



Alameda County Employees' Retirement Association  
BOARD OF RETIREMENT

**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, August 17, 2023  
2:00 p.m.**

| LOCATION AND TELECONFERENCE  | BOARD OF RETIREMENT TRUSTEES       |                                |
|--|------------------------------------|--------------------------------|
| ACERA<br>C.G. "BUD" QUIST BOARD ROOM<br>475 14 <sup>TH</sup> STREET, 10 <sup>TH</sup> FLOOR<br>OAKLAND, CALIFORNIA 94612-1900<br>MAIN LINE: 510.628.3000<br>FAX: 510.268.9574<br><br>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.<br><br>Link: <a href="https://zoom.us/join">https://zoom.us/join</a><br>Call-In: 1 (669) 900-6833 US<br>Webinar ID: 879 6337 8479<br>Passcode: 699406<br>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> | JAIME GODFREY<br>CHAIR             | APPOINTED                      |
|  | OPHELIA BASGAL<br>FIRST VICE-CHAIR | APPOINTED                      |
|  | KELLIE SIMON<br>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 <sup>1</sup> |
| KEVIN BRYANT   | ALTERNATE SAFETY <sup>2</sup>      |                                |

<sup>1</sup> 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.

<sup>2</sup> 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](mailto: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](http://www.acera.org) and also may be inspected at 475 14<sup>th</sup> Street, 10<sup>th</sup> Floor, Oakland, CA 94612-1900.

**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:**

*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:**

*July 20, 2023 Governance Committee Minutes*

*July 20, 2023 Minutes of the Regular Board Meeting*

*August 2, 2023 Operations Committee Minutes*

*August 2, 2023 Retirees Committee Minutes*

**H. MISCELLANEOUS:**

- *Quarterly Report on Member Underpayments and Overpayments*
- *2<sup>nd</sup> Quarter 2023 Call Center Report*

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

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

**5. DISABILITY, DEATH AND OTHER BENEFIT CLAIMS:**

None.

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

**A. Operations: [See August 2, 2023 Operations Committee Agenda Packet for public materials related to the below listed items.]**

1. Summary of August 2, 2023 Meeting.
2. Motion to adopt the Operations Committee’s recommendation to renew the *Employer Reimbursement Policy* without revisions.
3. Motion to adopt the Operations Committee’s recommended revisions to the *Electronic Tablet Policy*.
4. Discussion and possible motion to revise the *Board Reciprocity Policy* due to *Casson v. Orange County Employees Retirement System* (2023) 87 Cal.App.5th 1204.

**B. Retirees: [See August 2, 2023 Retirees Committee Agenda Packet for public materials related to the below listed items.]**

1. Summary of August 2, 2023 Meeting.
2. Motion to increase the Delta Dental PPO plan annual benefit maximum from \$1,300 to \$1,900 for Plan Year 2024.
3. Motion to continue the dental plan contributions for Plan Year 2024 based on the final premium rate, which provides a monthly subsidy equal to the single-party dental plan coverage premium of \$51.05 for the PPO plan and \$22.18 for the DeltaCare USA plan for retirees who are receiving ACERA allowances with ten or more years of ACERA service, are service connected disability retirees, or are non-service connected disability retirees as of January 31, 2014. This is a non-vested benefit funded by contributions from the 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.

4. Motion to continue the vision plan contributions for Plan Year 2024, which provides a monthly subsidy equal to the single-party vision plan coverage premium of \$4.63 for retirees who are receiving ACERA allowances with ten or more years of ACERA service, are service connected disability retirees, or are non-service connected disability retirees as of January 31, 2014. This is a non-vested benefit funded by contributions from the 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.

**7. NEW BUSINESS:**

- A. Discussion and possible motion to approve Trustee Keith Carson’s request to travel outside of the United States to: **1)** Singapore, Asia to attend the Milken Asia Summit; and **2)** to Den Haag, Netherlands to attend the Pension & Investments World Pension Summit, per Section III.F (Page 3) of the *Board Travel Policy*.
- B. Discussion and possible motion to change the *Elections Policy* Reviewing Committee from the Governance Committee to the Operations Committee.
- C. Chief Executive Officer’s Report.

**8. CONFERENCE/ORAL REPORTS**

**9. ANNOUNCEMENTS**

**10. BOARD INPUT**

**11. ESTABLISHMENT OF NEXT MEETING:**

**Thursday, September 21, 2023 at 2:00 p.m.**

**12. ADJOURNMENT**



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**APPENDIX A  
REPORT ON SERVICE RETIREMENTS**

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BLANCO, Sandra  
Effective: 5/27/2023  
Social Services Agency

MCCUE, Susan  
Effective: 6/10/2023  
Community Development Agency

CADE, Olga  
Effective: 5/20/2023  
Treasure-Tax Collector

POTIER, Gail  
Effective: 6/10/2023  
Health Care Services Agency

CROSSE, Ana  
Effective: 6/10/2023  
Library

PRATER, Rachel  
Effective: 1/31/2023  
Non-Member

ESCOBER, Chona  
Effective: 6/10/2023  
Social Services Agency

ROBERTS, Karen  
Effective: 6/10/2023  
General Services Agency

HESSELEIN, Derrick  
Effective: 6/15/2023  
Sheriff's Office

STOLTENBERG, Stephanie  
Effective: 6/3/2023  
District Attorney

HOLMES, Garrett  
Effective: 6/10/2023  
Sheriff's Office

STURDIVANT, Maria  
Effective: 6/10/2023  
Child Support Services

HYPOLITE, Ronald  
Effective: 6/10/2023  
Health Care Services Agency

TATUM, Donna  
Effective: 6/10/2023  
Alameda Health System

TSOU, Joy  
Effective: 3/31/2023  
Library

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**APPENDIX B  
LIST OF DEFERRED RETIREMENTS**

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AHITE, Ayi  
Alameda Health System  
Effective Date: 6/1/2023

ALI, Emzaan  
Alameda Health System  
Effective: 6/1/2023

AKBARI, Mohammad  
Social Services Agency  
Effective: 5/22/2023

AUSTIN, Jamie  
Alameda Health System  
Effective: 6/2/2023

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**APPENDIX B  
LIST OF DEFERRED RETIREMENTS**

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BALLESTEROS, Dominic  
Alameda Health System  
Effective: 6/19/2023

CHUON, Ratha  
General Services Agency  
Effective: 6/30/2023

BANEGAS, Claudia  
Social Services Agency  
Effective: 4/28/2023

CONNOR, Shanna  
County Counsel  
Effective: 4/21/2023

BARDEN, Lawrence  
Alameda Health System  
Effective: 6/22/2023

COOPER, Kwyn  
Probation  
Effective: 5/21/2023

BARNES, Amanda  
Public Works Agency  
Effective: 7/7/2023

CRUZ, Nina Micaela  
Auditor-Controller  
Effective: 7/7/2023

BERTHIAUME, Erin  
District Attorney  
Effective: 7/7/2023

DAVID, Ronnel Anthony  
Alameda Health System  
Effective: 6/30/2023

BONNETT, Brooke  
District Attorney  
Effective: 7/7/2023

DECANO, Clarence Zocyril  
Superior Court  
Effective: 4/28/2023

BROWN, Antonia  
Social Services Agency  
Effective: 5/3/2023

DELGADO, Joseph  
Sheriff office  
Effective: 7/7/2023

BUNDE, Jared  
Health Care Services Agency  
Effective: 5/26/2023

DENNIS, Lakisha  
Social Services Agency  
Effective: 5/22/2023

CABRAL, Edward  
Social Services Agency  
Effective: 6/27/2023

DIAS, David  
Social Services Agency  
Effective: 5/19/2023

CARROLL, Gloria  
Social Services Agency  
Effective: 4/28/2023

DIAZ, Elia  
Alameda Health System  
Effective: 6/13/2023

CHAMBERLAIN, Andrew  
Zone 7 Water Agency  
Effective: 6/23/2023

DIAZ, Irma  
Social Services Agency  
Effective: 6/8/2023

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**APPENDIX B  
LIST OF DEFERRED RETIREMENTS**

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DISMUKE-DAVIS, Lauren  
Alameda Health System  
Effective: 5/19/2023

FRIAS, Kimberly  
Health Care Services Agency  
Effective: 7/7/2023

DOUGLAS, Miguel  
Health Care Services Agency  
Effective: 4/21/2023

GARCIA, Kiara  
Health Care Services Agency  
Effective: 4/20/2023

DRESSMAN, Jeremy  
Alameda Health System  
Effective: 5/8/2023

GONZALEZ, Jose  
Superior Court  
Effective: 4/17/2023

DUNKLEY, Erin  
Sheriff's Office  
Effective: 5/11/2023

GOODE-HARDEMAN, Antoinette  
Probation  
Effective: 6/30/2023

EICHENHOLTZ, Paul  
Health Care Services Agency  
Effective: 5/5/2023

GROOTBOOM, Sharrel  
Alameda Health System  
Effective Date: 4/17/2023

ELLIOTT, Shayla  
General Services Agency  
Effective: 6/23/2023

GUEVARA, Elvia  
Alameda Health System  
Effective: 1/31/2023

ELLIS, Bryan  
Sheriff's Office  
Effective: 6/10/2023

HARDY, Tiffany  
Social Services Agency  
Effective: 5/3/2023

ESQUER, Jacqueline  
Social Services Agency  
Effective: 6/7/2023

HARVEY, Breanne  
Sheriff office  
Effective: 7/1/2023

FAAMAUSILI, Denxielle  
Social Services Agency  
Effective: 5/26/2023

HENDERSON, Lisa  
Superior Court  
Effective: 5/5/2023

FORD, Amilcar  
District Attorney  
Effective: 5/26/2023

HERRERA, Rhafael  
Public Works Agency  
Effective: 7/7/2023

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**APPENDIX B  
LIST OF DEFERRED RETIREMENTS**

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HOM, Katherine  
Library  
Effective: 6/10/2023

HONG, Zachary  
Public Works Agency  
Effective: 6/21/2023

JAIN, Sharad  
Health Care Services Agency  
Effective: 5/15/2023

JEAN, Chardriana  
County Administrator  
Effective: 6/9/2023

JONES, David  
Superior Court  
Effective: 6/9/2023

KAPLAN, Emily  
Health Care Services Agency  
Effective: 6/13/2023

KARAYANIDI, Yuliya  
Social Services Agency  
Effective: 5/5/2023

KC, Rabi  
Superior Court  
Effective: 5/26/2023

KERNS, Justin  
Alameda Health System  
Effective: 6/30/2023

KHAN, Iqra  
Superior Court  
Effective: 5/19/2023

LAU, Francis  
Assessor  
Effective: 5/26/2023

LENARD, Deborah  
Alameda Health System  
Effective: 6/23/2023

LEVNO, Melanye  
Social Services Agency  
Effective: 6/22/2023

LINDSEY, Symphani  
Social Services Agency  
Effective: 5/22/2023

LLACER, Katreena  
Alameda Health System  
Effective: 5/27/2023

MATTHEWS-MILTON, Anita  
Social Services Agency  
Effective: 5/22/2023

MCMAHON, Colleen  
District Attorney  
Effective: 5/12/2023

MEDLOCK-NURSE, Ayoka  
Social Services Agency  
Effective: 5/2/2023

MEEKS, Jajuan  
Health Care Services Agency  
Effective: 5/26/2023

MOLINAR, Connor  
District Attorney  
Effective: 6/23/2023

MONTES, Phillip  
Superior Court  
Effective: 6/16/2023

MUNSELL, Brian  
Zone 7 Water Agency  
Effective: 5/2/2023

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**APPENDIX B  
LIST OF DEFERRED RETIREMENTS**

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NELSON, Tangeria  
Alameda Health System  
Effective: 5/9/2023

RAMIREZ, Guillermo  
Social Services Agency  
Effective Date: 4/28/2023

O'NEIL, Mark  
Alameda Health System  
Effective: 5/11/2023

RANDRUP, Jerri  
Health Care Services Agency  
Effective: 6/23/2023

PARRA, Darlene  
Superior Court  
Effective: 6/1/2023

RASQUIZA, Adriana  
First 5  
Effective: 6/16/2023

PATRICK, Lauren  
*District Attorney*  
Effective: 6/12/2023

REAL, Somandy  
Alameda Health System  
Effective: 5/4/2023

PECH, Christopher  
Social Services Agency  
Effective: 6/23/2023

REILLY, Michael  
Sherriff's Office  
Effective: 5/12/2023

PENA, Rafael  
Alameda Health System  
Effective: 5/2/2023

RIFAI, Randa  
Alameda Health System  
Effective: 5/30/2023

PERALTA, Sherry  
Social Services Agency  
Effective: 6/2/2023

RIVAS, Clarissa  
Social Services Agency  
Effective: 4/28/2023

POQUEZ, Paul Patrick  
Alameda Health System  
Effective: 6/14/2023

RODRIGUEZ, Jennifer  
Sherriff's Office  
Effective: 4/25/2023

RADFORD-ANDERSON, Colette  
Social Services Agency  
Effective: 6/9/2023

ROJAS, Baisy  
Social Services Agency  
Effective: 5/19/2023

RAMIREZ VEGA, Rodolfo  
Probation  
Effective: 6/12/2023

RUGGIERO, Angela  
District Attorney  
Effective: 6/9/2023

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**APPENDIX B  
LIST OF DEFERRED RETIREMENTS**

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SCHNALL, Lori  
District Attorney  
Effective: 6/9/2023

SEAGREN, Lisa  
Probation  
Effective: 6/8/2023

SEELEY, Christine  
Health Care Services Agency  
Effective: 6/28/2023

SHANA, Kudzai  
Alameda Health System  
Effective: 6/10/2023

SMITH, Felix  
Alameda Health System  
Effective: 6/30/2023

SOMERA, Andrew  
Health Care Services Agency  
Effective: 5/5/2023

SPENCER, Kindra  
Social Services Agency  
Effective: 5/22/2023

STEIN, David  
District Attorney  
Effective: 4/28/2023

TAXDAHL, Clinton  
Social Services Agency  
Effective: 5/19/2023

TAYLOR, Cameron  
Sherriff's Office  
Effective: 6/3/2023

TELLES, Yesenia  
District Attorney  
Effective: 5/9/2023

THOMAS, Elena  
Alameda Health System  
Effective: 6/20/2023

THOMAS, Kayla  
Health Care Services Agency  
Effective: 4/28/2023

TILINI, Fatafehi  
Alameda Health System  
Effective: 5/5/2023

TRIL, Veronica  
Social Services Agency  
Effective: 5/3/2023

TROTTER, Royce  
Social Services Agency  
Effective: 6/23/2023

VILLALOBOS GALINDO, Damaris  
Public Works Agency  
Effective: 6/14/2023

WALIA, Gurpreet  
Alameda Health System  
Effective: 4/21/2023

WARD, Channing  
General Services Agency  
Effective: 5/26/2023

WATSON, Deandre  
Superior Court  
Effective: 4/3/2023

WELLS, Karen  
Alameda Health System  
Effective: 4/18/2023

WINSTON LIONEL, Gladston  
Superior Court  
Effective: 6/23/2023

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**APPENDIX B  
LIST OF DEFERRED RETIREMENTS**

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WISE, Nicole  
Social Services Agency  
Effective: 5/1/2023

YANG, I Huan  
Health Care Services Agency  
Effective: 6/30/2023

WRIGHT, Julia  
Library  
Effective: 5/12/2023

YUK, Portia  
Human Resource Services  
Effective: 4/27/2023

YAN, Jeremy  
Social Services Agency  
Effective: 6/9/2023

ZANGAI, Tonia  
Health Care Services Agency  
Effective: 5/30/2023

ZARATE MARTINEZ, Ana  
Probation  
Effective: 5/13/2023

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**APPENDIX C  
LIST OF DECEASED MEMBERS**

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BLACKWELL, Joseph  
Sheriff's Office  
7/18/2023

GARTLAND, James  
Probation  
7/21/2023

BRYAN, Michael  
Sheriff's Office  
5/9/2023

HALL, Elola  
Non-Mbr Survivor of Alvin Hall  
6/26/2023

CHANDLER JR, Claude  
Sheriff's Office  
6/18/2023

HARRINGTON, Charles  
Superior Court  
7/12/2023

CUELLAR, Lucia  
Public Healthcare Services  
6/12/2023

HOLSTEIN, Kenneth  
Probation  
7/1/2023

FOLSOM, Noel  
Social Services Agency  
7/7/2023

JOHNSON, Eddie  
General Services Agency  
6/20/2023

FOSSETT, John  
Assessor  
6/28/2023

KENNEDY, Kevin  
District Attorney  
7/3/2023

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**APPENDIX C  
LIST OF DECEASED MEMBERS**

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LINDNER, Anna  
Health Care Services Agency  
4/14/2023

ST. DENIS, Frank  
General Services Agency  
6/6/2023

MATHEWS, Roselyn  
Non-Mbr Survivor of Angie Huerta  
6/14/2023

STEVENS, Valerie  
Social Services Agency  
5/18/2023

METTELMANN, Michael  
Behavioral Health Care Services  
7/15/2023

TEMPLE, Galen  
Sheriff's Office  
7/9/2023

MILLER, Larry D.  
Alameda Health System  
6/13/2023

THEWS JR, Albert  
District Attorney  
6/26/2023

MIRANDA, Priscilla  
Social Services Agency  
7/6/2023

VILLEGAS, Anthony  
Non-Mbr Survivor of Irene Villegas  
6/13/2023

MUSER, Laura  
Health Care Services Agency  
6/29/2023

WARGUEZ, James  
General Services Agency  
7/2/2023

PALMA, Frank  
Public Works Agency  
7/4/2023

WHITE, Margot  
Non-Mbr Survivor of Robert White  
2/9/2023

SANCHEZ, Cecilia  
Social Services Agency  
7/20/2023

WHITEHEAD, Dorothy  
Alameda Health System  
7/5/2023

SOBREPENA, Anita  
Health Care Services Agency  
7/16/2023

WYNNE, Helen  
Social Services Agency  
6/21/2023



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

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BAILE, Jaime  
Government Code § 31641.5 Part Time & Days Prior

CONTRERAS, ESPERANZA  
Government Code § 31641.5 Part Time & Days Prior

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

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**Name:** Kuwitzky, Mathew  
**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. Kuwitzky's application for a service-connected disability, and waiving annual medical examinations and questionnaires at this time.

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**Name:** Mitchell, Josiah  
**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. Mitchell's application for a service-connected disability, and requiring annual medical examinations and questionnaires at this time.

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**CONSENT CALENDAR ITEM**

**July 20, 2023**

**Minutes of the Regular Board Meeting  
For approval under August 17, 2023  
Board “Consent Calendar”**



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

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**Thursday, July 20, 2023**

Chair Jaime Godfrey called the meeting to order at 2:03 p.m.

Trustees Present:     Ross Clippinger  
                              Tarrell Gamble  
                              Jaime Godfrey  
                              Elizabeth Rogers (*Arrived After Roll Call*)  
                              Kellie Simon  
                              George Wood  
                              Kevin Bryant (*Alternate*)

Trustees Excused:    Ophelia Basgal  
                              Keith Carson  
                              Henry Levy  
                              Cynthia Baron (*Alternate*)

Staff Present:         Victoria Arruda, Human Resource Officer (via Zoom)  
                              Carlos Barrios, Assistant Chief Executive Officer-Benefits  
                              Angela Bradford, Executive Secretary  
                              Sandra Dueñas-Cuevas, Benefits Manager  
                              Erica Haywood, Fiscal Services Officer  
                              Jessica Huffman, Benefits Manager  
                              Harsh Jadhav, Chief of Internal Audit (via Zoom)  
                              Vijay Jagar, Retirement Chief Technology Officer, ACERA  
                              Lisa Johnson, Assistant Chief Executive Officer-Operations  
                              David Nelsen, Chief Executive Officer  
                              Jeff Rieger, Chief Counsel  
                              Betty Tse, Chief Investment Officer

**PUBLIC INPUT**

Jordan Ash of the Private Equity Stakeholder Project (PESP) voiced his concerns about the adverse living conditions for residents at Front Yard Residential, a portfolio company of Ares Management Corporation. Mr. Ash requested that the Board encourage Ares Management Corporation to work with Front Yard Residential to address residents' concerns before the Board considers making another investment in an Ares Fund. Chair Godfrey thanked Mr. Ash for his comments. During the Investment Committee portion of today's meeting, Trustee Tarrell Gamble reported that the Investment Committee addressed the Front Yard Residential issues at its July 12, 2023 Investment Committee meeting.

**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**

*Appendix D*

**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**

*June 14, 2023 Investment Committee Minutes*

*June 15, 2023 Minutes of the Regular Board Meeting*

*June 15, 2023 Actuarial Committee Minutes*

*June 15, 2023 Audit Committee Minutes*

*July 5, 2023 Retirees Committee Minutes*

*July 12, 2023 Revised Investment Committee Minutes*

**MISCELLANEOUS**

- *Operating Expenses as of 05/31/23*
- *Approve Independent Review Findings of Fact and Decision of the Board*

**23-47**

**It was moved by Tarrell Gamble and seconded by Elizabeth Rogers that the Board adopt the Consent Calendar. The motion carried 6 yes (*Clippinger, Gamble, Godfrey, Rogers, Simon, Wood*), 0 no, and 0 abstentions.**

**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:*

***Retirees:***

During the Consent Calendar portion of today's meeting, Trustee Ross Clippinger asked whether or not GASB 43 requires that the rate of health care inflation assumption be capped at 50% for the Monthly Medical Allowance (MMA) or is the amount for the MMA determined by the Board. Assistant Chief Executive Officer of Benefits Carlos Barrios and Trustee Elizabeth Rogers explained that the rate amount is the Board's decision, based on the substantive plan definition under GASB 43. More information on this issue will be provided and discussed at the October 2023 Retirees Committee meeting.

Elizabeth Rogers reported that the Retirees Committee met on July 5, 2023 and that the Committee discussed increasing the 2024 Monthly Medical Allowance (MMA) for eligible retirees for the following Medical Plans: 1) Group; 2) Early Retiree Individual; and 3) Medicare Eligible Retiree Individual. The following motions were made:

**23-48**

**It was moved by Elizabeth Rogers and seconded by Tarrell Gamble that the Board increase the 2024 Group Plan Monthly Medical Allowance (MMA) by 3.125% for eligible retirees in the group plans, 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 \$635.37 for the Plan Year 2024. The MMA contribution is a non-vested benefit subject to possible reduction or elimination if Board policies change or funds are unavailable. This benefit is 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 6 yes (*Clippinger, Gamble, Godfrey, Rogers, Simon, Wood*), 0 no, and 0 abstentions.**

**23-49**

It was moved by Elizabeth Rogers and seconded by Kellie Simon that the Board increase the 2024 Individual Plan Monthly Medical Allowance (MMA) by 3.125% for eligible qualified early (non-Medicare) retirees enrolled in individual plans through the Health Exchange, 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 \$635.37 for Plan Year 2024. The MMA contribution is a non-vested benefit subject to possible reduction or elimination if Board policies change or funds are unavailable. This benefit is 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 6 yes (*Clippinger, Gamble, Godfrey, Rogers, Simon, Wood*), 0 no, and 0 abstentions.

**23-50**

It was moved by Elizabeth Rogers and seconded by Kellie Simon that the Board increase the 2024 Individual Plan Monthly Medical Allowance (MMA) by 3.125% for qualified Medicare eligible retirees enrolled in individual plans through the Medicare Exchange, 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 \$486.74 for Plan Year 2024. The MMA contribution is a non-vested benefit subject to possible reduction or elimination if Board policies change or funds are unavailable. This benefit is 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 6 yes (*Clippinger, Gamble, Godfrey, Rogers, Simon, Wood*), 0 no, and 0 abstentions.

Trustee Rogers stated that Staff reported on an Information Item regarding Dental and Vision Plans Experience and Utilization.

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

***Investment:***

Tarrell Gamble reported that the Investment Committee met on July 12, 2023 and that the Committee discussed an up to \$30 million investment in LS Power Equity Partners V as part of ACERA's Real Assets Portfolio – Infrastructure, pending completion of Legal and Investment due diligence and successful contract negotiations.

**23-51**

It was moved by Tarrell Gamble and seconded by George Wood that the Board approve an up to \$30 million investment in LS Power Equity Partners V as part of ACERA's Real Assets Portfolio – Infrastructure, pending completion of Legal and Investment due diligence and successful contract negotiations. The motion carried 6 yes (*Clippinger, Gamble, Godfrey, Rogers, Simon, Wood*), 0 no, and 0 abstentions.

Tarrell Gamble further reported that the Committee discussed an up to \$80 million investment in Ares Senior Direct Lending Fund III as part of ACERA's Private Credit Portfolio, pending completion of Legal and Investment due diligence and successful contract negotiations.

**23-52**

**It was moved by Tarrell Gamble and seconded by Kellie Simon that the Board approve an up to \$80 million investment in Ares Senior Direct Lending Fund III as part of ACERA's Private Credit Portfolio, pending completion of Legal and Investment due diligence and successful contract negotiations. The motion carried 6 yes (Clippinger, Gamble, Godfrey, Rogers, Simon, Wood), 0 no, and 0 abstentions.**

Trustee Gamble stated that Staff reported on the following Information Items: 1) Emerging Markets Equity Search Evaluation Criteria Detail Follow-Up; and 2) General Investment Consultant (GIC) Search RFP Follow-up.

Trustee Gamble announced that the August 9, 2023 Investment Committee meeting has been canceled.

Chief Investment Officer Betty Tse announced that the July 12, 2023 Investment Committee minutes would be corrected because Trustee Keith Carson was not in attendance at the July 12, 2023 Investment Committee meeting. Therefore, the July 12, 2023 Investment Committee minutes were revised to reflect that Trustee Carson did not vote on the following motions:

1. Discussion of and Possible Motion to Recommend that the Board Approve an up to \$30 million Investment in LS Power Equity Partners V as part of ACERA's Real Assets Portfolio – Infrastructure<sup>3</sup>, Pending Completion of Legal and Investment Due Diligence and Successful Contract Negotiations.
2. Discussion of and Possible Motion to Recommend that the Board Approve an up to \$80 million Investment in Ares Senior Direct Lending Fund III as part of ACERA's Private Credit Portfolio Pending Completion of Legal and Investment Due Diligence and Successful Contract Negotiations.

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

***Governance:***

George Wood reported that the Governance Committee met earlier today and that there were no Information Items. However, the Committee reviewed the *Service Provider Policy*.

**23-53**

**It was moved by George Wood and seconded by Elizabeth Rogers that the Board adopt the Governance Committee's recommendation to affirm the *Service Provider Policy* without revisions. The motion carried 6 yes (Clippinger, Gamble, Godfrey, Rogers, Simon, Wood), 0 no, and 0 abstentions.**

Trustee Wood further reported that the Committee reviewed the *Board Communications Policy*.

**23-54**

**It was moved by George Wood and seconded by Tarrell Gamble that the Board adopt the Governance Committee’s recommendation to affirm the *Board Communications Policy* without revisions. The motion carried 6 yes (*Clippinger, Gamble, Godfrey, Rogers, Simon, Wood*), 0 no, and 0 abstentions.**

Trustee Wood further reported that the Committee reviewed and discussed the *Conflict of Interest Policy* as it relates to Trustees requesting behested payments on behalf of any non-profit or charitable organization from any person or entity that is doing business with ACERA.

**23-55**

**It was moved by George Wood and seconded by Kellie Simon that the Board adopt the Governance Committee’s recommendation to strike the language that was struck in the redline included in the Governance Committee packet and not include the additional language that was in that redline. The motion carried 4 yes (*Clippinger, Rogers, Simon, Wood*), 1 no (*Gamble*), and 1 abstention (*Godfrey*).**

Trustee Wood further reported that the Committee reviewed and discussed Staff’s proposed revisions to the *Board Membership Policy*, which is designed to eliminate any ambiguity regarding which employees of the Livermore Area Recreation and Park District (LARPD) must be enrolled in ACERA.

**23-56**

**It was moved by George Wood and seconded by Kellie Simon that the Board adopt the Governance Committee’s recommended revisions to the *Membership Policy*, per the redline in the Governance Committee Packet. The motion carried 5 yes (*Clippinger, Godfrey, Rogers, Simon, Wood*), 0 no, and 1 abstention (*Gamble*).**

Minutes of the meeting will be presented to the Board for adoption on the Consent Calendar at the August 17, 2023 Board meeting.



**NEW BUSINESS:**

**Discussion and Possible Motion to Increase the Budget for the Pension Administration System (PAS) Project by \$218,625 for a Total of \$2,640,564 for Training Material Development by Segal**

Chief Executive Officer Dave Nelsen stated that for several years, Staff has been unsuccessful in developing training materials for the Benefits Staff Training Program regarding the Pension Gold V3 Integrated System Project (PAS). Mr. Nelsen reported that ACERA has a unique opportunity to have Segal assist in creating training materials for the Benefits Staff Training Program. Mr. Nelsen further reported that as a result of Segal working with Staff on the PAS Project/processes, Segal has gained the knowledge, and now has the expertise, to develop the training materials. Therefore, Segal has been asked, and have agreed to assist, to develop the training materials. Mr. Nelsen stated that in order for Segal to develop the training materials, the Board is now being asked to approve Staff's request for a budget increase of \$218,625 (for a total of \$2,640,564). Mr. Nelsen stated that PAS is a part of ACERA's Business/Strategic Plan and that the cost of PAS is included in ACERA's Capital Budget.

**23-57**

**It was moved by Jaime Godfrey and seconded by Tarrell Gamble that the Board approve a budget increase of \$218,625 (for a total of \$2,640,564) for the development of the Benefits Staff Training Materials, by Segal, for ACERA's Pension Gold V3 Integrated System Project (PAS). The motion carried 6 yes (Clippinger, Gamble, Godfrey, Rogers, Simon, Wood), 0 no, and 0 abstentions.**

**General PAS Project Update**

Retired Annuitant Kathy Foster, who is assisting with overseeing the PAS Project, along with Assistant Chief Executive Officer Carlos Barrios, and Senior Technology Project Manager Dana D'Arienzo presented information and provided an update on ACERA's Pension Gold V3 Integrated System Project (PAS) as follows: **1)** PAS Roadmap; **2)** Overview PAS System Replacement Project; **3)** Project Objectives; **4)** Project Timeline and Activity Update; **5)** Core Functionality Major Systems; **6)** The Integrated System (PAS and the OnBase Document Management System); and **7)** A Look Ahead (Design and Implementation for Member Direct and Employer Direct and for Beneficiary Maintenance Case Manager in OnBase). Both Ms. Foster and Ms. D'Arienzo reported that Staff and Levi, Ray, and Shoup (LRS), an Information Technology Solutions Company, is currently testing the functionality and reporting capability in PAS. Ms. D'Arienzo reported that PAS will create a huge amount of efficiency and that all necessary information will be centralized and readily available for use by Staff, the Participating Employers and ACERA members. Mr. Nelsen announced that by early September 2023, LRS/Staff will have completed developing and testing the last of the core functionality sections in PAS.

Mr. Nelsen reported that PAS implementation/upgrades to other Retirement Systems have failed, have lost several millions of dollars as a result and have had to re-start the process over from the beginning. Ms. Foster announced that the PAS Project is on track and is scheduled to “Go Live” in September 2024. Ms. Foster, the Board and Staff expressed their appreciation to LRS and to the following Team Members who work on the PAS Project: **1) Ms. D’Arienzo; 2) Benefits Department; 3) Business Application Support Systems (Information Technology Department); 4) Fiscal Services Department; 5) Investment Department; and 6) Project Staff.**

### **David Nelsen, Chief Executive Officer’s Report**

Mr. Nelsen presented his July 20, 2023 written CEO Report which provided an update on: **1) Committee and Board Action Items; 2) Other Items: a) PBI/MOVEit Data Breach; b) Business Planning; c) Legislation; and d) Recognition; and 3) Key Performance Indicators.**

Mr. Nelsen reported that Delta Dental’s attorney’s office encountered a data breach that impacted approximately 27 of ACERA’s retirees. However, no financial information or social security numbers were breached. As a result of the breach, Delta Dental’s attorneys are offering the affected retirees up to two years of Monitoring Services. Mr. Barrios reported that Staff will follow up with Delta Dental to ensure the affected retirees receive the Monitoring Services and that he will keep the Board abreast of the status.

Mr. Nelsen gave an update on the PBI/MOVEit data breach stating that there is a lot of media coverage reporting on data breaches at several federal government agencies who use PBI/MOVEit software, including CalPERS and CalSTRS. Mr. Nelsen reported that ACERA was not impacted, as ACERA does not use PBI/MOVEit software.

### **CONFERENCE/ORAL REPORTS**

Trustee Gamble reported that he attended a CalPERS/CalSTRS Catalyst Meeting, which is an event where new Investment Managers are interviewed and considered. Chief Investment Officer Betty Tse reported that two of her Investment Analyst were also scheduled to attend. However, due to a scheduling conflict, only one Investment Analyst was able to attend. The Investment Analyst that was unable to attend will follow-up with the individuals he was scheduled to meet with at the event and will report back to the Board at a later date.

### **ANNOUNCEMENTS**

Trustee Gamble expressed his appreciation regarding the implementation of/upgrades to the following ACERA Programs: **1) BoardEffect®**, a Board Management Software Program, managed by Dana D’Arienzo and Administrative Support Staff; **2) Direct Deposit Process** for deposit of Trustees’ Reimbursement Checks, managed by Fiscal Services Officer Erica Haywood and Fiscal Services Staff; and **3) PAS V3**, managed by Mr. Barrios, Ms. Foster, Ms. D’Arienzo and various Department Staff.

**BOARD INPUT**

None.

To view the July 20, 2023 Board meeting in its entirety, click on the link below:  
<https://youtu.be/4hodrQtlKKo>

**ADJOURNMENT**

The meeting was adjourned at approximately 3:11 p.m.

Respectfully Submitted,



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David Nelsen  
Chief Executive Officer

08/17/23

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Date Adopted

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**APPENDIX A  
REPORT ON SERVICE RETIREMENTS**

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ALLGOOD, Dianna  
Effective: 5/13/2023  
Social Services Agency

JONES, Ruth  
Effective: 5/27/2023  
Sheriff's Office

BOYCE, Sandra  
Effective: 4/1/2023  
Sheriff's Office

KIFLE, Ghidei  
Effective: 4/1/2023  
Alameda Health System

CALIVA, Lori  
Effective: 6/5/2023  
Community Development Agency

LAI-BITKER, Alice  
Effective: 5/5/2023  
Board of Supervisors

ESPOSITO, Annie  
Effective: 4/29/2023  
District Attorney

LANGLEY, Amy  
Effective: 5/9/2023  
Sheriff's Office

ESTRADA, Consuelo  
Effective: 5/25/2023  
Social Services Agency

LAWTON, Jonathan  
Effective: 4/15/2023  
Assessor

FERNANDEZ, Frederick  
Effective: 6/3/2023  
Superior Court

LITTON, Leslie  
Effective: 4/29/2023  
Social Services Agency

GONZALEZ-RUIZ, Maria  
Effective: 4/1/2023  
Health Care Services Agency

LOZA, Manuel  
Effective: 5/13/2023  
Sheriff's Office

HERNANDEZ, Michelle  
Effective: 4/7/2023  
Health Care Services Agency

MARTIJA, Elizabeth  
Effective: 4/1/2023  
Social Services Agency

HERNANDEZ, Zenaida  
Effective: 4/1/2023  
Social Services Agency

MCCLUSKEY, Theresa  
Effective: 4/1/2023  
Health Care Services Agency

IRVING, Julius  
Effective: 4/1/2023  
Probation

MERCADO, Alfredo  
Effective: 4/1/2023  
Social Services Agency

JOHNSON, Shan  
Effective: 5/13/2023  
District Attorney

MEREDITH, Dana  
Effective: 4/1/2023  
Probation

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**APPENDIX A  
REPORT ON SERVICE RETIREMENTS**

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MIFSUD, Kenneth  
Effective: 4/1/2023  
District Attorney

NUBIN, Wanda  
Effective: 4/1/2023  
Social Services Agency

MILES, Traci  
Effective: 4/1/2023  
Sheriff's Office

PAREDES, Olga  
Effective: 5/20/2023  
Superior Court

MILLER, Charles  
Effective: 4/12/2023  
General Services Agency

PHILLIPS, George  
Effective: 4/1/2023  
District Attorney

MOGUL, Trinidad  
Effective: 4/1/2023  
Health Care Services Agency

PORTER, Candace  
Effective: 4/1/2023  
Sheriff's Office

MOORE, Renita  
Effective: 5/27/2023  
Alameda Health System

REDING, Ginger  
Effective: 4/29/2023  
Alameda Health System

MORGAN-LYLES, Linda  
Effective: 4/28/2023  
Housing & Community Development

ROBINSON, Lorna  
Effective: 4/1/2023  
Alameda Health System

MULLINEAUX, Steven  
Effective: 4/28/2023  
Sheriff's Office

SANCHEZ, Esther  
Effective: 4/17/2023  
Auditor-Controller

MUMBUSI, Milabu  
Effective: 3/7/2023  
Alameda Health System

SANTIAGO, Joselito  
Effective: 4/1/2023  
Health Care Services Agency

NGUYEN, Thuan Thi  
Effective: 4/1/2023  
Treasurer-Tax Collector

SIMRIL, Shirley  
Effective: 4/1/2023  
Health Care Services Agency

NGUYEN, Trang-Anh  
Effective: 4/29/2023  
Health Care Services Agency

SLAY, Romona  
Effective: 3/10/2023  
Alameda Health System

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**APPENDIX B**  
**LIST OF DEFERRED RETIREMENTS**

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ADAMS, Mesha  
Sheriff's Office  
Effective Date: 3/15/2023

FRAZIER, Dinzell  
Health Care Services Agency  
Effective: 3/8/2023

ANGELO, Sarah  
District Attorney  
Effective: 3/31/2023

GORRIZ-RAMALLO, Wawi  
Superior Court  
Effective: 6/2/2023

BROWN, Alex D.  
Information Technology Department  
Effective: 3/16/2023

HILTON, Danielle  
District Attorney  
Effective: 5/12/2023

BROWN, Jodee  
Social Services Agency  
Effective: 3/17/2023

HUANG, Zhihui  
Social Services Agency  
Effective: 2/17/2023

CANDIA, Yennifer  
Probation  
Effective: 3/14/2023

HUYNH, McKenna  
Social Services Agency  
Effective: 1/20/2023

CARAG, Ann  
Auditor-Controller  
Effective: 4/14/2023

JAMES, Brandon  
Alameda Health System  
Effective: 2/19/2023

CHOU, Josie  
Treasurer -Tax Collector  
Effective: 4/14/2023

LALONDE, Ryan  
District Attorney  
Effective: 3/9/2023

CLAFTON, Tyler  
Auditor-Controller  
Effective: 3/24/2023

LOPEZ, Diana  
Alameda Health System  
Effective: 3/7/2023

DARIUS, Ellen  
Public Health  
Effective: 3/7/2023

MOSES, Andrea  
Health Care Services Agency  
Effective: 3/1/2023

EVANS, Aquila  
Social Services Agency  
Effective: 2/28/2023

MULLANE, Jennifer  
Human Resources Agency  
Effective: 6/9/2023

FIGUEROA, Allen  
Superior Court  
Effective: 3/3/2023

OLIPHANT, Stephen W.  
Human Resources Agency  
Effective: 2/17/2023

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**APPENDIX B**  
**LIST OF DEFERRED RETIREMENTS**

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ORDONIO, Czarina  
District Attorney  
Effective: 3/3/2023

WARREN, Rebecca  
District Attorney  
Effective: 5/26/2023

RAMIREZ, Rosalie Sanchez  
Health Care Services Agency  
Effective: 6/9/2023

WEISSENBACH, Charlynn  
District Attorney  
Effective: 3/18/2023

SAEPHAN, Feuy  
Sheriff's Office  
Effective: 4/14/2023

WONG, Kevin  
District Attorney  
Effective: 6/9/2023

SULLIVAN, Kenya S.  
Health Care Services Agency  
Effective: 3/3/2023

YEUNG, Cynthia  
Health Care Services Agency  
Effective: 3/22/2023

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**APPENDIX C**  
**LIST OF DECEASED MEMBERS**

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AURIT, Dennis  
Sheriff's Office  
6/6/2023

FOX, Mary  
Behavioral Health Care Services  
6/11/2023

CHATTLETON, Gloria  
Human Resource Services  
5/20/2023

JENKINS, Leonard  
Non Member DRO of Rohna Moniz  
5/16/2023

COURTNEY, Virginia  
Social Services Agency  
6/7/2023

KELLY, Jeanette  
Social Services Agency  
6/6/2023

DEWITT, Luann  
Social Services Agency  
6/20/2023

MCDONNELL, Ruth  
Social Services Agency  
5/31/2023

ERSKINE, April  
District Attorney  
5/26/2023

MECCHI, Angela  
Alameda Health System  
6/1/2023

FIELDS, Mary  
Non-Mbr Survivor of William Fields  
5/29/2023

MENDES, Violet  
Non-Mbr Survivor of Mario Mendes  
6/13/2023

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**APPENDIX C  
LIST OF DECEASED MEMBERS**

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|   |   |
|---|---|
| MOORE, Katherine<br>Social Services Agency<br>5/23/2023 | RASHE, Jeane<br>Non-Mbr Survivor of James Rashe<br>6/8/2023       |
| PARKER, Amelia<br>Social Services Agency<br>6/4/2023    | SAENZ, Margaret<br>Non-Mbr Survivor of Raymond Saenz<br>5/22/2023 |
| PRICE, Robert<br>Social Services Agency<br>6/4/2023     | STARKS, Donald<br>General Services Agency<br>6/25/2022            |
| QUINN, John<br>Sheriff's Office<br>5/19/2023            | TRIANA, Margarita<br>General Services Agency<br>6/12/2023         |
| RASHE, James<br>Sheriff's Office<br>9/2/2022            | TRILLO, Lillian<br>Health Care Services Agency<br>5/11/2023       |

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

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AYALA, Orlando  
Government Code § 31641.5 Part Time & Days Prior

DURAN, Elsie  
Government Code § 31641.5 Part Time & Days Prior

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

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**Name:** Lewis, Kevin  
**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. Lewis's application for a service-connected disability, and waiving annual medical examinations and questionnaires at this time.

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**CONSENT CALENDAR ITEM**

**August 2, 2023  
Operations Committee Minutes  
For approval under August 17, 2023  
Board “Consent Calendar”**



## MINUTES OF AUGUST 2, 2023 OPERATIONS COMMITTEE MEETING

To: Members of the Operations Committee

From: Kellie Simon, Chair

**Subject: Summary of the August 2, 2023 Operations Committee Meeting**

Committee Chair Kellie Simon called the August 2, 2023, Operations Committee meeting to order at 9:32 a.m.

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

Committee members present were Kellie Simon (who appeared remotely for “just cause”), Ophelia Basgal, Ross Clippinger and Elizabeth Rogers. Also present were Jaime Godfrey, Keith Carson, and alternate members Cynthia Baron and Kevin Bryant. Henry Levy 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; Jessica Huffman, Benefits Manager; Sandra Dueñas-Cuevas, Benefits Manager; Vijay Jagar, Chief Technology Officer; Erica Haywood, Fiscal Services Officer and Betty Tse, Chief Investment Officer.

### **PUBLIC INPUT**

None

### **Action Items**

- 1. Employer Reimbursement Policy review, discussion, and possible motion to renew the Employer Reimbursement Policy with or without revisions.**

#### **Recommendation**

Trustees Clippinger, Simon, and Bryant recused themselves and left the room before discussion of the item. The stated reason for the recusal was that the Employer Reimbursement Policy has a financial impact on their employing departments.

Staff recommends that the Operations Committee recommend that the Board of Retirement renew the Employer Reimbursement Policy, without revisions.

It was moved by Ophelia Basgal and seconded by Elizabeth Rogers that the Operations Committee recommend that the Board of Retirement renew the Employer Reimbursement Policy, without revisions.

The Motion carried 6 yes (*Basgal, Carson, Godfrey, Levy, Rogers, and Baron*), 0 no, and 3 recusals (*Clippinger, Simon, and Bryant*).

**2. Electronic Tablet Policy review, discussion, and possible motion to renew the Electronic Tablet Policy, with or without revisions.**

Recommendation

Staff recommends that the Operations Committee recommend that the Board of Retirement revise the Electronic Tablet Policy, per the redline in the agenda backup.

It was moved by Elizabeth Rogers and seconded by Ophelia Basgal that the Operations Committee recommend that the Board of Retirement revise the Electronic Tablet Policy, per the redline in the agenda backup, but also with “discovery of” added to Sections III(B)(4) and III(D)(3) as follows: “within 24 hours of *discovery of* the occurrence.”

The motion carried 8 yes (*Basgal, Carson, Clippinger, Godfrey, Levy, Rogers, Simon, and Bryant*), 0 no, and 0 abstentions.

**3. Discussion and possible motion to amend the Board Reciprocity Policy due to *Casson v. Orange County Employees Retirement System (2023) 87 Cal.App.5th 1204.***

Recommendation

Staff recommends that the Operations Committee recommend that the Board of Retirement revise the Board Reciprocity Policy, per the redline in the agenda backup.

It was moved by Ophelia Basgal and seconded by Jaime Godfrey that staff bring to the Board of Retirement alternate proposals to revise the Reciprocity Policy that will include (a) Recommendation Nos. 1 and 4 in the Chief Counsel’s memorandum in this meeting’s agenda backup, and (b) Recommendation Nos. 1, 2, and 4 in the Chief Counsel’s memorandum in this meeting’s agenda backup.

The motion carried 8 yes (*Basgal, Carson, Clippinger, Godfrey, Levy, Rogers, Simon, and Bryant*), 0 no, and 0 abstentions.

**INFORMATION ITEMS**

**1. Discussion and presentation on hybrid Board elections**

Staff from MK Elections gave a presentation and answered questions about their hybrid elections process.

## **2. Operating Expenses as of 6/30/23**

Staff presented the Operating Expense Report. As of June 30, 2023, actual expenses were \$394K under budget. Budget surpluses noted were Staffing (\$52K under budget), Board of Retirement (\$26K under budget), Staff Development (\$113K under budget), Professional Fees (\$127K under budget), Office Expense (\$43K under budget), Member Services (\$26K under budget), Systems (\$7K under budget).

## **3. Quarterly Financial Statements as of 06/30/23**

Staff presented a summary of the Unaudited Financial Statements for the period ended June 30, 2023.

## **4. Quarterly Cash Forecast Report**

Staff presented the Cash Forecast Report for the period ending June 30, 2023.

## **5. Board Member Conference Expense Report as of 06/30/23**

Staff presented the Board Member Conference Expense Report as of 06/30/2023.

## **6. Senior Manager Conference and Training Expense Report as of 06/30/23**

Staff presented the Senior Manager and Training Expense Report as of 06/30/2023.

## **7. MMRO Annual Report**

Staff presented the Annual Managed Medical Review Organization report. MMRO representative Doug Minke responded to Trustee Simon's concerns about MMRO's work on two disability matters that recently were before the Board.

## **TRUSTEE INPUT AND DIRECTION TO STAFF**

Trustees directed staff to bring available information on other providers of hybrid election services to the September Board Meeting. In addition, provide client feedback on MK Election passed performance.

## **FUTURE DISCUSSION ITEMS**

### **September (to be presented at Board Meeting)**

- Operating Expenses as of 07/31/23

### **October (to be presented At Board Meeting)**

- Statement of Reserves as of 6/30/23

### **November**

## Operations Committee Meeting Summary

August 2, 2023

Page 4 of 4

- Discussion and possible motion to approve the proposed 2024 ACERA Operating Expense Budget
- Discussion and possible motion to select MK Election to provide hybrid election services
- Discussion and possible motion to approve the annual agreement for the Segal Group, ACERA's Benefits Consultant
- Discharge of Benefit Overpayments Policy Review, discussion and possible motion to renew the Discharge of Benefit Overpayments Policy, with or without revisions
- Board Education Policy Review, discussion and possible motion to renew the Board Education Policy, with or without revisions
- Felony Forfeiture Policy review, discussion and possible motion to renew the Felony Forfeiture Policy, with or without revisions

### **ESTABLISHMENT OF NEXT MEETING DATE**

The next meeting is scheduled for Thursday November 16, 2023, at 12:30 p.m.


### **MEETING ADJOURNED**

The meeting adjourned at 11:48 a.m.



*Office of the Chief Counsel*

To: Board of Retirement  
From: Jeff Rieger, Chief Counsel  
Meeting: August 17, 2023  
Subject: **Proposed Amendments To Reciprocity Policy**



At the August 2, 2023 Operations Committee meeting, per the attached memorandum staff recommended the following revisions to the Board's Reciprocity Policy to account for *Casson v. Orange County Employees' Retirement System* (2023) 87 Cal.App.5th 1204:

1. Do not apply Section 31838.5 to members who retire for service from a reciprocal system before becoming active members the reciprocal system from which they later retire for disability (i.e., the fact pattern in *Casson*).
2. Do not apply Section 31838.5 to members who do not benefit from reciprocity.
3. Give members the right to return any reciprocal benefits they received from ACERA (plus interest) to avoid application of Section 31838.5, per No. 2 above.
4. Allow members who retire for disability from a subsequent system to withdraw the amount in their ACERA member account.

The Committee directed staff to present the Board with redlines of the Reciprocity Policy that reflect the possible implementation of (a) Recommendation Nos. 1 and 4, and (b) Recommendation Nos. 1, 2 and 4. Those redlines are attached hereto. Also, there are two drafting changes based on the Committee's discussion and further analysis thereafter:

- To implement No. 2 above, the redline before the Committee referenced "any reciprocal benefits from ACERA." I recommend that the rule in No. 2 should reference "reciprocal benefits from ACERA and/or a reciprocal system."
- To implement No. 4, the redline before the Committee stated that withdrawal from ACERA is permitted if the member receives a disability allowance from a subsequent reciprocal system. I recommend that withdrawals should be permitted only if Section 31838.5 would apply to the member's allowance. Section 31838.5 does not apply every time there is a disability retirement.

Both changes make the proposed revisions to the Reciprocity Policy more consistent with (a) the intent of the recommendations in the memorandum to Operations Committee and (b) my understanding of the Committee's discussion and direction.

Recommendation: The debate appears to be whether to adopt Recommendation No. 2. I believe Recommendation No. 2 is consistent with *Casson* and the practicalities of administering reciprocity, but I acknowledge that there is uncertainty on whether it is required under *Casson*. Whether to adopt Recommendation No. 2 is up to the Board.

# **August 2, 2023 Memo to Operations Committee**



Office of the Chief Counsel

To: Operations Committee  
From: Jeff Rieger, Chief Counsel  
Meeting: August 2, 2023  
Subject: **Proposed Amendments To Reciprocity Policy**

A handwritten signature in black ink, appearing to be "M B", is written over the "From:" and "Meeting:" lines of the header.

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### INTRODUCTION

Government Code Section 31838.5 is perhaps the most confounding section in the County Employees' Retirement Law (CERL). For many years, CERL systems across the state have done their best to apply Section 31838.5 in a way that is consistent with the apparent legislative intent, but the statute is unclear in important ways.

ACERA had long-standing historical practices for how it applies Section 31838.5, which were incorporated into the Board's Reciprocity Policy that the Board adopted on December 15, 2022. When the Board adopted the Reciprocity Policy, *Casson v. Orange County Employees' Retirement System* (2023) 87 Cal.App.5th 1204, was pending before the court of appeal. The trial court's interpretation of Section 31838.5 in *Casson* generally supported ACERA's longstanding practices, but the court of appeal overturned the trial court and that opinion became final on April 3, 2023. Below, I propose several changes to the Reciprocity Policy based on *Casson*.

### GOVERNMENT CODE SECTION 31838.5

Section 31838.5 provides:

No provision of this chapter [the CERL] shall be construed to authorize any member, credited with service in more than one entity and who is eligible for a disability allowance ... to receive an amount from one county that, when combined with any amount from other counties or the Public Employees' Retirement System, results in a disability allowance greater than the amount the member would have received had all the member's service been with only one entity. ... Each entity shall calculate its respective obligations based upon the member's service with that entity and each shall adjust its payment on a pro rata basis.

Section 31838.5 requires ACERA to reduce the benefit it otherwise would pay under the applicable service retirement or disability retirement formula. To illustrate the kinds of outcomes Section 31838.5 is designed to prevent:

- Without Section 31838.5, a 30-year-old member who retires for non-service-connected-disability (NSCD) and has five years of service in ACERA and five years of service in a reciprocal system could receive two-thirds of final compensation in total, per Gov't Code §§ 31727 (one-third from granting system) and 31838 (one-third from other system), when that member could receive only one-third of final compensation if all service had been for one employer in one system.



- Without Section 31838.5, a 50-year-old safety member who (a) has 30 years of service under a 3% at 50 formula in one system, (b) moves on to another system with a 3% at 50 formula, and (c) one year later retires for a service-connected disability (SCD), would receive 90% of final compensation from the first system and 50% of final compensation from the second system, for a total of 140% of final compensation, when that member would only receive 93% of final compensation if all service had been for one employer in one system.

In *Block v. Orange County Employees' Retirement System* (2008) 161 Cal.App.4th 1297, the court held that a retirement system properly reduces a benefit under Section 31838.5, even when the member retires for service under the first system (e.g., the second example above). The court explained that "the term 'disability allowance' means all benefits a member receives from reciprocal systems or from the California Public Employees' Retirement System (CalPERS) for retiring concurrently due to disability, whether those benefits are labeled disability retirement or service retirement." *Id.* at 1302.

## ACERA'S RECIPROCITY POLICY

### The "Pro Rata" Adjustment

Some reciprocal systems (most notably CalPERS) are not subject to Section 31838.5 and therefore may not reduce the benefits they pay the member in cases when Section 31838.5 applies to ACERA.<sup>1</sup> When the reciprocal system is one of those systems, ACERA has a longstanding practice of reducing the benefit it pays the member as much as necessary to prevent the member from receiving more than the member could have received if all service had been for one employer under one system. There is no case law on this point and Section 31838.5 is ambiguous. ACERA's longstanding practice complies with the intent of the statute, but arguably results in ACERA making more than a "pro rata" reduction. While the law is not settled, I believe ACERA's longstanding practice is reasonable. *Casson* does not call into question this historical practice.

### ACERA Reduces An Allowance Even When The Member Does Not Elect Reciprocity

Section 31838.5 begins "No provision of this chapter" and the referenced "chapter" is the County Employees' Retirement Law (CERL), not just the "Reciprocal Benefits" Article found within the CERL. Thus, ACERA's Reciprocity Policy, which was consistent with the trial court's ruling in *Casson*, applied to all forms of benefits whether or not the member "elected" reciprocity. In other words, ACERA would have reached the same conclusion as OCERS (and the *Casson* trial court) if *Casson* had been an ACERA member. This aspect of the Reciprocity Policy should be revised based on the court of appeal's ruling in *Casson*.

### Some Members Received Nothing From ACERA After Application Of Section 31838.5

Another question in these cases is whether a member whose allowance will be reduced or eliminated entirely under Section 31838.5 should be permitted to withdraw his or her

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<sup>1</sup> Government Code Section 21162 may result in CalPERS reducing non-service-connected disability allowances, but CalPERS does not reduce service-connected disability allowances.

accumulated contributions.<sup>2</sup> The historical practice of the Board, since March 19, 2009, is to not permit members to withdraw their contributions in such cases. At that March 19, 2009 meeting, the Board denied a withdrawal request by a member and since that Board decision staff has denied withdrawal requests for four other members.

While the statute is ambiguous on this point, I believe ACERA's longstanding practice was reasonable based on *Block* and the apparent Legislative intent of Section 31838.5.<sup>3</sup> There are, however, reasonable arguments to support a different reading. While the statute seems to cover withdrawals with its use of "an amount" (rather than "an allowance") one can reasonably argue that a lump sum withdrawal is not part of the "disability allowance" referenced in the statute because a lump sum is itself not an "allowance." As discussed below, *Casson* supports that argument. Also, it may be hard for members (and judges) to understand how members can contribute to ACERA and have an account balance but then receive nothing from ACERA.

### ***CASSON V. OCERS***

On April 3, 2023, the Fourth District Court of Appeal published *Casson v. Orange County Employees Retirement System* (2023) 87 Cal.App.5th 1204. A copy of the opinion is attached hereto. Casson service-retired from CalPERS at the same time he became an active member of OCERS. When OCERS granted him a service-connected disability a few years later, it applied Section 31838.5 to reduce the allowance it paid him. The trial court upheld OCERS' decision, but the court of appeal overruled the trial court. The court of appeal began by distinguishing *Block*:

Casson's situation is entirely different. Casson did not elect reciprocity. He chose to treat the two pensions as separate. He forwent valuable benefits to do so. The compelling logic of treating the two pensions as one for disability purposes, therefore, simply does not apply.<sup>4</sup> On the contrary, it

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<sup>2</sup> For example, this can occur in some cases when the member retires for service-connected disability from a reciprocal retirement system that is not subject to Section 31838.5 and the member receives 50% of final compensation from that other reciprocal retirement system.

<sup>3</sup> First, disallowing withdrawals is consistent with the purpose of Section 31838.5, which is to prevent windfalls for members with service in more than one system. A member with service in one system who retires for disability receives only a disability allowance and may not withdraw their member contributions. Second, Section 31838.5 uses the phrase "an amount" to describe a payment that is limited by Section 31838.5, which supports the conclusion that the Legislature was not concerned only with windfalls resulting only from allowance payments, but rather it was concerned with preventing windfalls in all forms. Third, Gov't Code § 31831 provides that reciprocal members who elect a deferred retirement "may not, after that election, rescind the election or withdraw any ... accumulated contributions while a member of such other system." Fourth, the withdrawal of contributions is the actuarial equivalent of an annuity that is paid as a disability allowance, per section 31837, which is clearly subject to Section 31838.5, so it is logical that a member who cannot receive the annuity also cannot receive the actuarially equivalent withdrawal.

<sup>4</sup> I disagree with this point. The "compelling logic" behind Section 31838.5 is to prevent windfalls and the *Casson* opinion required that Casson receive a windfall in my opinion. The

would be fundamentally unfair to Casson to limit his disability allowance to the equivalent of a single pension when he did not elect the benefits of treating the two pensions as one.

From a textual standpoint, moreover, there is no reason to treat Casson's CalPERS service retirement as a "disability allowance." In *Block*, we did so by deeming the CalPERS payment as being a service disability payment pursuant to section 31727.4. Here, however, Casson began receiving service retirement payments from CalPERS several years before he suffered his disability. In no sense, therefore, is his CalPERS payment made pursuant to section 31727.4. It is a straight service retirement payment, not a disability payment. As a result, his payment from CalPERS cannot be considered part of his "disability allowance" under section 31838.5.

The court's conclusion was based on the facts before it, but the opinion raises questions about other scenarios that the court did not address. For example, the opinion does not address the circumstance of a member who defers retirement from the first system (and may be administratively considered a "reciprocal" member) but does not receive any benefits from reciprocity. The court was clear that it was not resolving questions that might arise under scenarios that differ from Casson's: "Our holding is limited to this: when a pensioner receives a service retirement under a CERL pension and becomes a member of a second CERL pension but does not elect reciprocity, his or her first service pension cannot be considered part of a 'disability allowance' under section 31838.5."<sup>5</sup>

### APPLING CASSON

#### "Electing" Reciprocity

The *Casson* opinion turns on the following: "Casson did not elect reciprocity. He chose to treat the two pensions as separate."

It was clear that Casson did not elect reciprocity because he retired at the same time he started working as an active member of OCERS, so he was never eligible to take advantage of reciprocity. In other circumstances, however, it is less clear whether a member has "elected" reciprocity.

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purpose of a 50% service-connected disability (theoretically available on the first day of work) is to take care of a member who will not be able to have a long career due to disability; not to provide a member who already had a long career with far more retirement benefits than most other members receive, simply because that member's career was split between two retirement systems.

<sup>5</sup> The court also explained: "[W]e have not necessarily resolved the overarching debate the parties have over whether section 31838.5 could ever apply to nonreciprocal pensions. Arguably, a pensioner receiving a disability retirement from a first pension and then receiving a disability retirement from a second, nonreciprocal pension would be subject to an offset. As OCERS has pointed out, the statute is not, on its face, limited to reciprocal pensions. However, we need not decide that case today, as it is not before us."

If member retires on different dates from the reciprocal systems (i.e., not concurrently), the member will not receive some reciprocal benefits (Sections 31835 and 31836), but a member may receive other reciprocal benefits before retirement (sometimes immediately after joining the second system), including:

Lower Member Contributions. Some members benefit from reciprocity immediately after entering the second system through lower member contributions. For example, at ACERA non-PEPRA members pay lower contributions if they have a lower age at entry and reciprocity (Section 31833) allows them to use a lower age at entry from a prior reciprocal system.

Legacy Tier. A member who joined ACERA after January 1, 2013, but began service with a reciprocal system before January 1, 2013 (and the break in service was less than six months) qualifies for the ACERA tier that was in place on December 31, 2012, rather than Tier 4 (PEPRA).

Redeposit Rights. If a member had safety service in either the first or the second retirement system, the member may redeposit funds that the member previously withdrew from the first system.

For administrative reasons, ACERA and other systems have members “elect” reciprocity so that the systems can share necessary information, but there is no requirement that members “elect” reciprocity within a particular amount of time. A member who meets the requirements for reciprocity (six-month or less break between the two systems) can prove entitlement any time before retiring and then enjoy some of the most important benefits of reciprocity. This begs the question of whether ACERA should treat members differently just because one administratively “elects” reciprocity sooner than another. Should a member be subject to Section 31838.5 just because the member helped ACERA administratively track the member’s reciprocity by “electing” reciprocity early when another member might wait until retirement? When retiring for disability, should a member who made lower contributions at the second system receive a less advantageous outcome than a member who was never able to take advantage of Section 31833 because the member did not have age-based member contributions at the second system?<sup>6</sup>

*Casson* leaves unanswered what it means to “not elect reciprocity.” One may read *Casson* narrowly and find that a member avoids Section 31838.5 only when he or she retires before, or at the same time, he or she starts work under the second system. Or, one may read *Casson* broadly and find that members can avoid Section 31838.5 simply by not retiring concurrently, which results in them forfeiting some (but not all) reciprocal benefits.

I conclude that the best reading of *Casson* lies between those two extremes. I recommend that ACERA equate “electing” reciprocity with financially benefiting from reciprocity. Further, I recommend that ACERA give members the option of returning any reciprocal benefits they received (plus interest) so that they can avoid application of Section 31838.5. I believe this reading is most consistent with the intent of *Casson* and with the spirit of reciprocity generally. Under this reading, members either receive the benefits of reciprocity

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<sup>6</sup> Many retirement systems never had age-based member contribution rates and ACERA’s PEPRA members do not have age-based member contribution rates.



and are subject to Section 31838.5 or they do not receive reciprocal benefits and are not subject to Section 31838.5. Further, under this reading, members do not have to “roll the dice” when deciding whether to administratively establish reciprocity, because they will later have the option to return any reciprocal benefits received to avoid Section 31838.5.

#### Refund Of Contributions

If a member retires for disability from a subsequent reciprocal retirement system and is allowed to “break” reciprocity to avoid application of Section 31838.5, the member will then be able to leave his or her funds on deposit and retire for service when eligible. A member who retires for service will usually receive far more in retirement allowance payments than from an account withdrawal, and if a member dies before the amount in their member account has been paid out in monthly allowance payments, the member’s beneficiary will be paid the remaining amount, per Section 31760.1. Thus, if members are allowed to “break” reciprocity to avoid application of Section 31838.5, there is no good reason to prevent them from withdrawing the funds in their member account.<sup>7</sup> For that reason, I recommend that a member who retires for disability from a subsequent reciprocal retirement system should always be permitted to withdraw the funds in his or her ACERA member account. I further recommend that ACERA refund the amounts it has previously withheld from members in this situation based on *Casson*’s clarification of the law.

#### Pro Rata Reduction

Nothing in *Casson* addresses the question of what constitutes a “pro rata” reduction in a case where the other system does not reduce the benefits it pays the member. One can potentially read the statute to require that ACERA make a “pro rata” reduction as if the other system had made a pro rata reduction, but the larger purpose of Section 31838.5 is served by ACERA’s historical practice. Given that *Casson* does not provide any guidance on that issue, I recommend that the Board continue its historical practice of reducing a benefit as much as necessary to prevent the member from receiving more than the member could have received if all service had been for one employer under one system, in cases where Section 31838 applies.<sup>8</sup>

### **CONCLUSION AND SUMMARY OF RECOMMENDATIONS**

*Casson* left open questions that cannot be answered with certainty. This memorandum provides my best analysis and recommendation, but there are other plausible readings of the statute. I recommend the following:

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<sup>7</sup> Section 31831 requires a member to leave funds on deposit while she is a member of the subsequent reciprocal system. Once reciprocity is “broken,” however, Section 31831 (in the Reciprocal Benefits Article of the CERL) should no longer apply and the members should be allowed to withdraw their funds like any other member in deferred status, per Section 31628. Members are allowed to leave their funds on deposit without reciprocity under Sections 31700 and 31629.5 and nothing in those sections prevents withdrawal of funds after retirement from a subsequent retirement system.

<sup>8</sup> I expect Section 31838.5 will rarely, if ever, be applied going forward. I expect most, if not all, members to “break” reciprocity if the Board adopts the recommendations in this memorandum.

1. At minimum, ACERA's Reciprocity Policy should be revised to address the fact-pattern in *Casson*: A member's ACERA allowance is not reduced under Section 31838.5 if the member retires for service from a reciprocal system before, or at the same time, as becoming an active member of ACERA.
2. Although not as clear as No. 1 above, I believe the logic of *Casson* applies equally to a member who, although may have administratively established reciprocity, did not benefit from reciprocity.
3. For practical and fairness reasons, I recommend that members be given the right to return any reciprocal benefits they received (plus interest) for the purpose of avoiding application of Section 31838.5.
4. I recommend that, if a member retires for disability from a subsequent system, the member should always be permitted to withdraw the amount in his or her ACERA member account. While there may be fair arguments to support ACERA's historical practice, I conclude that the best reading of the law after *Casson* is that members should be permitted to withdraw their member contributions after retiring for disability from a subsequent reciprocal system. Per *Casson*, it appears that such a withdrawal likely would not be considered part of the member's "disability allowance" that is subject to Section 31838.5.

Attached to this memorandum is a redline showing the changes to the Reciprocity Policy if the Board were to adopt all recommendations in this memorandum.

Also attached to this memorandum is a copy of the *Casson* opinion.

**Redline of *Board  
Reciprocity Policy*  
(with Recommendations  
Nos. 1 and 4)**

## I. Purpose

The reciprocity provisions of the County Employees' Retirement Law (CERL) provide valuable benefits to ACERA members who have service under reciprocal public retirement systems. Those provisions are complex and often can be read in different ways. This Policy states the Board's official interpretations of the CERL's reciprocity provisions, based on statutory language and apparent legislative intent. This Policy provides guidance to ACERA's members and Staff, so that ACERA's administration of the CERL's reciprocity provisions is fair and predictable.

## II. Guiding Principles

- A. The purpose of the CERL's reciprocity provisions is to eliminate disadvantages that members might otherwise experience when moving from one retirement system to another. Those reciprocity provisions are not intended to provide members who move from one retirement system to another with greater benefits than they would have received if they had performed all service under one system. All interpretations of the CERL's reciprocity provisions should be consistent with these principles.
- B. The CERL's reciprocity provisions should be read broadly in favor of granting members reciprocal benefits. A member should not be deprived of reciprocal benefits if there is a reasonable way to read the CERL that would provide the member with those benefits.
- C. Members must inform ACERA about their service under reciprocal retirement systems for ACERA to administratively establish reciprocity. ACERA will seek such information in its forms and when counseling members.
- D. The Board determines the benefits ACERA pays and reciprocal systems determine the benefits they pay. This Policy governs the benefits ACERA pays regardless of whether a reciprocal system interprets the CERL or other laws differently than ACERA.
- E. This Policy governs all Staff determinations prospectively.



## III. Board Interpretations

- A. **Measuring The Six-Month Period.** To be eligible for reciprocity, a member must move between reciprocal retirement systems within six months or less. ACERA measures that six-month period from the date of termination of active membership in the first system to the date of employment in a job that is eligible for membership in the second system (for ACERA, permanent full-time employment with a participating employer). The approximate two-week administrative delay between employment and membership in ACERA (or similar delays at other systems) does not result in the loss of reciprocity. See Gov't Code § 31840.4.
- B. **Overlapping Service Credit.** Overlapping service credit with ACERA and a reciprocal system prevents a member from establishing reciprocity between ACERA and that system. The Board's Membership Policy, however, gives members the ability to alter their membership date and/or termination of active membership date by up to 12 weeks to eliminate any such overlap. Staff will take all reasonable steps to help members understand their rights to eliminate overlapping service credit under the Board's Membership Policy.
- C. **"Final Compensation."** Under Gov't Code § 31835, ACERA considers pay records under reciprocal retirement system when determining a member's "final compensation," but ACERA will not adopt the reciprocal system's determination of "compensation earnable" or "pensionable compensation" if it differs from ACERA's. All determinations of "compensation earnable" and "pensionable compensation" are based on the CERL and the Board's historical interpretation thereof per ACERA's pay code lists. See *Stillman v. Board of Retirement of Fresno County Employees' Retirement Assn.* (2011) 198 Cal.App.4th 1355.
- D. **Multiple Breaks In Service.** If a member moves back and forth between active memberships in ACERA and a reciprocal system, the member can maintain reciprocity so long as there is at least one break that is less than six months with no overlapping service credit. The existence of other breaks of more than six months, or other transitions with overlapping service credit, will not disqualify a member for reciprocity.
- E. **Age-At-Entry.** If a member qualifies for a lower age-at-entry under Gov't Code § 31833, the member will retain that lower age-at-entry if the member leaves his or her contributions on deposit with the reciprocal system. If a member withdraws contributions from a prior reciprocal system, the member's prospective contributions to ACERA will be based on age at entry into ACERA, as of the date of the withdrawal from the other system.

- F. **Failure to Retire Concurrently When Eligible.** If a member is eligible to retire concurrently from ACERA and a reciprocal system but fails to do so, the member will lose the rights to (a) rely on pay under a that reciprocal system when calculating the member's ACERA "final compensation" (Gov't Code § 31835), and (b) rely on service credit under that reciprocal system for benefit eligibility purposes (Gov't Code § 31836). Failure to retire concurrently has no impact on the member's age-at-entry for the purposes of member contributions (Gov't Code § 31833).
- G. **Not Eligible to Retire Concurrently.** Under Gov't Code § 31835.1, if a retiring member is not eligible to retire from a reciprocal system, the member may take advantage of Gov't Code § 31835 and Gov't Code § 31836 without retiring concurrently from the reciprocal system. The Board finds the Legislature did not intend to deprive Safety or PEPRA members of the benefits of Gov't Code § 31835.1, and that section's reference to "eligible to retire at age 50 pursuant to Section 31672" was not intended to limit the application of Gov't Code § 31835.1's to pre-PEPRA General members. For the purposes of Gov't Code § 31835.1, to be eligible to retire from a reciprocal system, the member must be able to receive a lifetime retirement allowance. For example, a member of the JRSII may take advantage of Gov't Code § 31835.1, if the member is eligible to receive only an "early retirement" comprised of the judge's "monetary credits" per Gov't Code § 75521(b).
- H. **Disability Retirements.**
1. **Eligibility.** If a member is granted a disability retirement by a reciprocal system, the member is automatically entitled to a disability retirement from ACERA, which will be calculated under Gov't Code §§ 31837 and 31838, as applicable, subject to the Anti-Windfall Rule below. The member need not proceed through ACERA's Disability Retirement Procedures and the member's disability retirement will be placed on the Board's Consent Calendar.
  2. **Service Retirement Option.** If a reciprocal system retires a member for disability and the member determines that a service retirement from ACERA is more advantageous than a disability retirement from ACERA, the member may retire for service from ACERA (if eligible), subject to the Anti-Windfall Rule below.
  3. **Anti-Windfall Rule.** If a member was ever eligible for reciprocity between ACERA and a reciprocal system and the member receives a disability retirement allowance from ACERA and/or thata reciprocal system, ACERA will apply Gov't Code § 31838.5 to ensure that the member does not receive more in total allowance payments than the member could have received if all service had been under one



system. ACERA will apply this rule to all amounts-allowances it pays a member, whether ~~those amounts are paid as afor~~ service retirement ~~allowance or, a~~ disability retirement ~~allowance or a refund of the member's accumulated contributions~~. If the reciprocal retirement system does not apply Gov't Code § 31838.5, ACERA will reduce the member's ACERA allowance by as much as necessary to prevent the member from receiving more in total allowance payments than the member could have received if all service had been under one system. A member who is granted a disability retirement from a subsequent reciprocal system and will have an ACERA allowance that is subject to Gov't Code § 31838.5 may elect to withdraw his or her ACERA member account. This can result in ACERA owing no amount to a member not even the member's accumulated contributions.

- I. **Death Benefits.** A member who defers retirement from ACERA, establishes reciprocity with a reciprocal system and dies while in service under that reciprocal system is subject to Gov't Code §§ 31839 and 31840. If either system pays a death benefit that is based on a disability retirement formula, the death benefit ACERA pays is subject to the Anti-Windfall Rule described above.
- J. **No Withdrawal.** Per Gov't Code § 31831, after a member leaves their accumulated contributions on deposit with ACERA and establishes reciprocity with a reciprocal system, the member may not withdraw their accumulated contributions from ACERA while a member (active, deferred or retired) of the reciprocal system, except per Section III(H)(3) above. Such a member may withdraw accumulate member contributions from ACERA only if they withdraw their accumulated contributions from the reciprocal system.

#### IV. Policy Modifications

This Policy will be reviewed by the Operations Committee at least every three years. The Committee will make recommendations to the Board concerning any improvements or modifications it deems necessary.

#### V. Policy History

- A. The Board adopted this Policy on December 15, 2022.

**Redline of *Board  
Reciprocity Policy*  
(with Recommendations  
Nos. 1, 2 and 4)**

## I. Purpose

The reciprocity provisions of the County Employees' Retirement Law (CERL) provide valuable benefits to ACERA members who have service under reciprocal public retirement systems. Those provisions are complex and often can be read in different ways. This Policy states the Board's official interpretations of the CERL's reciprocity provisions, based on statutory language and apparent legislative intent. This Policy provides guidance to ACERA's members and Staff, so that ACERA's administration of the CERL's reciprocity provisions is fair and predictable.

## II. Guiding Principles

- A. The purpose of the CERL's reciprocity provisions is to eliminate disadvantages that members might otherwise experience when moving from one retirement system to another. Those reciprocity provisions are not intended to provide members who move from one retirement system to another with greater benefits than they would have received if they had performed all service under one system. All interpretations of the CERL's reciprocity provisions should be consistent with these principles.
- B. The CERL's reciprocity provisions should be read broadly in favor of granting members reciprocal benefits. A member should not be deprived of reciprocal benefits if there is a reasonable way to read the CERL that would provide the member with those benefits.
- C. Members must inform ACERA about their service under reciprocal retirement systems for ACERA to administratively establish reciprocity. ACERA will seek such information in its forms and when counseling members.
- D. The Board determines the benefits ACERA pays and reciprocal systems determine the benefits they pay. This Policy governs the benefits ACERA pays regardless of whether a reciprocal system interprets the CERL or other laws differently than ACERA.
- E. This Policy governs all Staff determinations prospectively.



## III. Board Interpretations

- A. **Measuring The Six-Month Period.** To be eligible for reciprocity, a member must move between reciprocal retirement systems within six months or less. ACERA measures that six-month period from the date of termination of active membership in the first system to the date of employment in a job that is eligible for membership in the second system (for ACERA, permanent full-time employment with a participating employer). The approximate two-week administrative delay between employment and membership in ACERA (or similar delays at other systems) does not result in the loss of reciprocity. See Gov't Code § 31840.4.
- B. **Overlapping Service Credit.** Overlapping service credit with ACERA and a reciprocal system prevents a member from establishing reciprocity between ACERA and that system. The Board's Membership Policy, however, gives members the ability to alter their membership date and/or termination of active membership date by up to 12 weeks to eliminate any such overlap. Staff will take all reasonable steps to help members understand their rights to eliminate overlapping service credit under the Board's Membership Policy.
- C. **"Final Compensation."** Under Gov't Code § 31835, ACERA considers pay records under reciprocal retirement system when determining a member's "final compensation," but ACERA will not adopt the reciprocal system's determination of "compensation earnable" or "pensionable compensation" if it differs from ACERA's. All determinations of "compensation earnable" and "pensionable compensation" are based on the CERL and the Board's historical interpretation thereof per ACERA's pay code lists. See *Stillman v. Board of Retirement of Fresno County Employees' Retirement Assn.* (2011) 198 Cal.App.4th 1355.
- D. **Multiple Breaks In Service.** If a member moves back and forth between active memberships in ACERA and a reciprocal system, the member can maintain reciprocity so long as there is at least one break that is less than six months with no overlapping service credit. The existence of other breaks of more than six months, or other transitions with overlapping service credit, will not disqualify a member for reciprocity.
- E. **Age-At-Entry.** If a member qualifies for a lower age-at-entry under Gov't Code § 31833, the member will retain that lower age-at-entry if the member leaves his or her contributions on deposit with the reciprocal system. If a member withdraws contributions from a prior reciprocal system, the member's prospective contributions to ACERA will be based on age at entry into ACERA, as of the date of the withdrawal from the other system.

- F. **Failure to Retire Concurrently When Eligible.** If a member is eligible to retire concurrently from ACERA and a reciprocal system but fails to do so, the member will lose the rights to (a) rely on pay under a that reciprocal system when calculating the member's ACERA "final compensation" (Gov't Code § 31835), and (b) rely on service credit under that reciprocal system for benefit eligibility purposes (Gov't Code § 31836). Failure to retire concurrently has no impact on the member's age-at-entry for the purposes of member contributions (Gov't Code § 31833).
- G. **Not Eligible to Retire Concurrently.** Under Gov't Code § 31835.1, if a retiring member is not eligible to retire from a reciprocal system, the member may take advantage of Gov't Code § 31835 and Gov't Code § 31836 without retiring concurrently from the reciprocal system. The Board finds the Legislature did not intend to deprive Safety or PEPRA members of the benefits of Gov't Code § 31835.1, and that section's reference to "eligible to retire at age 50 pursuant to Section 31672" was not intended to limit the application of Gov't Code § 31835.1's to pre-PEPRA General members. For the purposes of Gov't Code § 31835.1, to be eligible to retire from a reciprocal system, the member must be able to receive a lifetime retirement allowance. For example, a member of the JRSII may take advantage of Gov't Code § 31835.1, if the member is eligible to receive only an "early retirement" comprised of the judge's "monetary credits" per Gov't Code § 75521(b).
- H. **Disability Retirements.**
1. **Eligibility.** If a member is granted a disability retirement by a reciprocal system, the member is automatically entitled to a disability retirement from ACERA, which will be calculated under Gov't Code §§ 31837 and 31838, as applicable, subject to the Anti-Windfall Rule below. The member need not proceed through ACERA's Disability Retirement Procedures and the member's disability retirement will be placed on the Board's Consent Calendar.
  2. **Service Retirement Option.** If a reciprocal system retires a member for disability and the member determines that a service retirement from ACERA is more advantageous than a disability retirement from ACERA, the member may retire for service from ACERA (if eligible), subject to the Anti-Windfall Rule below.
  3. **Anti-Windfall Rule.** If a member receives a disability retirement allowance from ACERA and/or a reciprocal system and ever receives any reciprocal benefits from ACERA and/or a reciprocal system, ACERA will apply Gov't Code § 31838.5 to ensure that the member does not receive more in total allowance payments than the member could have received if all service had been under one system. ACERA will



apply this rule to all amounts-allowances it pays a member, whether ~~those amounts are paid as afor~~ service retirement ~~allowanceor;~~ a disability retirement ~~allowance or a refund of the member's accumulated contributions~~. If the reciprocal retirement system does not apply Gov't Code § 31838.5, ACERA will reduce the member's ACERA allowance by as much as necessary to prevent the member from receiving more in total allowance payments than the member could have received if all service had been under one system. A member who is granted a disability retirement from a subsequent reciprocal system and will have an ACERA allowance that is subject to Gov't Code § 31838.5 may elect to withdraw his or her ACERA member account. ~~This can result in ACERA owing no amount to a member—not even the member's accumulated contributions.~~

- I. **Death Benefits.** A member who defers retirement from ACERA, establishes reciprocity with a reciprocal system and dies while in service under that reciprocal system is subject to Gov't Code §§ 31839 and 31840. If either system pays a death benefit that is based on a disability retirement formula, the death benefit ACERA pays is subject to the Anti-Windfall Rule described above.
- J. **No Withdrawal.** Per Gov't Code § 31831, after a member leaves their accumulated contributions on deposit with ACERA and establishes reciprocity with a reciprocal system, the member may not withdraw their accumulated contributions from ACERA while a member (active, deferred or retired) of the reciprocal system, except per Section III(H)(3) above. Such a member may withdraw accumulate member contributions from ACERA only if they withdraw their accumulated contributions from the reciprocal system.

#### IV. Policy Modifications

This Policy will be reviewed by the Operations Committee at least every three years. The Committee will make recommendations to the Board concerning any improvements or modifications it deems necessary.

#### V. Policy History

- A. The Board adopted this Policy on December 15, 2022.



**CONSENT CALENDAR ITEM**

**August 2, 2023  
Retirees Committee Minutes  
For approval under August 17, 2023  
Board “Consent Calendar”**



**MINUTES OF AUGUST 2, 2023 RETIREES COMMITTEE MEETING**

To: Members of the Retirees Committee

From: Elizabeth Rogers, Chair

**Subject: Summary of the August 2, 2023 Retirees Committee Meeting**

Committee Chair Elizabeth Rogers called the August 2, 2023 Committee meeting to order at 11:57 a.m.

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

Committee members present were Elizabeth Rogers, Henry Levy, Ophelia Basgal, and Kellie Simon. Also present were Cynthia Baron, Kevin Bryant, Ross Clippinger, Jaime Godfrey, and George Wood.

Staff present were Carlos Barrios, Assistant Chief Executive Officer; Sandra Dueñas-Cuevas, Benefits Manager; Mike Fara, Communications Manager; Jessica Huffman, Benefits Manager; Vijay Jagar, Chief Technology Officer; Lisa Johnson, Assistant Chief Executive Officer; David Nelsen, Chief Executive Officer; Jeff Rieger, Chief Counsel, and Betty Tse, Chief Investment Officer.

**PUBLIC INPUT**

None.

**INFORMATION ITEMS**

Chair Rogers moved the following information item to the top of the agenda at the request of Staff to provide for more complete background before considering the action items:

**1. Report on Dental and Vision Plans Renewal Information and Dental Plan Enhancements for 2024**

Staff and Segal provided information on the ACERA-sponsored dental plans premiums, and estimated cost information for enhancements to the dental plan benefits in consideration for Plan Year 2024 renewals.

## **ACTION ITEMS**

### **1. Approval of Enhancement to Dental PPO Plan for 2024**

Staff and Segal provided information on increasing the annual benefit maximum at various benefit levels for the Delta Dental PPO plan for 2024. Staff recommended increasing the annual benefit maximum from \$1,300 to \$1,900, which will result in a 0.4% premium decrease over the current rate.

It was moved by Ophelia Basgal and seconded by Ross Clippinger that the Committee recommend to the Board of Retirement a motion to approve increasing the Delta Dental PPO plan annual benefit maximum from \$1,300 to \$1,900 for Plan Year 2024.

The motion carried 7 yes (*Basgal, Clippinger, Godfrey, Levy, Rogers, Simon, Wood*), 0 no, 0 abstentions.

### **2. Adoption of Dental Plan Contributions for 2024**

Staff and Segal reported that the final 2024 renewal rates for the PPO dental plan were received from Delta Dental after the meeting packet was distributed. Therefore, the recommendation regarding the monthly premium reflects the final rate of \$51.05, including the recommended benefit enhancement for the PPO plan, which is a decrease of 0.4% over the current 2023 rate. There is no change in the 2024 DeltaCare USA monthly premiums from the current rate.

It was moved by Jaime Godfrey and seconded by Ophelia Basgal that the Committee recommend to the Board of Retirement a motion to continue the dental plan contributions for Plan Year 2024 based on the final premium rate, which provides a monthly subsidy equal to the single-party dental plan coverage premium of \$51.05 for the PPO plan and \$22.18 for the DeltaCare USA plan for retirees who are receiving ACERA allowances with ten or more years of ACERA service, are service connected disability retirees, or are non-service connected disability retirees as of January 31, 2014. This is a non-vested benefit funded by contributions from the 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 7 yes (*Basgal, Clippinger, Godfrey, Levy, Rogers, Simon, Wood*), 0 no, 0 abstentions.

### **3. Adoption of Vision Plan Contributions for 2024**

Staff and Segal reported that there is no change in the 2024 renewal rates for the vision plans, and the monthly single retiree premium rate remains at \$4.63.

It was moved by Ross Clippinger and seconded by Jaime Godfrey that the Committee recommend to the Board of Retirement a motion to continue the vision plan contributions

for Plan Year 2024, which provides a monthly subsidy equal to the single-party vision plan coverage premium of \$4.63 for retirees who are receiving ACERA allowances with ten or more years of ACERA service, are service connected disability retirees, or are non-service connected disability retirees as of January 31, 2014. This is a non-vested benefit funded by contributions from the 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 7 yes (*Basgal, Clippinger, Godfrey, Levy, Rogers, Simon, Wood*), 0 no, 0 abstentions.

#### **4. Review of Possible Procedures to Help Members Maximize the Death Benefits Paid to Their Designated Beneficiaries**

Staff presented information based on Trustees' direction last year to investigate alternatives to the discontinued Active Death Equity Benefit (ADEB) to help active members maximize benefits for their beneficiaries. There was discussion regarding an alternative method that has been used by the Contra Costa County Employees' Retirement Association (CCCERA) for many years. A special notice was sent to the participating employers advising them that this topic would be discussed at the August 2, 2023 Retirees Committee meeting. That notice also provided the estimated impact to the annual employer and employee contribution rates, per a cost study prepared by ACERA's actuary, Segal. The employers were invited to attend this meeting to provide their comments.

Trustees directed Staff to prepare a proposed policy to implement a program similar to CCCERA's, but which also addresses the gap for those members who may not satisfy the "real and measurable" requirement under the CCCERA program. Staff will bring back a proposed policy for review at the October 2023 Retirees Committee meeting.

### **INFORMATION ITEMS.**

#### **2. Semi-Annual Report on ACERA's Wellness Program**

Staff provided a report on ACERA's 2023 virtual wellness offerings, wellness website posts and email campaigns, email campaign performance, wellness section in the annual retirement enrollment guide, and the upcoming virtual health and wellness fair to be held on October 26<sup>th</sup>.

In response to Trustee Basgal's question regarding the Kaiser Permanente Senior Advantage Medicare plan Silver&Fit program, Staff responded that Kaiser provided initial participation information, but was not able to track the information on a long term basis. Staff stated that a survey regarding the Silver&Fit program was conducted, and the results of the survey were provided to the Committee last year. Staff will check with Kaiser to find out if there has been any changes so that additional utilization information can be provided. Trustee Basgal recommended that Staff conduct another survey to determine the level of participation in the Silver&Fit program.

**TRUSTEE REMARKS**

In response to Trustee Levy's question, Staff confirmed that the September Investment Committee meeting was cancelled, and will ensure that a meeting cancellation will be sent to remove this meeting from the calendar.

**FUTURE DISCUSSION ITEMS**

- Presentation and Acceptance of SRBR Funding Report/Valuation
- SRBR Policy Update

**ESTABLISHMENT OF NEXT MEETING DATE**

The next meeting is scheduled for October 4, 2023 at 9:30 a.m.

**MEETING ADJOURNED**

The meeting adjourned at 12:53 p.m.

**CONSENT CALENDAR ITEM**

**July 20, 2023**

**Governance Committee Minutes  
For approval under August 17, 2023  
Board “Consent Calendar”**



**MINUTES OF THE JULY 20, 2023 GOVERNANCE COMMITTEE MEETING**

To: Members of the Board of Retirement

From: George Wood, Governance Committee Chair

Committee Chair, George Wood, called the meeting to order at 12:33 p.m. Committee Members present were George Wood, Kellie Simon, Ross Clippinger, and Tarrell Gamble. Other Board members present were Jaime Godfrey, Elizabeth Rogers, and Kevin Bryant.

Senior staff present were Carlos Barrios, Assistant CEO; Harsh Jadhav, Chief of Internal Audit; David H. Nelsen, CEO; Jeff Rieger, Chief Counsel; Betty Tse, Chief Investment Officer.

**ACTION ITEMS**

**1. Review of the *Service Provider Policy***

Chief Counsel Jeff Rieger presented the *Service Provider Policy* and explained that staff was recommending that the Board affirm the Policy without revisions. A motion was made by Trustee Rogers and seconded by Trustee Clippinger that the Governance Committee recommend to the Board of Retirement that the Service Provider Policy continues to be necessary and appropriate and the Board affirm the Service Provider Policy without revisions. The motion was approved by a vote of 6 in favor (Clippinger, Gamble, Godfrey, Rogers, Simon, Wood), 0 against, 0 abstaining.

**2. Review of the *Board Communications Policy*.**

Chief Counsel Jeff Rieger presented the *Board Communications Policy* and explained that staff was recommending that the Board affirm the Policy without revisions. A motion was made by Trustee Gamble and seconded by Trustee Rogers that the Governance Committee recommend to the Board of Retirement that the Board Communications Policy continues to be necessary and appropriate and the Board affirm the Board Communications Policy without revisions. The motion was approved by a vote of 6 in favor (Clippinger, Gamble, Godfrey, Rogers, Simon, Wood), 0 against, 0 abstaining.

**3. Review of the *Conflict of Interest Policy*.**

Chief Counsel Jeff Rieger presented the *Conflict of Interest Policy*, spoke about the possible revisions regarding "behested payments" and answered questions. A motion was made by Trustee Rogers and seconded by Trustee Simon that the Governance Committee recommend to the Board of Retirement that the Board delete the language that was stricken in the redline included in the agenda backup and make no other changes. The motion was approved by a vote of 4 in favor (Clippinger, Rogers, Simon, Wood), 1 against (Gamble), 1 (Godfrey) abstaining.

**4. Review of the *Membership Policy*.**

Chief Counsel Jeff Rieger presented the *Membership Policy*, spoke about the recommended revisions and answered questions. Representatives for LARPD also spoke during this agenda item. A motion was made by Trustee Rogers and seconded by Trustee Simon that the Governance Committee recommend to the Board of Retirement that the Board make the revisions to the Membership Policy shown on the redline included with the agenda packet. The motion was approved by a vote of 5 in favor (Clippinger, Godfrey, Rogers, Simon, Wood), 0 against, 1 (Gamble) abstaining.

**INFORMATION ITEMS**

None

**TRUSTEE/ PUBLIC INPUT**

Chair Wood would like for ACERA to post the Brown Act on ACERA's website.

Chair Wood stated that his vote on Action Item 3 was based on the discussion during the meeting that helped clarify the intent of the “behested payments” terms of the Policy.

**ESTABLISHMENT OF NEXT MEETING DATE**

Fall 2023

**ADJOURNMENT**

The meeting adjourned at 1:41 p.m.



**CONSENT CALENDAR ITEM**

**Quarterly Report on Member  
Underpayments and Overpayments**



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MEMORANDUM TO THE BOARD OF RETIREMENT

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DATE: August 17, 2023

TO: Members of the Board of Retirement

FROM: Jessica Huffman, Retirement Benefits Manager 

SUBJECT: **Quarterly Report on Member Underpayments and Overpayments**

Attached are the quarterly reports regarding member contributions and overpayments of retirement allowance due to death for the most current six-month period. The report regarding staff errors contains the cases initially presented that have not yet been resolved, along with recently discovered errors. The information below provides more specifics in each of these categories.

Overpayments of Retirement Allowance Due to Death

This report provides any payments (including HRA (Health Reimbursement Arrangements) payments) made after the death of a retiree. In instances where a death is not reported timely, an overpayment occurs. For the six-month reporting period October 2, 2022 through March 18, 2023, 170 deaths occurred. There are seven overpayments due to unreported deaths to report at this time. Staff is actively attempting to collect on these overpayments.

Staff Errors

There are no staff errors to report.

Overpayments and Underpayments of Member Contributions

This report, which is for the period October 2, 2022 through March 18, 2023, shows discrepancies in member contribution amounts resulting in an underpayment or overpayment above the \$50 threshold, average time to resolve, and an explanation of the error type. For this reporting period, staff identified seven members who underpaid their mandatory employee contributions and no members who overpaid their mandatory employee contributions. Staff reviewed and resolved each of the seven cases of incorrect payment. There were a total of 3,000 exceptions from all Participating Employers. The most common exception type was underpayments due to the Employers withholding retirement contributions based on the incorrect salary.

Attachments

## Overpayments of Retirement Allowance Due to Unreported Death October 2, 2022 thru March 18, 2023

| Benefit Type         | Date of Death | Date ACERA Notified of Death | Last Check Issued | Net Receivable Owed | Staff's Comment  |
|----------------------|---------------|------------------------------|-------------------|---------------------|--|
| Health Reimbursement | 8/6/2022      | 9/16/2022                    | 10/13/2022        | \$626.00            | Via Benefits reimbursed a claim reimbursement prior to receiving notification of member's death. Four unsuccessful attempts have been made to collect the overpayment form the family. Staff will continue to attempt collection of overpayment.       |
| Health Reimbursement | 9/5/2022      | 9/29/2022                    | 10/6/2022         | \$313.41            | Via Benefits reimbursed a claim reimbursement prior to receiving notification of member's death. Four unsuccessful attempts have been made to collect the overpayment form the family. Staff will continue to attempt collection of overpayment.       |
| Service Retirement   | 11/24/2022    | 11/29/2022                   | 11/30/2022        | \$10,341.62         | Staff initiated a reversal request with Wells Fargo but was unsuccessful at collecting. Three unsuccessful attempts have been made to collect the overpayment from the family. Staff will continue to attempt collection of overpayment.               |
| Service Retirement   | 4/4/2022      | 12/6/2022                    | 11/30/2022        | \$15,753.84         | Staff initiated an ACH Letter of Indemnity request with Wells Fargo but was unsuccessful at collecting. Two unsuccessful attempts have been made to collect the overpayment from the family. Staff will continue to attempt collection of overpayment. |
| Continuance          | 11/20/2022    | 1/9/2023                     | 12/30/2022        | \$4,574.74          | Staff initiated a reclaim request with JPMorgan but was unsuccessful at collecting. Two unsuccessful attempts have been made to collect the overpayment from the family. Staff will continue to attempt collection of overpayment.                     |
| Service Retirement   | 12/23/2022    | 1/12/2023                    | 12/30/2022        | \$2,433.91          | Staff initiated a reclaim request with JPMorgan but was unsuccessful at collecting. Two unsuccessful attempts have been made to collect the overpayment from the family. Staff will continue to attempt collection of overpayment.                     |

| Benefit Type            | Date of Death | Date ACERA Notified of Death | Last Check Issued | Net Receivable Owed | Staff's Comment  |
|-------------------------|---------------|------------------------------|-------------------|---------------------|--|
| Continuance             | 12/25/2022    | 1/18/2023                    | 12/30/2022        | \$2,609.88          | Staff initiated a reclaim request with JPMorgan but was unsuccessful at collecting. Two unsuccessful attempts have been made to collect the overpayment from the family. Staff will continue to attempt collection of overpayment. |
| <b>Total Receivable</b> |               |                              |                   | <b>\$36,653.40</b>  |  |

**Active Members - Overpayments and Underpayments of Member Contributions  
October 2, 2022 thru March 18, 2023**

| <b>Alameda County</b> |  |                                      |                       |                                  |              |
|-----------------------|--|--------------------------------------|-----------------------|----------------------------------|--------------|
|                       | <b>Amount</b>  | <b>Date Discovered/<br/>Received</b> | <b>Date Completed</b> | <b># of days to<br/>complete</b> | <b>Cause</b> |
| <b>Overpayments:</b>  | <b>No Overpayments to Report</b>   |                                      |                       |                                  |              |
| <b>Underpayments:</b> | <b>No Underpayments to Report</b>  |                                      |                       |                                  |              |
| <b>Summary</b>        | <b>Most Common Exception Type: N/A</b><br><b>Total Exceptions: 1,644</b><br><b>% Above Exceptions of Total Exceptions: 0.00%</b> |                                      |                       |                                  |              |

| <b>Alameda County Housing Authority</b> |  |                                      |                       |                                  |  |
|---|--|--------------------------------------|-----------------------|----------------------------------|--|
|   | <b>Amount</b>  | <b>Date Discovered/<br/>Received</b> | <b>Date Completed</b> | <b># of days to<br/>complete</b> | <b>Cause</b>   |
| <b>Overpayments:</b>                    | <b>No Overpayments to Report</b>   |                                      |                       |                                  |  |
| <b>Underpayments:<br/>1</b>             | 47.92  | 12/15/2022                           | 12/15/2022            | 1                                | Employer Withheld Contribution Based at Incorrect Salary |
| <b>Summary</b>                          | <b>Most Common Exception Type: Employer Withheld Contribution Based at Incorrect Salary</b><br><b>Total Exceptions: 61</b><br><b>% Above Exceptions of Total Exceptions: 1.64%</b> |                                      |                       |                                  |  |

Overpayments and Underpayments of Member Contributions – Continued

| Alameda Health Systems      |   |                          |                |                       |  |
|-----------------------------|---|--------------------------|----------------|-----------------------|--|
|                             | Amount  | Date Discovered/Received | Date Completed | # of days to complete | Cause  |
| <b>Overpayments:</b>        | <b>No Overpayments to Report</b>  |                          |                |                       |  |
| <b>Underpayments:<br/>1</b> | \$403.85  | 11/3/2022                | 11/3/2022      | 1                     | Employer Withheld Contribution Based at Incorrect Salary |
| <b>Underpayments:<br/>2</b> | \$49.77   | 12/15/2022               | 12/15/2022     | 1                     | Employer Withheld Contribution Based at Incorrect Salary |
| <b>Underpayments:<br/>3</b> | \$115.53  | 2/3/2023                 | 2/3/2023       | 1                     | Employer Withheld Contribution Based at Incorrect Salary |
| <b>Underpayments:<br/>4</b> | \$68.12   | 2/24/2023                | 2/24/2023      | 1                     | Employer Withheld Contribution Based at Incorrect Salary |
| <b>Underpayments:<br/>5</b> | \$261.11  | 3/9/2023                 | 3/9/2023       | 1                     | Employer Withheld Contribution Based at Incorrect Salary |
| <b>Underpayments:<br/>6</b> | \$258.55  | 3/23/2023                | 3/23/2023      | 1                     | Employer Withheld Contribution Based at Incorrect Salary |
| <b>Summary</b>              | <b>Most Common Exception Type: Employer Withheld Contribution Based at Incorrect Salary</b><br><b>Total Exceptions: 925</b><br><b>% Above Exceptions of Total Exceptions: 0.65%</b> |                          |                |                       |  |

| First 5 Alameda County |   |                          |                |                       |       |
|------------------------|---|--------------------------|----------------|-----------------------|-------|
|                        | Amount  | Date Discovered/Received | Date Completed | # of days to complete | Cause |
| <b>Overpayments:</b>   | <b>No Overpayments to Report</b>  |                          |                |                       |       |
| <b>Underpayments:</b>  | <b>No Underpayments to Report</b>   |                          |                |                       |       |
| <b>Summary</b>         | <b>Most Common Exception Type: N/A</b><br><b>Total Exceptions: 31</b><br><b>% Above Exceptions of Total Exceptions: 0.00%</b> |                          |                |                       |       |

| Livermore Area Recreation and Park District |   |                              |                   |                          |       |
|---|---|------------------------------|-------------------|--------------------------|-------|
|   | Amount  | Date Discovered/<br>Received | Date<br>Completed | # of days to<br>complete | Cause |
| Overpayments:                               | No Overpayments to Report   |                              |                   |                          |       |
| Underpayments:                              | No Underpayments to Report  |                              |                   |                          |       |
| Summary                                     | Most Common Exception Type: N/A<br>Total Exceptions: 1<br>% Above Exceptions of Total Exceptions: 0.00% |                              |                   |                          |       |

| Alameda Superior Courts |   |                              |                   |                          |       |
|-------------------------|---|------------------------------|-------------------|--------------------------|-------|
|                         | Amount  | Date Discovered/<br>Received | Date<br>Completed | # of days to<br>complete | Cause |
| Overpayments:           | No Overpayments to Report   |                              |                   |                          |       |
| Underpayments:          | No Underpayments to Report  |                              |                   |                          |       |
| Summary                 | Most Common Exception Type: N/A<br>Total Exceptions: 338<br>% Above Exceptions of Total Exceptions: 0.00% |                              |                   |                          |       |

**CONSENT CALENDAR ITEM**

**2<sup>nd</sup> Quarter Call Center Report**






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MEMORANDUM TO THE BOARD OF RETIREMENT

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DATE: August 17, 2023  
TO: Members of the Board of Retirement  
FROM: Ismael Piña, Assistant Benefits Manager   
SUBJECT: **2<sup>nd</sup> Quarter 2023 Call Center Report**

Attached is the Service Level Report for the 2nd quarter of 2023. Our service levels exceeded our benchmark this past quarter. The team handled a total of 3,860 incoming calls this past quarter, 98.61% of which were answered within 60 seconds. The team also responded to a total of 62 member voicemails within 1 business day or less.

The matrix below provides the five highest call volume categories for Q1 2023 and Q2 2023.

| Q1 2023 Highest Volume | Categories of Calls                                  | Q2 2023 Highest Volume | Categories of Calls                                  |
|------------------------|--|------------------------|--|
| 27%                    | Retiree Payroll Change Requests                      | 34%                    | Retiree Payroll Change Requests                      |
| 31%                    | Retirement/Membership/ Job Status Change Related Q's | 31%                    | Retirement/Membership/ Job Status Change Related Q's |
| 20%                    | Health/Dental/ Vision related Q's                    | 18%                    | Health/Dental/ Vision related Q's                    |
| 17%                    | Award Letter/EFT Statement/1099R Requests            | 11%                    | Award Letter/EFT Statement/1099R Requests            |
| 5%                     | Service Purchase/Retirement Estimate Requests        | 6%                     | Service Purchase/Retirement Estimate Requests        |

Attachment

**ACERA**

**YTD 2023 Member Services Service Level Report**

| <b>Performance Indicators</b>   | <b>January 2023<br/>Member Services</b> | <b>February 2023<br/>Member Services</b> | <b>March 2023<br/>Member Services</b> | <b>April 2023<br/>Member Services</b> | <b>May 2023<br/>Member Services</b> | <b>June 2023<br/>Member Services</b> |
|---|---|--|---------------------------------------|---------------------------------------|-------------------------------------|--------------------------------------|
| <b>KPI - Service Level</b><br>(% of calls answered within 60 seconds) | <b>90.37%</b>                           | <b>94.74%</b>                            | <b>97.37%</b>                         | <b>98.03%</b>                         | <b>98.98%</b>                       | <b>98.81%</b>                        |
| <b>Total Number of Call Offered</b>                                   | <b>1524</b>                             | <b>1418</b>                              | <b>1823</b>                           | <b>1342</b>                           | <b>1293</b>                         | <b>1275</b>                          |
| <b>Call Center Agent Handled Calls</b>                                | <b>1496</b>                             | <b>1406</b>                              | <b>1790</b>                           | <b>1323</b>                           | <b>1279</b>                         | <b>1258</b>                          |
| <b>Number of Abandoned Calls</b>                                      | <b>28</b>                               | <b>12</b>                                | <b>33</b>                             | <b>19</b>                             | <b>14</b>                           | <b>17</b>                            |
| <b>Average Hold Time Before Abandoned</b><br>(minutes:seconds)        | <b>03:27</b>                            | <b>00:47</b>                             | <b>00:15</b>                          | <b>00:15</b>                          | <b>00:17</b>                        | <b>00:10</b>                         |
| <b>Abandoned Call Rate</b><br>(Goal: 3% or less)                      | <b>1.84%</b>                            | <b>0.85%</b>                             | <b>1.81%</b>                          | <b>1.42%</b>                          | <b>1.08%</b>                        | <b>1.33%</b>                         |
| <b>Average Talk Time</b><br>(minutes:seconds)                         | <b>04:35</b>                            | <b>04:42</b>                             | <b>04:29</b>                          | <b>04:27</b>                          | <b>04:22</b>                        | <b>04:23</b>                         |

| <b>Performance Indicators</b>   | <b>July 2023<br/>Member Services</b> | <b>August 2023<br/>Member Services</b> | <b>September 2023<br/>Member Services</b> | <b>October 2023<br/>Member Services</b> | <b>November 2023<br/>Member Services</b> | <b>December 2023<br/>Member Services</b> |
|---|--------------------------------------|--|---|---|--|--|
| <b>KPI - Service Level</b><br>(% of calls answered within 60 seconds) | <b>0.00%</b>                         | <b>0.00%</b>                           | <b>0.00%</b>                              | <b>0.00%</b>                            | <b>0.00%</b>                             | <b>0.00%</b>                             |
| <b>Total Number of Call Offered</b>                                   | <b>0</b>                             | <b>0</b>                               | <b>0</b>                                  | <b>0</b>                                | <b>0</b>                                 | <b>0</b>                                 |
| <b>Call Center Agent Handled Calls</b>                                | <b>0</b>                             | <b>0</b>                               | <b>0</b>                                  | <b>0</b>                                | <b>0</b>                                 | <b>0</b>                                 |
| <b>Number of Abandoned Calls</b>                                      | <b>0</b>                             | <b>0</b>                               | <b>0</b>                                  | <b>0</b>                                | <b>0</b>                                 | <b>0</b>                                 |
| <b>Average Hold Time Before Abandoned</b><br>(minutes:seconds)        | <b>0:00</b>                          | <b>0:00</b>                            | <b>0:00</b>                               | <b>0:00</b>                             | <b>0:00</b>                              | <b>0:00</b>                              |
| <b>Abandoned Call Rate</b><br>(Goal: 3% or less)                      | <b>#DIV/0!</b>                       | <b>#DIV/0!</b>                         | <b>#DIV/0!</b>                            | <b>#DIV/0!</b>                          | <b>#DIV/0!</b>                           | <b>#DIV/0!</b>                           |
| <b>Average Talk Time</b><br>(minutes:seconds)                         | <b>0:00</b>                          | <b>0:00</b>                            | <b>0:00</b>                               | <b>0:00</b>                             | <b>0:00</b>                              | <b>0:00</b>                              |

**YTD 2023**  
**8552**

**Total Call Center Agent Handled Calls**

## **NEW BUSINESS**

- 7.A. Discussion and possible motion to approve Trustee Keith Carson's request to travel outside of the United States to:**
- 1) Singapore, Asia to attend the Milken Asia Summit; and**
  - 2) Den Haag, Netherlands to attend the Pension & Investments World Pension Summit, per Section III.F (Page 3) of the Board Travel Policy.**



*Office of the Chief Executive Officer  
Office of Administration*

DATE: August 17, 2023  
TO: Members of the Board of Retirement  
FROM: Dave Nelsen, Chief Executive Officer *DN*  
**SUBJECT: Request to Travel Outside of the United States**

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In accordance with Section III.F (Page 3) of the *Board Travel Policy*, Trustees requesting travel outside of the United States are required to obtain the Board's approval [**See** Enclosure 1.].

Trustee Keith Carson is requesting the Board's approval to travel outside of the United States to:

1. Milken Institute in Singapore, Asia to attend the Milken Asia Summit on September 13 through September 15, 2023. Trustee Carson has received a complimentary pass to this event; and
2. Louwman Museum in Den Haag, Netherlands to attend the Pension & Investments World Pension Summit on October 10 through October 12, 2023.

The Milken Asia Summit is celebrating a decade defined by greater access to capital, deeper digitalization, health innovation, and the rise of connected, purposeful living [**See** Enclosure 2.]

The World Pension Summit is a global platform 'for and by' pension professionals [**See** Enclosure 3.]

To date, the Board has not voted per this requirement of the *Policy*. No other Trustee has requested authorization for foreign travel. One Trustee attended an event overseas without prior Board approval but no ACERA reimbursement was made for any expenses.

**Recommendation**

That the Board consider Trustee Keith Carson's request to travel outside of the United States to attend both the Milken Asia Summit and the Pension & Investments World Pension Summit.

Enclosure: 1) *Board Travel Policy*  
2) Milken Asia Summit Brochure  
3) World Pension Summit Agenda

**ENCLOSURE 1**



# *Board Travel Policy*

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## I. Purpose

- A. To encourage ACERA Board and Alternate Trustees (“Trustees”) to pursue educational and business related initiatives that will assist the Trustees in meeting their fiduciary duties to administer the pension plan;
- B. To facilitate Trustees’ participation in such activities;
- C. To ensure that expenditures incurred from travel or business related activities are prudent and cost-effective, and to mitigate the risk of improprieties arising from these activities.

## II. Assumptions

The Travel Policy rests on the following important assumptions:

- A. Prudent oversight of a public sector pension plan requires that Trustees travel to business meetings and educational conferences or seminars held in or outside of the State of California. Travel and related costs incurred in doing so not only represent legitimate expenses of the plan, but are a sound investment in the ongoing success of the organization in meeting the needs of the membership.
- B. Any expenditures relating to travel by ACERA Trustees and reimbursement of travel related expenses by the plan must comply with the Board’s fiduciary obligations to plan members and beneficiaries.
- C. Trustees shall disclose all expenditures and expenses for which they seek reimbursement on claim reimbursement form.

## III. Policy Guidelines

- 
- A. ACERA Trustees are authorized to incur reasonable expenses necessary to fulfill their fiduciary or operational duties pursuant to the Trustee Education Policy, subject to the guidelines contained herein and consistent with ACERA's Conflict of Interest Policy. ACERA shall reimburse Trustees for business and travel related expenses consistent with this Travel Policy.
- B. Trustees shall ensure that all business and travel related expenses are reasonable using ACERA specific business-related expense guidelines attached as Exhibit A.
- C. Each Trustee is allotted \$16,906 for the calendar year effective January 1, 2023. The allotment for each Trustee shall automatically increase by the Consumer Price Index (CPI) for the greater San Francisco area effective January 1 of each year, subject to budgetary constraints. Staff will automatically update the Policy to reflect the new allotment and will notify the Committee of the new amount each year.
- D. Excluded from the allotted annual amount are the following educational opportunities which provide unique, high level learning opportunities for Trustees which are more expensive than typical training opportunities and in which Trustees are unlikely to participate every year:
1. Half of the total expenditures of the Milken Global Institute conference. The total expenditures include conference fee, airfare, accommodation and other travel costs.
  2. For first time Trustees, the Wharton Portfolio Concepts and Management and CALAPRS Principles of Pension Management or comparable Wharton and CALAPRS Programs.
  3. The advanced Wharton and CALAPRS pension management trainings may be taken by each Trustee once every three years.
- E. Should a Trustee desire to incur business and travel-related expenses which exceed the annual allotment, the Trustee must receive approval from the Board before incurring the expense. Special consideration will be given to requests by New Trustees, who are encouraged to attend educational seminars to obtain sufficient knowledge to better prepare them to execute their fiduciary responsibilities and govern the system.

- F. In light of ACERA's asset allocation to international investments, the Board may authorize travel outside the US if such a travel request is deemed to be consistent with all of the provisions in this Policy and the Conflict of Interest Policy. The Trustee shall seek approval for travel outside the US from the Board.
- G. Trustees agree to make every attempt to attend any programs for which they have signed up to avoid the loss of travel and related expenses incurred by ACERA.
- H. Reservations for airline tickets and hotel accommodations may be made through the office of the CEO.
- I. When traveling by air Trustees may extend their trip if it will result in no additional cost or a net savings to ACERA.
- J. Staff will provide each Trustee with a monthly statement listing the individual Trustee's travel and business related expenditures to date.
- K. Staff will provide the Operations Committee with a quarterly report identifying expenditures and the educational conferences that each Trustee has attended to date.

#### IV. Policy Review

The Operations Committee will review this policy every three (3) years to ensure that it remains relevant and appropriate. The Committee shall make recommendations to the Board concerning any improvements or modifications it deems necessary.

#### V. Policy History

The Board reviewed and affirmed this policy, with revisions, on November 21, 2019<sup>1</sup>.

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<sup>1</sup> The Board adopted the Board Travel Policy (then named the Travel Policy) on September 16, 1999. The Board reviewed and affirmed, with revisions, on September 20, 2001; May 19, 2005; May 18, 2006; November 9, 2006; October 18, 2007; November 19, 2009; March 18, 2010; January 20, 2011; November 8, 2012; September 19, 2013; October 16, 2014; November 12, 2015; June 22, 2017; February 15, 2018. The Board reviewed and affirmed, without revisions, on November 9, 2011 and affirmed with revisions on February 15, 2018 and on November 21, 2019.





# *Board Travel Policy, Exhibit A Specific Travel Guidelines for Trustees*

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## I. Purpose

These guidelines summarize the procedures for authorization and reimbursement of business and travel-related expenses for Trustees.

- A. The governing principle for business and travel-related expense reimbursement is that Trustees should neither profit nor suffer monetarily as a result of acquiring education and/or conducting ACERA business.
- B. Business and travel-related expenses include costs directly paid by ACERA to either an outside vendor for transportation, lodging, and related expenses, or to Trustees for reimbursement of incidental travel costs such as meals, tips, and baggage costs, incurred during the course of acquiring Trustee education or conducting ACERA business.
- C. ACERA will neither pay for nor reimburse a Trustee for business or travel-related expenses that have been or will be paid for or reimbursed from any outside sources.
- D. Trustees are expected to follow this Board Travel Policy in a manner that minimizes expenses and fairly assigns the costs of business-related activities to ACERA.

## II. Reimbursement Request Responsibility And Requirements

- A. Trustees are required to comply with the Board Travel Policy. The Trustee requesting reimbursement or incurring the expense is responsible for ensuring all the following:
  - 1. The travel and other expenses are directly related to an approved education or business matter;
  - 2. Mileage and other reimbursement calculations are accurate; and

3. Proper business justification and supporting documentation have been provided to ACERA for processing the expense.

B. Trustees must account for all business and travel-related expenses.

1. Substantiation of the expense requires the original receipts (a photo copy of the original receipt is acceptable), printed confirmation of itinerary or order confirmation if purchased on the internet, and an adequate record of each expense indicating the provider of service or product, amount, date, and location of expense.
2. Submit reimbursement within 45 days of completion of travel or the date the expense was incurred. Exceptions to the 45-day timeframe will be made for extenuating circumstance (e.g., illness, emergency, or unforeseen absence).

C. The CEO or designee is responsible for approving a Trustee's request for reimbursement by verifying the following:

1. Expenses were related to an approved business matter;
2. Expenses are documented as required and that the Board Travel Policy has been applied;
3. Expense reports or other requests for reimbursement are mathematically accurate; and
4. The applicability of any exceptions.

III. General Expense Provisions

- A. ACERA will reimburse tips or gratuities for travel and business services such as meals, baggage handling and storage, ground transportation and hotel services. Reasonable and customary tips for meals are 15-18% of the bill. Tips for other services will be in amounts that are reasonable and customary for the service rendered.
- B. ACERA will not provide, pay for, or make reimbursements for the travel-related expenses of companions or spouses who accompany a Trustee on ACERA business.

- C. ACERA will not reimburse or pay for personal items or services unrelated to a valid business or educational purpose.
- D. At no time, and under no circumstances, stated or unstated in this Board Travel Policy, will ACERA reimburse or pay for alcoholic beverages.

#### IV. Automobile, Shuttle, Taxi and Alternative Transportation

##### A. Generally,

- 1. Trustees will select a reasonable and cost effective means of transportation such as personally owned vehicles, rental cars, taxis, shared economy options (e.g., Uber or Lyft), Bay Area Regional Transit (BART), Alameda County (AC) Transit and other forms of public transportation.
- 2. Trustees shall maintain receipts to obtain reimbursements. Fees for transportation, parking and tolls are all reimbursable.
- 3. ACERA will not reimburse for parking tickets, fines for moving violations, vehicle towing charges, or auto repairs and maintenance.

##### B. Personally Owned Automobiles (POV)

- 1. Trustees may only use their POV for ACERA business if they are in possession of both a valid driver's license and maintain current comprehensive auto insurance, including liability limits that match those carried by ACERA's vehicle insurance policy. If not, the Trustee is not authorized to drive for ACERA business travel.
- 2. Trustees may use their POV instead of flying if they provide documentation that the cost of using a POV is comparable to flying and, if needed, airport transportation and rental car charges at the final location.
- 3. Reimbursement for mileage is based on the Internal Revenue Service's (IRS) business standard mileage rate. ACERA will only reimburse mileage for the most reasonably direct route (given traffic and other constraints) driven solely for business purposes.

C. Mileage Expenses

1. To receive reimbursement for mileage, Trustees must complete an expense report specifying the purpose of the trip, point of origin, destination and date of trip. Trustees shall submit a documented route through a mapping service to verify the mileage.
2. Mileage shall ordinarily be computed one of the following two ways, depending upon the circumstance: a) Between the Trustee's office and the common carrier or destination (if Trustee left for travel from the workplace); or b) Between the Trustee's residence and the common carrier or destination (if Trustee left from his or her residence).

D. Rental Car Travel (Domestic and Foreign)

1. Rental cars are authorized only when another form of ground transportation is either unavailable or would create an unreasonable hardship for the Trustee. Trustees shall rent cars that are economical and reasonable.
2. Rental vehicles for ACERA business purposes are subject to the following conditions:
  - a. All drivers of rental vehicles must be over the age of 25 unless pre-approved by the CEO or designee.
  - b. ACERA's automobile insurance provides liability coverage, but does not provide coverage for any physical damage to the automobile. Collision insurance coverage provided by the rental agency is required for all vehicles.
  - c. If a rental vehicle is required for travel outside the United States, the Trustee is required to contact ACERA's Legal Department or Administration Department to ensure the agency's automobile insurance policy coverage is in force at the foreign destination.

- d. Any accident involving a rental vehicle must be reported in writing within 24 hours to both the car rental agency and the CEO or designee except in cases of injury rendering the ACERA Trustee unable to report within 24 hours.
3. Trustees are required to cooperate in the investigation of any accident involving their rental car.

## V. Airline Travel

### A. Airline Fares

Airfares should be the most economical that are reasonable under the circumstances regardless of whether ACERA purchases the tickets or Trustees purchase their own airline tickets.

### B. Baggage and Lost Luggage/Items

The airline charge for one checked bag is a reimbursable business expense. Charges for more than one bag will be reimbursable under the following circumstances:

1. The Trustee is transporting ACERA business and/or conference materials; or
2. The Trustee is on a travel period longer than 3 days or is traveling internationally.

ACERA does not purchase or maintain insurance coverage for lost luggage or the personal belongings of Trustees while on ACERA business travel.

### C. Parking or Other Forms of Transportation for the Airport

Airport or other business parking will be reimbursed. Trustees are urged to seek cost effective transportation to and from the airport such as shuttles or other public transportation.

## VI. Lodging

### A. Generally:

1. ACERA will directly pay for or reimburse for lodging expenses for a standard room during ACERA-related travel, which could also include an upgraded room where there is no increased cost.
2. ACERA will reimburse for business related services such as Wi-Fi connection, printing, and faxing when such expenses are incurred for authorized business travel.
3. If paying with a personal credit card, the Trustee must present an itemized hotel bill for reimbursement of lodging expenses.

**B. Cancellations**

1. ACERA will pay for costs incurred as a result of a hotel room cancellation only under extenuating circumstances such as illness or emergency.
2. A written explanation for the cancellation verified by the CEO or designee must be submitted to the Fiscal Service Department within 15 days of the cancellation.

**C. “No-Show” Charges**

1. Trustees are responsible for requesting a refund from the hotel for a “no show” charge regardless of whether ACERA or the Trustee made the reservation.
2. In the case of flight delays or cancellations which are outside of a Trustee’s control, ACERA will reimburse for additional expenses incurred to continue travel, such as rebooking fees or increased airfares.

**VII. Meals For Business Meetings While Traveling**

**A. Trustee only Business Meals**

1. ACERA will reimburse for meals during business-related travel (as distinguished from local business meals covered below in Section VIII) at a rate not to exceed \$100 per person, per day. Receipts for all meals are required.
2. As a general rule, Trustees are not expected to incur personal expense for meals while attending conferences, training workshops, and similar activities. If meals are

provided and paid for as part of the cost of attendance, Trustee should exercise fiduciary responsibility and make a reasonable adjustment to the \$100 a day meal allowance. If, however, dietary restrictions prevent consumption of provided meals, no adjustment in the meal allowance is expected.

B. Business Meals for Others

1. Trustees may pay for the meals of other ACERA Trustees as part of a business-related meeting.
2. ACERA will also reimburse Trustees for meals paid for on behalf of other meeting attendees so long as the meal is for an ACERA business purpose.
3. The receipt submitted by the Trustee must include the business justification for the expense and the names of all meal recipients and their affiliation with ACERA.

VIII. Meals For Business Meetings When Not Traveling

A. Trustee Only Business Meals

1. ACERA will reimburse Trustees for meals incurred as part of a meeting only where the primary purpose of the meeting is to conduct ACERA business and there is a valid business need to meet over the meal.
2. The receipt submitted by the Trustee must include the name of each meal recipient and the business purpose for purchasing the meal for the others. Meals under this circumstance should not exceed twenty-five dollars (\$25) each for breakfast and lunch and fifty dollars (\$50) for dinner per person.

B. Trustee Only Meals at Local Conferences, Seminars, Workshops, etc.

1. ACERA will reimburse Trustees for the cost of their meals when attending a local conference, seminar, workshop, presentation, or other similar group meeting when it extends through the usual mealtime.

2. The receipt submitted by the Trustee must include the purpose of the meeting and should not exceed twenty-five dollars (\$25) each for breakfast and lunch and fifty dollars (\$50) for dinner.
3. Meals provided and paid for by ACERA for in-house training, seminars, workshops, or meetings are not included in this Board Travel Policy.

IX. Lost Receipts

- A. A receipt or a credit card statement is required for all requests for reimbursement of purchases over \$5.
- B. If a Trustee loses a receipt and cannot obtain a duplicate, the Trustee may receive reimbursement by providing ACERA with a completed Affidavit Form for Business Expenses without Receipt. The use of affidavits is expected to be an exception and not a regular practice.



**ENCLOSURE 2**

Registration is open for the 2023 Asia Summit, taking place September 13-15 in Singapore. Explore the summit and register today.

[LEARN MORE](#)

SEPTEMBER 13-15, 2023

## Asia Summit - Singapore

Bridging Complexity and Opportunity

### About Asia Summit 2023

The 10th Asia Summit celebrates a decade defined by greater access to capital, deeper digitalization, health innovation, and the rise of connected, purposeful living.

While this progress has improved the lives of individuals, strengthened communities, and grown the industries that power economies across Asia, significant global events have created new challenges.

How can we achieve peace and stability around the world? Can there be competition and collaboration while respecting our differences? How can we prevent another pandemic and protect people from preventable illness? How can private and government leaders address increasing inequality? How can we protect the environment from irreparable damage?

Join us at the milestone event where our network of industry leaders, policymakers, and experts will tackle these questions. How we turn their answers into action is sure to define the next decade to come.

### Local and Global Reach

In-person, exclusive roundtable discussions, and digital sessions livestreamed around the world, covered by global news outlets and social media channels.







## Wide Visibility

Opportunities to advance thought leadership and shape the conversations in front of the Institute's network of business, finance, government, academic, and philanthropic leaders.



## Working Together

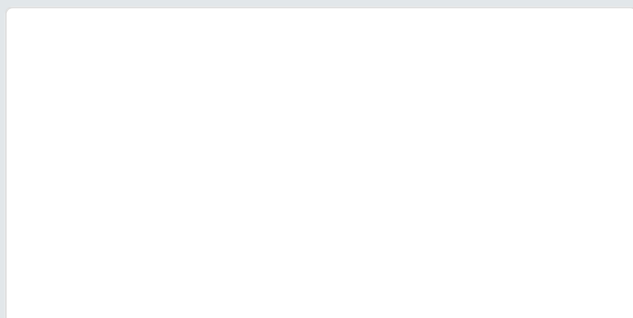
Connect and collaborate with like-minded leaders, gain actionable intelligence, and refine the strategies to grow shared global prosperity.



## Solving Challenges

Solving challenges like access to capital, aging and longevity, diversity and inclusion, education, finance, future of jobs and the workforce, government, media, philanthropy and impact investing, public health and medicine, and technology.

### Featured Report







ROUNDTABLE SUMMARY

### How Technology Can Accelerate Sustainable Finance

QUINTUS LIM

NOVEMBER 2022

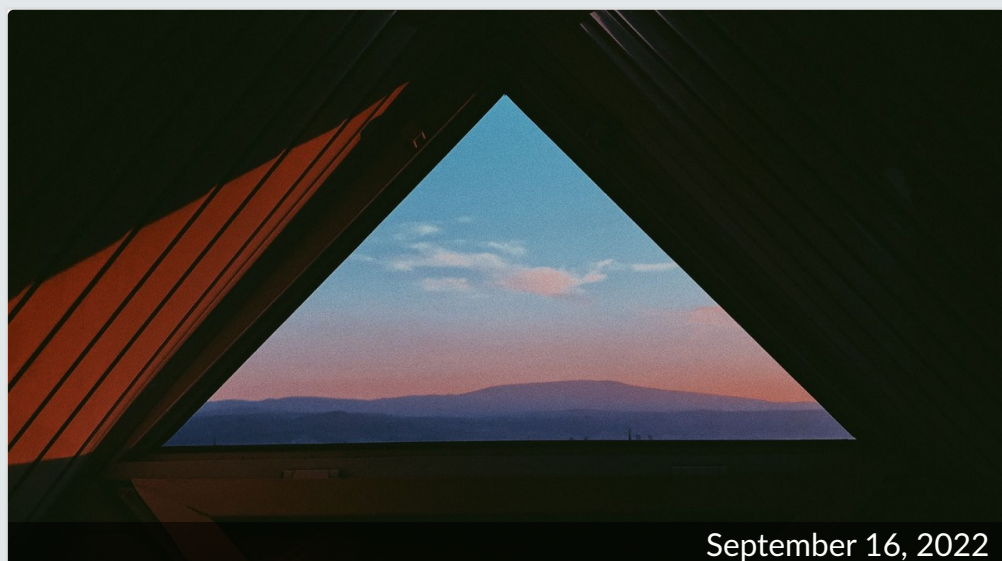


November 21, 2022

### Roundtable Summary: How Technology Can Accelerate Sustainable Finance

Quintus Lim

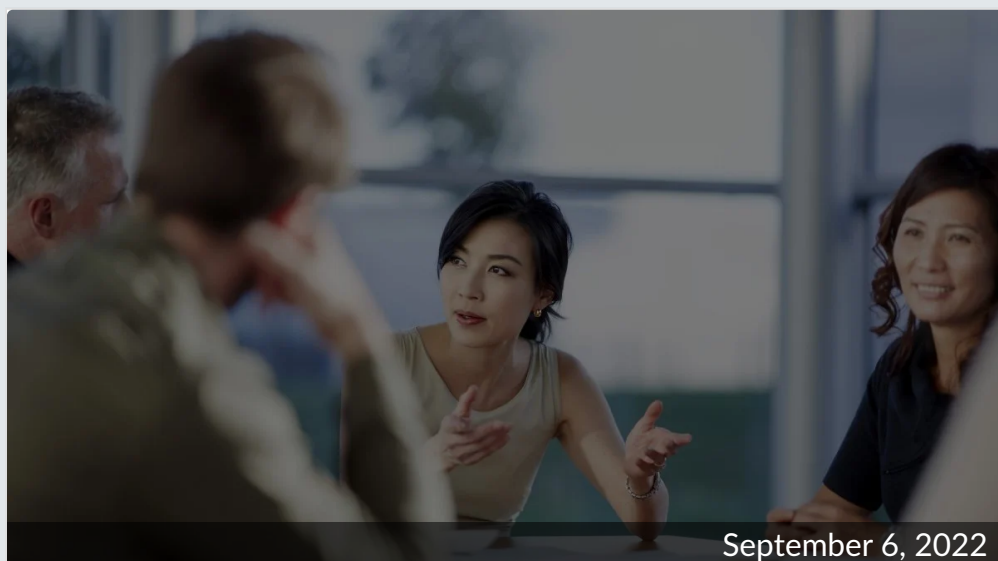
## Featured 2022 Asia Summit Power of Ideas Articles



September 16, 2022

### Viewing the World's Thorniest Problems through a Prism of Opportunity

Ajay Banga



September 6, 2022

### Embracing Diversity: The Opportunity in Asia for an Inclusive Banking Approach

Felicity Chan



September 6, 2022

### Prediction for Purpose: How Data Can Power Progress



September 6, 2022

### Financial Markets Can Be a Stabilizing Force in an Uncertain World

Peter Lee

Julia Raiskin

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Facebook



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LinkedIn



View on  
Instagram



## When & Where

September 13-15, 2023  
Four Seasons Hotel Singapore  
190 Orchard Boulevard,  
Singapore 248646

**ENCLOSURE 3**

Pensions&Investments

# WorldPensionSummit

## AGENDA

### Regenerating Sustainable Outcomes

Date: July 3, 2023

# Pensions&Investments WorldPensionSummit

10-12 OCTOBER 2023 THE HAGUE

REGENERATING  
SUSTAINABLE OUTCOMES



## DAY 0 | Tuesday, October 10, 2023

### PENSION FUND TOUR | BY-INVITATION-ONLY

#### FULL DAY PROGRAM

A select group of pension fund executives will take an exclusive discussion tour visiting top Dutch pension funds and meeting global leaders in pension fund management and investment. Participants will have an opportunity to discuss best practices in crucial topics such as asset pooling, ESG investing, and technology in fund management, off-the-record.

AM

07.00 08.00 Bus departure from VOCO Hotel THE HAGUE to Amsterdam

08.00 11.00 **Breakfast session APG** | AMSTERDAM

Hosted by: Ronald Wuijster, Chairman of the Board, APG Asset Management

11.00 11.30 Bus transfer

PM

11.30 1.30 **Lunch working session at De Nederlandsche Bank** | AMSTERDAM

Hosted by: Cindy van Oorschot, Director Pension Supervision & Sustainability, De Nederlandsche Bank

1.30 2.30 Bus transfer Amsterdam - Zeist

2.30 4.00 **Discussion session PGGM** | ZEIST

Hosted by: Jaap van dam, Principal Director of Investment Strategy PGGM

4.00 5.00 Transfer to hotel The Hague

5.00 6.15 Free time at hotel

6.15 6.30 Transfer to dinner

6.30 9.30 VIP Dinner in The Hague (**by-invitation-only** and co-hosted by Africa Finance Corporation)

Your moderator and program director for the tour:

**Nikki Pirrello**, President and Publisher, Pensions & Investments | United States

**Julie Tatge**, Executive Editor, Pensions & Investments | United States

#### FULLY BOOKED

The Pension Fund Tour 2023 is by 'invitation only' and especially designed for board level pension fund executives. If you have any questions on the tour, please reach out to [mguldemond@pionline.com](mailto:mguldemond@pionline.com). The tour is fully booked. Confirmed participants have received a separate notification confirming their seat.

## DAY 0 | Tuesday, October 10, 2023

### PROVIDING A GOOD RETIREMENT IN A GOOD WORLD: RECONNECTING PENSIONS AND PURPOSE

#### HALF DAY PROGRAM

When it comes to ensuring members — and the generations after them — retire into a good world, there are some huge opportunities afforded by reconnecting retirement savings with **biodiversity-related needs**.

In this half-day program, we will first consider how a focus on biodiversity translates into investment opportunities. We will then consider what is the meaning of a “**good retirement**.”

We will bring these discussions together to discuss solutions and opportunities: What are the thematic investment opportunities out there to help solve these challenges — creating a better world and better outcomes for members? Learn from peers about their approach to investing in opportunities afforded by the green transition and biodiversity, water scarcity and social bonds.

- Biodiversity investment opportunities - what are the financial and nature premiums?
- Showing the member - how can helping the planet help members too?
- Where does impact investing fit into the equation?
- What needs to be done - what do you need to do, to connect the dots?



# Pensions&Investments WorldPensionSummit

10-12 OCTOBER 2023 THE HAGUE

REGENERATING  
SUSTAINABLE OUTCOMES



MODERATED BY:

**Jennifer Ablan**, Editor-in-Chief, Pensions & Investments | United States

**Sophie Baker**, Director of Programming and International News Editor, Pensions & Investments | England

1.30 pm **WELCOME COFFEE**

2.00 pm **OPENING**

2.10 pm **PART 1: EXPERT TALKS**

We welcome to the pre-summit stage three experts discussing different aspects of our theme.

**SPEAKERS:**

Allianz Global Investors (*pending*)

NATURAL CAPITAL: AN EMERGING ASSET CLASS?

**Connel Fullenkamp**, Associate Professor of the Practice at Duke University & Consultant IMF | USA

THE BIODIVERSITY POLICY MAKING JOURNEY FOR PENSION FUNDS

**Gabriëlle Krapels**, Head of Fiduciary Management Responsible Investment & Mandate Research, APG Asset Management | The Netherlands (*pending*)

3.10 pm **PART 2: SAMOAN CIRCLE**

Discussion in smaller groups on the topics presented. Each member of the group is invited to give their view on two specific challenges. Groups will be moderated by an expert.

3.45 pm **COFFEEBREAK**

4.00 pm **PART 3: EXPERT TALKS**

We welcome to the pre-summit stage three experts discussing different aspects of our theme.

CASE STUDY PGGM: BIODIVERSITY AND NATURE LOSS: THE REST OF THE "E" OF ESG

**Eloisa Vittoria Menguzzo**, Responsible Investment | Sustainability expert, PGGM Investments | The Netherlands

CASE STUDY ENVIRONMENT AGENCY: APPROACH TO NATURAL CAPITAL INVESTING

**Marion Malony**, Head of Responsible Investing and Governanc, Environment Agency | England

TRANSITION CAPITAL

**Nando van Kleeff**, Climate Finance & Capital Market Transformation, Laudes Foundation | The Netherlands

4.50 pm **PART 4: WORKSHOP**

Attendees will discuss the themes raised within the second expert presentation session, using their own experiences and context to work out a way forward for their own organisations.

5.15 pm **Feedback & sharing session**

Each moderator shares a new learning with the room. What is the main take-away (personally or for the group). What significant insight will no doubt help your circle in their thinking.

5.25 pm **CLOSING REMARKS**

5.30 pm – 6.15 PM **COCKTAIL RECEPTION AND NETWORKING**

# Pensions&Investments WorldPensionSummit

10-12 OCTOBER 2023 THE HAGUE

REGENERATING  
SUSTAINABLE OUTCOMES



## DAY 1 | Wednesday, October 11, 2023 Regenerating Sustainable Outcomes

8:00 am-  
9:00 am **REGISTRATION & WELCOME COFFEE**

### 9:00 am- 9:10 am **OPENING & WELCOME**

Regeneration is the natural process of replacing or restoring damaged or missing cells, tissues, organs, and even entire body parts to full function in plants and animals. It's a chance to do things differently, find exciting solutions, and, in some cases, create something completely new. This year in particular, the retirement industry is reassessing and renewing system design, investment decisions, portfolio construction, communication, delivery and technology – in part because of pressure points, but also as new opportunities arise.

Asset owners and money managers across the globe have a whole new set of macroeconomic considerations to grapple with – presenting challenges but also huge opportunities not seen in asset markets for years: Interest rates, no longer languishing at all-time lows, have hit some asset classes – but on the flipside, rising rates make for the return of fixed-income opportunities and, in some cases, falling liabilities and boosted funding levels. While the return of inflation has eaten away at some returns, other assets have been bolstered. Higher inflation is also prompting pension funds to reconsider the vulnerabilities in portfolios – never a bad thing!

And while geopolitical tensions continue to weigh on markets, bringing new considerations to global diversification and risk, they also open up opportunities to think about new trading partners and opportunities that previously may have been ignored.

Of course, asset owners and money managers are still dealing with continued considerations such as compliance with new regulatory reporting demands and member engagement – but with much of this focusing on the green transition and sustainable investment, there are also opportunities to be explored.

#### SPEAKERS:

**Nikki Pirrello**, President and Publisher, Pensions & Investments | United States

### 9:10 am- 9:25 am **KEYNOTE OPENING | Regenerating Sustainable Outcomes – The Inner Development Goals**

The sustainable development goals set out what needs to happen to achieve peace and prosperity for people and the planet, but we need to do more to achieve progress. The fact is, we lack the inner capacity to deal with our increasingly complex environment and challenges – and that's where the inner development goals come in.

To truly achieve our goals, we need to develop our own inner abilities. The IDG initiative has researched, collected and communicated information on science-based skills and qualities that help us live purposeful, sustainable and productive lives. Learn about the five dimensions and 23 skills and qualities that are crucial for leaders in addressing the SDGs, and for all of us.

#### SPEAKER

**Maria Grazia Testa**, Transition leader, founder of The Best Journey Ever, Inner Development Goals Global Partnerships Director

### 9:25 am- 9:45 am **KEYNOTE SPEECH | Regenerating Sustainable Outcomes – The Dutch case**

Sustainable outcomes for all members is entrenched in the current Dutch pension reform. The reform is required to secure retirement outcomes in the future and APG, as one of the largest pension providers of the country, is dedicated to providing a good pension in a sustainable world. The sustainability journey started for APG many years ago in good cooperation with its pension fund clients. This honest talk will lay-out not only the challenges encountered but also required future ambitions to encourage others.

#### SPEAKER

**Ronald Wuijster**, CEO of APG Asset Management and member of the Executive Board of APG Group | The Netherlands

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9:45 am-  
10:30 am

## INVESTMENT PANEL DIALOGUE | Rethinking Investment Portfolios

CIOs have a lot to think about when it comes to their investment portfolios — outside achieving the returns they need to pay pension benefits. How are the world's most sophisticated investors rethinking investment portfolios amid inflation, interest-rate hikes, improved funding levels, the importance of liquidity, the balance of public and private assets? What is the impact of all of this on sustainability development goals?

- Reconciling long-term investment horizons and sustainability goals with short-term changes in inflation, interest rates and funding levels
- Reconnecting the planet with investment: How do current market circumstances and external forces impact on and influence sustainable investment?
- Adding inflation protection to portfolios through asset allocation, and the role of liability/interest rate/inflation hedging — in a world where liquidity is increasingly important
- Returning to a more normal relationship between stocks, bonds and other non-correlated assets
- The continued search for alpha in a higher interest-rate and inflationary environment

### SPEAKERS

**Geraldine Leegwater**, Chief Investment Management and member Executive Committee, PGGM | The Netherlands

**Simon Pilcher**, Chief Executive Officer, USSIM | England

**Bryan Lewis**, CIO, US Steel | USA

**Joseph Cavatoni**, Market Strategist and Principal Chief Executive Officer funds, World Gold Council | USA

MODERATOR: **Sanjeev Gupta**, Executive Director Financial Services, AFC | Africa

10:30 am-  
11:00 am

## COFFEE BREAK

11:00 am-  
11:20 am

## EXPERT TALK | Monitoring, measuring and managing currency risk

A talk on the numbers and assumptions that need to be taken into account in currency management and why they're important. How can investors pick out the key factors in addressing both alpha opportunities and risk management? With uncertainty reigning over global markets and the macroeconomic backdrop, institutional investors are scrutinising their asset allocation more frequently than before. In this keynote session, we will discuss the key considerations relating to currency management, measuring and managing foreign exchange risk and its relevance in portfolios right now, the risk of getting it wrong, and, as importantly, the opportunities that abound in generating alpha from foreign-exchange markets.

### SPEAKER

**Mark Astley**, Co-CEO Millennium Global Investments | England

11:20 am-  
12:05 pm

## PANEL DIALOGUE | Assumptions - getting it right

Pension funds and asset allocation are built on assumptions — from mortality tables to expected rates of return, to GDP growth forecasts. But are these assumptions still fit for purpose — particularly in a world where markets can move hundreds of basis points on a single fiscal announcement — and what needs to change to better reflect the needs of pension funds and their members?

- What are the most referenced assumptions or measurements in your pensions system, and how has that informed scheme design and asset allocation?
- Are we measuring the right things? What's important to your pension fund/system, and how can that be better reflected in the assumptions that pension funds use?
- How are changing demographics feeding into pension systems, and are pension funds keeping up with new mortality assumptions?

### SPEAKERS

**John Greaves**, Head of Investment Strategy and Research, Railpen | England

**Timo Löytyniemi**, CEO, The State Pension Fund of Finland (VER) | Finland

**Geeta Kapadia**, CIO Fordham University | USA

MODERATOR: **Sophie Baker**, Program Director WorldPensionSummit | England

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12:05 am-  
12:20 pm

## EXPERT TALK | Decision making: the DEI perspective

Decision making plays a central role for pension fund executives and in the institutional investment process. Humans make around 35,000 choices per day, so how likely are you to always make a perfectly rational decision on crucial topics like investment decisions? This talk provides tools and guidance on how to optimise your decision making process.

SPEAKER

**Marisa Hall**, Head of the Thinking Ahead Institute | England

12:20 pm-  
1:05 pm

## PANEL DIALOGUE | Regrouping on the quality of board decision making

The diversity of pension fund boards and their decisions is always in the spotlight, and there's always room for improvement. This session will discuss how institutional investors are continually striving for the next-best thing when it comes to the quality of their decision-making in terms of ensuring true diversity in their discussions – and in an ever-changing world where new considerations are popping up all the time.

- What makes a good board and where are the success stories?
- Diversity, inclusion and diversifying the talent pool – what steps are investors taking to diversify the talent pool?
- What gets measured gets managed – but do quotas work? Or do you need something more implementable?
- Whose responsibility is it to improve the quality of decision-making? Should governments mandate certain things? Should corporate sponsors be on the hook?
- What are you getting – and what more do you want – from your investment managers?

**Marisa Hall**, Head of the Thinking Ahead Institute | England

**Angela Miller-May**, CIO Illinois Municipal Retirement Fund | USA

1:05 am-  
2:00 pm

## LUNCH + P&I Talk

2:00 pm-  
2:15 pm

## EXPERT TALK | The energy transition: what, how, when and why? How to get it done...

Reducing our carbon footprint and increased energy scarcity are interlinked, so it seems. Practically what does this look like? The world we live in depends on fossil fuels for 84% of its energy needs. What does this energy transition mean in terms of technological and cost-benefit standpoint. A hands-on talk on how to get it done...

SPEAKER

**Sameh Shenouda**, Executive Director - Chief Investment Officer, AFC | Africa

2:15 pm-  
3:00 pm

## PANEL DIALOGUE | Riding the energy transition

The world is moving to a low-carbon economy and society – including investors – need to do their bit to get there. Along the way they'll meet huge opportunities and need to work to overcome challenges. Panellists will discuss the transition and its interactions with security, targets and regulation.

- We know where we need to get to and the deadline – but what considerations are we missing? How does the energy transition reconcile with the energy needs of China, India and emerging economies in particular?
- The danger of moving too fast and the risk of a disorderly transition
- Concerns over energy security and a disorderly transition
- Pledges have been made and targets are in place – how are the world's most sophisticated asset owners actually going to get to net-zero?
- How to deal with SFDR and the green taxonomy, plus new initiatives from regulators; the role of the EU's climate stress test and building a resilient portfolio
- The role of public vs. private assets in the energy transition
- What biodiversity investment opportunities have they found on their journey – and what have they had to give up to get there?

SPEAKERS

**Antonio Miguel Ribeiro**, Director, ERM - Group Strategy and Risk, Mubadala | United Arab Emirates

**Shrikanya Yathip**, Secretary General Government Pension Fund | Thailand (*invited*)

**Petya Nikolova**, Deputy CIO and Head of Infrastructure, New York City Retirement System, Office of the Comptroller | USA

**MODERATOR: Lodewijk Meens**, Senior Portfolio Manager ANET, APG Asset Management | The Netherlands

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3:10 pm-  
3:50 pm

## TRACK A1

### What happens “at retirement”?

#### - Retirement Income solutions & the decumulation phase

The re-focus on retirement income across the globe extends to investment plan design, financial wellness programs and default lifetime income options. Where do the assets go? How do you keep members engaged as they begin to spend their retirement savings? How do you continue to communicate with members who are no longer in the corporate fold?

- The changing regulatory environment
- Safe harbor solutions for retirement income
- The return of the annuity
- The importance of education and information at retirement
- How to tackle plan outflow due to lumpsum options?

Joined by Smart

AwareSuper (invited)

MODERATOR: **Nikki Pirrello**, President and Publisher, Pensions & Investments | United States

3:50 pm-  
4:15 pm

## COFFEE BREAK

4:15 pm-  
4:55 pm

## TRACK A2

### Remaking of emerging markets - the investment conundrum

After several years of poor performance and little upside relative to developed markets, emerging markets are looking more attractive thanks to a supportive technical and fundamental picture, and an increased growth differential vs. developed countries. With most pension funds largely under allocated to the asset class, how should they be thinking about exposure to these economies? What are the attractions? What are the risks? And how best to access the returns these markets can offer – equities, bonds or alternatives?

- How can we make Africa and Latam investable?
- With public market opportunities limited because of financial infrastructure, are private assets the play to make?
- How to complete satisfactory due diligence exercises on emerging markets corporates
- The interplay of emerging markets and ESG – the opportunity arising from the low-carbon transition
- Focus on real estate opportunities (direct/indirect) and regional allocation (Asia, EMEA, Americas)

**Laura Hillis**, Director, Climate and Environment (Responsible Investment), Church of England Pensions Board | England

**Rich Nuzum**, Executive Director, Investments and Global Chief Investment Strategist, Mercer | USA

**Sonja Sanderson**, CIO, Eskom Pension & Provident Funds | South Africa (invited)

## TRACK B1

### Biodiversity - the BIG picture

During this session we discuss the what, how and why of biodiversity. More than half the world's total GDP is either moderately or heavily dependent on nature. How do you make nature an investable asset class? A total investment in nature of USD 8.1 trillion is required between now and 2050 in order to successfully tackle the interlinked climate, biodiversity, and land degradation crises.

- The big picture - the "why" it matters; interplay with carbon intensity and low carbon transition
- What is it and how does it intersect with financial markets?
- What is the role of government and regulators in creating biodiversity-related investment opportunities
- How are investors integrating biodiversity into investment decisions?

**Jane Wadia**, Head of Investment Specialists & RFP AXA IM Core | England

**Brenda Kramer**, Impactmaker PGGM | The Netherlands

**Ingrid van Sundert** Expert Portfolio Manager Responsible Investments, APG Asset Management | The Netherlands (pending)

## TRACK B2

### Great disruptor - regenerating technology

How is the digitalization of investment management translating into better outcomes for members? In this interactive session, we will discuss which disruptive technological trends will make a significant impact on our industry.

- Investing in the age of AI – how are investors using developments in technology to inform investment processes and communication/engagement?
- Social disruption from technology: what is the role of various programs in investment management?
- What are the risks associated with technological disruption? Where does cybersecurity fit in?
- Where does responsible investment fit in with technological disruption?

**Neil Lotter**, Head of Product Development Matrix, RIMES Technologies | Australia

More speakers to follow soon

MODERATOR: **Sophie Baker**, Program Director WorldPensionSummit | England

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MODERATOR: **Julie Tatge**, Executive Editor, Pensions & Investments | United States

5:05 pm-  
5:45 pm

## KEYNOTE CLOSING | Outlook 2024 & beyond

The only certainty is uncertainty but what does this mean for the mid and long-term? Lower assets under management and thinner margins will weigh on firms, accelerate trends and reshape the industry for sure. As well as inflation, which continues to loom over investors not only in Europe as they navigate another uncertain year. What are the silver-linings and how to best navigate these circumstances.

**Pablo Antolin**, Head of Insurance and Pensions, Directorate for Financial and Enterprise Affairs, OECD | France  
MODERATOR: **Nikki Pirrello**, President and Publisher, Pensions & Investments | United States

## AMA | Ask-me-Anything

AMA is an abbreviation for "ask me anything". It's used by people who are opening themselves up to any kind of questions. It came into use on the Reddit AMA forum to bridge the gap between celebrities and fans and this is how it works. People start a thread with a personal detail about their life, and others ask questions that pertain to that detail. One thread might start with, "I'm a Pension Fund CEO, AMA" or, "I've been a retiree for one month, AMA." We are inviting you to join this LIVE AMA session, where you can ask our keynote speaker anything you like!

5:45 pm-  
6:30 pm

## COCKTAIL RECEPTION

6:30 pm-  
9:30 pm



## BRITISH EMBASSY DINNER EVENT | BY-INVITATION-ONLY

This dinner event is by invitation only and especially designed for board-level pension fund executives. For questions you may reach out to [mguldmond@pionline.com](mailto:mguldmond@pionline.com)

## DAY 2 | Thursday, October 12, 2023 Regenerating Sustainable Outcomes

8:00 am-  
9:00 am

## ASSET OWNER BREAKFAST | Asset-Owners-Only The reinvention of pension schemes

We will bring together a group of asset owners to discuss the reinvention of pension schemes, led by distinguished speakers. In a world where many countries have allowed their citizens access to their retirement savings for emergency reasons, what needs to be considered? How can governments and systems replenish these pots? What does intergenerational fairness and risk-sharing look like in a "good" pensions system? Who is getting it right – and what can we learn from them? The aim is to share ideas on achieving sustainable and adequate retirement systems. We will discuss:

- The public/private mix within various pension systems
- The burden of a too-large public system with an emphasis on risk-sharing, and the associated costs
- Intergenerational fairness and equity across DB/DC provisions
- The failure of DC to deliver and the potential to revive DB
- CDC solutions and the ensuing implications
- The goal of self-sustainability and the implications for pension fund design
- Dealing with the disproportionate impact of COVID-19 on certain groups
- Operating a pensions system amid changing politics and regulations

## SPEAKERS

**Francesco Briganti**, Secretary General, Cross Border Benefits Alliance – Europe | Belgium

**Richard Poole**, Pension and Benefits Lawyer, Royal Mail Group | England (*invited*)

MODERATOR: **Sophie Baker**, Program Director WorldPensionSummit | England

8:00 am-  
9:00 am

## REGISTRATION & WELCOME COFFEE

9:00 am-  
9:05 am

## WORD OF WELCOME & OPENING

## SPEAKER

**Nikki Pirrello**, President and Publisher, Pensions & Investments | United States

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9.05 am-  
9.35 am

## FIRESIDE CHAT | The story of Russia

The Russian invasion of Ukraine has resulted in tragic losses of life, the displacement of hundreds of thousands of people, and political and economic disruptions on a global scale. Orlando Figes' latest work, *The Story of Russia*, is a historical perspective on how narratives from Russia's past have shaped its present.

### SPEAKER

**Orlando Figes**, Award-winning author, Professor of History at Birkbeck College, University of London | England

MODERATOR: **Sophie Baker**, Program Director WorldPensionSummit | England

9:35 am-  
10:20 am

## PANEL DIALOGUE | The risks you used to ignore, but you can't ignore anymore

Inflation, high interest rates, geopolitical tensions: for most of us, there's no playbook to help deal with these risks – just a textbook. How do the CIOs of today and tomorrow deal with the known unknowns – and what about the unknown unknowns?

- Risk management as governments and central banks regenerate markets/squash inflation – are monetary and fiscal policy moves now the riskiest games in town?
- Geopolitical risk and an increasingly deglobalised world – how does the breakdown in global relationships impact on investments and portfolios?
- The importance of remaining agile and liquid, but still earning returns
- The role and importance of portfolio hedges – inflation, currency and interest rate considerations
- The relationship between corporate sponsor, retiree and risk appetite – investing for different cohorts and sections of the scheme to ensure intergenerational fairness

### SPEAKERS

**Mark Astley**, Co-CEO Millennium Global Investments | England

**Leticia Sanchez**, Chief Operations Officer, International Monetary Fund | USA

**Peter Hermannsberger**, CIO IBM Germany Retirement Fund | Germany

MODERATOR: **Joseph Cavatoni**, Market Strategist and Principal Chief Executive Officer funds, World Gold Council | USA

10:20 am-  
10:50 am

## KEYNOTE SPEECH | China: the de-risking or decoupling dilemma

In this talk we are reassessing China. We will consider how to think about its role and status, with various forms of disengagement, national security and ESG concerns, and technological competition centre-stage. Investing in China – is it still a must-have in portfolios? Should it be a separate investment sleeve? And, given US-China tensions, how might the economic and financial environment evolve?

**George Magnus**, Economist and Research Associate at the China Centre, Oxford University, the School of Oriental and African Studies, London, Author of 'Red Flags: why Xi's China is in Jeopardy' | England

10:50 am-  
11:15 am

## COFFEE BREAK

11:15 am-  
11:45 am

## AWARDS CEREMONY | Pensions & Investments WorldPensionSummit EXCELLENCE & INNOVATION Awards 2023

The P&I Excellence & Innovation awards are evolving: Not only are we honouring innovative ideas, but we will also recognise organisations that are excelling in terms of their strategy, execution or delivery. Pensions & Investments wants to highlight and celebrate the pension funds/plan sponsors that are leading the charge, and these awards aim to inspire organisations and honour them for their creative thinking and solutions. The Innovation Awards have endless possibilities. We wish to highlight excellence and innovation and provide inspiration. Past winners were selected for their cutting-edge ideas in plan design, investing, communication and technology, driving employee participation, engagement and better outcomes. To submit an entry go to: [www.pionline.com/wpsinnovationawards](http://www.pionline.com/wpsinnovationawards)

### SPEAKERS

**Don Ezra**, Happily Retired, Author of 'Happiness', Former Co-chair, Global Consulting Russell Investments Worldwide | Canada

**Nikki Pirrello**, President and Publisher, Pensions & Investments | United States

**Jennifer Ablan**, Editor-in-Chief, Pensions & Investments | United States



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11:55 pm-  
12:40 pm

## TRACK A3

**Refocus on private markets in a liquidity-focused world**  
DB, DC and private assets/illiquids – with liquidity a major concern across DB funds and DC systems and increasingly important across the globe, how are asset owners incorporating private assets into portfolios? Is it time for a portfolio construction and regulatory rethink?

- Reconciling investment and liquidity needs
- Changing regulatory agendas – fulfilling government wishes to invest in local economies
- The main drivers of private markets performance going forward – and how best to measure it
- The impact of ESG considerations on private markets strategies and positioning
- Transparency and data

### SPEAKERS:

**Paul Todd**, Director - Investment Development & Delivery, Nest | England

**Mark Rogers**, CEO New Forests | Australia

**Anders Stromblad**, Head of External Management, AP2 | Sweden (*invited*)

MODERATOR: CAIA or P&I (*invited*)

## TRACK B3

### Rebalancing lessons from Sovereign Wealth Funds

In 2022, sovereign fund assets recorded their first drop in value, although their investment activity kept growing and actually increased by 38%. Other major trends in 2022 which are expected to continue are a balance between domestic and international investment, and more money going into renewable energy. During this panel investors have a chance to learn from some of the world's most sophisticated and long-term investors.

- How does the macro environment – whatever that may be at any one time – impact on sovereign wealth funds?
- How do SWFs approach risk management? What risks are they most cognizant of?
- How do risk considerations vary depending on the type of wealth fund?
- The digitisation of the investment process and how SWFs are making use of it in investment

### SPEAKERS:

**Verena Kempe**, Head of investment management, KENFO | Germany

*More speakers to follow soon*

MODERATOR: **Victoria Barbary**, Director of Strategy & Communications, IFSWF (*invited*)

12:40 am-  
1:30 pm

## LUNCH

1.30 pm-  
2.00 pm

### KEYNOTE PRESENTATION | Harnessing the Power of Behavioural Finance

Psychological influences and biases affect the financial behaviors of investors and financial practitioners. An engaging talk combining the insights of psychology, technology, and economics to solve big societal problems. View workers as financial practitioners and it is clear that these workers need help saving for a secure financial future. What tools, based on cutting edge behavioural finance research, have been shown to dramatically improve outcomes. Save More Tomorrow is the most successful savings nudge to date, helping more than 25 million employees by harnessing the power of behavioural economics. In this talk, Shlomo will review the history of this nudge and the three behavioural concepts on which it's built, as well as what we should do to make it even better. He will also cover another huge blind spot when it comes to retirement savings by using behavioural finance principles: How to use personalization to create decumulation plans that take individual differences into account. Finally, Shlomo will discuss the importance of delivering holistic financial advice focused on areas such as insurance, debt and savings, which has the potential to dramatically improve the financial well-being of those typically underserved by the financial industry and outcomes for participants.

### SPEAKER:

**Shlomo Benartzi**, Professor at UCLA Anderson School of Management | USA



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2:00 pm-  
2:45 pm

## PANEL DIALOGUE | Financial influencers: what does the future member want and how do we tell them what they need?

Social media influencers can persuade a millennial or Gen-Zer to buy a product, so why shouldn't financial influencers help the members of tomorrow make the right decisions for retirement? What efforts are corporate sponsors, governments and industry groups making to engage with future members, particularly as politics and external pressures shift the member's focus? Do we even know what the member of the future looks like and what's important to them – do they need more than just a retirement account, such as help with health-care costs and social security? With DB and DC systems evolving and mergers abound, how does a pension fund ensure members get the information and projections they want to make important decisions and keep them engaged throughout their working lives – and also into and through retirement?

### SPEAKERS:

**Carol Young**, CEO USS | England

**Andrew Major**, Chief Risk Officer, HESTA | Australia

**Nikki Trip**, Founder JIIP (Jongeren in institutioneel pensioen) | The Netherlands

MODERATOR: **Nikki Pirrello**, President and Publisher, Pensions & Investments | United States

2:45 pm-  
3:30 pm

## PANEL DIALOGUE | Polarising investments – overcoming roadblocks in achieving net-zero goals

Investing is hard enough right now without the added pressures of costs, politics and conflicting views. What are the major hurdles that investors are dealing with right now, and how can they be overcome?

- What the member wants and how to give it to them (within reason)
- Is ESG behind a paywall? Products and data can be pricey, confusing and conflicting. How do you satisfy your ESG requirements amid these costs?
- The anti-ESG movement in the US - how to reconcile this while pressing forward in the transition
- Greenwashing and social-washing - how to identify and overcome these risks in portfolios

### SPEAKERS

**Ingrid Albinsson**, CIO, AP7 | Sweden

**Charles van Vleet**, CIO Textron | USA

MODERATOR: **Sophie Baker**, Program Director WorldPensionSummit | England

3:30 pm-  
3:45 pm

## COFFEE BREAK

3:45 pm-  
4:30 pm

## CLOSING PANEL BALLOON DEBATE: The Change I will make...

The power to make change is within us all, but as institutional investors we have more opportunity than most to make it happen effectively. We ask key members of our industry to commit to making one positive change to help push progress forward and, in this panel, discuss the why and how they will do it. You, the audience, will have time to ask questions and then vote on the winning promise!

**Celine Chiovitti**, Executive Vice President & Head of Pensions, OMERS | Canada (*invited*)

**Mark Fawcett**, CEO Nest Invest | England

MODERATOR: **Amlan Roy**, Macro-Demographics Expert & session moderator | England

4:30 pm-  
5:00 pm

## CLOSING KEYNOTE - The Regenerative Economy

There is a need for a transformation of our economic system to achieve social and ecological regeneration. The finance-driven economic system has the potential to be rebuilt on a regenerative model that is aligned with the principles of natural systems. This talk is about redefining wealth and finance in service to the emergence of an ecologically and socially regenerative economy.

### SPEAKER

**Ignace Schops**, Author of 'Saved by the Treefrog', Director Regionaal Landschap Kempen en Maastrand (RLKM), full member of the EU chapter of Club of Rome, Ashoka fellow and member of the Climate Leadership Corps of AI Gore | Belgium

5:00 pm-  
5:05 pm

## CLOSING REMARKS

5:05 pm-  
6:00 pm

## COCKTAIL RECEPTION

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## **NEW BUSINESS**

- 7.B. Discussion and possible motion to change the *Elections Policy Reviewing Committee* from the Governance Committee to the Operations Committee.

## **NEW BUSINESS**

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



*Office of the Chief Executive Officer*

DATE: August 17, 2023  
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**

| <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 2023                       | Completed              | We concluded our training on plan requirements with managers and employees, and we will implement the provisions of the plan effective September 4. |

**Conference/Event Schedule**

None

**Other Items**

Business Planning Update

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

Legislative Update

Attached is the monthly Legislative Update from the SACRS Lobbying Firm which discusses bills of interest and their status.

Recognition

**Daniel Morales** is the newest member of the Investment team, joining in May 2023. In these short 3 months, Daniel has shown an eagerness to learn, has excelled in his training and tasks assigned, and maintains a very positive attitude. He is a quick learner and has taken the lead on many responsibilities outside of his assigned functions, such as the Investment Committee Meeting (ICM) Distribution process and meeting facilitation. He has done much of this in the absence of his immediate supervisor and primary trainer, who has been unavailable to work during this time.

**Hermella Getachew** is a Retirement Accountant III in ACERA's Fiscal Services Department. She has been with ACERA for more than 20 years. Her primary responsibility centers on ensuring the accuracy of employer contributions, vendor transactions and retiree payroll. All who work with her agree that Hermella brings to each interaction: great attention to detail, expert knowledge and a strong collaborative contribution to ACERA's mission. Thoroughness, tenacity, and patience are hallmarks of Hermella's approach to completing her own work and working with others. When there is a new initiative, she is known to complete very thorough research of available information and provide insightful input to the planning and implementation process. Recent examples of projects include Hermella's invaluable leadership in the successful implementation of ACERA's commercial bank change, completed in December 2022 and her current lead participation in testing retiree payroll functionality in the PAS PG3 upgrade.

### 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>           |  |
| Portfolio Performance vs. Policy Benchmark    | <i>Annualized 10-year return will meet or exceed Policy benchmark at the total fund level</i><br>As of June of 2023: We were .05% short of the benchmark.                                  |
| <b>EFFECTIVE PLAN ADMINISTRATION</b>          |  |
| Actual Spent vs. Approved Budget              | <i>On budget or 10% below 2022 approved budget</i><br>As June of 2023: 3.7% under budget.  |
| <b>COMPREHENSIVE ORGANIZATION DEVELOPMENT</b> |  |
| Employee Engagement Survey Results            | <i>80% of responses in top two rating boxes on the question: "Is ACERA a great place to work?"</i><br>As of the latest survey (October of 2022): 71%.                                      |
| <b>SUPERIOR CUSTOMER SERVICE</b>              |  |
| 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 2 <sup>nd</sup> Quarter of 2023: 100%. |

**ACERA 2023-2024 BUSINESS  
PLANNING PROJECTS UPDATE**

### 1. General Investment Consultant (GIC) RFP

#### Goal 1 (Sept. 2022 – Sept. 2023)

Staff and Cortex continue the GIC RFP due diligence process and will be concluding the onsite visits in August, having already completed two of four. The Finalists' (Callan, Meketa, NEPC, Verus) interviews are scheduled for the September 6th ICM.

### 2. Investment License Services for Private Market & Subscription

#### Goal 1 (Jul. 2023 – Dec. 2023)

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 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 search, as the possibility of a new consultant could result in benchmark change recommendations. John Ta, Serafin Lim and Daniel Morales will be leading the conversation with Markit.

### 3. Comprehensive Pension Administration System PG3 Training

#### Goal 2 (May 2023 – Fall 2024)

ACERA and Segal met to discuss Segal's team lead's experience and approach to the project as well as next steps to prioritize procedure development and communication.

### 4. Review Workforce Excellence (WFE) Processes and Tools

#### Goal 2 (Oct. 2022 – Dec. 2023)

ACERA's HR team has collected most of the updated WFE material from the different departments. They are working on fine-tuning and then incorporating the updated materials into the WFE templates and will redistribute back to the departments for review and feedback.

### 5. Continuation of PAS Upgrade to PG3 & 6. On-Base Case Management

#### Goal 2 (Complete in August 2024) & Goal 3

Our Pension Administration System vendor, LRS, is currently developing the functionality for Design Phase 4 of the 5 project phases. User Acceptance Training and Testing is underway. All employers are now fully active in the development and implementation effort of the V3 employer transmittal. We are reviewing the final set of Change Requests in the project pipeline. UAT progress is proceeding on schedule targeted for completion in September.



## 6. On-Base Case Management Update:

### Goal 2 (Complete in August 2024) & Goal 3

The Beneficiary Maintenance and Active Death Case Manager is proceeding as planned in conjunction with 2023 project activity. The rollout of the Beneficiary Case Manager is targeted for September while development has started for the Active Death Case Manager solution. OnBase-PG Integration Update: The ACERA business and technical team for OnBase will be meeting to determine business needs for a solution that auto-initiates a case manager upon receipt of documents from Member Direct. Add and provides refined keyword search tools within PGV3. The implementation of the Beneficiary Maintenance Case Manager is targeted to begin in September. The preparation of the training material and the UAT environment is currently under way.

7. [Board Packet Meeting Software](#) review, analysis, selection and implementation.  
Goal 2 (Fall 2022 – Fall 2023)

Since our last update, we successfully obtained buy-in of ACERA Senior leadership to begin training ACERA managers to use Boardeffect®. The Project Team also had its first soft launch using Boardeffect® to electronically distribute meeting materials and event notifications to the Trustees for the August Committee Meetings. A schedule for training ACERA managers will be presented and rolled out this month. We will continue work with the Trustees in the adoption of Boardeffect® as well.

8. [Research Agency Intranet Solution for Internal Document Management](#)  
Goal 3 (Spring 2023 – Fall 2024)

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

9. [Research Expense S/W Subscription Options](#)

### Goal 3 (Mar. 2023 –Aug. 2023)

The Product Review Team is on week two of a three-week product trial of the Expensify web-based app in a test environment. Setup was easy and the vendor was helpful in adding ACERA's information. We were up and running quickly after one team meeting with the vendor.

Two of our senior managers are testing the app. Sample training travel expense receipts have been captured by using the Expensify's mobile app. Angie is testing the steps to review/approve receipts, communicate questions and updates and export reports needed for internal process steps.

Initial feedback is that receipt submission is easily accomplished by taking a photo of each receipt or forwarding copies of receipts received via email into the system. Expensify's auto-scan feature recognizes merchant name (business where expense is incurred), date of expense and amount of expense. Additionally, the software has the capability to auto track mileage if individuals choose to start mileage capture at the start of a drive. The mobile device's GPS and the app, when allowed, will capture mileage at start and stop of the feature. This feature is optional to use - not required.

The ACERA expense approver, with the help of the vendor, sets up the list of expense types and a list of training and conferences for ease of selection via quick drop-down list to minimize typing and to assist in mapping of the expense. The software has flexibility to allow for additional information entry related to the expense if needed. A post test meeting will be setup with the team for feedback, then with the vendor for any follow-up questions.

#### **10. [Product Analysis for GP Upgrade or Similar Accounting Software](#)**

##### **Goal 3 (Aug. 2023 – Dec. 2024)**

We are working with our Great Plains consultant, Armanino, to assess the different upgrade/migration options and the pros/cons of each. Due to the integration requirements between GP and PG3, timing for a GP upgrade/migration is better to occur after PG3 is fully implemented.

#### **11. [New Member Onboarding](#)**

##### **Goal 4 (Complete by Fall 2023)**

The Project Team resumed discussions on the goals for optimizing the New Member Enrollment process. With the success of eliminating the Member Enrollment Questionnaire as a constraint to onboarding new members, we are moving forward with more efficient tools for collecting beneficiary information while saving on time and cost of resources to support the onboarding process. Our Communications Team developed outreach correspondence to capture beneficiary information which we will be piloting shortly. This month we will meet to determine metrics for capturing onboarding information, and possibilities for tracking updated member record activity using OnBase.

**12.** **Communications Methods**  
**Goal 4 (Apr. 2023 – Dec. 2023)**

Staff continued development of video graphic concepts for a seven-minute new-member orientation video to be shown during employer orientation. Staff has story-boarded all of the videos' graphic content and has begun development of hand-drawn animations by ACERA's in-house Graphic Designer.

# **LEGISLATIVE UPDATE**



August 1, 2023

TO: State Association of County Retirement Systems

FROM: Edelman, Gilbert, Robson & Smith, LLC

RE: **Legislative Update – August 2023**

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### **General Update**

We are approaching the closing weeks of the first year of a two-year session. The Legislature recently wrapped up with the second policy committee deadline in which bills were required to pass out of policy committees in the second house by July 14. The Legislature is now adjourned for summer recess until August 14.

When they return, the Legislature must meet the fiscal committee deadline on September 1, where all fiscal bills must pass out of the Appropriations Committee in the second house in order to keep moving. After that, the Legislature will have two weeks to pass the remaining bills off the floor in the second house and in many cases, the floor of the house of origin for concurrence, before session adjourns on September 14.

After Session adjourns on September 14, the Governor will have until October 14 to sign the bills on his desk. The Legislature will remain on recess until Session reconvenes on January 3.

### **Legislation of Interest**

**SB 885 (Committee on Labor, Public Employment and Retirement).** This is the annual committee omnibus bill that contains various cleanup provisions for CalSTRS, CalPERS and CERL systems. The amendments to the CERL make non-substantive, technical changes as well as conform provisions on Required Minimum Distributions to federal law under the SECURE ACT 2.0 by referencing the federal law instead of a specific age.

The bill is now back in the Senate for a final concurrence vote before going to the Governor for his consideration.

**AB 1020 (Grayson) – CERL Disability Presumptions.** This bill would establish several new disability retirement presumptions for various injuries and illnesses in the CERL,

similar to provisions that exist in the Labor Code. The bill is sponsored by the California Professional Firefighters.

The author and sponsor agreed to technical clarifications proposed by SACRS that were amended into the bill in June. CSAC remains opposed to the bill.

The bill is pending a vote on the Senate Floor.

**AB 1637 (Irwin) - Local Government Websites and Email Addresses.** This bill requires cities and counties to use a ".gov" or ".ca.gov" domain for websites and email addresses. The bill was recently amended out of the Assembly Appropriations Committee to narrow the bill to cities and counties as well as push out the implementation dates. The previous version of the bill would have applied to all local agencies.

The bill was amended again in late June to push out the implementation date until 2029 after passing out of the Senate Governance and Finance Committee. It is now on the Suspense File in the Senate Appropriations Committee which we anticipate being heard on August 31.

**SB 252 (Gonzalez) – PERS and STRS Fossil Fuel Divestment.** Senator Gonzalez reintroduced SB 1173 from the last legislative session. Like last year, this bill applies to CalPERS and CalSTRS and prohibits the retirement systems from renewing or making new investments in fossil fuel companies as well as requiring them to liquidate existing investments by July 1, 2030, among other requirements. The bill was introduced as part of a package of climate legislation.

The bill was made a two-year bill, but the author has committed to continuing to work on the issue in the future.

### **Public Meeting Bills**

**AB 557 (Hart) - Brown Act Emergency Teleconferencing Sunset Extension.** This bill would remove the sunset in current law to allow teleconferencing during certain emergencies as well as increase the time period when the Board must renew the findings of an emergency or need for social distancing from 30 days to 45 days.

This bill passed out of two policy committees in the Senate with clarifying amendments and is now on the Senate Floor.

**SB 537 (Becker) - Teleconference Flexibilities.** This bill would allow expanded teleconference flexibilities for multijurisdictional, cross county legislative bodies if certain requirements are met, along with adding to the list of circumstances where a member is permitted to participate remotely.

This bill passed out of the Senate Governance and Finance Committee in April after being narrowed considerably, including allowing remote participation only if the meeting location is more than 40 miles one way from the member's home, among other requirements that limit the flexibilities in the bill. These amendments made the bill less useful for many local government entities who previously supported the bill.

We have met with the author's staff and requested amendments to clarify that local retirement systems are covered by the bill, but because the bill was eventually narrowed in scope, it is unlikely the author will accept our language.

This bill passed out of the Assembly Local Government Committee on July 12 with amendments that further narrow the scope of the flexibility in the bill, among other changes. The amendment language is not yet in print, but we will share it with the Legislative Committee when it is available.