



Alameda County Employees' Retirement Association  
BOARD OF RETIREMENT

**NOTICE and AGENDA**

**THIS MEETING WILL BE CONDUCTED VIA TELECONFERENCE  
[GOV'T CODE § 54953(e)]**

**ACERA MISSION:**

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

**Thursday, July 21, 2022  
2:00 p.m.**

<b>ZOOM INSTRUCTIONS</b>	<b>BOARD OF RETIREMENT - MEMBERS</b>	
<p>The public can view the Teleconference and comment via audio during the meeting. To join this Teleconference, please click on the link below.  <a href="https://zoom.us/join">https://zoom.us/join</a>  <b>Webinar ID: 879 6337 8479</b>  <b>Passcode: 699406</b>  <b>Call-In Number:</b>  <b>1 (669) 900-6833 US</b>            For help joining a Zoom meeting, see:  <a href="https://support.zoom.us/hc/en-us/articles/201362193">https://support.zoom.us/hc/en-us/articles/201362193</a></p>	<b>JAIME GODFREY</b>	<b>APPOINTED</b>
	<b>CHAIR</b>	
	<b>LIZ KOPPENHAVER</b>	<b>ELECTED RETIRED</b>
	<b>FIRST VICE-CHAIR</b>	
	<b>OPHELIA BASGAL</b>	<b>APPOINTED</b>
	<b>SECOND VICE-CHAIR</b>	
	<b>DALE AMARAL</b>	<b>ELECTED SAFETY</b>
	<b>KEITH CARSON</b>	<b>APPOINTED</b>
	<b>TARRELL GAMBLE</b>	<b>APPOINTED</b>
	<b>HENRY LEVY</b>	<b>TREASURER</b>
<b>KELLIE SIMON</b>	<b>ELECTED GENERAL</b>	
<b>GEORGE WOOD</b>	<b>ELECTED GENERAL</b>	
<b>NANCY REILLY</b>	<b>ALTERNATE RETIRED<sup>1</sup></b>	
<b>DARRYL WALKER</b>	<b>ALTERNATE SAFETY<sup>2</sup></b>	

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:* The Board of Retirement will provide reasonable accommodations for persons with special needs of accessibility who plan to attend Board meetings. Please contact ACERA at (510) 628-3000 to arrange for accommodation.

*Note regarding public comments:* Public comments are limited to four (4) minutes per person in total.

The order of agendized items 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 available online at [www.acera.org](http://www.acera.org).

**1. CALL TO ORDER**

**2. ROLL CALL**

**3. PUBLIC COMMENT**

**4. 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:**

*None*

**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:**

*June 16, 2022 Minutes of the Regular Board Meeting*

*July 6, 2022 Retirees Committee Minutes*

*July 13, 2022 Investment Committee Minutes*

**H. MISCELLANEOUS:**

- *Proposed Findings Regarding State of Emergency Pursuant to Gov't Code §54953(e)(3): **Staff Recommendation:** The Board finds that it has reconsidered the circumstances of the state of emergency and (1) the state of emergency continues to directly impact the ability of the members to meet safely in person, and (2) state or local officials continue to impose or recommend measures to promote social distancing.*
- *Operating Expenses and Budget Summary as of 05/31/22*

**I. REPORT OUT OF JANUARY 20, 2022 CLOSED SESSION, ITEM 13(A):**

- *The Board of Retirement took action to invest \$330 million in the Morgan Stanley custom fund-of-hedge-funds vehicle Riverview Strategic Alpha LP, pending completion of legal and investment due diligence and successful contract negotiations. The motion carried 4 yes (Amaral, Simon, Reilly, Wood), 3 no (Gamble, Godfrey, Levy), and 0 abstentions. The investment transaction has closed.*

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

**REGULAR CALENDAR**  
**REPORTS AND ACTION ITEMS**

**5. DISABILITY AND DEATH BENEFIT CLAIMS**

None.

**6. COMMITTEE REPORTS, RECOMMENDATIONS AND MOTIONS:**

**A. Retirees: [See July 6, 2022 Retirees Committee Agenda Packet for public materials related to the below listed items.]**

1. Summary of July 6, 2022 Meeting.

**B. Investment: [See July 13, 2022 Investment Committee Agenda Packet for public materials related to the below listed items.]**

1. Summary of July 13, 2022 Meeting.

2. Motion to contract with William Blair to replace the incumbent emerging markets equity manager, Newton Investment Management, pending completion of legal and investment due diligence and successful contract negotiations.

**7. NEW BUSINESS:**

**A.** Motion to extend the Contract for Actuarial Services by Segal and to Issue a Request For Information (RFI) for External Actuarial Audit Services.

**B.** Discussion with CalPERS CEO Marcie Frost.

**C.** Chief Executive Officer's Report.

- 8. CONFERENCE/ORAL REPORTS**
- 9. ANNOUNCEMENTS**
- 10. BOARD INPUT**
- 11. ESTABLISHMENT OF NEXT MEETING:**  
**Thursday, August 18, 2022 at 2:00 p.m.**
- 12. CLOSED SESSION:**
  - A.** Existing Litigation pursuant to Government Code Section 54956.9(d)(1):  
*Alameda Health System v. ACERA*, San Francisco County Superior Court,  
Case No. CGC-19-516795.
- 13. REPORT ON ACTION TAKEN IN CLOSED SESSION**
- 14. ADJOURNMENT**

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**APPENDIX A  
REPORT ON SERVICE RETIREMENTS**

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ALEXANDER, Renita  
Effective: 4/30/2022  
General Services Agency

GAVIOLA, Adelina  
Effective: 4/1/2022  
Social Services Agency

BAUZON, Madeleine  
Effective: 5/16/2022  
County Counsel

GONZALEZ, Rene  
Effective: 4/30/2022  
Sheriff's Department

BURGESS, Derek  
Effective: 4/27/2022  
Probation Department

HAILER, Janet  
Effective: 5/2/2022  
Health Care Services Agency

CANE, Steven  
Effective: 4/30/2022  
Sheriff's Department

HELTEN, Mark  
Effective: 5/15/2022  
Alameda Health System

CENTENO, Dolores  
Effective: 4/16/2022  
Assessor

HERSHBERGER, Grace  
Effective: 10/16/2021  
Social Services Agency

COLEMAN, Roslynn  
Effective: 4/1/2022  
Department of Child Support Services

KEENE, Karimah  
Effective: 5/14/2022  
Probation Department

CROSBY, Patrick  
Effective: 4/1/2022  
Community Development Agency

LASOTA, Lisa  
Effective: 3/29/2022  
Superior Court

DICKINSON, Dana  
Effective: 5/5/2022  
LARPD

LISMAN, Michael  
Effective: 3/26/2022  
Health Care Services Agency

FIGUEROA, Laura  
Effective: 3/31/2022  
Superior Court

LOVE FRAISER, Valarie  
Effective: 4/16/2022  
Social Services Agency

FORD, Maxine  
Effective: 5/14/2022  
Social Services Agency

MADIGAN Jr., Thomas  
Effective: 4/1/2022  
Sheriff's Department

FULCHER, Ramonda  
Effective: 5/6/2022  
Social Services Agency

MAPP, Debra  
Effective: 5/2/2022  
Alameda Health System

FULLER, Sandra  
Effective: 5/15/2022  
Probation Department

MC NEAL, Christopher  
Effective: 5/6/2022  
General Services Agency

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**APPENDIX A  
REPORT ON SERVICE RETIREMENTS**

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MECCHI, Jeffrey  
Effective: 4/4/2022  
Sheriff's Department

REMMERT, Nancy  
Effective: 3/22/2022  
Superior Court

MEREGILLANO, Roel  
Effective: 4/30/2022  
Health Care Services Agency

RINGOT, Jane  
Effective: 3/19/2022  
Public Works Agency

MOGUL, Efrecinia  
Effective: 4/30/2022  
Treasurer-Tax Collector

RUEDA-YAMASHITA, Brenda  
Effective: 5/14/2022  
Health Care Services Agency

NIETO, Anna  
Effective: 4/30/2022  
Probation Department

SAKASHITA, Kimi  
Effective: 5/6/2022  
Health Care Services Agency

ONTIVEROS, Angelina  
Effective: 4/30/2022  
Social Services Agency

SAMATI, Joyce  
Effective: 4/1/2022  
Alameda Health System

ORTH, Carol  
Effective: 3/31/2022  
Auditor-Controller

SAMUEL, Annette  
Effective: 4/16/2022  
Health Care Services Agency

ORTIZ, Tomas  
Effective: 4/16/2022  
Alameda Health System

SARDENIA, Antonio  
Effective: 4/1/2022  
Alameda Health System

PANDORI, Mark  
Effective: 5/20/2022  
Health Care Services Agency

SCHULZ, Maureen  
Effective: 4/30/2022  
Social Services Agency

PHELPS, Thomas  
Effective: 4/15/2022  
Sheriff's Department

SINGH, Rajinder  
Effective: 4/1/2022  
Health Care Services Agency

PORTER, Amon  
Effective: 4/1/2022  
Social Services Agency

TAMAYO, Edmundo  
Effective: 4/1/2022  
Sheriff's Department

RASIAH, Mark  
Effective: 5/1/2022  
First 5

TSOU, Meiyen  
Effective: 5/14/2022  
Social Services Agency

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**APPENDIX A  
REPORT ON SERVICE RETIREMENTS**

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UNO, Elizabeth  
Effective: 5/8/2022  
Health Care Services Agency

VELASQUEZ, Marcella  
Effective: 3/1/2022  
Social Services Agency

YOUN, Youngjoo  
Effective: 5/14/2022  
Social Services Agency

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**APPENDIX B  
LIST OF DEFERRED RETIREMENTS**

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ANDERSON, Knute  
Alameda Health System  
Effective Date: 4/15/2022

CRUZ, Joseph Allan E.  
County Administrator  
Effective: 5/5/2022

BENNETT, Jennifer A.  
Alameda Health System  
Effective: 4/17/2022

DIZON-WILLIAMS, Eydie A.  
County Administrator  
Effective: 4/29/2022

BROTSKY, Jenna C.  
Library  
Effective: 5/21/2022

DOMINGO-DE JESUS, Christina V.  
Alameda Health System  
Effective: 5/6/2022

BUTLER, Janell S.  
Alameda Health System  
Effective: 4/18/2022

FIRL, Victoria Cho  
Health Care Services Agency  
Effective: 4/29/2022

CARDENAS, Christopher A.  
Alameda Health System  
Effective: 5/10/2022

FLORES, Diego P.  
Public Defender  
Effective: 5/27/2022

CHAVEZ, Andrea P.  
Health Care Services Agency  
Effective: 5/6/2022

JIMENEZ, Claudia  
Alameda Health System  
Effective: 5/8/2022

CLARK, Jacqueline A.  
Social Services Agency  
Effective: 4/8/2022

JORDAN, Monique  
Superior Court  
Effective: 5/13/2022

COLLIER, Robert D.  
General Services Agency  
Effective: 5/20/2022

LEONARD, Austin R.  
Public Works Agency  
Effective: 4/21/2022

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**APPENDIX B  
LIST OF DEFERRED RETIREMENTS**

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MCELROY, Marquita M.  
General Services Agency  
Effective: 5/4/2022

SCIMIA, Daniel R.  
Sheriff's Department  
Effective: 4/22/2022

MCKNIGHT, Davina D.  
Social Services Agency  
Effective: 4/29/2022

SERRATO, Jessica M B  
District Attorney  
Effective: 5/13/2022

MEHN, Nyan T.  
General Services Agency  
Effective: 4/20/2022

STARKS, Kashari J.  
District Attorney  
Effective: 5/6/2022

MEHTA, Tarandeep  
Alameda Health System  
Effective: 5/5/2022

WEIR, Levie C.  
Alameda Health System  
Effective: 5/5/2022

MILLS, Megan Blair  
Alameda Health System  
Effective: 4/10/2022

WILLIAMS, Keiana D.  
Sheriff's Department  
Effective: 4/30/2022

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**APPENDIX C  
LIST OF DECEASED MEMBERS**

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BALDWIN, John C.  
District Attorney  
5/24/2022

CAMPBELL, Rebecca  
Alameda Health System  
6/2/2022

BERNAVICH, Jeffery  
Probation Department  
6/11/2022

DILLON, Robert D.  
Probation Department  
6/18/2022

BROOKS, Vernon L.  
Probation Department  
5/12/2022

ENGH, Thomas  
Probation Department  
6/26/2022

BRYAN, Joyce  
Non-Mbr Survivor of Gerald Bryan  
6/2/2022

GARIBALDI, Verna  
Non-Mbr Survivor of George Garibaldi  
6/17/2022

BUICE, Sydney  
Social Services Agency  
5/28/2022

HARNDEN, Sharron  
Sheriff's Department  
6/3/2022

BYRNE, Deborah  
Alameda Health System  
6/1/2022

HOLIFIELD, Timothy  
Alameda Health System  
5/16/2022



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**APPENDIX C  
LIST OF DECEASED MEMBERS**

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ORTEGA, Henry  
Non-Mbr Survivor of Trinidad Ortega  
6/3/2022

SPLAN, Beverly  
Probation Department  
5/27/2022

RITCHIE, Carlotta  
Social Services Agency  
5/24/2022

WONG, Judith  
Non-Mbr Survivor of Hubert Wong  
5/28/2022

SAAD, Wadie  
Public Works Agency  
6/9/2022

YOUNG, Marvin L.  
Superior Court  
6/3/2022

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

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**Name:** Jones, Jenaiah  
**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 Ms. Jones' application for a service-connected disability, and waiving future annual medical examinations and questionnaires at this time.

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**Name:** Macias, Brandi  
**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 Ms. Macias' application for a service-connected disability, and waiving future annual medical examinations and questionnaires at this time.

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

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**Name:**                    **Matthews-Douresseau, Ericka**  
**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 Ms. Matthews-Douresseau application for a service-connected disability, and waiving future annual medical examinations and questionnaires at this time.

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**June 16, 2022**  
**Minutes of the Regular Board Meeting**  
**For approval under July 21, 2022**  
**Board “Consent Calendar”**



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

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**THIS MEETING WAS CONDUCTED VIA TELECONFERENCE WITH VIDEO**

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**Thursday, June 16, 2022**

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

Trustees Present: Dale Amaral  
Ophelia Basgal  
Keith Carson  
Jaime Godfrey  
Liz Koppenhaver  
Henry Levy  
George Wood  
Nancy Reilly (*Alternate*)  
Darryl Walker (*Alternate*)

Trustees Excused: Tarrell Gamble  
Kellie Simon

Staff Present: Victoria Arruda, Human Resource Officer  
Angela Bradford, Executive Secretary  
Kathy Foster, Assistant Chief Executive Officer-Benefits  
Erica Haywood, Fiscal Services Officer  
Jessica Huffman, Benefits Manager  
Harsh Jadhav, Chief of Internal Audit  
Vijay Jagar, Retirement Chief Technology Officer, ACERA  
David Nelsen, Chief Executive Officer  
Jeff Rieger, Chief Counsel  
Betty Tse, Chief Investment Officer

Staff Excused: Sandra Dueñas-Cuevas, Benefits Manager  
Lisa Johnson, Assistant Chief Executive Officer-Operations

## **PUBLIC INPUT**

During the discussion under the Chief Executive Officer’s Report regarding the proposed legislation for AB2493, Active Member Cynthia Landry and ACRE President Pete Albert inquired whether or not AB2493 affects miscellaneous employees and whether or not the SACRS Legislative Committee opposes AB2493, respectively. Mr. Nelsen responded that AB2493 only affects public safety members and that the SACRS Legislative Committee is aware of the bill, but has not taken a position on AB2493. However, some individual SACRS Systems have taken a position on AB2493. Ms. Landry stated that it doesn’t sound like a good bill because of the possibility of employers being required to follow the California Public Employees’ Retirement System’s (CalPERS) pensionable codes versus following the County Employees Retirement Law’s (CERL) own pensionable codes, which would be a major conflict.

Mr. Albert also inquired about proposed legislation for SB1328, which would require Russian divestment for California Pension Systems, including CERL systems. Mr. Albert stated that he believes that the Legislature should not have the authority to direct CERL Systems as to how they should invest and/or divest their assets, as CERL Systems are independent systems governed by appointed and elected Trustees and there could be economic losses that come from the Legislature’s divestment decision. Chief Executive Officer (CEO) Dave Nelsen provided a brief overview and explanation regarding the bill and reported that CalPERS opposed the bill and worked with the Legislature on amending the bill. Mr. Nelsen stated he does not know whether or not the bill will pass. Mr. Albert inquired as to whether or not the SACRS Legislative Committee has taken a position. Mr. Nelsen responded that he believes the SACRS Legislative Committee opposed the bill, but will follow-up and report back to the Board. Chief Counsel Jeff Rieger also reported that he is monitoring the bill and will report back to the Board regarding its passage (or failure to pass.)

## **CONSENT CALENDAR** **REPORTS AND ACTION ITEMS**

Assistant CEO of Benefits Kathy Foster reported that Staff inadvertently included Disability Summary Sheets as Appendix E in the June 16, 2022 Board Packet rather than the usual documents that contain Staff’s recommendations to the Board. Ms. Foster stated that Staff made the correction and that the corrected Appendix E was sent to the Trustees via email before today’s Board meeting.

## **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**

*Appendix E*

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

*None*

**APPROVE MINUTES of BOARD and COMMITTEE MEETINGS**

*May 19, 2022 Investment Committee Minutes*

*May 19, 2022 Actuarial Committee Minutes*

*May 19, 2022 Audit Committee Minutes*

*May 19, 2022 Minutes of the Regular Board Meeting*

*June 1, 2022 Operations Committee Minutes*

*June 1, 2022 Retirees Committee Minutes*

*June 8, 2022 Investment Committee Minutes*

**MISCELLANEOUS**

- *Proposed Findings Regarding State of Emergency Pursuant to Gov't Code § 54953(e)(3):*

*Staff Recommendation: The Board finds that it has reconsidered the circumstances of the state of emergency and (1) the state of emergency continues to directly impact the ability of the members to meet safely in person, and (2) state or local officials continue to impose or recommend measures to promote social distancing.*

**22-36**

**It was moved by Ophelia Basgal and seconded by George Wood that the Board adopt the Consent Calendar, as revised after initial posting. The motion carried 7 yes (Amaral, Basgal, Godfrey, Koppenhaver, Levy, Walker, Wood), 0 no, and 0 abstentions. Trustee Carson was not present for the vote on the motion.**

**REGULAR CALENDAR  
REPORTS AND ACTION ITEMS**

**DISABILITY AND DEATH BENEFIT CLAIMS**

None.

**COMMITTEE REPORTS, RECOMMENDATIONS AND MOTIONS**

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

***Operations:***

Ophelia Basgal gave an oral report stating that the Operations Committee on June 1, 2022 and that Staff reported that there were no action items. However, Trustee Basgal reported on the following Information Items: **1)** Managed Medical Review Organization (MMRO) Annual Report; **2)** Operating Expenses as 04/30/22; **3)** Update on ACERA's 2022 Board of Retirement (BOR) Election and Timeline. Staff will discuss additional methods of outreach on how to increase voter turnout for the upcoming BOR Election at the August 3, 2022 Operations Committee meeting; and **4)** Technology Update on backup storage and security strategies.

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

***Retirees:***

Liz Koppenhaver gave an oral report stating that the Retirees Committee on June 1, 2022 and that the Committee discussed the Implicit Subsidy payment for Plan Year 2021.

**22-37**

**It was moved by Liz Koppenhaver and seconded by Ophelia Basgal that the Board authorize Staff to transfer \$5,593,922 from the Supplemental Retiree Benefit Reserve account to the County Advance Reserve to be amortized over 20 years as the Implicit Subsidy payment for Plan Year 2021. The motion carried 7 yes (*Amaral, Basgal, Godfrey, Koppenhaver, Levy, Walker, Wood*), 0 no, and 0 abstentions. *Trustee Carson was not present for the vote on the motion.***

Trustee Koppenhaver further reported that the Committee reviewed and discussed the Statement of Intent to continue the Implicit Subsidy Program for health Plan Year 2023.

**22-38**

**It was moved by Liz Koppenhaver and seconded by George Wood that the Board adopt a Statement of Intent to continue the Implicit Subsidy Program for health Plan Year 2023, following a determination by ACERA at the end of Plan Year 2023 that the amount is not greater than the actual retiree Implicit Subsidy. The motion carried 8 yes (*Amaral, Basgal, Carson, Godfrey, Koppenhaver, Levy, Walker, Wood*), 0 no, and 0 abstentions.**

Staff reported on the following Information Items at the Retirees Committee meeting: **1)** Presentation and Report on Health Care Inflation/Trends; **2)** Preliminary Report on Projected Benefit Costs Funded through the Supplemental Retiree Benefit Reserve; **3)** Discussion of the Monthly Medical Allowance for 2023. Staff will bring its recommendation back to the Committee and/or Board for the Board’s consideration; **4)** 2023 Medical Plans Update/Renewal Requests of ACERA/County of Alameda; **5)** Report on Health Reimbursement Arrangement Account Balances and Reimbursements; **6)** Plans for Open Enrollment Retiree Health and Wellness Fair; **7)** Report on Annual Health Care Planning Meeting with Retiree Groups; and **8)** Miscellaneous Updates. Further discussion regarding the Silver&Fit® Program will take place at the July 2022 Retirees Committee meeting.

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

***Investment:***

Vice-Chair George Wood gave an oral report stating that the Investment Committee met on June 8, 2022 and reported on the following Information Items prior to reporting on the one Action Item regarding an up to \$36 million investment in Atalaya Special Opportunities Fund VIII: **1)** presentation on the Semiannual Performance Reviews for the Period Ending December 31, 2021 for: **a) Private Equity:** the Portfolio returned a net IRR 38.46%; **b) Private Credit:** the Portfolio returned a net IRR 8.90%; and **c) Real Assets:** the Portfolio returned 17.80%. Trustee Wood expressed his appreciation to Staff and the Consultants for all of their hard work; and **2)** Status Report on ESG Implementation. Staff and Verus will meet with ACERA’s Legal Team to confer on what actions will require a formal Board vote and will continue to provide semi-annual updates to the Committee/Board.

Trustee Wood reported that the Investment Committee reviewed information for and discussed a \$36 million investment in Atalaya Special Opportunities Fund VIII. After discussion at the June 8, 2022 Investment Committee meeting, Trustee Koppenhaver moved and Trustee Carson seconded, passing with a vote of 5 to 2 (abstentions) to accept Staff’s recommendation, provided that the Trustees receive a memo from Staff answering certain litigation questions and that Staff agendize a possible Closed Session for today’s Board meeting to review the memo and allow for further discussion.

The Board adjourned into Closed Session to discuss the issue.

The Board reconvened into Open Session and the following Trustees returned:  
***Basgal, Carson, Godfrey, Koppenhaver, Levy, Reilly, Walker and Wood***

Trustee Wood reported that no vote took place (no motion was made) in Closed Session and the Board will not adopt an up to \$36 million investment in Atalaya Special Opportunities Fund VIII as part of ACERA’s Private Equity Portfolio – Debt Related/Special Situations. Trustee Wood thanked Staff and Verus for providing the Board with the additional information.

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



***Actuarial:***

Ophelia Basgal gave an oral report stating that the Actuarial Committee met earlier today and that there were no action items. However, Trustee Basgal reported on the following Information Items: **1)** Renewal of the Segal Group’s Contract wherein Staff recommended three options: **a)** Issue a Request For Proposals (RFP); **b)** Retain Segal and have an Actuarial Firm audit Segal’s work; and **c)** Directly retain an Actuarial Consultant without issuing an RFP. Trustee Basgal reported that if ACERA chooses to issue an RFP, ACERA would lose its current level of liability coverage, which is no longer standard for Actuarial Firms, with the exception of Segal due to ACERA’s long relationship with Segal. Staff will bring its recommendation back to the Committee and/or Board for the Board’s consideration; and **2)** Segal presented the deterministic projections as part of the Risk Assessment Report based on the Actuarial Valuation and Review as of December 31, 2021. Staff will continue to monitor the Risk Assessment Report.

Minutes of the meeting will be presented to the Board for adoption on the Consent Calendar at the July 21, 2022 Board meeting.

***Audit:***

Henry Levy gave an oral report stating that the Audit Committee met earlier today and that the Committee reviewed and discussed the audited Schedule of Employer Allocations and the audited Schedule of Pension and OPEB Amounts by Employer based on addenda to the Governmental Accounting Standards Board (GASB) Statement No. 67 and Statement No. 74, valuations as of December 31, 2021.

**22-39**

**It was moved by Henry Levy and seconded by Liz Koppenhaver that the Board adopt the audited Schedule of Employer Allocations (Pension and OPEB) and the audited Schedule of Pension and OPEB Amounts by Employer based on addenda to the Governmental Accounting Standards Board (GASB) Statement No. 67 and Statement No. 74, valuations as of December 31, 2021. The motion carried 8 yes (*Amaral, Basgal, Carson, Godfrey, Koppenhaver, Levy, Walker, Wood*), 0 no, and 0 abstentions.**

Trustee Levy reported on the following Information Items: **1)** Presentation and discussion of GASB Statement No. 68 and GASB Statement No. 75 Valuations and Employer Schedules as of December 31, 2021; **2)** Progress Report on the Internal Audit Plan; and **3)** Review of completed audits.

Minutes of the meeting will be presented to the Board for adoption on the Consent Calendar at the July 21, 2022 Board meeting.

**NEW BUSINESS:**

**Discussion regarding Timeline for Strategic Planning**

Mr. Nelsen reported that ACERA's Strategic Planning Process is underway and that he will be working with Amy McDuffee, the Founder of Mosaic Governance Advisors, who will assist in facilitating the process. Mr. Nelsen introduced Ms. McDuffie and her colleague Catherine Jackson of Mosaic who were both present at today's Board meeting. Ms. McDuffie stated that Mosaic has worked with many CERL Systems, as well as, other Public Pension Plans in the United States and across the Globe. Ms. McDuffie presented Mosaic's proposed Strategic Planning Timeline and Process Overview for ACERA. Ms. McDuffie stated that although most of the plan will be developed by Mosaic and ACERA's Executive Staff in August 2022, she will also seek input from the Board via an online survey, which she will forward to the Board sometime next week. The online survey will include questions regarding what the Board sees for the future of ACERA, are there any potential risks, what are the strengths and/or the opportunities for the organization, etc. Mosaic will also obtain information from ACERA's stakeholders to determine if there are any areas that need improvement. Ms. McDuffie stated that the Strategic Planning Process takes approximately four to six months to complete and that she should have a proposed Strategic Planning document for the Board's review and approval by September 2022. A formal Strategic Planning document should be completed for the Board's review and approval by November or December 2022. Mr. Nelsen advised that depending upon the circumstances regarding the COVID-19 Pandemic, Mosaic may be able to conduct its Strategic Planning discussions with the Board and Executive Staff in-person. However, if the Pandemic is still an issue, the discussions will have to be held virtually. See Mosaic's proposed Strategic Planning Timeline for ACERA for further detail.

**David Nelsen, Chief Executive Officer's Report**

Mr. Nelsen presented his June 16, 2022 written CEO Report which provided an update on: **1) Senior Management Recruitment; 2) Committee and Board Action Items; and 3) Other Items: a) COVID-19 Responses; b) Pension Administration System Project; c) Legislative Items; d) Other Items: Marcie Frost, CEO of the California Public Employees' Retirement System (CalPERS), will join ACERA's July Board meeting via Zoom to discuss topics of interest; and 5) Key Performance Indicators.**

Mr. Nelsen reported that Staff will begin its first meet and confer meeting with one of the Union Representative Organizations next week and will meet and confer with the other Union Representative Organization the following week regarding ACERA's Re-Opening Plan. Mr. Nelsen anticipates that both meet and confer meetings will go well and will keep the Board apprised of the status.

Mr. Nelsen advised that there was a typo in his CEO Report regarding proposed legislation for AB2438. The bill should read: AB2493, which addresses the situation where earnings for public safety members (*i.e.*, Orange County Police and Fire) were reported as pensionable in error, through no fault of the member. In those situations, the employer would be required to pay for any overpayments of retirement benefits retroactively to encompass the *Alameda* Decision. ACERA is not administratively impacted by AB2493. After a brief overview and explanation regarding the bill, Mr. Nelsen reported that there has been a lot of discussion on the issue and that the California State Association of Counties (CSAC), as well as several CERL Systems, are in opposition of the bill. The CalPERS version of the bill has passed the Assembly and is in the Senate for consideration. Mr. Nelsen will keep the Board apprised of the status.

### **CONFERENCE/ORAL REPORTS**

None.

### **ANNOUNCEMENTS**

None.

### **BOARD INPUT**

None.

### **CLOSED SESSION**

- A. Discussion regarding an investment of up to \$36 million in Atalaya Special Opportunities Fund VIII as part of ACERA's Private Equity Portfolio – Debt Related/Special Situations.

(See *Investment* Section on Page 5 above).

- B. Existing Litigation pursuant to Government Code Section 54956.9(d)(1):  
*Alameda Health System v. ACERA*, San Francisco County Superior Court,  
Case No. CGC-19-516795.

Mr. Rieger advised the Board that there was no new information to report on the *AHS v. ACERA* matter and the Board did not need to adjourn into Closed Session unless it chose to do so. The Board did not adjourn into Closed Session.

**ADJOURNMENT**

The meeting was adjourned at approximately 3:33 p.m.

Respectfully Submitted,



---

David Nelsen  
Chief Executive Officer

07/21/22

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Date Adopted

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**APPENDIX A  
REPORT ON SERVICE RETIREMENTS**

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ABRAMSON, Jonathan  
Effective: 4/1/2022  
Health Care Services Agency

CHHOM, Petros  
Effective: 3/19/2022  
Social Services Agency

ADEGBITE, Debra  
Effective: 3/31/2022  
Superior Court

COOK, Stuart  
Effective: 4/1/2022  
Community Development Agency

ARHONDOPOULOS, Dimitrios  
Effective: 4/1/2022  
Alameda Health System

COURSON, Natalie  
Effective: 4/1/2022  
Health Care Services Agency

BANKS, Audrey  
Effective: 4/1/2022  
Health Care Services Agency

CROGHAN, Penny  
Effective: 4/1/2022  
Sheriff's Office

BARUWA, Bisola  
Effective: 4/1/2022  
Alameda Health System

DARCHE, Janice  
Effective: 3/19/2022  
Health Care Services Agency

BAZAR, Christopher  
Effective: 3/31/2022  
Community Development Agency

DAUGHERTY, Teresa  
Effective: 4/1/2022  
Alameda Health System

BERNARD, Don  
Effective: 3/26/2002  
General Services Agency

DAUPHIN, Glenn  
Effective: 4/1/2022  
Alameda Health System

BOYER, Mike  
Effective: 3/31/2022  
Sheriff's Office

DAVID, Ricardo  
Effective: 3/26/2022  
Health Care Services Agency

BROADWAY, Plaivilla  
Effective: 4/1/2022  
Alameda Health System

ESTRADA, Corazon  
Effective: 3/19/2022  
Alameda Health System

BROWN, Nona  
Effective: 4/1/2022  
District Attorney

FELLOWS, Matthew  
Effective: 3/19/2022  
Sheriff's Office

CALEGARI, John  
Effective: 4/1/2022  
Sheriff's Office

FLEMISTER, John  
Effective: 3/19/2022  
General Services Agency

CASEY, Pamela  
Effective: 4/1/2022  
Health Care Services Agency

FORD, Cheryl  
Effective: 4/1/2022  
Alameda Health System

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**APPENDIX A  
REPORT ON SERVICE RETIREMENTS**

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GARAY, Gumaro  
Effective: 3/31/2022  
Social Services Agency

JESUITAS, Leonides  
Effective: 3/31/2022  
Assessor

GARDNER, Aquetta  
Effective: 4/1/2022  
General Services Agency

JOHNSON, Melvin  
Effective: 3/19/2022  
Alameda Health System

GEMMELL, Kenneth  
Effective: 3/19/2022  
Sheriff's Office

JOHNSON-LOCKHART, Viola  
Effective: 4/1/2022  
Social Services Agency

GILFORD, James  
Effective: 3/31/2022  
Community Development Agency

JONES, Patrick  
Effective: 3/31/2022  
Sheriff's Office

GUZMAN, Sherri  
Effective: 4/1/2022  
Probation Department

KLINGE, Jill  
Effective: 4/1/2022  
District Attorney

HARRIS, Delta  
Effective: 4/1/2022  
County Administrator

KUBO, Lance  
Effective: 3/25/2022  
District Attorney

HASSNA, Richard  
Effective: 3/31/2022  
Sheriff's Office

KURKO, Julie  
Effective: 4/1/2022  
Community Development Agency

HILL, Howard  
Effective: 4/1/2022  
Information Technology Department

LAL, Kiran  
Effective: 4/1/2022  
Alameda Health System

HOLMES, Robin  
Effective: 3/26/2022  
Superior Court

LEON-MIAKHAIL, Martha  
Effective: 4/1/2022  
Social Services Agency

HUGHES, Gregory  
Effective: 3/26/2022  
District Attorney

LIU, Jane  
Effective: 4/1/2022  
Social Services Agency

JACALA, Jocelyn  
Effective: 4/1/2022  
Retirement

LOCHE, Keith  
Effective: 3/31/2022  
Sheriff's Office

JAUREGUI, Martha  
Effective: 4/1/2022  
Health Care Services Agency

LYNCH, Thomas  
Effective: 3/12/2022  
Health Care Services Agency

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**APPENDIX A  
REPORT ON SERVICE RETIREMENTS**

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MARTINEZ, Gail  
Effective: 4/1/2022  
Social Services Agency

QUINI, Lilybelle  
Effective: 4/1/2022  
Social Services Agency

MCKEE, Katherine  
Effective: 4/1/2022  
Alameda Health System

ROBLES, Maria  
Effective: 4/1/2002  
Community Development Agency

MELTON, Mark  
Effective: 4/1/2022  
District Attorney

ROBLES, Yolanda  
Effective: 2/26/2022  
Community Development Agency

MENDOZA, Maria  
Effective: 4/1/2022  
Health Care Services Agency

ROSE, Mary  
Effective: 4/1/2022  
Sheriff's Office

MILANI-ROCKWELL, Ellen  
Effective: 3/20/2022  
Alameda Health System

RUBIO, Lisa  
Effective: 4/1/2022  
Sheriff's Office

MORAN, Martin  
Effective: 3/19/2022  
Alameda Health System

SAENGER, Andrea  
Effective: 3/17/2022  
Alameda Health System

MORENO, Mark  
Effective: 3/18/2022  
District Attorney

SANCHEZ, Kelly  
Effective: 4/1/2022  
General Services Agency

O'NEILL, Roberta  
Effective: 4/1/2022  
Social Services Agency

SANTOS, Laurie  
Effective: 4/1/2002  
Information Technology Department

PETOSKEY, Glenda  
Effective: 4/6/2022  
Social Services Agency

SCHEINGART, Roy  
Effective: 4/1/2022  
District Attorney

PHILIPPS, Tim  
Effective: 3/19/2022  
Sheriff's Office

SEGURA, Shaye  
Effective: 3/30/2022  
Superior Court

PINNEY, Paul  
Effective: 4/1/2022  
District Attorney

SETO, Joseph  
Effective: 3/31/2022  
Zone 7

QUAYLE, Cecilia  
Effective: 4/2/2022  
Social Services Agency

SLATER, Janet  
Effective: 3/29/2022  
Superior Court

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**APPENDIX A  
REPORT ON SERVICE RETIREMENTS**

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SNEDDEN, Beverly  
Effective: 4/12/2022  
Social Services Agency

WAN, Fanny  
Effective: 4/1/2022  
Assessor

SPEARS, Charles  
Effective: 3/31/2022  
Alameda Health System

WANG, Ying-Ling  
Effective: 3/31/2022  
Health Care Services Agency

SULLIVAN, Debra  
Effective: 3/31/2022  
Auditor-Controller

WHITENER, Anna  
Effective: 4/1/2022  
Department of Child Support Services

SWEENEY, Stephen  
Effective: 4/1/2022  
Sheriff's Office

WHITNEY, Kibbie  
Effective: 3/19/2022  
Public Defender

TAKEDA, Douglas  
Effective: 3/25/2022  
Assessor

WONG, Nora  
Effective: 4/1/2022  
Public Defender

THARP, Andre  
Effective: 3/19/2022  
Probation Department

WOOD, Jeffrey  
Effective: 4/1/2022  
District Attorney

THONGKHAM, Bunky  
Effective: 3/4/2022  
Social Services Agency

WORKU, Endale  
Effective: 4/1/2022  
Health Care Services Agency

TYREE, Tonya  
Effective: 4/1/2022  
Alameda Health System

YOUNG, Cheryl  
Effective: 4/16/2022  
Superior Court

VALE, Kelly  
Effective: 3/31/2022  
Auditor-Controller

ZACHERY, Rosena  
Effective: 3/19/2022  
Social Services Agency

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**APPENDIX B  
LIST OF DEFERRED RETIREMENTS**

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ANDERSEN, Colter  
Zone 7  
Effective Date: 4/28/2022

BALTODANO, Johanna  
Alameda Health System  
Effective: 4/1/2022

ATENTO, Jonathan Jeremiah  
Sheriff's Office  
Effective: 4/27/2022

CAO, Huong  
Human Resource Services  
Effective: 3/18/2022



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**APPENDIX B  
LIST OF DEFERRED RETIREMENTS**

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COLBERT, Heather  
Alameda Health System  
Effective: 3/16/2022

GRAHAM, Jerome  
Social Services Agency  
Effective: 3/18/2022

COX, Lori  
Social Services Agency  
Effective: 4/15/2022

HAILEMICAEL, Lemlem  
Alameda Health System  
Effective: 4/1/2022

CRAIN WILLIAMS, Shonetta  
Social Services Agency  
Effective: 3/30/2022

HARPER, Stephanie  
Alameda Health System  
Effective: 3/19/2022

CUSTER, Mariah  
Alameda Health System  
Effective: 4/5/2022

HESS, Nicholas  
Sheriff's Office  
Effective: 3/25/2022

DAVISON, Nathaniel  
Sheriff's Office  
Effective: 3/4/2022

HODGES, Paul  
Alameda Health System  
Effective: 3/21/2022

DUNN, Cynthia  
Alameda Health System  
Effective: 3/18/2022

HURTADO-RODRIGUEZ, Juan  
Alameda Health System  
Effective: 3/18/2022

FRAUSTO-RIVERA, Aldo  
Alameda Health System  
Effective: 4/20/2022

RAMSDEN, Jonathan.  
Alameda Health System  
Effective: 4/8/2022

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**APPENDIX C  
LIST OF DECEASED MEMBERS**

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BARTOLOME, Carlito  
Social Services Agency  
5/8/2022

DE BORJA, Cesar  
General Services Agency  
5/4/2022

BOYER, Donna  
Sheriff's Office  
5/28/2022

FRANKS, Virginia  
Non-Mbr Survivor of Lawrence Franks  
5/11/2022

CARTER, Credell  
Probation Department  
5/13/2022

GASKILL, Jay  
Public Defender  
4/26/2022

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**APPENDIX C  
LIST OF DECEASED MEMBERS**

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GIFFORD, Gale  
General Services Agency  
5/10/2022

PETERS, Bette  
Non-Mbr Survivor of Vernon Peters  
5/17/2022

GODFREY, Joan  
Alameda County Public Health  
5/7/2022

PHILLIPS, Frederick  
Public Works Agency  
4/22/2022

GORING, Joyce  
Social Services Agency  
5/9/2022

REGAN, Daniel  
County Administrator  
5/11/2022

GUIDO, Nenita  
Non-Mbr Survivor of Buensuceso Guido  
5/12/2022

REITER, Robert  
County Counsel  
4/30/2022

MAGINNIS, Robert  
Sheriff's Office  
5/3/2022

UHLER-ALEXANDER, Donna  
Human Resource Services  
4/25/2022

MILLS, Sarah  
Alameda Health System  
5/4/2022

WEIDMAN, Bruce  
LARP  
5/13/2022

WINCHESTER, Joseph  
Health Care Services Agency  
3/10/2022

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**APPENDIX E**  
**APPLICATION FOR DISABILITY RETIREMENT**

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**Name:** Hartman, Marshal  
**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. Hartman; application for a service-connected disability, and waiving future annual medical examinations and questionnaires at this time.

\* THIS LINE IS INTENTIONALLY LEFT BLANK FOR THE PURPOSES OF THE BOARD OF RETIREMENT. \*

**Name:** Jackson, Myesha  
**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. Jackson's application for a non-service connected disability, and waiving future annual medical examinations and questionnaires at this time.

\* THIS LINE IS INTENTIONALLY LEFT BLANK FOR THE PURPOSES OF THE BOARD OF RETIREMENT. \*

**Name:** Pitts-Johnson, Sandra  
**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 Ms. Pitts-Johnson application for a service-connected disability, and waiving future annual medical examinations and questionnaires.

\* THIS LINE IS INTENTIONALLY LEFT BLANK FOR THE PURPOSES OF THE BOARD OF RETIREMENT. \*

**July 6, 2022**  
**Retirees Committee Minutes**  
**For approval under July 21, 2022**  
**Board “Consent Calendar”**



**MINUTES OF JULY 6, 2022 RETIREES COMMITTEE MEETING**

THIS MEETING WAS CONDUCTED VIA TELECONFERENCE WITH VIDEO

To: Members of the Retirees Committee  
From: Liz Koppenhaver, Chair  
**Subject: Summary of the July 6, 2022 Retirees Committee Meeting**

Committee Chair Liz Koppenhaver called the July 6, 2022 Committee meeting to order at 10:31 a.m.

**ACERA TRUSTEES, SENIOR MANAGERS AND PRESENTING STAFF IN ATTENDANCE**

Committee members present were Liz Koppenhaver, Henry Levy, Dale Amaral and Kellie Simon. Also present were Ophelia Basgal, Tarrell Gamble, George Wood and alternate members Nancy Reilly and Darryl Walker. Jamie Godfrey joined the meeting after roll call.

Staff present were Sandra Dueñas-Cuevas, Benefits Manager; Kathy Foster, Assistant Chief Executive Officer; Erica Haywood, Fiscal Services Officer; Jessica Huffman, Benefits Manager; Harsh Jadhav, Chief of Internal Audit; Vijay Jagar, Chief Technology Officer; David Nelsen, Chief Executive Officer; Ismael Piña, Assistant Benefits Manager; Jeff Rieger, Chief Counsel and Betty Tse, Chief Investment Officer.

**PUBLIC INPUT**

None.

**ACTION ITEMS**

**1. Adoption of 2023 Monthly Medical Allowance for Group Plans, Early Retiree Individual Plans, and Medicare Eligible Retiree Individual Plans**

Staff presented information for three action items related to the Monthly Medical Allowance (MMA) for 2023. MMA cost comparisons for the 2022 and 2023 Plan Years for group plans, early retiree individual plans, and Medicare eligible retiree individual plans were provided. Staff recommended increasing the 2023 MMA by 3.25% for eligible retirees, in accordance with the substantive plan definition adopted under GASB 43 equal to 50% of the rate of health care inflation assumptions provided by ACERA's actuary, which results in a MMA maximum of the following for the Plan Year 2023:

- Group plans – \$616.12
- Early (non-Medicare) retiree individual plans – \$616.12
- Medicare eligible retiree individual plans – \$471.99

After some discussion, Trustees decided to defer a decision on these three action items until the 2023 medical renewal group plan rates from our carriers (Kaiser Permanente and UnitedHealthcare) were provided to ACERA by the County of Alameda. Trustee Koppenhaver stated that the Retired Employees of Alameda County, Inc. (REAC) retiree association's Board voted to support increasing the MMA for 2023. Also, Pete Albert, President of Alameda County Retired Employees (ACRE) retiree association, stated that the ACRE Board voted to support increasing the MMA.

It was moved by Ophelia Basgal and seconded by Kellie Simon to postpone taking action on the above three items to increase the MMA for the 2023 Plan Year to the August 18, 2022 Board of Retirement meeting.

The motion carried 7 yes (*Amaral, Basgal, Godfrey, Koppenhaver, Levy, Simon, Wood*), 0 no, 0 abstentions. Trustee Gamble was not present for the vote on the motion.

### **INFORMATION ITEMS**

#### **1. Report on Dental and Vision Plans Experience and Utilization**

Segal, ACERA's Benefits Consultant, provided information on ACERA's dental and vision plans experience, utilization, dental annual maximums by network, and VSP's loss ratio by plan.

#### **2. Report on Dental and Vision Plans Renewal Information for 2023**

Segal, ACERA's Benefits Consultant, provided estimated cost information for various enhancement options to the dental and vision plans benefits in consideration for the Plan Year 2023 renewals.

#### **3. Miscellaneous Updates**

Staff provided information regarding adding requested gyms as part of the Silver&Fit® program, and transitioning ACERA's financial bank from Wells Fargo to J.P. Morgan.

### **TRUSTEE REMARKS**

None.

### **FUTURE DISCUSSION ITEMS**

- Adoption of Dental Plan Contributions for 2023
- Adoption of Vision Plan Contributions for 2023

Retirees Committee Meeting Summary

July 6, 2022

Page 3 of 3

**ESTABLISHMENT OF NEXT MEETING DATE**

The next meeting is scheduled for August 3, 2022 at 10:30 a.m.

**MEETING ADJOURNED**

The meeting adjourned at 11:55 a.m.

**July 13, 2022**  
**Investment Committee Minutes**  
**For approval under July 21, 2022**  
**Board “Consent Calendar”**

**The July 13, 2022 Investment**  
**Committee Minutes will be**  
**distributed under separate cover**



**CONSENT CALENDAR ITEM**

**Operating Expenses and Budget  
Summary as of 5/31/22**



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MEMORANDUM TO THE BOARD OF RETIREMENT

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DATE: July 21, 2022

TO: Members of the Board of Retirement

FROM: Erica Haywood, Fiscal Services Officer *EH*

SUBJECT: Operating Expenses and Budget Summary for the period ended May 31, 2022

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ACERA's operating expenses are \$770K under budget for the period ended May 31, 2022. Budget overages and surpluses worth noting are as follows:

**Budget Overages**

1. *Depreciation*: Depreciation is \$3K over budget.

**Budget Surpluses**

2. *Staffing*: Staffing is \$504K under budget. This amount comprises surpluses in staff vacancies of (\$151K), and fringe benefits of (\$406K), offset by an overage in temporary staffing of \$53K due to some vacant positions filled by temporary staff.
3. *Staff Development*: Staff Development is \$39K under budget due to savings from unattended staff trainings and conferences.
4. *Professional Fees*: Professional Fees are \$19K under budget. This amount comprises an overage in actuarial fees of \$33K due to timing difference, offset by surpluses in legal fees of (\$51K), and operations consultant fees of (\$1K).
5. *Office Expense*: Office Expense is \$98K under budget. This amount comprises surpluses in printing and postage of (\$5K) and office maintenance and supplies of (\$29K) both due to savings in usage, communication expenses of (\$22K), building expenses of (\$33K), minor equipment and furniture of (\$5K), and equipment lease and maintenance of (\$6K), offset by an overage in bank charges of \$2K.
6. *Member Services*: Member Services are \$5K under budget. This amount comprises surpluses in disability legal arbitration and transcripts of (\$7K), disability medical expense of (\$6K), and member training and education of (\$2K), offset by overages in members printing and postage of \$8K, and health reimbursement account of \$2K.
7. *Systems*: Systems are \$51K under budget. This amount comprises surpluses in software maintenance and support of (\$46K), county data processing of (\$3K), and minor computer hardware of (\$4K), offset by overage in business continuity expense of 2K.
8. *Board of Retirement*: Board of Retirement is \$57K under budget. This amount comprises surpluses in board conferences and trainings of (\$58K) mainly due to unattended trainings

## Operating Expenses Budget Summary for the period ended May 31, 2022

and conferences, board miscellaneous expenses of (\$5K), and board compensation of (\$3K), offset by an overage in board employer reimbursement of \$6K, and board election of \$3K.

**Staffing Detail**

Permanent vacant positions as of May 31, 2022:

Department	Position	Qty	Comments
Administration	Clerk II	1	Vacant - currently budgeted for the year
Benefits	Senior Retirement Technician	2	Vacant - currently budgeted for the year
Investments	Investment Analyst	1	Vacant - currently budgeted for the year
<b>Total Positions</b>		<b>4</b>	

<b>Pension Administration System Project as of May 31, 2022</b>					
All amounts are in \$	Year-To-Date			2022 Budget	2019-21 Actual
	Actual	Budget	Variance		
<b>Consultant Fees</b>					
Levi, Ray and Shoup	28,337	218,750	(190,413)	525,000	2,041,606
Segal	157,485	170,833	(13,348)	410,000	1,203,390
Other expenses	-	-	-	-	1,500
Leap Technologies	-	-	-	-	98,970
<b>Total</b>	<b>185,822</b>	<b>389,583</b>	<b>(203,761)</b>	<b>935,000</b>	<b>3,345,466</b>
<b>Staffing</b>	<b>262,714</b>	<b>294,583</b>	<b>(31,869)</b>	<b>707,000</b>	<b>1,515,887</b>
<b>TOTAL</b>	<b>448,536</b>	<b>684,167</b>	<b>(235,630)</b>	<b>1,642,000</b>	<b>4,861,353</b>

## Attachments:

- Total Operating Expenses Summary
- Professional Fees – Year-to-Date – Actual vs. Budget
- Actual Operating Expenses comparison with last year



**ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION  
TOTAL OPERATING EXPENSES SUMMARY**

YEAR TO DATE - ACTUAL VS. BUDGET					
<i>May 31, 2022</i>					
	<u>Actual</u>	<u>Budget</u>	<u>YTD</u>	<u>2022</u>	<u>% Actual to</u>
	<u>Year-To-Date</u>	<u>Year-To-Date</u>	<u>Variance</u>	<u>Annual</u>	<u>Annual Budget</u>
			<u>(Under)/Over</u>	<u>Budget</u>	
<b>Staffing</b>	\$ 6,366,582	\$ 6,870,150	\$ (503,568)	\$ 16,941,000	37.6%
<b>Staff Development</b>	78,522	117,700	(39,178)	279,000	28.1%
<b>Professional Fees (Next Page)</b>	508,455	527,100	(18,645)	1,146,000	44.4%
<b>Office Expense</b>	180,429	278,710	(98,281)	659,000	27.4%
<b>Insurance</b>	221,431	222,050	(619)	550,000	40.3%
<b>Member Services</b>	136,751	141,800	(5,049)	393,000	34.8%
<b>Systems</b>	441,006	492,000	(50,994)	1,207,000	36.5%
<b>Depreciation</b>	51,960	48,600	3,360	114,000	45.6%
<b>Board of Retirement</b>	227,627	285,100	(57,473)	656,000	34.7%
<b>Uncollectable Benefit Payments</b>	-	-	-	56,000	0.0%
<b>Total Operating Expense</b>	<b>\$ 8,212,763</b>	<b>\$ 8,983,210</b>	<b>\$ (770,447)</b>	<b>\$ 22,001,000</b>	<b>37.3%</b>



ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

PROFESSIONAL FEES

YEAR TO DATE - ACTUAL VS. BUDGET

May 31, 2022

	<u>Actual Year-To-Date</u>	<u>Budget Year-To-Date</u>	<u>YTD Variance (Under)/Over</u>	<u>2022 Annual Budget</u>	<u>% Actual to Annual Budget</u>
<b>Professional Fees</b>					
Consultant Fees - Operations and Projects <sup>1</sup>	\$ 179,083	\$ 180,560	\$ (1,477)	\$ 384,000	46.6%
Actuarial Fees <sup>2</sup>	178,412	145,000	33,412	420,000	42.5%
External Audit <sup>3</sup>	118,000	118,000	-	142,000	83.1%
Legal Fees <sup>4</sup>	32,960	83,540	(50,580)	200,000	16.5%
<b>Total Professional Fees</b>	<b>\$ 508,455</b>	<b>\$ 527,100</b>	<b>\$ (18,645)</b>	<b>\$ 1,146,000</b>	<b>44.4%</b>

	<u>Actual Year-To-Date</u>	<u>Budget Year-To-Date</u>	<u>YTD Variance (Under)/Over</u>	<u>2022 Annual Budget</u>	<u>% Actual to Annual Budget</u>
<b><sup>1</sup> CONSULTANT FEES - OPERATIONS AND PROJECTS:</b>					
<b>Administration</b>					
Banking transition consultant fees	41,500	41,500	-	50,000	
Total Administration	41,500	41,500	-	50,000	0.0%
<b>Benefits</b>					
Alameda County HRS (Benefit Services)	52,500	52,500	-	126,000	41.7%
Segal (Benefit Consultant/Retiree Open Enrollment)	53,000	54,560	(1,560)	131,000	40.5%
Total Benefits	105,500	107,060	(1,560)	257,000	41.1%
<b>Human Resources</b>					
Lakeside Group (County Personnel)	32,083	32,000	83	77,000	41.7%
Total Human Resources	32,083	32,000	83	77,000	41.7%
<b>Total Consultant Fees - Operations</b>	<b>\$ 179,083</b>	<b>\$ 180,560</b>	<b>\$ (1,477)</b>	<b>\$ 384,000</b>	<b>46.6%</b>
<b><sup>2</sup> ACTUARIAL FEES</b>					
Actuarial valuation	40,500	40,500	-	81,000	50.0%
GASB 67 & 68 Valuation	20,500	-	20,500	51,000	40.2%
GASB 74 & 75 Actuarial	-	-	-	15,000	0.0%
Actuarial Standard of Practice 51 Pension Risk	-	-	-	30,000	0.0%
Supplemental Consulting	95,912	83,000	12,912	200,000	48.0%
Supplemental Retiree Benefit Reserve valuation	21,500	21,500	-	43,000	50.0%
<b>Total Actuarial Fees</b>	<b>\$ 178,412</b>	<b>\$ 145,000</b>	<b>\$ 33,412</b>	<b>\$ 420,000</b>	<b>42.5%</b>
<b><sup>3</sup> EXTERNAL AUDIT</b>					
External audit	98,000	98,000	-	119,000	82.4%
GASB 67 & 68 audit	10,000	10,000	-	11,000	90.9%
GASB 74 & 75 audit	10,000	10,000	-	12,000	83.3%
<b>Total External Audit Fees</b>	<b>\$ 118,000</b>	<b>\$ 118,000</b>	<b>\$ -</b>	<b>\$ 142,000</b>	<b>83.1%</b>
<b><sup>4</sup> LEGAL FEES</b>					
<b><u>Fiduciary Counseling &amp; Litigation</u></b>					
Nossaman - Fiduciary Counseling	14,554	18,235	(3,682)	17,500	14%
Reed Smith - Fiduciary Counseling	2,542	10,420	(7,878)	8,750	7%
Nossaman - Litigation	13,886	18,235	(4,349)	38,750	31%
Reed Smith - Litigation	-	5,210	(5,210)	60,000	48%
Subtotal	30,981	52,100	(21,119)	125,000	24.8%
<b><u>Tax and Benefit Issues</u></b>					
Hanson Bridgett	798	10,440	(9,643)	25,000	
Subtotal	798	10,440	(9,643)	25,000	3.2%
<b><u>Miscellaneous Legal Advice</u></b>					
Meyers Nave	1,181	21,000	(19,819)	50,000	
Subtotal	1,181	21,000	(19,819)	50,000	2.4%
<b>Total Legal Fees</b>	<b>\$ 32,960</b>	<b>\$ 83,540</b>	<b>\$ (50,580)</b>	<b>\$ 200,000</b>	<b>16.5%</b>

## **NEW BUSINESS**

- 7.A. Motion to extend the Contract for Actuarial Services by Segal and to Issue a Request For Information (RFI) for External Actuarial Audit Services.**




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MEMORANDUM TO THE BOARD OF RETIREMENT

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DATE: July 21, 2022  
TO: Members of the Board of Retirement  
FROM: Lisa Johnson, Assistant Chief Executive Officer   
SUBJECT: Extend the Contract for Actuarial Services by Segal and to Issue a Request for Information (RFI) for External Actuarial Audit Services

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**Background**

The original agreement between ACERA and Segal was for actuarial services beginning with the plan year ending December 31, 2004. Since then, the Board of Retirement (Board) has hired an auditing actuary to audit Segal's reports in lieu of issuing an RFP for an actuarial consulting firm. This decision is in accordance with the Government Finance Officers Association (GFOA) Best Practices for actuarial consulting services and provides an opportunity to evaluate a consulting actuary's work. The cost of the past actuary audits was approximately \$120,000.

The Service Provider Policy (Policy) defines "Board Approved Service Providers" as those service providers that only the Board has the authority to appoint regardless of the estimated annual costs. For the purpose here, those service providers include the actuary and auditing actuary. The Policy states the "**The Board may determine whether to issue a Request for Information (RFI), a Request for Proposal (RFP), or make a selection based upon Staff recommendation or sole source options**" (Service Provider Policy <sup>1</sup> (2020), p.3, Section IV, (B) 1). **Additionally, the Policy states that ACERA will not contract with the same Board Approved Service Provider for more than five (5) consecutive years without Board approval.**

Segal's current contract expires December 31, 2022. Staff is seeking guidance on how to procure actuarial services in anticipation of the current contract expiration date.

**Proposed Options**

1. Issue an RFP to engage an actuarial consultant. In creating the RFP, Staff seeks direction on whether the Board wants to specify that the qualification of an actuary must include "37 Act retirement system experience. (Note: Due to the length of our contract with Segal, ACERA has retained an unlimited liability clause. This level of liability coverage is no longer standard for actuarial firms. Consequently, if an RFP is conducted, it is unlikely that ACERA will retain this same level of liability coverage.)
2. Retain Segal and hire an actuarial firm to audit Segal's actuarial work.
3. As allowed by the Policy, the Board could also directly retain an actuarial consultant. If the Board selects this option, Staff recommends that the selected actuary undergo an evaluation of customer service, technical skills, etc. prior to contracting with the firm.

**Prior Actuarial Audit Service Outreach**

In 2016, there were three actuarial consulting firms in California providing services for and at the time engaged by the 20 county retirement systems governed by the County Employees' Retirement Law of 1937 ('37 Act). Of the three firms who were capable of performing the work requested, Segal, Cheiron, and Milliman, only two responded to the RFI – Segal and Cheiron.

<sup>1</sup> See Attachment 1, Service Provider Policy

**Recommendation**

Staff recommends option 2 for the following reasons: a). few firms possess breadth and depth of '37 Act, SRBR experience and knowledge of ACERA policies and past practices that Segal possesses; b). the probability of losing the unlimited liability option should ACERA engage in the RFP process; and c). the complexity of the health and SRBR liability valuations. By hiring an auditing actuary, ACERA can ensure the quality of the work performed by Segal.



## **NEW BUSINESS**

**7.B. Discussion with CalPERS CEO Marcie Frost.**

# **NEW BUSINESS**

**7.C. Chief Executive Officer's Report.**



*Office of the Chief Executive Officer  
Office of Administration*

DATE: July 21, 2022  
TO: Members of the Board of Retirement  
FROM: Dave Nelsen, Chief Executive Officer *DN*  
SUBJECT: **Chief Executive Officer's Report**

**Senior Manager Recruitment**

We have begun the recruitment to fill the Assistant CEO for Benefits. I will be working with Alliance RC for this recruitment.

**Committee/Board Action Items**

**ASSIGNED FOLLOW-UP ITEMS**

<b>Follow-Up Board Item</b>	<b>Assigned Senior Leader</b>	<b>Estimated Completion Date</b>	<b>Completion Date</b>	<b>Notes</b>
Develop ACERA Re-Opening Plan.	Dave Nelsen	April 2022	On-going	The general guidelines of the Plan have been developed and implemented. We are responding to changes as necessary based on new information.
Board Strategic Planning	Dave Nelsen	Summer and Fall 2022		Beginning in May we will begin a Strategic Planning process with the Board.

**Conference/Event Schedule**

I will be attending the National State Retirement Association (NASRA) Conference in Long Beach California from August 6-10.

## **Other Items**

### **COVID-19 Responses**

We have concluded the Meet and Confer meetings with our Unions regarding our plan to re-open. Both meetings went well, and we will be revising our schedule to re-open given the time it took to conclude this process and the impact of the current variant in the community. This month we are open for counseling by appointments and drop-ins for leaving documents/general questions. We will slowly build to being open every day of the week for regular hours, depending upon continued lessening of the pandemic. At this time, masks and social distancing are still required in County Offices for employees and the public. Our customers are continuing to use alternative means of service, and feedback has been generally positive that their service needs continue to be met. We will continue to monitor the information available and consult with the County regarding plans to phase in our re-opening.

As I have mentioned previously, our Post-COVID Staffing Plan for the organization will include remote work as a team member's work requirements allow. We are not planning to mandate a set number of days in the office for all team members, such as Monday, Wednesday and Friday. Alternatively, we will allow eligible team members to work from home to the extent their work allows, based upon classification. Some will need to be on-site more or less than others. While this may create greater challenges in building effective teams, I believe the benefits to work-life balance, recruitment and retention will make the challenges worthwhile. Leaders will need to be more intentional with the time spent in the office, and more creative in promoting collaboration and teamwork.

### **Pension Administration System Update**

The project is continuing to work through its phases. We have completed the third deliverable, out of five. This deliverable was related to Benefit Calculations. We are now working on the next deliverable. There were some delays due to changes related to legal clarifications and the Board decision on straddling, and the project now has an estimated completion date of June of 2024. We continue to work with the other employers on the new transmittal file layout. Additionally, we are working our On-Base enhancements and integration into the PAS Project schedule.

### **Legislative Items**

**SB 1328** would require Russian divestment for California pension systems, including CERL systems. This bill was amended to remove much of the troubling and vague language. It has passed the Senate, but it doesn't appear this bill will move through the Assembly.

**AB 2493** addresses the situation where earnings for public safety employees were reported as pensionable in error, through no fault of the member. In those situations, the employer would be required to pay for any overpayments of retirement benefits, as well as provide a lump sum payment that represents 20% of the present value of the lifetime benefit that was taken away. This is similar to a bill affecting only CalPERS that was passed last year. Much of the problematic administrative issues with the bill have been amended out, but a version of this looks like it will pass and go to the Governor.

Several organizations came out against this bill, including CSAC, as well as several CERL systems. It is unclear whether they will still oppose the amended bill. It has passed the Assembly and is in the Senate for consideration.

AB 2449 authorizes, until January 1, 2026, members of a legislative body of a local agency to use teleconferencing without noticing each teleconference location or making it publicly accessible, provided at least a quorum of the members of the body participates in person at a singular physical location. Under this exception, the bill would authorize a member to participate remotely under specified circumstances, including participating remotely for just cause or due to emergency circumstances, and limit the number of times a member could do so to two instances per year. The emergency circumstances basis for remote participation would be contingent on a request to, and action by, the legislative body. The bill would define terms for purposes of these teleconferencing provisions.

#### Strategic Planning Update

The surveys of Trustees, employers, team members, members and retirees are underway. We will be scheduling three sessions in August with Senior Leaders to flush out some strategic initiatives for the Trustees to review and provide comment on in September. We will be looking to schedule a Special Board Meeting for that month, which will include a panel discussion on future risks and opportunities with our investment and actuarial advisors. All that input will then be incorporated into the draft plan for Trustees to review and adopt in November and December.

#### Other Items

CalPERS CEO Marcie Frost will join us via Zoom at our July Board meeting. Please let me know if there are specific areas of interest you would like her to speak about during this time.

**Key Performance Indicators**

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

Scorecard KPI	2022 Performance Goal
<b>PRUDENT INVESTMENT PRACTICES</b>	
<b>Portfolio Performance vs. Policy Benchmark</b>	<i>Annualized 10-year return will meet or exceed Policy benchmark at the total fund level</i> <b>May of 2022: We were .01% under the benchmark.</b>
<b>EFFECTIVE PLAN ADMINISTRATION</b>	
<b>Actual Spent vs. Approved Budget</b>	<i>On budget or 10% below 2022 approved budget</i> <b>As of end of May 2022: 9% under budget.</b>
<b>COMPREHENSIVE ORGANIZATION DEVELOPMENT</b>	
<b>Employee Engagement Survey Results</b>	<i>80% of responses in top two rating boxes on the question: "Is ACERA a great place to work?"</i> <b>As of the latest survey (October of 2021): 72.7%.</b>
<b>SUPERIOR CUSTOMER SERVICE</b>	
<b>Service Excellence Survey</b>	<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> <b>For 1st Quarter of 2022: 100%</b>

**12. CLOSED SESSION:**

- A. Existing Litigation pursuant to Government Code Section 54956.9(d)(1):  
*Alameda Health System v. ACERA*, San Francisco County Superior  
Court, Case No. CGC-19-516795.**

**IF THERE ARE ANY MATERIALS TO BE DISTRIBUTED FOR AGENDA ITEM 12.A.  
ABOVE, THEY WILL BE DISTRIBUTED UNDER SEPARATE COVER.**