



**Alameda County Employees' Retirement Association
BOARD OF RETIREMENT**

NOTICE and AGENDA

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

ACERA MISSION:

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

**Thursday, October 20, 2022
2:00 p.m.**

ZOOM INSTRUCTIONS	BOARD OF RETIREMENT - MEMBERS	
<p>The public can view the Teleconference and comment via audio during the meeting. To join this Teleconference, please click on the link below. https://zoom.us/join Webinar ID: 879 6337 8479 Passcode: 699406 Call-In Number: 1 (669) 900-6833 US For help joining a Zoom meeting, see: https://support.zoom.us/hc/en-us/articles/201362193</p>	JAIME GODFREY	APPOINTED
	CHAIR	
	LIZ KOPPENHAVER	ELECTED RETIRED
	FIRST VICE-CHAIR	
	OPHELIA BASGAL	APPOINTED
	SECOND VICE-CHAIR	
	DALE AMARAL	ELECTED SAFETY
	KEITH CARSON	APPOINTED
	TARRELL GAMBLE	APPOINTED
	HENRY LEVY	TREASURER
KELLIE SIMON	ELECTED GENERAL	
GEORGE WOOD	ELECTED GENERAL	
NANCY REILLY	ALTERNATE RETIRED¹	
VACANT	ALTERNATE SAFETY²	

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

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

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

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

The order of agendized items is subject to change without notice. Board and Committee agendas and minutes, and all documents distributed to the Board or a Committee in connection with a public meeting (unless exempt from disclosure), are available online at www.acera.org.

1. CALL TO ORDER

2. ROLL CALL

3. PUBLIC COMMENT

4. CONSENT CALENDAR:

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

A. REPORT ON SERVICE RETIREMENTS:

Appendix A

B. LIST OF DEFERRED RETIREMENTS:

Appendix B

C. LIST OF DECEASED MEMBERS:

Appendix C

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

None

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

Appendix E

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

Appendix F

G. APPROVE MINUTES of BOARD and COMMITTEE MEETINGS:

September 14, 2022 Investment Committee Minutes

September 15, 2022 Minutes of the Regular Board Meeting

October 5, 2022 Operations Committee Minutes

October 5, 2022 Retirees Committee Minutes

October 12, 2022 Investment Committee Minutes

H. MISCELLANEOUS:

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

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

REGULAR CALENDAR
REPORTS AND ACTION ITEMS

5. DISABILITY, DEATH AND OTHER BENEFIT CLAIMS:

- A. Service-Connected Disability Retirement Application of Dennis Teichera, Deputy Sheriff II for the County of Alameda: Consideration of Hearing Officer's Proposed Findings of Fact and Recommended Decision, pursuant to Gov't Code § 31534. **This Item will be addressed in Closed Session, pursuant to Gov't Code § 54957(b).**
- B. Member Joe Dutra's Claim for Retroactive MBRP Benefits: Board Chair Report on Resolution of Dispute.

6. COMMITTEE REPORTS, RECOMMENDATIONS AND MOTIONS:

- A. **Operations:** **[See October 5, 2022 Operations Committee Agenda Packet for public materials related to the below listed items.]**
 - 1. Summary of October 5, 2022 Meeting.
 - 2. Motion to amend the *Board Regulations* and *Membership Policy* per the redlines in the agenda backup (effective upon Board of Supervisor's approval of amendments to the *Regulations*) to allow new members' certifications to ACERA to be made through the employer's transmittal file in lieu of a sworn statement, pursuant to Government Code Section 31526(b)(2).
- B. **Retirees:** **[See October 5, 2022 Retirees Committee Agenda Packet for public materials related to the below listed items.]**
 - 1. Summary of October 5, 2022 Meeting.
 - 2. Motion to accept the December 31, 2021 Supplemental Retiree Benefit Reserve Actuarial Valuation prepared by Segal.
- C. **Investment:** **[See October 12, 2022 Investment Committee Agenda Packet for public materials related to the below listed items.]**
 - 1. Summary of October 12, 2022 Meeting.
 - 2. Motion to adopt Amendments to ACERA's Emerging Investment Manager (EIM) Policy.
 - 3. Motion to adopt Search Criteria for ACERA's General Investment Consultant (GIC) Search, including Proposed Minimum Qualifications and Evaluation Matrix.

D. Actuarial: [See October 20, 2022 Actuarial Committee Agenda Packet for public materials related to the below listed items.]

1. Summary of October 20, 2022 Meeting.
2. Motion to hire an Actuarial Auditing firm to audit Segal's actuarial work.

E. Audit: [See October 20, 2022 Audit Committee Agenda Packet for public materials related to the below listed items.]

1. Summary of October 20, 2022 Meeting.

7. NEW BUSINESS:

- A.** Motion to direct the Chief Executive Officer (CEO) (or his designee) to vote ACERA's Proxy and provide the CEO (or his designee) with direction on how to vote ACERA's Proxy on behalf of the Board of Retirement at the State Association of County Retirement Systems (SACRS) Fall Conference Business Meeting.
- B.** Appointment of Kathy Foster to fill a critically needed ACERA position before 180 days have passed after her retirement pursuant to Government Code Section 7522.56(f)(1).
- C.** Chief Executive Officer's Report.

8. CONFERENCE/ORAL REPORTS

9. ANNOUNCEMENTS

10. BOARD INPUT

11. ESTABLISHMENT OF NEXT MEETING:

Thursday, November 17, 2022 at 2:00 p.m.

12. CLOSED SESSION:

- A. Significant exposure to litigation and potential initiation of litigation, pursuant to paragraphs (2) and (4) of subdivision (d) of Government Code Section 54956.9: (one potential case).
- B. Government Code Section 54957(b)(1): Public Employee Evaluation (Chief Executive Officer).
- C. See Item 5.A.

13. REPORT ON ACTION TAKEN IN CLOSED SESSION

14. ADJOURNMENT

**APPENDIX A
REPORT ON SERVICE RETIREMENTS**

ANLAVAN, Hom
Effective: 7/23/2022
Social Services Agency

LEE, May
Effective: 8/6/2022
Social Services Agency

ARULANANTHAM, Anton
Effective: 8/16/2022
Health Care Services Agency

MATEO, Gerald
Effective: 7/23/2022
Social Services Agency

BERRY, Priscilla
Effective: 7/23/2022
Social Services Agency

PARCHMAN, Connie
Effective: 8/9/2022
Superior Court

CHAN, Gavin
Effective: 8/20/2022
Sheriff's Department

RIDEOUT, Wanda
Effective: 8/6/2022
Sheriff's Department

CHUNG, Heidi
Effective: 8/6/2022
Social Services Agency

SMITH, Kurtis
Effective: 7/1/2022
Sheriff's Department

COOPER, Paul
Effective: 8/6/2022
Health Care Services Agency

STINSON, Patricia
Effective: 8/8/2022
Sheriff's Department

CRAWFORD, Susan
Effective: 8/6/2022
Health Care Services Agency

STRANG, Richard
Effective: 7/23/2022
District Attorney

DEBUSMAN, Mary
Effective: 8/6/2022
Health Care Services Agency

TIMPANE, Colleen
Effective: 8/16/2022
Alameda Health System

DESANTIS, Adrienne
Effective: 8/21/2022
Health Care Services Agency

TUBBY, Janice
Effective: 7/24/2022
Alameda Health System

HAMMOND, Virginia
Effective: 7/11/2022
Library

VANDAGRIFF, David
Effective: 4/9/2022
Sheriff's Department

HAWKINS, William
Effective: 8/6/2022
Alameda Health System

WAKEFIELD, Cynthia
Effective: 8/1/2022
Superior Court

HOANG, Thi
Effective: 7/30/2022
Alameda Health System

WALKER, Gerald
Effective: 7/23/2022
Health Care Services Agency

**APPENDIX A
REPORT ON SERVICE RETIREMENTS**

WINGES, Mark
Effective: 7/30/2022
Information Technology Dept

WRIGHT, Venus
Effective: 8/6/2022
Superior Court

**APPENDIX B
LIST OF DEFERRED RETIREMENTS**

ALLEN, Lisha M.
Social Services Agency
Effective Date: 8/12/2022

LOHMEYER, Emily D.
District Attorney
Effective: 5/24/2022

FLORES, Dominic N.
Sheriff's Department
Effective: 8/12/2022

LUK, Kelsey P.
Public Defender
Effective: 7/29/2022

GOMEZ RAMIREZ, Lorena
Alameda Health System
Effective: 6/27/2022

MARTIN, Brian R.
Health Care Services Agency
Effective: 7/29/2022

JENNINGS-PARRIOTT, Kari A.
Health Care Services Agency
Effective: 8/2/2022

SUAREZ, Martha E.
Social Services Agency
Effective: 6/10/2022

LOCHIN, Glenford A.
Alameda Health System
Effective: 7/18/2022

YEN, Kelly
Human Resource Services
Effective: 7/22/2022

**APPENDIX C
LIST OF DECEASED MEMBERS**

AUSTIN, Alice M
Superior Court
8/15/2022

GRAYSON, Louise
Assessor
8/25/2022

BROSCH, Jeffrey
District Attorney
8/23/2022

HERNANDEZ, Joe
Assessor
8/17/2022

CASE, Rosanne
Superior Court
8/31/2022

HORN, Wesley
Sheriff's Department
9/17/2022

CHATMAN, Grace
Alameda Health System
9/16/2021

INGRAM, James
Public Works Agency
6/27/2022

**APPENDIX C
LIST OF DECEASED MEMBERS**

JOHNSTON, Meg
Social Services Agency
8/6/2022

SHANKAR, Anand
Community Development Agency
8/2/2022

KISH, Lyall
District Attorney
8/22/2022

SHANKLAND, Linda
Social Services Agency
9/1/2022

LEWIS, Linda
General Services Agency
9/13/2022

SHELDON, Gary
Sheriff's Department
9/7/2022

LYNCH, Maryanne
Social Services Agency
9/8/2022

THOMAS, Della
Alameda Health System
8/22/2022

PRICE, Khojesta
Health Care Services Agency
8/28/2022

THOMAS, Donna
Alameda Health System
9/11/2022

RIPLEY, Evelyn
Alameda Health System
8/26/2022

WALTON, Margaret
Alameda Health System
9/10/2022

ROGERS, Betty
Sheriff's Department
8/28/2022

WOLIN, Fredrick
Public Works Agency
8/30/2022

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

Name: Alvey, Patricia
Type of Claim: Service-Connected

Staff's Recommendation:

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

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

Name: **Calegari, John**
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. Calegari's application for a service-connected disability, and waiving future annual medical examinations and questionnaires.

Name: **Neufville-Pratt, Zondell**
Type of Claim: Non- Service Connected

Staff's Recommendation:

On the Board's February 17, 2022 Consent Calendar, the Board granted Ms. Neufville-Pratt a non-service-connected disability retirement, with an effective retirement date of April 1, 2021. Staff has since determined that she is entitled to an earlier effective date of October 2, 2018 and therefore Staff recommends that she be granted that earlier effective date. The earlier effective date is not opposed by the County.

APPENDIX F
APPLICATION FOR DISABILITY RETIREMENT
UNCONTESTED HEARING OFFICER RECOMMENDATIONS

Name: **Sanchez, Ruth**
Type of Claim: Non-Service-Connected Disability

Staff's Recommendation:

Adopt the Hearing Officer's Proposed Findings of Fact and Recommended Decision as the Board's own final decision to grant Ms. Ruth Sanchez's application for a Non-Service-Connected Disability Retirement.



ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
BOARD OF RETIREMENT
MINUTES

THIS MEETING WAS CONDUCTED VIA TELECONFERENCE WITH VIDEO

Thursday, September 15, 2022

Vice-Chair Liz Koppenhaver called the meeting to order at 2:00 p.m.

Trustees Present: Dale Amaral
Ophelia Basgal
Keith Carson
Liz Koppenhaver
Henry Levy (*Arrived After Roll Call*)
Kellie Simon
Darryl Walker (*Alternate*)

Trustees Excused: Tarrell Gamble
Jaime Godfrey
George Wood
Nancy Reilly (*Alternate*)

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

Staff Excused: Victoria Arruda, Human Resource Officer
Sandra Dueñas-Cuevas, Benefits Manager

PUBLIC INPUT

None.

CONSENT CALENDAR
REPORTS AND ACTION ITEMS

REPORT ON SERVICE RETIREMENTS

Appendix A

LIST OF DEFERRED RETIREMENTS

Appendix B

LIST OF DECEASED MEMBERS

Appendix C

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

None

APPROVE UNCONTESTED STAFF RECOMMENDATIONS ON DISABILITY RETIREMENTS AND DEATH BENEFITS

Appendix E

APPROVE UNCONTESTED HEARING OFFICER RECOMMENDATIONS FOR DISABILITY RETIREMENTS AND DEATH BENEFITS

None

APPROVE MINUTES of BOARD and COMMITTEE MEETINGS

*August 18, 2022 Minutes of the Regular Board Meeting
September 7 2022 Retirees Committee Minutes*

MISCELLANEOUS

- *Proposed Findings Regarding State of Emergency Pursuant to Gov't Code § 54953(e)(3): **Staff Recommendation:** The Board finds that it has reconsidered the circumstances of the state of emergency and (1) the state of emergency continues to directly impact the ability of the members to meet safely in person, and (2) state or local officials continue to impose or recommend measures to promote social distancing.*
- *Operating Expenses and Budget Summary as of 07/31/22*
- *Approve Staff Recommendation regarding the County of Alameda's Amendment to Pay Item/Code One Time Special Payment – 718*
- *Approve Staff Recommendation regarding the County of Alameda's New Pay Item/Code Union Shop Steward/Officers Extended LOA – UNL*
- *Approve Staff Recommendations regarding Superior Court of California's New Pay Items/Codes:*
 - *Part-Time Court Interpreter – INT11*
 - *Court Interpreter Video Remote Interpreting Region 2 with 25% Premium Pay – INT25*

22-54

It was moved by Ophelia Basgal and seconded by Keith Carson that the Board adopt the Consent Calendar. The motion carried 6 yes (*Amaral, Basgal, Carson, Koppenhaver, Simon, Walker*), 0 no, and 0 abstentions. *Trustee Levy was not present for the vote on the motion.*

**REGULAR CALENDAR
REPORTS AND ACTION ITEMS**

DISABILITY, DEATH AND OTHER BENEFIT CLAIMS

This Item was addressed in Closed Session, pursuant to Gov't Code § 54957(b).

Service-Connected Disability Retirement Application of Pius Bachan, Deputy Sheriff II for the County of Alameda: Consideration of Hearing Officer's Proposed Findings of Fact and Recommended Decision, pursuant to Gov't Code § 31534.

This item was moved to the end of the agenda. See CLOSED SESSION below for the report of out Closed Session.

COMMITTEE REPORTS, RECOMMENDATIONS AND MOTIONS

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

Retirees:

Liz Koppenhaver gave an oral report stating that the Retirees Committee met on September 7, 2022 and discussed offering Kaiser Permanente Senior Advantage Plan Enrollees with the optional Silver&Fit® Benefit for Plan Year 2023.

22-55

It was moved by Liz Koppenhaver and seconded by Kellie Simon that the Board approve offering the optional Silver&Fit® benefit for Kaiser Permanente Senior Advantage plan enrollees for the 2023 Plan Year, at an estimated annual cost of \$139,003. The motion carried 6 yes (*Amaral, Carson, Koppenhaver, Levy, Simon, Walker*), 0 no, and 1 abstention (*Basgal*).

Trustee Koppenhaver further reported that the Committee discussed including a hearing aid benefit for early (non-Medicare eligible) retirees enrolled in the Kaiser Permanente group medical plan.

22-56

It was moved by Liz Koppenhaver and seconded by Kellie Simon that the Board approve including a \$1,000 hearing aid benefit per ear every 36 months to the Kaiser Permanente non-Medicare coverage for Plan Year 2023. The motion carried 7 yes (*Amaral, Basgal, Carson, Koppenhaver, Levy, Simon, Walker*), 0 no, and 0 abstentions.

Staff presented information on the following Information Items at the Retirees Committee meeting: **1)** Kaiser Permanente Senior Advantage Plan Optional Riders for Plan Year 2023; **2)** Retired Member (Lump Sum) Death Benefit; **3)** Active Death Equity Benefit; **4)** Plans for Open Enrollment and Retiree Health and Wellness Fair; and **5)** Miscellaneous Updates.

Trustee Koppenhaver announced that ACERA will host its annual (Virtual) Retiree Health and Wellness Fair on Thursday, October 27, 2022 at 9:30 a.m. Trustee Koppenhaver reported that the REAC Luncheon scheduled for October 10, 2022 was cancelled due to low participation.

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

Investment:

Chief Investment Officer Betty Tse gave an oral report stating that the Investment Committee met on September 14, 2022 and that the Committee discussed an up to \$55 million investment in Audax Private Equity Fund VII, L.P. as part of ACERA's Private Equity Portfolio – Buyout, pending completion of Legal and Investment due diligence and successful contract negotiations. Ms. Tse reported that ACERA's previous \$25 million investment in this fund is performing very well.

22-57

It was moved by Liz Koppenhaver and seconded by Keith Carson that the Board approve an up to \$55 million investment in Audax Private Equity Fund VII, L.P. as part of ACERA's Private Equity Portfolio – Buyout, pending completion of Legal and Investment due diligence and successful contract negotiations. The motion carried 6 yes (*Amaral, Basgal, Carson, Koppenhaver, Simon, Walker*), 0 no, and 1 abstention (*Levy*).

Ms. Tse further reported that the Committee discussed issuing a Request For Proposal (RFP) for a General Investment Consultant following the Proposed Timeline Search. Ms. Tse reported that Staff is planning to design this RFP to look for a full-service consultant who also has a real estate practice, capabilities and experience so that ACERA may potentially expand its relationship to include real estate coverage should there be a need in the future.

22-58

It was moved by Liz Koppenhaver and seconded by Darryl Walker that the Board authorize Staff to issue a Request For Proposal (RFP) for a General Investment Consultant following the Proposed Search Timeline. The motion carried 7 yes (*Amaral, Basgal, Carson, Koppenhaver, Levy, Simon, Walker*), 0 no, and 0 abstentions.

Staff presented information on the following Information Items at the Investment Committee meeting: **1)** Review of the Emerging Investment Manager (EIM) Policy; and **2)** Report on the meeting date of the November 2022 Investment Committee meeting.

Minutes of the meeting will be presented to the Board for adoption on the Consent Calendar at the October 20, 2022 Board meeting.

NEW BUSINESS:

Council of Institutional Investors (CII) Voting Proxy

Mr. Nelsen presented his September 15, 2022, memo regarding *Voting Proxy for the Council of Institutional Investors (CII) Fall Conference* wherein he provided three options for the Board’s consideration regarding the ACERA Board’s proxy vote at the CII Fall Conference. The Options are: **1)** Do not designate a proxy; **2)** Designate a proxy, and give them authority to vote using their discretion; and **3)** Designate a proxy, and provide direction on how to vote for each of the items. Mr. Nelsen recommended option 2, which is to designate Trustee Levy, who is attending the CII Fall Conference, to use his discretion to vote ACERA’s proxy on behalf of the Board of Retirement at the CII Business Meeting – similar to the type of vote ACERA participates in at the SACRS Conference Business meeting. Mr. Nelsen reported that CII’s items up for vote are non-controversial, which are: **1)** approval of a bylaw amendment to enable electronic voting; **2)** approval of a bylaw amendment to delegate to the CII Board the authority to set dues for all members; **3)** approval of the 2023 budget; and **4)** approval of an update to Section 2.11 of CII Corporate Governance Policies on Board size and service.

22-59

It was moved by Darryl Walker and seconded by Ophelia Basgal that the Board authorize and select Trustee Henry Levy, who is attending the Council of Institutional Investors (CII) Fall Conference, to review CII’s materials and to use his discretion to vote ACERA’s Proxy on behalf of the Board of Retirement at the CII Fall Conference Business Meeting. The motion carried 7 yes (*Amaral, Basgal, Carson, Koppenhaver, Levy, Simon, Walker*), 0 no, and 0 abstentions.

David Nelsen, Chief Executive Officer’s Report

Chief Executive Officer Dave Nelsen presented his September 15, 2022 written CEO Report which provided an update on: **1)** Senior Management Recruitment; **2)** Committee and Board Action Items; **3)** Conference/Event Schedule; **4)** Other Items: **a)** COVID-19 Responses; **b)** Pension Administration System Project; **c)** Legislative Items; **d)** Strategic Planning; **e)** and **5)** Key Performance Indicators.

Mr. Nelsen gave a brief description of and provided an update on the following bills: **1)** SB 1328 passed the Senate, but did not move in the Assembly; **2)** SACRS sponsored bills AB 1824 and AB were signed by the Governor; **3)** AB 2493 was amended and passed in the Senate but was pulled by the bill sponsor in the Assembly, given the County opposition and word that it would likely be vetoed by the Governor; and **4)** AB 2449 passed out of the legislature and was signed by the Governor.

Mr. Nelsen reported that candidates' interviews for the Assistant Chief Executive Officer of Benefits position are underway. Mr. Nelsen will provide the Board with an update sometime next week.

Mr. Nelsen provided an update on the Board Elections stating that some candidates have already submitted their completed Nomination Packets and that those that were submitted have been certified by Staff. Mr. Nelsen announced that the Nomination Period ends on Monday, September 26, 2022 (at 5 p.m.). Mr. Nelsen will provide the Board with an update sometime next month.

CONFERENCE/ORAL REPORTS

Trustee Levy reported that he attended Conexus' Financial Sustainability in Practice Conference and urged other Trustees to consider attending the Conference next year.

ANNOUNCEMENTS

The Board and Staff congratulated Kathy Foster on her recent retirement from her role as the Assistant Chief Executive Officer of Benefits and expressed their appreciation to Ms. Foster for her professionalism, support and dedication to ACERA's Stakeholders. Ms. Foster will be truly missed!

BOARD INPUT

None.

CLOSED SESSION

Item 5A: Service-Connected Disability Retirement Application of member Pius Bachan, Deputy Sheriff II.

The Board reconvened into Open Session and the following Trustees returned:
Amaral, Basgal, Koppenhaver, Levy, and Walker

Chief Counsel Jeff Rieger reported that the Board took the following action in Closed Session:

22-60

The Board adopted the Hearing Officer's Proposed Recommendation to deny Pius Bachan, Deputy Sheriff II, a Service-Connected Disability Retirement. The votes were 3 yes (*Basgal, Koppenhaver, Levy*), 2 no (*Amaral, Walker*), and 0 abstentions.

To view the September 15, 2022 Board meeting in its entirety, click on the link below:
<https://youtu.be/Ob-WqmgmeMI>.

ADJOURNMENT

The meeting was adjourned at approximately 3:51 p.m.

Respectfully Submitted,



David Nelsen
Chief Executive Officer

10/20/22

Date Adopted

**APPENDIX A
REPORT ON SERVICE RETIREMENTS**

ALZONA, Rhett
Effective: 7/23/2022
Zone 7

KING, Sherry
Effective: 7/9/2022
Probation Department

BYRD, Tawanedda
Effective: 7/9/2022
Social Services Agency

LEE, Robert
Effective: 6/11/2022
Health Care Services Agency

CARD, Alena
Effective: 7/9/2022
District Attorney

LOCKARD, Josephine
Effective: 6/25/2022
Probation Department

CASEY, Lisa
Effective: 7/23/2022
Probation Department

MALIN, Christina
Effective: 7/9/2022
Health Care Services Agency

CLARK, Jacqueline
Effective: 6/30/2022
Social Services Agency

MCGUINNESS, Marlene
Effective: 6/25/2022
Auditor-Controller

EJALE, Francisca
Effective: 6/26/2022
Alameda Health System

METH, Ricardo
Effective: 7/25/2022
Information Technology Department

ELDRIDGE, Quamrun
Effective: 7/9/2022
Health Care Services Agency

PATTERSON, Troy
Effective: 7/13/2022
Probation Department

GERONIMO, Juzena
Effective: 7/2/2022
Social Services Agency

PETERS, Robert
Effective: 7/9/2022
Social Services Agency

ISIBOR, Elsie
Effective: 7/9/2022
Alameda Health System

PHAM, Colby
Effective: 6/11/2022
Sheriff's Department

JIMENEZ, Sarah
Effective: 6/4/2022
Health Care Services Agency

REED, Davonna
Effective: 6/25/2022
Social Services Agency

JOHNSON, Sonna
Effective: 7/2/2022
Social Services Agency

RENIGAR, Michelle
Effective: 8/1/2022
Superior Court

KESSLER, Kelley
Effective: 7/5/2022
Social Services Agency

ROSENBERG, Graham
Effective: 7/9/2022
Health Care Services Agency

**APPENDIX A
REPORT ON SERVICE RETIREMENTS**

SMITH-WINN, Millie
Effective: 7/7/2022
Superior Court

VALENTIN, Jose
Effective: 5/28/2022
Assessor

SPORER, Karl
Effective: 6/25/2022
Health Care Services Agency

WILLIAMS, Dana
Effective: 6/25/2022
Social Services Agency

SPRINGFIELD, Deborah
Effective: 6/11/2022
Social Services Agency

WRIGHT, Linda
Effective: 3/1/2022
Social Services Agency

**APPENDIX B
LIST OF DEFERRED RETIREMENTS**

ABD RAHMAN, Waitun Aidah Binti
Information Technology Department
Effective Date: 7/22/2022

BROWN, Briana
Board of Supervisors
Effective: 7/14/2022

ABSHER, Richard A.
Health Care Services Agency
Effective: 3/18/2022

BUGGS, yler J.
Alameda Health System
Effective: 7/8/2022

ALDERSON, Michelle E.
Social Services Agency
Effective: 6/3/2022

BURROUGHS, Hadley R.
Health Care Services Agency
Effective: 3/25/2022

ALVAREZ, Susana
Social Services Agency
Effective: 5/13/2022

CHEN, Frances F.
County Counsel
Effective: 7/29/2022

ANTHONY, Devin
Social Services Agency
Effective: 3/14/2022

CHOI, Gan Wha
Health Care Services Agency
Effective: 7/8/2022

BEAMAN, Audrey A.
County Counsel
Effective: 8/5/2022

CHU, Chiu Ming
Treasurer-Tax Collector
Effective: 8/5/2022

BLACK, Jenna M.
Sheriff's Department
Effective: 7/23/2022

CHURCH, Tamara Shri C.
Zone 7
Effective: 6/10/2022

BLYTHE, Alexandria G.
Public Defender
Effective: 6/3/2022

COLEMAN, Rebecca G.
Community Development Agency
Effective: 6/24/2022

**APPENDIX B
LIST OF DEFERRED RETIREMENTS**

CORTES, Sarah M.
Social Services Agency
Effective: 5/13/2022

GIL, Jesenia J.
Social Services Agency
Effective: 3/18/2022

DAVIS, Denee A.
Social Services Agency
Effective: 6/24/2022

GROVE, Jesse B.
Public Defender
Effective: 3/18/2022

DAVIS, Jonathon B.
Health Care Services Agency
Effective: 7/19/2022

GUZMAN GUERRERO, Denisse E.
Human Resource Services
Effective: 7/11/2022

DEL CID, Jesenia D.
Social Services Agency
Effective: 6/10/2022

HADJARZADEH, Hedayat
General Services Agency
Effective: 6/3/2022

DORADO, Sarah M.
Alameda Health System
Effective: 7/1/2022

HAULK, Jennifer L.
County Counsel
Effective: 6/30/2022

DOUGLAS, Robert B.
Health Care Services Agency
Effective: 7/12/2022

HUANG, Wendy
Health Care Services Agency
Effective: 7/8/2022

DURAN-PEREDA, Ariana E.
Auditor-Controller
Effective: 6/30/2022

ISHII, Emma F.
Board of Supervisors
Effective: 7/21/2022

EVANS, Caroline R.
Social Services Agency
Effective: 6/30/2022

ISORDA, Rodney B.
Alameda Health System
Effective: 3/11/2022

FAROLE, Deana Annette
Superior Court
Effective: 6/3/2022

JONES, Chalada A.
Alameda Health System
Effective: 6/19/2022

FISHER, Diane C.
Health Care Services Agency
Effective: 4/1/2022

KC, Suvi S.
Alameda Health System
Effective: 7/4/2022

FORT, Jessica K.
Probation Department
Effective: 7/8/2022

KUMAR, Ranjani
Alameda Health System
Effective: 7/9/2022

APPENDIX B
LIST OF DEFERRED RETIREMENTS

LEE, Kelly L.
Alameda Health System
Effective: 6/24/2022

LI, Dan Ping
Alameda Health System
Effective Date: 5/31/2022

LO, Dong Venh
Sheriff's Department
Effective: 7/9/2022

LUBINSKY, Amy M
Alameda Health System
Effective: 7/15/2022

LY, Daivy
Sheriff's Department
Effective: 7/9/2022

MARQUEZ, Tricia A.
Department of Child Support Services
Effective: 7/22/2022

MENDOZA, Alejandra
Social Services Agency
Effective: 6/17/2022

MIELCAREK, Camden T.
Zone 7
Effective: 7/8/2022

MONROE, Lisa E.
Alameda Health System
Effective: 7/8/2022

MOORE, Artishia J.
Alameda Health System
Effective: 6/25/2022

NGUYEN, Tyler
Superior Court
Effective: 7/13/2022

NUMERA, Lealoa C.
First 5
Effective: 7/5/2022

OLIVER, Loretha N.
Social Services Agency
Effective: 7/8/2022

PIMWONG, Jasmine C.
District Attorney
Effective: 7/19/2022

QUACH, Josephine M.
Auditor-Controller
Effective: 7/15/2022

RAMIREZ, Theresa M.
Health Care Services Agency
Effective: 6/30/2022

RAMOS, Maria L.
Alameda Health System
Effective: 6/24/2022

ROBINSON, Katherine M.
Adult & Aging Services
Effective: 7/20/2022

SAMBRANO, Jose W.
Alameda Health System
Effective: 4/8/2022

SARMIENTO, Loraine R.
Social Services Agency
Effective: 6/30/2022

SHANNON, Megan
LARPD
Effective: 4/15/2022

SHAUVIN, Jamie E.
Alameda Health System
Effective: 4/15/2022

SIMPSON, Tameka
Alameda Health System
Effective: 5/12/2022

SPICER-WILSON, Stephanie M.
Child Support Services
Effective: 5/31/2022

APPENDIX B
LIST OF DEFERRED RETIREMENTS

STIMACH, Sol Y.
District Attorney
Effective: 8/5/2022

TURNER, Dajuana Y.
Superior Court
Effective: 4/4/2022

SULLIVAN, Kirk M.
District Attorney
Effective: 6/17/2022

VOHRA, Ila
Social Services Agency
Effective: 6/17/2022

THIYAGARAJAN, Venkateshan
Information Technology Department
Effective: 7/18/2022

VUONG, John
Alameda Health System
Effective: 6/10/2022

TRUONG, Dao H.
Alameda Health System
Effective: 8/6/2022

WILSON, Javarre C.
Health Care Services Agency
Effective: 7/19/2022

TUNG, Nancy H.
District Attorney
Effective: 7/29/2022

YUEN, Wing N.
Health Care Services Agency
Effective: 8/2/2022

APPENDIX C
LIST OF DECEASED MEMBERS

BONESTEEL, Suzanne
Social Services Agency
7/30/2022

HENDERSON, Robert
Social Services Agency
8/4/2022

COSBY, Clara
Public Health
7/23/2022

HIGGINS, Carolyn
Health Care Services Agency
8/7/2022

DANIELSON, Lois
Non-Mbr Survivor of Laurence Danielson
7/22/2022

KING, Sonja
Probation Department
6/4/2022

DAVIS, Darrell
Superior Court
8/13/2022

KYRIACOS, Kenneth
Sheriff's Department
8/14/2022

FOLEY, Rosita
Health Care Services Agency
8/4/2022

LEWIS, John
District Attorney
8/17/2022

GRAUMANN, Terri
Public Works Agency
7/30/2022

LUONG, Selina
Social Services Agency
8/16/2022

**APPENDIX C
LIST OF DECEASED MEMBERS**

MELODY, Vivian
Non-Mbr Survivor of Robert Melody
7/31/2022

SANDERS, Carolyn
Probation Department
7/19/2022

MERCADO, Zenaida
Non-Mbr Survivor of Conrado Mercado
7/24/2022

SCOTT, Dennis
Health Care Services Agency
8/13/2022

MOOREHEAD, Debra
General Services Agency
6/9/2022

SPIKES, Cecile
Social Services Agency
8/22/2022

MORANTON, Odette
Non-Mbr Survivor of Marcel Moranton
8/8/2022

SWENSON, Erik
Public Defender
7/22/2022

MOYA, Manuel
Sheriff's Department
6/26/2022

THOMPSON, Marjorie
Probation Department
7/9/2022

MUTCH, Donald
Social Services Agency
8/11/2022

TIU, Socorro
Alameda Health System
7/23/2022

OSHEROFF, Carolyn
Non-Mbr Survivor of Gregory Osheroff
8/3/2022

WOHLFROM, Marian
Alameda Health System
7/31/2022

RIDEOUT-HARVEY, Ayda
Alameda Health System
7/16/2022

WOLFE, Michael
Public Works Agency
7/10/2022

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

Name: Alizio, David
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. Alizio's application for a service-connected disability, and waiving future annual medical examinations and questionnaires.

Name: Allen, Sandra
Type of Claim: Service-Connected

Staff's Recommendation:

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

Name: Carrigan, Kendall
Type of Claim: Service-Connected

Staff's Recommendation:

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

Name: Costanzo, Josephine
Type of Claim: Service-Connected

Staff's Recommendation:

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

Based on the Medical Advisor's and Staff's review and determination of Ms. Costanzo's ability to determine the permanency of her incapacity, to grant Ms. Costanzo's request for an earlier effective date.

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

Name: Ladner, Michael
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. Ladner's application for a service-connected disability, and waiving future annual medical examinations and questionnaires at this time.

Name: Mc Comas, Justin
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. Mc Comas's application for a service-connected disability, and waiving future annual medical examinations and questionnaires at this time.

Name: Thomas, Tiffany
Type of Claim: Service-Connected

Staff's Recommendation:

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

October 14, 2022
Minutes of the Special Board Meeting
For approval under November 17, 2022
Board “Consent Calendar”

October 5, 2022
Operations Committee Minutes
For approval under October 20, 2022
Board “Consent Calendar”



**MINUTES OF OCTOBER 5, 2022 OPERATIONS COMMITTEE MEETING
THIS MEETING WAS CONDUCTED VIA TELECONFERENCE WITH VIDEO**

To: Members of the Operations Committee

From: Ophelia Basgal, Chair, Appointed

Subject: Summary of the October 5, 2022 Operations Committee Meeting

Committee Chair Ophelia Basgal called the October 5, 2022 Committee meeting to order at 9:31 a.m.

ACERA TRUSTEES, SENIOR MANAGERS AND PRESENTING STAFF IN ATTENDANCE

Committee members present were Ophelia Basgal, Kellie Simon and George Wood. Also present were Dale Amaral Tarrell Gamble, Liz Koppenhaver and alternate member Nancy Reilly. Jaime Godfrey and Committee member Keith Carson joined the meeting after roll call.

Staff present were Dave Nelsen, Chief Executive Officer; Lisa Johnson, Assistant Chief Executive Officer; Jeff Rieger, Chief Counsel; Sandra Dueñas-Cuevas, Benefits Manager; Jessica Huffman, Benefits Manager; Betty Tse, Chief Investment Officer; Vijay Jagar, Chief Technology Officer; and Harsh Jadhav, Chief of Internal Audit.

PUBLIC INPUT

None

Action Items

1. Recommended Changes to the New Member Enrollment Process

Staff presented suggested changes to the New Member Enrollment Process.

It was moved by Tarrell Gamble and seconded by Dale Amaral that the Committee recommend to the Board of Retirement that the Board allow new members' certifications to ACERA to be made through the employer's transmittal file in lieu of a sworn statement, pursuant to Government Code Section 31526(b)(2).

The motion carried 8 yes (*Amaral, Basgal, Carson, Gamble, Godfrey, Koppenhaver, Simon, and Wood*), 0 no, and 0 abstentions.

INFORMATION ITEMS

1. Operating Expenses as of 08/31/2022

Staff provided the operating expenses as of August 31, 2021. As of August 31, 2022, actual expenses were \$1,162K under budget. Budget Surpluses noted were Staffing (\$757K under budget), Staff Development (\$32K under budget), Professional Fees (\$68K under budget), Office Expense (\$136K under budget), Member Services (\$15K under budget), Systems (\$73K under budget), Depreciation (\$5K under budget), and Board of Retirement (\$86K under budget).

2. Statement of Reserves as of 06/30/2022

Staff reported on the Statement of Reserves as of June 30, 2022. For the six month period ending June 30, 2022, approximately \$381.9 million of total interest was credited to all the valuation reserve accounts, including the 401(h) account and the SRBR at a rate of 3.6248%.

3. Board of Retirement Election Update

Staff provided an update regarding the 2022 Board of Retirement election. The nomination period ended on September 26, 2022 for five (5) open seats on the Board. There were ten (10) request for election information packets. In total, six (6) certifications were issued for the five (5) open seats.

With the nomination period over, only three (3) of the Five (5) initial seats will move forward in the election, since the third and alternate eight candidates went unopposed (see below)

Third Member to represent the General Members

1. George Wood, Incumbent

Alternate Eighth Member to represent the Retired Members

1. Cynthia Baron, Candidate

The drawing of lots was held on September 28, 2022, and the names and designations will appear on the ballots in the following order:

Seventh Member to represent Safety Member

1. Ross Clippinger, Captain Sheriff's Office
2. Kevin Bryant, Probation Officer

Eight Member to represent the Retired Members

1. Darryl Walker, Retired Probation Supervisor
2. Elizabeth Rogers, Candidate

Operations Committee Meeting Summary

October 5, 2022

Page 3 of 3

A public review period of the candidate statements will be held for ten (10) calendar days ending October 7, 2022. The ballots for the 2022 Board Election will be mailed out on November 16, 2022. The election period is between November 16, 2022 and December 21, 2022 at 5 p.m. The ballots will be counted by the Registrar of Voters on December 22, 2022, and the results will be announced on December 22, 2022, via email from ACERA's Chief Executive Officer.

TRUSTEE INPUT AND DIRECTION TO STAFF

None

FUTURE DISCUSSION ITEMS

November

- Discussion and Possible motion to approve the proposed 2023 ACERA Operating Expense Budget
- Discussion and possible motion to renew the Voluntary Elected Member Employer Reimbursement Policy with or without revisions

December

- Discussion and possible motion to approve the annual agreement for the Segal Group


ESTABLISHMENT OF NEXT MEETING DATE

The next meeting is scheduled for November 17, 2022 at 1:00 p.m.

MEETING ADJOURNED

The meeting adjourned at 10:18 a.m.



To: Board of Retirement
From: Jeff Rieger, Chief Counsel 
Meeting: October 20, 2022
Subject: **Recommended Changes To New Member Enrollment Process**

Government Code Section 31526(b) provides two options for the Board's Regulations to require how ACERA receives the information it needs to enroll new ACERA members:

- (1) The filing of a sworn statement by every person who is or becomes a member, showing date of birth, nature and duration of employment with the county, compensation received, and other information as is required by the board.
- (2) In lieu of a sworn statement, the submission by the member's employer to the retirement association of the information otherwise required in paragraph (1), in a form determined by the retirement association.

The Board's Regulations and Membership Policy currently require ACERA to use Option No. 1. At its October 5, 2022 meeting, the Operations Committee recommended that the Board make the necessary revisions to the Board's Regulations and Membership Policy to transition to Option No. 2. Redlines showing the recommended revisions to the Board Regulations and Membership Policy are attached hereto.

An affirmative vote of at least five members of the Board is required to revise the Board Regulations. Per Government Code Section 31525, if the Board approves the revisions to the Regulations, the revisions must be approved by the Board of Supervisors before they are effective. Thus, the recommended revisions to the Membership Policy are also contingent on the Board of Supervisor's approval of the revisions to the Regulations.

Redline of Revisions to Regulations of the Board of Retirement



Regulations of the Board of Retirement

1. AUTHORITY

- 1.1. ACERA was established under, and is governed by the provisions of the County Employees' Retirement Law of 1937 at Title 3, Division 4, Part 3, Chapter 3 of the Government Code of the State of California, beginning with Section 31450 (1937 Act). ACERA is also governed by the provisions of the California Public Employees' Pension Reform Act of 2013 at Title 1, Division 7, Chapter 21, Article 4 of the Government Code of the State of California, beginning at Section 7522 (PEPRA), as well as relevant State and Federal laws.
- 1.2. ACERA was established by the Alameda County Board of Supervisors by Ordinance No. 446, dated October 21, 1947, operative January 1, 1948.
- 1.3. Pursuant to Government Code Section 31525, these regulations shall be the official regulations of the Board and shall be in full force and effect from the date of ratification by the Alameda County Board of Supervisors and shall supersede any and all conflicting rules or resolutions.
- 1.4. The Board of Retirement (Board) may amend these regulations at any time. Such amendments shall be effective on the date they are ratified by the Alameda County Board of Supervisors.
- 1.5. Plenary authority and fiduciary responsibility for the investment of moneys and administration of the system is vested in the Board by Section 17, Article XVI of the Constitution of the State of California.
- 1.6. The management of the retirement system is vested with the Board pursuant to Government Code Section 31520.1.

2. BOARD

- 2.1. The Board shall discharge its duties solely in the interest of, and for the exclusive purpose of providing benefits to participants and their beneficiaries, minimizing employer contributions thereto, and defraying reasonable expenses of administering the system. A Retirement Board's duty to its participants and their beneficiaries shall take precedence over any other duty.

2.2. Composition

2.2.1. The Board consists of nine members (Trustees) and two alternate members, pursuant to Government Code Sections 31520.1 and 31520.5, as follows:

2.2.2. Ex Officio: The County Tax Collector-Treasurer serves as the first Trustee.

2.2.3. Elected: The second and third Trustees shall be elected by ACERA's general members, the seventh Trustee and alternate seventh Trustee shall be elected by ACERA's safety members, and the eighth Trustee and alternate eighth Trustee shall be elected by ACERA's retired members.

2.2.4. Appointed: The fourth, fifth, sixth and ninth Trustees shall be qualified electors of the County who are not connected with the County government in any capacity, except one may be a Supervisor, and shall be appointed by the Board of Supervisors.

2.3. Terms and Vacancies

2.3.1. Terms of appointed and elected trustees are for three years.

2.3.2. Vacancies shall be filled in accordance with the provisions of Government Code Section 31523. A Trustee elected by ACERA's general or safety members vacates office upon separation from County service pursuant to Government Code Section 31524. When a Trustee becomes a member of the Board as the result of a vacancy, the new Trustee's term shall be for the remainder of the former Trustee's term.

2.4. Board Officers

2.4.1. The Board shall be comprised of a Chair, a First Vice-Chair, and a Second Vice-Chair, each to hold office for a term of one year or until a successor is duly elected and qualified.

2.4.2. The Chair shall preside at all meetings of the Board, shall appoint the Chairs and members of committees and shall perform all duties incidental to that office.

2.4.3. In the Chair's absence or inability to act, the First or Second Vice-Chair shall take their place and perform the duties of that office.

2.4.4. The Secretary and/or Board Chair shall attest to Resolutions and other such documents for the Board.

2.4.5. The Board shall adopt, adhere to, and may amend from time to time, policies and procedures which shall, at a minimum, provide for the manner of appointment of the Chairs and members of committees.

2.5. Chief Executive Officer

2.5.1. The Board may appoint a Chief Executive Officer. If the Board appoints a Chief Executive Officer is shall be pursuant to Government Code Section 31522.2. The Chief Executive Officer shall be directed by, serve at the pleasure of, and may be dismissed at the will of the Board.

2.5.2. The Board shall adopt, and may amend from time to time, a formal Delegation of Authority which sets forth the specific powers and duties assigned to the Chief Executive Officer by the Board. The Chief Executive Officer shall adhere to the terms and conditions of the Delegation of Authority in all matters.

2.6. Meetings

2.6.1. **Regular Meetings:** Regular meetings of the Board shall be held on the third (3rd) Thursday in each month at the hour of 2:00 p.m., at the ACERA Office located at 475 14th Street, Suite 1000, Oakland, California, or such other place and time as the Board may from time to time designate.

2.6.2. **Other Meetings:** Other meetings of the Board of Retirement may be called at any time by the Chair or a majority of all the Retirement Board members in accordance with applicable laws and Board policy.

2.6.3. **Quorum:** The Board is composed of nine (9) members and two (2) alternate members. A majority of all the members of the Board or a Board Committee constitutes a quorum. Any motion passed or business transacted at a Board or Committee meeting must be made by a majority of the members present and voting, except as otherwise provided by law or these regulations. A member who abstains is not considered present and voting, but remains present for purposes of a quorum. The Chair or either Vice-Chair is an ex officio member of each Board Committee to satisfy the quorum requirements. The alternate seventh member, shall be counted towards a quorum and may vote only in the event the following members are absent: (1) the second, (2) third member; (3) seventh member; or (4) both the eighth and the alternate eighth members. The alternate eighth member shall be counted towards a quorum and may vote only in the event the following members are absent: (1) the eighth member; (2) both the second and third members; (3) both the second and seventh members; or (4) both the third and seventh members.

2.6.4. **Operations Policy:** The Board shall adopt, adhere to, and may amend from time to time, a Board and Committee Operations Policy which shall, at a minimum, provide guidelines establishing committees, describing the manner in which committee members and officers will be selected and the manner in which Board or committee meetings will be conducted so as to ensure that said meetings are as efficient and effective as possible.

3. **BOARD ELECTIONS:** The following rules and regulations are adopted for the purpose of the nomination and election by the members of the Retirement Association of the Second, Third, Seventh, Eighth, Alternate Seventh and Alternate Eighth Members of the Board of Retirement.

3.1. General

3.1.1. The election shall be held in the month designated in the Boards Elections Policy.

3.1.2. Election shall be by secret ballot conducted by the Chief Executive Officer, and/or designee, and canvassed by the Registrar of Voters.

3.1.3. The Board shall adopt, adhere to, and may amend from time to time, a Board Elections Policy which shall, at a minimum, provide guidelines establishing eligibility to vote and the manner in which elections will be conducted.

4. POLICIES AND ADMINISTRATIVE PROCEDURES OF THE BOARD

4.1. **Conflict of Interest:** The Board shall adopt, adhere to, and may amend from time to time, a Conflict of Interest Policy which shall, at a minimum, provide guidelines for ACERA Trustees in carrying out their fiduciary duties and mitigating the risk of creating an actual or perceived conflict of interest.

4.2. Investments

4.2.1. The Board shall have exclusive control of the investment of the Fund, pursuant to the provisions of Section 17, Article XVI of the Constitution of the State of California and Government Code Sections 31594, 31595 and 31596.1 et seq.

4.2.2. The Board shall discharge its duties with respect to the system with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with these matters would use in the conduct of an enterprise of a like character and with like aims.

4.2.3. The Board shall adopt, adhere to, and may amend from time to time, an Investment Plan which shall, at a minimum, establish the Board's Investment Goals, Objectives, Policies, Asset Allocation, Guidelines, and Controls.

4.3. Membership

4.3.1. ~~Every~~For every employee who becomes a member of ACERA, the ~~Retirement Association shall execute and file with employer must provide to ACERA the Board a sworn statement showing member's~~ date of birth, nature and duration of employment with the ~~County or other participating~~ employer, compensation received; and such other information as is required by the Board, these ~~regulations~~Regulations, or ~~Board policy~~other ACERA policies and ~~procedure~~procedures.

4.3.2. The Board shall adopt, adhere to, and may amend from time to time, policies and procedures governing membership which are not inconsistent with the provisions of the 1937 Act or these regulations and which shall, at a minimum, establish eligibility for membership, and define service, benefits available, and compensation earnable.

4.4. **Retirement:** The Board shall adopt, adhere to, and may amend from time to time, policies and procedures governing retirement of members and which shall, at a minimum, identify the process for determining eligibility for service or disability retirement and hearing procedures.

4.5. **Other Policies:** The Board may adopt such other policies and procedures relating to the conduct of Board business as it deem necessary.

5. CERTIFICATES

5.1. Prior to the approval by the Board of an application for service retirement, the member shall be furnished with a statement indicating the amount of his retirement allowance calculated in accordance with the unmodified and various optional modes of settlement. Such statement shall be in duplicate and provide a place for the signature of the member indicating the choice as to the type of retirement allowance selected. The completed statement shall constitute the annuity certificate provided for in Section 31526(c) of the Government Code.

5.2. When a member leaves the service of the County or other participating employer and applies for and is granted deferred retirement, such member shall be furnished with a statement indicating deferred retirement has been granted and setting forth the years of service credited to said member.

6. **AMENDMENTS:** These regulations may be amended at any regular meeting of the Board by an affirmative vote of at least five (5) members of the Board, and shall be submitted to the Alameda County Board of Supervisors for ratification.

7. **HISTORY**

A. The Board was established by the Alameda County Board of Supervisors by Ordinance No. 446 dated October 21, 1947, operative January 1, 1948. The Board adopted the Regulations of the Board of Retirement.

B. The Board reviewed and adopted these Regulations, with revisions, on June 21, 2001, with approval from the Board of Supervisors on July 10, 2001.

C. The Board reviewed and adopted these Regulations, with revisions, on July 17, 2003, with approval from the Board of Supervisors on August 5, 2003.

D. The Board reviewed and adopted these Regulations, with revisions, on December 19, 2013, with approval from the Board of Supervisors on February 25, 2014.

E. The Board reviewed and adopted these Regulations, with revisions, on December 20, 2018, with approval from the Board of Supervisors on February 26, 2019.

E.F. The Board revised Section 4.3.1 on October 20, 2022, with approval from the Board of Supervisors on _____.

Redline of Revisions to Membership Policy



Membership Policy

I. Purpose

This Membership Policy (Policy) contains the Board of Retirement's (Board) rules of membership in the Alameda County Employees' Retirement Association (ACERA). If there are conflicts between applicable law and this policy, applicable law prevails.

II. Membership Eligibility and Contributions

A. Mandatory Membership

1. Membership in ACERA is mandatory for employees appointed to full-time permanent positions with a Participating Employer.¹ Each Participating Employer has the exclusive authority and responsibility to define what constitutes full-time employment and to identify its positions that are eligible for membership.²
2. When enrolling an employee in ACERA membership, the Participating Employer certifies that (a) the individual is an employee of the Participating Employer; (b) the employee's position is eligible for membership with ACERA; (c) the employee works in a full-time permanent position; and (d) the employee should be enrolled in ACERA.
- ~~3. ACERA eligible employees must submit a completed Membership Enrollment Questionnaire to ACERA when they are hired.~~
- ~~3.~~ Membership is continuous until termination of employment with a Participating Employer. If a full-time employee who is a member of ACERA starts working less than full-time, the employee continues to make contributions to ACERA and receive proportional service credit based on the amount of time worked compared to a full-time schedule.

¹ For Alameda Health Systems, membership is pursuant to Gov. Code §31552.4 and Health and Safety Code §101851. Unless stated otherwise, all references to statutes are California State statutes.

² As of February 18, 2021, ACERA has seven Participating Employers: (1) Alameda County; (2) Alameda Health Systems; (3) Alameda County Superior Court; (4) Housing Authority of Alameda County; (5) Livermore Area Recreation and Park District; (6) First 5 Alameda County; and (7) Alameda County Office of Education.

B. Member Contributions

1. Tiers 1, 2 and 3 member contribution rates are based on Tier and age at entry. Tier 4 member contribution rates do not vary based on age at entry. All rates are adjusted annually.
2. Participating Employers must withhold member contributions according to ACERA's pay code list and timely forward such contributions to ACERA.
3. Upon discovery of missed contributions, ACERA will assess the amount owed plus interest for both the member and Participating Employer and notify each of the amounts owed. ACERA will ordinarily apply interest to the underpaid employer contributions at ACERA's semi-annual interest crediting rate, but reserves the right to assess additional interest (e.g., ACERA's assumed rate of investment return) and add penalties to underpaid amounts in cases of intentional late payments or delays in remedying late payments. Interest on member contributions is determined according to ACERA's Error Correction Policy. If a member no longer works for the employer, the member and employer remain responsible for the amounts owed.
4. Tiers 1, 2 and 3 Safety members with 30 years of service credit make no member contributions. General Members with 30 years of service credit and a membership date on or before March 7, 1973 make no member contributions.

C. Date of Membership

1. Membership is effective on the first day of the second pay period after the employee's hire date into an ACERA eligible position (except the Housing Authority as noted below). This is the date of entry into membership, unless adjusted per Section VI(A)(2) of this Policy. As of the date of entry, retirement contributions begin and service credit is earned for each hour worked.
2. During the short period between the beginning of employment and the ACERA date of entry, the employee does not make member contributions or earn service credit. A member can purchase this service credit any time before retirement, and the member's date of entry does not change.
3. For the Housing Authority, membership is effective on the first day of hire in an ACERA eligible position. This is the date of entry into ACERA membership, unless adjusted per Section VI(A)(2) of this Policy. As of the date of entry, retirement contributions begin and service credit is earned for each hour worked.

D. Excluded from Membership

1. **Less Than Full-Time.** Any employee who is less than full-time, as determined by the employer, is excluded from ACERA membership. This may include, without limitation, Part-Time, Seasonal, Intermittent, As Needed, Per Diem and employees working in Temporary Agency Pool (TAP).
2. **Non-Permanent.** Any employee who is non-permanent, as determined by the employer, is excluded from ACERA membership. This may include, without limitation, Temporary, Seasonal, Intermittent, As Needed, Per Diem and employees working in Temporary Agency Pool (TAP).
3. **Independent Contractors.** If a Participating Employer hires individuals as independent contractors under an employment contract or through a third party, those individuals are not eligible for ACERA membership. Such working time does not count as any kind of service in ACERA and cannot be purchased at any time. The term “contract” as used in this paragraph does not refer to a collective bargaining agreement between organized labor and a Participating Employer.

- E. **Terminated Employees.** Members who terminate employment before retirement may withdraw their accumulated member contributions plus interest or leave their funds on deposit with ACERA and retire when eligible.

III. Membership Types

There are two membership types, which are based upon job classifications:

- A. Safety members are employees working in active law enforcement, fire-fighting, or in positions that have been designated as safety positions (i.e., Juvenile Hall Group Counselor, Probation Officer, etc.).
- B. General Members are all other members who are not safety members.

IV. Membership Tiers

ACERA has different Tiers based upon a member’s date of entry.

- A. Tier 1
 1. General or Safety Members (other than employees of the Livermore Area Recreation and Park District (LARPD) or the Housing Authority) who joined ACERA on or before June 30, 1983.

2. General Members who joined ACERA as employees of the LARPD on or before September 30, 2008.
 3. General Members who joined ACERA as employees of the Housing Authority on or before September 30, 2011.
- B. Tier 2
1. General or Safety members (other than employees of the LARPD and the Housing Authority) who joined ACERA on or after July 1, 1983, except those who must be enrolled in Tier 4.
 2. General members who joined ACERA on or after October 1, 2011, as employees of the Housing Authority, except for those who must be enrolled in Tier 4. Effective October 1, 2011, the Housing Authority implemented a new benefit formula for those employees who elected to change to Tier 2, and for any new Housing Authority employees.
- C. Tier 3. General Members who joined ACERA on or after October 1, 2008, as employees of the LARPD, except those who must be enrolled as Tier 4. Effective October 1, 2008, LARPD implemented a new benefit formula for those employees who elected to change to Tier 3 and for any new LARPD employees.
- D. Tier 4. For all Participating Employers, General and Safety Members who joined ACERA for the first time on or after January 1, 2013 (exceptions may apply to some members coming from a reciprocal retirement system who may be enrolled the Tier that was applicable on December 31, 2012). Also, members who were active members of ACERA and had a break in service of more than 6 months and returned to a different ACERA Participating Employer after January 1, 2013 are enrolled in Tier 4.
- E. Split Tier Membership. A member with service in different Tiers will receive benefits that are the sum of all benefits earned in all Tiers under which the member provided service. Some members with Split Tier membership may be able to convert credit under one Tier to another Tier by redepositing previously withdrawn contributions.

V. **Service Credit Eligible for Purchase**

All service credit purchases must be completed before retirement and within five years of initiating the purchase. Time worked in the positions described in Section II(D)(3) is never eligible for purchase. Not all requirements for all types of service credit purchases are

described below. ACERA staff will provide all requirements to members who inquire. The following types of service credit are eligible for purchase:

- A. Time Prior to Entry Date. Service credit for the short period of time between the beginning of employment and the date of entry into membership may be purchased.
- B. Prior Ineligible Service. Members who were excluded from retirement membership because they worked less than full-time or in a non-permanent position for a Participating Employer may purchase this service once they become eligible for membership.
- C. Medical Leave of Absence Without Pay. A member who returns to active service following an uncompensated leave of absence on account of the member's illness may purchase up to one year of service credit for that leave time.
- D. Military Service Leave of Absence Without Pay. Members' rights to purchase service credit for time while on leave to provide service to the military are stated in Gov't Code §31649 and the Uniformed Services Employment and Reemployment Rights Act of 1994 ("USERRA").
- E. Redeposit of Withdrawn Contributions. A current member who previously terminated membership with ACERA and withdrew contributions and interest for that membership may redeposit the withdrawn funds plus interest that would have accrued up to the date of payment at any time before retirement.
- F. Other Prior Public Service. A member who worked for non-ACERA public agency before becoming a member of ACERA may be eligible to purchase service credit for such service if certain requirements are met. This type of service credit purchase, which costs the member more than other types, does not count towards retirement eligibility.

VI. Reciprocal Membership

- A. General Rules
 - i. Members who enter ACERA membership within six months after terminating employment under another California public retirement system with which ACERA has "reciprocity," and who defer retirement from such other system, may have reciprocity between ACERA and the other system. The same is true for members who terminate employment under ACERA, defer retirement from ACERA and within six months begin employment with an employer under a reciprocal retirement system.

2. If there is overlapping service credit between ACERA and a reciprocal system, reciprocity cannot be established. ACERA may, however, adjust the date a person becomes an ACERA member to as much as 12 weeks after entrance into service in an ACERA-covered position (with appropriate adjustments to service credit and contributions) and/or adjust the date a member terminates service to as much as 12 weeks prior to the member's termination from an ACERA-covered position (with appropriate adjustments to service credit and contributions).³

B. Key Reciprocal Benefits

1. The entry age for determining member contributions (when applicable) will be the age when the member entered his or her first reciprocal membership.
2. Service credit earned in a reciprocal system will be considered for the purpose of establishing a member's eligibility for benefits, if the member retires concurrently from ACERA and the reciprocal system.
3. Amounts earned while an active member of a reciprocal system will be considered when determining the member's "final compensation," if the member retires concurrently from ACERA and the reciprocal system.
4. Safety members who withdrew retirement contributions after termination of employment and currently work for a reciprocal agency may be eligible to redeposit funds and establish reciprocal benefits.
5. A member granted a disability retirement by a reciprocal retirement system may be granted a disability retirement by ACERA, although the calculation of benefits may be different than if the disability had been granted by ACERA. Whether or not a member establishes reciprocity, a member who receives a disability allowance from ACERA or certain reciprocal systems may not receive more in total from all of those retirement systems than the member would have received if all service had been earned in one retirement system.

VII. Service Retirement Benefits

A member's service retirement allowance is based on a formula that accounts for the member's age at retirement, years of service and "final compensation." For example, if a member under the

³ Such adjustments of membership and termination dates are permitted for any member who has not yet received a retirement allowance payment from ACERA.

2% a 57 formula retires at age 57, the member's retirement allowance will be 2% of the member's "final compensation" per year of service credit. An earlier retirement lowers the factor below 2% and a later retirement increases the factor above 2% according to a chart in the statute with the benefit formula. The following are descriptions of the key components of each retirement Tier:

A. Tier 1 General

1. 2% at age 57 (Gov't Code §31676.12 shows factor at each retirement age).
2. Members may retire at age 70 regardless of service and tenure, at age 50 with 10 or more years of qualifying membership and 5 or more years of service credit, or at any age with 30 years of service credit.
3. "Final compensation" is based on the highest 12 consecutive months of "compensation earnable" as defined by Gov't Code §31461.

B. Tier 1 Safety

1. 3% at age 50 (Gov't Code §31664.1 shows factor at each retirement age).
2. Members may retire at age 70 regardless of service and tenure, at age 50 with 10 or more years of qualifying membership and 5 or more years of service credit, or at any age with 20 years of service credit.
3. "Final compensation" is based on the highest 12 consecutive months of "compensation earnable" as defined by Gov't Code §31461.

C. Tier 2 General

1. 2.09% at age 62 (Gov't Code §31676.1 shows factor at each retirement age).
2. Members may retire at age 70 regardless of service and tenure, at age 50 with 10 or more years of qualifying membership and 5 or more years of service credit, or at any age with 30 years of service credit.
3. "Final compensation" is based upon the highest 36 consecutive months of "compensation earnable" as defined by Gov't Code §31461.

D. Tier 2 Safety

1. 3% at age 50 (Gov't Code §31664.1 shows factor at each retirement age).
 - a. Safety members in the Sheriff's Department (excluding Probation Officers) hired between October 17, 2010 and December 31, 2012 were able to elect

Tier 2C (2% at age 50, found in Gov't Code §31664) or Tier 2D (3% at age 55, found in Gov't Code §31664.2).

2. Members may retire at age 70 regardless of service and tenure, at age 50 with 10 or more years of qualifying membership and 5 or more years of service credit, or at any age with 20 years of service credit.
3. "Final compensation" is based upon the highest 36 consecutive months of "compensation earnable" as defined by Gov't Code §31461.

E. Tier 3 General

1. 2.5% at age 55 (Gov't Code §31676.18 shows factor at each retirement age).
2. Members may retire at age 70 regardless of service and tenure, at age 50 with 10 or more years of qualifying membership and 5 or more years of service credit, or at any age with 30 years of service credit.
3. "Final compensation" is based on the highest 12 consecutive months of "compensation earnable" as defined by Gov't Code §31461.

F. Tier 4 General

1. 2% at age 62 (Gov't Code §7522.20(a) shows factor at each retirement age).
2. Members may retire at age 70 regardless of service and at age 52 with 5 or more years of service credit.
3. "Final compensation" is based on the 36 highest consecutive months of "pensionable compensation" as defined and capped by Gov't Code §§ 7522.34 and 7522.10.

G. Tier 4 Safety

1. 2.7% at age 57 (Gov't Code §7522.25(d) shows the factor at each retirement age).
2. Members may retire at age 70 regardless of service and at age 50 with 5 or more years of service credit.
3. "Final compensation" is based on the 36 highest consecutive months of "pensionable compensation" as defined and capped by Gov't Code §§ 7522.34 and 7522.10.

VIII. Disability Benefits

- A. The Board makes all determinations regarding member's entitlement to a disability retirement. See ACERA's Disability Retirement Procedures for more information about the process of applying for a disability retirement.
- B. Service-Connected-Disability. There is no minimum service credit requirement for a service-connected disability. A service-connected disability retirement allowance is the higher of the one-half of the member's "final compensation" or the member's service retirement allowance if the member is eligible to retire for service. There are tax benefits associated with a service-connected disability.
- C. Non-Service-Connected Disability. Only members with 5 years of service credit are eligible for a non-service-connected disability retirement. Gov't Code §31726 and the several code sections that follow it describes how to calculate a non-service-connected disability retirement depending on a variety of circumstances.

IX. Death Benefits

ACERA pays different death benefits, including continuing allowances in some instances, depending a variety of circumstances, including, but not limited to: whether the member is general or safety, retired or active, retired for service or disability, the member's years of service and age at death, the cause of death and whether the member has a surviving spouse or surviving minor children (up to age 22 if enrolled as a full-time student in an accredited school). An ACERA overpayment to the member that was unrecovered at the time of death will be deducted from any benefits owed to the member's beneficiaries to the maximum extent permitted by law.

X. Work for a Participating Employer After Retirement

- A. Retired members may be reinstated into active status when certain requirements are met. When a member is reinstated, the member's ACERA benefits are suspended and the member resumes making member contributions and earning service credit in ACERA. Gov't Code §§ 31680.4 and 31680.5 govern the terms and conditions of reinstatement for eligible members. A Participating Employer must promptly inform ACERA, in writing, when it plans on reinstating a member into active status, so that ACERA can confirm that the reinstatement is proper and obtain all necessary completed forms and information from the Participating Employer and the member.
- B. Retired members may work on a limited basis for a Participating Employer without reinstating, if they comply with certain requirements, which are found in Gov't Code §§

7522.56, 31680.2 and 31680.6, and the Board's Regulations for IRC Section 401(a) Return to Work and Separation from Service.

XI. Policy Modification

The Governance Committee, or other committee designated by the Board, shall review this policy at least every three years. The Committee shall make recommendations to the Board concerning any improvements or modifications it deems necessary.

XII. Policy History

A. The Board adopted this policy on July 17, 2003.

~~B. The Board reviewed and affirmed this policy, with revisions, on February 18, 2021.~~

~~B.C. The Board deleted former Section II(A)(3) effective _____.~~⁴

⁴ Previous amendment dates all with revisions: August 16, 2007; August 18, 2011; December 15, 2011; December 20, 2012; March 21, 2013; December 19, 2013; June 18, 2015; July 21, 2016; December 20, 2018; and December 17, 2020.

October 5, 2022
Retirees Committee Minutes
For approval under October 20, 2022
Board “Consent Calendar”



MINUTES OF OCTOBER 5, 2022 RETIREES COMMITTEE MEETING

THIS MEETING WAS CONDUCTED VIA TELECONFERENCE WITH VIDEO

To: Members of the Retirees Committee

From: Liz Koppenhaver, Chair

Subject: Summary of the October 5, 2022 Retirees Committee Meeting

Committee Chair Liz Koppenhaver called the October 5, 2022 Committee meeting to order at 10:31 a.m.

ACERA TRUSTEES, SENIOR MANAGERS AND PRESENTING STAFF IN ATTENDANCE

Committee members present were Liz Koppenhaver, Dale Amaral, Keith Carson and Kellie Simon. Also present were Tarrell Gamble, Jaime Godfrey, George Wood and alternate member Nancy Reilly. Ophelia Basgal joined the meeting after roll call.

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

PUBLIC INPUT

None.

ACTION ITEMS

1. Presentation and Acceptance of Supplemental Retiree Benefit Reserve Funding Report/Valuation

Staff and Segal, ACERA's Actuary, presented the annual Actuarial Valuation of the OPEB and non-OPEB Benefits Provided by the Supplemental Retiree Benefit Reserve, Including Sufficiency of Funds, as of December 31, 2021. Based on this valuation report, the terminal year of the "Other Post-Employment Benefits" (OPEB) is projected to be 2046, with full benefits paid through 2045 for a total of 24 full years and one partial year. The terminal year of non-OPEB benefits is projected to be 2043, with full benefits paid through 2042 for a total of 21 full years and one partial year.

It was moved by Jaime Godfrey and seconded by Ophelia Basgal that the Committee recommend to the Board of Retirement a motion to accept the December 31, 2021 Supplemental Retiree Benefit Reserve Actuarial Valuation prepared by Segal.

The motion carried 8 yes (*Amaral, Basgal, Carson, Gamble, Godfrey, Koppenhaver, Simon, Wood*), 0 no, 0 abstentions.

2. Discussion and Possible Motion Regarding Potential Increase to Retired Member (Lump Sum) Death Benefit

Staff provided information on the lump sum death benefit that was provided previously, most recently at the September 2022 Retirees Committee meeting. There was discussion regarding whether to increase the lump sum death benefit.

The main reasons expressed by the Trustees who were not in favor of increasing the lump sum death benefit were: 1) concerns around the timing of increasing the benefit due to the uncertainty of the market; 2) the projected increase in the inflation rate possibly causing higher supplemental cost of living adjustments; and 3) the low ranking of this benefit on the Supplemental Retiree Benefit Reserve (SRBR) benefits survey. Whereas the main reasons cited by the Trustees who were in favor of increasing the benefit were that: 1) the SRBR fund balance is approximately \$1.2 billion; 2) the sufficiency period is projected out to 2046; 3) the purpose of the fund is to provide benefits to retired members; and 4) the cost to increase this benefit would have minimal impact on the fund.

Cynthia Landry, an active member, noted the growth of the SRBR fund to approximately \$1.2 billion, and stated that she supports increasing the lump sum death benefit as it will be sustainable.

It was moved by George Wood and seconded by Dale Amaral that the Committee recommend to the Board of Retirement a motion to increase the Retired Member (lump sum) Death Benefit from \$1,000 to \$3,000.

The motion did not pass 3 yes (*Amaral, Koppenhaver, Wood*), 5 no (*Basgal, Carson, Gamble, Godfrey, Simon*), 0 abstentions

There was further discussion regarding the Trustees' desire to revisit this item at some point in the future, possibly in two years.

It was moved by Jaime Godfrey and seconded by Keith Carson that the Committee revisit the Retired Member (lump sum) Death Benefit in 2024.

The motion carried 8 yes (*Amaral, Basgal, Carson, Gamble, Godfrey, Koppenhaver, Simon, Wood*), 0 no, 0 abstentions.

3. Discussion and Possible Motion Regarding Potential Reauthorization of Active Death Equity Benefit (ADEB)

Staff provided background information, a legal analysis, and issues for consideration regarding the Active Death Equity Benefit (ADEB). There was discussion regarding whether to reauthorize the ADEB.

Shaughn Park, President of the Deputy Sheriffs' Association of Alameda County, stated that he is speaking for the over 900 members of the Association who overwhelmingly would like to have this benefit reinstated, and expressed his appreciation for allowing him to speak at the meeting.

Some Trustees noted that when this benefit was discontinued it was with the understanding that the benefit would be revisited. Some Trustees expressed concerns with the current way in which the ADEB is designed. Their main concerns were: 1) the perceived inequity of the benefits provided between members who die before retirement and those who die shortly after retirement; 2) the benefit is limited to a select, specific group of members; 3) the annual cost to provide this benefit is unknown; and 4) the possible issues to address potential catastrophic events and the impact to the Supplemental Retiree Benefit Reserve (SRBR). Also, it was noted that this benefit was ranked low on the SRBR benefit survey.

It was moved by George Wood and seconded by Dale Amaral that the Committee recommend to the Board of Retirement a motion to reauthorize the Active Death Equity Benefit (ADEB). After further discussion, this motion was withdrawn by Trustees Wood and Amaral.

Dave Nelsen stated that he could bring this issue to the SACRS Legislative Committee to find out if it could be included in a SACRS sponsored legislation. Also Staff will find out what other systems are doing to address this situation, and bring the information back to the Retirees Committee.

Trustees directed Staff to continue to explore and present options to address the issue. Trustee Wood directed Staff to be diligent in pursuing this matter in order to minimize the number of people that may be impacted.

INFORMATION ITEMS

1. Supplemental Retiree Benefit Reserve Financial Status

Staff presented a history of the Supplemental Retiree Benefit Reserve (SRBR) activity for the 10-year period ending June 30, 2022. The ending balance of the SRBR as of June 30, 2022 was approximately \$1.2 billion. The semi-annual interest crediting as of June 30, 2022 based on the rate of 4.4504% was completed on August 25, 2022; approximately \$50.3 million in interest was credited. During that same six-month period, the net deductions from the SRBR were approximately \$28.7 million.

2. Final Report on Open Enrollment Preparation and Communications Material

Staff provided information regarding the preparations being made for the Plan Year 2023 Open Enrollment communications materials. In response to Trustee Gamble's comments, Staff will explore the possibility of using text messages as an additional way to communicate with members. Trustee Reilly stated that the "Make a Life Planning File" (within the "Getting Your Affairs in Order" flyer) is particularly useful and expressed her appreciation for including the information. Trustee Koppenhaver expressed her

appreciation to Mike Fara and his team for all their work, and thought the communications materials look great.

3. Miscellaneous Updates

Staff reported that: 1) the annual Medicare Part D Certificate of Coverage Notice will be mailed out by October 15th and posted to ACERA's website; and 2) Via Benefits mailed the Medicare Fall Newsletters starting August 26th, the Pre-65 Fall Newsletters were mailed starting September 19th, and the Balance Reminder statements for Health Reimbursement Account holders were mailed in waves starting October 3rd.

TRUSTEE REMARKS

None.

FUTURE DISCUSSION ITEMS

- Adoption of Medicare Part B Reimbursement Plan Benefit for 2023
- Adoption of Updates to Appendix A of 401(h) Account Resolutions

ESTABLISHMENT OF NEXT MEETING DATE

The next meeting is scheduled for December 7, 2022 at 10:30 a.m.

MEETING ADJOURNED

The meeting adjourned at 11:50 a.m.

September 14, 2022
Investment Committee Minutes
For approval under October 20, 2022
Board “Consent Calendar”



MINUTES OF THE SEPTEMBER 14, 2022, INVESTMENT COMMITTEE MEETING

THIS MEETING WAS CONDUCTED VIA TELECONFERENCE WITH VIDEO

To: Members of the Board of Retirement
From: Tarrell Gamble – Chair
Subject: Summary of September 14, 2022, Investment Committee Meeting

The Investment Committee (“Committee”) met on Wednesday, September 14, at 9:33 a.m. The Committee members present were Dale Amaral, Ophelia Basgal, Keith Carson, Tarrell Gamble, Jaime Godfrey, and Liz Koppenhaver. Also present was Alternate Safety Member Darryl Walker. ACERA Senior Managers and Presenting Staff present were, David Nelsen – Chief Investment Officer, Betty Tse – Chief Investment Officer, Jeff Rieger – Chief Counsel, Vijay Jagar – Chief Technology Officer, Harsh Jadhav – Chief of Internal Audit, John Ta – Investment Officer, and Thomas Taylor – Investment Officer

Action Item: Matters for discussion and possible motion by the Committee

1. Discussion of and Possible Motion to Recommend that the Board Approve an up to \$55 Million Investment in Audax Private Equity Fund VII, L.P. as part of ACERA’s Private Equity Portfolio – Buyout, Pending Completion of Legal and Investment Due Diligence and Successful Contract Negotiations
 - Staff and Verus discussed its due diligence findings and investment rationale for a follow-on investment in Audax Private Equity Fund VII. ACERA is currently invested in Audax Private Equity Fund VI (2018 vintage and \$25 million commitment). Audax Group is a manager in good standing within ACERA’s Private Equity portfolio.
 - Representatives from Audax provided an overview of their organization, investment team, investment strategy, and decision-making process. The performance of Audax VI was discussed as well as the expectations from Audax VII. The manager also went into detail regarding Audax’s ESG and DEI efforts.
 - After further discussion, Trustee Basgal moved, seconded by Supervisor Carson to recommend that the Board approve an up to \$55 million investment in Audax Private Equity Fund VII, L.P. as part of ACERA’s Private Equity Portfolio – Buyout, pending completion of legal and investment due diligence and successful contract negotiations
 - The motion carried with 7 Yes (Amaral, Basgal, Carson, Gamble, Godfrey, Koppenhaver, and Walker) 0 No, and 0 Abstention.

2. Discussion of and Possible Motion to Authorize Staff to Issue a Request For Proposal (RFP) for a General Investment Consultant following the Proposed Search Timeline
 - At its August 10, 2022 ICM Staff informed the Committee that the initial 5-year term of the Verus Investment Consulting Services Agreement would end on May 31, 2023, and that Staff was contemplating a potential RFP. The goal of the RFP is to identify the best General Investment Consultant (GIC) capable of serving the growing needs of ACERA's Total Fund.
 - At today's ICM Staff presented a proposed timeline (workplan) for the GIC search. Staff will be working with an independent consultant, Cortex Applied Research, Inc., for this search to ensure efficiency and transparency in the RFP process.
 - Staff made clear that there are no concerns over ACERA's relationship with Verus. Secondly, Staff is planning to design this RFP to look for a full-service consultant who also has a real estate practice, capabilities and experience so that we may potentially expand our relationship to include real estate coverage should there be a need in the future.
 - After further discussion, Trustee Basgal moved, seconded by Trustee Godfrey, to recommend that the Board Authorize Staff to Issue a Request For Proposal (RFP) for a General Investment Consultant following the Proposed Search Timeline
 - The motion carried with 6 Yes (Amaral, Basgal, Gamble, Godfrey, Koppenhaver, and Walker) 0 No, and 0 Abstention. Supervisor Carson was not present for the vote.

Information Items: These items are not presented for Committee action but consist of status updates and cyclical reports

1. Review of the Emerging Investment Manager (EIM) Policy
 - Staff and Verus presented a proposed amended EIM Policy for review and discussion. Though the intent and objective of the policy are the same (not changing), Staff and Verus are proposing to expand the program to include all asset classes, increase the size of the program "up to 10%" of the Total Fund, and better define EIM by asset class. These definitions include what would qualify as EIM managers since the first EIM policy was adopted in 2007.
 - Trustees discussed ways to define an EIM manager, including language focused on newly established investment managers and the number of funds and committed capital, e.g., Fund I, II, and III and less than \$5 billion for Private Markets. For the real estate asset class, the threshold for the EIM Program is less than \$2 billion in historical capital committed with no limit on the number of funds. The private real estate market is different from other private markets which raise substantially more capital.

Investment Committee Meeting Minutes
September 14, 2022

- Trustees discussed the topic of graduating from the EIM program. Traditional assets and private markets have different structures and, therefore, different metrics are used in each asset class for “graduation.” Trustees also discussed including diversity and inclusion for new managers.
 - Staff, Callan, and Verus thanked the trustees for their questions and input, which will be incorporated into the proposed amended EIM Policy that will be brought as an Action Item at the October 12, ICM.
2. Report on the Meeting Date of the November 2022 Investment Committee Meeting
- Staff informed the Committee that the second Wednesday in November (November 9, 2022) coincides with the SACRS Fall Conference.
 - Staff proposed two possible dates to schedule the meeting; November 2, 2022 (first Wednesday) or November 16, 2022 (third Wednesday) at 9:30 a.m.
 - Staff will prepare an email to survey the Trustees availabilities on the two proposed dates.

TRUSTEE REMARKS:

None

FUTURE DISCUSSION ITEMS

None

ESTABLISHMENT OF NEXT MEETING DATE

Wednesday, October 12, 2022

ADJOURNMENT

The meeting ended at 11:27 a.m.

**October 12, 2022
Investment Committee Minutes
For approval under October 20, 2022
Board “Consent Calendar”**

**The October 12, 2022
Investment Committee Minutes
will be distributed under separate cover**

October 20, 2022
Actuarial Committee Minutes
For approval under November 17, 2022
Board “Consent Calendar”

October 20, 2022
Audit Committee Minutes
For approval under November 17, 2022
Board “Consent Calendar”

5. DISABILITY, DEATH AND OTHER BENEFIT CLAIMS:

- A. Service-Connected Disability Retirement Application of Dennis Teichera, Deputy Sheriff II for the County of Alameda: Consideration of Hearing Officer's Proposed Findings of Fact and Recommended Decision, pursuant to Gov't Code § 31534. This Item will be addressed in Closed Session, pursuant to Gov't Code § 54957(b).**

5. DISABILITY, DEATH AND OTHER BENEFIT CLAIMS:

- B. Member Joe Dutra's Claim for Retroactive MBRP Benefits: Board Chair Report on Resolution of Dispute.**

NEW BUSINESS

- 7.A. Motion to direct the Chief Executive Officer (CEO) (or his designee) to vote ACERA's Proxy and provide the CEO (or his designee) with direction on how to vote ACERA's Proxy on behalf of the Board of Retirement at the State Association of County Retirement Systems (SACRS) Fall Conference Business Meeting.**



*Office of the Chief Executive Officer
Office of Administration*

DATE: October 20, 2022
TO: Members of the Board of Retirement
FROM: Dave Nelsen, Chief Executive Officer *DN*
SUBJECT: 1. **SACRS Voting Proxy**
2. **Voting Proxy on the SACRS Business Meeting Action Items**

Twice each year, the State Association of County Retirement Systems (SACRS) requests submission of a Voting Proxy Form which, designates the member agency's representative(s) who will vote for the Board of Retirement at the SACRS Business Meeting during the Conference.

For the Fall Conference Business Meeting, there will be no votes on substantive business or legislative items. While the Business Meeting packet was not available to systems at the time of this writing, the SACRS Administrator provided that there will only be votes to Receive and File the Secretary's and Treasurer's reports, which is a fairly routine administrative function.

Recommendation

Staff recommends that the Board of Retirement direct the Chief Executive Officer (CEO)(or his designee) to vote ACERA's proxy on behalf of the Board AND that the Board:

1. Instruct the CEO (or his Designee) on how to vote ACERA's Proxy on the SACRS Business Meeting action items OR;
2. Give the CEO (or his Designee) authority to vote ACERA's proxy on routine administrative action items using his (or her) discretion on behalf of the Board of Retirement.

Enclosure: 1) SACRS Voting Proxy Form

ENCLOSURE 1



SACRS VOTING PROXY FORM

The following are authorized by the _____ County Retirement Board to vote on behalf of the County Retirement System at the upcoming SACRS Conference.

(if you have more than one alternate, please attach the list of alternates in priority order):

_____ Voting Delegate

_____ Alternate Voting Delegate

These delegates were approved by the Retirement Board on ____ / ____ / ____.

The person authorized to fill out this form and submit electronically on behalf of the Retirement Board:

Signature: _____

Print Name: _____

Position: _____

Date: _____

Please send your system's voting proxy by November 1, 2022 to Sulema H. Peterson, SACRS Executive Director at Sulema@sacrs.org.

NEW BUSINESS

- 7.B. Appointment of Kathy Foster to fill a critically needed ACERA position before 180 days have passed after her retirement pursuant to Government Code Section 7522.56(f)(1).**



*Office of the Chief Executive Officer
Office of Administration*

DATE: October 20, 2022
TO: Members of the Board of Retirement
FROM: Dave Nelsen, Chief Executive Officer *DN*
SUBJECT: Appointment of a Retired Annuitant prior to 180 Days

Background: Government Code limits the ability to hire a general government retired annuitant until at least 180 days has passed since their date of retirement. There is the ability to bypass that regulation pursuant to the statute below: GC 7522.56 (f) (1).

(1) The employer certifies the nature of the employment and that the appointment is necessary to fill a critically needed position before 180 days have passed and the appointment has been approved by the governing body of the employer in a public meeting. The appointment may not be placed on a consent calendar.

Summary: I am requesting that the Board of Retirement approve the hiring of Kathy Foster as a retired annuitant, effective in November of 2022, and designating that there is a critical need to rehire her for the following purposes:

- 1) To maintain consistent oversight of the mission critical Pension Administration System (PAS) Replacement Project.
- 2) To train the new Assistant CEO for Benefits on the complexities of administering the various OPEB and non-OPEB benefits provided by the Supplemental Retirement Benefit Reserve (SRBR).

She would work no more than 960 hours per year at her hourly rate equal to her rate at retirement, with the duration lasting until the successful transition of knowledge occurs and her support for the project is no longer needed. This is projected to be no longer than implementation of the new system in the Summer of 2024.

Background: As the Assistant CEO for Benefits, Ms. Foster has provided hands-on executive management and oversight of the PAS replacement project, gaining a unique perspective and knowledge of what has been done to date, and what still needs to be accomplished. As a retired annuitant, she would provide support and insight to the new ACEO for Benefits as we complete this long term, multi-million dollar, mission critical effort.

Additionally, she has been the primary content expert on the non-pension benefits administered by ACERA, especially the medical benefits. This is not a typical core business function of pension systems, particularly "37 Act systems. ACERA also administers benefits through the Health Care Marketplace, which is unique and complex. Having her provide support and training through the annual cycle of benefit items would be invaluable for the effective transfer of knowledge to the new ACEO.

While I am confident ACERA could move forward without rehiring Ms. Foster, doing so would be a critically important risk mitigation action that would be well worth the expense.

Recommendation: We recommend a motion to approve the hiring of Kathy Foster as early as possible as a retired annuitant pursuant to the provisions of GC 7522.56 (f) (1).

NEW BUSINESS

7.C. Chief Executive Officer's Report.



*Office of the Chief Executive Officer
Office of Administration*

DATE: October 20, 2022
TO: Members of the Board of Retirement
FROM: Dave Nelsen, Chief Executive Officer *DN*
SUBJECT: **Chief Executive Officer's Report**

Senior Manager Recruitment

We completed the hiring process for the Assistant CEO for Benefits position. Carlos Barrios will start this position on October 17, 2022.

Committee/Board Action Items

ASSIGNED FOLLOW-UP ITEMS

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

Conference/Event Schedule

I will attend the SACRS Fall Conference from November 8 through November 11.

Other Items

COVID-19 Responses

We continue to move forward with our re-opening plan. We have opened for appointments and walk-ins on Tuesday through Thursday. If everything progresses and we see no new rise in COVID threats, the plan is to be open to the public Monday through Friday for regular hours later this year. At this time, masks and social distancing awareness are still required in County Offices for employees and the public. Our customers are continuing to use alternative means of service, and feedback has been generally positive that their service needs continue to be met. We will continue to monitor the information available and consult with the County regarding plans to phase in our re-opening.

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

Pension Administration System Update

The project is continuing to work through its phases. We have completed the third deliverable, out of five. This was related to Benefit Calculations. We will be doing user acceptance testing of that deliverable beginning in November, and are now working on the next item, which is Retiree Payroll. We are validating the requirements of this deliverable and may be able to make up some of the time lost on deliverable three by eliminating some customization requests. We continue to work with the other employers on the new transmittal file layout, and have received test files from three of the six employers, including the County. Additionally, we are working on our On-Base enhancements and integration into the PAS Project schedule.

Legislative Items

SB 1328: would require Russian divestment for California pension systems, including CERL systems. This did not pass the legislature.

AB 1824 and AB 1971: are the two SACRS sponsored proposals. Both were passed and signed by the Governor.

AB 2493: addresses the situation where earnings for public safety employees were reported as pensionable in error, through no fault of the member. This did not pass the legislature.

AB 2449: authorizes, until January 1, 2026, members of a legislative body of a local agency to use teleconferencing without noticing each teleconference location or making it publicly accessible, provided at least a quorum of the members of the body participates in person at a singular physical location. This passed the Legislature and was signed by the Governor.

AB 826: This bill would have allowed the County of Ventura to continue reporting a certain compensation type excluded by the Supreme Court ruling in the Alameda case. This was revived very late in session and passed the by legislature, but was vetoed by the Governor.

Strategic Planning Update

The Special Board meeting is scheduled for October 14th. This meeting will include a panel discussion on future risks and opportunities with our investment and actuarial advisors. All that input will then be incorporated into the draft plan for Trustees to review and adopt in November and December.

Key Performance Indicators

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

Scorecard KPI	2022 Performance Goal
PRUDENT INVESTMENT PRACTICES	
Portfolio Performance vs. Policy Benchmark	<i>Annualized 10-year return will meet or exceed Policy benchmark at the total fund level</i> July of 2022: We were .03% short of the benchmark.
EFFECTIVE PLAN ADMINISTRATION	
Actual Spent vs. Approved Budget	<i>On budget or 10% below 2022 approved budget</i> As of end of August 2022: 8% under budget.
COMPREHENSIVE ORGANIZATION DEVELOPMENT	
Employee Engagement Survey Results	<i>80% of responses in top two rating boxes on the question: "Is ACERA a great place to work?"</i> As of the latest survey (October of 2021): 72.7%. The 2022 survey is being conducted and we will have results before the end of October.
SUPERIOR CUSTOMER SERVICE	
Service Excellence Survey	<i>80% of responses in top two rating boxes on the question: "Did ACERA meet or exceed my expectations for my customer service experience?"</i> For 3rd Quarter of 2022: 100%

12. CLOSED SESSION:

- A. Significant exposure to litigation and potential initiation of litigation, pursuant to paragraphs (2) and (4) of subdivision (d) of Government Code Section 54956.9: (one potential case).**
- B. Government Code Section 54957(b)(1): Public Employee Evaluation (Chief Executive Officer).**
- C. See Item 5.A.**

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