



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

NOTICE and AGENDA

ACERA MISSION:

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

**Thursday, December 19, 2019
2:00 p.m.**

| LOCATION | BOARD OF RETIREMENT - MEMBERS | |
|---|--------------------------------------|------------------------|
| ACERA C.G. "BUD" QUIST BOARD ROOM 475 14TH STREET, 10TH FLOOR OAKLAND, CALIFORNIA 94612-1900 MAIN LINE: 510.628.3000 FAX: 510.268.9574 | HENRY LEVY | TREASURER |
| | CHAIR | |
| | ELIZABETH ROGERS | ELECTED GENERAL |
| | FIRST VICE-CHAIR | |
| | JAIME GODFREY | APPOINTED |
| | SECOND VICE-CHAIR | |
| | DALE AMARAL | ELECTED SAFETY |
| | | |
| | OPHELIA BASGAL | APPOINTED |
| | | |
| | KEITH CARSON | APPOINTED |
| | | |
| TARRELL GAMBLE | APPOINTED | |
| | | |
| LIZ KOPPENHAVER | ELECTED RETIRED | |
| | | |
| GEORGE WOOD | ELECTED GENERAL | |
| | | |
| NANCY REILLY | ALTERNATE RETIRED¹ | |
| | | |
| DARRYL L.WALKER | ALTERNATE SAFETY² | |

¹ 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 Elected Safety Member and an Elected General member, are absent.

² Alternate Safety Member (Votes in the absence of (1) the Elected Safety, (2) either of the two Elected General Members, or (3) 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 are available online at www.acera.org.

1. CALL TO ORDER:

2. ROLL CALL:

3. PUBLIC COMMENT:

4. CONSENT CALENDAR:

A. APPLICATION FOR SERVICE RETIREMENT:

Appendix A

B. APPLICATION FOR RETIREMENT, DEFERRED:

*Appendix B
Appendix B-1*

C. APPLICATION FOR DEFERRED TRANSFER:

Appendix C

D. LIST OF DECEASED MEMBERS:

Appendix D

E. REQUESTS FOR 130 BI-WEEKLY PAYMENTS TO RE-DEPOSIT CONTRIBUTIONS AND GAIN CREDIT:

Appendix E

F. APPLICATION FOR DISABILITY RETIREMENT – NON CONTESTED ITEMS:

Appendix F

G. APPLICATION FOR DISABILITY RETIREMENT – HEARING OFFICER RECOMMENDATIONS:

Appendix G

H. APPROVAL OF COMMITTEE and BOARD MINUTES:

*November 21, 2019 Budget Committee Minutes
November 21, 2019 Governance Committee Minutes
November 21, 2019 Minutes of the Regular Board Meeting
December 4, 2019 Operations Committee Minutes
December 4, 2019 Retirees Committee Minutes
December 11, 2019 Investment Committee Minutes
December 11, 2019 Minutes of the Special Board Meeting*

I. MISCELLANEOUS MATTERS:

None

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

REGULAR CALENDAR
REPORTS AND ACTION ITEMS

5. DISABILITIES, RECOMMENDATIONS AND MOTIONS:

(Item(s) will be heard in Closed Executive Session)

None.

6. COMMITTEE REPORTS, RECOMMENDATIONS AND MOTIONS:

A. Operations:

1. Summary of the December 4, 2019 Meeting.
2. Motion to approve the annual agreement for \$125,460 effective January 1, 2020, for ACERA's Benefits Consultant, Segal Consulting.
3. Motion to approve the amendment to Segal Consulting's annual agreement, effective January 1, 2020, for work related to the dental and vision plans request for proposal project at a cost of \$20,000.
4. Motion to approve the approximate costs for implementing the replacement of ACERA's Pension Administration System, subject to contract negotiations with the selected vendors.
5. Motion to approve the 2020 Proposed Budget.
6. Motion to approve the Pre-Payment Policy.

B. Retirees:

1. Summary of the December 4, 2019 Meeting.
2. Motion that the Board of Retirement to continue to provide the Medicare Part B Reimbursement Plan (MBRP) benefit to eligible retirees in 2020, and approve the reimbursement based on the lowest standard monthly Medicare Part B premium at the rate of \$144.60. The MBRP benefit is a non-vested benefit funded by contributions from ACERA Employers to the 401(h) account. After contributions are made, in accordance with the County Employees Retirement Law, ACERA treats an equal amount of Supplemental Retiree Benefit Reserve assets as employer contributions for pensions.
3. Motion to adopt the revised and updated Appendix A to Resolution No. 07-29, which reflects the changes approved by the Board to the Monthly Medical Allowance amounts for Group and Individual Plans as well as the Retiree Health Benefit contribution amounts for Plan Year 2020.

C. Investment:

1. Summary of the December 11, 2019 Meeting.
2. Motion to Diversify the Absolute Return Portfolio by:
 - (1) Reducing ACERA's investment in CFM Institutional Systematic Diversified Fund by \$60 million; and
 - (2) Increasing ACERA's investment in a Two Sigma Advisers Fund by \$60 million.

7. NEW BUSINESS:

- A. Board Election Results.
- B. Chief Executive Officer's Report.

8. CONFERENCE/ORAL REPORTS:

9. ANNOUNCEMENTS:

10. BOARD INPUT:

11. ESTABLISHMENT OF NEXT MEETING:

Thursday, January 16, 2020 at 2:00 p.m.

12. CLOSED SESSION:

- A. Pursuant to GC §54957(b)(1): Consider ACERA Chief Executive Officer's Annual Performance.

13. REPORT ON ACTION TAKEN IN CLOSED SESSION:

14. ADJOURNMENT:

**APPENDIX A
APPLICATION FOR SERVICE RETIREMENT**

BARAAB, Restituto
Effective: 10/11/2019
Alameda Health System

GOLDSBY, Alma
Effective: 8/31/2019
Social Services Agency

BOSTIC, Tina
Effective: 10/5/2019
Social Services Agency

GUZMAN, Avel
Effective: 3/23/2019
Alameda Health System

BOXTON, David
Effective: 10/6/2019
Superior Court

HALLEY, Germanell
Effective: 11/6/2019
Social Services Agency

BRIDGES, Karen
Effective: 9/20/2019
Social Services Agency

HERMANN, Gayle
Effective: 9/28/2019
Social Services Agency

BROOKS, Darleen
Effective: 10/5/2019
Social Services Agency

HUMPHREY, Adrienne
Effective: 10/19/2019
County Administrator

BROWN, Merry
Effective: 10/12/2019
Social Services Agency

JORGENSEN, Nicole
Effective: 10/5/2019
Social Services Agency

DETTERTMAN, Mark
Effective: 9/28/2019
Health Care Services Agency

JUAREZ, Richard
Effective: 9/28/2019
General Services Agency

ESAU, James
Effective: 10/5/2019
Sheriff's Office

LEE, Willette
Effective: 10/18/2019
Registrar of Voters

FLORES, Gabriela
Effective: 9/20/2019
Alameda Health System

LEVY, Patricia
Effective: 10/5/2019
Information Technology

FRESKOS, Jonna
Effective: 9/19/2019
Alameda Health System

MOORE, Valerie
Effective: 10/1/2019
Social Services Agency

FREY, Melinda
Effective: 8/27/2019
County Counsel

NVEVO, Edgardo
Effective: 10/19/2019
Information Technology

GOLDNER, Karyn
Effective: 10/15/2019
Health Care Services Agency

PANESI-GUERRA, Maria
Effective: 9/21/2019
Social Services Agency

APPENDIX A
APPLICATION FOR SERVICE RETIREMENT

PHILLIPS, Morris
Effective: 9/21/2019
Social Services Agency

TAN, Zenaida
Effective: 10/19/2019
Social Services Agency

REECE, Gary
Effective: 10/7/2019
Non-Member

THOMAS, Jodi
Effective: 9/4/2019
Non-Member

SAENGER, Charles
Effective: 9/29/2019
Alameda Health System

TOBIAS, Daniel
Effective: 9/9/2019
Zone 7

SINGH, Janita
Effective: 9/28/2019
Alameda Health System

WANG, Julie
Effective: 9/5/2019
Alameda Health System

STREET, Valerie
Effective: 10/5/2019
Health Care Services Agency

WAYNE, Beverly
Effective: 9/25/2019
Health Care Services Agency

SYKES, Valerie
Effective: 10/4/2019
Probation

WON, Kendell
Effective: 10/19/2019
District Attorney

WORDEN, David
Effective: 10/5/2019
Health Care Services Agency

APPENDIX B
APPLICATION FOR DEFERRED RETIREMENT

CHAPMAN, Lattice D.
Alameda Health System
Effective Date: 6/27/2019

PHILLIPS, Rhonda
Alameda Health System
Effective Date: 8/10/2019

HULL, Christopher M.
Sheriff's Office
Effective Date: 9/6/2019

SANDER, Paul L. III
Social Services Agency
Effective Date: 9/27/2019

PHAM, Peter A.
Sheriff's Office
Effective Date: 9/20/2019

TOM, Henry C.
Sheriff's Office
Effective Date: 9/19/2019

TORRES, Leticia N.
Alameda Health System
Effective Date: 9/7/2019

**APPENDIX B-1
APPLICATION FOR NON-VESTED DEFERRED**

BADAL, Daniel J.
Social Services Agency
Effective Date: 8/2/2019

PHAN, Diemvy
Alameda Health System
Effective: 9/11/2019

BARNES, Tia
Superior Court
Effective: 8/23/2019

QUACH, Tony
Social Services Agency
Effective: 9/27/2019

COFER, Craig A.
Sheriff's Office
Effective: 7/19/2019

SHAFFER, Luke B.
Sheriff's Office
Effective: 10/2/2019

DUNKLEY, Sherry R.
Alameda Health System
Effective: 8/1/2019

SHUTE, Geraldine M.
Alameda Health System
Effective: 9/15/2019

EGWUATU, Nkechi V.
Alameda Health System
Effective: 9/20/2019

STONE, Melinda N.
Sheriff's Office
Effective: 9/13/2019

GILDER, Reinaldi M.
Social Services Agency
Effective: 9/25/2019

TAYLOR, Betty J.
Alameda Health System
Effective Date: 10/8/2019

LARRY, Jamon A.
Alameda Health System
Effective: 10/16/2019

WILLIAMS, Michelle Y.
Alameda Health System
Effective: 10/4/2019

LEWIS, Nicholas
Superior Court
Effective: 9/6/2019

WONG, Kenneth C.
General Services Agency
Effective: 10/4/2019

MULLINS, Nicholas S.
Alameda Health System
Effective: 10/4/2019

NGUYEN, Michael L.
District Attorney
Effective: 10/4/2019

PEREZ, Jillane P.
Alameda Health System
Effective: 9/18/2019

**APPENDIX D
LIST OF DECEASED MEMBERS**

CARNES, Roger
Sheriff's Office
11/11/2019

MOODIE, Robert
Probation
10/21/2019

CARR, James
Alameda Health System
11/1/2019

MOORE, Lolita
Superior Court
10/8/2019

COOPER, Lorraine
Non-Mbr Survivor of Robert Cooper
11/7/2019

MORGAN, Stephen
General Services Agency
10/12/2019

DAVIS, Patricia
Alameda Health System
10/22/2019

NOLAND, Howard
Public Works Agency
11/12/2019

FAIR, Patricia
Probation
11/18/2019

PEDERSEN, Shirley
Health Care Services Agency
10/17/2019

FARIS, Ann
Public Works Agency
10/28/2019

PERSONIUS, Robert
Non-Mbr Survivor of Mary Personius
11/17/2019

FULLER, Billie
Non-Mbr Survivor of Roy Fuller
11/8/2019

PURCELL-WIRTS, Louise
Public Works Agency
10/27/2019

HILLARD, Barney
Sheriff's Office
11/4/2019

ROWE, Betty
Health Care Services Agency
11/9/2019

HOARD, Georgia
Probation
10/14/2019

SIMONSON, M.
Health Care Services Agency
6/21/2019

HUTCHINS, Elizabeth
Probation
10/30/2019

SMITH, Edna
Alameda Health System
9/3/2019

LUEY, Rose
Health Care Services Agency
11/6/2019

SOM, Jason
Public Health Services
10/30/2019

**APPENDIX D
LIST OF DECEASED MEMBERS**

VOGEL, William
Public Health Care Services
10/16/2019

WEBBE, Rudolph
Probation
7/22/2019

WINTHERS, Pamela
Social Services Agency
9/5/2019

APPENDIX F
APPLICATION FOR DISABILITY RETIREMENT

Name: Adams, Eric
Type of Claim: Annual Review for SCD (Granted on 1/18/18)

Staff's Recommendation:

Adopt the findings and conclusions and approve and adopt the recommendation contained in the Medical Advisor's report to continue the allowance for Mr. Adam's service-connected disability and to waive future annual medical examinations and questionnaires at this time.

Name: Alvarez, Elena
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. Alvarez's application for a service-connected disability. Since Ms. Alvarez is over 55 years old, future annual medical examinations and questionnaires will not be required.

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

Name: Bostic, Tina
Type of Claim: Non-Service Connected

Staff's Recommendation:

Adopt the findings and conclusions and approve and adopt the recommendation contained in the Medical Advisor's report, including but not limited to, granting Ms. Bostic's application for a non-service connected disability. Since Ms. Bostic is over 55 years old, future annual medical examinations and questionnaires will not be required.

APPENDIX F
APPLICATION FOR DISABILITY RETIREMENT

Name: **Buggy, Kevin**
Type of Claim: Annual Review for SCD (Granted on 7/19/18)

Staff’s Recommendation:

Adopt the findings and conclusions and approve and adopt the recommendation contained in the Medical Advisor’s report to continue the allowance for Mr. Buggy’s service-connected disability and to waive future annual medical examinations and questionnaires at this time.

Name: **Chambers, Carmen**
Type of Claim: Non-Service Connected

Staff’s Recommendation:

Adopt the findings and conclusions and approve and adopt the recommendation contained in the Medical Advisor’s report, including but not limited to, granting Ms. Chambers’ application for a non-service connected disability. Since Ms. Chambers is over 55 years old, future annual medical examinations and questionnaires will not be required.

Name: **Collins, Kimberly**
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. Collins’s 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. Collins’s ability to determine the permanency of her incapacity, to deny Ms. Collins’s request for an earlier effective date.

APPENDIX F
APPLICATION FOR DISABILITY RETIREMENT

Name: Feeny, Christopher
Type of Claim: Annual Review for SCD (Granted on 4/20/17)

Staff’s Recommendation:

Adopt the findings and conclusions and approve and adopt the recommendation contained in the Medical Advisor’s report to continue the allowance for Mr. Feeny’s service-connected disability and to waive future annual medical examinations and questionnaires at this time.

Name: Gonzalez, Esdras
Type of Claim: Annual Review for SCD (Granted on 6/21/18)

Staff’s Recommendation:

Adopt the findings and conclusions and approve and adopt the recommendation contained in the Medical Advisor’s report to continue the allowance for Mr. Gonzalez’s service-connected disability and to waive future annual medical examinations and questionnaires at this time.

Name: Hudson, Leslie
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. Hudson’s application for a service-connected disability, and waiving future annual medical examinations and questionnaires at this time.

Name: Kozicki, 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. Kozicki’s application for a service-connected disability. Since Mr. Kozicki is over 55 years old, future annual medical examinations and questionnaires will not be required.

APPENDIX F
APPLICATION FOR DISABILITY RETIREMENT

Name: Kvikstad, Lynn
Type of Claim: Annual Review for SCD (Granted on 6/21/18)

Staff's Recommendation:

Adopt the findings and conclusions and approve and adopt the recommendation contained in the Medical Advisor's report to continue the allowance for Ms. Kvikstad's service-connected disability and to waive future annual medical examinations and questionnaires at this time.

Name: May, Sue
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. May's application for a service-connected disability. Since Ms. May is over 55 years old, future annual medical examinations and questionnaires will not be required.

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

Name: McKinney, Kimberly
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. McKinney's 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. McKinney's ability to determine the permanency of her incapacity, to deny Ms. McKinney's request for an earlier effective date.

APPENDIX F
APPLICATION FOR DISABILITY RETIREMENT

Name: Nelson, Tina
Type of Claim: Non-Service Connected

Staff’s Recommendation:

Adopt the findings and conclusions and approve and adopt the recommendation contained in the Medical Advisor’s report, including but not limited to, granting Ms. Nelson’s application for a non-service connected disability. Since Ms. Nelson is over 55 years old, future annual medical examinations and questionnaires will not be required.

Name: Smith, Louis
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. Smith’s application for a service-connected disability. Since Mr. Smith is over 55 years old, future annual medical examinations and questionnaires will not be required.

Based on the Medical Advisor’s and Staff’s review and determination of Mr. Smith’s ability to determine the permanency of his incapacity, to grant Mr. Smith’s request for an earlier effective date.

**November 21, 2019
Minutes of the Regular Board Meeting
For approval under December 19, 2019
Board “Consent Calendar”**



ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
BOARD OF RETIREMENT
MINUTES

Thursday, November 21, 2019

Chair Henry Levy called the meeting to order at 2:00 p.m.

Trustees Present: Ophelia Basgal
Keith Carson
Tarrell Gamble
Jaime Godfrey
Liz Koppenhaver
Henry Levy
Elizabeth Rogers
George Wood
Nancy Reilly (*Alternate*)
Darryl Walker (*Alternate*)

Trustees Excused: Dale Amaral

Staff Present: Margo Allen, Fiscal Services Officer
Angela Bradford, Executive Secretary
Sandra Dueñas-Cuevas, Benefits Manager
Kathy Foster, Assistant Chief Executive Officer
Harsh Jadhav, Chief of Internal Audit
Vijay Jagar, Retirement Chief Technology Officer, ACERA
Kathy Mount, Chief Counsel
David Nelsen, Chief Executive Officer
Betty Tse, Chief Investment Officer

Staff Excused: Victoria Arruda, Human Resource Officer
Jessica Huffman, Benefits Manager

CLOSED SESSION

Board Chair Henry Levy moved the following Closed Session agenda items to the top of the calendar to accommodate time constraints by the presenters. The Board went into Closed Session to discuss the following matters:

- A) Government Code section 54956.9(d)(1): Pending litigation, 2 matters:
1. *Rivera v. ACERA*, Alameda County Superior Court, No. RG17877193.
 2. Civil Service Appeal of Marguerite Malloy, OAH No. 201909090358.

The Board reconvened into open session:

PUBLIC INPUT

ACRE President Pete Albert announced that this year's ACRE Holiday Luncheon will be held at the Hilton Hotel in Oakland, CA on Friday, December 13, 2019. The time of the Holiday Luncheon will be provided at a later date.

Mr. Albert inquired as to when the next Joint Board of Supervisors and Board of Retirement meeting will take place. Mr. Nelsen reported that he and County Administrator Susan Muranishi are working on scheduling a date for the Joint meeting.

SEIU Local 1021 Representative Cynthia Landry inquired about the 2017 law regarding pre-payment of employer contributions. Mr. Nelsen explained that the County already allows employers to pre-pay its contributions. However, the law that passed in 2017 opened an opportunity for the Special Districts to also pre-pay employer contributions. It was noted that no employers have contacted ACERA regarding pre-payment of contributions. Staff developed a policy to establish guidelines for Special Districts in the event they decide to pre-pay contribution rates. This issue will be discussed at the Operations Committee and forwarded to the Board for its consideration.

CONSENT CALENDAR REPORTS AND ACTION ITEMS

APPLICATION FOR SERVICE RETIREMENT

Appendix A

APPLICATION FOR RETIREMENT, DEFERRED

*Appendix B
Appendix B-1*

APPLICATION FOR DEFERRED TRANSFER

Appendix C

LIST OF DECEASED MEMBERS

Appendix D

REQUESTS FOR 130 BI-WEEKLY PAYMENTS TO RE-DEPOSIT CONTRIBUTIONS AND GAIN CREDIT

Appendix E

APPLICATION FOR DISABILITY RETIREMENT – NON-CONTESTED ITEMS

Appendix F

APPLICATION FOR DISABILITY RETIREMENT – HEARING OFFICER RECOMMENDATIONS

Appendix G

APPROVAL OF BOARD and COMMITTEE MINUTES

October 2, 2019 Operations Committee Minutes
Revised October 17, 2019 Minutes of the Regular Board Meeting
November 6, 2019 Investment Committee Minutes

MISCELLANEOUS MATTERS

Operations Committee Information Item(s):

Operating Expenses as of September 30, 2019
Quarterly Financial Statements as of September 30, 2019
Quarterly Cash Forecast Report as of September 30, 2019
Board Member Conference Expense Report as of September 30, 2019
Senior Manager Conference and Training Expense Report as of September 30, 2019
3rd Quarter 2019 Call Center Report

19-77

It was moved by Elizabeth Rogers seconded by Nancy Reilly, and approved by a vote of 7 yes (*Basgal, Carson, Godfrey, Levy, Reilly, Rogers, Wood*), 0 no, and 0 abstentions (*Darryl Walker recused himself because one or more of the consent calendar items involved his employing Departments*):

BE IT RESOLVED BY THIS BOARD that the Consent Calendar is approved, with revisions to the October 17, 2019 Board minutes.

REGULAR CALENDAR
REPORTS AND ACTION ITEMS

DISABILITIES, CURRENT AND CONTINUING RECOMMENDATIONS AND MOTIONS

(Item(s) will be heard in Closed Executive Session)

None.

COMMITTEE REPORTS, RECOMMENDATIONS AND MOTIONS

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

Investment:

Elizabeth Rogers gave an oral report stating that the Investment Committee met on November 6, 2019, and that the Committee was presented with, reviewed information for and discussed an up to \$35 million Investment in Artemis Income & Growth Fund, as part of ACERA's Real Estate Portfolio.

19-78

It was moved by Elizabeth Rogers and seconded by Jaime Godfrey that the Board approve an up to \$35 million Investment in Artemis Income & Growth Fund, as part of ACERA’s Real Estate Portfolio pending completion of legal and investment due diligence and successful contract negotiations. The motion carried 8 yes (*Basgal, Carson, Godfrey, Levy, Reilly, Rogers, Walker, Wood*), 0 no, and 0 abstentions.

There were no Information Items.

Minutes of the meeting were presented to the Board for adoption on the Consent Calendar at today’s Board meeting.

Budget:

Ophelia Basgal gave an oral report stating that the Budget Committee met today and there were no action items. However, the Committee was presented with, reviewed information for and discussed the proposed 2020 ACERA Operating Expense Budget. This item will be brought back for discussion at the December 4, 2019 Operations Committee meeting and presented at the December 19, 2019 Board meeting for approval.

Minutes of the meeting will be presented to the Board for adoption on the Consent Calendar at the December 19, 2019 Board meeting.

Governance:

Elizabeth Rogers gave an oral report stating that the Governance Committee met today and was presented with, reviewed information for and discussed the *1) Board Education Policy; 2) Board Travel Policy; 3) Conflict of Interest Policy; 4) Conflict of Interest Code and the 5) Remote Access by Trustees to Board and Committee Meetings Policy*. The Board made the following motions:

19-79

It was moved by Elizabeth Rogers and seconded by Jaime Godfrey that the Board make the findings and adopt the *Board Education Policy* as revised and recommended by Staff and the Committee. The motion carried 8 yes (*Basgal, Carson, Godfrey, Koppenhaver, Levy, Rogers, Walker, Wood*), 0 no, and 0 abstentions.

19-80

It was moved by Elizabeth Rogers and seconded by Liz Koppenhaver that the Board make the findings and adopt the *Board Travel Policy* as revised and recommended by Staff and the Committee. The motion carried 8 yes (*Basgal, Carson, Godfrey, Koppenhaver, Levy, Rogers, Walker, Wood*), 0 no, and 0 abstentions.

19-81

It was moved by Elizabeth Rogers and seconded by Liz Koppenhaver that the Board make the findings and adopt the *Conflict of Interest Policy* as revised and recommended by Staff and the Committee. The motion carried 8 yes (*Basgal, Carson, Godfrey, Koppenhaver, Levy, Rogers, Walker, Wood*), 0 no, and 0 abstentions.

19-82

It was moved by Elizabeth Rogers and seconded by Liz Koppenhaver that the Board adopt the *Conflict of Code* without revisions as recommended by Staff and the Committee. The motion carried 8 yes (*Basgal, Carson, Godfrey, Koppenhaver, Levy, Rogers, Walker, Wood*), 0 no, and 0 abstentions.

19-83

It was moved by Elizabeth Rogers and seconded by Jaime Godfrey that the Board make the findings and adopt the new *Remote Access by Trustees to Board and Committee Meetings Policy* as recommended by Staff and the Committee. The motion carried 7 yes (*Basgal, Carson, Godfrey, Levy, Rogers, Walker, Wood*), 0 no (*Koppenhaver*), and 0 abstentions.

Minutes of the meeting will be presented to the Board for adoption on the Consent Calendar at the December 19, 2019 Board meeting.

NEW BUSINESS:

Board Off-Site

1) 2019 Input:

Chief Executive Officer Dave Nelsen asked for the Board's feedback regarding the 2019 Board Off-Site. Trustees felt that the China and Governance presentations were useful. However, some Trustees did not like the lecture type presentations, especially, the diversity and inclusion presentation due to the type of academic information that was presented.

2) 2020 Planning:

Trustees were asked to share their views on what they believe diversity and inclusion is. Trustees stated that it would be of value to have (up-to-date/best practices) and/or educational events throughout the year; and if the Board decided to have an Off-Site, the discussions could include team building between the Board and Staff, governance, Board Policy, accomplishments and other issues of interest. Mr. Nelsen reported that several '37Act Plans have educational/training events throughout the year basis as opposed to an annual event. Staff will further discuss ideas for the year 2020 and bring the information back to the Board for its consideration.

David Nelsen, Chief Executive Officer's Report

Mr. Nelsen presented his November 21, 2019, written CEO Report which provided an update on the following items: **1)** Senior Manager Recruitment; **2)** Committee/Board Action Items; **3)** Conference/Event Schedule; **4)** Other Items, which included a Pension Administration System Update and the latest scores for ACERA's Key Performance Indicators.

Mr. Nelsen reported that ACERA contracted with Alliance Resource Consulting LLC regarding the recruitment for the Chief Counsel Position and that the announcement for the position was posted in several locations. Mr. Nelsen further reported that the closing date for the recruitment is Friday, November 22, 2019. However, the closing date may need to be extended. The goal is to have the new Chief Counsel on-board in January 2020.

CONFERENCE/ORAL REPORTS

Trustee Levy attended the complimentary BlackRock Educational Academy where they discussed Asset Allocations and Forecast Investing.

Trustee Levy announced that he has been made the Chair of the California Association of Public Retirement Systems (CALAPRS) Trustees' Roundtable and asked for the Trustees' support. Trustee Darryl Walker stated that the CALAPRS Roundtable is Administrator driven as opposed to Trustee driven and that is why there is not much support by Trustees throughout the '37 Act Plans.

ANNOUNCEMENTS

None.

BOARD INPUT

None.

CLOSED SESSION

- B)** Government Code Section 54957(b)(1): Public Employee Evaluation (Chief Executive Officer).

REPORT ON ACTION TAKEN IN CLOSED SESSION

The Board reconvened into Open Session and Chair Henry Levy announced that the Board:

- A) Pursuant to Government Code section 54956.9(d)(1):
 - Provided direction to Staff regarding:
 - 1. *Rivera v. ACERA*; and
 - 2. Civil Service Appeal of Marguerite Malloy.

- B) ACERA Chief Executive Officer’s Annual Performance Evaluation:**
Board Chair Henry Levy announced that the Trustees discussed Chief Executive Officer Dave Nelsen’s Annual Performance Evaluation and that the Trustees nominated him (Chair Levy) to serve as the Board’s Labor Negotiator for compensation discussions with Chief Executive Officer Nelsen.

ADJOURNMENT

The meeting adjourned at approximately 4:20 p.m.

Respectfully Submitted,



David Nelsen
Chief Executive Officer

12/19/19

Date Adopted

**APPENDIX A
APPLICATION FOR SERVICE RETIREMENT**

ADAMS, Michael
Effective: 09/06/2019
Sheriff's Office

GUCOR, Sarabel B.
Effective: 09/07/2019
Alameda Health System

BISHOP, Timothy
Effective: 08/20/2019
Sheriff's Office

HARBERT, Jacquelyn R.
Effective: 10/01/2019
Superior Court

BOND, Jane T.
Effective: 08/17/2019
Alameda Health System

INSKIP, Ricki D.
Effective: 09/19/2019
Superior Court

COHEN, Alan J.
Effective: 09/06/2019
Health Care Service Agency

JAMES, Cynthia D.
Effective: 09/04/2019
County Administrator

DICKSON, Jon
Effective: 09/22/2019
Alameda Health System

JOHNSON, Stephanie D.
Effective: 03/29/2019
Alameda Health System

DUARTE, Martha
Effective: 09/07/2019
Social Services Agency

JONES, Paulyne K.
Effective: 09/10/2019
Probation

ESPIRITU, Marian G.
Effective: 09/01/2019
Alameda Health System

LAPUS, Ludivina T.
Effective: 09/01/2019
Alameda Health System

ESSIEN, Helen I.
Effective: 08/14/2019
Alameda Health System

LORENTE, Rebecca L.
Effective: 09/17/2019
Child Support Services

GALYEAN, Hugh W.
Effective: 08/21/2018
Human Resources Services

MARCHI, Kris L.
Effective: 11/30/2019
Alameda Health System

GOMEZ, Berdie G.
Effective: 04/01/2017
Health Care Services Agency

MENSINGER, Mitchell S.
Effective: 07/27/2019
Sheriff's Office

**APPENDIX A
APPLICATION FOR SERVICE RETIREMENT**

NIX, Clint
Effective: 10/09/2019
Health Care Services Agency

SCHRAM, Keith W.
Effective: 09/21/2019
General Services Agency

PENA, Maria D.
Effective: 09/07/2019
Information Technology

SECAPURE, Jacqueline G. S.
Effective: 09/07/2019
Sheriff's Office

QUILL, John P.
Effective: 11/20/2018
Sheriff's Office

SLOWLEY, Stewart
Effective: 08/17/2019
Alameda Health System

RAGASA, Virginia A.
Effective: 09/07/2019
Health Care Services Agency

THOMAS, Kevin B.
Effective: 08/31/2019
District Attorney

ROGERS, Tonyita M.
Effective: 09/07/2019
Probation

TOLBERT, Victoria A.
Effective: 09/17/2019
Social Services Agency

SANTIAGO, Anne
Effective: 09/14/2019
Social Services Agency

WESLEY, Rosa
Effective: 09/17/2019
Alameda Health System

**APPENDIX B
APPLICATION FOR DEFERRED RETIREMENT**

STIER, Sandra
Health Care Services Agency
Effective Date: 09/20/19

**APPENDIX B-1
APPLICATION FOR NON-VESTED DEFERRED**

BALL, Elisabeth
Superior Court
Effective: 09/06/2019

BOGART, Janine
Superior Court
Effective: 09/06/2019

GRUBB, Michael D.
Alameda Health System
Effective: 08/07/2019

HAWKINS, Terrance S.
Alameda Health System
Effective: 07/26/2019

LAURENCE, Brian J.
Alameda Health System
Effective: 09/04/2019

MALPARTIDA, Fiorella
District Attorney
Effective: 05/02/2019

MORADI, Tamana.
Social Services Agency
Effective: 08/30/2019

NORRIS, Tabia S.
General Services Agency
Effective: 08/30/2019

NORTHAM, Michael A.
General Services Agency
Effective: 09/06/2019

RUBNER, Michael R.
Public Works Agency
Effective: 08/31/2019

SALINAS, Jessica M.
Alameda Health System
Effective: 08/28/2019

SANCHEZ, Claudia I.
Health Care Services Agency
Effective: 09/05/2019

STALLWORTH, Christopher L.
Alameda Health System
Effective: 08/23/2019

THEUS-SURVINE, Shamari T.
Social Services Agency
Effective: 08/23/2019

VAHIDIZADEH, Ali
Health Care Services Agency
Effective: 09/06/2019

**APPENDIX D
LIST OF DECEASED MEMBERS**

ANTHONY, Johnnie
Non-Mbr Survivor of Ozell Anthony
09/22/2019

GRIFFIN, Maggie
Alameda Health System
09/13/2019

ARNOLD, Marilyn
District Attorney
10/22/2019

HANDIS, Dennis
Probation
10/8/2019

ARTACHO, Ronald
Sheriff's Office
10/10/2019

HANLEY, Donald
Sheriff's Office
09/29/2019

BARRIOS, Ann
Social Services Agency
09/10/2019

HENAS, Patricia
General Services Agency
09/26/2019

BERGMAN, Susan
Alameda Health System
10/10/2019

HERNANDEZ, Rosemarie
Alameda Health System
10/13/2019

BRUNO, Dominic
General Services Agency
10/14/2019

HILLYER, Cameron
Sheriff's Office
09/14/2019

CASTRO, Julia
Non-Mbr Survivor of David Castro
09/12/2019

HUEY, Betty
Social Services Agency
9/22/2019

COOK, James
Alameda Health System
06/29/2019

JOHNSON, George
Alameda Health System
10/3/2019

CROMARTIE, Grace
Probation
09/1/2019

KENNEY, Mary
Non-Mbr Survivor of William Kenney
10/7/2019

CULBERTSON, Sarah
Social Services Agency
10/26/2019

KOCH, Ronald
Social Services Agency
07/10/2019

DUNAKIN, Angela
Sheriff's Office
10/28/2019

LIND, Loren
Non-Mbr Survivor of Agnes Lind
10/2/2019

**APPENDIX D
LIST OF DECEASED MEMBERS**

MARTINEZ, Alvina
Alameda Health System
07/13/2019

REED, Janice
Social Services Agency
09/1/2019

MELANSON, Nancy
Sheriff's Office
10/23/2019

REIMCHE-KILNER, Sandra
Auditor-Controller
08/29/2019

MILLER, Genevieve
Health Care Services Agency
10/20/2019

SAHARA, Akiko
Non-Mbr Survivor of Makoto Sahara
08/29/2019

MONTAGUE, Jery
Assessor
10/5/2019

SCALES-ROWE, Terresia
Social Services Agency
09/15/2019

PIO, Emerenciana
Non-Mbr Survivor of Serafin Pio
09/15/2019

SCHATTENBURG, Iola
Non-Mbr Survivor of Robert Hendershot
07/17/2019

POLLAK, Jeanne
Health Care Services Agency
10/11/2019

TAN, Harris
Alameda Health System
09/21/2019

WOHLFORTH, Timothy
General Services Agency
08/23/2019

APPENDIX F
APPLICATION FOR DISABILITY RETIREMENT

Name: **Beek, Amy**
Type of Claim: Annual Review for SCD (Granted on 7/19/18)

Staff's Recommendation:

Adopt the findings and conclusions and approve and adopt the recommendation contained in the Medical Advisor's report to continue the allowance for Ms. Beek's service-connected disability and to waive future annual medical examinations and questionnaires at this time.

Name: **Bobino, Twila**
Type of Claim: Annual Review for SCD (Granted on 1/18/18)

Staff's Recommendation:

Adopt the findings and conclusions and approve and adopt the recommendation contained in the Medical Advisor's report to continue the allowance for Ms. Bobino's service-connected disability and to waive future annual medical examinations and questionnaires at this time.

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

Name: **Finley, Laura**
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. Finley's application for a service-connected disability, and requiring future annual medical examinations and questionnaires.

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

APPENDIX F
APPLICATION FOR DISABILITY RETIREMENT

Name: **Jacobs, Michelle**
Type of Claim: Annual Review for SCD (Granted on 8/16/18)

Staff's Recommendation:

Adopt the findings and conclusions and approve and adopt the recommendation contained in the Medical Advisor's report to continue the allowance for Ms. Jacobs's service-connected disability and to waive future annual medical examinations and questionnaires at this time.

Name: **Jones, Rachel**
Type of Claim: Annual Review for SCD (Granted on 6/22/17)

Staff's Recommendation:

Adopt the findings and conclusions and approve and adopt the recommendation contained in the Medical Advisor's report to continue the allowance for Ms. Jones's service-connected disability and to waive future annual medical examinations and questionnaires at this time.

Name: **Kennedy, Rhonda**
Type of Claim: Annual Review for SCD (Granted on 7/19/18)

Staff's Recommendation:

Adopt the findings and conclusions and approve and adopt the recommendation contained in the Medical Advisor's report to continue the allowance for Ms. Kennedy's service-connected disability and to waive future annual medical examinations and questionnaires at this time.

Name: **Lam, Van**
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. Lam's application for a service-connected disability. Since Ms. Lam is over 55 years old, future annual medical examinations and questionnaires will not be required.

APPENDIX F
APPLICATION FOR DISABILITY RETIREMENT

Name: **Linares, Julio**
Type of Claim: Annual Review for SCD (Granted on 3/15/18)

Staff's Recommendation:

Adopt the findings and conclusions and approve and adopt the recommendation contained in the Medical Advisor's report to continue the allowance for Mr. Linares's service-connected disability and to waive future annual medical examinations and questionnaires at this time.

Name: **Morales, Daniel**
Type of Claim: Annual Review for SCD (Granted on 6/21/18)

Staff's Recommendation:

Adopt the findings and conclusions and approve and adopt the recommendation contained in the Medical Advisor's report to continue the allowance for Mr. Morales's service-connected disability and to waive future annual medical examinations and questionnaires at this time.

Name: **Peterson, Shawn**
Type of Claim: Annual Review for SCD (Granted on 6/21/18)

Staff's Recommendation:

Adopt the findings and conclusions and approve and adopt the recommendation contained in the Medical Advisor's report to continue the allowance for Mr. Peterson's service-connected disability and to waive future annual medical examinations and questionnaires at this time.

Name: **Thomas, Nasir**
Type of Claim: Annual Review for SCD (Granted on 4/19/18)

Staff's Recommendation:

Adopt the findings and conclusions and approve and adopt the recommendation contained in the Medical Advisor's report to continue the allowance for Mr. Thomas's service-connected disability and to require future annual medical examinations and questionnaires at this time.

APPENDIX F
APPLICATION FOR DISABILITY RETIREMENT

Name: Tyler, Suzanne
Type of Claim: Annual Review for SCD (Granted on 5/24/18)

Staff's Recommendation:

Adopt the findings and conclusions and approve and adopt the recommendation contained in the Medical Advisor's report to continue the allowance for Ms. Tyler's service-connected disability and to waive future annual medical examinations and questionnaires at this time.

Name: Vales, Timothy
Type of Claim: Annual Review for SCD (Granted on 6/22/17)

Staff's Recommendation:

Adopt the findings and conclusions and approve and adopt the recommendation contained in the Medical Advisor's report to continue the allowance for Mr. Vales's service-connected disability and to waive future annual medical examinations and questionnaires at this time.

Name: Willis, Taia
Type of Claim: Annual Review for SCD (Granted on 4/21/16)

Staff's Recommendation:

Adopt the findings and conclusions and approve and adopt the recommendation contained in the Medical Advisor's report to continue the allowance for Ms. Willis's non-service connected disability and to require future annual medical examinations and questionnaires.

Name: Youngblood, Marcus
Type of Claim: Annual Review for SCD (Granted on 12/21/17)

Staff's Recommendation:

Adopt the findings and conclusions and approve and adopt the recommendation contained in the Medical Advisor's report to continue the allowance for Mr. Youngblood's service-connected disability and to waive future annual medical examinations and questionnaires at this time.

**December 11, 2019
Minutes of the Special Board Meeting
For approval under December 19, 2019
Board “Consent Calendar”**



ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
BOARD OF RETIREMENT - Special Meeting
MINUTES

Wednesday, December 11, 2019

Chair Henry Levy called the Special Board meeting to order at 12:10 p.m.

Trustees Present: Keith Carson
Liz Koppenhaver
Jaime Godfrey
Henry Levy
Elizabeth Rogers
Nancy Reilly (*Alternate*)

Trustees Excused: Dale Amaral
Ophelia Basgal
Tarrell Gamble
Darryl Walker (*Alternate*)
George Wood

Staff Present: Angela Bradford, Executive Secretary
Harsh Jadhav, Chief of Internal Audit
Kathy Mount, Chief Counsel
David Nelsen, Chief Executive Officer
Betty Tse, Chief Investment Officer

Staff Excused: Margo Allen, Fiscal Services Officer
Victoria Arruda, Human Resource Officer
Sandra Dueñas-Cuevas, Benefits Manager
Kathy Foster, Assistant Chief Executive Officer
Jessica Huffman, Benefits Manager
Vijay Jagar, Retirement Chief Technology Officer, ACERA

PUBLIC INPUT

None.

NEW BUSINESS

Representatives Patrick Cronin and Cheryl Cecchini Leahy from Vista Equity Partners presented information to the Board for its consideration regarding adoption a \$35 million Investment in Vista Foundation Fund IV as part of ACERA’s Private Equity Portfolio – Buyouts. The representatives outlined the history, background and culture of their firm and the investment opportunity in Vista Foundation Fund IV.

The representatives highlighted Vista’s sole focus in enterprise software companies since the firm’s inception in 2000. Vista Foundation Fund IV will employ the same strategy, targeting 12 to 15 platform investments in middle-market size companies. The representatives also highlighted how Vista incorporates ESG factors into the firm’s process and culture.

After discussion, the Board made the following motion:

19-84

It was moved by Henry Levy and seconded by Jaime Godfrey that the Board approve an up to \$35 million investment in the Vista Foundation Fund IV, as part of ACERA’s Private Equity – Buyouts, pending completion of legal and investment due diligence and successful contract negotiation. The motion carried 6 yes (*Carson, Godfrey Koppenhaver, Levy, Rogers Reilly*), 0 no, and 0 abstentions.

BOARD INPUT

None.

ADJOURNMENT

The meeting adjourned at approximately 12:50 p.m.

Respectfully Submitted,



David Nelsen
Chief Executive Officer

12/19/19

Date Adopted

**December 4, 2019
Operations Committee Minutes
For approval under December 19, 2019
Board “Consent Calendar”**



Date: December 4, 2019
To: Members of the Operations Committee
From: Ophelia Basgal, Chair
Subject: Summary of the December 4, 2019, Operations Committee Meeting

Operations Committee Chair Ophelia Basgal called the December 4, 2019, Operations Committee Meeting to order at 9:33 a.m. Committee members present were Ophelia Basgal, Chair; Tarrell Gamble; and Henry Levy. Other Board members present were Liz Koppenhaver; and Alternates Nancy Reilly and Darryl Walker. Staff present were David Nelsen, Chief Executive Officer; Margo Allen, Fiscal Services Officer; Kathy Foster, Assistant Chief Executive Officer; Sandra Duenas, Benefits Manager; Jessica Huffman, Benefits Manager; Betty Tse, Chief Investment Officer; Victoria Arruda, Human Resource Officer; Harsh Jadhav, Chief of Internal Audit; and Vijay Jagar, Chief Technology Officer.

ACTION ITEMS

1. Discussion and possible motion to approve the annual agreement for Segal Consulting, ACERA's Benefits Consultant

After discussion, it was moved by Henry Levy and seconded by Liz Koppenhaver, that the Operations Committee recommend to the Board of Retirement that the Board approve the annual agreement for \$125,460 effective January 1, 2020, for ACERA's Benefits Consultant, Segal Consulting.

The motion carried 6 yes (Basgal, Gamble, Levy, Koppenhaver, Reilly, Walker), 0 no, 0 abstention.

2. Discussion and possible motion to approve the amendment to Segal Consulting's agreement for work related to the dental and vision plans request for proposal project

After discussion, it was moved by Liz Koppenhaver and seconded by Henry Levy, that the Operations Committee recommend to the Board of Retirement that the Board approve the amendment to Segal Consulting's annual agreement, effective January 1, 2020, for work related to the dental and vision plans request for proposal project at a cost of \$20,000.

The motion carried 6 yes (Basgal, Gamble, Levy, Koppenhaver, Reilly, Walker), 0 no, 0 abstention.

3. Discussion and possible motion to approve the approximate costs to replace ACERA's current Pension Administration System

After discussion, it was moved by Tarrell Gamble and seconded by Liz Koppenhaver, that the Operations Committee recommend to the Board of Retirement that the Board approve the approximate costs for implementing the replacement of ACERA's Pension Administration System, subject to contract negotiations with the selected vendors.

The motion carried 6 yes (Basgal, Gamble, Levy, Koppenhaver, Reilly, Walker), 0 no, 0 abstention.

4. Discussion and possible motion to approve the proposed 2020 ACERA Operating Expense Budget

After discussion, it was moved by Tarrell Gamble and seconded by Liz Koppenhaver, that the Operations Committee recommend to the Board of Retirement that the Board approve the 2020 Proposed Budget.

The motion carried 6 yes (Basgal, Gamble, Levy, Koppenhaver, Reilly, Walker), 0 no, 0 abstention.

5. Discussion and possible motion to approve the Prepayment Policy

After discussion, it was moved by Henry Levy and seconded by Liz Koppenhaver, that the Operations Committee recommend to the Board of Retirement that the Board approve the Prepayment Policy.

The motion carried 6 yes (Basgal, Gamble, Levy, Koppenhaver, Reilly, Walker), 0 no, 0 abstention.

INFORMATION ITEMS

1. Operating Expenses as of October 31, 2019

Staff presented the year-to-date Budget vs. Actual Operating Expense Report. As of October 31, 2019, actual expenses were \$1,425K under budget. Budget surpluses noted were Staffing (\$791K under budget) with 9 unfilled positions, Staff Development (\$189K under budget), Professional Fees (\$6K under budget), Office Expense (\$26K under budget), Insurance (\$127K under budget), Member Services (\$103K under budget), Systems (\$54K under budget), Depreciation (\$7K under budget), and Board of Retirement (\$122K under budget).

2. Technology Update

Staff reported current and future technology projects at ACERA.

TRUSTEE/PUBLIC INPUT

None

RECOMMENDATIONS

None

ESTABLISHMENT OF NEXT MEETING DATE

The next meeting is scheduled for February 5, 2020 at 9:30 a.m

Operations Committee Meeting Summary
December 4, 2019
Page 3 of 3

MEETING ADJOURNED

The meeting adjourned at 10:16 a.m.

**December 4, 2019
Retirees Committee Minutes
For approval under December 19, 2019
Board “Consent Calendar”**



December 4, 2019

To: Members of the Retirees Committee

From: Liz Koppenhaver, Chair, Retired Trustee

Subject: Summary of the December 4, 2019 Retirees Committee Meeting

Committee Chair Liz Koppenhaver called the December 4, 2019 meeting to order at 10:41 a.m. Committee members present were Liz Koppenhaver and Elizabeth Rogers. Also present were Ophelia Basgal, Tarrell Gamble, and Henry Levy, and alternate members Nancy Reilly and Darryl Walker. Staff present were Kathy Foster, Assistant Chief Executive Officer; Margo Allen, Fiscal Services Officer; Susan Weiss, Investment Counsel; Betty Tse, Chief Investment Officer; Sandra Dueñas-Cuevas, Benefits Manager; Jessica Huffman, Benefits Manager; and Harsh Jadhav, Chief of Internal Audit.

PUBLIC INPUT

A member of the public stated that the County of Alameda's active members currently have very good benefits, and unless there are plan enhancements or additional benefits at less costs, she is happy with the current benefits offered.

ACTION ITEMS

1. Adoption of Medicare Part B Reimbursement Plan Benefit for 2020

Staff and Segal Consulting, ACERA's Benefits Consultant, provided information on ACERA's Medicare Part B Reimbursement Plan (MBRP) benefit, including retirees' out-of-pocket costs, and the percentage of retirees affected at each of the designated income levels, based on the retirees' ACERA retirement allowances only. Staff recommends to continue the benefit for 2020 based on the reimbursement at the lowest standard premium rate of \$144.60. Trustees directed Staff to track the retirees' out-of-pocket costs at the various designated income levels on an on-going basis over time.

It was moved by Tarrell Gamble and seconded by Ophelia Basgal that the Committee recommend to the Board of Retirement to continue to provide the Medicare Part B Reimbursement Plan (MBRP) benefit to eligible retirees in 2020, and approve the reimbursement based on the lowest standard monthly Medicare Part B premium at the rate of \$144.60. The MBRP benefit is a non-vested benefit funded by contributions from ACERA Employers to the 401(h) account. After contributions are made, in accordance with the County Employees Retirement Law, ACERA treats an equal amount of Supplemental Retiree Benefit Reserve assets as employer contributions for pensions.

The motion carried 7 yes (*Basgal, Gamble, Koppenhaver, Levy, Reilly, Rogers, Walker*), 0 no, 0 abstentions.

2. Adoption of Updates to Appendix A of 401(h) Account Resolutions

Staff stated that in order for Resolution No. 07-29 to remain current for the upcoming 2020 Plan Year, Appendix A was amended to reflect the Board of Retirement's (Board) decisions regarding the Monthly Medical Allowance amounts for Group and Individual plans; and medical, dental, and vision premium amounts as adopted by the Board.

It was moved by Tarrell Gamble and seconded by Henry Levy that the Committee recommend to the Board of Retirement (Board) to adopt the revised and updated Appendix A to Resolution No. 07-29, which reflects the changes approved by the Board to the Monthly Medical Allowance amounts for Group and Individual Plans as well as the Retiree Health Benefit contribution amounts for Plan Year 2020.

The motion carried 7 yes (*Basgal, Gamble, Koppenhaver, Levy, Reilly, Rogers, Walker*), 0 no, 0 abstentions.

INFORMATION ITEMS

1. Report on Overpayments of Monthly Medical Allowance Amounts Paid through Health Reimbursement Arrangements (HRA) by Via Benefits

Staff presented a summary of the Health Reimbursement Arrangements/Accounts (HRA) audit of overpayments for the period 2013 through 2018 for deceased and active retirees, including the status of Staff's collection efforts. Trustee Koppenhaver relayed concerns expressed by a few retirees who had contacted her directly regarding ACERA's process and collection efforts regarding their overpayment status. Trustees directed Staff to provide a recommendation, following further analysis, to resolve the remaining 23 active retirees with overpayments at its next Committee meeting. Trustees also directed Staff to look into the possibility of issuing debit cards for retirees to use for HRA reimbursements.

2. Annual Report on Retired Member (Lump Sum) Death Benefits Paid in 2019

Staff provided information on the number and amount of the Retired Member (lump sum) Death Benefit payments made to eligible beneficiaries of retirees for the 12-month period December 1, 2018 through November 30, 2019, including the payments made by reciprocal agencies. This \$1,000 benefit is funded by the Supplemental Retiree Benefit Reserve and is a vested benefit, as long as there are funds available.

3. Dental and Vision Plans Request for Proposal Project for 2021 Plan Coverage

Staff and Segal Consulting, ACERA's Benefits Consultant, provided a report on a project plan and timeline to release a Request for Proposal for the dental and vision plans coverage. A list of dental and vision plans vendors who will be invited to submit proposals in response to the RFPs was also provided. Trustees directed Staff to consider the dental and vision plan benefits currently provided to the County of Alameda's active employees.

4. Semi-Annual Report on ACERA's Wellness Program

Staff provided a presentation on ACERA's Wellness Program, and discussed topics on the focus of the 2019 wellness events and achievements, which included two wellness walks, two open houses held at ACERA's office, the annual Retiree Health and Wellness Fair, and expanded wellness section of the website. Plans for the 2020 wellness program were also discussed. Trustees directed Staff to: 1) find out the number of times individuals visited the wellness section of the website; 2) schedule discussions with Trustee Levy to plan for additional financial wellness sessions; and 3) include a link on the wellness section of the website for retirees to connect with others interested in similar topics or activities, or links to other resources that may be available such as the American Heart Association.

5. Retiree Health and Wellness Fair Results and Open Enrollment Activity

Staff provided a report on the results of the Retiree Health and Wellness Fair, which was held on October 30, 2019, with 405 retirees in attendance. All the presentations given at the Fair were videotaped and will be posted on the website. So far, Staff has received 51 Open Enrollment forms. A more detailed report on ACERA's medical, dental and vision, and Via Benefits' enrollment plan changes will be provided at the February 2020 Committee meeting.

6. Miscellaneous Updates

There were no benefit topics impacting both retirees and ACERA Staff to report at this time. However, Segal Consulting, ACERA's Benefits Consultant, reported on a recent White House proposal to create more transparency in health care by requiring hospitals to share price information, including discounts and rates negotiated with insurers. Some hospital organizations already plan to file a law suit to stop the process. The key issue is that if some medical providers see that their price point is less than other providers, they may decide to increase their charges. Also, the communications related to this proposal required both on the part of the plan sponsor, like ACERA, and health plans, like Kaiser, could be daunting. There is a lot of activity still on health care reform.

TRUSTEE REMARKS

None.

FUTURE DISCUSSION ITEMS

- Annual Supplemental COLA Adjustment

ESTABLISHMENT OF NEXT MEETING DATE

The next meeting is scheduled for February 5, 2020 at 10:30 a.m.

MEETING ADJOURNED

The meeting adjourned at 12:02 p.m.

**December 11, 2019
Investment Committee Minutes Will Be
Distributed at the December 19, 2019
Board Meeting For approval under
December 19, 2019
Board “Consent Calendar”**

**November 21, 2019
Budget Committee Minutes
For approval under December 19, 2019
Board “Consent Calendar”**



Date: November 21, 2019
To: Members of the Budget Committee
From: Ophelia Basgal, Budget Committee Chair
Subject: Summary of the November 21, 2019, Budget Committee Meeting

Budget Committee Chair, Ophelia Basgal, called the November 21, 2019, Budget Committee meeting to order at 11.34 am. Committee members present were Jaime Godfrey, and Liz Koppenhaver. Other Board members present were Darryl Walker, Nancy Reilly, Elizabeth Rogers, and Tarrell Gamble. Staff present were David Nelsen, Chief Executive Officer; Kathy Foster, Assistant CEO Benefits; Margo Allen, Fiscal Services Officer; Harsh Jadhav, Chief of Internal Audit; Kathy Mount, Chief Counsel; Betty Tse, Chief Investment Officer; Vijay Jagar, Retirement Chief Technology Officer; Jessica Huffman, Benefits Manager; and Sandra Dueñas-Cuevas, Benefits Manager.

PUBLIC INPUT

None

ACTION ITEMS

None

INFORMATION ITEMS

1. Review of Proposed 2020 ACERA Expense Budget

Staff presented the 2020 ACERA expense budget. The proposed operating expense budget is \$21,346,000, which is a 0.5% increase over the 2019 approved operating expense budget of \$21,233,000.

TRUSTEE REMARKS

None

ESTABLISHMENT OF NEXT MEETING DATE

TBD

MEETING ADJOURNED

The meeting adjourned at 11:44 pm

November 21, 2019
Governance Committee Minutes
For approval under December 19, 2019
Board “Consent Calendar”



To: Members of the Board of Retirement

From: Elizabeth Rogers, Chair
Governance Committee

Date: November 21, 2019

Subject: Summary of the November 21, 2019, Governance Committee Meeting

Governance Committee Chair, Elizabeth Rogers, called the November 21, 2019, meeting to order at 1:01 PM. Committee Members present were Ophelia Basgal, Liz Koppenhaver, and Elizabeth Rogers. Other Board members present were Jaime Godfrey, George Wood, Nancy Reilly, and Darryl Walker. Staff present were David H. Nelsen, Kathy S. Foster, Assistant Chief Executive Officer; Kathy Mount, Chief Counsel, Harsh Jadhav, Chief of Internal Audit; Betty Tse, Chief Investment Officer; and Margo M. Allen, Fiscal Services Officer.

ACTION ITEMS

1. Review, discussion, and possible motion to update the *Board Education Policy* with revisions

The Committee reviewed Staff's November 21, 2019, memorandum and its recommendation regarding proposed revisions to the *Board Education Policy (Policy)*. Chair Rogers asked for any public comment, and none was received.

Staff also recommended that the Committee find that: (i) the Policy is necessary and continues to address the recurring need for effective operation of the Board; (ii) the Policy continues to address the risk of inconsistent resolution of recurring issues and the unnecessary proliferation of policies; (iii) the issues addressed by the Policy continue to be within the Board's responsibility to effectively administer the pension plan and to mitigate risk to ACERA; and (iv) the Policy continues to be appropriate in meeting the needs of ACERA and does not overlap with other existing Board policies.

Trustee Koppenhaver moved and Trustee Basgal seconded a motion that the Governance Committee recommend to the Board of Retirement that the *Board Education Policy* be adopted with revisions as recommended by staff and make the findings contained in the staff recommendation. The motion was approved by a vote of 6 in favor (Ophelia Basgal, Jaime Godfrey, Liz Koppenhaver, Elizabeth Rogers, George Wood and Darryl Walker), 0 against, 0 abstaining.

2. Review, discussion, and possible motion to update the *Board Travel Policy* with revisions.

The Committee reviewed Staff's November 21, 2019, memorandum and its recommendation regarding proposed revisions to the *Board Travel Policy (Policy)*. Chair Rogers asked for any public comment, and none was received.

Staff also recommended that the Committee find that: (i) The *Board Travel Policy* is necessary and continues to address the recurring need for effective operation of the Board; (ii) The *Board Travel Policy* continues to address the risk of inconsistent resolution of recurring issues and the unnecessary proliferation of policies.

In addition to the revisions proposed by Staff in its memorandum, the Committee recommended the following revisions: (1) revising the second and third sentences, "The Trustee shall first seek approval for travel outside the US from the Operations Committee. The Operations Committee shall recommend that the Board deny or approve the request" in Section 3F ("Policy Guidelines" Section); (2) replacing it with, "The Trustee shall seek approval for travel outside the US from the Board"; (3) omitting the words "single occupancy" from the Board Travel Policy, Exhibit A, first sentence in Section 6 A.1 ("Lodging" Section).

Trustee Basgal moved and Trustee Koppenhaver seconded a motion that the Governance Committee recommends to the Board of Retirement that the *Board Travel Policy* be adopted with revisions as recommended by staff and the Committee and make the findings contained in the staff recommendation. The motion was approved by a vote of 6 in favor (Ophelia Basgal, Jaime Godfrey, Liz Koppenhaver, Elizabeth Rogers, George Wood and Darryl Walker), 0 against, 0 abstaining.

3. Review, discussion, and possible motion to update the *Conflict of Interest Policy* with revisions.

The Committee reviewed Staff's November 21, 2019, memorandum and its recommendation regarding proposed revisions to the *Conflict of Interest Policy (Policy)*. Chair Rogers asked for any public comment, and none was received.

Staff also recommended that the Committee find that: (i) the Policy is necessary and continues to address the recurring need for effective operation of the Board; (ii) the Policy continues to address the risk of inconsistent resolution of recurring issues and the unnecessary proliferation of policies; (iii) the issues addressed by the Policy continue to be within the Board's responsibility to effectively administer the pension plan and to mitigate risk to ACERA; and (iv) the Policy continues to be appropriate in meeting the needs of ACERA and does not overlap with other existing Board policies.

Board members recommended that staff review and consider similar policies from other public retirement systems when this and similar policies are considered in the future.

Trustee Koppenhaver moved and Trustee Godfrey seconded a motion that the Governance Committee recommends to the Board of Retirement that the *Conflict of Interest Policy* be adopted with revisions as recommended by staff and make the findings contained in the staff recommendation. The motion was approved by a vote of 6 in favor (Ophelia Basgal, Jaime Godfrey, Liz Koppenhaver, Elizabeth Rogers, George Wood and Darryl Walker), 0 against, 0 abstaining.

4. Review, discussion, and possible motion to affirm the *Conflict of Interest Code* without revisions.

The Committee reviewed Staff's November 21, 2019, memorandum on the *Conflict of Interest Code* which did not propose any changes to the Code. Chair Rogers asked for any public comment, and none was received.

Staff recommended that the *Conflict of Interest Code* be affirmed without changes and that the Committee find that the Code continues to be necessary and meets the requirements of California Law.

Trustee Basgal moved and Trustee Godfrey seconded a motion that the Governance Committee recommend to the Board of Retirement that the Code be affirmed without revisions as recommended by staff and make the findings contained in the staff recommendation. The motion was approved by a vote of 6 in favor (Ophelia Basgal, Jaime Godfrey, Liz Koppenhaver, Elizabeth Rogers, George Wood and Darryl Walker), 0 against, 0 abstaining.

5. Review, discussion, and possible motion to adopt the *Policy re Remote Access by Trustees to Board and Committee Meetings*.

The Committee reviewed Staff's November 21, 2019, memorandum and its recommendation regarding proposed adoption of the *Policy re Remote Access by Trustees to Board and Committee Meetings*. Chair Rogers asked for any public comment, and none was received.

Staff also recommended that the Committee find that: (i) both the public and ACERA would benefit from permitting Trustees to appear from remote locations at Board and Committee meetings; (ii) the Policy continues to address a matter within the responsibility of the Board to effectively administer the Board and Committee operations; (iii) this Policy is necessary to clarify the procedures to be used for remote appearance by Trustees and to ensure consistent and effective administration of Board and Committee operations; and (iv) this Policy does not overlap with other existing Board policies.

Trustee Godfrey moved and Trustee Basgal seconded a motion that the Governance Committee recommend to the Board of Retirement to adopt the *Policy re Remote Access by Trustees to Board and Committee Meetings* and make the findings in the staff recommendation. The motion was approved by a vote of 5 in favor (Ophelia Basgal, Jaime Godfrey, Elizabeth Rogers, George Wood, Darryl Walker), 1 against (Liz Koppenhaver), 0 abstaining.

INFORMATION ITEMS

- None

TRUSTEE INPUT

- None

FUTURE DISCUSSION ITEMS

- TBD

ESTABLISHMENT OF NEXT MEETING DATE

- TBD

ADJOURNMENT

- The meeting adjourned at 1:34 PM

NEW BUSINESS

7.A. Board Election Results (Oral).

7.B. Chief Executive Officer's Report.

NEW BUSINESS

7.A. Board Election Results (Oral).

NEW BUSINESS

7.B. Chief Executive Officer's Report.



*Office of the Chief Executive Officer
Office of Administration*

DATE: December 19, 2019
TO: Members of the Board of Retirement
FROM: Dave Nelsen, Chief Executive Officer *DN*
SUBJECT: **Chief Executive Officer's Report**

Senior Manager Recruitment

We have closed the application period and have received a number of qualified candidates to be interviewed for the Chief Counsel position. They are a mix of corporate attorneys who serve governmental entities, county counsels, and other municipal attorneys. They all are practicing attorneys with strong, relevant experience, including several with "37 act experience. The goal is to complete the hiring in January of 2020. Kathy Mount has agreed to remain as Chief Counsel until that time.

Committee/Board Action Items

| ASSIGNED FOLLOW-UP ITEMS | | | | |
|--|------------------------|---------------------------|--|--|
| Follow-Up Board Item | Assigned Senior Leader | Estimated Completion Date | Completion Date | Notes |
| Develop a policy regarding pre-payment of contributions by employers | Dave Nelsen | May 2019 | At the Board meeting for approval today. | A law passed in 2017 expanding the circumstances regarding employers pre-paying retirement contributions. ACERA should consider developing a policy regarding this option. |

Conference/Event Schedule

None pending.

Other Items

Pension Administration System Update

The primary focus for 2019 was the creation of the requirements document to submit to LRS and our On-Base vendor, which allowed them to cost out the proposal for Board approval. Those requirements were submitted to our vendors, the costs were identified, and the item is on the agenda for Board approval today.

Key Performance Indicators

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

| Scorecard KPI | 2019 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 Through September: -.01% (9.02% benchmark v. 9.01% actual)</i> |
| EFFECTIVE PLAN ADMINISTRATION | |
| Actual Spent vs. Approved Budget | <i>On budget or 10% below 2019 approved budget As of end of third Quarter: 12% under budget</i> |
| 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?" As of last survey (Fall of 2019): 58%. This is an 8% increase over the spring, and a 15% increase from our first survey in Fall of 2018.</i> |
| 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?" As of 3rd Quarter: 93%</i> |