public comment may call in during the meeting by dialing the phone number and passcode above. Access via Zoom is also available at the weblink above. To indicate you wish to speak during public comment, please select *9 on your phone or “raise your hand” in the Zoom app.

Public comments are limited to any item that is within the subject matter jurisdiction of the Board of Retirement. Comments will be received in real time via telephone or Zoom, subject to a three-minute time limit per speaker.

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

1. Pledge of Allegiance.
2. Roll Call.
3. Accept comments from the public.
4. Approve minutes from the October 27, 2021 meeting.
5. Review of total portfolio performance for period ending September 30, 2021.
 - a. Presentation from Verus
 - b. Presentation from staff
6. Private Equity Review
 - a. Presentation from staff
 - b. Presentation from StepStone

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

7. Presentation of alternative investment fees and expense report.
8. Consider and take possible action to issue a Request for Proposal for a Member Service Analysis.
9. Consider and take possible action effective January 1, 2022 to add CCCERA staffing:
 - a. Add two Retirement Services Counselors positions, cancel one Investment Officer position (currently vacant), establish classifications for Senior Investment Officer and Senior Investment Analyst, and add one Senior Investment Officer position and one Senior Investment Analyst position; and
 - b. Amend Attachment A of Resolution 2021-3 providing salary and benefits for unrepresented employees of CCCERA.
10. Consider and take possible action to adopt the 2022 CCCERA budget.
11. Consider and take possible action to authorize the Board to conduct teleconference meetings under Government Code section 54953 (e) and to make related findings.
12. Consider and take possible action on Board meeting schedule for 2022.
13. Miscellaneous
 - a. Staff Report
 - b. Outside Professionals' Report
 - c. Trustees' comments

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



AGENDA

RETIREMENT BOARD MEETING

REGULAR MEETING

December 8, 2021, 9:00 a.m.

The Board of Retirement will hold its meeting via teleconferencing as permitted by Government Code Section 54953(e). The meeting is accessible telephonically at 669-900-6833, Webinar ID: 816 3480 6212, Passcode: 574719, or via the web at:

<https://us06web.zoom.us/j/81634806212?pwd=d2JHYU5Lb1pwQ200ZVNkNmdMczFGQT09>

Passcode: 574719

Persons who wish to address the Board of Retirement during public comment may call in during the meeting by dialing the phone number and passcode above. Access via Zoom is also available at the weblink above. To indicate you wish to speak during public comment, please select *9 on your phone or “raise your hand” in the Zoom app.

Public comments are limited to any item that is within the subject matter jurisdiction of the Board of Retirement. Comments will be received in real time via telephone or Zoom, subject to a three-minute time limit per speaker.

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

1. Pledge of Allegiance.
2. Roll Call.
3. Accept comments from the public.
4. Approve minutes from the November 3, 2021 meeting.
5. Approve the following routine items:
 - a. Certifications of membership.
 - b. Service and disability allowances.
 - c. Death benefits.
 - d. Investment liquidity report.

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6. Accept the following routine items:
 - a. Disability applications and authorize subpoenas as required.
 - b. Investment asset allocation report.

CLOSED SESSION

7. The Board will go into closed session pursuant to Govt. Code Section 54957 to consider recommendations from the medical advisor and/or staff regarding the following disability retirement applications:

<u>Member</u>	<u>Type Sought</u>	<u>Recommendation</u>
a. Oscar Aranda	Service Connected	Service Connected
b. Jason Hoschouer	Service Connected	Service Connected
c. Melissa O'Reilley	Service Connected	Service Connected

8. The Board will continue in closed session pursuant to Govt. Code Section 54957 to consider the Hearing Officer's recommendation regarding the disability application for Da'Kiesha Malone.
9. The Board will continue in closed session pursuant to Govt. Code Section 54956.9(d)(2) to confer with legal counsel regarding potential litigation (one case).
10. The Board will continue in closed session pursuant to Govt. Code Section 54956.9(d)(1) to confer with legal counsel regarding pending litigation:
 - a. *Nowicki v. CCCERA, et al.*, Court of Appeal, First Appellate District, Division Two, Case No. A160337
 - b. *Contra Costa County Deputy Sheriffs Association, et al., v. Board of Retirement of CCCERA, et al.*, Contra Costa County Superior Court, Case No. MSN12-1870

OPEN SESSION

11. Information session on retirement process.
12. Legislative update.
13. Consider and take possible action to issue RFI for integrated investment portfolio analytics and risk management solution.
14. Notice of planned termination of Parametric Volatility Risk Premium strategy.

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15. Presentation of the Contra Costa County Fire Protection District employer audit report.
16. Presentation of 2022 Compliance Activity Plan.
17. Report out from Audit Committee Chair on November 17, 2021 Audit Committee meeting.
18. Consider authorizing the attendance of Board:
 - a. SACRS Board of Directors Meeting, December 14, 2021, Rancho Mirage, CA.
 - b. 40th Annual Sit Investment Associates Client Workshop, February 17-20, 2022, Scottsdale, AZ.
19. Miscellaneous
 - a. Staff Report
 - b. Outside Professionals' Report
 - c. Trustees' comments

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