

**Alameda County Employees' Retirement Association  
(ACERA)**

**Schedule of Employer Allocations and Schedule of Pension Amounts  
by Employer**

As of and for the Year Ended December 31, 2023

**Alameda County Employees' Retirement Association (ACERA)**  
**Schedule of Employer Allocations and Schedule of Pension Amounts by Employer**  
As of and for the Year Ended December 31, 2023

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## Independent Auditor's Report

Board of Retirement  
Alameda County Employees' Retirement Association  
Oakland, California

### Opinion

We have audited the accompanying schedule of employer allocations of the Alameda County Employees' Retirement Association (ACERA); and the specified column totals included in the schedule of pension amounts by employer of ACERA (the columns titled net pension liability, total deferred outflows of resources, total deferred inflows of resources and total employer pension expense), as of and for the year ended December 31, 2023; and the related notes (collectively the schedules).

In our opinion, the schedules referred to above present fairly, in all material respects, the employer allocations and net pension liability, total deferred outflows of resources, total deferred inflows of resources, and total employer pension expense for ACERA, as of and for the year ended December 31, 2023, in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Schedules section of our report. We are required to be independent of ACERA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Responsibilities of Management for the Schedules

Management is responsible for the preparation and fair presentation of these schedules in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the schedules that are free from material misstatement, whether due to fraud or error.

In preparing the schedules, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about ACERA's ability to continue as a going concern for twelve months beyond the date of the schedules, including any currently known information that may raise substantial doubt shortly thereafter.

### Auditor's Responsibilities for the Audit of the Schedules

Our objectives are to obtain reasonable assurance about whether the schedule of employer allocations and the specified column totals included in the schedule of pension amounts by employer are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the schedules.

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In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatements of the schedules, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the schedules.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of ACERA's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the schedules.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about ACERA's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

#### **Report on the Audit of the Financial Statements**

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, the financial statements of ACERA, as of and for the year ended December 31, 2023, and our report thereon, dated June 26, 2024, expressed an unmodified opinion on those financial statements.

#### **Restriction on Use**

Our report is intended solely for the information and use of ACERA management, the Board of Retirement, ACERA employers and their auditors, and is not intended to be and should not be used by anyone other than these specified parties.

*Williams, Adley & Company-CA, LLP*

Oakland, California  
June 26, 2024

**Alameda County Employees' Retirement Association (ACERA)**  
**Schedule of Employer Allocations as of and for the Year Ended December 31, 2023**  
**Actual Employer Contributions by Employer and Membership Class**

Employer	Excluding ACOE and LARPD		ACOE Members Only		LARPD Members Only		All General Members Combined	
	General Contributions	Contribution Percentage <sup>1</sup>	General Contributions	Contribution Percentage	General Contributions	Contribution Percentage	General Contributions	General NPL Percentage
Alameda County	\$ 153,656,002	63.930%	\$ -	0.000%	\$ -	0.000%	\$ 153,656,002	63.781%
Alameda Health System	68,496,541	28.498%	-	0.000%	-	0.000%	68,496,541	28.432%
Superior Court	14,051,632	5.846%	-	0.000%	-	0.000%	14,051,632	5.833%
First 5	2,408,479	1.002%	-	0.000%	-	0.000%	2,408,479	1.000%
Housing Authority	1,741,120	0.724%	-	0.000%	-	0.000%	1,741,120	0.723%
LARPD	-	0.000%	-	0.000%	454,796	100.000%	454,796	0.189%
ACOE	-	0.000%	101,000	100.000%	-	0.000%	101,000	0.042%
<b>Total for All Employers</b>	<b>\$ 240,353,774</b>	<b>100.000%</b>	<b>\$ 101,000</b>	<b>100.000%</b>	<b>\$ 454,796</b>	<b>100.000%</b>	<b>\$ 240,909,570</b>	<b>100.000%</b>

Employer	Safety Members		General and Safety Total		Adjusted Total <sup>2,3,4</sup>	
	Safety Contributions	Contribution Percentage	Total Contributions	Contribution Percentage	Adjusted Total Contributions	Adjusted Contribution Percentage <sup>1</sup>
Alameda County	\$ 47,730,468	100.000%	\$ 201,386,470	69.771%	\$ 283,753,532 <sup>2</sup>	76.256%
Alameda Health System	-	0.000%	68,496,541	23.731%	68,496,541	18.407%
Superior Court	-	0.000%	14,051,632	4.868%	14,051,632	3.776%
First 5	-	0.000%	2,408,479	0.834%	2,408,479	0.647%
Housing Authority	-	0.000%	1,741,120	0.603%	1,741,120	0.468%
LARPD	-	0.000%	454,796	0.158%	1,500,857 <sup>3</sup>	0.403%
ACOE	-	0.000%	101,000	0.035%	160,854 <sup>4</sup>	0.043%
<b>Total for All Employers</b>	<b>\$ 47,730,468</b>	<b>100.000%</b>	<b>\$ 288,640,038</b>	<b>100.000%</b>	<b>\$ 372,113,015</b>	<b>100.000%</b>

<sup>1</sup> The unrounded percentages are used in the allocation of the NPL amongst the employers.

<sup>2</sup> This includes \$153,656,002 of County General actual employer contributions and \$130,097,530 of County Safety adjusted employer contributions used for purposes of determining the proportionate share of the non-OPEB SRBR NPL for the County. The County made voluntary County Safety contributions of \$800,000,000 on June 29, 2021 to reduce their Safety UAAL and associated contribution rates. The voluntary County Safety UAAL contributions are amortized to provide a UAAL contribution rate credit for County Safety over 13 years effective FY 21-22. Similar to the approach approved by ACERA for ACOE to determine ACOE's proportionate share of the non-OPEB SRBR NPL, the County Safety's proportionate share of the non-OPEB SRBR NPL is determined by using the County Safety's actual contributions made in 2023 in the amount of \$47,730,468 plus the contribution credit applied in 2023 in the amount of \$82,367,062 for a total adjusted County Safety contribution of \$130,097,530.

<sup>3</sup> LARPD made voluntary LARPD General contributions of \$12,611,250 on June 29, 2021 to reduce their General UAAL and associated contribution rates. The voluntary LARPD General UAAL contributions are amortized to provide a UAAL contribution rate credit for LARPD General over 16 years effective FY 21-22. Similar to the approach approved by ACERA for ACOE to determine ACOE's proportionate share of the non-OPEB SRBR NPL, LARPD's proportionate share of the non-OPEB SRBR NPL is determined by using LARPD's actual contributions made in 2023 in the amount of \$454,796 plus the contribution credit applied in 2023 in the amount of \$1,046,061 for a total adjusted LARPD contribution of \$1,500,857.

<sup>4</sup> ACOE made a lump sum contribution of \$750,000 in 2019 to partially pay off their UAAL. That lump sum is greater than the amount that ACOE would have to make on an installment basis over 20 years. In order to have a more level allocation of the NPL to ACOE, ACERA approved an approach to determine ACOE's proportionate share of the non-OPEB SRBR NPL by using ACOE's required contributions determined in the December 31, 2021 valuation in the amount of \$101,000 based on an April 1, 2023 payment date plus the amortization of the remaining balance of the original \$750,000 lump sum amount (an amount of \$59,854 which represents the additional UAAL Contribution ACOE would have been required to pay had they not made the additional lump sum contribution in 2019).

See accompanying notes, pages 6 - 9.

**Alameda County Employees' Retirement Association (ACERA)**  
**Schedule of Employer Allocations as of and for the Year Ended December 31, 2023**  
**Allocation of Net Pension Liability (NPL)**

Employer	General NPL, Excluding ACOE and LARPD (Excl. non-OPEB SRBR NPL)		ACOE Members Only (Excl. non-OPEB SRBR NPL)		LARPD Members Only (Excl. non-OPEB SRBR NPL)		All General Members Combined (Excl. non-OPEB SRBR NPL)	
	NPL	Percentage <sup>1</sup>	NPL	Percentage <sup>1</sup>	NPL	Percentage <sup>1</sup>	NPL	General NPL Percentage
Alameda County	\$ 917,374,067	63.930%	\$ -	0.000%	\$ -	0.000%	\$ 917,374,067	63.835%
Alameda Health System	408,945,629	28.498%	-	0.000%	-	0.000%	408,945,629	28.457%
Superior Court	83,892,608	5.846%	-	0.000%	-	0.000%	83,892,608	5.838%
First 5	14,379,368	1.002%	-	0.000%	-	0.000%	14,379,368	1.001%
Housing Authority	10,395,027	0.724%	-	0.000%	-	0.000%	10,395,027	0.723%
LARPD	-	0.000%	-	0.000%	919,733	100.000%	919,733	0.064%
ACOE	-	0.000%	1,173,711	100.000%	-	0.000%	1,173,711	0.082%
<b>Total for All Employers</b>	<b>\$ 1,434,986,699</b>	<b>100.000%</b>	<b>\$ 1,173,711</b>	<b>100.000%</b>	<b>\$ 919,733</b>	<b>100.000%</b>	<b>\$ 1,437,080,143</b>	<b>100.000%</b>

Employer	Safety Members (Excl. non-OPEB SRBR NPL)		General and Safety Total (Excl. non-OPEB SRBR NPL)		General and Safety Non-OPEB SRBR NPL		Total	
	NPL	Percentage <sup>1</sup>	NPL	Percentage	NPL	Percentage <sup>2</sup>	NPL	Percentage
Alameda County	\$ 214,496,861	100.000%	\$ 1,131,870,928	68.532%	\$ 69,516,199	76.256%	\$ 1,201,387,127	68.936%
Alameda Health System	-	0.000%	408,945,629	24.761%	16,780,828	18.407%	425,726,457	24.429%
Superior Court	-	0.000%	83,892,608	5.080%	3,442,481	3.776%	87,335,089	5.011%
First 5	-	0.000%	14,379,368	0.871%	590,048	0.647%	14,969,416	0.859%
Housing Authority	-	0.000%	10,395,027	0.629%	426,553	0.468%	10,821,580	0.621%
LARPD	-	0.000%	919,733	0.056%	367,692	0.403%	1,287,425	0.074%
ACOE	-	0.000%	1,173,711	0.071%	39,407	0.043%	1,213,118	0.070%
<b>Total for All Employers</b>	<b>\$ 214,496,861</b>	<b>100.000%</b>	<b>\$ 1,651,577,004</b>	<b>100.000%</b>	<b>\$ 91,163,208</b>	<b>100.000%</b>	<b>\$ 1,742,740,212</b>	<b>100.000%</b>

<sup>1</sup> Allocation based on the actual employer contributions within each membership class.

<sup>2</sup> Allocated based on the actual employer contributions in total, with an adjustment to reflect the total annual UAAL contribution ACOE would have been required to make of \$160,854 in 2023 had they not made the additional contribution in 2019 to partially pay off their UAAL. Following the approach approved by ACERA for ACOE, there is an adjustment to reflect the total annual contribution County Safety would have been required to make of \$130,097,530 in 2023 had they not made the voluntary County Safety UAAL contribution in 2021. There is also an adjustment to reflect the total annual contribution LARPD would have been required to make of \$1,500,857 in 2023 had they not made the voluntary LARPD General UAAL contribution in 2021.

See accompanying notes, pages 6 - 9.

**Alameda County Employees' Retirement Association (ACERA)**  
**Schedule of Pension Amounts by Employer**  
As of and for the Year Ended December 31, 2023

Schedule of Employer Allocations	Deferred Outflows of Resources						Deferred Inflows of Resources					Pension Expense			
	Net Pension Liability	Differences Between Actual and Expected Experience	Net Difference Between Projected and Actual Investment Earnings on Pension Plan	Changes of Assumptions	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Outflows of Resources	Differences Between Expected and Actual Experience	Net Difference Between Actual and Projected Earnings on Pension Plan Investments	Changes of Assumptions	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Inflows of Resources	Proportionate Share of Plan Pension Expense	Proportionate Share of Contributions	Total Employer Pension Expense	Net Amortization of Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions
Alameda County	\$ 1,201,387,127	\$ 110,456,525	\$ 192,492,581	\$ 59,254,379	\$ 3,166,854	\$ 365,370,339	\$ 15,771,917	\$ -	\$ 77,332,167	\$ 14,503,394	\$ 107,607,478	\$ 183,659,771	\$ (563,485)	\$ 183,096,286	
Alameda Health System	425,726,457	25,826,874	43,178,308	16,039,058	11,683,571	96,727,811	3,249,938	-	21,953,565	4,748,096	29,951,599	51,827,996	(1,040,720)	50,787,276	
Superior Court	87,335,089	5,298,220	8,857,756	3,290,311	3,423,585	20,869,872	666,704	-	4,503,635	3,276,462	8,446,801	10,632,184	372,098	11,004,282	
First 5 of Alameda County	14,969,416	908,126	1,518,238	563,966	3,513,801	6,504,131	114,274	-	771,933	-	886,207	1,822,380	1,136,537	2,958,917	
Housing Authority	10,821,580	656,496	1,097,554	407,698	945,404	3,107,152	82,611	-	558,040	171,104	811,755	1,317,423	94,782	1,412,205	
LARPD	1,287,425	710,514	1,955,117	380,980	14,516	3,061,127	1,970,805	-	631,375	50,230	2,652,410	546,466	(6,330)	540,136	
ACOE	1,213,118	231,538	78,246	12,109	2,829	324,722	1,895	-	12,168	1,274	15,337	222,532	7,118	229,650	
<b>Total for All Employers</b>	<b>\$ 1,742,740,212</b>	<b>\$ 144,088,293</b>	<b>\$ 249,177,800</b>	<b>\$ 79,948,501</b>	<b>\$ 22,750,560</b>	<b>\$ 495,965,154</b>	<b>\$ 21,858,144</b>	<b>\$ -</b>	<b>\$ 105,762,883</b>	<b>\$ 22,750,560</b>	<b>\$ 150,371,587</b>	<b>\$ 250,028,752</b>	<b>\$ -</b>	<b>\$ 250,028,752</b>	

See accompanying notes, pages 6 - 9.

# Alameda County Employees' Retirement Association (ACERA)

## Notes to the Schedule of Employer Allocations and Schedule of Pension Amounts by Employer As of and for the Year Ended December 31, 2023

### 1. PLAN DESCRIPTION

ACERA is a cost-sharing multiple-employer defined benefit pension plan. The pension plan provides basic lifetime retirement, disability, and death benefits to members who meet the minimum age and length-of-service requirements. ACERA meets member and beneficiary obligations through member contributions, participating employer contributions, and investment income.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING AND REPORTING POLICIES

#### Basis of Accounting

ACERA follows generally accepted accounting principles and reporting guidelines set forth by the Governmental Accounting Standards Board (GASB). The schedule of employer allocations and schedule of pension amounts by employer are prepared on the accrual basis of accounting. Employer and employee contributions are recognized when due, pursuant to formal commitments as well as statutory or contractual requirements.

#### Estimates

The preparation of the schedule of employer allocations and schedule of pension amounts by employer in accordance with generally accepted accounting principles in the United States requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

#### Contributions

Member and employer contribution rates are based on recommendations made by an independent actuary and adopted by the Board of Retirement. These rates are based on membership type (General and Safety) and tier (Tiers 1, 2, 3, and 4). Active members are required by statute to contribute toward pension plan benefits. Participating employers are required by statute to contribute the necessary amounts to fund estimated benefits not otherwise funded by member contributions or expected investment earnings.

### 3. ACTUARIAL METHODS AND ASSUMPTIONS

An actuarial valuation is performed for the pension plan on an annual basis. ACERA retains an independent actuarial firm to conduct the actuarial valuations and to establish the contribution rate requirements for the plan.

#### Actuarial Methods and Assumptions Used to Determine Total Pension Liability

The components of the collective net pension liability of the plan as of December 31, 2023 and December 31, 2022 are as follows:

<i>(Dollars in thousands)</i>	<u>12/31/2023</u>	<u>12/31/2022</u>
Total Pension Liability	\$11,961,224	\$11,489,051
Less: Plan Fiduciary Net Position	<u>10,218,484</u>	<u>9,257,791</u>
<b>Net Pension Liability</b>	<b><u>\$ 1,742,740</u></b>	<b><u>\$ 2,231,260</u></b>

The Net Pension Liability (NPL) was measured as of December 31, 2023 and 2022. Plan Fiduciary Net Position (FNP) was valued as of the measurement date while the Total Pension Liability (TPL) was determined by rolling forward the TPL from actuarial valuations as of December 31, 2022 and 2021, respectively.



## Alameda County Employees' Retirement Association (ACERA)

### Notes to the Schedule of Employer Allocations and Schedule of Pension Amounts by Employer As of and for the Year Ended December 31, 2023

The TPL and plan FNP include liabilities and assets for non-health postemployment benefits (non-OPEB). The assets for non-OPEB are held in the SRBR to pay non-vested Supplemental COLA and the retired death benefit. The TPL as of December 31, 2023 has been adjusted to include an additional \$200.3 million, calculated by rolling forward the total unlimited non-OPEB Actuarial Accrued Liability (AAL) as of December 31, 2022. The TPL as of December 31, 2022 has been adjusted to include an additional \$144.8 million, calculated by rolling forward the total unlimited non-OPEB AAL as of December 31, 2021.

The plan FNP as of December 31, 2023 was also adjusted to include \$109.2 million (\$111.3 million set aside in the SRBR reserve to pay non-OPEB benefits and subtracting \$2.1 million to reflect the proportionate share of the net deferred investment losses that is commensurate with the size of the non-OPEB reserve). The main reason for the increase in non-OPEB FNP is due to a Board authorized transfer of \$54.2 million from the OPEB SRBR to the non-OPEB SRBR to equalize the sufficiency periods of the OPEB and non-OPEB benefits. The plan FNP as of December 31, 2022 was also adjusted to include \$51.3 million (\$54.9 million set aside in the SRBR reserve to pay non-OPEB benefits and subtracting \$3.6 million to reflect the proportionate share of the net deferred investment losses that is commensurate with the size of the non-OPEB reserve).

The liability and assets associated with the OPEB component of the SRBR have been excluded from the total pension liability and the fiduciary net position reported above.

The TPLs as of December 31, 2023 and 2022 were determined by actuarial valuations as of December 31, 2022 and 2021, respectively. The actuarial assumptions used to develop the December 31, 2023 and 2022 TPLs are the same assumptions used in the December 31, 2023 and 2022 funding valuations, respectively. These assumptions were applied to all periods included in the measurement:

<b>Measurement Date</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
<b>Investment Rate of Return</b>	7.00% , net of pension plan investment expense, including inflation	7.00% , net of pension plan investment expense, including inflation
<b>Inflation Rate</b>	2.50%	2.75%
<b>Real Across-the-Board Salary Increases</b>	0.50%	0.50%
<b>Projected Salary Increases</b>	General: 8.00% to 3.45% and Safety: 11.40% to 4.00%, vary by service and include inflation and real across-the-board salary increase	General: 8.35% to 3.65% and Safety: 11.25% to 4.05%, vary by service and include inflation and real across-the-board salary increase
<b>Cost of Living Adjustments</b>	2.75% of retirement income for General Tiers 1 and 3, and Safety Tier 1; 2.00% for General Tiers 2 and 4, and Safety Tiers 2, 2C, 2D, and 4	2.75% of retirement income for General Tiers 1 and 3, and Safety Tier 1; 2.00% for General Tiers 2 and 4, and Safety Tiers 2, 2C, 2D, and 4
<b>Date of Experience Study</b>	December 1, 2019 through November 30, 2022	December 1, 2016 through November 30, 2019

#### Changes to NPL Allocation Methodology

The Board of Retirement adopted the Declining Employer Payroll Policy on October 18, 2018 and determined that the Policy applied to the Alameda County Office of Education (ACOE) and the Livermore Area Recreation and Park District (LARPD) Tier-1 members who were included as part of the General (non-LARPD Tier-3 and Tier-4) membership class in prior funding and GASB valuations. As a result, an asset share calculated in accordance with the Policy was allocated to each of these two employers as of December 31, 2017. In addition, because the allocated assets were less than the actuarial accrued liability

## **Alameda County Employees' Retirement Association (ACERA)**

### **Notes to the Schedule of Employer Allocations and Schedule of Pension Amounts by Employer As of and for the Year Ended December 31, 2023**

(AAL) attributable to these Tier-1 members for each of the two employers, there was also an implicit allocation of unfunded actuarial accrued liability (UAAL).

Pursuant to the Declining Employer Payroll Policy, (1) changes in assets and AAL for ACOE have been tracked separately since January 1, 2018, and effective with the December 31, 2018 valuation, ACOE is in its own separate membership class and ACOE's NPL was determined separately; (2) changes in assets and AAL for LARPD Tier-1 members have been tracked separately since January 1, 2018, and effective with the December 31, 2018 valuation, the assets and AAL for LARPD Tier-1 members were combined with the assets and AAL for LARPD Tier-3 and Tier-4, forming a new combined membership class that includes LARPD members from all tiers.

ACOE made a lump sum contribution of \$750,000 in 2019 to partially pay off their UAAL. That lump sum is greater than the amount that ACOE would have to make on an installment basis over 20 years. The non-OPEB SRBR NPL is allocated to the employers in proportion to the total employer contributions made by those employers to the Pension Plan. In order to have a more level allocation of the NPL to ACOE, ACERA approved an approach which determines ACOE's proportionate share of the non-OPEB SRBR NPL by using ACOE's required contributions determined in the December 31, 2021 valuation in the amount of \$101,000 based on an April 1, 2023 payment date plus the amortization of the remaining balance of the original \$750,000 lump sum amount (an amount of \$59,854 which represents the additional UAAL contribution ACOE would have been required to pay if they did not make the additional lump sum contribution in 2019).

The County made voluntary contributions of \$800.0 million on June 29, 2021 to reduce their Safety UAAL and associated contribution rates. Also on June 29, 2021, LARPD made voluntary contributions of \$12.6 million to reduce their General UAAL and associated contribution rates. The \$800.0 million County Safety UAAL contributions are amortized over 13 years effective with FY 21-22 to provide a UAAL contribution rate credit for County Safety members. The \$12.6 million LARPD General UAAL contributions are amortized over 16 years effective with FY 21-22 to provide a UAAL contribution rate credit for LARPD General members. Similar to the approach approved for ACOE, County Safety and LARPD's proportionate shares of the non-OPEB SRBR NPL are determined by using the County Safety and LARPD's required contributions, respectively, as if they had not made the voluntary UAAL contributions in 2021.

#### **Discount Rate**

The discount rate used to measure the TPL as of December 31, 2023 and 2022 was 7.00%. In order to reflect the provisions of Article 5.5 of the Statute, future allocations of 50% excess earnings to the Supplemental Retiree Benefits Reserve (SRBR) have been treated as an additional outflow against the plan's FNP in the Governmental Accounting Standards Board (GASB) crossover test. It is estimated that the additional outflow would average approximately 0.75% of assets over time, based on the results of the actuary's stochastic modeling of the 50% allocation of future excess earnings to the SRBR.

The projection of cash flows used to determine the discount rates assumes plan member contributions will be made at the current member contribution rates, and that employer contributions will be made at rates equal to the actuarially determined contribution rates<sup>1</sup> plus additional future contributions that would follow from the future allocation of excess earnings to the SRBR. Projected employer contributions that are intended to fund the service cost for future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the pension plan's FNP was projected to be available to make all projected future benefit payments for the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL as of December 31, 2023 and 2022.

**Alameda County Employees' Retirement Association (ACERA)**

**Notes to the Schedule of Employer Allocations and Schedule of Pension Amounts by Employer  
As of and for the Year Ended December 31, 2023**

**4. ADDITIONAL FINANCIAL AND ACTUARIAL INFORMATION**

Additional financial and actuarial information supporting the schedule of employer allocations and schedule of pension amounts by employer can be obtained from ACERA's Annual Comprehensive Financial Report for the year ended December 31, 2023, and ACERA's GASB 68 Actuarial Valuation Based on December 31, 2023 Measurement Date for Employer Reporting as of June 30, 2024.

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<sup>1</sup> *For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included.*