



Alameda County Employees' Retirement Association
BOARD OF RETIREMENT

REVISED NOTICE and AGENDA

ACERA MISSION:

To provide ACERA members and employers with flexible, cost-effective, participant-oriented benefits through prudent investment management and superior member services.

Thursday, January 18, 2024
2:00 p.m.

LOCATION AND TELECONFERENCE	BOARD OF RETIREMENT TRUSTEES	
<p>ACERA C.G. "BUD" QUIST BOARD ROOM 475 14TH STREET, 10TH FLOOR OAKLAND, CALIFORNIA 94612-1900 MAIN LINE: 510.628.3000 FAX: 510.268.9574</p> <p>The public can observe the meeting and offer public comment by using the below Webinar ID and Passcode after clicking on the below link or calling the below call-in number.</p> <p>Link: https://zoom.us/join Call-In: 1 (669) 900-6833 US Webinar ID: 879 6337 8479 Passcode: 699406</p> <p>For help joining a Zoom meeting, see: https://support.zoom.us/hc/en-us/articles/201362193</p>	JAIME GODFREY CHAIR	APPOINTED
	OPHELIA BASGAL FIRST VICE-CHAIR	APPOINTED
	KELLIE SIMON SECOND VICE-CHAIR	ELECTED GENERAL
	KEITH CARSON	APPOINTED
	ROSS CLIPPINGER	ELECTED SAFETY
	TARRELL GAMBLE	APPOINTED
	HENRY LEVY	TREASURER
	ELIZABETH ROGERS	ELECTED RETIRED
	GEORGE WOOD	ELECTED GENERAL
	CYNTHIA BARON	ALTERNATE RETIRED ¹
KEVIN BRYANT	ALTERNATE SAFETY ²	

¹ The Alternate Retired Member votes in the absence of the Elected Retired Member, or, if the Elected Retired Member is present, then votes if both Elected General Members, or the Safety Member and an Elected General Member, are absent.

² The Alternate Safety Member votes in the absence of the Elected Safety Member, either of the two Elected General Members, or both the Retired and Alternate Retired Members.

Note regarding accommodations: If you require a reasonable modification or accommodation for a disability, please contact ACERA between 9:00 a.m. and 5:00 p.m. at least 72 hours before the meeting at accommodation@acera.org or at 510-628-3000.

Public comments are limited to four (4) minutes per person in total. The order of items on the agenda is subject to change without notice.

Board and Committee agendas and minutes and all documents distributed to the Board or a Committee in connection with a public meeting (unless exempt from disclosure) are posted online at www.acera.org and also may be inspected at 475 14th Street, 10th Floor, Oakland, CA 94612-1900.

1. CALL TO ORDER

2. ROLL CALL

3. PUBLIC COMMENT

4. ELECTION OF BOARD OFFICERS FOR 2024:

Chair

First Vice-Chair

Second Vice-Chair

5. CONSENT CALENDAR:

The Board will adopt the entire Consent Calendar by a single motion, unless one or more Board members remove one or more items from the Consent Calendar for separate discussion(s) and possible separate motion(s).

A. REPORT ON SERVICE RETIREMENTS:

Appendix A

B. LIST OF DEFERRED RETIREMENTS:

Appendix B

C. LIST OF DECEASED MEMBERS:

Appendix C

D. APPROVE REQUEST(S) FOR UP TO 130 BI-WEEKLY PAYMENTS TO RE-DEPOSIT CONTRIBUTIONS AND GAIN CREDIT:

Appendix D

E. APPROVE UNCONTESTED STAFF RECOMMENDATIONS ON DISABILITY RETIREMENTS AND DEATH BENEFITS:

Appendix E

F. APPROVE UNCONTESTED HEARING OFFICER RECOMMENDATIONS FOR DISABILITY RETIREMENTS AND DEATH BENEFITS:

None

G. APPROVE MINUTES of BOARD and COMMITTEE MEETINGS:

December 21, 2023 Minutes of the Regular Board Meeting

December 21, 2023 Actuarial Committee Minutes

H. MISCELLANEOUS:

- *Report of Resignation of Investment Officer Thomas Taylor, pursuant to a Settlement Agreement. The settlement terms were authorized in Closed Session at the December 21, 2023 Board meeting (Item 12B) by a unanimous vote of the voting Trustees present: Gamble, Rogers, Carson, Bryant, Wood, Basgal, Godfrey, Levy, Simon. The Settlement Agreement was executed on December 22, 2023.*

-----End of Consent Calendar-----
(MOTION)

REGULAR CALENDAR
REPORTS AND ACTION ITEMS

6. DISABILITY, DEATH AND OTHER BENEFIT CLAIMS:

None.

7. COMMITTEE REPORTS, RECOMMENDATIONS AND MOTIONS:

A. Operations: [See January 18, 2024 Operations Committee Agenda Packet for public materials related to the below listed items.]

1. Summary of January 18, 2024 Meeting.
2. Motion to adopt the revisions to the *Discharge of Overpayments Policy*, as recommended by the Operations Committee.
3. Motion to adopt the revisions to the *Board Education Policy*, as recommended by the Operations Committee.
4. Motion to adopt the revisions to the *Felony Forfeiture Policy*, as recommended by the Operations Committee.
5. Motion to adopt the revisions to the *Board Travel Policy*, as recommended by the Operations Committee.

8. NEW BUSINESS:

A. Update on 2023 Business Plan Items:

- Mike Fara
- Dave Nelsen

B. Proposed 2024 Investment Committee Workplan – Draft.

C. Chief Executive Officer’s Report.

9. CONFERENCE/ORAL REPORTS

10. ANNOUNCEMENTS

11. BOARD INPUT

12. ESTABLISHMENT OF NEXT MEETING:

Thursday, February 15, 2024 at 2:00 p.m.

13. CLOSED SESSION:

- A.** Existing litigation pursuant to paragraph (1) of subdivision (d) of Section 54956.9: Ventura County Employees' Retirement Association v. Criminal Justice Attorneys Association of Ventura County, Cal. Court of Appeal Second Appellate District Case No. B325277 (consider whether to request publication of unpublished decision).

14. REPORT ON ACTION TAKEN IN CLOSED SESSION

15. ADJOURNMENT

APPENDIX A
REPORT ON SERVICE RETIREMENTS

ALLEN, Shanale
Effective: 11/16/2023
Social Services Agency

ALVARADO, Rebecca
Effective: 10/20/2023
Non-Member

ALVAREZ, Madelyn
Effective: 11/17/2023
Non-Member

BOELK, April
Effective: 11/1/2023
Superior Court

BROWN, Kevin
Effective: 10/12/2023
LARPD

BUENAVISTA, Judy
Effective: 10/20/2023
Alameda Health System

BURNS, Gena
Effective: 10/4/2023
Alameda Health System

ESTRADA, Kim
Effective: 11/12/2023
Health Care Services Agency

HARTLEY, Veronica
Effective: 10/26/2023
Sheriff's Office

JACKSON, Alisa
Effective: 10/28/2023
Probation

JACKSON, Elaine
Effective: 10/28/2023
Social Services Agency

JOHNSTON, Gina
Effective: 10/28/2023
Child Support Services

KUMAR, Sarojini
Effective: 11/1/2023
Alameda Health System

LAU, Albert
Effective: 10/28/2023
Social Services Agency

NETHERTON, Michael
Effective: 10/30/2023
Sheriff's Office

RANGEL, Deana
Effective: 11/1/2023
Superior Court

RICKER, Scott
Effective: 10/27/2023
Sheriff's Office

SAMPSON, Ja'Ney
Effective: 10/28/2023
Probation

TEDESCO PILLITTERI, Amy
Effective: 10/31/2023
Health Care Services Agency

TENNISON, Christopher
Effective: 10/29/2023
Alameda Health System

VIEIRA, Michelle
Effective: 10/11/2023
Health Care Services Agency

WILLIAMS, Darrel
Effective: 10/14/2023
Sheriff's Office

APPENDIX B
LIST OF DEFERRED RETIREMENTS

AMARAL, Jennifer A.
General Services Agency
Effective Date: 12/8/2023

ANDERSON, Brandy C.
General Services Agency
Effective: 12/1/2023

ARAIZA, Viviana Y.
Alameda Health System
Effective: 12/1/2023

AYLER, Kendra D.
Alameda Health System
Effective: 10/27/2023

BATTLE, Ebony F.
Social Services Agency
Effective: 10/27/2023

BRAST, Christine M.
Alameda Health System
Effective: 11/30/2023

BUNDY, Kenneth M.
Health Care Services Agency
Effective: 10/27/2023

CARLISLE, Lisa F.
Health Care Services Agency
Effective: 11/10/2023

CHERDBOONMUANG, Christine
Social Services Agency
Effective: 11/16/2023

CUASITO, Christine Maria C.
Health Care Services Agency
Effective: 11/7/2023

DE GUZMAN, Jesus R.
Probation
Effective: 10/23/2023

DECKER, Breeanna J.
Board of Supervisors
Effective: 11/24/2023

DEL VALLE, Grace N.
Alameda Health System
Effective: 10/13/2023

FRANKLIN, Shante R.
Alameda Health System
Effective: 11/21/2023

GREEN, Clifton
Alameda Health System
Effective: 11/21/2023

GUAL, Wilfred N.
Public Defender
Effective: 11/27/2023

HAMILTON, Amy E.
Alameda Health System
Effective: 12/1/2023

HARP, Dillan B.
Probation
Effective: 11/12/2023

HARPER, Rosemarie C.
Sheriff's Office
Effective: 11/14/2023

JOHNSON, Latrice R.
Social Services Agency
Effective: 11/17/2023

JULIAN, Babette V.
Social Services Agency
Effective: 11/10/2023

LAU, Judy
Alameda Health System
Effective: 11/1/2023

APPENDIX B
LIST OF DEFERRED RETIREMENTS

LEON, Kevin S.
Sheriff's Office
Effective: 11/25/2023

SAEFONG, Mey
Superior Court
Effective Date: 12/1/2023

LUI, Tracie
District Attorney
Effective: 11/24/2023

SANTOS, Angelica A.
Health Care Services Agency
Effective: 11/3/2023

LUU, Cherry
Health Care Services Agency
Effective: 11/30/2023

SIDHU, Harmesh L.
Alameda Health System
Effective: 11/27/2023

MENDONCA, Desiree A.
Alameda Health System
Effective: 11/20/2023

SOBOL, Megan A.
Alameda Health System
Effective: 11/27/2023

MILLWARD, Cort W.
Child Support Services
Effective: 11/24/2023

TORRES, Andrea
Superior Court
Effective: 11/15/2023

MURPHY, Amy M.
Social Services Agency
Effective: 11/10/2023

TRUJILLO, Nayely
Alameda Health System
Effective: 11/25/2023

OLIVERA SANCHEZ, Jose Manuel
Alameda Health System
Effective: 9/17/2023

WADE, Janisha N.
Alameda Health System
Effective: 10/27/2023

OWENS, William M.
Alameda Health System
Effective: 11/2/2023

WILLIAMSON, Amanda M.
Alameda Health System
Effective: 10/30/2023

PEAV, Russell H.
Health Care Services Agency
Effective: 11/22/2023

WILSON, Jennifer A
Alameda Health System
Effective: 10/27/2023

PETERS, Aaron R.
Alameda Health System
Effective: 12/4/2023

WILSON, Kaila N.
Alameda Health System
Effective: 10/19/2023

ROBERTSON, Quinisha M.
General Services Agency
Effective: 11/24/2023

WINDLEY, Kristin R.
Probation
Effective: 10/24/2023

APPENDIX C
LIST OF DECEASED MEMBERS

ASERCION, Cecilia
Behavioral Health Care Services
11/22/2023

MALLILLIN, Lydia
Assessor
11/19/2023

BACALTOS, Racquel
General Services Agency
12/21/2023

MILLER, Laverne
Public Works Agency
11/21/2023

BARNES, Carol
Library
11/16/2023

MORRISON, Margaret
Behavioral Health Care Services
12/3/2023

BOND, Doryce
Assessor
11/25/2023

PETERS, Rose
Human Resource Services
12/2/2023

BROWN, Patricia
Public Health
11/24/2023

RODRIGUEZ, Raymond
Social Services Agency
12/11/2023

BURNS, Naomi
Human Resource Services
11/11/2023

SANTOS, Maria
Non-Mbr Survivor of Juan M. Cruz
12/10/2023

CARPENTER, Christopher
District Attorney
12/16/2023

SELF, Fred D.
Social Services Agency
12/13/2023

DONALDSON, Dorene
Alameda Health System
11/24/2023

SILVA, Ernest
Public Works Agency
12/2/2023

FORD, Sadie
Probation
11/25/2023

SPRINGER, Josephine
Probation
11/30/2023

GEER, Diane
Probation
11/30/2023

THOMAS, Joni
Alameda Health System
12/20/2023

JACKSON, Genora
Social Services Agency
11/13/2023

TOUSON, Jessea
General Services Agency
12/13/2023

**APPENDIX C
LIST OF DECEASED MEMBERS**

TOWNES, Betty
General Services Agency
11/16/2023

WOLFE, Christopher
Non-Mbr Survivor of Deborah Marie Wolfe
12/11/2023

VELEZ, Manuel
Social Services Agency
12/12/2023

YISRAEL, Caleb
Probation
11/28/2023

ZHANG, John
Public Health
12/22/2023

**APPENDIX D
REQUEST FOR 130 BI-WEEKLY PAYMENTS TO
RE-DEPOSIT CONTRIBUTIONS AND GAIN CREDIT**

MARSHALL, Ellen
Government Code § 31641.5 Part Time & Days Prior

**APPENDIX E
APPROVE UNCONTESTED STAFF RECOMMENDATIONS ON
DISABILITY RETIREMENTS AND DEATH BENEFITS**

Name: Amaral, Dale
Type of Claim: Service-Connected

Staff's Recommendation:

Adopt the findings and conclusions and approve and adopt the recommendation contained in the Medical Advisor's report, including but not limited to, granting Mr. Amaral's application for a service-connected disability, and waiving annual medical examinations and questionnaires.

Name: Biyibi, Kemi
Type of Claim: Non-Service Connected

Staff's Recommendation:

Adopt the findings and conclusions and approve and adopt the recommendation contained in the Medical Advisor's report, including but not limited to, granting Ms. Biyibi's application for a non-service connected disability, and requiring annual medical examinations and questionnaires at this time.



**ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
BOARD OF RETIREMENT
MINUTES**

Thursday, December 21, 2023

Chair Jaime Godfrey called the meeting to order at 2:00 p.m.

Trustees Present: Ophelia Basgal (*Arrived After Roll Call*)
Keith Carson (*Arrived After Roll Call*)
Tarrell Gamble
Jaime Godfrey
Henry Levy
Elizabeth Rogers (*Arrived After Roll Call*)
Kellie Simon
George Wood
Cynthia Baron (*Alternate*)
Kevin Bryant (*Alternate*)

Trustees Excused: Ross Clippinger

Staff Present: Victoria Arruda, Human Resource Officer
Carlos Barrios, Assistant Chief Executive Officer-Benefits
Angela Bradford, Executive Secretary
Jessica Huffman, Benefits Manager (via Zoom)
David Nelsen, Chief Executive Officer
Jeff Rieger, Chief Counsel
Betty Tse, Chief Investment Officer

Staff Excused: Sandra Dueñas-Cuevas, Benefits Manager
Erica Haywood, Fiscal Services Officer
Harsh Jadhav, Chief of Internal Audit
Vijay Jagar, Retirement Chief Technology Officer, ACERA
Lisa Johnson, Assistant Chief Executive Officer-Operations

PUBLIC INPUT

Andy Behar, Chief Executive Officer (CEO) of “As You Sow,” a Non-Profit Organization focused on corporate accountability through the lens of shareholders, addressed the Board regarding excessive CEO compensation and recommended that the Board accordingly modify ACERA’s current proxy voting policy, ISS Public Fund Proxy Voting Policy. Trustee Levy asked and Behar briefly discussed other Voting Policies and possible modifications. Chief Counsel Jeff Rieger explained that since this item was not on today’s Board agenda, the item will have to be agendized and discussed at a future Board meeting, if at all. Mr. Behar provided a report which identifies the 100 most overpaid CEOs among the companies in the S&P 500 index.

**CONSENT CALENDAR
REPORTS AND ACTION ITEMS**

REPORT ON SERVICE RETIREMENTS

Appendix A

LIST OF DEFERRED RETIREMENTS

Appendix B

LIST OF DECEASED MEMBERS

Appendix C

**APPROVE REQUEST(S) FOR UP TO 130 BI-WEEKLY PAYMENTS TO
RE-DEPOSIT CONTRIBUTIONS AND GAIN CREDIT**

None

**APPROVE UNCONTESTED STAFF RECOMMENDATIONS ON
DISABILITY RETIREMENTS AND DEATH BENEFITS**

None

**APPROVE UNCONTESTED HEARING OFFICER RECOMMENDATIONS FOR
DISABILITY RETIREMENTS AND DEATH BENEFITS**

None

APPROVE MINUTES of BOARD and COMMITTEE MEETINGS

November 16, 2023 Minutes of the Regular Board Meeting

November 16, 2023 Governance Committee Minutes

November 16, 2023 Operations Committee Minutes

December 6, 2023 Retirees Committee Minutes

December 6, 2023 Investment Committee Minutes

MISCELLANEOUS

- *Operating Expenses as of 10/31/23*

23-85

It was moved by Tarrell Gamble and seconded by Kellie Simon that the Board adopt the Consent Calendar. The motion carried 9 yes (*Baron, Basgal, Bryant, Carson, Gamble, Godfrey, Levy, Simon, Wood*), 0 no, and 0 abstentions. *Trustee Rogers was not present for the motion.*

**REGULAR CALENDAR
REPORTS AND ACTION ITEMS**

DISABILITY, DEATH AND OTHER BENEFIT CLAIMS

None.

COMMITTEE REPORTS, RECOMMENDATIONS AND MOTIONS

This month's Committee reports were presented in the following order:

Investment:

Trustee Tarrell Gamble reported that the Investment Committee met on December 6, 2023 and that there were no Action Items. However, the Investment Committee was presented with, reviewed and discussed the following Information Items: *1) Semiannual Performance Review for the Period Ending September 30, 2023 – Total Fund Review Highlighting Public Markets Asset Classes and Absolute Return; 2) Semiannual Performance Review for: a) Private Equity, b) Private Credit, c) Real Assets and d) Real Estate for the Period Ending June 30, 2023; 3) Annual Update – ESG Implementation; and 4) CA Gov. Code § 7514.7 Information Report.*

Minutes of the meeting were approved as part of the Consent Calendar.

Actuarial:

Trustee Ophelia Basgal reported that the Actuarial Committee met earlier today and that Representatives of Cavanaugh MacDonald Consulting, LLC presented and reviewed a replication of *1) ACERA's 2021 Actuarial Valuation and peer review of the 2022 Triennial Study; 2) 2021 GASB 67 Report; 3) 2021 GASB 68 Report; 4) 2021 GASB 74 Report, and 5) 2021 GASB 75 Report.* Trustee Basgal further reported that the Cavanaugh MacDonald Representatives stated that the above-referenced reports looked good and that they only made a few suggestions.

Trustee Basgal further reported that the Actuarial Committee was presented with and discussed the proposed Triennial Actuarial Experience Study for the years 2020-2022.

23-86

It was moved by Ophelia Basgal and seconded by George Wood that the Board adopt the proposed Triennial Actuarial Experience Study for the years 2020-2022 to be used in conducting ACERA's December 31, 2023 through December 31, 2025, annual actuarial valuations. The motion carried 8 yes (Basgal, Bryant, Carson, Gamble, Godfrey, Levy, Simon, Wood), 0 no, and 1 abstention (Rogers).

Minutes of the meeting will be presented to the Board for adoption on the Consent Calendar at the January 18, 2024 Board meeting.

Retirees:

Trustee Elizabeth Rogers reported that the Retirees Committee met on December 6, 2023 and stated in order to familiarize the Retirees Committee with the current policies, Staff was asked to present and discuss the Information Item regarding the Medicare Part B Income-Related Monthly Adjustment Amount through Health Reimbursement Arrangement prior to considering the Retirees Committee’s Action Items.

Trustee Rogers further reported that the Retirees Committee was presented with and discussed the 2024 Medicare Part B Reimbursement Plan (MBRP) benefit for eligible retirees.

23-87

It was moved by Elizabeth Rogers and seconded by Kellie Simon that the Board continue to provide the Medicare Part B Reimbursement Plan (MBRP) benefit to eligible retirees in 2024, and approve the reimbursement based on the lowest standard monthly Medicare Part B premium at the rate of \$174.70. The MBRP benefit is a non-vested benefit funded by contributions from ACERA Employers to the 401(h) account. After contributions are made, in accordance with the County Employees Retirement Law, ACERA treats an equal amount of Supplemental Retiree Benefit Reserve assets as employer contributions for pensions. The motion carried 8 yes (*Basgal, Bryant, Gamble, Godfrey, Levy, Rogers, Simon, Wood*), 0 no, and 1 abstention (*Carson*).

Trustee Rogers further reported that the Retirees Committee was presented with and discussed the proposed revisions to the Board’s 401(h) Resolution and Appendix A.

23-88

It was moved by Elizabeth Rogers and seconded by Kellie Simon that the Board approve the proposed revisions to the Board’s 401(h) Resolution and Appendix A, as recommended by the Retirees Committee and appearing in the public agenda backup for the meeting. The motion carried 8 yes (*Basgal, Bryant, Gamble, Godfrey, Levy, Rogers, Simon, Wood*), 0 no, and 1 abstention (*Carson*).

Trustee Rogers further reported that the Retirees Committee was presented with and discussed adopting a *Death Benefit Equity Policy*.

23-89

It was moved by Elizabeth Rogers and seconded by Kellie Simon that the Board adopt a *Death Benefit Equity Policy*, as it appeared in the public agenda backup for the meeting. The motion carried 8 yes (*Basgal, Bryant, Gamble, Godfrey, Levy, Rogers, Simon, Wood*), 0 no, and 1 abstention (*Carson*).

The Retirees Committee was presented with the following additional Information Items: **1)** Annual Retired Member (Lump Sum) Death Benefit Report; **2)** Information on Hearing Aid Benefit Utilization and Reimbursement Options; **3)** Virtual Retiree Health and Wellness Fair Results and Open Enrollment Activity; and **4)** Silver&Fit Survey Results.

Minutes of the meeting were approved as part of the Consent Calendar.

NEW BUSINESS:

Discussion and Possible Motion to Award a Contract for Benefits Consulting Services to Segal

Assistant Chief Executive Officer of Benefits Carlos Barrios presented and provided a high-level overview of the process and the results of ACERA’s Request for Proposal (RFP) for a Benefits Consultant. Mr. Barrios reported that Staff recommended that the Board select Segal, as Segal is the Consultant who scored the highest total points.

23-90

It was moved by Tarrell Gamble and seconded by George Wood that the Board select Segal as its Benefits Consultant. The motion carried 9 yes (*Basgal, Bryant, Carson, Gamble, Godfrey, Levy, Rogers, Simon, Wood*), 0 no, and 0 abstentions.

David Nelsen, Chief Executive Officer’s Report

Mr. Nelsen presented his December 21, 2023 written CEO Report which provided an update on: *1) Other Items: a) Business Planning; b) Legislation; c) DROP Programs; d) CALAPRS Leadership; and 2) Key Performance Indicators.*

Mr. Nelsen reported that he and Internal Auditor Caxton Fung presented the results on Member Identification at the CALAPRS Advanced Course. While at the Course, there was a presenter who talked about the use of Artificial Intelligence (AI). Mr. Nelsen reported that some Pension Systems are moving forward with the use of AI in certain areas and that there will be a monthly Round Table discussion on the subject that Retirement Chief Technology Officer Vijay Jagar will be participating in. Mr. Nelsen further reported that the AI currently being used is in communications and that AI can easily create very impressive videos. It was noted that CalPERS has an entire Audio/Visual Studio and are using AI to create their videos. Mr. Nelsen reported that ACERA Staff has formed a Committee to learn how to implement and use AI technology. Staff will provide updates to the Board.

Discussion and Possible Motion Regarding Chief Executive Officer Compensation

Chair Godfrey stated that there is nothing to report on this issue at this time, as the Board did not have an opportunity to review and comment on Mr. Nelsen’s Evaluation. This item was deferred for discussion at a further Board meeting.

CONFERENCE/ORAL REPORTS

None.

ANNOUNCEMENTS

None.

BOARD INPUT

None.

CLOSED SESSION

The Board adjourned into Closed Session to discuss the following:

Item 12:

- A.** Existing litigation pursuant to paragraph (1) of subdivision (d) of Section 54956.9: *LACERA v. County of Los Angeles et al.*, Cal. Court of Appeal Second Appellate District Case No. B326977 (ACERA participating as amicus curiae).

Before Closed Session, Chief Counsel Jeff Rieger announced that ACERA filed an Amicus Brief on December 20, 2023 and that the Board did not need to go into Closed Session unless it wanted to, as there was nothing else to report. The Board did not discuss this item in closed session.

- B.** Public Employee Discipline/Dismissal/Release.
- C.** Government Code Section 54957(b)(1): Public Employee Evaluation (Chief Executive Officer).
- D.** Conference with Designated Representative (Jamie Godfrey) regarding Compensation Negotiations with the Chief Executive Officer (Cal. Gov't Code § 54957.6).

The Board reconvened into Open Session and the following Trustees returned:

Baron, Basgal, Bryant, Carson, Gamble, Godfrey, Levy, Rogers, Simon, Wood

Chair Godfrey reported that the Board took no reportable action in Closed Session on items 12. B. thru 12. D.

The Board and Staff wished everyone a happy and safe holiday.

To view the December 21, 2023 Board meeting in its entirety, click on the link below:

<https://youtu.be/yri3xQn3TIQ>.

ADJOURNMENT

The meeting was adjourned at approximately 3:18 p.m.

Respectfully Submitted,



David Nelsen
Chief Executive Officer

01/18/24

Date Adopted

**APPENDIX A
REPORT ON SERVICE RETIREMENTS**

AGUIRRE, Sylvia
Effective: 9/30/2023
Alameda Health System

FRAZER, Brian
Effective: 10/1/2023
Sheriff's Office

BANTSON, Bernard
Effective: 9/30/2023
Health Care Services Agency

MCGEE, Paul
Effective: 9/30/2023
Probation

BOTTOM, Dorthea
Effective: 9/30/2023
Probation

RODRIGUEZ, Deanna
Effective: 9/30/2023
Probation

BRAZELTON GRIEGO, Bennie
Effective: 9/30/2023
Health Care Services Agency

RODRIGUEZ, Eva
Effective: 9/30/2023
Alameda Health System

BURRELL, Renee
Effective: 9/30/2023
Probation

SANTAMARIA, Luis
Effective: 10/18/2023
Sheriff's Office

CAMPBELL, Karen
Effective: 9/29/2023
Superior Court

WEST, Bambi
Effective: 9/30/2023
District Attorney

COHEN, Patrick
Effective: 11/11/2023
Sheriff's Office

WILEY, Lynn
Effective: 10/16/2023
Superior Court

COOK, Michelle
Effective: 9/27/2023
LARPD

YEE GRAY, Leinaala
Effective: 10/3/2023
Superior Court

DAVID, Susan
Effective: 10/14/2023
Alameda Health System

ACKERMAN MIRAFLORES, Lila M.
Superior Court
Effective Date: 9/29/2023

FERNANDEZ, Leo
Effective: 9/30/2023
Registrar of Voters

ALDANA, Ryan D
Social Services Agency
Effective: 10/20/2023

FERNANDO-ESPINOSA, Cynthia
Effective: 9/30/2023
Social Services Agency

ARROYO, Alexandra
Health Care Services Agency
Effective: 10/27/2023

**APPENDIX A
REPORT ON SERVICE RETIREMENTS**

BELL, Lawson M.
Board of Supervisors
Effective: 10/4/2023

BRANNON, Morgan K.
Health Care Services Agency
Effective: 10/20/2023

BORZIN, Jonathan A.
Sheriff's Office
Effective: 10/4/2023

CARTER, Jasmine
Social Services Agency
Effective: 10/6/2023

CEVALLOS, Vanessa
District Attorney
Effective: 10/17/2023

**APPENDIX B
LIST OF DEFERRED RETIREMENTS**

CUENCA, Christine E.
Social Services Agency
Effective: 9/19/2023

MASLIN, Sarah E.
Health Care Services Agency
Effective: 10/13/2023

DEMARCUS, Dawn L.
District Attorney
Effective: 10/22/2023

MEZA, Alexis M.
First 5
Effective: 10/10/2023

DHINDSA, Davinder S.
Superior Court
Effective: 10/20/2023

MOHAMMED, Ghulam
Social Services Agency
Effective: 10/13/2023

DRAVES, Curtis D.
Superior Court
Effective: 9/15/2023

NELSON, Angela M.
District Attorney
Effective: 10/27/2023

DULLER, Cole C.
Auditor-Controller
Effective: 10/6/2023

NEWELLS, Ethelene H.
District Attorney
Effective: 10/27/2023

GALLEGOS, Marcelo
Superior Court
Effective: 10/6/2023

PADILLA, Joseph T.
Alameda Health System
Effective: 9/29/2023

HAHN, Agnes E.
Health Care Services Agency
Effective: 10/20/2023

RAMOS, Ingrid
General Services Agency
Effective: 10/22/2023

APPENDIX B
LIST OF DEFERRED RETIREMENTS

SCHMITT, Adelheid M.
Social Services Agency
Effective: 9/19/2023

STEWART, Adisa B.
Health Care Services Agency
Effective: 10/27/2023

SHELDON, Jennifer M.
Alameda Health System
Effective: 10/11/2023

THOMAS, Andrina
Superior Court
Effective: 10/20/2023

SHETAB, Kabir A.
Alameda Health System
Effective: 9/30/2023

THOMPSON, Juliet
Social Services Agency
Effective: 9/22/2023

STEARNS, Charleen
Health Care Services Agency
Effective: 10/11/2023

VIEIRA DUCEY, Edward C.
District Attorney
Effective: 10/13/2023

STEWART, January S.
Social Services Agency
Effective: 10/3/2023

WELBECK, Sakeley S.
Alameda Health System
Effective: 10/17/2023

YING, Alexander
Community Development Agency
Effective: 10/27/2023

APPENDIX C
LIST OF DECEASED MEMBERS

ANDOLA, Victoria
Alameda Health System
11/9/2023

EDWARDS, Yolanda
Social Services Agency
10/4/2023

BROOKS, Jacqueline
Non-Mbr Survivor of Bruce Brooks
11/10/2023

GAILLIARD, Joyce
Superior Court
10/9/2023

CALHOUN, Gloria
Board of Supervisors
10/24/2023

JULIN, Dorothy
Alameda Health System
10/14/2023

CLARO, Leon
Alameda Health System
11/11/2023

MASON-REESE, Mathilda
Behavioral Health Care Services
11/4/2023

**APPENDIX C
LIST OF DECEASED MEMBERS**

NELSON, Joann
Non-Mbr Survivor of Alan Nelson
11/1/2023

SILVA, Manuel
Public Works Agency
11/6/2023

PARSONS, Valerie
Alameda Health System
11/14/2023

WAX, Norene
Health Care Services Agency
10/28/2023

RYDBECK, Robert
Probation
11/5/2023

WETZEL, Patricia
Non-Mbr Survivor of Leslie Wetzel
10/31/2023

SHAW, Anore
Public Works Agency
10/12/2023

WOOTEN, Betty
Alameda Health System
10/11/2023

YOUNG, George
Environmental Health
10/20/2023

**APPENDIX E
APPROVE UNCONTESTED STAFF RECOMMENDATIONS ON
DISABILITY RETIREMENTS AND DEATH BENEFITS**

Name: Rosas, Gonzalo
Type of Claim: Service-Connected

Staff's Recommendation:

Adopt the findings and conclusions and approve and adopt the recommendation contained in the Medical Advisor's report, including but not limited to, granting Mr. Rosas's application for a service-connected disability, and waiving annual medical examinations and questionnaires.

Name: Thomas, Darain
Type of Claim: Non-Service Connected

Staff's Recommendation:

Adopt the findings and conclusions and approve and adopt the recommendation contained in the Medical Advisor's report, including but not limited to, granting Mr. Thomas's application for a non-service connected disability, and waiving annual medical examinations and questionnaires at this time.



MINUTES OF DECEMBER 21, 2023 ACTUARIAL COMMITTEE MEETING

To: Members of the Actuarial Committee
From: Ophelia Basgal, Chair
Subject: **Summary of the December 21, 2023 Actuarial Committee Meeting**

Committee Chair Ophelia Basgal called the December 21, 2023 Actuarial Committee meeting to order at 11:01 a.m.

ACERA TRUSTEES, SENIOR MANAGERS AND PRESENTING STAFF IN ATTENDANCE

Committee members present were Ophelia Basgal and Henry Levy. Also present were Jaime Godfrey, Kellie Simon and alternate members Cynthia Baron and Kevin Bryant. Tarrell Gamble and committee members Keith Carson and George Wood arrived after roll call.

Staff present were David Nelsen, Chief Executive Officer; Lisa Johnson, Assistant Chief Executive Officer; Carlos Barrios, Assistant Chief Executive Officer; Jeff Rieger, Chief Counsel; Betty Tse, Chief Investment Officer; Vijay Jagar, Chief Technology Officer; Erica Haywood, Fiscal Services Officer; and Harsh Jadhav, Chief of Internal Audit.

PUBLIC INPUT

None

Action Items

1. Discussion and possible motion to adopt the Triennial Actuarial Experience Study for the years 2020-2022.

ACERA Staff and Segal representatives presented a recommendation that the Board of Retirement adopt the Triennial Experience Study for the years 2020-2022.

It was moved by George Wood and seconded by Keith Carson that the Actuarial Committee recommend to the Board of Retirement that the Board adopt the Actuarial Experience Study for the years 2020-2022 to be used in conducting ACERA's December 31, 2023 through December 31, 2025 annual actuarial valuations.

The Motion Carried 9 yes (Basgal, Carson, Gamble, Levy, Simon, Wood, Baron, and Bryant), 0 no and 0 abstentions.

INFORMATION ITEMS

1. Presentation and discussion of Cavanaugh Macdonald Consulting, LLC's replication of the Triennial Study, 2021 GASB 67 Report, 2021 GASB 68 Report, 2021 GASB 74 Report, and GASB 75 Report.

Cavanaugh Macdonald Consulting LLC presented its peer review of ACERA's 12/31/2021 Actuarial Valuation Report, Actuarial Experience Study for years 2020-2022 and the 2021 GASB 67, 68, 74, and 75 Reports.

Cavanaugh Macdonald Consulting LLC found Segal's Actuarial valuation and other reports' results to be generally reasonable and accurate based on the assumptions used. Segal's actuarial work was performed by qualified actuaries and was performed in accordance with the principles and practices prescribed by the Actuarial Standards Board.

In their report, Cavanaugh Macdonald Consulting LLC noted a few areas where they believe there are opportunities for background description improvement but believe there would not be a material impact on the results of the reviewed valuation and reports, and that there is no impetus for change to the reviewed reports. Therefore, their suggestions and recommendations could be considered for future valuations and experience studies.

TRUSTEE INPUT AND DIRECTION TO STAFF

FUTURE DISCUSSION ITEMS

April

- Presentation and discussion of the Actuarial Valuation and Review as of December 31, 2023

ESTABLISHMENT OF NEXT MEETING DATE

The next meeting is scheduled for Thursday, April 18, 2024 at 11:00 a.m.

MEETING ADJOURNED

The meeting adjourned at 11:43 p.m.

REGULAR CALENDAR
REPORTS and ACTION ITEMS

COMMITTEE REPORTS,
RECOMMENDATIONS and MOTIONS:

See Page 3 of the Attached Board Agenda for
this month's Committee Reports and Motions.



MEMORANDUM TO THE BOARD OF RETIREMENT

DATE: January 18, 2024

TO: Members of the Board of Retirement

FROM: Mike Fara, Communications Manager mf

SUBJECT: **New Member Onboarding and Communications Plan Update**

This memo is to provide an update on the project aimed at refining our new member onboarding process and optimizing communication with our new members, enhancing their understanding of ACERA's benefits.

New Member Communications Plan: Overview and Timeline

The revised communications plan is designed with the intention of delivering information to new members in a phased manner, minimizing the risk of overwhelming them, particularly during employer orientations where they are already inundated with various benefit details. The plan focuses on distributing touchpoints strategically over the initial months of employment. The strategy also involves incorporating compelling calls to action in our communications, conditioning new employees to proactively seek information and assistance from the wealth of digital educational resources available on ACERA's website.

Timing of Contact With New Member	Method	Highlights of Communication
2 weeks before employer orientation	PDF flyer emailed or print mailed from employer with other orientation materials	New Hire Flyer <ul style="list-style-type: none"> • Welcome message • Expect welcome letter 2 months after you start work • Link / QR code to New to ACERA page • Link / QR code to contact page
During employer orientation	7-minute explainer video with animated graphical illustrations of pension concepts	Getting Started With Your Retirement Benefits <ul style="list-style-type: none"> • Value of your pension • How your pension works • How much will your pension be? • How much does it cost? • What should you do now?
During employer orientation	Flyer provided to employee by employer	Getting Started With Your Retirement Benefits <ul style="list-style-type: none"> • Summarizes the content of the video • Link / QR code to rewatch the video

7 weeks after date of hire	Data file sent by employer to ACERA	Transmittal from employer to ACERA <ul style="list-style-type: none"> • New employee data is transmitted from the employer and loaded into ACERA’s pension software, and member’s account is created. • Member can’t log in to their online account before this.
9 weeks after date of hire	Letter via U.S. Mail from ACERA	Welcome Letter <ul style="list-style-type: none"> • Value of your pension • Complete ACERA Welcome Form <ul style="list-style-type: none"> ◦ Link / QR code to DocuSign form ◦ Note that it may take 30-60 days to show up in Member Direct account • Nominating beneficiaries • Establishing reciprocity • Open your online ACERA account • Your ACERA tier • Purchasing service credit
1 month after welcome letter	Email from ACERA	No Welcome Form Email <ul style="list-style-type: none"> • Targeted email to new members who haven’t completed the Welcome Form
2 months after welcome letter	Email from ACERA	Maximizing Your Retirement: Tips for New Members
3 months after welcome letter	Email from ACERA	Optional: 2nd No Welcome Form Email <ul style="list-style-type: none"> • Targeted email to new members who haven’t completed the Welcome Form
4 months after welcome letter	Email from ACERA	Low-Stress Retirement Planning: Take 5 Minutes to Get Started Today
Later in first year	Email from ACERA	Possible additional emails

Getting Started With Your Retirement Benefits Video

One significant component of the plan is the creation of the "Getting Started With Your Retirement Benefits" video, to be shown to new employees at employer orientations. This engaging explainer video combines a narrative explanation of key pension concepts with animated graphics to simplify complex ideas. The script has been finalized, and we are currently in the process of developing the graphics. The target completion date for the video is within the first quarter.

ACERA Welcome Form and Onboarding Process

To streamline the onboarding experience for new members as well as the internal process for ACERA staff, the project team has developed the new ACERA Welcome Form, replacing the previous Member Enrollment Questionnaire. This new form not only gathers essential member information but also facilitates the nomination of beneficiaries, provides education on reciprocity, and allows members to elect reciprocity. In collaboration with employer representatives, we conducted a meeting on January 16 to introduce them to the revamped process and collect valuable feedback. The targeted launch for the ACERA Welcome Form and all associated communications, excluding the video, is set for late January to early February.



Proposed Investment Committee Workplan for 2024 - DRAFT

January 18, 2024

Action Items

Information Items

Action Items	Information Items
January 3 (Meeting Cancelled)	1. Proposed 2024 Investment Committee Meeting Workplan (draft) – moved to the Board Meeting under “New Business”
February 7	1. Discussion of and Possible Motion to Recommend to the Board to Adopt an Investment in ACERA’s Real Estate Portfolio – Placeholder 1. 2024 Capital Market Assumptions 2. Investment Committee Work Plan 2024
March 6	1. Discussion of and Possible Motion to Recommend to the Board to Adopt an Investment in ACERA’s Real Estate Portfolio – Placeholder 1. Performance Review for the Period Ending December 31, 2023 – Total Fund Highlighting Public Markets Asset Classes 2. Education Session: Asset Liability Overview and Methodology 3. <i>Quarterly report of ACERA’s investment manager, consultant, and custodian bank fees for the fourth quarter of 2023</i> 4. <i>Quarterly report on ACERA’s rebalancing activities for the fourth quarter 2023</i> 5. <i>Quarterly report on Investment Products and Services Introductions (IPSI) for the fourth quarter of 2023</i> 6. <i>Updated Investment Committee Work Plan 2024</i>
April 3	1. Discussion of and Possible Motion to Recommend to the Board to Adopt an Investment in ACERA’s Private Equity Portfolio- Placeholder 1. Discussion on Asset Liability Study – Asset Allocation Mix Options, Liability Assumptions, Scenario Analysis, and Liquidity Analysis, and Stochastic Analysis

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3. Educational sessions may be added to the Agenda from time-to-time e.g., Portable Alpha, Market and Currency Overlay, Equity Overlay, and Emerging Managers in Private Equity investments. Recommendations and reports on ACERA’s Real Estate, Private Equity, Absolute Return, Private Credit, and Real Assets investments will be added to the Agenda from time-to-time.



Proposed Investment Committee Workplan for 2024 - DRAFT

January 18, 2024

Action Items	Information Items
<p>May 1</p> <ol style="list-style-type: none"> 1. Discussion and Possible Motion to Recommend to the Board to Adopt an Asset Allocation Mix 	<ol style="list-style-type: none"> 1. Education Session: Private Credit (Placeholder) 2. Review of Real Assets Policy (Placeholder)
<p>June 5</p> <ol style="list-style-type: none"> 1. Discussion and Possible Motion to Recommend to the Board to Adopt an Amended Real Estate Policy (Placeholder) 2. Discussion of and Possible Motion to Recommend to the Board to Adopt an Investment in ACERA’s Real Estate Portfolio – (Placeholder) 3. Discussion of and Possible Motion to Recommend to the Board to Adopt an Investment in ACERA’s Private Equity Portfolio- (Placeholder) 	<ol style="list-style-type: none"> 1. Education Session: Private Credit (Placeholder) 2. Semiannual Performance Review for the Period Ending December 31, 2023 – Real Estate 3. Semiannual Performance Review for the Period Ending December 31, 2023 – Private Equity 4. Semiannual Performance Review for the Period Ending December 31, 2023 – Private Credit 5. Semiannual Performance Review for the Period Ending December 31, 2023 – Absolute Return 6. Semiannual Performance Review for the Period Ending December 31, 2023 – Real Assets 7. <i>Quarterly report of ACERA’s investment manager, consultant, and custodian bank fees for the first quarter of 2024</i> 8. <i>Quarterly report on ACERA’s rebalancing activities for the first quarter of 2024</i> 9. <i>Quarterly report on Investment Products and Services Introductions (IPSI) for the first quarter of 2024</i> 10. <i>Updated Investment Committee Work Plan 2024</i>

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Proposed Investment Committee Workplan for 2024 - DRAFT

January 18, 2024

Action Items	Information Items		
July 3	<ol style="list-style-type: none"> 1. Discussion on the consolidated short list of International Equity Strategies from Focus Placement List 2. Review of Private Credit Policy (Placeholder) 3. Mid – year update on 2024 pacing plan implementation for Private Equity, Private Credit, Absolute Return, and Real Assets 		
August 7	<table border="0" style="width: 100%;"> <tr> <td style="width: 50%; vertical-align: top;"> <ol style="list-style-type: none"> 1. Discussion of and Possible Motion to Recommend to the Board to Adopt an Investment in ACERA’s Real Estate Portfolio - Placeholder 2. Discussion of and Possible Motion to Recommend to the Board to Adopt an Investment in ACERA’s Private Credit Portfolio – Placeholder 3. Discussion of and Possible Motion to Recommend to the Board to Adopt an Investment in ACERA’s Real Assets Portfolio - Placeholder </td> <td style="width: 50%; vertical-align: top;"> <ol style="list-style-type: none"> 1. Report on the Proposed timeline, search criteria, and evaluation matrix for ACERA’s Small Cap Manager Search – International Equities </td> </tr> </table>	<ol style="list-style-type: none"> 1. Discussion of and Possible Motion to Recommend to the Board to Adopt an Investment in ACERA’s Real Estate Portfolio - Placeholder 2. Discussion of and Possible Motion to Recommend to the Board to Adopt an Investment in ACERA’s Private Credit Portfolio – Placeholder 3. Discussion of and Possible Motion to Recommend to the Board to Adopt an Investment in ACERA’s Real Assets Portfolio - Placeholder 	<ol style="list-style-type: none"> 1. Report on the Proposed timeline, search criteria, and evaluation matrix for ACERA’s Small Cap Manager Search – International Equities
<ol style="list-style-type: none"> 1. Discussion of and Possible Motion to Recommend to the Board to Adopt an Investment in ACERA’s Real Estate Portfolio - Placeholder 2. Discussion of and Possible Motion to Recommend to the Board to Adopt an Investment in ACERA’s Private Credit Portfolio – Placeholder 3. Discussion of and Possible Motion to Recommend to the Board to Adopt an Investment in ACERA’s Real Assets Portfolio - Placeholder 	<ol style="list-style-type: none"> 1. Report on the Proposed timeline, search criteria, and evaluation matrix for ACERA’s Small Cap Manager Search – International Equities 		
September 4	<table border="0" style="width: 100%;"> <tr> <td style="width: 50%; vertical-align: top;"> <ol style="list-style-type: none"> 1. Discussion of and Possible Motion to Recommend to the Board to Adopt the Proposed timeline, search criteria, and evaluation matrix for ACERA’s Small Cap Manager Search – International Equities (Placeholder) 2. Discussion of and Possible Motion to Recommend to the Board to Adopt an Investment in ACERA’s Real Assets Portfolio- (Placeholder) 3. Discussion of and Possible Motion to Recommend to the Board to Adopt an Investment in ACERA’s Private Equity Portfolio- (Placeholder) </td> <td style="width: 50%; vertical-align: top;"> <ol style="list-style-type: none"> 1. Performance Review for the Period Ending June 30, 2024 – Total Fund Highlighting Public Market Asset Classes 2. Report on the proposed timeline, search criteria, and evaluation matrix for ACERA’s Emerging Markets Manager Search – International Equities (Placeholder) 3. Education Session: ESG (Placeholder) 4. <i>Quarterly report of ACERA’s investment manager, consultant, and custodian bank fees for the second quarter of 2024</i> </td> </tr> </table>	<ol style="list-style-type: none"> 1. Discussion of and Possible Motion to Recommend to the Board to Adopt the Proposed timeline, search criteria, and evaluation matrix for ACERA’s Small Cap Manager Search – International Equities (Placeholder) 2. Discussion of and Possible Motion to Recommend to the Board to Adopt an Investment in ACERA’s Real Assets Portfolio- (Placeholder) 3. Discussion of and Possible Motion to Recommend to the Board to Adopt an Investment in ACERA’s Private Equity Portfolio- (Placeholder) 	<ol style="list-style-type: none"> 1. Performance Review for the Period Ending June 30, 2024 – Total Fund Highlighting Public Market Asset Classes 2. Report on the proposed timeline, search criteria, and evaluation matrix for ACERA’s Emerging Markets Manager Search – International Equities (Placeholder) 3. Education Session: ESG (Placeholder) 4. <i>Quarterly report of ACERA’s investment manager, consultant, and custodian bank fees for the second quarter of 2024</i>
<ol style="list-style-type: none"> 1. Discussion of and Possible Motion to Recommend to the Board to Adopt the Proposed timeline, search criteria, and evaluation matrix for ACERA’s Small Cap Manager Search – International Equities (Placeholder) 2. Discussion of and Possible Motion to Recommend to the Board to Adopt an Investment in ACERA’s Real Assets Portfolio- (Placeholder) 3. Discussion of and Possible Motion to Recommend to the Board to Adopt an Investment in ACERA’s Private Equity Portfolio- (Placeholder) 	<ol style="list-style-type: none"> 1. Performance Review for the Period Ending June 30, 2024 – Total Fund Highlighting Public Market Asset Classes 2. Report on the proposed timeline, search criteria, and evaluation matrix for ACERA’s Emerging Markets Manager Search – International Equities (Placeholder) 3. Education Session: ESG (Placeholder) 4. <i>Quarterly report of ACERA’s investment manager, consultant, and custodian bank fees for the second quarter of 2024</i> 		

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Proposed Investment Committee Workplan for 2024 - DRAFT

January 18, 2024

Action Items

Information Items

	Action Items	Information Items
October 2	<ol style="list-style-type: none"> 1. Discussion of and Possible Motion to Recommend to the Board to Approve the Finalists for ACERA’s Small Cap Manager Search – International Equities (Placeholder) 2. Discussion of and Possible Motion to Recommend to the Board to Adopt an Investment in ACERA’s Private Credit Portfolio – (Placeholder) 3. Discussion of and Possible Motion to Recommend to the Board to Adopt an Investment in ACERA’s Private Equity Portfolio- (Placeholder) 	<ol style="list-style-type: none"> 5. Quarterly report on ACERA’s rebalancing activities for the second quarter of 2024 6. Quarterly report on Investment Products and Services Introductions (IPSI) for the second quarter of 2024 7. Updated Investment Committee Work Plan 2024 1. Review of Directed Brokerage Policy (Placeholder)
November 6	<ol style="list-style-type: none"> 1. Discussion of and Possible Motion to Recommend to the Board to Adopt an Investment in ACERA’s Real Assets Portfolio – (Placeholder) 2. Discussion of and Possible Motion to Recommend to the Board to Adopt the Proposed timeline, search criteria, and evaluation matrix for ACERA’s Emerging Markets Manager Search – International Equities (Placeholder) 	<ol style="list-style-type: none"> 1. Review of ESG Policy (Placeholder) 2. Review of Placement Agent Policy (Placeholder)
December 4	<ol style="list-style-type: none"> 1. Interview of the Finalists for ACERA’s Small Cap Manager Search – International Equities and Possible Motion by the Investment Committee to Recommend Finalist (s) to the Board (Placeholder) 	<ol style="list-style-type: none"> 1. 2025 Pacing Plans for Private Equity, Private Credit, Absolute Return, and Real Assets (Placeholder) 2. Semiannual Performance Review for the Period Ending June 30, 2024 – Real Estate

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Proposed Investment Committee Workplan for 2024 - DRAFT

January 18, 2024

Action Items

Information Items

	<p>2. Discussion of and Possible Motion to Recommend to the Board to Adopt an Investment in ACERA’s Private Equity Portfolio- (Placeholder)</p>	<p>3. Semiannual Performance Review for the Period Ending June 30, 2024 – Private Equity</p> <p>4. Semiannual Performance Review for the Period Ending June 30, 2024 – Private Credit</p> <p>5. Semiannual Performance Review for the Period Ending June 30, 2024 – Absolute Return</p> <p>6. Semiannual Performance Review for the Period Ending June 30, 2024 – Real Assets</p> <p>7. CA Gov. Code § 7514.7 Information Report</p> <p>8. Annual Update – ESG Implementation (Placeholder)</p> <p>9. <i>Quarterly report of ACERA’s investment manager, consultant, and custodian bank fees for the third quarter of 2024</i></p> <p>10. <i>Quarterly report on ACERA’s rebalancing activities for the third quarter 2024</i></p> <p>11. <i>Quarterly report on Investment Products and Services Introductions (IPSI) for the third quarter of 2024</i></p> <p>12. <i>Updated Investment Committee Work Plan 2024</i></p>
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Office of the Chief Executive Officer

DATE: January 18, 2024
TO: Members of the Board of Retirement
FROM: Dave Nelsen, Chief Executive Officer *DN*
SUBJECT: **Chief Executive Officer’s Report**

Senior Manager Recruitment

None

Committee/Board Action Items

ASSIGNED FOLLOW-UP ITEMS				
Follow-Up Board Item	Assigned Senior Leader	Estimated Completion Date	Completion Date	Notes
Update Business Plan	Dave Nelsen	March 2024		We will be updating the Business Plan to support the Strategic direction of ACERA.

Conference/Event Schedule

None

Other Items

Business Planning Update

Attached is a list of updates for each of the projects.

Other Items

Staff Transitions: After several decades of service to the County, and years of serving our ACERA members and retirees, Ish Pena has retired. We will miss his gregarious nature, his welcoming laugh, and the way he cared for our customers. His early plans are a trip to visit family in Washington State, and then some time in the waves at Waikiki. Best wishes Ish.....we'll keep that check coming to you every month!

Conference/Training: Last month Caxton and I presented some survey results at the CALAPRS Advanced Course on Pension Administration. The survey dealt with member authentication and death notification. The survey showed that all the responding systems are facing the same challenges in these areas, and are handling them in roughly the same way. No new technology or methodology has been utilized that has greatly enhanced the effectiveness of our organizations.

Key Performance Indicators

Below are the high level performance indicators for ACERA, with the latest scores included:

Scorecard KPI	2022 Performance Goal
PRUDENT INVESTMENT PRACTICES	
Portfolio Performance vs. Policy Benchmark	<i>Annualized 10-year return will meet or exceed Policy benchmark at the total fund level</i> As of October of 2023: We were .05% short of the benchmark.
EFFECTIVE PLAN ADMINISTRATION	
Actual Spent vs. Approved Budget	<i>On budget or 10% below 2022 approved budget</i> As of November of 2023: 2.5% under budget.
COMPREHENSIVE ORGANIZATION DEVELOPMENT	
Employee Engagement Survey Results	<i>80% of responses in top two rating boxes on the question: "Is ACERA a great place to work?"</i> As of the latest survey (October of 2023): 73%.
SUPERIOR CUSTOMER SERVICE	
Service Excellence Survey	<i>80% of responses in top two rating boxes on the question: "Did ACERA meet or exceed my expectations for my customer service experience?"</i> For 3 rd Quarter of 2023: 100%.

ACERA 2023-2024 BUSINESS PLANNING PROJECTS UPDATE

1. General Investment Consultant (GIC) RFP

Goal 1 (Sept. 2022 – Sept. 2023) COMPLETED

The RFP process was successfully completed and NEPC onboarding is in-progress and targeted for completion by the end of February.

2. Investment License Services for Private Market & Subscription

Goal 1 (Jul. 2023 – Q1 2024) Further Review Planned

The Investment Operations Team has a goal of obtaining direct access to the Cambridge Associates Private Benchmark data through IHS Markit. This vendor can provide ACERA, or the State Street Bank Performance Team, the necessary access to aid in providing timely benchmark performance reporting monthly. Staff has completed initial introductory call with IHS Markit. The follow-up demonstrations with the vendor to view the product offering has been paused, pending the completion of the General Investment Consultant (GIC) search, as the possibility of a new consultant could result in benchmark change recommendations. With the fully executed GIC contract finalized, Investments will strategize with NEPC to analyze the Total Fund, review proper benchmarks, and evaluate vendor options, to begin in 1Q 2024.

3. Comprehensive Pension Administration System PG3 Training

Goal 2 (May 2023 – Fall 2024)

ACERA's Project Consulting Team is coordinating ongoing status meetings for updating progress on this project, developing communication tools for back and forth work on procedures and tracking, and gathering and reviewing procedures as well as ACERA's OnBase functionality. ACERA's Project Consulting Team has started a review of the library of materials in Microsoft Teams with the SME's. The materials consist of policies and procedures for the business processes prioritized for the go-live of Pension Gold V3. The SME's will provide input on the language in the procedure updates of the first seven of nineteen business processes identified in the scope of the project over the next 30 days. The focus of this project is limited to building the procedure updates that ACERA will leverage for training in a separate project effort. A scope of work has been defined to proceed with generating job aids to support readiness for V3 go-live. The proof of concept work is complete. Implementation is planned for February 2024. Our standard operating procedure project is in progress with the first round of completed procedures returned for final review this week.

4. Review Workforce Excellence (WFE) Processes and Tools

Goal 2 (Oct. 2022 – Dec. 2023) Review COMPLETED – OnBase selected for next phase.

Review of Workforce Excellence process and tools is complete. OnBase will be used for coaching tracking and for the evaluation process. OnBase can also be used to house HR files in a secure but accessible manner. Installation and configuration into a test environment will happen within a couple of months.

5. PGV3 Upgrade

Goal 2 (Complete in October 2024) & Goal 3

The Team finalized D4 UAT this month. The requirements validation discussions for the final deliverable covering Member Direct, Employer Direct and role based permissions for V3 are being finalized. The design review meetings for the final deliverable are scheduled to begin in mid-October. Design reviews for the final deliverable are almost complete. Member Direct Rollout and Employer Direct Rollout Plan discussions begin this month.

6. OnBase Case Manager and PG-OnBase Integration Activity:

Goal 2 (Complete in August 2024) & Goal 3

The implementation of the Beneficiary Case Manager is ready for activation. This case manager captures and facilitates the process for assignment and management of beneficiary designations for active and retired members. We will be reaching out to the Benefits Team for their availability to schedule UAT Testing and Training. We will meet with Benefits Management to review the functionality developed to provide customized document views for associated pages in PGV3 that will streamline document searches for end users.

The functionality enabling members to upload documents in the Pension Gold Member Portal for automatic indexing to OnBase was introduced to the Benefits Department this month. The unit managers are developing the scope of documents to be included in the solution. The Beneficiary Maintenance Case Manager is now live. End-user team is the first to use Agile training best practices. The Disability Log Replacement project is prioritized for Q1.

7. BoardEffect Software

Goal 2 (Fall 2022 – Fall 2023) **COMPLETED 11/16**

We have reached our goal for adoption of BoardEffect by the Trustees and ACERA Senior Managers. The closing tasks for the project have been identified and assigned to project team resources. Among them is the User Feedback Survey that will be finalized and distributed in October. Dropbox has been removed as an option for accessing meeting materials and supporting documents. The closing activities are targeted for completion at the end of October.

8. Research Agency Intranet Solution for Internal Document Management

Goal 3 (Spring 2023 – Fall 2024) **COMPLETED**

A list of priorities has been submitted by the Project Team and ACERA Departments. The list is categorized as follows:

- a. In scope and prioritized for the first phase
- b. In scope but prioritized for a later phase
- c. Out of scope, but can be captured by a future project
- d. Out of scope, but can be completed by PRISM

The first phase of implementation will focus on documentation such as legal memos, training docs, etc. This phase of the project will work hand-in-hand with the PG3 training project. SharePoint has been selected, and the focus is on documentation, with PG3 documentation being the priority. Now that research and software selection is complete a new project will be opened for the planning, testing and implementation of the selected solution.

**9. [Research Expense S/W Subscription Options](#)
Goal 3 (Mar. 2023 – Nov. 2023) Research **COMPLETED****

Research is complete. Expensify has been selected for Board of Trustee travel expense reimbursement submission process. Next steps are to add Trustees to the Expensify account and provide Trustee training on use of the Expensify product. The target completion time for trustee training is early Q1, 2024

**10. [Product Analysis for GP Upgrade or Similar Accounting Software](#)
Goal 3 **On-Hold** due to PG V3 dependencies**

We are working with Armanino, our GP consultant, to research the different options out there. We are also reviewing some of the processes in Fiscal Services to identify good candidates for process improvement ahead of any preparation for a potential software change.

A draft list of Fiscal processes to be studied and possibly re-engineered have been selected for focus in 2024. Our consultant is also using this information to outline the different GP replacement possibilities that exist on the market. Due to interface needs with PG, this project's start date has been moved to Q1, 2025 to allow the PG V3 upgrade to go into production first.

**11. [New Member Enrollment](#)
Goal 4 (Complete by Fall 2023)**

The Project Team met in September and decided on a direction for transitioning the Member Enrollment Questionnaire into a considerably more streamlined (AWF) ACERA Welcome Form and an action Plan for implementation as part of the New Hire Process. The AWF (ACERA Welcome Form) will be used to capture critical information to complete enrollment. A Dashboard Report will be used to develop baseline data used to track and measure improvements to the New Member Enrollment process in October. The Communications Team will lead a pilot for distribution and collection of the AWF in Q4. See memo: "New Member Onboarding and Communications Plan Update".

12. Communications Methods

Goal 4 (Apr. 2023 – Dec. 2023)

Staff continues to develop video graphic animations for a seven-minute new-member orientation video to be shown during employer orientation. Staff provided a draft of the onboarding schedule in alignment with the New Member Onboarding project. See memo: "New Member Onboarding and Communications Plan Update".

LEGISLATIVE UPDATE



January 12th, 2024

TO: State Association of County Retirement Systems

FROM: Edelstein Gilbert Robson & Smith, LLC

RE: **Legislative Update – January 2024**

On January 3rd, the Legislature reconvened from fall recess to gavel in a new session. The overarching story thus far is the Governor's budget proposal, which he released on January 10th. Following the Legislative Analyst Office (LAO) outlook of a projected \$68 billion deficit, the Governor offered a more optimistic number of \$38 billion. Regardless of the number, the deficit is massive and will require a concerted effort to balance the budget. While we are still reviewing the proposal, we have summarized the main takeaways below.

In general, the Governor painted a rosier picture of California's economy than what was presented in the LAO report. His team is assuming \$15 billion more in tax revenues than the LAO due to the Governor's belief in the resilience of the economy and less concern about an impending recession. The broad points of the Governor's plan to close the deficit include the following:

- **Utilize \$13.1 billion** from the budget safety net reserve accounts.
- **Cut \$8.5 billion** from existing programs and services, including climate, housing, and education, and legislative requests.
- **Delay \$5.1 billion** worth of spending.
- **Defer another \$2.1 billion** to 2025-26, including about \$500 million in additional funding for University of California and California State University.
- **Shift \$3.4 billion** of General Fund spending other pots of money that funded through special funds or taxes, such as the Greenhouse Gas Reduction Fund.
- **Borrow \$5.7 billion** from special funds to support the tax on health care providers.

Many Democrats will be concerned with the billions of dollars in delay, deferrals, and shifts, especially those that impact spending on climate change. The Republicans will argue that the budget is ignoring the reality that the state is spending more than it takes in.



While we are uncertain in the difference between delaying and deferring spending, we are concerned that the Governor and Legislature are hoping this proposed budget avoids the hard debate over larger cuts and buys enough time for the economy to recover and that tax revenues rebound for the May Revision to this proposed budget. If not, then the debate in late Spring will be more contentious and there will be less time to debate solutions.

Of particular interest to members of SACRS is that despite lower revenues, the Governor proposes to utilize budget reserves to make a \$885 million supplemental payment to CalPERS beyond what is statutorily required to pay down long-term unfunded liability. He proposed making a similar payment of \$375 million to pay down state retiree health benefits.

Legislation

With the Legislature back, new bills for 2024 are being introduced and bills that did not pass the House of Origin in 2023 are being debated and voted on in January. New bills for 2024 must be introduced by February 16, while the holdover (two-year) bills must pass the House of Origin by January 31.

Of specific interest to SACRS in 2023 were bills dealing with the Brown Act Open Meeting Law and remote participation to meetings by members of local boards and commissions. In 2023, bills in this subject area found a roadblock in the Assembly Local Government Committee.

One of those bills, AB 817 by Assemblymember Pacheco, is a two-year bill that was heard by the Assembly Local Government Committee on January 10. This bill would authorize subsidiary bodies to use alternative teleconferencing provisions, namely by lifting the requirement that a legislative body provide a physical location from which the public may attend or comment, indefinitely and without a declaration of emergency.

The bill passed the committee and may signal an opening for similar Brown Act bills in the coming year.

13. CLOSED SESSION:

- A. Existing litigation pursuant to paragraph (1) of subdivision (d) of Section 54956.9: Ventura County Employees' Retirement Association v. Criminal Justice Attorneys Association of Ventura County, Cal. Court of Appeal Second Appellate District Case No. B325277 (consider whether to request publication of unpublished decision).**

IF THERE ARE ANY ADDITIONAL MATERIALS TO BE DISTRIBUTED FOR AGENDA ITEM 13.A. ABOVE, THEY WILL BE DISTRIBUTED UNDER SEPARATE COVER.