



NAPPA

National Association of
Public Pension Attorneys

2019

WINTER SEMINAR

February 20 - February 22, 2019

Registration Begins Tuesday, December 4, 2018

Tempe Mission Palms Hotel ♦ Tempe, AZ

Registration Information & Deadlines

Online registration begins Tuesday, December 4, 2018.

To register for the conference:
Go to www.nappa.org
Click on "**Winter Seminar Registration**"

December 4 - January 31	Winter Seminar Registration Opens Winter Seminar Fee: \$485 <i>(if registered before 1/16)</i> Winter Seminar Fee: \$585 <i>(if registered 1/16 or after)</i>
December 4 - January 31	Senior Counsel Meeting Registration Opens Senior Counsel Registration Fee: \$70 This session is designed for attorneys with substantial experience as in-house/outside counsel for a public retirement system. Less experienced counsel are welcome, but may not find this session as valuable.
January 31, 2019	Last day to register for the Winter Seminar

Seminar Cancellation Policy

Prior to January 16	Full refund
January 16 - January 31	\$100 administrative fee charged
February 1 or later	No refund

If you have any questions, please call the NAPPA office
at (573) 616-1895, or send an email to:

Karen HoltermanKaren@nappa.org
Brenda Faken.....Brenda@nappa.org
Doris Dorge.....Doris@nappa.org

Hotel Information



All meetings will be held at the:

Tempe Mission Palms Hotel

60 E. 5th Street

Tempe, AZ 85281

Phone: (480) 894-1400

Toll Free: (800) 547-8705

www.missionpalms.com

Conference Room Rate: \$224 per night *(single/double occupancy)*

A block of rooms has been reserved at the Tempe Mission Palms Hotel. The block room rate will be available **until the room block is filled or until January 30, 2019, at 5:00 p.m. (MST), whichever comes first.**

Hotel Reservations

To ensure registered members can book a room in the NAPPA block, we would appreciate you registering for the conference **before** booking your room.

Hotel Cancellation Policy: Guest room reservations must be cancelled 48 hours prior to arrival date or you will be charged for one night's accommodation.

Please Note!

- Materials will be provided electronically through the mobile app.
- NAPPA **does not** apply for CLE credits for the Winter Seminar.
- You are responsible for your own airfare and hotel accommodations.
- There is a "No Smoking" policy at all sessions.
- Dress is business casual. Please note that most meeting rooms tend to be on the chilly side, so a sweater or jacket is recommended.

Solicitation and Marketing are prohibited at all NAPPA meetings.

7:00 a.m. - 4:30 p.m. **Registration**

7:30 a.m. - 8:15 a.m. **Breakfast (provided by NAPPA)**

Investment Section Meeting

(8:30 a.m. - 11:30 a.m.)

8:30 a.m. - 9:20 a.m. **Fiduciary Consideration of Fund Terms in Manager Selection**

Many managers have taken advantage of today's oversubscribed market to shift the business and legal risks to the investors in private funds. In light of this shifting landscape, the panel will discuss related fund terms in the investment process and whether such terms should play a role in manager selection. The panel will consider the role of the Retirement Board, investment staff, and in-house/outside investment counsel acting as fiduciaries to the plans they serve. Should investment staff in performing operational due diligence consider fund terms related to fiduciary considerations prior to selecting or recommending managers and if so, should the managers' position on material fund terms, such as standard of care, indemnification, reporting/transparency and disclosures, impact manager selection? As part of the due diligence process, should the investment staff consider the managers' track record with respect to diversity, pay-to-play, equitable compensation and promotions, and/or sexual harassment? Should the degree of the fiduciary obligations that the managers are willing to undertake inform the investment staffs' recommendations and internal approvals of investment transactions? In addition, this panel will address the role of in-house/outside investment counsel in negotiation of material terms and at what point should investment counsel raise legal concerns with the lack of investor protections in fund terms and the managers' disclaimer of its fiduciary duties. The panel will also examine the important role that investment counsel plays in ensuring that the relevant decision makers understand the fund terms from a legal (and business) perspective so that they can make informed investment decisions.

9:20 a.m. - 10:10 a.m. **Clear as Mud—The Fiduciary Duty of Private Fund Managers**

The panel will discuss the framework of fiduciary duty of private investment fund managers established through federal law in court rulings and enforcement actions by the U.S. Securities Exchange Commission (SEC) under the Investment Advisers Act of 1940 (Advisers Act). The panel will provide an update of the proposed interpretation of the standard of care of investment advisers issued by the SEC in April, 2018, and the response to the SEC in August, 2018, from the Institutional Limited Partner Association (ILPA). The panel will also discuss the fiduciary duty of general partners of limited partnerships and managers of limited liability companies under the common law and Delaware state law, how this compares to the fiduciary duty recognized under the Advisers Act, and what protections (and strategies), if any, governmental plans can rely upon from either.

Wednesday, February 20 *(continued)*

10:10 a.m. - 10:40 a.m. Break

10:40 a.m. - 11:30 a.m. Life Cycles of the Side Letter: From Forms to Most Favored Nations

Side letters granting additional rights or privileges to an investor, or limiting the applicability of some aspect of fund governing documents with respect to an investor, are commonplace in the private funds market. This panel will explore the life cycle of the side letter, beginning with the creation, updating process and maintenance of form provisions, and discussing the challenges of maintaining consistency across funds and during changes in the market. We will also discuss most favored nations (MFN) comfort, which extends the benefit of separately negotiated side letter provisions to some, or all, of a fund's investor base, including ways to maximize the utility of MFN, despite recent trends in the market limiting its scope.

11:30 a.m. - 1:00 p.m. Lunch (provided by NAPPA)

Fiduciary and Plan Governance Section Meeting

(1:30 p.m. - 4:30 p.m.)

1:30 p.m. - 2:30 p.m. Governance and Fiduciary Implications of Delegation and the Proper Role of the Board in These Matters

This panel will discuss the design and implementation of delegations to pension fund staff and the proper role of the board, including any legal limitations of shifting fiduciary decision making in these matters. Recognizing that this is not a "one size fits all" exercise, the panel will share a broad range of pension system perspectives and will discuss delegation in all aspects of pension system administration including benefit matters, third-party contracting, investments, securities litigation and other litigation, and proxy voting. Taking into consideration the accountability of staff to report to the board, the panel will delve into what level of reporting or communication is satisfactory to comply with the board's fiduciary duty.

2:30 p.m. - 3:00 p.m. Break

3:00 p.m. - 4:30 p.m. The Fiduciary Implications of Investment Negotiations and Decision Making

This panel will discuss the proper exercise of the pension board's decision-making in manager selection and negotiation of investment transactions, including the fiduciary implications of the timing of investment negotiations v. presentation of the investment to the pension system board. The panel will consider whether agreements should be

Wednesday, February 20 *(continued)*

execution ready before board approval (to avoid a situation where the fund is effectively deprived of negotiating leverage once the board has acted), or whether it is sufficient to have board approval contingent on negotiation of an agreement satisfactory in form to the CIO and Chief Counsel. The panel will also discuss the appropriate standard of care in investment transactions and whether the fund can “negotiate away” a manager’s fiduciary duty or whether it should be a deal point that a manager cannot limit or disclaim its duty. What are the fiduciary implications of other agreement terms; should the board be informed of key legal terms at the time of approval or act to define “preferred terms” in advance? The panel will also discuss alternatives for managing the internal tension between counsel trying to get the best legal terms v. the desire of the CIO/investment staff to “do the deal” and how to manage the need to get returns v. exercising the fund’s market power and fiduciary duty as the consumer with the money to demand acceptable terms or walk. Finally, how do these issues tie into trustee education – how much should trustees know or learn regarding investment agreements?

5:00 p.m. - 6:30 p.m. **Reception (provided by NAPPA)**

Thursday, February 21

7:00 a.m. - 4:30 p.m. **Registration**

7:30 a.m. - 8:15 a.m. **Breakfast (provided by NAPPA)**

Benefits Section Meeting

(8:30 a.m. - 11:30 a.m.)

8:30 a.m. - 9:20 a.m. **Show Me the Money—Preventing and Recouping Overpayments**

The panel will share and discuss strategies and techniques to avoid overpayment errors and recoup money from retirees, beneficiaries, and other recipients; impacts of overpayments from a funding standpoint; collection litigation; and developments in IRS guidance on correcting overpayments.

9:20 a.m. - 10:10 a.m. **Upon Further Review—Reexamination, Recertification and Continuation of Disability Benefits**

This session will address common practices and legal considerations for review and recertification of ongoing eligibility for disability benefits following initial approval of the claim. Panelists will discuss recertification standards, processes utilized by plans, and legal considerations when developing or revising a recertification procedure, such as due process rights, HIPAA issues, and fiduciary standards.

Thursday, February 21 *(continued)*

10:10 a.m. - 10:40 a.m. Break

10:40 a.m. - 11:30 a.m. Manifest Injustice—When Strict Plan Document Interpretation “Just Ain’t Fair”

This panel will discuss various statutory constructs regarding correction of errors and the authority of a pension system to provide equitable relief in error situations, particularly where strict application of plan provisions produces harsh or unintended results. A pension system’s authority and obligation to correct errors will be considered in the context of fiduciary duties and IRS requirements.

11:30 a.m. - 1:00 p.m. Lunch (provided by NAPPA)

Tax Section Meeting

(1:30 p.m. - 4:30 p.m.)

1:30 p.m. - 2:00 p.m. The New Congress—What to Expect

With the Democrats taking the House and the Senate remaining in Republican hands, the prospect of tax legislation is up in the air. This session will address potential initiatives by the Democratic House and their Republican Senate colleagues as well as areas where the two parties will look to find common ground before 2020.

2:00 p.m. - 2:30 p.m. 457(b) and 401(k)—New Options for Governmental Sponsors

The past year has seen significant innovations involving employee cash or deferred compensation plans under IRC Sections 401(k) and 457(b). This session will address some of the new opportunities available in the voluntary employee deferred contribution plans including student loan repayment programs and auto-enrollment. We will also discuss the changes to hardship distribution rules under the Bipartisan Budget Act of 2018.

2:30 p.m. - 3:00 p.m. Break

3:00 p.m. - 4:30 p.m. A “Check-Up” for Your Plan

With the curtailment of the determination letter program, many governmental plan sponsors are seeking new methods to assure compliance with applicable tax qualification laws. This session will focus on the creation of a “self-audit” program and identification of the compliance requirements most susceptible to operational and documentation defects that could jeopardize tax qualification. We will also discuss any new legislative and regulatory developments affecting governmental plans.

Friday, February 22

7:00 a.m. - 11:30 a.m. **Registration**

7:30 a.m. - 8:15 a.m. **Breakfast—For Senior Counsel Attendees Only
(provided by NAPPA)**

Senior Counsel Meeting

Pre-Registration Required

(8:30 a.m. - 11:30 a.m.)

8:30 a.m. - 9:30 a.m. **Risk Insurance—Mitigating Risk Through Effective Insurance
Coverage: What's Covered and What's Not**

This panel will include an insurance carrier, a broker, and a coverage litigator for public retirement systems, each addressing benefits and limitations of the various forms of insurance coverage that a public retirement system may consider.

9:30 a.m. - 10:15 a.m. **Leadership—Leadership in the General Counsel's Office:
Building an Effective Team**

Leading lawyers is challenging because lawyers are different . . . and those differences often don't make us better leaders or followers. Learn from General Counsel about their challenges and successes in building an effective legal team.

10:15 a.m. - 10:45 a.m. **Break**

10:45 a.m. - 11:30 a.m. **General Counsel's Perspective on Outside Counsel—What
Works and What Doesn't**

Have you ever wondered whether you are hitting all the right notes when you make a pitch to a prospective client? Have you ever wondered what your clients really want from you and whether you are providing the best service you can provide? This General Counsel panel will focus on exactly what they are looking for from outside counsel. What was the deciding factor the last time you considered competing law firm proposals? What are the skills that a mid-level, younger partner can use to develop business with an existing or prospective client? How do you expand the work you do for existing clients? What is the most memorable and surprising thing that an outside attorney has ever done for you (whether good or bad)? What are the bad habits of outside counsel that make your job harder? Hear a General Counsel's perspective on all of these issues.

This session is designed for attorneys with substantial experience as in-house/outside counsel for a public retirement system. Less experienced counsel are welcome, but may not find this session as valuable.

NAPPA Executive Board

- Michael Herrera, *President* (Los Angeles County Employees Retirement Association)
- Ashley Dunning, *Vice President* (Nossaman)
- Mary Beth Foley (Ohio Police & Fire Pension Fund)
- Adam Franklin (Colorado Public Employees' Retirement Association)
- Brian Goodman (Virginia Retirement System)
- Kevin Lindahl (Colorado Fire & Police Pension Association)
- Paul Madden (Whiteford, Taylor & Preston)
- Erin Perales (Houston Municipal Employees Pension System)
- Georgette Schaefer (Morgan, Lewis & Bockius)

NAPPA Staff

- Susie Dahl, *Executive Director*
- Karen Holterman, *Administrative Assistant*
- Brenda Faken, *Administrative Technician*
- Doris Dorge, *Administrative Aide*

2018 - 2019 Section Steering Committees

Benefits Section

- Jason Paulsmeyer, *Chair* (Missouri Local Government Employees Retirement System)
- Kristin Bellar (Michigan Municipal Employees' Retirement System)
- Valerie Budzik (New York City Teachers' Retirement System)
- Audra Ferguson-Allen (Ice Miller)
- Tina Grant (Louisiana State Employees' Retirement System)
- Kara Krawzik (Greensfelder Hemker & Gale)
- David Levine (Groom Law Group)
- Michelle Mellon-Werch (Texas Municipal Retirement System)
- Jonathan Needle (Houston Firefighters' Relief & Retirement Fund)
- *Erin Perales, Board Liaison (Houston Municipal Employees Pension System)*

Investment Section

- Yuliya Oryol, *Chair* (Nossaman)
- Julie Borisov (Colorado Public Employees' Retirement Association)
- Carolina dè Onis (Texas Teacher Retirement System)
- Maureen Hazen (Florida State Board of Administration)
- Joseph Indelicato (New York State Teachers' Retirement System)
- Ann Marie Johnson (Delaware Department of Justice)
- Carrie Rief (Morgan, Lewis & Bockius)
- Christine Roseland (Los Angeles County Employees Retirement Association)
- Chris Supple (Massachusetts Pension Reserves Investment Management Board)
- Shawn Wooden (Day Pitney)
- *Georgette Schaefer, Board Liaison (Morgan, Lewis & Bockius)*

2018 - 2019 Section Steering Committees

Fiduciary & Plan Governance Section

- Gina Ratto, *Chair* (Orange County Employees Retirement System)
- Julie Becker (Aon Hewitt)
- Suzanne Dugan (Cohen Milstein Sellers & Toll)
- Anthony Green (Indiana Public Retirement System)
- Victoria Hale (Denver Employees Retirement Plan)
- Benita Harper (Fort Worth Employees' Retirement Fund)
- Dee Larsen (Utah Retirement System)
- James O'Leary (Massachusetts Teachers' Retirement System)
- Steven Rice (Los Angeles County Employees Retirement Association)
- Melanie Walker (The Segal Company)
- *Ashley Dunning, Board Liaison (Nossaman)*

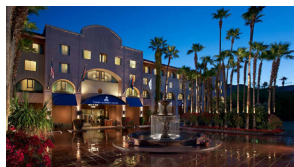
Tax Section

- John Nixon, *Chair* (Duane Morris)
- Luke Bailey (Strasburger & Price)
- James Canup (Hirschler Fleischer)
- Adina Dorch (DC Retirement Board)
- Gwin Hall (Georgia Municipal Employees' Benefit System)
- Susan Lenczewski (Minnesota Legislative Commission on Pensions and Retirement)
- Megan Peitzmeier (Colorado Public Employees' Retirement Association)
- David Powell (Groom Law Group)
- Marc Purintun (Williams Mullen)
- Tony Roda (Williams & Jensen)
- Patricia Tarini (Michigan Municipal Employees' Retirement System)
- Joshua Vecchio (Pennsylvania Municipal Retirement System)
- Don Wellington (Reed Smith)
- *Paul Madden, Board Liaison (Whiteford, Taylor & Preston)*

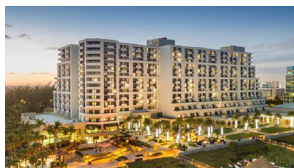
Future Conferences



2019 Legal Education Conference - San Diego, CA
Tuesday, June 25 - Friday, June 28, 2019
New Member Education Sessions on Tuesday, June 25, 2019
Sheraton San Diego



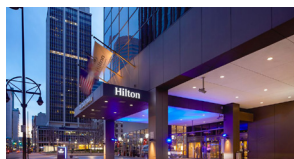
2020 Winter Seminar - Tempe, AZ
Wednesday, February 19 - Friday, February 21, 2020
Tempe Mission Palms Hotel



2020 Legal Education Conference - Ft. Lauderdale, FL
Tuesday, June 23 - Friday, June 26, 2020
New Member Education Sessions on Tuesday, June 23, 2020
Marriott Ft. Lauderdale Harbor Beach



2021 Winter Seminar - Tempe, AZ
Wednesday, February 24 - Friday, February 26, 2021
Tempe Mission Palms Hotel



2021 Legal Education Conference - Denver, CO
Tuesday, June 22 - Friday, June 25, 2021
New Member Education Sessions on Tuesday, June 22, 2021
Hilton Denver City Center