



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, June 20, 2019
2:00 p.m.

LOCATION	BOARD OF RETIREMENT - MEMBERS	
ACERA C.G. "BUD" QUIST BOARD ROOM 475 14 TH STREET, 10 TH FLOOR OAKLAND, CALIFORNIA 94612-1900 MAIN LINE: 510.628.3000 FAX: 510.268.9574	GEORGE WOOD CHAIR	ELECTED GENERAL
	HENRY LEVY FIRST VICE-CHAIR	TREASURER
	ELIZABETH ROGERS SECOND VICE-CHAIR	ELECTED GENERAL
	DALE AMARAL	ELECTED SAFETY
	OPHELIA BASGAL	APPOINTED
	KEITH CARSON	APPOINTED
	TARRELL GAMBLE	APPOINTED
	JAIME GODFREY	APPOINTED
	LIZ KOPPENHAVER	ELECTED RETIRED
	NANCY REILLY	ALTERNATE RETIRED ¹
DARRYL L. WALKER	ALTERNATE SAFETY ²	

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 agenda 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:

May 15, 2019 Investment Committee Minutes

May 16, 2019 Actuarial Committee Minutes

May 16, 2019 Audit Committee Minutes

May 16, 2019 Minutes of the Regular Board Meeting

June 5, 2019 Operations Committee Minutes

June 5, 2019 Retirees Committee Minutes

June 5, 2019 Minutes of the Special Board Meeting

June 12, 2019 Investment Committee Minutes

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)

1. Sawhney, Satnam, Supervising Financial Services Specialist,
Alameda County Service: 13.62689 Years
Probation Department, Application for Service Connected Disability

6. COMMITTEE REPORTS, RECOMMENDATIONS AND MOTIONS:

A. Operations:

1. Summary of the June 5, 2019, Meeting.

B. Retirees:

1. Summary of the June 5, 2019, Meeting.
2. Motion that the Board authorize Staff to transfer \$6,899,139 from the Supplemental Retiree Benefit Reserve (SRBR) account to the County Advance Reserve to be amortized over 20 years as the Implicit Subsidy payment for Plan Year 2018.
3. Motion that the Board adopt a Statement of Intent to continue the Implicit Subsidy Program for health Plan Year 2020, following a determination by ACERA at the end of Plan Year 2020 that the amount is not greater than the actual retiree Implicit Subsidy.

C. Investment:

1. Summary of the June 12, 2019, Meeting.
2. Motion that the Board adopt an up to \$33 million Investment in Altas Partners Holdings II as part of ACERA's Private Equity Portfolio – Buyouts.

D. Audit:

1. Summary of the June 20, 2019, Meeting.
2. Motion that the Board adopt the audited Schedules of Employer Allocations and Schedules of Pension Amounts by Employer with Related Notes, based on the Addendum to GASB Statement No. 67 Valuation as of December 31, 2018.
3. Motion that the Board adopt the audited Schedules of Employer OPEB Allocations and Schedules of OPEB Amounts by Employer with Related Notes, based on the Addendum to GASB Statement No. 74 Valuation as of December 31, 2018.

7. NEW BUSINESS:

A. Chief Executive Officer's Report.

8. CONFERENCE REPORTS/ORAL REPORTS:

9. ANNOUNCEMENTS:

10. BOARD INPUT:

11. CLOSED SESSION:

A. Personnel Matter pursuant to Government Code Section 54957 & 88 Ops. Cal. Atty. Gen. 16 – Application of Satnam Sawhney for Disability Retirement – Alameda County Probation Department.

12. REPORT ON ACTION TAKEN IN CLOSED SESSION:

13. ESTABLISHMENT OF NEXT MEETING:

Thursday, July 18, 2019 at 2:00 p.m.

14. ADJOURNMENT:

**APPENDIX A
APPLICATION FOR SERVICE RETIREMENT**

AHMED, Aida S.
Effective: 12/29/2018
Alameda Health System

AKACSOS, Stephen P.
Effective: 3/23/2019
Sheriff's Office

ATIENZA, Venancio M.
Effective: 3/30/2019
Public Works Agency

BACKERS-HOYLE, Angela C.
Effective: 3/30/2019
District Attorney

BALOLONG, Rosalind R.
Effective: 9/22/2018
Alameda Health System

BERHANU, Engedaw L.
Effective: 3/30/2019
Health Care Services Agency

BOWLER, Leona M.
Effective: 4/20/2019
Social Services Agency

BRADFORD, Mark H.
Effective: 3/30/2019
Public Works Agency

BROOKS, Michele B.
Effective: 3/27/2019
Alameda Health System

BRYAN, Keith G.
Effective: 3/30/2019
Sheriff's Office

CASAREZ, Sylvia
Effective: 3/30/2019
Superior Courts

CHANG, Teresa T.
Effective: 3/31/2019
Social Services Agency

CHAVEZ, Joseph A.
Effective: 2/28/2019
District Attorney

CHOW, Jose
Effective: 3/23/2019
Alameda Health System

COBER, Frederic A.
Effective: 3/30/2019
Superior Courts

COGMON, Kodryck B.
Effective: 3/24/2019
Probation

CRUZ, Diana D.
Effective: 3/30/2019
Health Care Services Agency

CRUZ, Eduardo
Effective: 3/30/2019
Social Services Agency

DALTON, Cynthia A.
Effective: 3/30/2019
Sheriff's Office

DAVIS, William L.
Effective: 4/10/2019
Social Services Agency

DE LEON, Emerlita A.
Effective: 3/30/2019
Social Services Agency

DEREVIN, Marina
Effective: 3/23/2019
Alameda Health System

**APPENDIX A
APPLICATION FOR SERVICE RETIREMENT**

DO, Chi L.
Effective: 3/23/2019
Alameda Health System

GAYFIELD, Yvette N.
Effective: 3/13/2019
Probation

DORIA, Celso
Effective: 3/31/2019
Alameda Health System

GERLEMAN, Barbara M.
Effective: 3/30/2019
Sheriff's Office

EARL, Connie L.
Effective: 3/30/2019
Social Services Agency

GOMEZ, Juan L.
Effective: 3/30/2019
Sheriff's Office

EASTMAN, El Roy
Effective: 5/3/2019
Probation

GRAY, David K.
Effective: 3/30/2019
Health Care Services Agency

FERGERSON, Lee A.
Effective: 3/30/2019
Board of Supervisors

HAGOS, Ogbai G.
Effective: 3/23/2019
Alameda Health System

FRANCISCO, Cristeta S.
Effective: 3/23/2019
Registrar of Voters

HAWTHORNE, Julie
Effective: 3/23/2019
Health Care Services Agency

FUENTES, Beverly B.
Effective: 3/28/2019
Human Resource Services

HAYES, Melzena A.
Effective: 3/30/2019
Superior Courts

FUNG, Julie Suk-Mei
Effective: 3/30/2019
Health Care Services Agency

HUNT, Patricia L.
Effective: 3/30/2019
Community Development Agency

GANDARA-SWINBANK, Maureen
Effective: 3/30/2019
LARPD

IRVING, Anne E.
Effective: 4/3/2019
Health Care Services Agency-Def

GARABILES, Mila B.
Effective: 4/13/2019
Health Care Services Agency

JACKSON, Benita R.
Effective: 3/27/2019
Social Services Agency

GARCIA, Nida B.
Effective: 4/1/2019
Alameda Health System

JEW, Beverly
Effective: 3/30/2019
Alameda Health System

**APPENDIX A
APPLICATION FOR SERVICE RETIREMENT**

JOHNSON, Deborah A.
Effective: 3/28/2019
Superior Court-Def

LINN, James B.
Effective: 3/24/2019
Sheriff's Office

JOHNSON, Rosaline
Effective: 3/30/2019
Auditor-Controller

LOUIE, Darien G.
Effective: 3/30/2019
County Administrator

JONES, Ken B.
Effective: 3/7/2019
Health Care Services Agency

MACKENZIE, Marguerite T.
Effective: 3/30/2019
Health Care Services Agency

JORDAN, Delores
Effective: 1/14/2016
Alameda Health System

MADDOCK, Liliana F.
Effective: 3/30/2019
District Attorney

KERR, Mary R.
Effective: 3/25/2017
General Services Agency

MANN, James C.
Effective: 3/30/2019
Public Defender

KLIMIST, Kyree N.
Effective: 1/27/2019
Health Care Services Agency- Def

MARTINES, Carolina A.
Effective: 3/31/2019
Alameda Health System

KLINE, Maurine
Effective: 3/30/2019
LARPD

MARTINEZ, Julie M.
Effective: 12/16/2017
Social Services Agency

KNITTEL, Cheryl F.
Effective: 3/30/2019
Superior Courts

MATTA, Juan A.
Effective: 3/30/2019
Treasurer-Tax Collector

LANDRY, Jerrie D.
Effective: 3/30/2019
Social Services Agency

MC MAHON, Donald B.
Effective: 3/11/2017
Superior Courts

LEE, Alfred
Effective: 3/23/2019
Social Services Agency

MC NAIRY, Malcolm C.
Effective: 10/28/2017
Alameda Health System

LINDSEY, Joann P.
Effective: 4/1/2019
Alameda Health System

MCGREGOR, Carole B.
Effective: 3/29/2019
Health Care Services Agency

**APPENDIX A
APPLICATION FOR SERVICE RETIREMENT**

MCGUIRE, Louise A.
Effective: 3/28/2019
Social Services Agency-Def

NY, Monida E.
Effective: 3/30/2019
Social Services Agency

MCMICHAEL, Curtis A
Effective: 4/1/2017
Health Care Services Agency

O'NEAL, Beverly I.
Effective: 3/30/2019
Superior Courts

MEANS, Angelo
Effective: 3/21/2019
Probation

OWENS, Janet I.
Effective: 3/23/2019
Superior Courts

MICHAEL, Azeb M.
Effective: 3/23/2019
Social Services Agency

PEARSON, Debra O.
Effective: 3/30/2019
Superior Courts

MORD, Steven C
Effective: 3/8/2019
Assessor

PENA, Elena V.
Effective: 3/30/2019
Superior Courts

MORTENSEN, Jacqueline D.
Effective: 3/30/2019
Health Care Services Agency

PINKNEY, Perri R.
Effective: 3/30/2019
Superior Courts

NARBY, Bonnie L.
Effective: 3/30/2019
Public Defender

POLITZER, Lore A.
Effective: 3/30/2019
Social Services Agency

NAVARRO, Andrea B.
Effective: 12/11/2018
Superior Courts

RACKMIL, Jeffrey
Effective: 3/30/2019
Health Care Services Agency

NAWABI, Laila
Effective: 3/31/2019
Alameda Health System

RARAS, Rodolfo R.
Effective: 3/30/2019
Community Development Agency

NELSON, Suzanne U.
Effective: 2/28/2019
Non-member

REAL, Fred R.
Effective: 4/1/2017
Public Works Agency

NOBLES, Mark D.
Effective: 3/21/2019
Superior Court

REEDY, Joseph D.
Effective: 4/14/2017
Health Care Services Agency

**APPENDIX A
APPLICATION FOR SERVICE RETIREMENT**

ROQUEMORE, Evelyn L.
Effective: 3/30/2019
Probation

SHEARD, Shandra A.
Effective: 8/25/2018
First 5

ROSS, Mary R.
Effective: 4/20/2019
Social Services Agency

SHOULDICE, John P.
Effective: 3/30/2019
Public Works Agency

ROWDEN, Lolita S.
Effective: 3/1/2019
Probation

SIEGEL, Shelley M.
Effective: 3/30/2019
Social Services Agency

RUSSAW-MORRIS, Rosalyn
Effective: 12/16/2017
Superior Courts

SILVA, Dolores J.
Effective: 3/23/2019
Superior Courts

SAMBILE, Mario M.
Effective: 3/30/2019
Health Care Services Agency

STARK, Jeffrey P.
Effective: 3/30/2019
District Attorney Office

SANCHEZ, Cheryl
Effective: 1/27/2018
Alameda Health System

STROUD-BLAGG, Marla-Lee
Effective: 11/22/2018
Health Care Services Agency

SANTOS, Maricor S
Effective: 4/13/2019
Alameda Health System

SUNG, Sui-Kwong
Effective: 3/29/2019
Health Care Services Agency

SAWREY-KUBICEK, Phillip K.
Effective: 3/30/2019
Community Development Agency

SYMENS-BUCHER, Terry M.
Effective: 3/23/2019
Child Support Services-Def

SECOR, Stephen E.
Effective: 3/30/2019
Information Technology Department

TRAYWICK, Clarence A.
Effective: 3/30/2019
Superior Courts

SEQUEIRA, Marianela F.
Effective: 3/30/2019
Superior Courts

TYRRELL, Sean E.
Effective: 3/22/2019
Sheriff's Office

SHAUF, Rebecca T.
Effective: 3/30/2019
Social Services Agency

WOGSBERG, Philip H.
Effective: 3/30/2019
ACERA

**APPENDIX A
APPLICATION FOR SERVICE RETIREMENT**

WONG, Bin
Effective: 3/30/2019
Social Services Agency

WOOLLEY, Sharon
Effective: 6/4/2016
Auditor-Controller

**APPENDIX B
APPLICATION FOR DEFERRED RETIREMENT**

BEAUCHAMPS, Isabelle
General Services Agency
Effective Date: 4/25/2019

RODRIGUEZ, Vanessa J.
Health Care Services Agency
Effective: 2/11/2019

BRIGGS, Vitaline
Alameda Health System
Effective: 4/5/2019

ROY, Maria C.
Alameda Health System
Effective: 3/1/2019

CESENA, Jacob V.
Sheriff's Office
Effective: 1/11/2019

SANTANA, Cristina
Health Care Services Agency
Effective: 3/22/2019

CHAN, Wai Kan
Alameda Health System
Effective: 3/15/2019

SCHWABL, Katherine Z.
Alameda Health System
Effective: 3/1/2019

COLE, Donna M.
Alameda Health System
Effective: 3/29/2019

STARR, Thelma M.
Social Services Agency
Effective: 2/5/2019

CONCEPCION, Dean M. S.
Sheriff's Office
Effective: 5/18/2019

SZUTU, Katie R.
Alameda Health System
Effective: 4/5/2019

FERREIRA, Jorge H.
Sheriff's Office
Effective: 4/4/2019

TITUS, Meashline F.
Social Services Agency
Effective Date: 4/19/2019

MORIARTY, Patrick D.
District Attorney
Effective: 3/1/2019

VERNON, Tamani J.
Sheriff's Office
Effective: 4/3/2019

QUINN, Christine L.
Sheriff's Office
Effective: 3/1/2019

YAMIN, Raymond A.
Alameda Health System
Effective: 5/3/2019

YBARRA, Yvette R.
Sheriff's Office
Effective: 4/19/2019

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

ABIYEVA, Madina
Probation
Effective: 4/6/2019

ROMO, Melissa D.
Alameda Health System
Effective: 3/19/2019

BARAJAS, Marlene
Probation
Effective: 4/13/2019

SAELEE, Meuy C.
Social Services Agency
Effective: 4/5/2019

BARRETT, Grant
Superior Court
Effective: 3/29/2019

SANDHAR, Jasdeep K.
Probation
Effective: 2/11/2019

CHOKSHI, Ruchi A.
Social Services Agency
Effective: 3/11/2019

SAQUETON, Joseph Z.
General Services Agency
Effective: 2/22/2019

CLOUD-HOLLOWAY, Rachel L.
Health Care Services Agency
Effective: 4/19/2019

SAVOY, Lavelle J.
Social Services Agency
Effective: 3/25/2019

CRANDELL, Ashley M.
Sheriff's Office
Effective: 4/10/2019

SHELTON, Juana L.
Alameda Health System
Effective Date: 4/2/2019

DIAMOND, Lindsey R.
Alameda Health System
Effective: 4/3/2019

SMITH, NICHELLE L.
Alameda Health System
Effective: 3/16/2019

FRANCOIS, Cassandra
Superior Court
Effective: 3/20/2019

SNOWDEN, Ericka D.
Social Services Agency
Effective: 3/29/2019

HOM, Donna D.
Information Technology
Effective: 5/3/2019

STEINBERG, Michelle
Superior Court
Effective: 5/3/2019

ROMO, Blanca R.
District Attorney
Effective: 4/19/2019

TRUJILLO, Nayely
Alameda Health System
Effective: 3/29/2019

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

WITEK, Bernardetta
Alameda Health System
Effective: 3/27/2019

ZANARDI, Nicole M
Public Defender
Effective: 4/12/2019

**APPENDIX D
LIST OF DECEASED MEMBERS**

Brosnan, Sarah
Non-Mbr Survivor of Edward Brosnan
5/8/2019

Kilgore, Kevin
Sheriff's Department
5/20/2019

Dennis, Albert
Probation
5/1/2019

Knight Jr., Harvey
General Services Agency
5/3/2019

Eikeland, Karen
Non-Mbr Survivor of Mary Eikeland
5/3/2019

Kohler, Manfred
Sheriff's Department
5/28/2019

Endres, Jean
Treasurer - Tax Collector
5/16/2019

Kuendig, Aida
Non-Mbr Survivor of Anton Kuendig
4/7/2019

Garcia, Gladys
Alameda Health System
4/3/2019

McMath, Marlana
Public Defender
5/4/2019

Harris, Roderick
Social Services Agency
4/15/2019

Ngo, Cam
Non-Mbr Survivor of Viet Tran
5/20/2019

Herspring, Dave
Sheriff's Department
5/22/2019

Oniola, Violeta
Health Care Services Agency
4/7/2019

Higby, Geraldine
Non-Mbr Survivor of Russell Higby
5/15/2019

Robinson, Zephaniah
Sheriff's Department
4/22/2019

Vereeke, Shirley
Probation
5/26/2019

APPENDIX F
APPLICATION FOR DISABILITY RETIREMENT

Name: Bucher, Samantha
Type of Claim: Annual Review for SCD (Granted on 12/17/15)

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. Bucher’s service connected disability and to waive future annual medical examinations and questionnaires.

Name: Burgess, Thomas
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. Burgess’s application for a service connected disability, and waiving future annual medical examinations and questionnaires.

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

Name: Castillo, Ruth
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 to continue the allowance for Ms. Castillo’s service connected disability and to require future annual medical examinations and questionnaires.

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

**APPENDIX F
APPLICATION FOR DISABILITY RETIREMENT**

Name: Morra, Leslie
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. Morra’s application for a non-service connected disability, and waiving future annual medical examinations and questionnaires.

Approve Ms. Morra’s request to pursue a service-connected disability retirement.

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

Name: Thoms, Derek
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. Thom’s service connected disability and to require future annual medical examinations and questionnaires.

May 16, 2019
Minutes of the Regular Board Meeting

And

June 5, 2019
Minutes of the Special Board Meeting

For approval under June 20, 2019
Board “Consent Calendar”



ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
BOARD OF RETIREMENT
MINUTES

Thursday, May 16, 2019

Chair George Wood called the meeting to order at 2:00 p.m.

Trustees Present: Dale Amaral
Ophelia Basgal
Tarrell Gamble
Jaime Godfrey
Liz Koppenhaver
Henry Levy
Elizabeth Rogers
George Wood
Nancy Reilly (*Alternate*)

Trustees Excused: Keith Carson
Darryl Walker (*Alternate*)

Staff Present: Margo Allen, Fiscal Services Officer
Victoria Arruda, Human Resource Officer
Angela Bradford, Executive Secretary
Sandra Dueñas-Cuevas, Benefits Manager
Kathy Foster, Assistant Chief Executive Officer
Jessica Huffman, Benefits Manager
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

PUBLIC INPUT

Attorney Denise Eaton-May addressed the Board stating she was appearing at today's Board meeting because she has been retained to represent both Marguerite Malloy and Lori Schnall with respect to the *Notice of Intent to Layoff (Notice)* they both received on April 23, 2019, effective June 3, 2019.

Ms. Eaton-May stated she is available to work with the Board and/or Staff to discuss and come-up with an alternative resolution to meet ACERA's business needs that would not substantially impact Ms. Malloy and Ms. Schnall and in an effort to avoid protracted litigation, which may include civil litigation and/or complaints filed with the Department of Fair Employment and Housing, etc. Ms. Eaton-May appealed to the Board and Staff asking that the decision to layoff Ms. Malloy and Ms. Schnall be deferred so the Board can have time to "see the big picture", because there are a lot of facts the Board may want to consider that they may not have been privy to previously.

Ms. Eaton-May expressed her appreciation to the Board for taking the time in allowing her to address this issue.

Zone 7 Water Facilities Supervisor, and former Water Plant Operator 3, Allan Dahlquist stated that approximately ten (10) years ago, Zone 7 misidentified/miscoded "Short Notice Pay" as "Shift Call Back" which was an overtime, non-pensionable compensation item. This issue was discovered by a Zone 7 employee who retired ten (10) years ago and learned at the time he retired, he would not receive service credit for the hours he worked under "Shift Call Back". As a result of requesting service credit audits from ACERA, Mr. Dahlquist learned that he was also affected by the "Shift Call Back" issue stating he is approximately six (6) weeks short on his service credit that dates back to when he was a Zone 7 Water Plant Operator. Mr. Dahlquist stated he would like to buy the six (6) weeks back and for it to be counted towards his service credit.

Alameda County Retired Employees (ACRE) President, Pete Albert said he remembers when Zone 7 Water Plant Operator 3, Steven Rohrer retired ten (10) years ago and learned he was approximately one (1) year shy of service credit due to the "Short Notice Pay" (non-pensionable) issue. Due to the implementation of PEPPRA, ACERA Staff learned that the "Short Notice Pay" issue had not been resolved and was still considered a non-pensionable item.

**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

*April 17, 2019 Investment Committee Minutes
April 18, 2019 Actuarial Committee Minutes
April 18, 2019 Governance Committee Minutes
April 18, 2019 Audit Committee Minutes
April 18, 2019 Minutes of the Regular Board Meeting*

MISCELLANEOUS MATTERS:

Operations Committee Information Item(s):

1. Quarterly Financial Statements as of March 31, 2019
2. Operating Expenses as of March 31, 2019
3. Quarterly Cash Forecast Report as of March 31, 2019
4. Board Member Conference Expense Report for 1st Qtr. 2019
5. Senior Manager Conference and Training Expense Report for 1st Qtr. 2019

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It was moved by Elizabeth Rogers seconded by Henry Levy, and approved by a vote of 7 yes (*Basgal, Gamble, Godfrey, Koppenhaver, Levy, Rogers, Wood*), 0 no, and 0 abstentions (*Dale Amaral recused himself because one or more of the consent calendar items involved his employing Department*):

BE IT RESOLVED BY THIS BOARD that the Consent Calendar is approved as presented.

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 May 15, 2019 and was presented with, reviewed information for, and discussed an up to \$60 million Investment in Great Hill Equity Partners VII as part of ACERA's Private Equity Portfolio – Buyouts and Venture Capital. Trustee Rogers reported that ACERA has invested with Great Hill Partners in the past and is very familiar with the firm and their investment strategy.

19-32

It was moved by Elizabeth Rogers and seconded by Liz Koppenhaver that the Board approve an up to \$60 million Investment in Great Hill Equity Partners VII as part of ACERA's Private Equity Portfolio – Buyouts and Venture Capital pending completion of legal and investment due diligence and successful contract negotiations. The motion carried 8 yes (*Amaral, Basgal, Gamble, Godfrey, Koppenhaver, Levy, Rogers Wood*), 0 no, and 0 abstentions.

At yesterday's Investment Committee meeting, and earlier this year, ACERA's General Investment Consultant Verus Advisory, Inc. highlighted key points in ACERA's Asset – Liability Integration Study (Study). Staff and Verus recommended that the Board adopt Alternative #2 in the Study because: **1)** it has the same expected return as ACERA's current Investment Policy based on the capital market's expectations; **2)** it has a more conservative asset mix; **3)** its expected return is slightly lower; and **4)** its volatility risks are slightly lower compared to Alternative #1. Verus also pointed out that ACERA's Enterprise Risk Tolerance Survey shows a minimization of the funding status, which is one of the most important long-term objectives of the ACERA Board.

19-33

It was moved by Elizabeth Rogers and seconded by Jaime Godfrey that the Board adopt Alternative #2 in the Asset – Liability Integration Study. The motion carried 8 yes (*Amaral, Basgal, Gamble, Godfrey, Koppenhaver, Levy, Rogers Wood*), 0 no, and 0 abstentions.

Information Items discussed: **1)** Education Session on Timberland: a representative from Verus provided an overview presentation which included a summary of the firm's return drivers, history, ESG and other investment considerations, etc.; and **2)** Real Assets Policy Update: Modification of Index Name in Benchmark Composite. The *S&P Global Large Mid-Cap Natural Resources Index* was changed to the *S&P Global Large Mid-Cap Commodity and Resources Index*.

Minutes of the meeting will be presented to the Board for adoption on the consent calendar at the June 20, 2019 Board meeting.

Actuarial:

Dale Amaral gave an oral report stating that the Actuarial Committee met today and that at the April 18, 2019 Actuarial Committee meeting, the Committee was presented with, reviewed information for and/or discussed ACERA's draft Actuarial Valuation and Review as of December 31, 2018, prepared by Segal Consulting (Actuarial Valuation), at the April Actuarial Committee meeting.

19-34

It was moved by Dale Amaral and seconded by Elizabeth Rogers that the Board adopt the Actuarial Valuation and Review as of December 31, 2018, including the employer and employee contribution rates. The motion carried 8 yes (*Amaral, Basgal, Gamble, Godfrey, Koppenhaver, Levy, Rogers Wood*), 0 no, and 0 abstentions.

An information item was presented and discussed about the results of the Actuarial Standard of Practice No. 51, Assessment and Disclosure of Risk Associated with Measuring Pension Obligations and Determining Pension Plan Contributions. The Actuarial Committee reviewed and discussed the results of the survey and all the potential possibilities and risks to the fund. The Trustees felt that the information received was very educational and valuable. Trustee Ophelia Basgal suggested that ASOP No. 51 be included as a training item at the Joint Board of Supervisors and Board of Retirement meeting.

Minutes of the meeting will be presented to the Board for adoption on the consent calendar at the June 20, 2019 Board meeting.

Audit:

Henry Levy gave an oral report stating that the Audit Committee met today and was presented with, reviewed information for and discussed the **1) December 31, 2018 audited Financial Statements and Independent Auditors’ Report; 2) Governmental Accounting Standards Board (GASB) Statement No. 67 Actuarial Valuation as of December 31, 2018; 3) GASB Statement No. 74 Actuarial Valuation as of December 31, 2018; and 4) Addendums to the Governmental Accounting Standards Board (GASB) Statement No. 67 and Statement No 74 Actuarial Valuations as of December 31, 2018.**

19-35

It was moved by Henry Levy and seconded by Liz Koppenhaver that the Board accept and file the December 31, 2018, audited Financial Statement and Independent Auditors’ Report. The motion carried 8 yes (*Amaral, Basgal, Gamble, Godfrey, Koppenhaver, Levy, Rogers Wood*), 0 no, and 0 abstentions.

19-36

It was moved by Henry Levy and seconded by Dale Amaral that the Board adopt the GASB Statement No. 67 Actuarial Valuation as of December 31, 2018. The motion carried 8 yes (*Amaral, Basgal, Gamble, Godfrey, Koppenhaver, Levy, Rogers Wood*), 0 no, and 0 abstentions.

19-37

It was moved by Henry Levy and seconded by Dale Amaral that the Board adopt the GASB Statement No. 74 Actuarial Valuation as of December 31, 2018. The motion carried 8 yes (*Amaral, Basgal, Gamble, Godfrey, Koppenhaver, Levy, Rogers Wood*), 0 no, and 0 abstentions.

19-38

It was moved by Henry Levy and seconded by Liz Koppenhaver that the Board adopt the Addendums to the GASB Statement No. 67 and Statement No 74 Actuarial Valuations as of December 31, 2018. The motion carried 8 yes (*Amaral, Basgal, Gamble, Godfrey, Koppenhaver, Levy, Rogers Wood*), 0 no, and 0 abstentions.

Trustee Levy also reported that the Audit Committee was also presented with, reviewed and discussed the following Information Items: **1) Progress report on the Internal Audit Plan; and 2) an update on Cyber Security.**

Minutes of the meeting will be presented to the Board for adoption on the consent calendar at the June 20, 2019 Board meeting.

NEW BUSINESS:

Participating Employers' Recommended Contribution to Their ACERA 401(h) Accounts for the 2019-2020 Fiscal Year

Fiscal Services Officer Margo Allen presented her May 16, 2019 memo; specifically page 2, which provided the background, history and percentage amounts for contributions to the Participating Employers' (PE) 401(h) accounts. Ms. Allen reported that ACERA's Actuary, Segal Consulting, did not change its methodology in arriving at the projected contribution amount to ACERA's 401(h) account, which is \$54,596,000.00. After adjusting this amount by the estimated balance remaining in the 401(h) account for each PE, the net contribution amount is projected to be \$44,004,615.50. It was noted that PE contributions to the 401(h) accounts are necessary in order to continue to pay for non-vested healthcare benefits on a tax-free basis.

19-39

It was moved by Tarrell Gamble and seconded by Liz Koppenhaver that after contributions are made to the 401(h) accounts by the respective Participating Employers, ACERA, in accordance with the County Employees' Retirement Law, treat an equal amount of Supplemental Retiree Benefit Reserve assets as employer contributions for pensions and transfer the amount equal to the pro rata share of the 401(h) contributions for the 2019-2020 fiscal year for each Participating Employer. The exact amount will be adjusted by the balance remaining in each of the 401(h) accounts and is contingent upon receipt by ACERA of an authorizing resolution from the Participating Employers' governing bodies. The motion carried 8 yes (*Amaral, Basgal, Gamble, Godfrey, Koppenhaver, Levy, Rogers Wood*), 0 no, and 0 abstentions.

David Nelsen, Chief Executive Officer's Report

Mr. Nelsen presented his May 16, 2019, written CEO Report which provided an update on the following items: **1) Senior Manager Recruitment; 2) Committee/Board Action Items; 3) Conference Schedule:** Mr. Nelsen will be attending the NCPERS Conference on May 20 thru 22, 2019; **4) Other Items,** which included an update on the Team Engagement Survey; **5) Pension Administration System (PAS) Replacement; 6) Process Excellence Activities; and 7) 2019 Board Off-Site Event Conference Schedule.**

Mr. Nelsen requested that the Trustees please provide him with any feedback regarding what topics/speakers they would like presented at this year's Board Off-Site. Mr. Nelsen recommended that ASOP No. 51 be included as one of the discussion items. It was noted that the Board Off-Site is on Friday, November 1, 2019 and tentatively scheduled to take place at the same location as last year, Scott's Restaurant.

Trustee Ophelia Basgal reported that she learned of two bills whereby the State Legislature directed CalSTRS and CalPERS to dis-invest. Trustee Basgal inquired about how the State Legislature has the authority to direct plans to dis-invest, and is interested in learning more about their process, and how dis-investing will impact Trustees' fiduciary responsibilities to their plans.

CONFERENCE/ORAL REPORTS

Trustees Elizabeth Rogers and Liz Koppenhaver reported they both attended the SACRS Spring Conference and that the Breakout Sessions were very good, especially the Affiliates Breakout Session, where Trustee Henry Levy was one of the speakers who talked about 457 Plans, investments.

Trustee George Wood reported he attended the Milken Conference and felt that the sessions he attended were excellent.

Trustee Levy reported he attended the following Conferences and that they were all very educational:

- Callan’s College Educational Course. Trustee Levy recommended that Callan present at this year’s Board Off-Site.
- Institutional Investor’s Public Funds Roundtable. Topic of discussion was the movement to delegate investment decisions to Staff.
- Wharton’s (IFEBP) Refresher and Advanced Investments Management Courses. Topic of discussion was asset allocation.

Trustee Basgal inquired about the process used when a Trustee has been invited to speak on a topic at an event in a non-ACERA Board Trustee capacity. Trustee Rogers recommended that a disclaimer stating that the Trustee is not acting on behalf of ACERA be included in ACERA’s *Board Communications Policy*.

ANNOUNCEMENTS

None.

BOARD INPUT

None.

CLOSED SESSION

- A) Pursuant to Government Code § 54957:**
Public Employee Discipline/Dismissal/Release

REPORT ON ACTION TAKEN IN CLOSED SESSION

The Board reconvened into Open Session and Chair George Wood announced that the Board took no action.

ADJOURNMENT

The meeting adjourned at approximately 3:45 p.m.

Respectfully Submitted,



David Nelsen
Chief Executive Officer

6/20/19

Date Adopted

**APPENDIX A
APPLICATION FOR SERVICE RETIREMENT**

ALMENDRAL, Angelina
Alameda Health System
Effective: 3/7/2018

DOUNG, Tuan
General Services Agency
Effective: 1/24/2019

ARBUCKLE, Jason H.
Sheriff's Office
Effective: 3/23/2019

DUNSTON, Bobbie J.
Alameda Health System
Effective: 3/9/2019

BALCE, Brenda
Alameda Health System
Effective: 12/20/2018

ESCARSEGA, Yvonne D
Alameda Health System
Effective: 8/12/2017

BERRYMAN, Alan P.
Sheriff's Office
Effective: 3/6/2019

FAN, Amy
Social Services Agency
Effective: 3/5/2019

BOWERS, Riddic M.
Sheriff's Office
Effective: 3/23/2019

GEORGE, Margaret A.
General Services Agency
Effective: 3/23/2019

BROWN, Dana J.
Social Services Agency
Effective: 2/23/2019

GRAVES, Valerie L.
Sheriff's Office
Effective: 12/1/2018

CALVIN, Michael
Probation
Effective: 3/9/2019

GREIF, Cynthia R.
Health Care Services Agency
Effective: 3/2/2019

CAMPBELL, Wendelyn A.
Child Support Services
Effective: 3/23/2019

JACKSON, Brenda
Alameda Health System
Effective: 11/28/2018

DE LEON, Mercedes A.
Alameda Health System
Effective: 11/14/2018

JUNG, Colman
District Attorney
Effective: 3/23/2019

DEBOSE, Christopher
Alameda Health System
Effective: 10/5/2018

KOELSCH, Sharon M.
Child Support Services
Effective: 2/23/2019

APPENDIX A
APPLICATION FOR SERVICE RETIREMENT

LEFEVRE, Frederick W.
Health Care Services Agency
Effective: 3/23/2019

ROBERTS, Danette M.
Probation
Effective: 3/23/2019

MCCARTNEY, Marilyn
Alameda Health System
Effective: 3/7/2019

SCHWARTZ, Harvey N.
Information Technology Department
Effective: 3/23/2019

MCCOWAN, Denise L.
Social Services Agency
Effective: 3/9/2019

SEQUEIRA, Kenneth M.
Public Works
Effective: 3/23/2019

MCNULTY, Carmen Z.
Alameda Health System
Effective: 1/30/2019

SEQUEIRA, Sherry A.
Child Support Services
Effective: 3/23/2019

MORODOMI, Abraham R.
Sheriff's Office
Effective: 3/23/2019

SHANKAR, Anand
Community Development Agency
Effective: 3/9/2019

MORRISON, Doris
Social Services Agency
Effective: 3/9/2019

SIDES, Mary J.
Child Support Services
Effective: 3/23/2019

MOSES, Porcia
Alameda Health System
Effective: 3/9/2019

SMITH , Louis P.
General Services Agency
Effective: 1/4/2019

OVALLE, Esther
General Services Agency
Effective: 9/21/2018

SMITH, Yolanda C.
Child Support Services
Effective: 3/23/2019

PANORI, Michael C.
General Services Agency
Effective: 3/23/2019

SOTO, Maria
Social Services Agency
Effective: 3/23/2019

PETERS, Janet D.
Sheriff's Office
Effective: 3/15/2019

STEPHENS, Robert L.
Superior Court
Effective: 3/14/2019

RICHARDSON, Debra F.
Health Care Services Agency
Effective: 3/23/2019

TAYLOR, Maurice
Assessor
Effective: 3/23/2019

**APPENDIX A
APPLICATION FOR SERVICE RETIREMENT**

TRAM, Ha T.
General Services Agency
Effective: 3/9/2019

WARING, Robert L.
Community Development Agency
Effective: 3/22/2019

URBI, Eleanor A.
Child Support Services
Effective: 3/23/2019

ZAMORA, Noemilyn C.
Alameda Health System
Effective: 4/1/2018

WALES, Sarah H.
Social Services Agency
Effective: 3/23/2019

ZIMMERMAN, Scott A.
Social Services Agency
Effective: 3/9/2019

WANG, Yen C.
Alameda Health System
Effective: 2/2/2019

ZINK, Richard G.
Information Technology Department
Effective: 3/23/2019

**APPENDIX B
APPLICATION FOR DEFERRED RETIREMENT**

HOOVER, Joshua A.
Sheriff's Office
Effective Date: 3/8/2019

KESSLER, Kelley D.
Social Services Agency
Effective: 3/8/2019

SMITH, Adrian
Alameda Health System
Effective: 10/5/2018

WHATLEY, Sara A.
Zone 7
Effective: 6/20/2019

YANG, Wei F.
Treasurer-Tax Collector
Effective: 2/22/2019

APPENDIX B - 1
APPLICATION FOR NON-VESTED DEFERRED

ANDREWS, Julie A.
Social Services Agency
Effective: 6/29/2018

DAVIS, Allysha M.
Health Care Services Agency
Effective: 2/8/2019

DICKENS, Charles E.
Sheriff's Office
Effective: 2/21/2019

APPENDIX D
LIST OF DECEASED MEMBERS

ALVA, Imelda A.
Auditor-Controller
3/3/2019

HATCHETT, Annie B.
Alameda Health System
2/19/2019

BROWN, Kevin B.
Sheriff's Office
3/3/2019

HOUT, Carmel
Superior Court
2/27/2019

CHELCIU, Paul D.
Livermore Area Recreation & Parks
Dept. 11/1/2016

ISAAC, Jennifer
Non-Member Survivor of James Isaac Jr
3/21/2019

COLLIER, Mary T.
Superior Court
3/5/2019

JACKSON, Dorene M.
Social Services Agency
1/3/2019

COMPTON, Sara F.
Assessor
3/11/2019

JOHNSON, Wilma
Health Care Services Agency
3/3/2019

FREELAND, Ruby G.
Alameda Health System
3/5/2019

MENA, Angelie
Social Services Agency
1/19/2019

GIANNELL, Marilyn M.
Social Services Agency
2/27/2019

MEANS, Bud
Public Works Agency
1/31/2019

APPENDIX D
LIST OF DECEASED MEMBERS

MENDOZA, Esther
Health Care Services Agency
3/7/2019

ROTERMUND, Nicholas R.
Sheriff's Office
2/17/2019

MURASE, Marilyn
Social Services Agency
1/31/2019

SCHRAMM, Catherine
Alameda Health System
2/17/2019

NGUYEN, Phung D.
Social Services Agency
1/6/2019

SCHWARTZ, Barbara
Probation
3/10/2019

PATTERSON, Joice E.
Community Development Agency
3/7/2019

SCOTT, Louisa B.
Non-Member Survivor of James Scott
3/21/2019

PEARSON, Tilda G.
Non-Member Survivor of Benit Pearson
2/19/2019

SHEPPARD, Jeanette D.
Library
1/23/2019

PORTER, John C.
Superior Court
2/1/2019

SMITH, James
General Services Agency
2/16/2019

RESBURG, Thomas E.
Health Care Services Agency
3/20/2019

WILSON, Marie J.
Social Services Agency
2/24/2019

ROBINSON, Esther
Registrar of Voters
1/19/2019

WYSOCK, Jo-Anne
Non-Member Survivor of David Wysock
3/23/2019

APPENDIX F
APPLICATION FOR DISABILITY RETIREMENT

Name: Garcia, Andrew
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. Garcia's application for a service connected disability, and requiring future annual medical examinations and questionnaires.

Name: Knox-Banks, Janay
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. Knox-Banks's application for a service connected disability, and requiring future annual medical examinations and questionnaires.



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

Wednesday, June 5, 2019

Chair George Wood called the Special Board meeting to order at 12:15 p.m.

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

Trustees Excused: Jaime Godfrey

Others Present: Kathy Mount, Chief Counsel
David Nelsen, Chief Executive Officer
Camille Hamilton-Pating, Meyers Nave, ACERA's Outside Counsel
Angela Bradford, Executive Secretary (Excused After Taking Roll Call)

PUBLIC INPUT

None.

CLOSED SESSION

- A. Significant exposure to litigation pursuant to Subdivision (d)(2) and (e)(4) of Government Code § 54956.9: (One Case).

Chair George Wood recused himself during the closed session.

REPORT ON ACTION TAKEN IN CLOSED SESSION

The Board reconvened into Open Session and Vice Chair Henry Levy announced that the Board took no action in closed session.

ADJOURNMENT

The meeting adjourned at approximately 12:47 p.m.

Respectfully Submitted,



David Nelsen
Chief Executive Officer

6/20/19

Date Adopted

June 5, 2019
Operations Committee Minutes
For approval under June 20, 2019
Board “Consent Calendar”



Date: June 5, 2019
To: Members of the Operations Committee
From: Ophelia Basgal, Chair
Subject: Summary of the June 5, 2019, Operations Committee Meeting

Operations Committee Chair Ophelia Basgal called the June 5, 2019, Operations Committee Meeting to order at 9:30 a.m. Committee members present were Ophelia Basgal, Chair; Dale Amaral, Vice-Chair; and Tarrell Gamble. Other Board members present were Keith Carson; Liz Koppenhaver; Elizabeth Rogers; George Wood; 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; Kathy Mount, Chief Counsel; Harsh Jadhav, Chief of Internal Audit; Sandra Duenas, Benefits Manager; Jessica Huffman, Benefits Manager; Victoria Arruda, Human Resource Officer; and Vijay Jagar, Chief Technology Officer.

PUBLIC INPUT

None

ACTION ITEMS

None

INFORMATION ITEMS

1. Operating Expenses as of April 30, 2019

Staff presented the year-to-date Budget vs. Actual Operating Expense Report. as of April 30, 2019, actual expenses were \$379K under budget. Budget overages noted were Professional Fees (\$38K over budget). Budget surpluses noted were Staffing (\$171K under budget), Staff Development (\$51K under budget), Office Expense (\$24K under budget), Member Services (\$53K under budget), Systems (\$27K under budget), Depreciation (\$2K under budget) and Board of Retirement (\$88K under budget).

2. Update on Disability Cases Provided by Managed Medical Review Organization (MMRO)

At the request of the Operations Committee, staff provided information regarding disability applications processed by MMRO. Staff is satisfied with MMRO's performance. Trustees suggested staff to consider expanding MMRO's role in the disability process.

3. 2019 Board of Retirement Elections

Staff provided an update regarding the 2019 Board of Retirement election. An election is being conducted for the following seats: third member to represent general membership, seventh member to represent the safety membership, seventh member alternate to represent the safety membership, eighth member to represent the retired membership, and the eighth member alternate to represent the retired membership. The Notice of Election begins on July 15 and ends on August 9. The Nomination Period

begins on August 12 and ends on September 9. The ballots will be mailed on November 14, and the election period is between November 14 and December 18. The end of the election and deadline for ballots to be returned to the Registrar of Voters office is December 18 at 5:00 p.m. Election results will be announced on December 19 at the Board Meeting.

TRUSTEE REMARKS

None

RECOMMENDATIONS

None

ESTABLISHMENT OF NEXT MEETING DATE

The next meeting is scheduled for August 7, 2019, at 9:30 a.m.

MEETING ADJOURNED

The meeting adjourned at 10:12 a.m.

June 5, 2019
Retirees Committee Minutes
For approval under June 20, 2019
Board “Consent Calendar”



June 5, 2019

To: Members of the Retirees Committee

From: Liz Koppenhaver, Chair, Retired Trustee

Subject: Summary of the June 5, 2019 Retirees Committee Meeting

Committee Chair Liz Koppenhaver called the June 5, 2019 meeting to order at 10:31 a.m. Committee members present were Dale Amaral, Keith Carson and Elizabeth Rogers. Also present were Ophelia Basgal, Tarrell Gamble, Henry Levy, and George Wood, and alternate members Nancy Reilly and Darryl Walker. Staff present were David Nelsen, Chief Executive Officer; Kathy Foster, Assistant Chief Executive Officer; Margo Allen, Fiscal Services Officer; Kathy Mount, Chief Counsel; Sandra Dueñas-Cuevas, Benefits Manager; Jessica Huffman, Benefits Manager; and Harsh Jadhav, Chief of Internal Audit.

PUBLIC INPUT

None.

ACTION ITEMS

1. Approval of Payment for Implicit Subsidy Cost for 2018

Staff provided a letter from the County of Alameda (County) stating that the final Implicit Subsidy amount for 2018 is \$6,899,139. This amount was verified by Segal Consulting, ACERA's Benefits Consultant. There was discussion regarding the current methodology to calculate the Implicit Subsidy amount.

It was moved by Elizabeth Rogers and seconded by Ophelia Basgal that the Retirees Committee recommend to the Board of Retirement that it authorizes Staff to transfer \$6,899,139 from the Supplemental Retiree Benefit Reserve account to the County Advance Reserve to be amortized over 20 years as the Implicit Subsidy payment for Plan Year 2018.

The motion carried 7 yes (*Amaral, Basgal, Carson, Gamble, Koppenhaver, Rogers, Wood*), 0 no, 0 abstentions.

2. Possible Declaration of Intent to Fund Implicit Subsidy Program for 2020

Staff recommended that ACERA state its intent to fund the Implicit Subsidy Program for Plan Year 2020. The Implicit Subsidy cost for Plan Year 2019 is estimated by the County of Alameda (County) to be \$6,510,876. The estimated cost of the Implicit Subsidy for Plan Year 2020 will not be known until the County has completed its medical plan contract negotiations.

It was moved by Elizabeth Rogers and seconded by George Wood that the Committee recommend to the Board of Retirement that it adopts a Statement of Intent to continue the Implicit Subsidy Program for health Plan Year 2020, following a determination by ACERA at the end of Plan Year 2020 that the amount is not greater than the actual retiree Implicit Subsidy.

The motion carried 7 yes (*Amaral, Basgal, Carson, Gamble, Koppenhaver, Rogers, Wood*), 0 no, 0 abstentions.

INFORMATION ITEMS

1. Presentation and Report on Health Care Inflation/Trends

Staff reported on health care inflation factors for 2019 and 2020 based on the information provided by Segal Consulting (Segal), ACERA's Actuary. The trend assumptions provided have been reset to start at 7.00% for non-Medicare plans and 6.50% for Medicare Advantage plans. These trend assumptions will be further adjusted to reflect the impact of the Health Insurance Tax (HIT), resulting in 8.20% (7.00% plus 1.20% for the HIT) for non-Medicare plans, and 7.40% (6.50% plus 0.90% for the HIT) for Medicare plans. The trend used for dental, vision and Medicare Part B is 4.00%. These trends will be used in accordance with ACERA's GASB 43 substantive plan definition. Segal's benefits consulting team also provided health care trend information.

2. Preliminary Report on Projected Benefit Costs Funded through the Supplemental Retiree Benefit Reserve

Segal Consulting (Segal), ACERA's Actuary, provided a preliminary report of the Supplemental Retiree Benefit Reserve (SRBR) financial status, which indicates that the terminal year of Other Post-Employment Benefits (OPEB) is projected to be 2040 with full benefits paid through 2039, for a total of 21 full years and one partial year. The terminal year of the SRBR for non-OPEB is projected to be 2036, for a total of 17 full years and one partial year.

Staff stated that the preliminary review of the valuation is based on projections using substantive plan and medical inflation trends. This information is used in the decision making process to set the Monthly Medical Allowance (MMA), and the dental and vision benefit amounts for the 2020 Plan Year.

3. Discussion of Monthly Medical Allowance (MMA) for 2020

Staff presented Group and Individual plan enrollment Monthly Medical Allowance (MMA) cost comparisons for the 2019 and 2020 Plan Years. This item will be brought back to the Retirees Committee for further discussion and possible approval of the 2020 MMA at the July 2019 meeting.

4. 2019 Medical Plans Update/Renewal Requests of ACERA/County of Alameda

Staff reported that the April 4, 2019 annual medical plan renewal request letter to the County of Alameda included inquiries related to disease management/wellness, performance guarantees, prescription drugs, pricing to cover Kaiser Permanente's Silver&Fit® Exercise and Healthy Aging Program, and UnitedHealthcare's HMO plans and design change options. The dental and vision renewal information will be presented at the July Committee meeting.

5. Report on Annual Health Care Planning Meeting with Retiree Groups

Staff provided a report on the participants, topics, and follow-up items from the Annual Health Care Planning meeting, which was held on April 3, 2019.

6. Report on Health Reimbursement Arrangement Account Balances and Reimbursements

Staff provided information on retirees' 2018 Health Reimbursement Arrangement (HRA) account balances categorized by years of service contribution levels and cost analysis as of March 31, 2019.

7. Plans for Open Enrollment and Retiree Health and Wellness Fair

Staff provided a timeline and information on the planning for ACERA's annual Open Enrollment and Retiree Health and Wellness Fair, which will be held on October 30, 2019.

8. Miscellaneous Updates

Staff did not have any updates to report.

TRUSTEE REMARKS

Trustee Koppenhaver thanked Staff for addressing retirees' concerns related to discrepancies in their Health Reimbursement Arrangement/Account (HRA) balances due to adjustments that were made as a result of Via Benefits' transition to its in-house HRA administration/claims processing system.

FUTURE DISCUSSION ITEMS

- Adoption of 2020 Monthly Medical Allowance for Group Plans
- Adoption of 2020 Monthly Medical Allowance for Early Retiree Individual Plans
- Adoption of 2020 Monthly Medical Allowance for Medicare Eligible Retiree Individual Plans

ESTABLISHMENT OF NEXT MEETING DATE

The next meeting is scheduled for July 18, 2019 at 1:00 p.m.

MEETING ADJOURNED

The meeting adjourned at 12:09 p.m.

May 15, 2019
Investment Committee Minutes
For approval under June 20, 2019
Board “Consent Calendar”



Date: May 15, 2019
To: Members of the Board of Retirement
From: Elizabeth Rogers – Chair
Subject: Summary of May 15, 2019 Investment Committee Meeting

The Investment Committee (“Committee”) met on Wednesday, May 15, 2019 at 9:32 a.m. The Committee members present were Dale Amaral, Ophelia Basgal, Tarrell Gamble, Jaime Godfrey, Liz Koppenhaver, Henry Levy, Elizabeth Rodgers and George Wood. Also present was Alternate Retired member, Nancy Reilly. Members of the Staff present were Dave Nelsen – Chief Executive Officer, Kathy Mount – Chief Counsel, Harsh Jadhav – Chief of Internal Audit, and Betty Tse – Chief Investment Officer.

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

1. Discussion of and Possible Motion to Recommend to the Board to Adopt an up to \$60 million Investment in Great Hill Equity Partners VII as part of ACERA’s Private Equity Portfolio – Buyouts and Venture Capital
 - Representatives from Great Hill Equity Partners presented to the Committee the history, experience, and culture of the firm. In addition, the representatives discussed Great Hill’s investment strategy and process as well as the ongoing investment opportunity set for Great Hill Equity Partners VII (Great Hill VII). Great Hill also reviewed the performance of certain of its prior Funds in which ACERA invested , - Great Hill IV, Great Hill V and Great Hill VI
 - Verus Advisory, Inc. (Verus) reiterated the importance of strategy diversification within the total Private Equity portfolio, and explained that Great Hill’s differentiated strategy exhibits investment characteristics resembling both more traditional Buyout and Venture Capital funds. In order to accurately attribute the performance of Great Hill VII within the total Private Equity portfolio, the recommended \$60 million allocation will be parsed into the broader sub-asset classes of Buyouts (\$35 million) and Venture Capital (\$25 million).
 - After further discussion, Trustee Basgal moved, seconded by Trustee Amaral, to recommend that the Board approve an up to \$60 million investment in Great Hill Equity Partners VII as part of ACERA’s Private Equity Portfolio – Buyouts and Venture Capital pending completion of legal and investment due diligence and successful contract negotiation.
 - The motion carried with 7 Yes (Amaral, Basal, Godfrey, Koppenhaver, Levy, Rogers, and Wood), 1 No (Gamble), and 0 Abstention.

2. Discussion of and Possible Motion to Recommend to the Board to Adopt Alternative #2 in the Asset — Liability Integration Study
 - Representatives from Verus highlighted the key points from their t Asset Liability Integration Study which was initially presented as an Information Item at the April 2019 Investment Committee meeting. Verus had recommended Alternative #2 as the most appropriate Policy target for ACERA to adopt.
 - Alternative #2 has the same expected return of 6.7% (10- year forecast) as the current ACERA Policy based on Verus' capital market expectations and is a more conservative asset mix in that it has a slightly lower expected return with slightly lower risk (volatility) when compared with Alternative #1.
 - Note that Alternative #1 has a slightly greater allocation to equities versus current policy, whereas Alternative #2 has slightly greater exposure to credit risk compared with current policy. Alternative #2 offers slightly more down-side protection and therefore more effectively than Alternative #1, in minimizing the deterioration of the funded status of the Plan in the event of a global financial crisis-like market event. In Verus' Enterprise Risk Tolerance survey, ACERA's Trustees ranked minimizing deterioration of funded status as one of the most important long term objectives of the ACERA Board
 - After further discussion, Trustee Basgal moved, seconded by Trustee Wood, to recommend that the Board to adopt Alternative #2 in the Asset — Liability Integration Study
 - The motion carried with 6 Yes (Basgal, Godfrey, Koppenhaver, Levy, Rogers, and Wood), 2 No (Amaral and Gamble), and 0 Abstention.

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

1. Education Session: Timberland

- A representative from Verus provided an overview of the Timberland asset class. The presentation included a summary of Timberland’s return drivers, history, risks, and ESG and other investment considerations. The Committee discussed the inflation and economic sensitivity of the asset class as well as its diversifying characteristics.

2. Real Assets Policy Update: Modification of Index Name in Benchmark Composite

- Staff updated the Committee regarding a changed index in the Real Assets Policy. The natural resources index in the asset class’s composite benchmark shall be modified from the “S&P Global LargeMidCap Natural Resources Index” to the “S&P Global LargeMidCap Commodity and Resources Index”.

Recommendations:

- The Committee recommends, and I move, that Board Approve an up to \$60 million Investment in Great Hill Equity Partners VII as part of ACERA's Private Equity Portfolio – Buyouts and Venture Capital pending completion of legal and investment due diligence and successful contract negotiation.
- The Committee recommends, and I move, that the Board to Adopt Alternative #2 in the Asset — Liability Integration Study

TRUSTEE/PUBLIC INPUT

None

FUTURE DISCUSSION ITEMS

None

ESTABLISHMENT OF NEXT MEETING DATE

Wednesday, June 12, 2019 at 9:30 a.m.

ADJOURNMENT

The meeting ended at 12:05 p.m.

June 12, 2019
Investment Committee Minutes Will Be
Distributed at the June 20, 2019
Board Meeting For approval under June 20,
2019 Board “Consent Calendar”

May 16, 2019
Actuarial Committee Minutes
For approval under June 20, 2019
Board “Consent Calendar”



May 16, 2019

To: Members of the Actuarial Committee
From: Dale Amaral, Chair
Subject: Summary of the May 16, 2019 Actuarial Committee Meeting

Actuarial Committee Chair, Dale Amaral, called the May 9, 2018, Actuarial Committee meeting to order at 11:00 am. Committee members present were Dale Amaral, Chair, Elizabeth Rogers, and Ophelia Basgal. Other Board members present were Liz Koppenhaver, Tarrell Gamble, and Nancy Reilly. Staff present were David Nelsen, Chief Executive Officer; Kathy Mount, Chief Counsel; Margo Allen, Fiscal Services Officer; Betty Tse, Chief Investment Officer; Harsh Jadhav, Chief of Internal Audit, and Victoria Arruda, Human Resources Officer

ACTION ITEM

1. Actuarial Valuation and Review as of December 31, 2018

Staff and Segal Consulting representatives discussed the draft Actuarial Valuation and Review as of December 31, 2018. Staff presented a motion that the Actuarial Committee recommend to the Board of Retirement that the Board adopt the Actuarial Valuation and Review as of December 31, 2018, including the employer and employee contribution rates.

It was moved by Liz Koppenhaver and seconded by Elizabeth Rogers that the Actuarial Committee recommend to the Board of Retirement that the Board adopt the Actuarial Valuation and Review as of December 31, 2018, including the employer and employee contribution rates.

The motion carried 5 yes (*Amaral, Basgal, Gamble, Koppenhaver, Rogers*), 0 no, 0 abstentions.

INFORMATION ITEMS

2. Presentation and discussion of the results of the Actuarial Standard of Practice No 51, Assessment and Disclosure of Risk Associated with Measuring Pension Obligations and Determining Pension Plan Contributions (ASOP No. 51)

Staff and Segal Consulting representatives discussed the results of the Actuarial Standard of Practice No 51, Assessment and Disclosure of Risk Associated with Measuring Pension Obligations and Determining Pension Plan Contributions (ASOP No. 51).

RECOMMENDATION

Staff recommended that the Actuarial Committee recommend to the Board of Retirement that the Board adopt the Actuarial Valuation and Review as of December 31, 2018, including the employer and employee contribution rates

TRUSTEE/PUBLIC INPUT

None

Future Discussion Items

None

ESTABLISHMENT OF NEXT MEETING DATE

TBD

MEETING ADJOURNED

The meeting adjourned at 11:52 am

May 16, 2019
Audit Committee Minutes
For approval under June 20, 2019
Board “Consent Calendar”



Date: May 16, 2019
To: Members of the Audit Committee
From: Henry C. Levy, Chair
Subject: Summary of the May 16, 2019, Audit Committee Meeting

Audit Committee Chair Henry Levy called the May 16, 2019, Audit Committee meeting to order at 1:00 pm. Other Committee members present were Tarrell Gamble, Dale Amaral, and Elizabeth Rogers. Other Board members present were Ophelia Basgal, Jaime Godfrey, Liz Koppenhaver, and Alternate Retiree Member Nancy Reilly. Members of the Staff present were David Nelsen, Chief Executive Officer; Margo Allen, Fiscal Services Officer; Harsh Jadhav, Chief of Internal Audit; Kathy Mount, Chief Counsel; Vijay Jagar, Retirement Chief Technology Officer; and Victoria Arruda, Human Resources Officer.

PUBLIC COMMENT

None

ACTION ITEMS

At the Committee Chair's direction, Item 1 was moved to the end of the calendar for Action Items.

External Audit:

2. Discussion and possible motion to recommend adoption of the Government Accounting Standards Board (GASB) Statement No. 67 Actuarial Valuation as of December 31, 2018

Staff explained that their review and evaluation of the GASB Statement No. 67 Actuarial Valuation as of December 31, 2018 was completed.

Staff asked that the Audit Committee recommend to the Board of Retirement that the Board adopt the GASB Statement No. 67 Actuarial Valuation as of December 31, 2018.

Trustee Amaral moved, and Trustee Basgal seconded that the Audit Committee recommend to the Board of Retirement that the Board adopt the GASB Statement No. 67 Actuarial Valuation as of December 31, 2018.

The motion carried 5 yes (*Amaral, Basgal, Godfrey, Koppenhaver, Levy, and*), 0 no, 0 abstentions.

3. Discussion and possible motion to recommend adoption of the Government Accounting Standards Board (GASB) Statement No. 74 Actuarial Valuation as of December 31, 2018

Staff explained that their review and evaluation of the GASB Statement No. 74 Actuarial Valuation as of December 31, 2018 was completed.

Staff asked that the Audit Committee recommend to the Board of Retirement that the Board adopt the GASB Statement No. 74 Actuarial Valuation as of December 31, 2018.

Trustee Amaral moved, and Trustee Koppenhaver seconded that the Audit Committee recommend to the Board of Retirement that the Board adopt the GASB Statement No. 74 Actuarial Valuation as of December 31, 2018.

The motion carried 5 yes (*Amaral, Basgal, Godfrey, Koppenhaver, Levy, and*), 0 no, 0 abstentions.

4. Discussion and possible motion to recommend adoption of the Addendums to the Governmental Accounting Standards Board (GASB) Statement No. 67 and Statement No 74 Actuarial Valuations as of December 31, 2018.

Staff explained that their review and evaluation of the Addendums to the GASB Statement No. 67 and the GASB Statement 74 Actuarial Valuation as of December 31, 2018 was completed.

Staff asked that the Audit Committee recommend to the Board of Retirement that the Board adopt the Addendums to the GASB Statement No. 67 and the GASB Statement No. 74 Actuarial Valuation as of December 31, 2018.

Trustee Amaral moved, and Trustee Koppenhaver seconded that the Audit Committee recommend to the Board of Retirement that the Board adopt the GASB Statement No. 74 Actuarial Valuation as of December 31, 2018.

The motion carried 5 yes (*Amaral, Basgal, Godfrey, Koppenhaver, and Levy*), 0 no, 0 abstentions.

1. Discussion and possible motion to recommend approval of the December 31, 2018 Audited Financial Statements and Independent Auditor's Report

Staff explained that Williams Adley & Company-CA. LLP (WACO) had completed its independent audit of ACERA's 2018 financial statements, and introduced Audrey Elbert, and Kenneth Yu from WACO, who briefly commented on their responsibilities.

Staff requested approval to accept and file the December 31, 2018, Audited Financial Statements and Independent Auditors Report.

Trustee Basgal moved, and Trustee Koppenhaver seconded that the Audit Committee recommend to the Board of Retirement that the Board accept and file the December 31, 2018, Audited Financial Statements and Independent Auditors' Report.

The motion carried 7 yes (*Amaral, Basgal, Gamble, Godfrey, Koppenhaver, Levy, and Rogers*), 0 no, 0 abstentions.

INFORMATION ITEMS

Internal Audit

1. Progress report on the Internal Audit Plan

Staff expressed that the Internal Audit Department is on target to complete the series of internal and compliance audits/reviews as specified on the audit program. The Alameda Health System (AHS) and Superior Courts employer audits are moving forward.

2. Presentation of completed audits

Staff said that the Internal Audit staff has been working on several internal initiatives in both an audit and consulting capacity to enhance internal controls for cybersecurity and preventing benefit overpayments.

Some of the more notable projects include developing a phishing program to test and educate our employees to avoid clicking harmful links to malicious websites, and reviewing the current cybersecurity insurance policy.

Staff has also reviewed the first draft of the Watchlist Audit Report with Investment staff. Investment staff will review the draft audit report with Verus (Investment Consultant) for their input.

TRUSTEE COMMENT

None.

ESTABLISHMENT OF NEXT MEETING DATE

June 20, 2019, at 1:00 pm

MEETING ADJOURNED

The meeting adjourned at 1:45 pm

NEW BUSINESS

7.A. Chief Executive Officer's Report.



*Office of the Chief Executive Officer
Office of Administration*

DATE: June 20, 2019
 TO: Members of the Board of Retirement
 FROM: Dave Nelsen, Chief Executive Officer *DN*
 SUBJECT: **Chief Executive Officer's Report**

Senior Manager Recruitment

No vacancies needing recruitment.

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	This idea will be brought to the Operations committee in August	A law passed in 2017 expanding the circumstances regarding employers pre-paying retirement contributions. ACERA should consider developing a policy regarding this option.
Presentation/Discussion of Proposition 209 Legal framework	Dave Nelsen	July 2019		There will be a presentation on this topic at the July Board meeting to update the Trustees on this legal framework and how other systems are addressing their needs within this framework.
Conduct a survey of retirees regarding SRBR priorities	Kathy Foster	Summer of 2019		Retirees' Committee discussion of possible benefit focus for funding analysis led to the agreement to gather input on this topic from the retirees.

Conference/Event Schedule

CALAPRS Administrators' Round Table, Fri, Jun 21, 2019

Customer Service Improvements

The ACERA Mission Statement says that we will provide our benefits ".....through prudent investment management and superior member services." We regularly report on the investment management performance, but I want to emphasize the significant work done on meeting the superior member services.

When I began as CEO in 2016, I would hear regular concerns from customers, stakeholders and trustees about three primary areas where we were struggling to provide services in a timely fashion:

- Disability Processing;
- Getting retired members their full 100% benefit; and
- Responding to requests to purchase eligible service.

While there were a number of reasons why we had these challenges, it was clear that in these areas we weren't meeting our "superior" standard.

The first area addressed was the Disability Processing. As it has been previously reported, by changing vendors and redistributing work processes, the team has reduced the timeline from completed application to the Medical Adviser's Report from a 308 day average in 2016/2017 to a 94 day average in 2018/2019. We have also freed up resources to work in other value added processes within the Benefits Department.

The second concern was getting retired members their full benefit as quickly as possible. If we couldn't provide a full benefit with the first retirement payment, our practice was to provide an interim benefit equivalent to 80% of their estimated full benefit. Approximately 20% of our retirees would get a full benefit with their first payment, the rest would receive this interim benefit. Later, once all the necessary information was received, we would recalculate the benefit and provide the full amount, with a retro check for the difference. Unfortunately, we would often struggle to provide the full benefit calculation. This usually took three (3) to six (6) months. However, a backlog of files was building up that had been waiting even longer.

As previously reported, we undertook a lean processing improvement effort to redefine our work processes. This effort flipped the curve. Our goal was to provide a full benefit with the first check for 80% of our retirees. In the first quarter of 2019, 90% of 106 retirees received their full benefit with their first check, and even in our busiest months of April and May, we paid the full benefit to 86% of the 154 members who retired in that time period. Additionally, we are processing most of the recalculations for the others within 90 days, and have nearly eliminated the backlog of outstanding final benefit calculations that had built up.

The third area of concern was the service purchases. In the first quarter of 2019, we had another lean processing team analyze our service purchases. We built a backlog of unprocessed requests of 365, and our average time to complete them was up to 145 days. The team streamlined much of the internal work and the results have been outstanding. For requests received after February 1 through June 11, our average processing time was reduced to **20** days. We are currently developing a new turnaround standard for purchases. Additionally, our backlog has been cut by 188 requests, and we are well on our way to completely eliminating it.

So how is this being received by our customers? One of our internal measures is to ask our customers whether the services they received from ACERA met or exceeded their expectations. Our goal is for 80% of respondents to answer that their service expectations were met or exceeded by us. For the first two quarters, we mailed surveys to our 309 retirees, and received 69 responses. Of the 69, 63 responded that our service met or exceeded their expectations, for 91.3%!

These results are due to the hard work of team members and leaders within the Benefits Department, as well as the other departments of ACERA that either participated in the process improvement teams or supported the work from their roles throughout the organization. These are people dedicated daily to fulfilling the high standards set in our mission statement – superior member services!