



Alameda County Employees' Retirement Association
BOARD OF RETIREMENT

NOTICE and AGENDA

ACERA MISSION:

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

Thursday, August 15, 2024
2:00 p.m.

LOCATION AND TELECONFERENCE	BOARD OF RETIREMENT TRUSTEES	
<p>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</p> <p>The public can observe the meeting and offer public comment by using the below Webinar ID and Passcode after clicking on the below link or calling the below call-in number.</p> <p>Link: https://zoom.us/join Call-In: 1 (669) 900-6833 US Webinar ID: 879 6337 8479 Passcode: 699406</p> <p>For help joining a Zoom meeting, see: https://support.zoom.us/hc/en-us/articles/201362193</p>	OPHELIA BASGAL CHAIR	APPOINTED
	KELLIE SIMON FIRST VICE-CHAIR	ELECTED GENERAL
	TARRELL GAMBLE SECOND VICE-CHAIR	APPOINTED
	KEITH CARSON	APPOINTED
	ROSS CLIPPINGER	ELECTED SAFETY
	JAIME GODFREY	APPOINTED
	HENRY LEVY	TREASURER
	ELIZABETH ROGERS	ELECTED RETIRED
	GEORGE WOOD	ELECTED GENERAL
	CYNTHIA BARON	ALTERNATE RETIRED ¹
KEVIN BRYANT	ALTERNATE SAFETY ²	

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

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

Note regarding accommodations: If you require a reasonable modification or accommodation for a disability, please contact ACERA between 9:00 a.m. and 5:00 p.m. at least 72 hours before the meeting at accommodation@acera.org or at 510-628-3000.

Public comments are limited to four (4) minutes per person in total. The order of items on the agenda is subject to change without notice.

Board and Committee agendas and minutes and all documents distributed to the Board or a Committee in connection with a public meeting (unless exempt from disclosure) are posted online at www.acera.org and also may be inspected at 475 14th Street, 10th Floor, Oakland, CA 94612-1900.

1. CALL TO ORDER

2. ROLL CALL

3. PUBLIC COMMENT

4. CONSENT CALENDAR:

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

A. REPORT ON SERVICE RETIREMENTS:

Appendix A

B. LIST OF DEFERRED RETIREMENTS:

Appendix B

C. LIST OF DECEASED MEMBERS:

Appendix C

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

Appendix D

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

Appendix E

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

None

G. APPROVE MINUTES of BOARD and COMMITTEE MEETINGS:

July 18, 2024 of the Regular Board Meeting

July 18, 2024 Governance Committee Minutes

August 7, 2024 Retirees Committee Minutes

August 7, 2024 Investment Committee Minutes

H. MISCELLANEOUS:

- *Operating Expenses as of 06/30/24*
- *Quarterly Financial Statements as of 06/30/24*
- *Quarterly Cash Forecast Report*
- *Board Member Conference Expense Report as of 06/30/24*
- *Senior Manager Conference and Training Expense Report as of 06/30/24*
- *Pay Item/Code K9 Inspect-Agricultural Shipment – 497 and Associated Pay Item/Code Canine Handler-75 HR – 40D*
- *Approve Staff Recommendation regarding the County of Alameda’s New Pay Item/Code Programmatic Policy ACH Social Health Information Exchange – 43C*

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

REGULAR CALENDAR
REPORTS AND ACTION ITEMS

5. DISABILITY, DEATH AND OTHER BENEFIT CLAIMS:

None.

6. COMMITTEE REPORTS, RECOMMENDATIONS AND MOTIONS:

A. Retirees: [See August 7, 2024 Retirees Committee Agenda Packet for public materials related to the below listed items.]

1. Summary of August 7, 2024 Meeting.
2. Motion to continue the dental plan contributions for Plan Year 2025, which provides a monthly subsidy equal to the single-party dental plan coverage premium of \$51.05 for the PPO plan and \$22.18 for the DeltaCare USA plan for retirees who are receiving ACERA allowances with ten or more years of ACERA service, are service-connected disability retirees, or are non-service-connected disability retirees as of January 31, 2014. This is a non-vested benefit funded by contributions from the ACERA employers to the 401(h) account. After contributions are made in accordance with the County Employees Retirement Law, ACERA treats an equal amount of Supplemental Retiree Benefit Reserve assets as employer contributions for pensions.
3. Motion to continue the vision plan contributions for Plan Year 2025, which provides a monthly subsidy equal to the single-party vision plan coverage premium of \$4.63 for retirees who are receiving ACERA allowances with ten or more years of ACERA service, are service-connected disability retirees, or are non-service-connected disability retirees as of January 31, 2014. This is a non-vested benefit funded by contributions from the ACERA employers to the 401(h) account. After contributions are made in accordance with the County Employees Retirement Law, ACERA treats an equal amount of Supplemental Retiree Benefit Reserve assets as employer contributions for pensions.

B. Investment: [See August 7, 2024 Investment Committee Agenda Packet for public materials related to the below listed items.]

1. Summary of August 7, 2024 Meeting.
2. Motion to approve an up to \$30 million Investment in Quantum Energy Partners VIII and Quantum Energy Partners VIII Co-Investment Fund as part of ACERA's Real Asset Portfolio- Natural Resources, pending completion of Legal and Investment due diligence and successful contract negotiations.
3. Motion to approve the Minimum Qualifications (revised) for the Emerging Markets (EM) Equity Manager Search.

- C. Actuarial: **[See August 15, 2024 Actuarial Committee Agenda Packet for public materials related to the below listed items.]**
 - 1. Summary of August 15, 2024 Meeting.

- 7. **NEW BUSINESS:**
 - A. Presentation regarding Amortization Layers and Funding Considerations:
 - Todd Tauzer, Segal

 - B. Chief Executive Officer’s Report.

- 8. **CONFERENCE/ORAL REPORTS**

- 9. **ANNOUNCEMENTS**

- 10. **BOARD INPUT**

- 11. **ESTABLISHMENT OF NEXT MEETING:**
Thursday, September 19, 2024 at 2:00 p.m.

- 12. **ADJOURNMENT**

**APPENDIX A
REPORT ON SERVICE RETIREMENTS**

BOZANICH, Dennis
Effective: 3/31/2024
County Administrator's Office

MCMILLAN, Rosalind
Effective: 6/8/2024
Social Services Agency

BRAUCHY, Elena
Effective: 6/3/2024
Alameda Health System

MORELAND, Andrea
Effective: 6/3/2024
District Attorney

CHARLES, Dolanda
Effective: 5/15/2024
Social Services Agency

NEVILLE, Deborah
Effective: 6/7/2024
Superior Court

CHEUNG, Raymond
Effective: 6/8/2024
Sheriff's Office

OGAWA, Gary
Effective: 5/31/2024
Alameda Health System

GLOSSER, Cynthia
Effective: 6/11/2024
Health Care Services Agency

PHAM, Kamie
Effective: 5/25/2024
Alameda Health System

GUDINA, Margarita
Effective: 6/6/2024
Alameda Health System

ROBERTS, Paulette
Effective: 5/25/2024
Public Works Agency

HOWE, Caroline
Effective: 5/25/2024
Alameda Health System

SELLI, Lilibeth
Effective: 4/11/2024
Alameda Health System

JACKSON, Michael
Effective: 6/9/2024
Probation

SILVA, Arthur
Effective: 6/5/2024
Information Technology Department

JOHNSON, Theresa
Effective: 5/30/2024
Alameda Health System

SUSTACHEK, Gretchen
Effective: 6/11/2024
Children and Family Services

LAROSA, James
Effective: 5/24/2024
Sheriff's Office

TOLLIVER, Lynnette
Effective: 6/8/2024
Alameda Health System

LENARD, Deborah
Effective: 6/2/2024
Alameda Health System

VO, Minh
Effective: 6/3/2024
Social Services Agency

**APPENDIX A
REPORT ON SERVICE RETIREMENTS**

WILSON, Anita
Effective: 6/30/2024
Alameda Health System

BEASLEY, Kiea
Social Services Agency
Effective: 5/8/2024

ZILLER, Kimberly
Effective: 6/22/2024
Superior Court

BEAZLEY, Douglas
Alameda Health System
Effective: 4/19/2024

AGUILAR LUNA, Jessica
County Counsel
Effective Date: 5/31/2024

BELTRAN, Erica
Social Services Agency
Effective: 4/29/2024

ALLEN, Mark
District Attorney
Effective: 5/24/2024

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

ANDREWS, Michelle
Alameda Health System
Effective: 4/1/2024

BETANCOURT, Ruby
Sheriff's Office
Effective: 5/29/2024

ARENAS VERGARA, Allyssa
Alameda Health System
Effective: 5/7/2024

BLANCO-GARCIA, David
Sheriff's Office
Effective: 6/8/2024

BAATIN, Taliah
Social Services Agency
Effective: 6/21/2024

BROWNRIDGE, Porsche
General Services Agency
Effective: 5/3/2024

BAGHESTANI, Pearl
Superior Court
Effective: 5/28/2024

BRUCE, Otis
District Attorney
Effective: 7/19/2024

BARTH, Kayla
Alameda Health System
Effective: 3/27/2024

CARDENAS, Daisy
Alameda Health System
Effective: 6/21/2024

BASLER, Lisa
District Attorney
Effective: 7/5/2024

CARTER, Victoria
District Attorney
Effective: 7/5/2024

BATESON, Erik
Alameda Health System
Effective: 6/21/2024

CASTANO-SALDIVAR, Brittany
General Services Agency
Effective: 5/14/2024

**APPENDIX B
LIST OF DEFERRED RETIREMENTS**

CHAVARRIA, Eva
Alameda Health System
Effective: 3/25/2024

EDWARDS, Sheila
Alameda Health System
Effective: 4/16/2024

CLEMENTE, Rodney
Alameda County Health
Effective: 6/6/2024

EINHORN, Sarah
Public Defender
Effective: 5/15/2024

CURTIS, Isabella
Human Resource Services
Effective: 7/5/2024

EMIGH-ROBLES, Marc
Alameda Health System
Effective: 5/14/2024

DANG, Alvin
Alameda County Health
Effective: 4/12/2024

ESHRAGHI, Nasrin
Superior Court
Effective Date: 4/19/2024

DANIELS, Christopher
Alameda Health System
Effective: 4/5/2024

ESPINOSA, Brian
District Attorney
Effective: 4/5/2024

DAUGHERTY, Hannah
Social Services Agency
Effective: 5/25/2024

ESQUIVEL SANTANA, Damaris
Public Defender
Effective: 4/12/2024

DELA TORRE, Andres
Superior Court
Effective: 6/7/2024

FONG, Shu Jane
Assessor
Effective: 6/7/2024

DELANEY, Charney
Sheriff's Office
Effective: 5/15/2024

FRANCO, Jasmine
Superior Court
Effective: 6/21/2023

DIAZ VEGA, Isela
Superior Court
Effective: 1/16/2024

FRANK, Talmadge
Alameda County Health
Effective: 6/12/2024

ECHEVERRIA, Laura
Sheriff's Office
Effective: 7/6/2024

GABRIEL, Alexis
Alameda County Health
Effective: 6/25/2024

**APPENDIX B
LIST OF DEFERRED RETIREMENTS**

GABRIEL, Warren
Information Technology
Effective: 4/15/2024

GUTIERREZ LOHRENGEL, Alexandria
Alameda County Health
Effective: 4/10/2024

GANESASANKAR, Sujatha
Community Development Agency
Effective: 6/14/2024

HETLAND, Katherine
Social Services Agency
Effective: 6/27/2024

GEBRESLASSE, Rahwa
Housing Authority
Effective: 6/12/2024

HILL, Tiffany
Alameda Health System
Effective: 5/11/2024

GESLER, Kirsten
Sheriff's Office
Effective: 6/28/2024

HOANG, Kaylene
Social Services Agency
Effective: 5/21/2024

GOMEZ, Atalie
Alameda Health System
Effective: 3/20/2024

HOLGUIN SERRANO, Gracia
Alameda Health System
Effective: 4/29/2024

GOMEZ MELANO, Lorena
Probation
Effective: 4/10/2024

HOLMES, Ashley
Probation
Effective: 6/28/2024

GONZALES JR, Romeo
Social Services Agency
Effective: 5/8/2024

HSU, Edward Chi-Hao
Superior Court
Effective: 6/20/2024

GRAHAM, Reginald
Alameda Health System
Effective: 4/19/2024

IMAMI, Muzhda
Social Services Agency
Effective: 6/13/2024

GREEN, Quimani
Social Services Agency
Effective: 1/9/2024

JOHNSON, Alviana
Superior Court
Effective: 5/22/2024

GUNEY, Alexander
Superior Court
Effective: 6/14/2024

JOHNSON, Kathryn
Social Services Agency
Effective: 6/7/2024

GUPTA, Sasha
Alameda Health System
Effective: 5/1/2024

KAWAHARA, Jeffrey
Assessor
Effective: 6/7/2024

**APPENDIX B
LIST OF DEFERRED RETIREMENTS**

KURLAENDER, Tamar
First 5 Alameda County
Effective: 5/20/2024

MURO, Pedro
Social Services Agency
Effective: 4/12/2024

LEON SAUSA, Maria Grazia
Alameda County Health
Effective: 5/10/2024

NASSER, Manal
District Attorney
Effective: 4/19/2024

LESLIE, Latrenda
Social Services Agency
Effective: 4/19/2024

NEY, Casey
Alameda Health System
Effective: 3/24/2024

LOPEZ, Lauren
District Attorney
Effective: 7/5/2024

NWANKWO, Gloria
Alameda Health System
Effective: 6/25/2024

MA, Kyla Mae
Alameda Health System
Effective Date: 4/13/2024

PINLAC, Kristine Marie
Alameda Health System
Effective: 3/29/2024

MACHADO DE SOUSA, Adriana
Social Services Agency
Effective: 6/12/2024

POKORNEY, Lauren
Social Services Agency
Effective: 6/4/2024

MANGOBA, Alexander
Superior Court
Effective: 4/12/2024

PUGH, Jenice
Social Services Agency
Effective: 5/8/2024

MARINER, Megan
Social Services Agency
Effective: 5/27/2024

QUITORIANO, April
Alameda County Health
Effective: 4/26/2024

MARTINEZ, Viviana
Alameda Health System
Effective: 4/3/2024

RAHEY, Jennifer
Sheriff's Office
Effective: 6/28/2024

MCGOON, Nicole
Alameda Health System
Effective: 5/1/2024

RAMIREZ, Julie
Superior Court
Effective: 6/26/2024

MONTECINO, Selina
Social Services Agency
Effective: 5/8/2024

RICE, Lana
District Attorney
Effective: 6/7/2024

**APPENDIX B
LIST OF DEFERRED RETIREMENTS**

RIVAS, Maribel
Alameda Health System
Effective: 3/26/2024

SOTO, Margerita
Social Services Agency
Effective: 4/24/2024

ROGERS, Christina
Superior Court
Effective: 5/31/2024

SPIEGEL, Sarah
Public Defender
Effective: 4/26/2024

SAEPHAN, Chan
Sheriff's Office
Effective: 4/9/2024

STONEBERGER, James
Sheriff's Office
Effective: 4/10/2024

SAMMIS, Jeffery
Alameda County Health
Effective: 6/4/2024

TALKINGTON, Jody
First 5 Alameda County
Effective: 5/31/2024

SAUERHAFT, Beth
Alameda County Health
Effective: 7/5/2024

TANG, Ji
Assessor
Effective Date: 3/1/2024

SAVAS, Jared
Community Development Agency
Effective: 6/7/2024

TAYLOR, Simone
Alameda County Health
Effective: 5/13/2024

SEELEY VANDENBAARD, Corrina
County Counsel
Effective: 6/28/2024

THOMAS, Tatihana
Alameda Health System
Effective: 1/20/2024

SERVIUS, Walter
Alameda Health System
Effective: 6/12/2024

TOMASZEWSKI, Stacy
Library
Effective: 4/12/2024

SHOBLO, Dianna
Superior Court
Effective: 6/7/2024

TRIVEDI, Zalak
Alameda Health System
Effective: 4/25/2024

SIMMONS, Alexander
Sheriff's Office
Effective: 5/28/2024

TRUONG, Allison
Superior Court
Effective: 4/5/2024

SMITH, William
Social Services Agency
Effective: 6/7/2024

VARGAS, Jaime
Housing Authority
Effective: 5/29/2024

**APPENDIX B
LIST OF DEFERRED RETIREMENTS**

VAUGHN, Jordan
Alameda Health System
Effective: 6/21/2024

WHITE, Monica
Alameda County Health
Effective: 6/7/2024

VILLAGOMEZ, Ana
General Services Agency
Effective: 3/31/2024

WILEY, Tiombe
Alameda County Health
Effective: 4/4/2024

WEAVER, John
Human Resource Services
Effective: 7/2/2024

WILLSON, Emily
Social Services Agency
Effective: 5/14/2024

WEBB, Maurice
Alameda Health System
Effective: 4/11/2024

WYNN, Sharice
Social Services Agency
Effective: 3/22/2024

WEST, Gwendolyn
District Attorney
Effective: 7/5/2024

YIN, Chia Ling
Social Services Agency
Effective: 6/7/2024

YISHAK, Yodit
Alameda Health System
Effective: 4/12/2024

**APPENDIX C
LIST OF DECEASED MEMBERS**

BERBER, Michelle M.
Superior Court
7/8/2024

CARLSON, Judith
Library
7/12/2024

BONSTEEL, Nichole K.
Sheriff's Office
6/11/2024

COURSEY, Frances M.
Non-Member Survivor of F WADE
COURSEY
7/3/2024

BOWLER, Doris L.
Health Care Services Agency
7/7/2024

DE JESUS, Emily D.
Alameda Health System
6/28/2024

BURRUEL, Barbara A.
District Attorney
7/5/2024

FITZPATRICK, Suzanne M.
Non-Member Survivor of EUGENE
FITZPATRICK
6/4/2024

**APPENDIX C
LIST OF DECEASED MEMBERS**

GILL, Lester L.
Probation
6/19/2024

HADLEY, Kendall
Non-Member Survivor of JACQUELYN
HADLEY
3/5/2024

HUTCHINS, Arthur M.
District Attorney
6/21/2024

KNIGHT, Peggy
Non-Member Survivor of HARVEY
KNIGHT JR.
7/31/2024

MC VEY, Joyce D.
Alameda Health System
7/7/2024

MCDERMOTT, John F.
Non-Member Survivor of DIANE
MCDERMOTT
4/30/2024

MOE, Harold E.
Alameda Health System
6/17/2024

MORALES, Patricia M.
Alameda Health System
7/19/2024

NEAL, Andrea
Social Services Agency
6/17/2024

PETERMAN, Emma J.
Social Services Agency
7/4/2024

SCAPACCINI, Yolanda
Probation
7/7/2024

SHAW, Joe L.
Sheriff's Office
6/19/2024

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

CONTRERAS, Esperanza
Government Code § 31652 Redeposit

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

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

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

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

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



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

Thursday, July 18, 2024

Chair Ophelia Basgal called the meeting to order at 2:00 p.m.

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

Trustees Excused: Keith Carson

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

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

PUBLIC INPUT

None.

**CONSENT CALENDAR
REPORTS AND ACTION ITEMS**

REPORT ON SERVICE RETIREMENTS

Appendix A

LIST OF DEFERRED RETIREMENTS

Appendix B

LIST OF DECEASED MEMBERS

Appendix C

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

None

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

Appendix E

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

None

APPROVE MINUTES of BOARD and COMMITTEE MEETINGS

June 20, 2024 Minutes of the Regular Board Meeting

June 20, 2024 Audit Committee Minutes

July 3, 2024 Retirees Committee Minutes

July 3, 2024 Investment Committee Minutes

MISCELLANEOUS

- *Operating Expenses as of 5/31/24*

Before the Board adopted the Consent Calendar, Trustee Ophelia Basgal requested that the Sakeena McCullough and Tristan Newsome matters be removed from today's Consent Calendar (Appendix E) and stated that Chief Counsel Jeff Rieger will explain the reason for the removal.

24-36

It was moved by George Wood and seconded by Elizabeth Rogers that the Board adopt the Consent Calendar, with the removal of the Sakeena McCullough and Tristan Newsome matters. The motion carried 6 yes (*Basgal, Clippinger, Godfrey, Rogers, Simon, Wood*), 0 no, and 0 abstentions. *Trustees Gamble and Levy were not present for the motion.*

Mr. Rieger explained that after today’s Board agenda was published, he noticed that there were issues regarding denial of earlier effective dates in both the McCullough and Newsome matters. Mr. Rieger recommended that the Board grant the disability allowances as recommended in Appendix E but postpone the decision regarding an earlier effective date in the McCullough and Newsome matters. Mr. Rieger reported that Staff is waiting to receive additional information from the Managed Medical Review Organization (MMRO) so that the Board can make a more informed decision. Mr. Rieger also reported that there was also a clerical error on the Board agenda in the McCullough matter regarding a recommended waiver of annual medical examinations and questionnaires, because MMRO recommended that Ms. McCullough complete annual medical examinations and questionnaires. The applicants and Alameda County Counsel had no objection to the postponements. Mr. Rieger recommended that the Board grant the disability allowances as recommended in Appendix E but postpone the vote regarding the requested earlier effective dates in both the McCullough and Newsome matters and postpone the vote regarding annual medical examinations and questionnaires in the McCullough matter.

24-37

It was moved by Elizabeth Rogers and seconded by Kellie Simon that the Board adopt the Medical Advisor’s decision to grant Ms. McCullough a non-service-connected disability allowance as stated in Appendix E on today’s Board agenda but defer the decision regarding her request for an earlier effective date and the decision about whether annual medical examinations and questionnaires will be required. The motion carried 7 yes (*Basgal, Clippinger, Godfrey, Levy, Rogers, Simon, Wood*), 0 no, and 0 abstentions. *Trustee Gamble was not present for the motion.*

24-38

It was moved by Elizabeth Rogers and seconded by Kellie Simon that the Board adopt the Medical Advisor’s decision to grant Ms. Newsome a service-connected disability allowance as recommended in Appendix E on today’s Board agenda but defer the decision regarding his request for an earlier effective date. The motion carried 7 yes (*Basgal, Clippinger, Godfrey, Levy, Rogers, Simon, Wood*), 0 no, and 0 abstentions. *Trustee Gamble was not present for the motion.*

REGULAR CALENDAR
REPORTS AND ACTION ITEMS

DISABILITY, DEATH AND OTHER BENEFIT CLAIMS

None.

COMMITTEE REPORTS, RECOMMENDATIONS AND MOTIONS

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

Retirees:

Elizabeth Rogers reported that the Retirees Committee met on July 3, 2024 and that the Committee discussed increasing the 2025 Monthly Medical Allowance (MMA) for eligible retirees for the following Medical Plans: **1) Group; 2) Early Retiree Individual; and 3) Medicare Eligible Retiree Individual.**

24-39

It was moved by Elizabeth Rogers and seconded by Kellie Simon that the Board increase the 2025 Group Plan Monthly Medical Allowance (MMA) by 4.25% for eligible retirees in the group plans, in accordance with the substantive plan definition adopted under GASB 43 equal to 50% of the rate of health care inflation assumptions provided by ACERA's actuary, which results in a MMA maximum of \$662.37 for the Plan Year 2025. The MMA contribution is a non-vested benefit subject to possible reduction or elimination if Board policies change or funds are unavailable. This benefit is funded by contributions from ACERA employers to the 401(h) account. After contributions are made, in accordance with the County Employees Retirement Law, ACERA treats an equal amount of Supplemental Retiree Benefit Reserve assets as employer contributions for pensions. The motion carried 7 yes (*Basgal, Clippinger, Godfrey, Levy, Rogers, Simon, Wood*), 0 no, and 0 abstentions. *Trustee Gamble was not present for the motion.*

24-40

It was moved by Elizabeth Rogers and seconded by Kellie Simon that the Board increase the 2025 Individual Plan Monthly Medical Allowance (MMA) by 4.25% for eligible qualified early (non-Medicare) retirees enrolled in individual plans through the Health Exchange, in accordance with the substantive plan definition adopted under GASB 43 equal to 50% of the rate of health care inflation assumptions provided by ACERA's actuary, which results in a MMA maximum of \$662.37 for Plan Year 2025. The MMA contribution is a non-vested benefit subject to possible reduction or elimination if Board policies change or funds are unavailable. This benefit is funded by contributions from ACERA employers to the 401(h) account. After contributions are made, in accordance with the County Employees Retirement Law, ACERA treats an equal amount of Supplemental Retiree Benefit Reserve assets as employer contributions for pensions. The motion carried 7 yes (*Basgal, Clippinger, Godfrey, Levy, Rogers, Simon, Wood*), 0 no, and 0 abstentions. *Trustee Gamble was not present for the motion.*

24-41

It was moved by Elizabeth Rogers and seconded by Kellie Simon that the Board increase the 2025 Individual Plan Monthly Medical Allowance (MMA) by 4.25% for qualified Medicare eligible retirees enrolled in individual plans through the Medicare Exchange, in accordance with the substantive plan definition adopted under GASB 43 equal to 50% of the rate of health care inflation assumptions provided by ACERA's actuary, which results in a MMA maximum of \$507.43 for Plan Year 2025. The MMA contribution is a non-vested benefit subject to possible reduction or elimination if Board policies change or funds are unavailable. This benefit is funded by contributions from ACERA employers to the 401(h) account. After contributions are made, in accordance with the County Employees Retirement Law, ACERA treats an equal amount of Supplemental Retiree Benefit Reserve assets as employer contributions for pensions. The motion carried 7 yes (*Basgal, Clippinger, Godfrey, Levy, Rogers, Simon, Wood*), 0 no, and 0 abstentions. *Trustee Gamble was not present for the motion.*

Trustee Rogers reported that the Committee received updated information on the Patelco Credit Union security breach. The Retirees Committee was presented with and discussed an Information Item regarding Dental and Vision Plans Experience and Utilization.

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

Investment:

Jaime Godfrey reported that the Investment Committee met on July 3, 2024 and that as a result of the Asset Liability Study, NEPC and Callan, ACERA's General and Real Estate Investment Consultants, respectively, worked with Investment Staff on the following proposed asset allocation mixes for the Committee/Board's consideration: Mix C, D and G. After discussion, NEPC and Staff recommended that the Investment Committee select Mix C, as it has a relatively higher risk-adjusted return profile. Trustee Godfrey and Chief Investment Officer Betty Tse explained the reasons for the Investment Committee's recommendation to select Mix C. Ms. Tse responded to Trustee Simon's question regarding hedge funds and private credit.

24-42

It was moved by Jaime Godfrey and seconded by Elizabeth Rogers that the Board adopt Mix C for ACERA's Asset Allocation Mix, as recommended by NEPC and Staff. The motion carried 7 yes (*Basgal, Clippinger, Godfrey, Levy, Rogers, Simon, Wood*), 0 no, and 0 abstentions. *Trustee Gamble was not present for the motion.*

The Committee was presented with and discussed the following Information Items: *1) Semiannual Performance Review for the Period Ending December 31, 2023 for: a) Real Estate; b) Private Equity; c) Private Credit; and d) Real Assets; 2) Semiannual Performance Review for the Period Ending March 31, 2024 – Absolute Return; and 3) Status Update for the Emerging Markets Equity Manager Search.*

Trustee Godfrey announced that due to the Labor Day Holiday in September, Trustees may not be available to attend the September 4th Investment Committee meeting and suggested that the Investment Committee meeting be rescheduled to September 19th (same day as the Board meeting). Staff will survey the Trustees to obtain their availability for the September Investment Committee meeting.

Trustee Basgal requested that NEPC and Investment Staff give an oral report to the Board regarding the June 15th Wall Street Journal news article on private equity and pension funds – summarizing the main points of the article and providing NEPC/Staff responses.

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

Governance:

George Wood reported that the Governance Committee met earlier today and that the Staff recommended that the Governance Committee affirm the following Board Policies without revisions: **1) *CEO Evaluation Policy***; and **2) *CEO Succession Policy***.

24-43

It was moved by George Wood and seconded by Jaime Godfrey that the Board affirm the *CEO Evaluation Policy* and the *CEO Succession Policy* without revisions, as recommended by the Governance Committee. The motion carried 7 yes (*Basgal, Clippinger, Godfrey, Levy, Rogers, Simon, Wood*), 0 no, and 0 abstentions. *Trustee Gamble was not present for the motion.*

Trustee Wood reported that the Governance Committee reviewed and discussed Staff's proposed revisions to the *CEO Job Duties and Delegation of Authority Policy* regarding CEO discretion to authorized settlement payments. After discussion, the Committee recommended that the Board delegate authority to the CEO to authorize payments up to \$25,000 to settle a claim or threatened claim against ACERA and delegate authority to the CEO to authorize payments up to \$75,000 to settle a claim or threatened claim against ACERA, with the Board Chair's written approval (Staff had recommended of \$15,000 and \$50,000, respectively). Further, although not formally recommended by the Committee, Trustee Wood included in his motion that all settlements be reported to the Board on its regular calendar rather than on the Consent Calendar (as Staff had recommended).

24-44

It was moved by George Wood and seconded by Jaime Godfrey that the Board adopt Staff's proposed revisions to the *CEO Job Duties and Delegation of Authority Policy*, as they appeared in the Governance Committee packet, but with the CEO's delegated authority as stated above and with all settlements reported to the Board on its regular calendar. The motion carried 7 yes (*Basgal, Clippinger, Godfrey, Levy, Rogers, Simon, Wood*), 0 no, and 0 abstentions. *Trustee Gamble was not present for the motion.*

Minutes of the meeting will be presented to the Board for adoption on the Consent Calendar at the August 15, 2024 Board meeting.

NEW BUSINESS:

Discussion and Possible Motion to Take an Oppose Position on AB 2284

Chief Executive Officer Dave Nelsen explained that AB 2284 gives retirement boards authority to define a “grade” (classification) so that additional pay may be included in members’ “compensation earnable.” Mr. Nelsen reported that LACERA, SBCERA and KCERA oppose the bill and OCERS supports the bill. Mr. Nelsen reported that the SACRS Board decided to oppose the bill earlier that morning. Mr. Nelsen recommended that the Board also oppose AB 2284, and that a letter be drafted for the Board Chair’s signature and delivered to the Legislature explaining the Board’s position.

24-45

It was moved by Elizabeth Rogers and seconded by Kellie Simon that the Board oppose AB 2284 in its current form and that a letter be drafted listing the concerns reflected in Mr. Nelsen’s July 18, 2024 memo, and any other comments that were made by the Board at today’s meeting, for the Board Chair’s signature and delivered to the Legislature. The motion carried 8 yes (*Basgal, Clippinger, Gamble, Godfrey, Levy, Rogers, Simon, Wood*), 0 no, and 0 abstentions.

Chief Executive Officer’s Report

Mr. Nelsen presented his July 18, 2024 written CEO Report which provided an update on: *1) Committee and Board Action Items; 2) Other Items: a) Business Planning; b) Legislation; c) Pension Administration System; d) Budget; and 3) Key Performance Indicators.*

Mr. Nelsen presented information on the status of the Pension Administration System Project (PGV3) stating that Parallel Processing, which includes the Member and Employer Direct Rollout Plans, begins on August 1st and that Staff expects PGV3 to Go-Live in October 2024. The Board and Mr. Nelsen expressed their appreciation to the Consultants and to Staff for all their hard work on the Project. Mr. Nelsen will continue to provide updates to the Board.

Mr. Nelsen gave an update on the status of the budget.

CONFERENCE/ORAL REPORTS

Trustee Simon reported that she attended the SACRS UC Berkeley Program for the second time stating that the Program was excellent.

ANNOUNCEMENTS

None.

BOARD INPUT

Mr. Nelsen and Administrative Specialist II Nicole Mallari responded to Trustee Clippinger’s question regarding the delay in processing older cases and why some of the cases do not include Staff’s comments. Trustee Basgal recommended, and Ms. Mallari agreed, that Staff’s comments will be included on the Disability Log for all disability retirement cases going forward.

To view the July 18, 2024 Board meeting YouTube video in its entirety, go to ACERA’s Website at: https://youtu.be/_rBfSKto91Y.

ADJOURNMENT

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

Respectfully Submitted,



David Nelsen
Chief Executive Officer

08/15/24

Date Adopted

**APPENDIX A
REPORT ON SERVICE RETIREMENTS**

ARENDS, Kurt
Effective: 4/27/2024
Zone 7 Water Agency

MONTOYA, Lesa
Effective: 4/27/2024
Social Services Agency

BROWN, Walter
Effective: 4/27/2024
Social Services Agency

MOODIE, Jacqueline
Effective: 4/24/2024
Alameda Health System

CABEZAS GOMEZ, Anibal
Effective: 4/1/2024
Health Care Services Agency

RAMIREZ, Noami
Effective: 4/15/2024
Alameda Health System

COLLINS, Eric
Effective: 3/30/2024
Sheriff's Office

RITNER, Maria
Effective: 4/27/2024
Social Services Agency

DITZENBERGER, Melanie
Effective: 5/11/2024
Sheriff's Office

ROY, Dennis
Effective: 3/29/2024
Sheriff's Office

GARCIA, Debra
Effective: 3/30/2024
Social Services Agency

SHELDON, Jennifer
Effective: 5/20/2024
Alameda Health System

HURST, Christina
Effective: 5/2/2024
Non-Member

SIERRA, Guadalupe
Effective: 4/12/2024
General Services Agency

JACKSON, Ramsey
Effective: 4/26/2024
Sheriff's Office

SONG, Edwin
Effective: 4/27/2024
Superior Court

JAMES, Godfrey
Effective: 4/27/2024
Social Services Agency

STOKMAN, Lisa
Effective: 4/13/2024
Social Services Agency

KEENEY, David
Effective: 4/1/2024
Sheriff's Office

SUZUKI, Heidi
Effective: 3/30/2024
Alameda Health System

MILLWARD, Cort
Effective: 5/31/2024
Child Support Services

VARGAS, Patricia
Effective: 3/30/2024
Probation

**APPENDIX B
LIST OF DEFERRED RETIREMENTS**

OH, You Jin
District Attorney
Effective: 5/24/2024

SCOTT, Lynsey
Superior Court
Effective: 3/1/2024

TOGONON, Paul
Sheriff's Office
Effective: 4/9/2024

**APPENDIX C
LIST OF DECEASED MEMBERS**

BAKER, Howard F.
Probation
6/6/2024

MORRISON, Lillian A.
Sheriff's Office
6/10/2024

BUTZBACH, Matilda A.
Non-Member Survivor of Eugene Butzbach
6/3/2024

NUFER, Freddy H.
Public Works Agency
6/21/2024

GREEN, Lillie B.
Alameda Health System
5/31/2024

OATES, Alphonsine D.
Superior Court
6/4/2024

HUTCHINS, Arthur M.
District Attorney
6/21/2024

PLUMMER, Albert L.
Probation
6/20/2024

KAWAR, Sam H.
Public Works Agency
6/4/2024

ROSS, Arthur L.
Sheriff's Office
5/30/2024

KRIKORIAN, Evelyn M.
Superior Court
5/21/2024

SCHERRER, Sara L.
Information Technology Department
5/31/2024

MARTINEZ, Joseph S.
Probation
5/31/2024

SHAW, Joe L.
Sheriff's Office
6/19/2024

MINEO, Rosa
Sheriff's Office
6/4/2024

TURNER, Patsi S.
Non-Member Survivor of Gordon Turner
6/10/2024

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

Name: **Beezley, Stephanie**
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. Beezley’s application for a service-connected disability, and waiving annual medical examinations and questionnaires at this time.

Name: **McCullough, Sakeena**
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. McCullough’s application for a non-service-connected disability, and waiving annual medical examinations and questionnaires at this time.

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

Name: **Newsome, Tristan**
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. Newsome’s application for a service-connected disability, and waiving annual medical examinations and questionnaires at this time.

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

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

Name: **Palafx-Cortez, Olga**
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. Palafx-Cortez’s application for a service-connected disability, and waiving annual medical examinations and questionnaires at this time.

Name: **Parker, Sean**
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. Parker’s application for a service-connected disability, and waiving annual medical examinations and questionnaires.



MINUTES OF THE JULY 18, 2024 GOVERNANCE COMMITTEE MEETING

To: Members of the Board of Retirement
From: George Wood, Governance Committee Chair

Committee Chair George Wood called the meeting to order at 12:30 p.m. Committee Members present were George Wood, Jamie Godfrey, Ross Clippinger and Elizabeth Rogers. Other Board members present were Cynthia Baron and Kevin Bryant. Ophelia Basgal and Kellie Simon arrived after roll call.

Senior staff present were David Nelsen, CEO; Jeff Rieger, Chief Counsel; Carlos Barrios, Assistant CEO; Lisa Johnson, Assistant CEO; Jessica Huffman, Benefits Manager; Vijay Jagar, Chief Technology Officer; Erica Haywood, Fiscal Services Officer; Harsh Jadhav, Chief of Internal Audit; and Betty Tse, Chief Investment Officer.

ACTION ITEMS

1. Review of the *CEO Evaluation Policy*.

Chief Counsel Jeff Rieger presented the *CEO Evaluation Policy* and explained that staff recommended that the Board affirm the Policy without revisions.

A motion was made by Trustee Godfrey and seconded by Trustee Rogers that the Governance Committee recommend to the Board of Retirement that the *CEO Evaluation Policy* continues to be necessary and appropriate and that the Board affirm the *CEO Evaluation Policy* without revisions. The motion was approved by a vote of 6 in favor (Basgal, Bryant, Clippinger, Godfrey, Rogers, Wood), 0 against, 0 abstaining.

2. Review of the *CEO Succession Policy*.

Chief Counsel Jeff Rieger presented the *CEO Succession Policy* and explained that staff recommended that the Board affirm the Policy without revisions.

A motion was made by Trustee Godfrey and seconded by Trustee Rogers that the Governance Committee recommend to the Board of Retirement that the *CEO Succession Policy* continues to be necessary and appropriate and that the Board affirm the *CEO Succession Policy* without revisions. The motion was approved by a vote of 6 in favor (Basgal, Bryant, Clippinger, Godfrey, Rogers, Wood), 0 against, 0 abstaining.

3. Review of the *CEO Jobs Duties & Delegation of Authority Policy*.

Chief Counsel Jeff Rieger presented the *CEO Jobs Duties & Delegation of Authority Policy*, discussed the recommended revisions and answered questions from the Trustees.

Trustee Godfrey stated that he would like settlement reports to be regular items on the Board meeting agendas, rather than Consent Calendar items. Trustees also discussed different levels of authority that the Board might delegate to the CEO.

A motion was made by Trustee Godfrey and seconded by Trustee Rogers that the Governance Committee recommend to the Board that it make the revisions to the *CEO Jobs Duties & Delegation of Authority Policy* shown in the redline included with the agenda packet, with the following changes: (1) increase the CEO's settlement authority from \$15,000 to \$25,000, and (2) increase the CEO's settlement authority with the Board Chair's written approval from \$50,000 to \$75,000.

The motion was approved by a vote of 6 in favor (Basgal, Clippinger, Godfrey, Rogers, Simon, Wood), 0 against, 0 abstaining.

INFORMATION ITEMS

None

TRUSTEE/ PUBLIC INPUT

None.

ESTABLISHMENT OF NEXT MEETING DATE

TBD

ADJOURNMENT

The meeting adjourned at 12:49 p.m.

CONSENT CALENDAR ITEM

**August 7, 2024
Retirees Committee Minutes
For approval under August 15, 2024
Board “Consent Calendar”**

**The August 7, 2024
Retirees Committee Minutes
will be distributed under separate cover**

CONSENT CALENDAR ITEM

**August 7, 2024
Investment Committee Minutes
For approval under August 15, 2024
Board “Consent Calendar”**

**The August 7, 2024
Investment Committee Minutes
will be distributed under separate cover**



MEMORANDUM TO THE BOARD OF RETIREMENT

DATE: August 15, 2024

TO: Members of the Board of Retirement DS
EH

FROM: Erica Haywood, Fiscal Services Officer

SUBJECT: Year-to-Date Operating Expenses & Budget Summary for June 30, 2024

ACERA's year-to-date operating expenses are \$134K over budget for the period ended June 30, 2024. Budget overages and surpluses worth noting are as follows:

Budget Overages

1. *Staffing*: Staffing are \$215K over budget. This amount comprised overages in temporary staffing of \$141K, and 5% staff vacancy adjustment of \$441K, and offset by surpluses in salaries & wages expenses of (\$233K), and fringe benefits of (\$134K).
2. *Professional Fees*: Professional Fees are \$8K over budget. This amount comprised overage in actuarial fees of \$37K, and offset by surpluses in legal fees of (\$29K).
3. *Member Services*: Member Services are \$67K over budget. This amount comprised overage in disability medical expenses of \$51K, disability legal arbitration & transcripts of \$22K, and offset by surpluses in disability claim management of (\$4K), and members' printing & postage of (\$2K).
4. *Systems*: Systems are \$28K over budget. This amount comprised overages in business continuity expense of \$11K, minor computer hardware of \$18K, and offset by surplus in county data processing of (\$1K).
5. *Depreciation*: Depreciation expense is \$5K over budget from purchase of new equipment.

Budget Surpluses

1. *Staff Development*: Staff Development is \$81K under budget for staff training and conferences.
2. *Office Expense*: Office Expense is \$32K under budget. This amount comprised surpluses in bank charges & miscellaneous expenses of (\$7K), building expenses of (\$3K), equipment lease and maintenance of (\$15K), office supplies and maintenance of (\$4K), and printing and postage of (\$3K).

Operating Expenses Budget Summary for the period ended June 30, 2024

3. *Board of Retirement:* Board of Retirement is \$76K under budget. This amount comprised surpluses in board compensation of (\$5K), board conferences & training of (\$64K), board miscellaneous expenses of (\$6K), and board software maintenance and support of (\$1K).

Staffing Detail

Vacant positions as of June 30, 2024:

Department	Position	Qty	Comments
Administration	Supply Clerk	1	Vacant - currently budgeted for the year
Benefits	Retirement Benefits Specialist	1	Vacant - currently budgeted for the year
Benefits	Retirement Benefits Specialist	1	Vacant - currently budgeted for the year
Benefits	Retirement Support Specialist	1	Vacant – currently budgeted for the year
Benefits	Senior Retirement Technician	1	Vacant – currently budgeted for the year
Investment	Investment Officer	1	Vacant - currently budgeted for the year
	Total Positions	6	

Pension Administration System Project - as of June 30, 2024					
	Year-To-Date				
	Actual	Budget	Variance	2024 Budget	2019-23 Actual
Consultant Fees					
Levi, Ray and Shoup	\$1,510,236	\$975,000	\$535,236	\$1,950,000	\$3,231,571
Segal and other consultant fees	356,128	296,500	59,628	593,000	2,323,470
Other expenses	-	-	-	-	1,500
Leap Technologies	-	-	-	-	98,970
Total	1,866,364	1,271,500	594,863	2,543,000	5,655,511
Staffing	390,188	385,500	4,689	771,000	2,845,789
TOTAL	\$2,256,552	\$1,657,000	\$599,552	\$3,314,000	\$8,501,300

Attachments:

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



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

YEAR TO DATE - ACTUAL VS. BUDGET					
<u>June 30, 2024</u>					
	<u>Actual</u>	<u>Budget</u>	<u>YTD</u>	<u>2024</u>	<u>% Actual to</u>
	<u>Year-To-Date</u>	<u>Year-To-Date</u>	<u>Variance</u>	<u>Annual</u>	<u>Annual Budget</u>
			<u>(Under)/Over</u>	<u>Budget</u>	
Staffing	\$ 8,458,156	\$ 8,243,380	\$ 214,776	\$ 17,032,000	49.7%
Staff Development	101,904	182,950	(81,046)	351,000	29.0%
Professional Fees (Next Page)	626,177	617,760	8,417	1,141,000	54.9%
Office Expense	203,730	235,820	(32,090)	468,000	43.5%
Insurance	309,541	310,380	(839)	637,000	48.6%
Member Services	339,612	272,380	67,232	608,000	55.9%
Systems	632,673	604,400	28,273	1,288,000	49.1%
Depreciation	61,220	55,780	5,440	112,000	54.7%
Board of Retirement	291,959	368,440	(76,481)	707,000	41.3%
Uncollectable Benefit Payments	-	-	-	78,000	0.0%
Total Operating Expense	\$ 11,024,972	\$ 10,891,290	\$ 133,682	\$ 22,422,000	49.2%
Investment Consultant Fees	823,510	809,940	13,570	1,620,000	50.8%
Investment Custodian Fees	281,186	322,500	(41,314)	645,000	43.6%
Investment Manager and Incentive Fees	33,388,650	26,788,500	6,600,150	54,977,000	60.7%
Other Investment Expenses	60,018	313,920	(253,902)	633,000	9.5%
Total Portfolio Management Investment Expense	\$ 34,553,364	\$ 28,234,860	\$ 6,318,504	\$ 57,875,000	59.7%
Total Operating and Portfolio Management Investment Expense	\$ 45,578,336	\$ 39,126,150	\$ 6,452,186	\$ 80,297,000	56.8%



ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
PROFESSIONAL FEES

YEAR TO DATE - ACTUAL VS. BUDGET

June 30, 2024

	<u>Actual</u> <u>Year-To-Date</u>	<u>Budget</u> <u>Year-To-Date</u>	<u>YTD Variance</u> <u>(Under)/Over</u>	<u>2024</u> <u>Annual</u> <u>Budget</u>	<u>% Actual to</u> <u>Annual Budget</u>
Professional Fees					
Consultant Fees - Operations and Projects ¹	\$ 168,000	\$ 167,880	\$ 120	\$ 356,000	47.2%
Actuarial Fees ²	267,548	230,000	37,548	490,000	54.6%
External Audit ³	145,000	145,000	-	145,000	100.0%
Legal Fees ⁴	45,629	74,880	(29,251)	150,000	30.4%
Total Professional Fees	\$ 626,177	\$ 617,760	\$ 8,417	\$ 1,141,000	54.9%

	<u>Actual</u> <u>Year-To-Date</u>	<u>Budget</u> <u>Year-To-Date</u>	<u>YTD Variance</u> <u>(Under)/Over</u>	<u>2024 Annual</u> <u>Budget</u>	<u>% Actual to</u> <u>Annual Budget</u>
<u>1 CONSULTANT FEES - OPERATIONS AND PROJECTS:</u>					
Benefits					
Alameda County HRS (Benefit Services)	63,000	63,000	-	126,000	50.0%
Segal (Benefit Consultant/Retiree Open Enrollment)	66,500	66,480	20	133,000	50.0%
Total Benefits	129,500	129,480	20	259,000	50.0%
Fiscal Services					
Cashlog	-	-	-	20,000	0.0%
Total Fiscal Services	-	-	-	20,000	0.0%
Human Resources					
Lakeside Group (County Personnel)	38,500	38,400	100	77,000	50.0%
Total Human Resources	38,500	38,400	100	77,000	50.0%
Total Consultant Fees - Operations	168,000	167,880	120	356,000	47.2%

<u>2 ACTUARIAL FEES</u>					
Actuarial Valuation	87,500	43,750	43,750	87,500	100.0%
GASB 67 & 68 Valuation	21,500	26,750	(5,250)	53,500	40.2%
GASB 74 & 75 Actuarial	8,000	8,000	-	16,000	50.0%
Actuarial Standard of Practice 51 Pension Risk	-	-	-	30,000	0.0%
Supplemental Consulting	105,548	129,000	(23,452)	258,000	40.9%
Supplemental Retiree Benefit Reserve valuation	45,000	22,500	22,500	45,000	100.0%
Total Actuarial Fees	267,548	230,000	37,548	490,000	54.6%

<u>3 EXTERNAL AUDIT</u>					
External audit	122,000	122,000	-	122,000	100.0%
GASB 67 & 68 audit	11,000	11,000	-	11,000	100.0%
GASB 74 & 75 audit	12,000	12,000	-	12,000	100.0%
Total External Audit Fees	145,000	145,000	-	145,000	100.0%

<u>4 LEGAL FEES</u>					
Fiduciary & Litigation	14,829	30,000	(15,171)	60,000	24.7%
Tax and Benefit Issues	2,381	12,480	(10,099)	25,000	9.5%
Miscellaneous Legal Advice	28,419	32,400	(3,981)	65,000	43.7%
Total Legal Fees	45,629	74,880	(29,251)	150,000	30.4%

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
 TOTAL EXPENDITURES VS. PRIOR YEAR ACTUAL
 For the Six Months Ending 6/30/2024

	<u>For the Month of June 2024</u>	<u>For the Month of June 2023</u>	<u>Variance</u>	<u>Year-To-Date 2024</u>	<u>Year-To-Date 2023</u>	<u>Variance</u>
STAFFING						
Salaries	867,792	851,247	16,545	5,402,012	5,121,268	280,744
Fringe Benefits	440,285	409,704	30,581	2,815,305	2,577,705	237,600
Temporary Staffing Cost	28,959	38,314	(9,355)	240,839	234,448	6,391
Staffing Total	<u>1,337,036</u>	<u>1,299,265</u>	<u>37,771</u>	<u>8,458,156</u>	<u>7,933,421</u>	<u>524,735</u>
STAFF DEVELOPMENT	28,296	25,650	2,646	101,904	83,541	18,363
PROFESSIONAL FEES						
Actuarial Fees	117,250	73,900	43,350	267,548	227,489	40,059
Consultant Fees - Operations	28,000	27,667	333	168,000	172,776	(4,776)
Consultant Fees - Legal	4,925	5,874	(949)	45,629	45,587	42
External Audit	23,500	23,500	0	145,000	144,000	1,000
Professional Fees Total	<u>173,675</u>	<u>130,941</u>	<u>42,734</u>	<u>626,177</u>	<u>589,852</u>	<u>36,325</u>
OFFICE EXPENSE						
Bank Charges & Misc. Admin	5,178	10,612	(5,434)	34,909	39,972	(5,063)
Building Expenses	2,748	2,563	185	15,758	11,742	4,016
Communications	11,100	9,392	1,708	62,407	52,276	10,131
Equipment Lease/Maintenance	7,172	7,585	(413)	54,559	52,255	2,304
Minor Equipment and Furniture	2,474	696	1,778	2,578	8,211	(5,633)
Office Supplies/Maintenance	2,321	2,717	(396)	25,530	20,054	5,476
Printing & Postage	2,198	2,016	182	7,989	6,386	1,603
Office Expense Total	<u>33,191</u>	<u>35,581</u>	<u>(2,390)</u>	<u>203,730</u>	<u>190,896</u>	<u>12,834</u>
INSURANCE	51,590	46,924	4,666	309,541	281,545	27,996
MEMBER SERVICES						
Disability - Legal Arbitration & Transcripts	29,688	0	29,688	62,196	(3,283)	65,479
Disability Medical Expense	4,000	50,670	(46,670)	141,255	100,120	41,135
Disability Claims Management	3,850	3,850	0	19,250	23,100	(3,850)
Health Reimbursement Acct. (HRA)	6,347	6,461	(114)	36,046	34,303	1,743
Member Training & Education	682	418	264	4,442	2,887	1,555
Printing & Postage - Members	6,010	4,603	1,407	43,816	18,429	25,387
Virtual Call Center	5,440	5,422	18	32,607	32,472	135
Member Services Total	<u>56,017</u>	<u>71,424</u>	<u>(15,407)</u>	<u>339,612</u>	<u>208,028</u>	<u>131,584</u>

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
 TOTAL EXPENDITURES VS. PRIOR YEAR ACTUAL
 For the Six Months Ending 6/30/2024

	<u><i>For the Month of June 2024</i></u>	<u><i>For the Month of June 2023</i></u>	<u>Variance</u>	<u><i>Year-To-Date 2024</i></u>	<u><i>Year-To-Date 2023</i></u>	<u>Variance</u>
SYSTEMS						
Business Continuity Expense	19,472	16,096	3,376	124,371	123,697	674
County Data Processing	11,435	10,911	524	68,558	65,317	3,241
Minor Computer Hardware	8,562	1,427	7,135	39,222	44,938	(5,716)
Intangible right to use SBITA - GASB96	7,348	0	7,348	42,821	0	42,821
Software Maintenance & Support	63,240	64,994	(1,754)	357,701	373,837	(16,136)
Systems Total	<u>110,057</u>	<u>93,428</u>	<u>16,629</u>	<u>632,673</u>	<u>607,789</u>	<u>24,884</u>
DEPRECIATION						
Depreciation Expense	10,203	9,961	242	61,220	59,769	1,451
BOARD OF RETIREMENT						
Board Compensation	1,800	2,900	(1,100)	9,200	12,400	(3,200)
Board Conferences & Training	137	5,313	(5,176)	80,307	104,614	(24,307)
Board Employer Reimbursement	31,570	29,660	1,910	189,720	182,560	7,160
Board Miscellaneous Expense	758	781	(23)	4,903	10,004	(5,101)
Board Software Maint. & Support	1,335	4,558	(3,223)	7,829	6,641	1,188
Board of Retirement Total	<u>35,600</u>	<u>43,212</u>	<u>(7,612)</u>	<u>291,959</u>	<u>316,219</u>	<u>(24,260)</u>
GRAND TOTALS	<u><u>1,835,665</u></u>	<u><u>1,756,386</u></u>	<u><u>79,279</u></u>	<u><u>11,024,972</u></u>	<u><u>10,271,060</u></u>	<u><u>753,912</u></u>



MEMORANDUM TO THE BOARD OF RETIREMENT

DATE: August 15, 2024

TO: Members of the Board of Retirement

FROM: Erica Haywood, Fiscal Services Officer

DS
EH

SUBJECT: Quarterly Unaudited Financial Statements as of June 30, 2024

Executive Summary

Attached for review is the unaudited financial statements for the period ended June 30, 2024.

The Fiduciary Net Position Held in Trust and the Change in Fiduciary Net Position compared to the same period in 2023 increased by \$896.8 million.

Financial Highlights

- Net Position Restricted (Held in Trust for Benefits), as reported on the Statement of Fiduciary Net Position totaled \$11.8 billion. Total Receivables decreased by \$1.2 million, Investments at fair value increased by \$874.6 million, Capital Assets increased by \$3.7 million, and Total Liabilities without Security Lending Liability decreased by \$20.2 million.
- The year-over-year Change in Net Position decreased by \$83.6 million.
 - Total Additions year-over-year decreased by \$68.5 million. This include a decrease in net investment income of \$87.0 million.
 - Total Deductions year-over-year increased by \$15.1 million. The amount is mainly attributable to the growth in payments of service retirement, and retiree healthcare program.

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
STATEMENT OF FIDUCIARY NET POSITION
As of 6/30/2024

	Year-To-Date 2024	Year-To-Date 2023
ASSETS		
Cash (Note 1)	4,116,986	4,962,436
Securities Lending Cash Collateral (Note 2)	189,464,701	154,407,593
Receivables:		
Contributions (Note 3)	27,116,092	22,357,481
Investment Receivables (Note 4a)	26,234,253	24,473,614
Unsettled Trades - Investments Sold	1,367,103	8,770,680
Futures Contracts (Note 5a)	980,686	1,290,904
Foreign Exchange Contracts (Note 6a)	15,122	348
Other Receivables (Note 7)	232,654	211,010
Total Receivables	55,945,909	57,104,037
Prepaid Expenses	1,138,724	804,342
Total Current Assets	250,666,320	217,278,407
Investments - at Fair Value:		
Short-Term Investments (Note 8)	196,566,959	218,017,727
Domestic Equity	686,345,530	575,488,331
Domestic Equity Commingled Funds	2,448,743,852	2,282,462,500
International Equity	822,705,989	1,183,484,051
International Equity Commingled Funds (Note 9)	2,134,846,884	1,465,130,366
Domestic Fixed Income	1,434,775,230	1,369,109,752
International Fixed Income	135,709,098	98,359,939
International Fixed Income - Commingled Funds (Note 10)	27,196,718	75,964,248
Real Estate - Separate Properties (Note 11)	37,454,171	47,829,641
Real Estate - Commingled Funds (Note 12)	749,865,939	754,417,511
Real Assets (Note 13)	685,837,529	632,267,722
Absolute Return (Note 14)	957,428,752	863,749,624
Private Equity (Note 15)	1,139,712,087	1,027,060,385
Private Credit (Note 16)	298,270,184	287,487,857
Total Investments	11,755,458,922	10,880,829,652
Capital Assets at Cost (Net of Accumulated Depreciation and Amortization) (Note 17)	11,996,741	8,340,189
Total Assets	12,018,121,983	11,106,448,248
LIABILITIES		
Securities Lending Liability (Note 2)	189,464,701	154,407,593
Unsettled Trades - Investments Purchased	20,402,321	36,765,789
Investment-Related Payables (Note 4b)	14,050,447	14,810,072
Futures Contracts (Note 5b)	145,840	687,761
Foreign Exchange Contracts (Note 6b)	341,560	3,012,150
Accrued Administration Expenses (Note 18)	2,945,321	3,043,041
Members Benefits & Refunds Payable (Note 19a)	5,999,896	5,975,334
Retirement Payroll Deductions Payable (Note 19b)	35,027	33,553
Lease Liability	138,758	26,633
SBITA GASB 96 Liability	155,791	0
Total Liabilities	233,679,663	218,761,926
DEFERRED INFLOWS OF RESOURCES		
Net Position		
Restricted - Held in Trust for Benefits	11,784,442,320	10,887,686,322
Total Net Position	11,784,442,320	10,887,686,322

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Six Months Ending 6/30/2024

	Year-To-Date 2024	Year-To-Date 2023
ADDITIONS		
Contributions: (Note 20)		
Members	67,849,041	62,377,073
Employers	155,850,620	142,414,843
Total Contributions	223,699,661	204,791,916
From Investment Activities:		
Net Appreciation/(Depreciation) in FV of Investments (Note 21)	559,297,246	661,816,914
Interest	35,586,482	30,144,402
Dividends	18,396,201	26,102,241
Real Estate - Net	14,470,598	9,606,557
Private Equity and Alternatives	42,734,207	19,796,136
Brokers Commissions - Directed Brokerage	4,119	2,235
Sub-Total Dividends, Interest, Other Investment Inc. (Note 22)	111,191,607	85,651,571
Total Income from Investment Activities	670,488,854	747,468,485
Total Investment Expenses (Note 23)	(36,275,761)	(26,271,110)
Net Income from Investment Activities (Note 24)	634,213,092	721,197,375
From Securities Lending Activities:		
Securities Lending Income	4,509,605	475,286
Securities Lending Expenses	(4,179,978)	(95,122)
Net Income from Securities Lending Activities (Note 25)	329,627	380,164
Total Net Investment Income	634,542,719	721,577,539
Miscellaneous Income (Note 26)	199,718	569,404
Total Additions	858,442,098	926,938,859
DEDUCTIONS		
Benefits:		
Service Retirement and Disability Benefits (Note 27)	310,726,022	298,044,316
Death Benefits (Note 28)	1,778,470	1,622,737
Supplemental Cost of Living Allowance	612,102	528,561
Retiree Healthcare Program	24,965,464	23,370,813
Total Benefit Payments	338,082,059	323,566,427
Member Refunds	5,435,940	5,561,866
Administration: (Note 29)		
Administrative Expenses	6,865,909	6,445,286
Actuarial Expenses	222,548	205,489
Business Continuity Expenses	328,656	306,483
Legal Expenses	467,969	381,595
Technology Expenses	514,992	489,454
401(h) Expenses	902,500	808,000
Total Administration	9,302,574	8,636,307
Total Deductions	352,820,573	337,764,600
Net Increase(Decrease)	505,621,525	589,174,260
Net Position Held in Trust for Benefits:		
Net Position - January 1	11,278,820,795	10,298,512,063
Net Position - June 30	11,784,442,320	10,887,686,322

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
As of June 30, 2024

Basis of Accounting

ACERA follows the accounting principles and reporting guidelines set forth by the Government Accounting Standards Board (GASB). ACERA's financial statements are prepared on the accrual basis of accounting.

(Note 1)

Cash - \$4.12 million

Cash balance is the sum of the funds in the JP Morgan Bank operating accounts. The decrease of \$0.84 million from 4.96 million on June 30, 2023, is primarily due to timing difference between receipt of contributions and the transfer of funds for retiree payroll and investments.

(Note 2)

Securities Lending Cash Collateral - \$189.46 million

Cash collateral of \$189.46 million and \$154.41 million were held by ACERA, related to securities on loan as of June 30, 2024, and June 30, 2023, respectively. This amount is reported as an asset with a corresponding liability for the same amount in compliance with GASB Statement No. 28.

(Note 3)

Contributions Receivables - \$27.12 million

The receivable balances of June 30, 2024, increase by approximately \$4.76 million from \$22.36 million on June 30, 2023. This is primarily due to increases in member and employer contribution rates.

(Note 4)

4a. Investment Receivables - \$26.23 million

The investment receivables balance as of June 30, 2024, increase by \$1.76 million from \$24.47 million on June 30, 2023. The increase is mainly attributed to interest and dividend receivables.

4b. Investment Related Payables - \$14.05 million

The decrease of \$0.76 million in investment related payables balance as of June 30, 2024, from \$14.81 million on June 30, 2023, is primarily due to timing difference of investment manager fee payments.

(Note 5)

5a. Futures Contracts Receivables - \$0.98 million

The receivables represent the unrealized gains on open futures contracts. The balance for unrealized gains as of June 30, 2024, and June 30, 2023, were \$0.98 and \$1.29 million, respectively

5b. Futures Contracts Payables - \$0.15 million

The payables represent the unrealized losses on open futures contracts. The balance for unrealized losses as of June 30, 2024, and June 30, 2023, were \$0.15 and \$0.69 million, respectively.

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

As of June 30, 2024

(Note 6)

6a. Foreign Exchange Contracts Receivables - \$0.02 million

The receivables represent unrealized gains on foreign exchange contracts. Foreign exchange (FX) contracts include currency forward contracts and spot contracts. As of June 30, 2024, and June 30, 2023, the unrealized on FX contracts were \$0.02 million and \$0 million, respectively. The increase in unrealized gains of \$0.02 million is mainly due to the change in foreign exchange contracts and market volatility.

6b. Foreign Exchange Contracts Payables - \$0.34 million

The payables represent unrealized losses on foreign exchange contracts. Foreign exchange (FX) contracts include currency forward contracts and spot contracts.

(Note 7)

Other Receivables - \$0.23 million

Other receivables as of June 30, 2024, are comprised primarily of funds due from deceased retirees' estates for overpayment of benefits and from insurance for ACERA legal claims.

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
As of June 30, 2024

(Note 8)

Short-Term Investments - \$196.57 million

Short-term investments are temporarily kept in a pooled account with State Street Bank. These pooled assets are primarily invested in short-term investment funds and deposits, including U.S. Treasury and agency obligations, corporate bonds, commercial paper, repurchase agreements, certificates of deposit, bankers' acceptances, time deposits, and floating-rate notes.

(Dollars in Millions)

Fund Name	6/30/2024
Unallocated Cash	\$ 80.27
Parametric Portfolio Associates (cash overlay)	30.84
Baird Investors	18.54
Brandywine	16.47
Capital Guardian	11.73
William Blair Small Cap Growth	6.78
Loomis	6.55
Kennedy	6.22
TCW	5.23
Aristotle Capital	4.16
Bivium - Dundas Partners	1.97
Bivium - Haven Global Partners	1.58
BIVIUM - Redwood DM	1.44
Bivium - Denali Advisors	1.14
Bivium - Promethos Capital, LLC	0.85
Bivium	0.71
Bivium - Cedar Street Asset Mgmt	0.63
Bivium - Arga Investment Management	0.46
AQR Capital Management, LLC	0.43
Mondrian	0.34
Bivium - Global Alpha Capital Mgmt	0.21
Bivium - Applied Research Management	0.01
Bivium - RVX Asset Management LLC	0.01
Grand total	\$ 196.57

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

As of June 30, 2024

(Note 9)

International Equity Commingled Funds - \$2,134.85 million

As of June 30, 2024, and June 30, 2023, the International Equity Commingled Funds were \$2,134.85 million and \$1,465.13 million, respectively. The increase of \$669.72 million is mainly due to unrealized gains from higher market valuations and the Board-approved structural changes to the International Equity portfolio.

(Note 10)

International Fixed Income Commingled Funds - \$27.20 million

The decrease of \$48.76 million from the previous year is due to market depreciation of investments. Disclosure of credit ratings on mutual fund holdings of fixed income portfolio is not required per GASB Statement No. 40.

(Note 11)

Real Estate Separate Properties - \$37.45 million

The following is a summary of Real Estate – Separate Property investments as of June 30, 2024, and June 30, 2023. The year-over-year decrease of \$10.38 million is due to the market value decrease of Oakland 14th Street property.

(Dollars in Millions)

<i>Investment Manager</i>	<i>Net Mkt. Value 6-30-2024</i>	<i>Net Mkt. Value 6-30-2023</i>	<i>No. of Properties 2024</i>	<i>No. of Properties 2023</i>
RREEF	\$ 37.45	\$ 47.83	1	1

(Note 12)

Real Estate Commingled Funds - \$749.87 million

Detailed records regarding these investments of public pension funds are exempt from disclosure under the California Government Code Section 7928.710. The decrease of \$4.55 million in 2024 as compared to 2023 is mainly due to unrealized losses from investments.

(Note 13)

Real Assets - \$685.84 million

Detailed records regarding these investments of public pension funds are exempt from disclosure under California Government Code Section 7928.710. The increase of \$53.57 million in 2024 as compared to 2023 is mainly due to gain on investments, net of capital calls and distributions.

(Note 14)

Absolute Return - \$957.43 million

Detailed records regarding these investments of public pension funds are exempt from disclosure under California Government Code Section 7928.710. The increase of \$93.68 million in 2024 as compared to 2023 is due to net gain on investments.

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

As of June 30, 2024

(Note 15)

Private Equity - \$1,139.71 million

Detailed records regarding these investments of public pension funds are exempt from disclosure under California Government Code Section 7928.710. The increase of \$112.65 million in 2024 as compared to 2023 is due to additional investments net of distributions and net gain on investments.

(Note 16)

Private Credit - \$298.27 million

Detailed records regarding these investments of public pension funds are exempt from disclosure under California Government Code Section 7928.710. The increase of \$10.78 million in 2024 as compared to 2023 is due to additional investments net of distributions and net gain on investments.

(Note 17)

Capital Assets at Cost (Net of Accumulated Depreciation and Amortization) - \$12.00 million

(Dollars in Millions)

	6/30/2024	6/30/2023
Retirement Information System and Others - Construction-In-Process	\$ 10.76	\$ 7.26
Equipment, Furniture & Information Systems	13.60	13.58
Electronic Document Management System	4.18	4.18
Right-to-Use Leased Office Equipments	0.39	0.21
Less: Accumulated Depreciation and Amortization	(17.86)	(17.92)
Net Book Value	11.07	7.31
Leasehold Improvements	2.59	2.59
Less: Accumulated Depreciation	(1.66)	(1.56)
Net Book Value	0.93	1.03
Total Capital Assets, Net	\$ 12.00	\$ 8.34

Depreciation is computed using the straight-line method over the following estimated useful lives or over the term of the lease:

- Computer Hardware 5 years
- Computer Software 3 years
- Equipment 5 years
- Furniture 7 years
- Information System – Retirement 7 years
- Information System – Accounting 3 years
- EDMS 5 years
- Right to use Leased Assets 5 years
- Disaster Recovery 5 years
- Leasehold Improvements 27.5 years

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
 As of June 30, 2024

(Note 18)

Accrued Administration Expenses - \$2.95 million

Accrued administration expenses consist of accounts payable, payroll expense, actuarial services payable and other operating expenses.

(Note 19)

19a. Members' Benefits & Refunds Payable - \$6.00 million

The detail of Members Benefits and Refund Payables are as follows:

(Dollars in Millions)

<i>Accrued Benefits and Refunds</i>	<i>6/30/2024</i>	<i>6/30/2023</i>
Basic Active Death Benefits	\$ 0.53	\$ 0.71
Active Death Contribution Refunds	1.03	1.10
Retired Death Benefits	3.86	4.06
Members' Contribution Refunds	0.58	0.11
Total Members' Benefits & Refunds Payable	\$ 6.00	\$ 5.98

19b. Retirement Payroll Deductions Payables - \$0.04 million

The balance for June 30, 2024, includes \$0.04 million in health premium prepayments. The corresponding balance for June 30, 2023, included \$0.03 million in health premium prepayments.

(Note 20)

Contributions - \$223.70 million

The increase in contributions of \$18.91 million in 2024 as compared to 2023 is primarily due to increases in member and employer contribution rates.

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
 As of June 30, 2024

(Note 21)

Net Appreciation/ (Depreciation) in Fair Value of Investments – \$559.30 million

(Dollars in Millions)

	<i>For the Period Ended</i>	
	<i>6/30/2024</i>	<i>6/30/2023</i>
<u>Actual / Realized Gains/(Losses)</u>		
Domestic Equities	\$ 73.45	\$ 29.09
International Equities	18.98	0.10
Domestic Bonds	(20.54)	(12.19)
International Bonds	8.29	(1.98)
Real Estate Commingled Funds	1.72	6.99
Private Equity & Alternative	84.36	8.04
Real Assets	2.86	8.90
Private Credit	(2.89)	0.39
Futures	6.90	2.27
Currency	(5.10)	(0.74)
<i>Total Realized Gains/(Losses)</i>	168.03	40.87
<u>Paper / Unrealized Gains/(Losses)</u>		
Domestic Equities	293.66	359.88
International Equities	130.36	257.54
Domestic Bonds	(4.71)	24.96
International Bonds	(15.61)	16.09
Real Estate Commingled Funds	(41.77)	(65.06)
Real Estate Sep. Props.	(11.55)	(7.25)
Private Equity & Alternative	28.64	32.76
Real Assets	22.40	1.34
Private Credit	1.54	4.43
Futures	(8.10)	1.60
Currency	(3.59)	(5.34)
<i>Total Unrealized Gains/(Losses)</i>	391.27	620.95
Total Net Realized and Unrealized Gains/(Losses)	\$ 559.30	\$ 661.82

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
 As of June 30, 2024

(Note 22)

Dividend, Interest, and Other Investment Income - \$111.19 million

(Dollars in Millions)

	<i>For the Period Ended</i>	
	<i>6/30/2024</i>	<i>6/30/2023</i>
<i>Dividend, Interest, and Other Investment Income</i>		
Interest Income	\$ 35.59	\$ 30.14
Dividend Income	18.40	26.10
Real Estate Income	14.47	9.61
Private Equity, Absolute Return and Real Asset Income / (losses)	42.73	19.80
Total Net Income	\$ 111.19	\$ 85.65

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
 As of June 30, 2024

(Note 23)

Investment Expenses - \$36.28 million

(Dollars in Millions)

<i>Investment Expenses</i>	<i>For the Period Ended</i>			
	<i>Basis Points</i>	<i>6/30/2024</i>	<i>Basis Points</i>	<i>6/30/2023</i>
Investment Manager and Incentive Fees	28.33	\$ 33.39	21.60	\$ 23.52
Investment Custodian	0.24	0.28	0.27	0.30
Investment Consultants & Other Expenses(*)	0.75	0.89	0.75	0.82
Subtotal	29.32	34.56	22.62	24.64
Investment Allocated Cost	1.46	1.72	1.50	1.63
Total Investment Expenses(**)	30.78	\$ 36.28	24.12	\$ 26.27

(*) *Investment Consultant and Other Expenses*

(Dollars in Millions)

	<i>For the Period Ended</i>			
	<i>Basis Points</i>	<i>6/30/2024</i>	<i>Basis Points</i>	<i>6/30/2023</i>
Investment Advising & Performance (Pearls, Alternative Investment)	0.58	\$ 0.68	0.46	\$ 0.50
Consultant - Portfolio Rebalancing	0	-	0.01	0.01
Consultant - Legal (Alternative Investment)	0.07	0.09	0.16	0.18
Subtotal – Consultants Expenses	0.65	0.77	0.63	0.69
Proxy Services	0.02	0.03	0.02	0.02
Transaction Cost Analysis	0.02	0.02	0.02	0.02
Other Investment Expenses/(Income)	0.06	0.07	0.08	0.09
Subtotal – Other Investment Expenses	0.10	0.12	0.12	0.13
Total Investment Consultants and Other Expenses	0.75	\$ 0.89	0.75	\$ 0.82

(**) The increase in total investment expenses of \$10.01 million in 2024 as compared to 2023 is primarily due to incentive fees and management fees from alternative investment managers.

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
 As of June 30, 2024

(Note 24)

Net Investment Income/ (Losses) – 634.21 million

(Dollars in Millions)

	<i>For the Period Ended</i>		<i>Inc./ (Dec.)</i>
	<i>6/30/2024</i>	<i>6/30/2023</i>	<i>from previous period</i>
Paper / Unrealized Gains/(Losses)	\$ 391.28	\$ 620.95	\$ (229.67)
Actual / Realized Gains/(Losses)	168.01	40.87	127.14
Investment Income (Interest/Dividend/RE/Other) - Net of Expenses	74.92	59.38	15.54
Total Net Income/ (Losses)	\$ 634.21	\$ 721.20	\$ (86.99)

(Note 25)

Securities Lending Net Income - \$0.33 million

The securities lending net income balance as of June 30, 2024, and June 30, 2023, were \$0.33 million and \$0.38 million, respectively.

(Note 26)

Miscellaneous Income - \$0.20 million

The miscellaneous income of \$0.20 million is predominantly from prior year investment income and security litigation income recovery.

(Note 27)

Service Retirement and Disability Benefits - \$310.73 million

The increase of \$12.69 million was predominantly due to a higher average of benefits paid to newly added retirees compared to that of deceased retirees with lower average benefits. In addition, this included a modest increase of 206 in the total number of retirees and beneficiaries receiving benefits, from 10,945 on June 30, 2023, to 11,151 on June 30, 2024.

(Note 28)

Death Benefits - \$1.78 million

The death benefits paid out during the three months ended June 30, 2024, were comprised of \$0.13 million of Retired Death Benefits, \$0.06 million of Active Death Benefits, and \$1.59 million of Survivorship Benefits.

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
 As of June 30, 2024

(Note 29)

Total Administration - \$9.30 million

ACERA's Board of Retirement adopted Section 31580.2 of the 1937 Act. This Section allows ACERA to exclude investment (included in Total Investment Expenses under Note 20 above), actuarial, legal, business continuity related expenses and technology costs from administrative expenses subject to statutory limits. Under Section 31618.5 ACERA excludes the SRBR administrative expenses from its total administrative expenses. ACERA's SRBR administrative expenses are the amounts that exceed the employers' 401(h) contributions allocated to estimated administrative costs of Postemployment Medical Benefits. The detail of total administration expenses are as follows:

(Dollars in Millions)

	6/30/2024	6/30/2023	<i>Inc./(Dec.) from previous period</i>
Administrative Expenses	\$ 6.87	\$ 6.44	\$ 0.43
Actuarial Expenses	0.22	0.21	0.01
Business Continuity Expenses	0.33	0.31	0.02
Legal Expenses	0.47	0.38	0.09
Technology Expenses	0.51	0.49	0.05
401(h) Administrative Expenses	0.90	0.81	0.09
Total	\$ 9.30	\$ 8.64	\$ 0.69



MEMORANDUM TO THE BOARD OF RETIREMENT

DATE: August 15, 2024
 TO: Members of the Board of Retirement
 FROM: Erica Haywood, Fiscal Services Officer *EH*
 SUBJECT: Actual Cash and Forecast as of June 30, 2024

Executive Summary

ACERA liquidates cash from the plan’s invested assets on a monthly basis to meet its increasing financial obligations. To better manage assets, best practices recommend a robust cash forecast and analysis to understand, communicate, and manage the invested assets that fund ever-increasing pension liabilities and administrative expense obligations.

- Table 1 is the annual cash forecast from July 2024 to June 2025, which will roll forward monthly as the year progresses; and,
- Tables 2 through 4 is the annualized, 5-year actual cash management information. Please note that the current year 2024 comprises the six months actual and six months forecast information.

Table 1 Cash Forecast: Table 1 provides the current forecasted negative cash position for the period spanning July 2024 to June 2025. The average monthly negative cash position for the referenced period is \$25,701,199. Excluding the two three-pay-period months i.e., August 2024 and January 2025, annotated by an *. The year-over-year decrease in average monthly forecasted negative cash position compared to the same period in 2023-2024 is \$133,095.00.

Table 1 Annual Cash Forecast from July 2024 to June 2025			
Month-Year	Total Receipts	Total Disbursements	Negative Cash Position
Jul-24	\$ 34,819,104	\$ 61,188,165	\$ (26,369,061)
Aug-24*	52,231,197	61,582,843	(9,351,646)
Sep-24	35,224,186	60,993,016	(25,768,830)
Oct-24	35,359,213	61,080,442	(25,721,229)
Nov-24	35,494,240	61,167,867	(25,673,627)
Dec-24	35,629,268	61,255,292	(25,626,024)
Jan-25*	53,378,929	62,019,970	(8,641,041)
Feb-25	35,764,295	61,430,143	(25,665,848)
Mar-25	35,899,322	61,517,569	(25,618,247)
Apr-25	36,034,349	61,604,994	(25,570,645)
May-25	36,169,377	61,692,419	(25,523,042)
Jun-25	36,304,404	61,779,845	(25,475,441)
Total	462,307,884	737,312,565	(275,004,681)
Average	\$ 35,669,776	\$ 61,370,975	\$ (25,701,199)

Table 1 notes: *These are three-pay-period months which are excluded from the average because they cause inaccuracy with extreme fluctuation.

Tables 2 through 4, below, provide a 5-year, annualized analysis of ACERA’s cash management.

Table 2 5-Year Annual Cash Inflow			
Year	Total Contributions, Misc. Cash Receipts, etc.	Cash Draw from SSB**	Total Cash Inflow
2024	\$ 452,902,795	\$ 339,000,000	\$ 791,902,795
2023	414,899,787	355,000,000	769,899,787
2022	403,696,551	358,000,000	761,696,551
2021	415,814,788	278,500,000	694,314,788
2020	413,586,022	247,200,000	660,786,022

Table 2. Annualized inflow of total cash receipts. The Cash Draw from SSB, in the second column is the actual net cash drawn from ACERA’s investment portfolio.

Table 3 5-Year Annual Cash Outflow			
Year	Retiree Payroll, Accounts Payable, ACERA Payroll, etc.	Cash Return to SSB**	Total Cash Outflow
2024	\$ 726,995,099	\$ 66,500,000	\$ 793,495,099
2023	695,633,991	76,000,000	771,633,991
2022	661,897,144	92,000,000	753,897,144
2021	626,589,116	64,700,000	691,289,116
2020	597,872,011	64,013,096	661,885,107

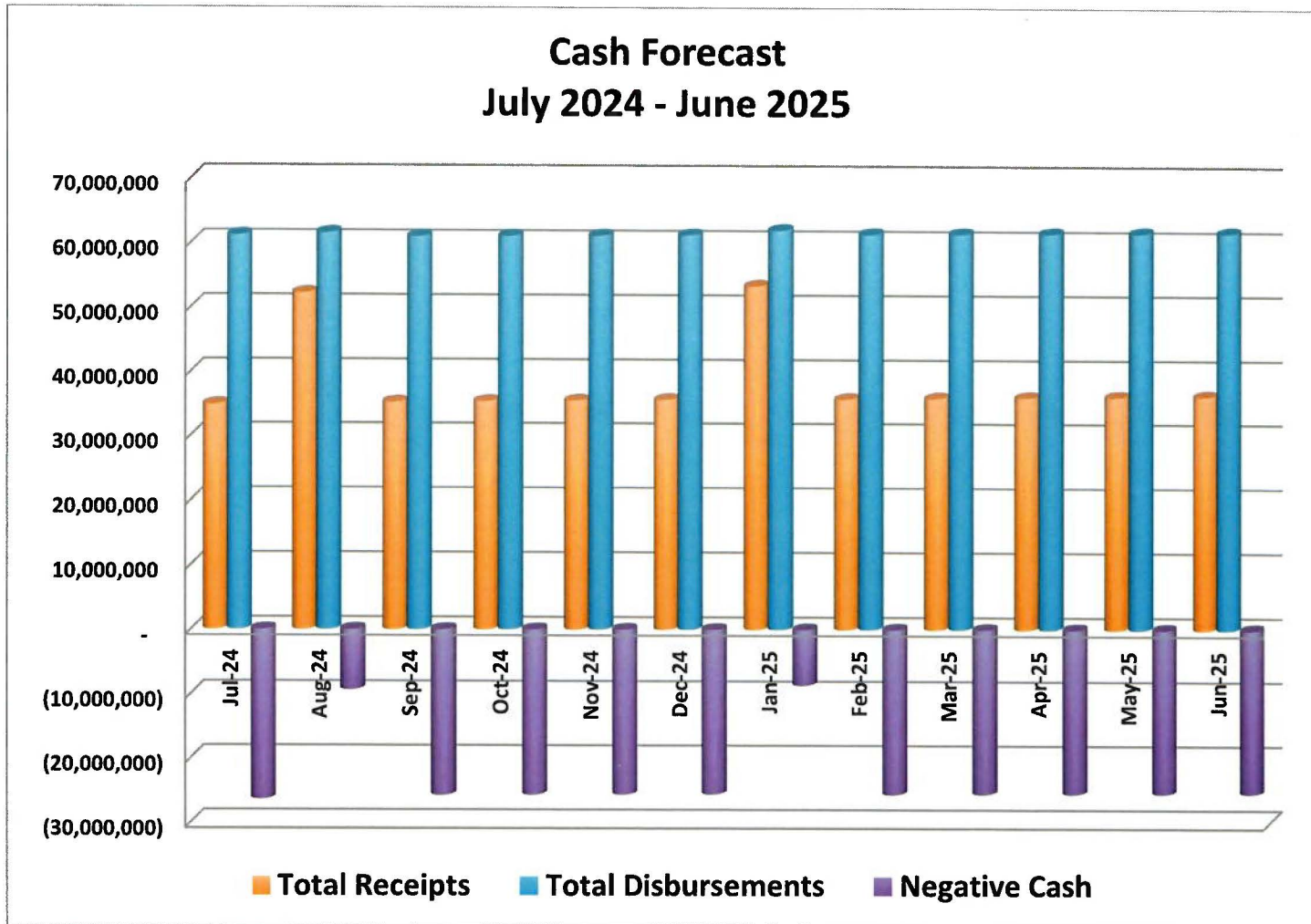
Table 3. Annualized outflow of retirement and benefit payments, accounts payable, and ACERA payroll. Excess cash (Cash Return to SSB column) is wired to the SSB H11A account.

Table 4 5-Year Annual Net Cash Position			
Year	Negative Cash	Net Cash Draw from SSB**	Variance
2024	\$ (274,092,304)	\$ 272,500,000	\$ (1,592,304)
2023	(280,734,204)	279,000,000	(1,734,204)
2022	(258,200,593)	266,000,000	7,799,407
2021	(210,774,327)	213,800,000	3,025,673
2020	(184,285,989)	183,186,904	(1,099,085)

Table 4. Annualized Negative Cash position and the SSB Net Cash Draw. Due to timing differences and end-of-year balance differences, the net cash draw can fluctuate several hundred-thousand dollars in a year-over-year comparison.

* State Street Bank (SSB)

Conclusion: This information is not meant to be statistically inferential in nature; but rather, it presents facts about ACERA’s negative cash position on a 5-year annualized basis. Future analysis of the this information can be undertaken to evaluate specific tendency; however, the current presentation is intended to provide a factual assessment of the actual cash draw down of ACERA’s investment portfolio.





MEMORANDUM TO THE BOARD OF RETIREMENT

DATE: August 15, 2024

TO: Members of the Board of Retirement

FROM: Erica Haywood, Fiscal Services Officer *EH*

SUBJECT: Quarterly Board Conference and Training Expense Report for the period
January 1, 2024, to June 30, 2024

Attached is the January 1, 2024 – June 30, 2024 Board conference and training expense report. As of June 30, 2024, reported expenses totaled \$62,678.

ACERA Trustees
Board Conference Expense Report
January 1, 2024 to
June 30, 2024

From	To	Attendee	Conference	Location	Total
05/07/24	05/10/24	Cynthia Baron	SACRS Spring Conference	Santa Barbara, CA	\$ 2,041
05/17/24	05/17/24	Cynthia Baron	CALAPRS Trustees Round Table	Virtual	\$ 50
08/26/24	08/29/24	Cynthia Baron	CALAPRS Principles of Pension Governance for Trustees	Tiburon, CA	\$ 3,000
Cynthia Baron Total					\$ 5,091
09/03/24	09/05/24	Elizabeth Rogers	ValueEdge Public Funds Forum	Laguna Beach, CA	\$ 995
Elizabeth Rogers total					\$ 995
04/15/24	04/17/24	George Wood	Pension Bridge Conference	Half Moon Bay, CA	\$ 138
05/05/24	05/08/24	George Wood	Milken Global Conference	Los Angeles, CA	\$ 9,054
George Wood Total					\$ 9,192
03/21/24	03/29/24	Henry Levy	PIMCO Conference and Berkeley Corporate + Climate	SF & Berkeley, CA	\$ 20
04/08/24	04/10/24	Henry Levy	Callan National Conference	San Francisco, CA	\$ 36
05/17/24	05/17/24	Henry Levy	CALAPRS Trustees Round Table	Virtual	\$ 50
06/03/24	06/04/24	Henry Levy	GIIN Conference: Transform Your Portfolio & West Coast Impact	San Francisco, CA	\$ 1,248
09/03/24	09/05/24	Henry Levy	ValueEdge Public Funds Forum	Laguna Beach, CA	\$ 995
Henry Levy Total					\$ 2,349
01/30/24	01/31/24	Jaime Godfrey	NEPC Conference	Tempe, AZ	\$ 963
02/26/24	02/27/24	Jaime Godfrey	Pension Bridge Private Credit Conference	Carlsbad, CA	\$ 1,099
03/18/24	03/20/24	Jaime Godfrey	Markets Group ALTSLA Conference	Los Angeles, CA	\$ 1,347
04/30/24	05/01/24	Jaime Godfrey	Institutional Investors Public Funds Round Table	Los Angeles, CA	\$ 831
05/07/24	05/10/24	Jaime Godfrey	SACRS Spring Conference	Santa Barbara, CA	\$ 1,911
05/17/24	05/17/24	Jaime Godfrey	CALAPRS Trustees Round Table	Virtual	\$ 50
Jaime Godfrey Total					\$ 6,200
05/05/24	05/08/24	Kevin Bryant	Milken Global Conference	Los Angeles, CA	\$ 8,236
05/29/24	05/29/24	Kevin Bryant	NASP Financial Services Conference	Atlanta, GA	\$ 250
Kevin Bryant Total					\$ 8,486
05/05/24	05/08/24	Keith Carson	Milken Global Conference	Los Angeles, CA	\$ 8,514
Keith Carson Total					\$ 8,514
03/27/24	03/29/24	Kellie Simon	CALAPRS Advanced Principles of Pension Governance for Trustees	Los Angeles, CA	\$ 3,660
05/07/24	05/10/24	Kellie Simon	SACRS Spring Conference	Santa Barbara, CA	\$ 2,259
05/17/24	05/17/24	Kellie Simon	CALAPRS Trustees Round Table	Virtual	\$ 50
07/14/24	07/17/24	Kellie Simon	SACRS UC Berkeley Program	Berkeley, CA	\$ 3,000
09/03/24	09/05/24	Kellie Simon	ValueEdge Public Funds Forum	Laguna Beach, CA	\$ 995
Kellie Simon Total					2259.14 \$ 9,964
05/07/24	05/10/24	Ross Clippinger	SACRS Spring Conference	Santa Barbara, CA	\$ 1,537
Ross Clippinger Total					\$ 1,537
Ongoing		Tarrell Gamble	CAIA Conference	Virtual	\$ 395
01/30/24	01/31/24	Tarrell Gamble	NEPC Conference	Tempe, AZ	\$ 810
02/26/24	02/27/24	Tarrell Gamble	Pension Bridge Private Credit Conference	Carlsbad, CA	\$ 1,411
03/04/24	03/06/24	Tarrell Gamble	CII Conference	Washington, DC	\$ 2,080
03/13/24	03/14/24	Tarrell Gamble	SEO Alternative Investments Conference	New York, NY	\$ 2,300
03/18/24	03/20/24	Tarrell Gamble	Markets Group ALTSLA Conference	Los Angeles, CA	\$ 724
03/21/24	03/21/24	Tarrell Gamble	NASP Day of Education in Private Equity Conference	Los Angeles, CA	\$ 220
04/09/24	04/10/24	Tarrell Gamble	P&I Private Markets Conference	Chicago, IL	\$ 918
05/07/24	05/10/24	Tarrell Gamble	SACRS Spring Conference	Santa Barbara, CA	\$ 776
09/23/24	09/23/24	Tarrell Gamble	IMN Real Estate Forum	New York, NY	\$ 716
Tarrell Gamble Total					\$ 10,350
GRAND TOTAL					\$ 62,678



MEMORANDUM TO THE BOARD OF RETIREMENT

DATE: August 15, 2024

TO: Members of the Board of Retirement

FROM: Erica Haywood, Fiscal Services Officer *EH*

SUBJECT: Quarterly SLT Conference and Training Expense Report for the period
January 1, 2024, to June 30, 2024

Attached is the January 1, 2024 – June 30, 2024 Senior Leadership Team conference and training expense report. As of June 30, 2024, reported expenses totaled \$26,731.

ACERA SLT
Conference and Training Expense Report
January 1, 2024 to June 30, 2024


From	To	SLT	Training or Conference	Name	Amount
Conferences					
02/08/24	02/08/24	Dave Nelsen	Conference	CALARPS Administrator's Round Table	\$ 50
03/02/24	03/05/24	Dave Nelsen	Conference	CALAPRS General Assembly	\$ 1,644
04/22/24	04/24/24	Dave Nelsen	Conference	CALAPRS Management Academy	\$ 389
05/05/24	05/06/24	Dave Nelsen	Conference	SACRS CEO & Administrator's Forum	\$ 150
05/07/24	05/10/24	Dave Nelsen	Conference	SACRS Spring Conference	\$ 2,108
06/17/24	06/19/24	Dave Nelsen	Conference	NCPERS CEO Summit	\$ 2,707
		Dave Nelsen	Conference	CALARPS Administrator's Round Table	\$ 633
Trainings					
04/19/24	04/19/24	Dave Nelsen	Training	SACRS Legislative Update	\$ 24
Dave Nelsen Total					\$ 7,705
Conferences					
03/02/24	03/05/24	Lisa Johnson	Conference	CALAPRS General Assembly	\$ 1,821
05/07/24	05/10/24	Lisa Johnson	Conference	SACRS Spring Conference	\$ 1,322
Trainings					
01/01/24	12/31/24	Lisa Johnson	Training	AMA Training Annual Pass	\$ 1,748
03/11/24	03/12/24	Lisa Johnson	Training	AMA Business Certificate Program	\$ 6
Lisa Johnson Total					\$ 4,896
Conferences					
03/02/24	03/05/24	Carlos Barrios	Conference	CALAPRS General Assembly	\$ 1,732
05/07/24	05/10/24	Carlos Barrios	Conference	SACRS Spring Conference	\$ 1,550
		Carlos Barrios	Reclass	Adjustment	\$ (9)
Carlos Barrios Total					\$ 3,273
Conferences					
05/11/24	05/11/24	Erica Haywood	Conference	Toastmaster's Conference	\$ 90
06/08/24	06/13/24	Erica Haywood	Conference	GFOA Annual Conference	\$ 3,575
Trainings					
01/09/24	01/11/24	Erica Haywood	Training	GFOA - Preparing an Annual Comprehensive Financial Report	\$ 420
02/14/24	02/14/24	Erica Haywood	Training	CA CPA Ethics & CA Rules & Regulations	\$ 155
Erica Haywood Total					\$ 4,240
Conferences					
01/11/24	01/11/24	Harsh Jadhav	Conference	CalCPA Government Accounting & Audit	\$ 140
02/13/24	02/13/24	Harsh Jadhav	Conference	Cybersecurity Summit	\$ 54
05/07/24	05/10/24	Harsh Jadhav	Conference	SACRS Spring Conference	\$ 810
Trainings					
01/18/24	01/18/24	Harsh Jadhav	Training	Compliance Week Webinar Training - Third Party Risk Management	\$ 399.00
01/23/24	12/31/24	Harsh Jadhav	Training	Lorman Education Services - Continuing Education	\$ 559.20
02/28/24	12/31/24	Harsh Jadhav	Training	CPE247 - Continuing Education	\$ 150.00
Various		Harsh Jadhav	Training	Excel University	\$ 1,699.00
Harsh Jadhav Total					\$ 3,810
Conferences					
02/09/24	02/09/24	Jeffrey Reiger	Conference	CALAPRS Attorneys Roundtable	\$ 50
05/07/24	05/10/24	Jeffrey Reiger	Conference	SACRS Spring Conference	\$ 1,172
05/24/24	05/24/24	Jeffrey Reiger	Conference	CALAPRS Attorneys Roundtable	\$ 50
Jeffrey Reiger Total					\$ 1,272
Conferences					
03/12/24	03/12/24	Vijay Jadhav	Conference	Copilot for Microsoft 365 Strategy Briefing	\$ 29.71
Vijay Jagar Total					\$ 30
Conferences					
05/07/24	05/10/24	Betty Tse	Conference	SACRS Spring Conference	\$ 1,505
Betty TseTotal					\$ 1,505
Grand Total					\$ 26,731



MEMORANDUM TO THE BOARD OF RETIREMENT

DATE: August 15, 2024

TO: Members of the Board of Retirement

FROM: Sandra Dueñas-Cuevas, Benefits Manager 

SUBJECT: **Amendment to K9 Inspect-Agricultural Shipment – 497 and Associated Pay Code Canine Handler-75 HR – 40D**

The County of Alameda (County) requested an amendment to pay code K9 Inspect-Agricultural Shipment – 497 and the associated pay code Canine Handler-75 HR – 40D.

Pay code 497 is for additional compensation of 5% of the base pay to be paid to an employee in the job classification of Agricultural and Standards Investigator II (Job Code 8419) or Agricultural and Standards Investigator III (Job Code 8420) in the Agricultural/Weights and Measures Department, when assigned and performing duties related to the canine inspection of agricultural shipments. Pay code 40D, paid to the same employees, is for a \$30.00 per bi-weekly pay period for the care and feeding of the assigned canine. Both pay codes are currently included in “compensation earnable” and excluded from “pensionable compensation.” Pay code 497 was excluded from “pensionable compensation” because it was paid to only one employee.

On April 30, 2024, the Board of Supervisors approved amending Subsection 3-21.85 to Article 3, Section 3-21 of the County of Alameda Salary Ordinance. It states: “Effective May 26, 2024, not to exceed two (2) employees in Job Codes 8418, 8419 and/or 8420 in the Agricultural/Weights and Measures Department, when assigned and performing duties related to the canine inspection of agricultural shipments, shall receive an additional five percent (5%) compensation of base pay, and thirty dollars (\$30.00) per bi-weekly pay period for the care and feeding of the assigned canine.”

This pay code will apply to no more than two employees who are assigned and performing duties described above in the job classifications of Agricultural and Standards Investigator I, Agricultural and Standards Investigator II, or Agricultural and Standards Investigator III. There could be two employees in one job classification who receive the pay or the two employees receiving this pay could be in different job classifications. The County determines which two employees receive this pay based on which employees are available and are assigned these duties.

Staff and Chief Counsel reviewed the required supporting documentation (attached) and made the determination that pay code 497 and associated pay code 40D qualify as “compensation earnable” under Government Code Section 31461 (for Legacy members). These pay codes clearly meet the definition of “compensation earnable” because they are paid in cash to the member, are not paid for overtime and do not fall under any of the express exclusions in Section 31461.

Whether pay code 497 qualifies as “pensionable compensation” is a close call. Under ACERA’s historical practices implementing Section 7522.34, regular recurring extra pay (e.g., 5% additional

salary) for performing additional duties has been included in “pensionable compensation” if there are at least two employees in a classification who receive that extra pay. Here, it is possible, but not certain, that two employees in a classification will receive the extra pay. This is because the two employees receiving the extra pay might be in two different classifications. For a similar prior pay code, the Chief Executive Officer and Chief Counsel recommended the pay code for inclusion in “pensionable compensation” and the Board adopted that recommendation. To qualify as “pensionable compensation,” the pay must be paid to “similarly situated members of the same group or class of employment.” Here, the “similarly situated member” would be a member of the same class who is assigned and performing duties related to the canine inspection of agricultural shipments. Further, if two members of the same class receive the pay, they would have a strong case for inclusion of the pay in their “pensionable compensation” when they retire, so it makes sense to collect contributions on the additional pay for sound funding. Finally, this kind of pay is similar to other types of pay that ACERA regularly includes in “pensionable compensation” and is not likely to be subject to manipulation or abuse. For all these reasons, although the question is a close call Staff recommends that the Board include the pay code in “pensionable compensation” as it did with respect to a prior pay code with similar characteristics.

Pay code 40D may not be included in “pensionable compensation” because Government Code Section 7522.34(c)(7) requires the exclusion of “any employer-provided allowance, reimbursement, or payment, including, but not limited to, one made for housing, vehicle, or uniforms.”

The two relevant Government Code sections are attached for the Board’s reference.

Staff informed the County that its determination will be included on the Board’s Consent Calendar for its August 15, 2024 meeting. If this item is not pulled from the Consent Calendar for discussion, then the Board will approve Staff’s determination that (1) the amended pay code K9 Inspect-Agricultural Shipment – 497 and associated pay code Canine Handler-75 HR – 40D are “compensation earnable” under Government Code Section 31461 (for Legacy members), (2) pay code 497 is “pensionable compensation” under Government Code Section 7522.34 (for PEPRA members), and (3) pay code 40D is not “pensionable compensation” under Government Code Section 7522.34 (for PEPRA members).

Attachments



ALAMEDA COUNTY
AUDITOR-CONTROLLER AGENCY
MELISSA WILK
AUDITOR-CONTROLLER/CLERK-RECORDER

REQUEST FOR ACERA’S REVIEW OF A NEW PAY ITEM/CODE *REVISED*

Employer Name:	County of Alameda
Date of Request	05/06/24 – 6/11/24 *Revised*
Employer Department Submitting the Request	Auditor-Controller’s Agency
Contact Person/Employer (include title/position)	Stephanie Tsurumoto
Contact Person Telephone incl area code	(510)272-6581
Contact Person Email address	stephanie.tsurumoto@acgov.org
Pay Item Name (and code Number)	497 – K9 Inspect-Agricultural Shipmt 40D – Canine Handler-75 HR
Pay Item Effective Date per authorization:	5/26/24
State if additional documentation is attached	Yes – Board Letter

NOTE: The following information is required before ACERA can review and respond to the request. To meet ACERA’s requirements, please provide substantive responses below or on a separate paper and return , with this form, all of the supporting documentation prior to issuing (paying) the pay item to any employee who is an ACERA member.

1. State the job classification of employees eligible for the pay item (i.e. Job Code 0499-Nurse Practitioners II may receive this pay item)

RESPONSE #1: 8418 – Agri and Stds Investgr I
8419 – Agri and Stds Investgr II
8420 – Agri and Stds Investgr III

2. State employment status of employees eligible to receive the pay item (i.e. full time employees, part time employees)

RESPONSE #2: Full Time

3. State the number of members or employees who are eligible to receive the pay item (i.e. all members or employees in a job classification eligible to receive the pay item, or “not to exceed one employee”)

RESPONSE #3: Not to exceed 2 employees

4. State whether pay item is for overtime or regular base pay

RESPONSE #4: No

5. State whether pay item is calculated as a fixed amount or percentage of the base pay

RESPONSE #5: Earn Code 497 – Percentage – 5% of Base Pay
Earn Code 40D – Fixed Amount – \$30.00

6. State whether the pay item is paid one time (i.e. incentive pay, referral pay, bonus, award)

RESPONSE #6: No

7. State whether the pay item is an ad hoc payment (i.e, stipend, payment for attending a meeting during the working hours, payment for attending a meeting during non-working hours)

RESPONSE #7: No

8. State whether the pay item is a reimbursement (i.e., car allowance, housing allowance, uniform allowance, mileage payment, cell phone allowance)

**RESPONSE #8: Earn Code 497 – No
Earn Code 40D – Yes**

9. State regular working hours of the employees who will receive the pay item (i.e., 37.5 hour workweek employees, 40 hour workweek employees)

RESPONSE #9: 37.5 Hour Work Week

10. State whether pay item is for work performed outside of the regular workweek (i.e., payment for work or services performed outside of the employee's 37.5 hour workweek, or outside the employee's 40 hour workweek)

RESPONSE #10: No

11. State whether the pay item if for deferred compensation

RESPONSE #11: No

12. State whether the pay item is for retro payments

RESPONSE #12: No

13. State whether the pay item is for accrued unused leaves (i.e., sick leave, annual leave, floating holiday, vacation, comp time)

RESPONSE #13: No

14. State whether the payment is compensation that had previously been provided in kind to the member by the employer or paid directly by the employer to a third party other than the retirement system for the benefit of the member or employee

RESPONSE #14: No

15. State whether the payment is severance or other payment in connection with or in anticipation of a separation from employment (and state if this payment is made while employee is working)

RESPONSE #15: No

16. State whether the pay item is paid in one lump sum or biweekly (or over some other time period-monthly, quarterly, annually)

RESPONSE #16: Biweekly

17. State the basis for eligibility for the pay item (i.e., certification of completion of training program conducted by an accredited university, or employee assigned as supervisor of badge distribution)

RESPONSE #17: Board Letter

- iii. Article 3, Section 3-21 (Miscellaneous), subsection 3-21.85, to add one classification of Agricultural and Standards Investigator I (Job Code (JC) 8418) and increase the number of employees from one to two, when assigned and performing duties related to canine inspection of agricultural shipments, eligible for the additional five percent compensation of base pay, and \$30.00 per biweekly pay period for the care and feeding of the assigned canine effective 5/26/24;

Salary Ordinance Section 3-21.85

SECTION III

Article 3, Section 3-21, Subsection 3-21.85 of the County of Alameda Salary Ordinance is hereby amended to read as follows:

3-21.85 – Effective ~~October 14, 2012~~ May 26, 2024, not to exceed ~~one two (2)~~ two (2) employees ~~occupying a position~~ in Job Codes 8418, 8419 and/or Job Code 8420 in the Agricultural/Weights and Measures Department, when assigned and performing duties related to the canine inspection of agricultural shipments, shall receive an additional five percent (5%) compensation of base pay, and ~~in addition, shall receive an additional~~ thirty dollars (\$30.00) per bi-weekly pay period for the care and feeding of the assigned canine.

April 30, 2024

Honorable Board of Supervisors
County of Alameda
1221 Oak Street, Suite 536
Oakland, California 94612-4305

SUBJECT: ADOPT SALARY ORDINANCE AMENDMENTS TO UPDATE SUBSECTIONS 1-1.1 TO INCREASE THE SALARIES FOR CERTAIN UNREP M-DESIGNATED AND NON-MGMT RELATED TO MGMT CLASSIFICATIONS, 3-21.111 TO PROVIDE A ONE-TIME LUMP SUM PAYMENT FOR CERTAIN UNREP M-DESIGNATED CLASSIFICATIONS, AND 3-21.85; SECTION 6-6; AND SECTION 7-20

Dear Board Members:

RECOMMENDATION

Adopt Salary Ordinance amendments to update:

- i. Article 1, Section 1-1 (Pay Rate Schedules), subsection 1-1.1, to increase the salaries for certain Unrepresented M-designated and non-management related to management classifications in Representation Units 066, 067, 095, and U45 by six percent (6%) effective May 12, 2024;
- ii. Article 3, Section 3-21 (Miscellaneous), subsection 3-21.111, to provide a one-time lump sum gross payment of two thousand dollars (\$2,000) to eligible employees in specified Unrepresented M-designated classifications in Representation Unit 066 as outlined in Section I of the attached Salary Ordinance amendment and who are in paid status in the pay period containing May 12, 2024, including some language cleanup for clarification;
- iii. Article 3, Section 3-21 (Miscellaneous), subsection 3-21.85, to add one (1) classification of Agricultural and Standards Investigator I (Job Code ("JC") 8418) and increase the number of employees from one (1) to two (2), when assigned and performing duties related to canine inspection of agricultural shipments, eligible for the additional five percent (5%) compensation of base pay, and thirty dollars (\$30.00) per biweekly pay period for the care and feeding of the assigned canine effective May 26, 2024;
- iv. Article 6, Section 6-6 (Longevity) to exclude the classifications of Assistant Sheriff (JC 0053) and Undersheriff (JC 0055) eligible for longevity pay, as their compensation is related to the Alameda County Management Employees Association, Sheriff's Sworn Units 026, 027 and 028 ("ACMEA Sworn"); and
- v. Article 7, Section 7-20 (Retirement) to remove Representation Units 043 and 071, as the County of Alameda ("County") does not contribute the employer paid member contribution ("EPMC") for said units.

DISCUSSION/SUMMARY:

On April 16, 2024, your Board adopted the first reading to increase the salaries of specified unrepresented M-designated and non-management related to management classifications by six percent (6%) effective May 12, 2024, and providing a one-time lump sum gross payment of two thousand dollars (\$2,000) to said employees who are in paid status in the pay period containing May 12, 2024. Staff erroneously excluded specified unrepresented M-designated and non-management related to management classifications in Representation Units 066, 067, and 095 and the classification of Fund Development and Grants Manager, HCSA (Job Code 0316) in Representation Unit U45 eligible for the six percent (6%) salary increase and specified unrepresented M-designated classifications in Representation Unit 066 eligible for the one-time lump sum gross payment of two thousand dollars (\$2,000) [Representation Units 067

and 095 are excluded for said one-time payment since there are no incumbents in said unit and retired annuitants are not eligible, respectively]. As such, staff recommends increasing the salaries by six percent (6%) for the classifications as outlined in Section I of the attached Salary Ordinance amendment and updating subsection 3-21.111 of the Salary Ordinance to include the classifications in Representation Unit 066 as outlined in Section I of the Salary Ordinance amendment eligible for one-time lump sum gross payment of two thousand dollars (\$2,000), including some language cleanup for clarification.

In addition, the Community Development Agency ("CDA") requested to expand the existing footnote as outlined in subsection 3-21.85 of the Salary Ordinance by adding the classification of Agricultural and Standards Investigator I (Job Code ("JC") 8418) and increasing the number of employees from one (1) to two (2), when assigned and performing duties related to the canine inspection of agricultural shipments, eligible for the additional compensation. There is currently only one (1) employee who can be assigned to perform such duties and given that CDA secured additional funding in this service area, the department requested to add another classification and increase the number of eligible employees to two (2). Staff concurs with said request and recommends amending subsection 3-21.85 of the Salary Ordinance to include the classification of Agricultural and Standards Investigator I (JC 8418) and increase the number of eligible employees in the list of classifications from one (1) to two (2) eligible for said footnote effective May 26, 2024.

Further, staff recommends amending Article 6, Section 6-6 (Longevity) of the Salary Ordinance to exclude the classifications of Assistant Sheriff (JC 0053) and Undersheriff (JC 0055) eligible for longevity pay, as their compensation is related to ACMEA Sworn.

Lastly, staff recommends amending Article 7, Section 7-20 (Retirement) of the Salary Ordinance to remove reference to Representation Units 043 and 071, as the County does not contribute EPMC for said units.

SELECTION CRITERIA:

N/A

FINANCING:

Funds are available in the 2023-2024 Approved Budget and will be included in future years' requested budgets to cover the costs resulting from the recommendation.

VISION 2026 GOAL:

The recommendation meets the 10x goal pathways of **Employment for All** in support of our shared vision of a **Prosperous and Vibrant Economy**.

Very truly yours,

DocuSigned by:

24C63D8E074A48D...
Margarita Zamora, Interim Director
Human Resource Services

cc: CAO
Auditor-Controller
CEO, ACERA
Agency/Department Heads

By 
Kristy van Herick, Asst. County Counsel

AN ORDINANCE AMENDING
CERTAIN PROVISIONS OF THE 2023-2024
COUNTY OF ALAMEDA SALARY ORDINANCE

The Board of Supervisors of the County of Alameda ordains as follows:

SECTION I

Article 1, Section 1-1, Subsection 1-1.1 of the County of Alameda Salary Ordinance is hereby amended thereto of the following job codes, titles, and salary effective on May 12, 2024 as shown below:

Job Code	Classification Title	Unit Code	Step 1	Step 2	Step 3	Step 4	Step 5	FLSA
0169	EM Chief, Executive Offcr ACERA	066	11335.20				13495.20	X
1339	PA Compliance Officer, ACERA	066	3504.80				4697.60	X
1343	PA Investment Analyst,ACERA	066	4606.40				5879.20	X
1345	PA Chief Investment Officer,ACERA	066	8684.00				13887.20	X
1346	PA Investment Officer, ACERA	066	5756.00				7347.20	X
1347	PA Human Resources Officer, ACERA	066	4449.60				7336.00	X
1348	CA Human Resources Speclst, ACERA	066	3139.20				4948.00	X
1349	SM Investment Ops Officer, ACERA	066	6184.00				8040.80	X
1350	CA Exec Secretary, ACERA	066	3126.40				4755.20	X
1355	SM Retirement Benefits Manager	066	4449.60				7336.00	X
1356	SM Retirement Asst Benefits Mgr	066	3672.00				6234.40	X
1357	SM Fiscal Services Ofcr, ACERA	066	6355.20				7721.60	X
1358	EM Asst Chief Execu Offcr,ACERA	066	6487.20				10372.00	X
1359	SM Retirement Asst Accting Mgr	066	3672.00				6234.40	X
1360	PA Retirem Budget Analyst, ACERA	066	4356.00				5292.00	X
1363	PA Communications Manager,ACERA	066	3564.00				4736.80	X
1364	PA Security Analyst, ACERA	066	3786.40				5088.00	X
1365	SM Retirement Tech Officer, ACERA	066	6138.40				7834.40	X
1366	PA Comp & Netwrk Sys Analst,ACERA	066	4988.80				6669.60	X
1367	PA Comp & Netwrk Sys Spec, ACERA	066	3544.80				4750.40	X
1368	MA Retirement Sys Prg Anyst,ACERA	066	3939.20				5711.20	X
1371	PA Retirement Accountant III	066	3956.00	4157.60	4367.20	4599.20	4813.60	X
1372	PA Internal Auditor, ACERA	066	4153.60				5052.00	X
1373	PA Chief of Internal Audit, ACERA	066	4449.60				7336.00	X
1375	PA Senior Investment Officer, ACERA	066	7347.20				9376.80	X
5018	SM Hospital Outreach Coord,ACCFC	067	2253.60				3006.40	X
5024	SM Program Srvs Adminstr,ACCFC	067	4186.40	4392.80	4615.20	4844.80	5088.80	X
1090	NM Retired Annuitant I	095	16.46				94.92	N
1091	NM Retired Annuitant II	095	16.46				169.18	N

Job Code		Classification Title	Unit Code	Step 1	Step 2	Step 3	Step 4	Step 5	FLSA
1092	NM	Retired Annuitant – Safety I	095	28.25				94.92	N
1093	NM	Retired Annuitant – Safety II	095	32.78				169.18	N
0316	SM	Fund Dev and Grants Mgr	U45	4239.20				5410.40	X

SECTION II

Article 3, Section 3-21, Subsection 3-21.111 of the County of Alameda Salary Ordinance is hereby amended to read as follows:

3-21.111 – Employees in classifications as outlined in [Ordinance _____, the April 16, 2024](#) Section II (first reading April 16, 2024), and [Ordinance _____, Section I for Representation Unit 066 \(first reading April 30, 2024\)](#) ~~of the Salary Ordinance amendment~~ and who are in paid status in the pay period containing May 12, 2024 shall receive a one-time lump sum gross payment of two thousand dollars (\$2000). This subsection shall sunset effective December 21, 2024 and be deleted from the Salary Ordinance upon the sunset date.

SECTION III

Article 3, Section 3-21, Subsection 3-21.85 of the County of Alameda Salary Ordinance is hereby amended to read as follows:

3-21.85 – Effective ~~October 14, 2012~~ [May 26, 2024](#), not to exceed ~~one~~ [two \(2\)](#) employees ~~occupying a positions~~ in Job Codes [8418, 8419](#) ~~and/or Job Code~~ [8420](#) in the Agricultural/Weights and Measures Department, when assigned and performing duties related to the canine inspection of agricultural shipments, shall receive an additional five percent [\(5%\)](#) compensation [of base pay](#), and ~~in addition, shall receive an additional~~ [thirty dollars](#) (\$30.00) per bi-weekly pay period for the care and feeding of [the assigned](#) canine.

SECTION IV

Article 6, Section 6-6 (Longevity) of the County of Alameda Salary Ordinance is hereby amended to read as follows:

SECTION 6-6. LONGEVITY

In addition to the compensation specified in this Section, employees shall also be entitled to service awards granted by the Board of Supervisors.

A. Unrepresented non-management: Effective December 24, 2023, unrepresented non-management employees in classifications related to the Service Employees International Union, Local 1021, except for those in classifications designated as Services-As-Needed (“SAN”) or Temporary Assignment Pool (“TAP”) or in Representation Unit 043, are eligible for Longevity Pay as follows:

1. 10-Years of Service: Employees completing ten (10) or more years of continuous service (equivalent to or at least 20,800 and 19,500 total service hours for 80- and 75- hour classifications, respectively) shall receive an additional one percent (1.0%) compensation which shall apply to all hours in a paid status.

2. 20-Years of Service: Employees completing 20 or more years of continuous service (equivalent to or at least 41,600 and 39,000 total service hours for 80- and 75- hour classifications, respectively) shall receive an additional one percent (1.0%) compensation for a total of two percent (2.0%) which shall apply to all hours in a paid status.
- B. Unrepresented management: Effective May 12, 2024, unrepresented management employees in Representation Units U15, U44, U45, U49, U50, U65, 043, 046, 051, 066, 068, 071, except for those in [Job Codes 0053 and 0055](#) and classifications designated as SAN or TAP, are eligible for Longevity Pay as follows:
1. 10-Years of Service: Employees completing ten (10) or more years of continuous service (equivalent to or at least 20,800 and 19,500 total service hours for 80- and 75- hour classifications, respectively) shall receive an additional one percent (1.0%) compensation which shall apply to all hours in a paid status.
 2. 20-Years of Service: Employees completing 20 or more years of continuous service (equivalent to or at least 41,600 and 39,000 total service hours for 80- and 75- hour classifications, respectively) shall receive an additional one percent (1.0%) compensation for a total of two percent (2.0%) which shall apply to all hours in a paid status.

SECTION V

Article 7, Section 7-20 (Retirement) of the County of Alameda Salary Ordinance is hereby amended to read as follows:

Eligible employees become members of the Alameda County Employee Retirement Association (“ACERA”).

The County of Alameda (“County”) contribution, or employer paid member contribution (“EPMC”), set forth in item #1 (“Classic” Members) shall be for eligible unrepresented management employees in Representation Units U15, U44, U45, U49, U50, U65, ~~043, 046~~, 051, 066, and ~~068, 071~~, who are full-time employees on full-time paid status. If the employee is on paid status less than full-time, the County contribution shall be prorated each pay period based upon pensionable earnings within that biweekly pay period to the normal full-time biweekly pay period for the job classification.

1. **“Classic” Members:** Effective December 22, 2002, for employees who are “classic” members of ACERA, the County shall contribute toward the employee contribution to ACERA in an amount equal to three percent (3%) of the employee’s salary.

Effective December 22, 2002, for employees who are 30-year members of ACERA and no longer make contributions to ACERA because they are 30-year members, the County shall pay an amount equal to three percent (3%) of the employee’s salary to a 401(A) Plan.

2. **“New” Members:** Employees who are Tier 4 members of ACERA are excluded from the provision of item #1 (“Classic” Members), above.

3. **EPMC Amendment:** Effective May 12, 2024, for employees (except for employees in Job Codes 0053 and 0055) completing twenty (20) or more years of continuous service (equivalent to or at least 41,600 or 39,000 total service hours for 80-hour or 75-hour classifications, respectively), the County’s EPMC or contribution to the 401(A) Plan as provided in item #1 (Tier 2A “Classic” Members) shall be reduced from three percent (3%) to two percent (2%).

The contributions set forth in this provision by the County to ACERA are being paid in lieu of wages and shall be reported as normal contributions and credited to member accounts. Employees shall not have the option of choosing to receive the contributed amounts directly instead of having them paid by the County to ACERA or the 401(A) Plan. The contribution shall remain the property of the County and shall not become part of the accumulated contributions of the member nor create vested rights for any member. The County's Auditor-Controller's Office shall pay to ACERA the retirement contribution from the same source of funds as used for salary compensation.

SECTION VI

This ordinance shall take effect immediately, and before the expiration of fifteen days after its passage, shall be published once with the names of the members voting for and against it in the Inter-City Express, a newspaper published in the County of Alameda.

Gov. Code Sec. 31461. (a) "Compensation earnable" by a member means the average compensation as determined by the board, for the period under consideration upon the basis of the average number of days ordinarily worked by persons in the same grade or class of positions during the period, and at the same rate of pay. The computation for any absence shall be based on the compensation of the position held by the member at the beginning of the absence. Compensation, as defined in Section 31460, that has been deferred shall be deemed "compensation earnable" when earned, rather than when paid.

(b) "Compensation earnable" does not include, in any case, the following:

(1) Any compensation determined by the board to have been paid to enhance a member's retirement benefit under that system. That compensation may include:

(A) Compensation that had previously been provided in kind to the member by the employer or paid directly by the employer to a third party other than the retirement system for the benefit of the member, and which was converted to and received by the member in the form of a cash payment in the final average salary period.

(B) Any one-time or ad hoc payment made to a member, but not to all similarly situated members in the member's grade or class.

(C) Any payment that is made solely due to the termination of the member's employment, but is received by the member while employed, except those payments that do not exceed what is earned in each 12-month period during the final average salary period regardless of when reported or paid.

(2) Payments for unused vacation, annual leave, personal leave, sick leave, or compensatory time off, however denominated, whether paid in a lump sum or otherwise, in an amount that exceeds that which may be earned in each 12-month period during the final average salary period, regardless of when reported or paid.

(3) Payments for additional services rendered outside of normal working hours, whether paid in a lump sum or otherwise.

(4) Payments made at the termination of employment, except those payments that do not exceed what is earned in each 12-month period during the final average salary period, regardless of when reported or paid.

Gov. Code Sec. 7522.34. (a) "Pensionable compensation" of a new member of any public retirement system means the normal monthly rate of pay or base pay of the member paid in cash to similarly situated members of the same group or class of employment for services rendered on a full-time basis during normal working hours, pursuant to publicly available pay schedules.

(b) Compensation that has been deferred shall be deemed pensionable compensation when earned rather than when paid.

(c) "Pensionable compensation" does not include the following:

(1) Any compensation determined by the board to have been paid to increase a member's retirement benefit under that system.

(2) Compensation that had previously been provided in kind to the member by the employer or paid directly by the employer to a third party other than the retirement system for the benefit of the member and which was converted to and received by the member in the form of a cash payment.

(3) Any one-time or ad hoc payments made to a member.

(4) Severance or any other payment that is granted or awarded to a member in connection with or in anticipation of a separation from employment, but is received by the member while employed.

(5) Payments for unused vacation, annual leave, personal leave, sick leave, or compensatory time off, however denominated, whether paid in a lump sum or otherwise, regardless of when reported or paid.

(6) Payments for additional services rendered outside of normal working hours, whether paid in a lump sum or otherwise.

(7) Any employer-provided allowance, reimbursement, or payment, including, but not limited to, one made for housing, vehicle, or uniforms.

(8) Compensation for overtime work, other than as defined in Section 207(k) of Title 29 of the United States Code.

(9) Employer contributions to deferred compensation or defined contribution plans.

(10) Any bonus paid in addition to the compensation described in subdivision (a).

(11) Any other form of compensation a public retirement board determines is inconsistent with the requirements of subdivision (a).


(12) Any other form of compensation a public retirement board determines should not be pensionable compensation.



MEMORANDUM TO THE BOARD OF RETIREMENT

DATE: August 15, 2024

TO: Members of the Board of Retirement

FROM: Sandra Dueñas-Cuevas, Benefits Manager 

SUBJECT: **New Pay Code: Approve as “Compensation Earnable” and Exclude from “Pensionable Compensation” – County of Alameda**

The County of Alameda (County) requested that new pay code Programmatic Policy ACH Social Health Information Exchange – 43C be reviewed to determine whether it qualifies as “compensation earnable” and “pensionable compensation.” This new pay code establishes a footnote for additional compensation of 5% of the base pay to be paid to an employee in the job classification of Information Systems Director (Job Code #0424) when assigned the responsibilities described below.

On July 9, 2024, the Board of Supervisors approved adding Subsection 3-12.102 to Article 3, Section 3-12 of the County of Alameda Salary Ordinance. It states: “Effective June 23, 2024, not to exceed one (1) employee in Job Code 0424, when assigned the additional responsibilities associated with the programmatic policy use of the Alameda County Health Social Health Information Exchange, shall receive an additional five percent (5%) compensation of the base pay. This footnote shall be reviewed by the Director of Human Resource Services on or before January 2025, and annually thereafter.”

Staff and Chief Counsel reviewed the required supporting documentation (attached) and made the determination that because this pay code is for one employee, it does not qualify as “pensionable compensation” under Government Code Section 7522.34 (for PEPRAs members). However, this pay code does qualify as “compensation earnable” under Government Code Section 31461 (for Legacy members). This pay code clearly meets the definition of “compensation earnable” because it is paid in cash to the member, it is not paid for overtime and it does not fall under any of the express exclusions in Section 31461. The two relevant Government Code sections are attached for the Board of Retirement’s (Board) reference.

Staff informed the County that its determination will be included on the Board’s Consent Calendar for its August 15, 2024 meeting. If this item is not pulled from the Consent Calendar for discussion, then the Board will approve Staff’s determination to exclude pay code Programmatic Policy ACH Social Health Information Exchange – 43C from “pensionable compensation” under Government Code Section 7522.34 (for PEPRAs members), and include it as “compensation earnable” under Government Code Section 31461 (for Legacy members).

Attachments



ALAMEDA COUNTY
AUDITOR-CONTROLLER AGENCY
MELISSA WILK
AUDITOR-CONTROLLER/CLERK-RECORDER

REQUEST FOR ACERA'S REVIEW OF A NEW PAY ITEM/CODE

Employer Name:	County of Alameda
Date of Request	07/11/24
Employer Department Submitting the Request	Auditor-Controller's Agency
Contact Person/Employer (include title/position)	Stephanie Tsurumoto
Contact Person Telephone incl area code	(510)272-6581
Contact Person Email address	stephanie.tsurumoto@acgov.org
Pay Item Name (and code Number)	43C Prog Pol ACH Soc Hlth Info Exc
Pay Item Effective Date per authorization:	06/23/24
State if additional documentation is attached	Yes – Board Letter

NOTE: The following information is required before ACERA can review and respond to the request. To meet ACERA's requirements, please provide substantive responses below or on a separate paper and return, with this form, all of the supporting documentation prior to issuing (paying) the pay item to any employee who is an ACERA member.

1. State the job classification of employees eligible for the pay item (i.e. Job Code 0499-Nurse Practitioners II may receive this pay item)

RESPONSE #1: 0424 – Information Systems Director

2. State employment status of employees eligible to receive the pay item (i.e. full time employees, part time employees)

RESPONSE #2: Full Time

3. State the number of members or employees who are eligible to receive the pay item (i.e. all members or employees in a job classification eligible to receive the pay item, or "not to exceed one employee")

RESPONSE #3: Not to Exceed 1 employee

4. State whether pay item is for overtime or regular base pay

RESPONSE #4: Regular Base Pay

5. State whether pay item is calculated as a fixed amount or percentage of the base pay

RESPONSE #5: Percentage – Additional 5% of base pay

6. State whether the pay item is paid one time (i.e. incentive pay, referral pay, bonus, award)

RESPONSE #6: No

7. State whether the pay item is an ad hoc payment (i.e, stipend, payment for attending a meeting during the working hours, payment for attending a meeting during non-working hours)

RESPONSE #7: No

8. State whether the pay item is a reimbursement (i.e., car allowance, housing allowance, uniform allowance, mileage payment, cell phone allowance)

RESPONSE #8: No

9. State regular working hours of the employees who will receive the pay item (i.e., 37.5 hour workweek employees, 40 hour workweek employees)

RESPONSE #9: 40.0 Hours

10. State whether pay item is for work performed outside of the regular workweek (i.e., payment for work or services performed outside of the employee's 37.5 hour workweek, or outside the employee's 40 hour workweek)

RESPONSE #10: No

11. State whether the pay item is for deferred compensation

RESPONSE #11: No

12. State whether the pay item is for retro payments

RESPONSE #12: No

13. State whether the pay item is for accrued unused leaves (i.e., sick leave, annual leave, floating holiday, vacation, comp time)

RESPONSE #13: No

14. State whether the payment is compensation that had previously been provided in kind to the member by the employer or paid directly by the employer to a third party other than the retirement system for the benefit of the member or employee

RESPONSE #14: No

15. State whether the payment is severance or other payment in connection with or in anticipation of a separation from employment (and state if this payment is made while employee is working)

RESPONSE #15: No

16. State whether the pay item is paid in one lump sum or biweekly (or over some other time period-monthly, quarterly, annually)

RESPONSE #16: Biweekly

17. State the basis for eligibility for the pay item (i.e., certification of completion of training program conducted by an accredited university, or employee assigned as supervisor of badge distribution)

RESPONSE #17: Per Salary Ordinance Section 3-12-102

- ii. Amend Article 3, Section 12 (Health Care Services Agency) to add a new subsection 3-12.102, to create a footnote for one employee in the classification of Information Systems Director (JC 0424) to receive an additional five percent compensation of base pay when assigned the additional responsibilities associated with the programmatic policy use of the ACH Social Health Information Exchange effective 6/23/24

Article 3, Section 3-12, Subsection 3-12-102 of the County of Alameda Salary Ordinance is hereby added, to read as follows:

3-12.102 - Effective June 23, 2024, not to exceed one (1) employee in Job Code 0424, when assigned the additional responsibilities associated with the programmatic policy use of the Alameda County Health Social Health Information Exchange, shall receive an additional five percent (5%) compensation of the base pay. This footnote shall be reviewed by the Director of Human Resource Services on or before January 2025, and annually thereafter.



Lakeside Plaza Building
1401 Lakeside Drive, Suite 500
Oakland, CA 94612-4305
TDD: (510) 272-3703

June 18, 2024

Honorable Board of Supervisors
County of Alameda
1221 Oak Street, Suite 536
Oakland, California 94612-4305

SUBJECT: ADOPT SALARY ORDINANCE AMENDMENTS TO 1) UPDATE THE TITLE OF SECTION 3-12 TO ALAMEDA COUNTY HEALTH (“ACH”) AND 2) ADD NEW SUBSECTION 3-12.102 TO CREATE A FOOTNOTE FOR ONE (1) EMPLOYEE IN THE CLASSIFICATION OF INFORMATION SYSTEMS DIRECTOR (JOB CODE (“JC”) 0424)

Dear Board Members:

RECOMMENDATION:

Adopt Salary Ordinance amendments to:

- i. Update the title of Section 3-12 to Alameda County Health (“ACH”); and
- ii. Amend Article 3, Section 12 (Health Care Services Agency) to add a new subsection 3-12.102, to create a footnote for one (1) employee in the classification of Information Systems Director (JC 0424) to receive an additional five percent (5%) compensation of base pay when assigned the additional responsibilities associated with the programmatic policy use of the ACH Social Health Information Exchange (“SHIE”) effective June 23, 2024.

DISCUSSION/SUMMARY:

On March 12, 2024, your Board approved the new brand system, including logos and name changes for the Alameda County Health Care Services Agency to ACH effective March 27, 2024. As such, staff recommends updating the description title for Section 3-12 of the Salary Ordinance to reflect the current agency title of ACH.

In addition, at the request of ACH, the Human Resource Services, Personnel Services Division determined that additional compensation is warranted for one (1) employee in the classification of Information Systems Director (JC 0424), when assigned the responsibilities of programmatic policy duties for the SHIE program, which includes leading stakeholder development and management, policy exploration, strategic planning, and project prioritization. These specific additional duties are outside the scope of said classification. Therefore, staff recommends adding a new subsection 3-12.102 to establish a footnote for one (1) employee in the classification of Information Systems Director (JC 0424) to receive an additional five percent (5%) compensation of the base pay effective June 23, 2024 when assigned the responsibilities as outlined above. Said footnote will be reviewed by the Director of Human Resource Services on or before January 2025 and annually thereafter.

SELECTION CRITERIA:

N/A


FINANCING:

Funds are available in the 2023-2024 Approved Budget and will be included in future years' requested budgets to cover the costs resulting from the recommendation, as applicable.

VISION 2026 GOAL:

The recommendation meets the 10x goal pathways of **Employment for All** in support of our shared vision of a **Prosperous and Vibrant Economy**.

Very truly yours,

DocuSigned by:

24C63D8E074A48D...
Margarita Zamora, Interim Director
Human Resource Services

cc: CAO
Auditor-Controller
Director, ACH

CERTAIN PROVISIONS OF THE 2023-2024
COUNTY OF ALAMEDA SALARY ORDINANCE

The Board of Supervisors of the County of Alameda ordains as follows:

SECTION I

Article 2, Section 3-12 of the County of Alameda Salary Ordinance is hereby amended to read as follows:

SECTION 3-12. ~~HEALTH CARE SERVICES AGENCY~~ ALAMEDA COUNTY HEALTH

SECTION II

Article 3, Section 3-12, Subsection 3-12-102 of the County of Alameda Salary Ordinance is hereby added, to read as follows:

3-12.102 - Effective June 23, 2024, not to exceed one (1) employee in Job Code 0424, when assigned the additional responsibilities associated with the programmatic policy use of the Alameda County Health Social Health Information Exchange, shall receive an additional five percent (5%) compensation of the base pay. This footnote shall be reviewed by the Director of Human Resource Services on or before January 2025, and annually thereafter.

SECTION III

This ordinance shall take effect immediately, and before the expiration of fifteen days after its passage, shall be published once with the names of the members voting for and against it in the Inter-City Express, a newspaper published in the County of Alameda.

Gov. Code Sec. 31461. (a) "Compensation earnable" by a member means the average compensation as determined by the board, for the period under consideration upon the basis of the average number of days ordinarily worked by persons in the same grade or class of positions during the period, and at the same rate of pay. The computation for any absence shall be based on the compensation of the position held by the member at the beginning of the absence. Compensation, as defined in Section 31460, that has been deferred shall be deemed "compensation earnable" when earned, rather than when paid.

(b) "Compensation earnable" does not include, in any case, the following:

(1) Any compensation determined by the board to have been paid to enhance a member's retirement benefit under that system. That compensation may include:

(A) Compensation that had previously been provided in kind to the member by the employer or paid directly by the employer to a third party other than the retirement system for the benefit of the member, and which was converted to and received by the member in the form of a cash payment in the final average salary period.

(B) Any one-time or ad hoc payment made to a member, but not to all similarly situated members in the member's grade or class.

(C) Any payment that is made solely due to the termination of the member's employment, but is received by the member while employed, except those payments that do not exceed what is earned in each 12-month period during the final average salary period regardless of when reported or paid.

(2) Payments for unused vacation, annual leave, personal leave, sick leave, or compensatory time off, however denominated, whether paid in a lump sum or otherwise, in an amount that exceeds that which may be earned in each 12-month period during the final average salary period, regardless of when reported or paid.

(3) Payments for additional services rendered outside of normal working hours, whether paid in a lump sum or otherwise.

(4) Payments made at the termination of employment, except those payments that do not exceed what is earned in each 12-month period during the final average salary period, regardless of when reported or paid.

Gov. Code Sec. 7522.34. (a) "Pensionable compensation" of a new member of any public retirement system means the normal monthly rate of pay or base pay of the member paid in cash to similarly situated members of the same group or class of employment for services rendered on a full-time basis during normal working hours, pursuant to publicly available pay schedules.

(b) Compensation that has been deferred shall be deemed pensionable compensation when earned rather than when paid.

(c) "Pensionable compensation" does not include the following:

(1) Any compensation determined by the board to have been paid to increase a member's retirement benefit under that system.

(2) Compensation that had previously been provided in kind to the member by the employer or paid directly by the employer to a third party other than the retirement system for the benefit of the member and which was converted to and received by the member in the form of a cash payment.

(3) Any one-time or ad hoc payments made to a member.

(4) Severance or any other payment that is granted or awarded to a member in connection with or in anticipation of a separation from employment, but is received by the member while employed.

(5) Payments for unused vacation, annual leave, personal leave, sick leave, or compensatory time off, however denominated, whether paid in a lump sum or otherwise, regardless of when reported or paid.

(6) Payments for additional services rendered outside of normal working hours, whether paid in a lump sum or otherwise.

(7) Any employer-provided allowance, reimbursement, or payment, including, but not limited to, one made for housing, vehicle, or uniforms.

(8) Compensation for overtime work, other than as defined in Section 207(k) of Title 29 of the United States Code.

(9) Employer contributions to deferred compensation or defined contribution plans.

(10) Any bonus paid in addition to the compensation described in subdivision (a).

(11) Any other form of compensation a public retirement board determines is inconsistent with the requirements of subdivision (a).

(12) Any other form of compensation a public retirement board determines should not be pensionable compensation.

NEW BUSINESS

The Presentation regarding “Amortization Layers and Funding Considerations” by Todd Tauzer of Segal, will be distributed under separate cover.



Office of the Chief Executive Officer

DATE: August 15, 2024
TO: Members of the Board of Retirement
FROM: Dave Nelsen, Chief Executive Officer *DN*
SUBJECT: **Chief Executive Officer's Report**

Senior Manager Recruitment

None

Committee/Board Action Items

ASSIGNED FOLLOW-UP ITEMS

Follow-Up Board Item	Assigned Senior Leader	Estimated Completion Date	Completion Date	Notes
Off-Site Meeting	Dave Nelsen	Summer Fall 2024		We will be gathering input and scheduling a Board Off-Site meeting for later this year.

Conference/Event Schedule

None.

Other Items

Business Planning Update

See Attached Memo regarding 2024 Business Plan.

Legislative Update

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

Other Items

Pension Administration System: We began parallel processing on the new system this month! This is essentially going live, except that we will be syncing the information from the new system PG 3 with our old PG 2 system and reconciling the outputs. Beginning in October, we will shut down PG 2 and only work in the new system. We have been providing individual employer training with their actual August monthly transmittal and so far, those have been very successful.

No project ever implements without some hiccups, and we have encountered a few minor reconciliation items that have required some fixing. However, our processes identified them early and LRS has been very responsive in addressing the changes as they have come up.

Budget: The monthly budget snapshot showed an overage of nearly \$300,000 for the month of January. This was primarily due to an unbudgeted increase in health care premium costs, which increased our fringe benefit costs significantly, as well as vacation sells that were either unanticipated or were budgeted for later in the year.

As of the end of May, we were over budget by 0.48%, which is about \$44,000. You can see that as of the end of June, we are over budget by 1.23% which is about \$134,000. This increase was due to the timing of budgeted expenses. We had two large invoices arrive earlier than they were budgeted. Next month this will even out, and we expect to continue recovering from the first month without budget adjustments. We will continue to monitor this and report to the Board on the results.

Key Performance Indicators

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

Scorecard KPI	2022 Performance Goal
PRUDENT INVESTMENT PRACTICES	
Portfolio Performance vs. Policy Benchmark	<i>Annualized 10-year return will meet or exceed Policy benchmark at the total fund level</i> As of June of 2024: 10 year return 7.24%, policy index 7.38%.
EFFECTIVE PLAN ADMINISTRATION	
Actual Spent vs. Approved Budget	<i>On budget or 10% below 2024 approved budget</i> As of June of 2024: 1.23% over budget.
COMPREHENSIVE ORGANIZATION DEVELOPMENT	
Employee Engagement Survey Results	<i>80% of responses in top two rating boxes on the question: "Is ACERA a great place to work?"</i> As of the latest survey (October of 2023): 73%.
SUPERIOR CUSTOMER SERVICE	
Service Excellence Survey	<i>80% of responses in top two rating boxes on the question: "Did ACERA meet or exceed my expectations for my customer service experience?"</i> For 2 nd Quarter of 2024: 100%.

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

1. [Comprehensive Pension Administration System PG3 Training](#)
Goal 2 (May 2023 – Fall 2024)

All training material developed in Q1 and Q2 2024 is now available in the Benefits Training Library on the ACERA Intranet. Project deliverables identified on the timeline through end of Q2 2024 were completed on schedule. No activity is pending for August 2024. Fiscal services will begin activities related to procedural updates in Q4 2024. After PGV3 goes live on 10/1/24. QA testing of these materials will commence during parallel and after go-live of PGV3. Project activities resume in Q4.

2. [PGV3 \(Pension Administration Replacement Project\)](#)
Goal 2 (October 2024) & Goal 3

Parallel Processing has begun this month as planned. Employer Reporting Training Overview with ACERA partners is complete. One on one training with each Employer is planned as part of Parallel Processing to test transmittal files in production. Preliminary submission of security permissions to support readiness for Parallel Processing were submitted. A protocol for internal and external resolution of issues is in place.

3. [OnBase Case Manager and PG-OnBase Integration Activity:](#)
Goal 2 (Complete in August 2024) & Goal 3

Cutover readiness planning to the V3 environment for the Case Managers was completed without issues. A roadmap for all OnBase work for Q4 2024-Q1 2025 will be developed internally this month. A business plan for Phase II development of Case Managers using integration tools will be complete at end of August. OnBase resources will be engaged in the PGV3 Support Level 1 for Parallel Processing of PGV3 for document management processes.

4. [Investment License Services For Private Market & Subscription](#)
Goal 1 (March 2023 – September 30, 2024)

As part of monthly reporting and Total Fund snapshot reports to the Board, Investments produces materials that report performance of funds compared to the appropriate benchmarks. However, Investments does not have the license to access Private Market benchmarks and has not been able to include the benchmark data.

Investments has been researching vendors and will obtain direct access to the Cambridge Associates Private Benchmark data through S&P Dow Jones Indices. This vendor can provide ACERA and the State Street Bank Performance team with the necessary access to aid in providing timely benchmark performance reporting monthly. Staff have completed several actions related to this project, including meeting with NEPC and receiving pricing options from the vendor. The vendor has provided their Pricing Schedule and a quote for the annual fee. Investments has completed a review of the pricing document and ACERA Legal is working on the contract. The project is at about 65%. We are on track to meet the September 30th goal.

5. WFE Phase II

Goal 2 (Complete in October 2024)

OnBase will be the platform used for Workforce Excellence materials, namely evaluations and coaching tracking. It will house the needed files, allow for access by appropriate team members to complete these tasks, and it will automatically calculate the related metrics for ACERA-wide KPIs. Currently, HR is being trained and user documentation is being developed. End user training on the new HR module Training has started and continues through August.

6. Agency Intranet Solution Implementation

Goal 2 (December 2024)

Phase 1 implementation of the SharePoint Intranet with Pension Gold V3 content is officially live. Phase 1 implementation is officially complete. Tasks and activities for kick-off of Phase II were developed last month and initiated this month.

Surveys sent out last month provided needed feedback to determine ACERA's Intranet Name, and ACERA Home Page content for 2024 design and implementation decisions content to include in scope for 2024 implementation were formalized by the project team.

Phase II Highlights: Activity for migration of network files to department SharePoint libraries begin this month. A design demonstration on ACERA Connect Home page look and feel is also happening this month.

7. Expense Submission Phase II - Software Training

Goal 3 (March 2024 through May 2024)

Expensify software subscription was tested and selected during Phase I, research segment of the project during 2023. Phase II training sessions with the Trustees are complete.

Full adoption has been achieved for all users with attendance at conferences this year. The training phase of this project is now complete.

A project closing document will be completed and submitted to officially finalize project activity and transition of project resources at which time, this project will be closed.

8. Great Plains Update Planning and Process Improvement Review

Goal 3 (March 2024 – December 2024)

During calendar year 2024, Accounting processes and interfaces will be reviewed for process improvement opportunities. The technology and fiscal services teams will work together to research the best tools and technology for upgrades in this area. The processes fiscal services will continue to review are primarily around Accounts Payable. Process review continues.

LEGISLATIVE UPDATE



TO: State Association of County Retirement Systems
FROM: Cara Martinson, Public House Consulting
Laurie Johnson, LJ Consulting & Advocacy
RE: **Legislative Update – August 2024**

Capitol Update

It's been a relatively quiet month in Sacramento, as the Legislature has been on summer recess since the July 4th holiday. However, the Senate and the Assembly will be back in Session on Monday, August 5th and will have to wrap up all outstanding business prior to this session's adjournment on August 31st. The immediate focus of the Legislature upon return will be on the fiscal committees. Both the Senate and the Assembly have until August 16th to move all their respective bills through the Appropriations Committees and to the floor for final action. This will be another opportunity for Members to cull the number of bills moving through the process, as any bills with significant revenue impacts on the state will be highly scrutinized. The last two weeks of the session are limited to floor sessions where lawmakers will vote on all remaining policy bills.

The following is an update on bills SACRS is following:

SACRS is tracking the following bills:

- **SB 1189 (Limon)** – This bill authorizes the Ventura County Employees' Retirement Association to appoint a Chief Technology Officer. Status: This bill was signed by the Governor on 7/15
- **AB 2284 (Grayson)** – The bill amends the definition of "compensation earnable" to define a work classification "grade" to mean a number of employees considered together because they share similarities in job duties, schedules, unit recruitment requirements, work location, collective bargaining unit, or other logical work-related grouping. The bill was amended on 6/27 to include a provision that requires the Board of Supervisors to pass a resolution to allow for the language to become operational within the jurisdiction. The SACRS Board met on July 18th and took an Oppose position. Status: This bill passed out of the Senate Labor, Public Pension and Retirement Committee and is awaiting action on the Senate Floor.
- **AB 2301 (Nguyen)** – This bill, the Sacramento Area Sewer District



Pension Protection Act of 2024, provides for the continuation of benefits and pension obligations for employees transferring from the County of Sacramento to the Sacramento Area Sewer District. Status: This bill was signed by the Governor on 7/2.

- **AB 2474 (Lackey)** – This is a SACRS-sponsored bill and was amended in Committee to allow LACERA-only to deposit retirement allowances into prepaid accounts until January 1, 2028, as a pilot program. The bill also provides clarity regarding the ability of a system to deposit pension payments in a member’s living trust bank account. The bill also clarifies potential consequences when a retiree exceeds the 960-hour post-retirement employment limit and provides systems with administrative flexibility on that matter. This bill was signed by the Governor on 7/15.
- **AB 2770 (Committee on Public Employment and Retirement)** – This is the annual housekeeping bill that includes various technical amendments for CalPERS, CalSTRS, and ’37 Act systems. SACRS is a co-sponsor of the bill. The bill removes the “return receipt” requirements as part of current procedures in statute that systems must follow to locate members and beneficiaries. The bill also conforms the sunset date of January 1, 2025, to the Labor Code for the recently added disability presumption for post-traumatic stress disorder. Status: This bill was signed by the Governor on 7/15.
- **AB 3025 (Valencia)** – This bill creates a framework for making benefit corrections and contribution refunds when disallowed compensation is inadvertently included in pension calculations. This bill includes a penalty to be paid by the employer to the member if compensation is later determined to be disallowed. The bill also includes language that is intended to protect a system’s *Alameda* correction process currently underway. The SACRS Legislative Committee is working with the bill’s author and sponsor to ensure ’37 Act systems can properly implement the bill, consistent with IRS regulations. The bill was amended on 6/27 to expressly state that confidential information is not subject to the California Public Records Act. The author has also agreed to accept one last amendment that clarifies “Initiated a process” to mean a system has formally adopted a resolution “*or made an administrative determination*”. Status: The bill passed out of the Senate Labor, Public Employment and Retirement Committee and the Senate Judiciary Committee and is



awaiting action on the Senate Floor.

SACRS is also monitoring the following bills that do not impact the '37 Act systems but are of interest:

- **SB 252 (Gonzalez)** – This bill prohibits CalPERS and CalSTRS from making new investments in a fossil fuel company and requires those systems to divest from fossil fuel companies by July 1, 2031, unless the board determines in good faith that the action is inconsistent with the board's fiduciary responsibilities. Status: Dead. This bill was not taken up by the Assembly Public Employment and Retirement Committee.
- **SB 537 (Becker)** – This bill provides flexibility for local government agencies to conduct remote meetings under Open Meeting laws and exempts multijurisdictional, cross county local agencies from certain Brown Act provisions. Status: Dead. This bill was amended into a different measure unrelated to Open Meetings laws.
- **AB 817 (Pacheco)** -. The bill would have provided flexibility for local government agencies to conduct remote meetings under Open Meeting laws. Specifically, this bill would have allowed a subsidiary body of a local agency to teleconference their meetings without having to publicly notice or make all locations publicly available. Status: Dead. This bill did not pass out of the Senate Local Government Committee.
- **SB 1240 (Alvarado-Gil)** – This bill provides for the continuation of pension benefits for employees of El Dorado County Fire Protection District and the Diamond Springs Fire Protection District under a new consolidated district. Status: This bill passed out of the Assembly PERS Committee and has been referred to the Assembly Appropriations Committee.
- **AB 2715 (Boerner)** – This bill allows a legislative body to discuss a threat to critical infrastructure controls or critical infrastructure information relating to cyber security during a closed session. Status: This bill passed out of the Senate Judiciary Committee and is awaiting action on the Senate Floor.