



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, February 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:

None

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

None

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

None

G. APPROVE MINUTES of BOARD and COMMITTEE MEETINGS:

January 18, 2024 Minutes of the Regular Board Meeting

January 18, 2024 Operations Committee Minutes

February 7, 2024 Retirees Committee Minutes

February 7, 2024 Investment Committee Minutes

H. MISCELLANEOUS:

- *Un-Audited Financial Statements as of 12/31/23*
- *Operating Expenses as of 12/31/23*
- *Actual Cash Report as of 12/31/23*
- *Board Member Conference Expense Report for 4th Quarter 2023*
- *Senior Manager Conference and Training Expense Report for 4th Quarter 2023*
- *Quarterly Report on Member Underpayments and Overpayments*
- *4th Quarter 2023 Call Center Report*

-----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 February 7, 2024 Retirees Committee Agenda Packet for public materials related to the below listed items.]

1. Summary of February 7, 2024 Meeting.
2. Motion to adopt the Supplemental Cost of Living Adjustment increase for Tier I members who retired on or before April 1, 1982, and Tier 2 members who retired on or before April 1, 2007, effective with the April 1, 2024 monthly retirement allowance. This annual supplemental benefit is non-vested and is funded by the Supplemental Retiree Benefit Reserve.

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

1. Summary of February 7, 2024 Meeting.
2. Motion to approve an up to \$50 million investment in PGIM Real Estate U.S. Debt Fund as part of ACERA's Real Estate Portfolio, pending completion of Legal and Investment due diligence and successful contract negotiations.

C. Audit: [See February 15, 2024 Audit Committee Agenda Packet for public materials related to the below listed items.]

1. Summary of February 15, 2024 Meeting.
2. Motion to approve the external audit scope of work and timeline of services for the Financial Statements ended December 31, 2023, to be performed by Williams, Adley & Company-CA, LLP.

7. NEW BUSINESS:

- A.** Presentation on Rebalancing the Supplemental Retiree Benefit Reserve (SRBR) to Equalize Sufficiency Period to pay OPEB and non-OPEB Benefits:

- Andy Yeung, Segal
- Eva Yum, Segal

- B.** Motion to Approve the 2023 Discharge Request of Benefits Overpayments.

- C.** Discussion regarding Possible Board Off-Site Meeting.

- D.** Chief Executive Officer's Report.

8. CONFERENCE/ORAL REPORTS

9. ANNOUNCEMENTS

10. BOARD INPUT

11. ESTABLISHMENT OF NEXT MEETING:

Thursday, March 21, 2024 at 2:00 p.m.

12. ADJOURNMENT

**APPENDIX A
REPORT ON SERVICE RETIREMENTS**

ALEXANDER, Dyan
Effective: 12/2/2023
Social Services Agency

KEEFER, Penni
Effective: 11/18/2023
Superior Court

AMASON, Cynthia
Effective: 11/14/2023
Social Services Agency

LEUNG, Wai Cheong
Effective: 11/13/2023
Probation

AMEZQUITA, Thomas
Effective: 4/1/2023
Information Technology Department

MADISON, Constanetta
Effective: 12/23/2023
Probation

BERNAL, Christine
Effective: 12/16/2023
Probation

MARSTON, Adolph
Effective: 12/9/2023
Health Care Services Agency

BRADSHAW, Elizabeth
Effective: 12/1/2023
Health Care Services Agency

MYERS-CAMARA, Donna
Effective: 11/30/2023
Health Care Services Agency

CARPIO, Lolita
Effective: 12/9/2023
Social Services Agency

RANDRUP, Jerri
Effective: 11/21/2023
Health Care Services Agency

CLINKSCALE, Brian
Effective: 11/14/2023
Social Services Agency

ROOPE, Ronda
Effective: 11/18/2023
Superior Court

DAVIDSON, Consuelo Gigi
Effective: 12/9/2023
Superior Court

RYALS, Kathleen
Effective: 11/14/2023
Public Defender

FURTADO, Debra
Effective: 12/9/2023
Superior Court

SANDER, Joseph
Effective: 11/23/2023
Social Services Agency

GARTH, Aaron
Effective: 12/9/2023
Sheriff's Office

SANDERS, Che
Effective: 12/9/2023
Sheriff's Office

KAVVADIAS, Elaine
Effective: 12/8/2023
Alameda Health System

SWINDERMAN, Chris
Effective: 12/9/2023
Superior Court

**APPENDIX A
REPORT ON SERVICE RETIREMENTS**

THOMPSON-ADESINA, Funmilola

Effective: 11/8/2023

Alameda Health System

TORRES, Reynalda

Effective: 11/18/2023

Alameda Health System

WARE-KAWAMOTO, Carrie

Effective: 12/9/2023

Health Care Services Agency

WONG, Kenneth Chun Fai

Effective: 12/1/2023

General Services Agency

**APPENDIX B
LIST OF DEFERRED RETIREMENTS**

ADAMS, Terence C.

Probation

Effective Date: 10/13/2023

ASKEW, Rebekah

Superior Court

Effective: 12/15/2023

ADELSON, Naomi R.

Superior Court

Effective: 12/29/2023

BOHANON, Michanne E.

Social Services Agency

Effective: 12/9/2023

ALLAN, Scot M.

General Services Agency

Effective: 1/5/2024

BONG, Vannara

Alameda Health System

Effective: 12/13/2023

ANDERSON, Alessandra C.

Superior Court

Effective: 12/29/2023

BORDELON, Akeylah J.

Probation

Effective: 12/15/2023

ANGELES, Stephanie C.

Superior Court

Effective: 12/22/2023

BROWN, Phillip M.

General Services Agency

Effective: 1/5/2024

ARGUETA HERNANDEZ, Ronald F.

Sheriff's Office

Effective: 12/8/2023

BURCIAGA, Isaac

Sheriff's Office

Effective: 12/22/2023

**APPENDIX B
LIST OF DEFERRED RETIREMENTS**

COOPER, Kaitlin L.
County Counsel
Effective: 9/1/2023

HARRELSON, Misti L.
District Attorney
Effective: 1/2/2024

CUADRA, Carlos H.
Health Care Services Agency
Effective: 1/2/2024

HARRIS, Victoria
Social Services Agency
Effective: 1/5/2024

CUEVAS, Barbara O.
Superior Court
Effective: 12/8/2023

HERNANDEZ, Amanda Y.
Social Services Agency
Effective: 12/18/2023

DAUDIER, Dorthia S.
Alameda Health System
Effective: 12/21/2023

HICKMAN, Kellie M.
Superior Court
Effective: 12/8/2023

DEVERA, Mabel M.
Auditor-Controller
Effective: 12/21/2023

JUROW, Jason R.
Public Works Agency
Effective: 9/15/2023

EGUIA, Andria
Superior Court
Effective: 12/22/2023

LATIMORE, Alexis D.
Alameda Health System
Effective: 12/27/2023

GHEE, Leonard B.
Alameda Health System
Effective: 12/15/2023

LEATH, Cydney
Social Services Agency
Effective: 8/4/2023

GILL, Gurman S.
Alameda Health System
Effective: 12/24/2023

LEE, Patricia J.
District Attorney
Effective: 12/26/2023

GLODOWSKI, Jacob T.
Probation
Effective: 1/5/2024

LEE, Tabian D.
District Attorney
Effective: 12/22/2023

GOYAL, Vishal
Information Technology Department
Effective: 12/15/2023

LIN, Joyce
Health Care Services Agency
Effective: 8/4/2023

GUZMAN, Denise
Social Services Agency
Effective: 12/22/2023

MARTINEZ-SALAZAR, Bianca D.
Sheriff's Office
Effective Date: 12/15/2023

**APPENDIX B
LIST OF DEFERRED RETIREMENTS**

MATTHEWS, Tracy L.
Social Services Agency
Effective: 12/12/2023

RICHARDSON, Stephanie F.
District Attorney
Effective: 12/22/2023

MCCULLOUGH, Sakeenah N.
Probation
Effective: 12/14/2023

RIOS, Luis A.
Sheriff's Office
Effective: 12/13/2023

MOLLIQUE, Jason T.
General Services Agency
Effective: 12/24/2023

SANCHEZ, Taylor Q.
Information Technology Department
Effective: 8/4/2023

MUZNIBI, Abdulah
Sheriff's Office
Effective: 12/8/2023

SOUZA PELLOW, Matthew
Sheriff's Office
Effective: 1/2/2024

NAVIA, Daniela S.
Alameda Health System
Effective: 12/27/2023

SPEECH, Marcella A.
Sheriff's Office
Effective: 12/22/2023

PIDOY, Randy D.
Alameda Health System
Effective: 12/15/2023

SPIVACK, Andrew F.
Health Care Services Agency
Effective: 12/22/2023

PORTER, Regina L.
Sheriff's Office
Effective: 12/12/2023

SUN, Xiaoxuan
Probation
Effective: 12/17/2023

PURIFICACION, Maribel C.
County Administrator's Office
Effective: 1/5/2024

TERRELL II, Napoleon M.
Sheriff's Office
Effective: 8/16/2023

RAMADAS, Sowmya
Sheriff's Office
Effective: 12/26/2023

VAUGHN, Phillese A.
Alameda Health System
Effective: 12/6/2023

WINTERS, Lesia A.
Alameda Health System
Effective: 11/11/2023

**APPENDIX C
LIST OF DECEASED MEMBERS**

BOWMAN, Roxanne
Non-Mbr DRO recipient of David Di Franco
12/27/2023

HEDRICK, Frances
Alameda Health System
12/15/2023

CHAFFEE, James
Public Defender
12/30/2023

JANSSEN, Bonnie
Library
1/5/2024

COLLINS, Sharon
Social Services Agency
12/19/2023

JOHNSON, Ovetta
Probation
1/4/2024

CRITZER, Luther
Livermore Area Recreation and Park District
1/11/2024

KELLY, James
Behavioral Health Care Services
12/21/2023

CUMPTON, Marsha
Non-Mbr Survivor of Dean Cumpton
12/17/2023

KING, Michael
Sheriff's Office
12/30/2023

DAYBELL, Vicki
Superior Court
12/14/2023

LEAVITT, Jack
District Attorney
1/14/2024

DELEMOS, Anne
Superior Court
12/15/2023

LEWIS, Arthur
Alameda Health System
1/1/2024

FERGUSON, Violet
Health Care Services Agency
1/1/2024

LOGAN, Leona
Alameda Health System
1/12/2024

FISCHER, David
Sheriff's Office
1/8/2024

LUNA, Ronald
District Attorney
1/19/2024

GOTO, Ann
Non-Mbr Survivor of George Goto
1/9/2024

MINAMOTO, Lou
Probation
1/20/2024

**APPENDIX C
LIST OF DECEASED MEMBERS**

MOORE, James
Non-Mbr Survivor of Lolita Moore
11/27/2023

SELICH, Matthew
Sheriff's Office
1/9/2024

NGO, My-Huong
Social Services Agency
1/8/2024

SHAWKEY, Nancy
Behavioral Health Care Services
1/3/2024

SALOMON, Kenneth
Sheriff's Office
1/9/2024

VEASEY, Carletta
Probation
12/31/2023

SEABORN, Sylvia
Public Works Agency
1/13/2024

WAGNER, Naomi
Social Services Agency
12/29/2023



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

Thursday, January 18, 2024

Chair Jaime Godfrey called the meeting to order at 2:00 p.m.

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

Staff Present: Victoria Arruda, Human Resource Officer (via Zoom)
Carlos Barrios, Assistant Chief Executive Officer-Benefits
Angela Bradford, Executive Secretary
Sandra Dueñas-Cuevas, Benefits Manager
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

PUBLIC INPUT

None.

Board Chair Jaime Godfrey opened the meeting by expressing his appreciation to the Board and Staff for their support regarding his service as the 2022-2023 Board Chair.

Trustee Elizabeth Rogers explained that historically elected and appointed members alternate each year to serve as the Board Chair. Chief Counsel Jeff Rieger explained that ACERA follows an election process under which one or more Trustees may be nominated, and then the Board votes on each nominee in order of nomination until a nominee receives a majority, at which time that nominee is elected Chair and there is no further voting.

Board Chair Jaime Godfrey called for nominations regarding the election of the Board Chair for 2024.

24-01

Elizabeth Rogers nominated Ophelia Basgal (second by Keith Carson) to serve as the 2024 Board Chair. There were no further nominations.

Ophelia Basgal was elected as Chair of the Board of Retirement by a vote of 9 yes (*Basgal, Bryant, Carson, Clippinger, Gamble, Godfrey, Levy, Rogers, Simon*), 0 no, and 0 abstentions. *Trustee Wood was not present for the motion.*

Newly elected Board Chair Ophelia Basgal took over and led the remainder of the Board meeting by first expressing her appreciation to former Board Chair Godfrey for his leadership as the 2022-2023 Board Chair.

Board Chair Ophelia Basgal called for nominations regarding the election of the Board First-Vice-Chair for 2024.

24-02

Elizabeth Rogers nominated Kellie Simon (second by Jaime Godfrey) to serve as the 2024 Board First-Vice Chair. There were no further nominations.

Kellie Simon was elected as First-Vice Chair of the Board of Retirement by a vote of 9 yes (*Basgal, Bryant, Carson, Clippinger, Gamble, Godfrey, Levy, Rogers, Simon*), 0 no, and 0 abstentions. *Trustee Wood was not present for the motion.*

Board Chair Ophelia Basgal called for nominations regarding the election of the Board Second-Vice-Chair for 2024.

24-03

Elizabeth Rogers nominated Tarrell Gamble (second by Henry Levy) to serve as the 2024 Board Second-Vice Chair. There were no further nominations.

Tarrell Gamble was elected as Second Vice-Chair of the Board of Retirement by a vote of 9 yes (*Basgal, Bryant, Carson, Clippinger, Gamble, Godfrey, Levy, Rogers, Simon*), 0 no, and 0 abstentions. *Trustee Wood was not present for the motion.*

Chief Executive Officer Dave Nelsen explained that he will forward a spreadsheet of the various Committees to the Trustees to solicit their interest in the Committees they would like to serve on. Chair Basgal will determine the leadership roles for each Committee, with the exception of the Committees comprised of the full Board.

**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**

Appendix D

**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

December 21, 2023 Minutes of the Regular Board Meeting

December 21, 2023 Actuarial Committee Minutes

MISCELLANEOUS

- *Report of Resignation of Investment Officer Thomas Taylor, pursuant to a Settlement Agreement. The settlement terms were authorized in Closed Session at the December 21, 2023 Board meeting (Item 12B) by a unanimous vote of the voting Trustees present: Gamble, Rogers, Carson, Bryant, Wood, Basgal, Godfrey, Levy, Simon. The Settlement Agreement was executed on December 22, 2023.*

24-04

It was moved by Henry Levy and seconded by Elizabeth Rogers that the Board adopt the Consent Calendar. The motion carried 9 yes (Basgal, Bryant, Carson, Clippinger, Gamble, Godfrey, Levy, Rogers, Simon), 0 no, and 0 abstentions. Trustee Wood 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:

Operations:

Trustee Kellie Simon reported that the Operations Committee met earlier today and that the Committee reviewed and discussed Staff's proposed revisions to the *Discharge of Overpayments Policy*.

24-05

It was moved by Kellie Simon and seconded by Elizabeth Rogers that the Board adopt revisions to the *Discharge of Overpayments Policy*, as recommended by the Operations Committee. The motion carried 9 yes (*Basgal, Bryant, Carson, Clippinger, Gamble, Godfrey, Levy, Rogers, Simon*), 0 no, and 0 abstentions. *Trustee Wood was not present for the motion.*

Trustee Simon further reported that the Operations Committee reviewed and discussed Staff's proposed revisions to the *Board Education Policy*.

24-06

It was moved by Kellie Simon and seconded by Elizabeth Rogers that the Board adopt revisions to the *Board Education Policy*, as recommended by the Operations Committee. The motion carried 9 yes (*Basgal, Wood, Carson, Clippinger, Gamble, Godfrey, Levy, Rogers, Simon*), 0 no, and 0 abstentions.

Trustee Simon further reported that the Operations Committee reviewed and discussed Staff's proposed revisions to the *Felony Forfeiture Policy*.

24-07

It was moved by Kellie Simon and seconded by Ross Clippinger that the Board adopt revisions to the *Felony Forfeiture Policy*, as recommended by the Operations Committee. The motion carried 9 yes (*Basgal, Carson, Clippinger, Gamble, Godfrey, Levy, Rogers, Simon, Wood*), 0 no, and 0 abstentions.

Trustee Simon further reported that the Operations Committee reviewed and discussed Staff's proposed revisions to the *Board Travel Policy*. Mr. Rieger and Trustee Clippinger provided clarification about the discussion that took place at today's Operations Committee meeting regarding increasing the reimbursement rate for Trustees' Business Meals by 50%.

24-08

It was moved by Kellie Simon and seconded by Jaime Godfrey that the Board adopt revisions to the *Board Travel Policy*, as recommended by the Operations Committee, and (1) increase the daily meal allowance to \$150 (including tip, fees and taxes) during business-related travel, and (2) implement a 50% increase (including tip, fees and taxes) for Business Meals (Breakfast, Lunch and Dinner) during business-related meetings while not travelling. The motion carried 9 yes (*Basgal, Carson, Clippinger, Gamble, Godfrey, Levy, Rogers, Simon, Wood*), 0 no, and 0 abstentions.

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

NEW BUSINESS:

Update on 2023 Business Plan Items

Business Plan Item No. 11, New Member Enrollment: Communications Manager Mike Fara presented information on ACERA's revised New Member Onboarding and Communications Plan and Timeline, which will be used to assist new employees with enhancing their understanding of ACERA's benefits in a phased manner. Mr. Fara reported the following: **1)** Before new employees begin employment, they will receive a *New Hire Flyer* that contains a welcome message and the link to the *New At ACERA* Webpage; **2)** After new members start work, their employers will show them an animated Explainer Video ("Getting Started With Your Retirement Benefits"), along with an accompanying Flyer, that explains ACERA's key pension concepts; **3)** After ACERA receives the new employee data, transmittals, etc. from the employers, ACERA Staff will mail the new members a *Welcome Letter* that contains pertinent information and instructions on next steps. The *Welcome Letter* also includes a *Welcome Form* which will be used to obtain essential member information including nomination of beneficiaries, how to establish reciprocity, purchasing service credit, etc. Mr. Fara further reported that Staff met with and reviewed the revisions to the Plan/Timeline with the Participating Employers on January 16, 2024 and stated that the meeting went very well. Staff responded to Trustees' questions and Trustees made suggestions to Staff which will be taken back to the Project Team for inclusion in the Plan/Timeline. It was noted that the targeted launch for the new *Welcome Form* and all associated communications, excluding the animated Explainer Video, is set for late January or early February and the target completion date for the animated Explainer Video is set to launch in the first quarter of 2024. Mr. Fara stated that he also sends recurring educational emails to all ACERA members. For detailed information regarding the Plan/Timeline, please see Mr. Fara's January 18, 2024 memo entitled *New Member Onboarding and Communications Plan*.

Mr. Nelsen provided an update on the following Business Plan Items: **1)** No. 4, Review of ACERA’s Workforce Excellence (WFE) Processes and Tools is complete, OnBase was selected for the next phase; **2)** No. 7, BoardEffect® Software implementation was completed and adopted by the Board in November 2023 and is currently being used for Committee/Board meeting management; **3)** No. 8, Staff suggested Microsoft SharePoint for ACERA’s Intranet Solution for Internal Document Management. Staff will provide an update in March 2024; and **4)** Item No. 9, The Board adopted Expensify for its Board travel expense reimbursement submission process. The target completion time for Trustee training is early 1st quarter 2024.

Mr. Nelsen reported that Business Plan Item No. 10, the Product Analysis for Great Plains Upgrade or Similar Accounting Software, is on hold because Great Plains is not upgrading its software; therefore, becoming obsolete. Staff will begin the re-engineering process to its accounting systems over the 2024 year and plans to obtain and implement a new accounting software in 2025 after the implementation of the Pension Administration System. Staff will provide an update in March 2024.

Proposed 2024 Investment Committee Workplan – Draft

Chief Investment Officer Betty Tse introduced Sam Austin of NEPC, ACERA’s new General Investment Consultant. Ms. Tse reported that the proposed Investment Committee Workplan includes input from NEPC and Callan, ACERA’s Real Estate Consultant. Ms. Tse provided an overview of the proposed Investment Committee meeting (ICM) Workplan action and information items for the year 2024. Ms. Tse requested that the Trustees contact her or Mr. Austin if they have any additional educational items they would like included in the Workplan. Mr. Austin provided a brief overview of NEPC and its plans for ACERA. Ms. Tse and Mr. Austin responded to Trustees’ questions. Ms. Tse reported that Verus has confirmed that the Semiannual Performance Reports for Private Assets has been rescheduled from June to July 2024 portion of the proposed Workplan.

David Nelsen, Chief Executive Officer’s Report

Mr. Nelsen presented his January 18, 2024 written CEO Report which provided an update on: **1)** Committee and Board Action Items; **2)** Other Items: **a)** Business Planning; **b)** Staff Transitions; **c)** Conference/Training and **3)** Key Performance Indicators.

Mr. Nelsen reported that the SACRS Legislative Committee is proposing revisions to the *Brown Act* which would allow Trustees more leeway to participate at Committee and Board meetings virtually.

Mr. Nelsen announced that former ACERA employee Ish Piña retired last week after 34 years of service with the County/ACERA. Mr. Nelsen referred to Mr. Piña as “The Face of ACERA” because Mr. Piña was very knowledgeable regarding ACERA’s Benefits and that he always assisted ACERA’s Stakeholders and the public in a very professional and friendly manner. The Board and Staff also expressed their appreciation for Mr. Piña’s dedication and attention to ACERA’s Stakeholders/public and stated Mr. Piña will be truly missed. It was noted that Mr. Piña plans on attending the upcoming REAC Luncheon where Trustees/Staff can personally wish Mr. Piña well. Staff is currently recruiting for Mr. Piña’s position.

CONFERENCE/ORAL REPORTS

None.

ANNOUNCEMENTS

None.

BOARD INPUT

None.

CLOSED SESSION

The Board adjourned into Closed Session to discuss the following:

Existing litigation pursuant to paragraph (1) of subdivision (d) of Section 54956.9:
Ventura County Employees' Retirement Association v. Criminal Justice Attorneys Association of Ventura County, Cal. Court of Appeal Second Appellate District Case No. B325277 (consider whether to request publication of unpublished decision).

The Board reconvened into Open Session and the following Trustees returned:
Baron, Basgal, Bryant, Carson, Clippinger, Godfrey, Levy, Rogers, Simon, Wood

Mr. Rieger reported that the Board discussed whether or not it should file a Brief in support of publishing the decision in the *Ventura County Employees' Retirement Association v. Criminal Justice Attorneys Association of Ventura County* matter. After discussion, the following motion passed in Closed Session:

24-09

Motion that the Board not file a Brief in support of publishing the decision in the *Ventura County Employees' Retirement Association v. Criminal Justice Attorneys Association of Ventura County* matter. The motion carried 7 yes (*Basgal, Carson, Clippinger, Godfrey, Rogers, Simon, Wood*), 1 no (*Levy*), and 0 abstentions. *Trustee Gamble was not present for the motion.*

To view the January 18, 2024 Board meeting in its entirety, click on the link below:
<https://youtu.be/KvUvkkMkkIQ>.

ADJOURNMENT

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

Respectfully Submitted,



David Nelsen
Chief Executive Officer

02/15/24

Date Adopted

APPENDIX A
REPORT ON SERVICE RETIREMENTS

ALLEN, Shanale
Effective: 11/16/2023
Social Services Agency

JOHNSTON, Gina
Effective: 10/28/2023
Child Support Services

ALVARADO, Rebecca
Effective: 10/20/2023
Non-Member

KUMAR, Sarojini
Effective: 11/1/2023
Alameda Health System

ALVAREZ, Madelyn
Effective: 11/17/2023
Non-Member

LAU, Albert
Effective: 10/28/2023
Social Services Agency

BOELK, April
Effective: 11/1/2023
Superior Court

NETHERTON, Michael
Effective: 10/30/2023
Sheriff's Office

BROWN, Kevin
Effective: 10/12/2023
LARPD

RANGEL, Deana
Effective: 11/1/2023
Superior Court

BUENAVISTA, Judy
Effective: 10/20/2023
Alameda Health System

RICKER, Scott
Effective: 10/27/2023
Sheriff's Office

BURNS, Gena
Effective: 10/4/2023
Alameda Health System

SAMPSON, Ja'Ney
Effective: 10/28/2023
Probation

ESTRADA, Kim
Effective: 11/12/2023
Health Care Services Agency

TEDESCO PILLITTERI, Amy
Effective: 10/31/2023
Health Care Services Agency

HARTLEY, Veronica
Effective: 10/26/2023
Sheriff's Office

TENNISON, Christopher
Effective: 10/29/2023
Alameda Health System

JACKSON, Alisa
Effective: 10/28/2023
Probation

VIEIRA, Michelle
Effective: 10/11/2023
Health Care Services Agency

JACKSON, Elaine
Effective: 10/28/2023
Social Services Agency

WILLIAMS, Darrel
Effective: 10/14/2023
Sheriff's Office

**APPENDIX B
LIST OF DEFERRED RETIREMENTS**

AMARAL, Jennifer A.
General Services Agency
Effective Date: 12/8/2023

DECKER, Breeanna J.
Board of Supervisors
Effective: 11/24/2023

ANDERSON, Brandy C.
General Services Agency
Effective: 12/1/2023

DEL VALLE, Grace N.
Alameda Health System
Effective: 10/13/2023

ARAIZA, Viviana Y.
Alameda Health System
Effective: 12/1/2023

FRANKLIN, Shante R.
Alameda Health System
Effective: 11/21/2023

AYLER, Kendra D.
Alameda Health System
Effective: 10/27/2023

GREEN, Clifton
Alameda Health System
Effective: 11/21/2023

BATTLE, Ebony F.
Social Services Agency
Effective: 10/27/2023

GUAL, Wilfred N.
Public Defender
Effective: 11/27/2023

BRASST, Christine M.
Alameda Health System
Effective: 11/30/2023

HAMILTON, Amy E.
Alameda Health System
Effective: 12/1/2023

BUNDY, Kenneth M.
Health Care Services Agency
Effective: 10/27/2023

HARP, Dillan B.
Probation
Effective: 11/12/2023

CARLISLE, Lisa F.
Health Care Services Agency
Effective: 11/10/2023

HARPER, Rosemarie C.
Sheriff's Office
Effective: 11/14/2023

CHERDBOONMUANG, Christine
Social Services Agency
Effective: 11/16/2023

JOHNSON, Latrice R.
Social Services Agency
Effective: 11/17/2023

CUASITO, Christine Maria C.
Health Care Services Agency
Effective: 11/7/2023

JULIAN, Babette V.
Social Services Agency
Effective: 11/10/2023

DE GUZMAN, Jesus R.
Probation
Effective: 10/23/2023

LAU, Judy
Alameda Health System
Effective: 11/1/2023

**APPENDIX B
LIST OF DEFERRED RETIREMENTS**

LEON, Kevin S.
Sheriff's Office
Effective: 11/25/2023

SAEFONG, Mey
Superior Court
Effective Date: 12/1/2023

LUI, Tracie
District Attorney
Effective: 11/24/2023

SANTOS, Angelica A.
Health Care Services Agency
Effective: 11/3/2023

LUU, Cherry
Health Care Services Agency
Effective: 11/30/2023

SIDHU, Harmesh L.
Alameda Health System
Effective: 11/27/2023

MENDONCA, Desiree A.
Alameda Health System
Effective: 11/20/2023

SOBOL, Megan A.
Alameda Health System
Effective: 11/27/2023

MILLWARD, Cort W.
Child Support Services
Effective: 11/24/2023

TORRES, Andrea
Superior Court
Effective: 11/15/2023

MURPHY, Amy M.
Social Services Agency
Effective: 11/10/2023

TRUJILLO, Nayely
Alameda Health System
Effective: 11/25/2023

OLIVERA SANCHEZ, Jose Manuel
Alameda Health System
Effective: 9/17/2023

WADE, Janisha N.
Alameda Health System
Effective: 10/27/2023

OWENS, William M.
Alameda Health System
Effective: 11/2/2023

WILLIAMSON, Amanda M.
Alameda Health System
Effective: 10/30/2023

PEAV, Russell H.
Health Care Services Agency
Effective: 11/22/2023

WILSON, Jennifer A
Alameda Health System
Effective: 10/27/2023

PETERS, Aaron R.
Alameda Health System
Effective: 12/4/2023

WILSON, Kaila N.
Alameda Health System
Effective: 10/19/2023

ROBERTSON, Quinisha M.
General Services Agency
Effective: 11/24/2023

WINDLEY, Kristin R.
Probation
Effective: 10/24/2023

**APPENDIX C
LIST OF DECEASED MEMBERS**

ASERCION, Cecilia
Behavioral Health Care Services
11/22/2023

MALLILLIN, Lydia
Assessor
11/19/2023

BACALTOS, Racquel
General Services Agency
12/21/2023

MILLER, Laverne
Public Works Agency
11/21/2023

BARNES, Carol
Library
11/16/2023

MORRISON, Margaret
Behavioral Health Care Services
12/3/2023

BOND, Doryce
Assessor
11/25/2023

PETERS, Rose
Human Resource Services
12/2/2023

BROWN, Patricia
Public Health
11/24/2023

RODRIGUEZ, Raymond
Social Services Agency
12/11/2023

BURNS, Naomi
Human Resource Services
11/11/2023

SANTOS, Maria
Non-Mbr Survivor of Juan M. Cruz
12/10/2023

CARPENTER, Christopher
District Attorney
12/16/2023

SELF, Fred D.
Social Services Agency
12/13/2023

DONALDSON, Dorene
Alameda Health System
11/24/2023

SILVA, Ernest
Public Works Agency
12/2/2023

FORD, Sadie
Probation
11/25/2023

SPRINGER, Josephine
Probation
11/30/2023

GEER, Diane
Probation
11/30/2023

THOMAS, Joni
Alameda Health System
12/20/2023

JACKSON, Genora
Social Services Agency
11/13/2023

TOUSON, Jessea
General Services Agency
12/13/2023

**APPENDIX C
LIST OF DECEASED MEMBERS**

TOWNES, Betty
General Services Agency
11/16/2023

WOLFE, Christopher
Non-Mbr Survivor of Deborah Marie Wolfe
12/11/2023

VELEZ, Manuel
Social Services Agency
12/12/2023

YISRAEL, Caleb
Probation
11/28/2023

ZHANG, John
Public Health
12/22/2023

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

MARSHALL, Ellen
Government Code § 31641.5 Part Time & Days Prior

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

Name: Amaral, Dale
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. Amaral's application for a service-connected disability, and waiving annual medical examinations and questionnaires.

Name: Biyibi, Kemi
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. Biyibi's application for a non-service connected disability, and requiring annual medical examinations and questionnaires at this time.



MINUTES OF JANUARY 18, 2024 OPERATIONS COMMITTEE MEETING

To: Members of the Operations Committee
From: Kellie Simon, Chair
Subject: **Summary of the January 18, 2024 Operations Committee Meeting**

Committee Chair Kellie Simon called the January 18, 2024, Operations Committee meeting to order at 1:00 p.m.

ACERA TRUSTEES, SENIOR MANAGERS AND PRESENTING STAFF IN ATTENDANCE

Committee members present were Kellie Simon, Ross Clippinger, Ophelia Basgal, Henry Levy, and Elizabeth Rogers. Also present were alternate members Cynthia Baron and Kevin Bryant. Tarrell Gamble, Jaime Godfrey and Keith Carson arrived after roll call.

Staff present were David Nelsen, Chief Executive Officer; Lisa Johnson, Assistant Chief Executive Officer; Carlos Barrios, Assistant Chief Executive Officer; Jeff Rieger, Chief Counsel; Jessica Huffman, Benefits Manager; Sandra Dueñas-Cuevas, Benefits Manager; Vijay Jagar, Chief Technology Officer; Erica Haywood, Fiscal Services Officer and Betty Tse, Chief Investment Officer.

PUBLIC INPUT

None

Action Items

1. Review of the Discharge of Overpayment Policy.

Recommendation

That the Operations Committee recommend that the Board of Retirement make the revisions to the Discharge of Overpayments Policy shown in the redline included with the agenda packet.

It was moved by Henry Levy and seconded by Ophelia Basgal that the Operations Committee recommend that the Board of Retirement revise the Discharge of Overpayment Policy, as shown in the redline included in the agenda packet.

The Motion carried 7 yes (*Basgal, Clippinger, Godfrey, Levy, Rogers, Simon, and Bryant*), 0 no, and 0 abstentions.

2. Review of the Board Education Policy.

Recommendation

That the Operations Committee recommend that the Board of Retirement make the revisions to the Board Education Policy shown in the redline included with the agenda packet.

It was moved by Jaime Godfrey and seconded by Henry Levy that the Operations Committee recommend that the Board of Retirement revise the Board Education Policy as shown in the redline included in the agenda packet.

The motion carried 7 yes (*Basgal, Clippinger, Godfrey, Levy, Rogers, Simon, and Bryant*), 0 no, and 0 abstentions.

3. Review of the Felony Forfeiture Policy.

Recommendation

That the Operations Committee recommend that the Board of Retirement make the revisions to the Felony Forfeiture Policy shown in the redline included with the agenda packet.

It was moved by Ophelia Basgal and seconded by Henry Levy that the Operations Committee recommend that the Board of Retirement revise the Felony Forfeiture Policy as shown in the redline included with the agenda packet.

The motion carried 7 yes (*Basgal, Clippinger, Godfrey, Levy, Rogers, Simon, and Bryant*), 0 no, and 0 abstentions.

4. Review of the Board Travel Policy.

Recommendation

That the Operations Committee recommend that the Board of Retirement make the revisions to the Board Travel Policy shown in the redline included with the agenda packet.

It was moved by Jaime Godfrey and seconded by Ross Clippinger that Operations Committee recommend that the Board of Retirement revise the Board Travel Policy as shown in the redline included with the agenda packet in addition to increasing the 'Business Meals' allotment to \$150 per day inclusive of tip with proportional increases to breakfast, lunch, and dinner.

The motion carried 7 yes (*Basgal, Clippinger, Godfrey, Gamble, Rogers, Simon, and Bryant*), 1 no (*Levy*), and 0 abstentions.

INFORMATION ITEMS

1. Operating Expenses as of 11/30/2023

Staff presented the Operating Expense Report. As of November 30, 2023, actual expenses were \$497K under budget. Budget overages were Insurance (\$12K over budget) and Systems (10K over budget). Budget surpluses noted were Staffing (\$83K under budget), Board of Retirement (\$52K under budget), Staff Development (\$150K under budget), Professional Fees (\$112K under budget), Office Expense (\$73K under budget), and Member Services (\$49K under budget).

TRUSTEE INPUT AND DIRECTION TO STAFF

None

FUTURE DISCUSSION ITEMS

February (to be presented at Board)

- Proposed 2024 Operations Committee Work Plan
- Un-Audited Financial Statements as of 12/31/23
- Operating Expenses as of 12/31/23
- Actual Cash Report as of 12/31/23
- Board Member Conference Expense Report for 4th Qtr. 2023
- Senior Manager Conference and Training Expense Report for 4th Qtr. 2023
- Discussion and possible motion to Approve the 2023 Discharge Request of Benefits Overpayments

March (to be presented at Board)

- Operating Expenses as of 01/31/24

ESTABLISHMENT OF NEXT MEETING DATE

The next meeting is scheduled for Wednesday, May 1, 2024, at 9:30 a.m.

MEETING ADJOURNED

The meeting adjourned at 11:49 a.m.

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

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

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

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



MEMORANDUM TO THE BOARD OF RETIREMENT

DATE: February 15, 2024
TO: Members of the Board of Retirement
FROM: Erica Haywood, Fiscal Services Officer *EH*
SUBJECT: Quarterly Unaudited Financial Statements as of December 31, 2023

Executive Summary

Attached for review is the unaudited financial statements for the period ended December 31, 2023.

The Fiduciary Net Position Held in Trust and the Change in Fiduciary Net Position compared to the same period in 2022 increased by \$980.3 million.

Financial Highlights

- Net Position Restricted (Held in Trust for Benefits), as reported on the Statement of Fiduciary Net Position totaled \$11.3 billion. Total Receivables increased by \$21.7 million, Investments at fair value increased by \$954.4 million, Capital Assets increased by \$2.2 million, and Total Liabilities without Security Lending Liability decreased by \$3.3 million.
- The year-over-year Change in Net Position increased by \$2.5 billion.
 - Total Additions year-over-year increased by \$2.5 billion. This include an increase in net investment income of \$2.5 billion.
 - Total Deductions year-over-year increased by \$29.3 million. The amount is mainly attributable to the growth in payments of service retirement, disability benefits, and member refunds.

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
STATEMENT OF FIDUCIARY NET POSITION
As of 9/30/2023

	Year-To-Date 2023	Year-To-Date 2022
ASSETS		
Cash (Note 1)	4,262,490	9,141,402
Securities Lending Cash Collateral (Note 2)	148,032,732	145,679,384
Receivables:		
Contributions (Note 3)	15,758,980	13,443,253
Investment Receivables (Note 4a)	24,226,920	23,431,689
Unsettled Trades - Investments Sold	27,317,750	30,935,241
Foreign Exchange Contracts (Note 7a)	19,673	13,811
Other Receivables (Note 8)	304,482	253,423
Total Receivables	67,627,805	68,077,417
Prepaid Expenses	672,585	581,143
Total Current Assets	220,595,611	223,479,346
Investments - at Fair Value:		
Short-Term Investments (Note 9)	231,015,342	295,649,377
Domestic Equity	891,676,910	479,581,529
Domestic Equity Commingled Funds	2,113,499,948	1,878,282,744
International Equity	703,284,996	942,075,370
International Equity Commingled Funds (Note 10)	1,483,770,357	1,181,970,163
Domestic Fixed Income	1,342,260,640	1,352,645,804
International Fixed Income	86,945,071	49,024,781
International Fixed Income - Commingled Funds (Note 11)	71,422,107	70,508,676
Real Estate - Separate Properties (Note 12)	48,037,531	71,862,753
Real Estate - Commingled Funds (Note 13)	749,896,050	754,920,122
Real Assets	629,887,029	688,661,956
Absolute Return (Note 14a)	887,556,913	839,550,431
Private Equity (Note 14b)	1,042,227,737	944,742,072
Private Credit	297,892,706	238,372,067
Total Investments	10,579,373,338	9,787,847,844
Capital Assets at Cost (Net of Accumulated Depreciation and Amortization) (Note 15)	9,129,698	6,887,640
Total Assets	10,809,098,648	10,018,214,830
LIABILITIES		
Securities Lending Liability (Note 2)	148,032,732	145,679,384
Unsettled Trades - Investments Purchased	54,007,534	73,686,599
Investment-Related Payables (Note 4b)	12,548,525	13,564,005
Futures Contracts (Note 5b)	6,912,169	12,757,358
Foreign Exchange Contracts (Note 7b)	877,113	3,438,483
Accrued Administration Expenses (Note 16)	2,787,546	2,641,390
Members Benefits & Refunds Payable (Note 17a)	6,229,913	6,903,419
Retirement Payroll Deductions Payable (Note 17b)	31,750	13,421
Lease Liability	12,036	66,585
Total Liabilities	231,439,319	258,750,644
DEFERRED INFLOWS OF RESOURCES		
Net Position		
Restricted - Held in Trust for Benefits	10,577,659,329	9,759,464,185
Total Net Position	10,577,659,329	9,759,464,185

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Nine Months Ending 9/30/2023

	Year-To-Date 2023	Year-To-Date 2022
ADDITIONS		
Contributions: (Note 18)		
Members	94,533,375	91,301,257
Employers	215,787,951	214,865,056
Total Contributions	310,321,326	306,166,314
From Investment Activities:		
Net Appreciation/(Depreciation) in Fair Value of Investments (Note 19a)	398,374,473	(2,000,311,285)
Interest	47,117,055	41,803,147
Dividends	34,619,576	36,232,885
Real Estate - Net	16,306,011	19,143,731
Private Equity and Alternatives	35,488,947	23,186,496
Brokers Commissions - Directed Brokerage	4,921	5,081
Sub-Total of Dividends, Interest, Other Investment Income (Note 19b)	133,536,510	120,371,339
Total Income from Investment Activities	531,910,983	(1,879,939,946)
Total Investment Expenses (Note 20)	(53,937,913)	(19,862,283)
Net Income from Investment Activities (Note 21)	477,973,070	(1,899,802,228)
From Securities Lending Activities:		
Securities Lending Income	6,442,360	644,715
Securities Lending Expenses	(5,904,156)	(181,168)
Net Income from Securities Lending Activities (Note 22)	538,204	463,547
Total Net Investment Income	478,511,274	(1,899,338,681)
Miscellaneous Income (Note 23)	666,214	96,904
Total Additions	789,498,814	(1,593,075,463)
DEDUCTIONS		
Benefits:		
Service Retirement and Disability Benefits (Note 24)	448,540,649	428,187,652
Death Benefits (Note 25)	3,097,903	2,421,217
Supplemental Cost of Living Allowance	828,821	705,209
Retiree Healthcare Program	35,105,135	34,830,716
Total Benefit Payments	487,572,509	466,144,795
Member Refunds	9,618,433	9,220,072
Administration: (Note 26)		
Administrative Expenses	9,725,235	9,618,809
Actuarial Expenses	417,983	386,703
Business Continuity Expenses	460,628	422,500
Legal Expenses	560,087	600,418
Technology Expenses	737,423	676,950
401(h) Expenses	1,259,250	1,253,000
Total Administration	13,160,606	12,958,380
Total Deductions	510,351,548	488,323,248
Net Increase(Decrease)	279,147,266	(2,081,398,711)
Net Position Held in Trust for Benefits:		
Net Position - January 1	10,298,512,063	11,840,862,896
Net Position - September 30	10,577,659,329	9,759,464,185

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
As of December 31, 2023

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 - \$5.61 million

Cash balance is the sum of the funds in the JP Morgan Bank operating accounts. The decrease of \$1.31 million from 6.92 million on December 31, 2022, 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 - \$158.81 million

Cash collateral of \$158.81 million and \$133.70 million were held by ACERA, related to securities on loan as of December 31, 2023, and December 31, 2022, 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 - \$26.27 million

The receivable balances of December 31, 2023, increase by approximately \$3.11 million from \$23.16 million on December 31, 2022. This is primarily due to an increase in contribution rates.

(Note 4)

4a. Investment Receivables - \$24.36 million

The investment receivables balance as of December 31, 2023, increase by \$3.15 million from \$21.21 million on December 31, 2022. The increase is mainly attributed to interest and dividend receivables.

4b. Investment Related Payables - \$13.92 million

The increase of \$1.81 million in investment related payables balance as of December 31, 2023, from \$12.11 million on December 31, 2022, is primarily due to timing difference of investment manager fee payments.

(Note 5)

5a. Futures Contracts Receivables - \$8.93 million

The receivables represent the unrealized gains on open futures contracts. The balance for unrealized gains as of December 31, 2023, and December 31, 2022, were \$8.93 and \$0.04 million, respectively

5b. Futures Contracts Payables - \$0 million

The payables represent the unrealized losses on open futures contracts. The balance for unrealized losses as of December 31, 2023, and December 31, 2022, were \$0 and \$1.04 million, respectively.

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
As of December 31, 2023

(Note 7)

7a. Foreign Exchange Contracts Receivables - \$2.71 million

The receivables represent unrealized gains on foreign exchange contracts. Foreign exchange (FX) contracts include currency forward contracts and spot contracts. As of December 31, 2023, and December 31, 2022, the unrealized on FX contracts were \$2.71 million and \$2.48 million, respectively. The increase in unrealized gains of \$0.23 million is mainly due to the change in foreign exchange contracts and market volatility.

7b. Foreign Exchange Contracts Payables - \$0.01 million

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

(Note 8)

Other Receivables - \$0.41 million

Other receivables as of December 31, 2023, 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 December 31, 2023

(Note 9)

Short-Term Investments - \$196.15 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	12/31/2023
Unallocated Cash	\$ 80.79
Parametric Portfolio Associates (cash overlay)	22.92
Capital Guardian	20.22
Baird Investors	19.34
Brandywine	14.74
Loomis	11.11
TCW	6.29
Kennedy	5.25
Aristotle Capital	4.96
William Blair Small Cap Growth	4.18
Bivium - Haven Global Partners	1.56
BIVIUM - Redwood DM	1.18
Bivium - Denali Advisors	0.99
Bivium - Arga Investment Management	0.59
Bivium - Promethos Capital, LLC	0.53
Bivium - Dundas Partners	0.44
Bivium - Cedar Street Asset Mgmt	0.41
AQR Capital Management, LLC	0.39
Bivium - Global Alpha Capital Mgmt	0.24
Bivium	0.01
Bivium - Applied Research Management	0.01
Grand total	\$ 196.15

(Note 10)

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International Equity Commingled Funds - \$2,002.80 million

As of December 31, 2023, and December 31, 2022, the International Equity Commingled Funds were \$2,002.80 million and \$1,379.26 million, respectively. The increase of \$623.54 million is mainly due to unrealized gains from higher market valuations and the Board-approved structural changes to the International Equity portfolio.

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
As of December 31, 2023

(Note 11)

International Fixed Income Commingled Funds - \$79.25 million

The increase of \$3.71 million from the previous year is due to market appreciation of investments. Disclosure of credit ratings on mutual fund holdings of fixed income portfolio is not required per GASB Statement No. 40.

(Note 12)

Real Estate Separate Properties - \$48.28 million

The following is a summary of Real Estate – Separate Property investments as of December 31, 2023, and December 31, 2022. The year-over-year decrease of \$7.30 million is due to the market value decrease of Oakland 14th Street property.

(Dollars in Millions)

<i>Investment Manager</i>	<i>Net Mkt. Value 12-31-2023</i>	<i>Net Mkt. Value 12-31-2022</i>	<i>No. of Properties 2023</i>	<i>No. of Properties 2022</i>
RREEF	\$ 48.28	\$ 55.58	1	1

(Note 13)

Real Estate Commingled Funds - \$756.42 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 \$24.24 million in 2023 as compared to 2022 is mainly due to unrealized losses from investments.

(Note 14)

Real Assets - \$657.54 million

Detailed records regarding these investments of public pension funds are exempt from disclosure under California Government Code Section 7928.710. The increase of \$37.08 million in 2023 as compared to 2022 is mainly due to net gain on investments.

(Note 15)

Absolute Return - \$902.06 million

Detailed records regarding these investments of public pension funds are exempt from disclosure under California Government Code Section 7928.710. The increase of \$50.50 million in 2023 as compared to 2022 is mainly due to net gain on investments.

(Note 16)

Private Equity - \$1,114.71 million

Detailed records regarding these investments of public pension funds are exempt from disclosure under California Government Code Section 7928.710. The increase of \$121.60 million in 2023 as compared to 2022 is due to additional investments net of distributions and net gain on investments.

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
As of December 31, 2023

(Note 17)

Private Credit - \$308.41 million

Detailed records regarding these investments of public pension funds are exempt from disclosure under California Government Code Section 7928.710. The increase of \$47.65 million in 2023 as compared to 2022 is due to additional investments net of distributions and net gain on investments.

(Note 18)

Capital Assets at Cost (Net of Accumulated Depreciation and Amortization) - \$9.75 million

(Dollars in Millions)

	<i>12/31/2023</i>	<i>12/31/2022</i>
Retirement Information System and Others - Construction-In-Process	\$ 8.50	\$ 6.42
Equipment, Furniture & Information Systems	13.60	13.58
Electronic Document Management System	4.18	4.18
Right-to-Use Leased Office Equipments	0.38	0.21
Less: Accumulated Depreciation and Amortization	(17.89)	(17.89)
Net Book Value	8.77	6.50
Leasehold Improvements	2.59	2.59
Less: Accumulated Depreciation	(1.61)	(1.51)
Net Book Value	0.98	1.08
Total Capital Assets, Net	\$ 9.75	\$ 7.58

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

<input type="checkbox"/> Computer Hardware	5 years
<input type="checkbox"/> Computer Software	3 years
<input type="checkbox"/> Equipment	5 years
<input type="checkbox"/> Furniture	7 years
<input type="checkbox"/> Information System – Retirement	7 years
<input type="checkbox"/> Information System – Accounting	3 years
<input type="checkbox"/> EDMS	5 years
<input type="checkbox"/> Right to use Leased Assets	5 years
<input type="checkbox"/> Disaster Recovery	5 years
<input type="checkbox"/> Leasehold Improvements	27.5 years

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
As of December 31, 2023

(Note 19)

Accrued Administration Expenses - \$3.08 million

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

(Note 20)

20a. Members' Benefits & Refunds Payable - \$6.30 million

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

(Dollars in Millions)

<i>Accrued Benefits and Refunds</i>	<i>12/31/2023</i>	<i>12/31/2022</i>
Basic Active Death Benefits	\$ 0.64	\$ 0.93
Active Death Contribution Refunds	1.04	2.16
Retired Death Benefits	4.13	3.74
Members' Contribution Refunds	0.49	0.42
Total Members' Benefits & Refunds Payable	\$ 6.30	\$ 7.25

20b. Retirement Payroll Deductions Payables - \$0.44 million

The balance for December 31, 2023, includes \$0.02 million in health premium prepayments and accrual of \$0.42 million Health Reimbursement Account (HRA) benefits. The corresponding balance for December 31, 2022, included \$0.02 million in health premium prepayments and accrual of \$0.35 million Health Reimbursement Account (HRA) benefits.

(Note 21)

Contributions - \$415.11 million

The increase in contributions of \$12.79 million in 2023 as compared to 2022 is primarily due to an increase in contribution rates.

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
As of December 31, 2023

(Note 22)

Net Appreciation/ (Depreciation) in Fair Value of Investments – \$1,148.26 million

(Dollars in Millions)

	<i>For the Period Ended</i>	
	<i>12/31/2023</i>	<i>12/31/2022</i>
<u>Actual / Realized Gains/(Losses)</u>		
Domestic Equities	\$ 129.19	\$ 67.39
International Equities	11.93	(8.45)
Domestic Bonds	(24.80)	(52.75)
International Bonds	(2.39)	(6.46)
Real Estate Commingled Funds	(25.55)	(75.68)
Private Equity & Alternative	52.52	118.38
Real Assets	17.60	60.08
Private Credit	0.70	1.34
Futures	(3.59)	(25.71)
Currency	(5.66)	(16.64)
<i>Total Realized Gains/(Losses)</i>	149.95	61.50
<u>Paper / Unrealized Gains/(Losses)</u>		
Domestic Equities	485.77	(717.40)
International Equities	382.32	(595.42)
Domestic Bonds	68.87	(224.12)
International Bonds	20.73	(17.33)
Real Estate Commingled Funds	(70.25)	196.99
Real Estate Sep. Props.	(8.21)	(16.86)
Private Equity & Alternative	85.29	(98.84)
Real Assets	11.92	3.47
Private Credit	11.33	(2.02)
Futures	9.93	(0.57)
Currency	0.61	2.88
<i>Total Unrealized Gains/(Losses)</i>	998.31	(1,469.22)
Total Net Realized and Unrealized Gains/(Losses)	\$ 1,148.26	\$ (1,407.72)

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
As of December 31, 2023

(Note 23)

Dividend, Interest, and Other Investment Income - \$168.19 million

(Dollars in Millions)

<i>Dividend, Interest, and Other Investment Income</i>	<i>For the Period Ended</i>	
	<i>12/31/2023</i>	<i>12/31/2022</i>
Interest Income	\$ 64.16	\$ 55.33
Dividend Income	38.73	42.03
Real Estate Income	18.73	24.42
Private Equity, Absolute Return and Real Asset Income / (losses)	46.56	37.75
Direct Brokerage Commissions Recapture	0.01	0.01
Total Net Income	\$ 168.19	\$ 159.54

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
As of December 31, 2023

(Note 24)

Investment Expenses - \$68.33 million

(Dollars in Millions)

<i>Investment Expenses</i>	<i>For the Period Ended</i>			
	<i>Basis Points</i>	<i>12/31/2023</i>	<i>Basis Points</i>	<i>12/31/2022</i>
Investment Manager and Incentive Fees	55.65	\$ 62.76	35.93	\$ 36.94
Investment Custodian	0.53	0.60	0.54	0.56
Investment Consultants & Other Expenses(*)	1.48	1.67	1.47	1.51
Subtotal	57.66	65.03	37.94	39.01
Investment Allocated Cost	2.93	3.30	3.05	3.13
Total Investment Expenses(**)	60.59	\$ 68.33	40.99	\$ 42.14

(*) *Investment Consultant and Other Expenses*

(Dollars in Millions)

	<i>For the Period Ended</i>			
	<i>Basis Points</i>	<i>12/31/2023</i>	<i>Basis Points</i>	<i>12/31/2022</i>
Investment Advising & Performance (Pearls, Alternative Investment)	0.89	\$ 1.00	0.96	\$ 0.99
Consultant - Portfolio Rebalancing	0.01	0.01	0.04	0.05
Consultant - Legal (Alternative Investment)	0.28	0.31	0.21	0.21
Subtotal – Consultants Expenses	1.18	1.32	1.21	1.25
Proxy Services	0.04	0.05	0.07	0.07
Transaction Cost Analysis	0.04	0.05	0.05	0.05
Other Investment Expenses/(Income)	0.22	0.25	0.14	0.14
Subtotal – Other Investment Expenses	0.30	0.35	0.26	0.26
Total Investment Consultants and Other Expenses	1.48	\$ 1.67	1.47	\$ 1.51

(**) The increase in total investment expenses of \$26.19 million in 2023 as compared to 2022 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 December 31, 2023

(Note 25)

Net Investment Income/ (Losses) – 1,248.12 million

(Dollars in Millions)

	<u>For the Period Ended</u>		<u>Inc./ (Dec.)</u>
	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>from previous period</u>
Paper / Unrealized Gains/(Losses)	\$ 998.32	\$ (1,469.22)	\$ 2,467.54
Actual / Realized Gains/(Losses)	149.94	61.50	88.44
Investment Income (Interest/Dividend/RE/Other) - Net of Expenses	99.86	117.39	(17.53)
Total Net Income/ (Losses)	\$ 1,248.12	\$ (1,290.33)	\$ 2,538.45

(Note 26)

Securities Lending Net Income - \$0.69 million

The securities lending net income balance as of December 31, 2023, and December 31, 2022, were \$0.69 million and \$0.62 million, respectively.

(Note 27)

Miscellaneous Income - \$0.71 million

The miscellaneous income of \$0.71 million is predominantly from prior year investment income and security litigation income recovery.

(Note 28)

Service Retirement and Disability Benefits - \$601.26 million

The increase of \$27.94 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 239 in the total number of retirees and beneficiaries receiving benefits, from 10,764 on December 31, 2022, to 11,003 on December 31, 2023.

(Note 29)

Death Benefits - \$3.99 million

The death benefits paid out during the nine months ended December 31, 2023, were comprised of \$0.23 million of Retired Death Benefits, \$0.41 million of Active Death Benefits, and \$3.35 million of Survivorship Benefits.

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
As of December 31, 2023

(Note 30)

Total Administration - \$17.57 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)

	12/31/2023	12/31/2022	<i>Inc./</i> (Dec.) <i>from previous</i> <i>period</i>
Administrative Expenses	\$ 12.92	\$ 12.67	\$ 0.25
Actuarial Expenses	0.47	0.38	0.09
Business Continuity Expenses	0.61	0.55	0.06
Legal Expenses	0.85	0.84	0.01
Technology Expenses	1.01	0.93	0.08
401(h) Administrative Expenses	1.71	1.66	0.05
Total	\$ 17.57	\$ 17.03	\$ 0.54



MEMORANDUM TO THE BOARD OF RETIREMENT

DATE: February 15, 2024

TO: Members of the Board of Retirement

FROM: Erica Haywood, Fiscal Services Officer *EH*

SUBJECT: Operating Expenses and Budget Summary for the period ended December 31, 2023

ACERA's operating expenses are \$591K under budget for the period ended December 31, 2023. Budget overages and surpluses worth noting are as follows:

Budget Overages

1. *Insurance*: Insurance is \$13K over budget from higher insurance premiums.
2. *Systems*: Systems are \$8K over budget. This amount comprised overages in county data processing of \$5K, minor computer hardware of \$44K, and the implementation of the intangible right to use software technology (GASB 96) of \$77K, offset by surpluses in business continuity of (\$16K), and software maintenance & support of (\$102K).

Budget Surpluses

1. *Staffing*: Staffing is \$112K under budget. This amount comprised surpluses in fringe benefits of (\$776K), and staff vacancies of (\$459K), offset by overages in temporary staffing of \$341K, and 5% staff vacancy adjustment of \$782K.
2. *Staff Development*: Staff Development is \$153K under budget for staff trainings and conferences.
3. *Professional Fees*: Professional Fees are \$144K under budget. This amount comprised surpluses in actuarial fees of (\$140K), consultant fees of (\$15K), and external audit of (\$5K), offset by overage in legal fee of \$16K.
4. *Office Expense*: Office Expense is \$90K under budget. This amount comprised surpluses in building expenses of (\$48K), equipment lease and maintenance of (\$14K), minor equipment and furniture of (\$4K), office maintenance and supplies of (\$18K), and printing and postage of (\$6K).
5. *Member Services*: Member Services are \$47K under budget. This amount comprised surpluses in disability legal arbitration and transcripts of (\$36K), disability medical expenses of (\$46K), and member training & education of (\$9K), offset by overages in health reimbursement of \$5K, member printing & postage of \$37K, and virtual call center of \$2K.

Operating Expenses Budget Summary for the period ended December 31, 2023

6. *Board of Retirement:* Board of Retirement is \$50K under budget. This amount comprised surpluses in board conferences and trainings of (\$48K), board strategic planning of (\$10K), offset overages in board reimbursement of \$5K, and board software maintenance & support of \$3K.
7. *Uncollectable Benefit Payments:* Uncollectable Benefit Payments are \$16K under budget.

Staffing Detail

Vacant positions as of December 31, 2023:

Department	Position	Qty	Comments
Benefits	Retirement Benefits Specialist	1	Vacant - currently budgeted for the year
Benefits	Sr. Retirement Technician	1	Vacant - currently budgeted for the year
Benefits	Retirement Support Specialist	1	Vacant – currently budgeted for the year
Fiscal Services	Retirement Accountant II	1	Vacant - currently budgeted for the year
	Total Positions	4	

Pension Administration System Project - as of December 31, 2023					
	Year-To-Date			2023 Budget	2019-22 Actual
	Actual	Budget	Variance		
Consultant Fees					
Levi, Ray and Shoup	\$697,582	\$1,500,000	\$(802,418)	\$1,500,000	\$2,533,989
Segal and other consultant fees	691,428	480,000	211,428	480,000	1,632,042
Other expenses	-	-	-	-	1,500
Leap Technologies	-	-	-	-	98,970
Total	1,389,010	1,980,000	(590,990)	1,980,000	4,266,501
Staffing	687,569	696,000	(8,431)	696,000	2,158,220
TOTAL	\$2,076,579	\$2,676,000	\$(599,421)	\$2,676,000	\$6,424,721

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>December 31, 2023</u>					
	<u>Actual</u>	<u>Budget</u>	<u>YTD</u>	<u>2023</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	\$ 16,111,011	\$ 16,224,000	\$ (112,989)	\$ 16,224,000	99.3%
Staff Development	214,134	367,000	(152,866)	367,000	58.3%
Professional Fees (Next Page)	1,156,683	1,301,000	(144,317)	1,301,000	88.9%
Office Expense	378,858	469,000	(90,142)	469,000	80.8%
Insurance	592,469	579,000	13,469	579,000	102.3%
Member Services	475,143	522,000	(46,857)	522,000	91.0%
Systems	1,230,810	1,223,000	7,810	1,223,000	100.6%
Depreciation	120,882	120,000	882	120,000	100.7%
Board of Retirement	563,851	614,000	(50,149)	614,000	91.8%
Uncollectable Benefit Payments	36,906	53,000	(16,094)	53,000	69.6%
Total Operating Expense	\$ 20,880,747	\$ 21,472,000	\$ (591,253)	\$ 21,472,000	97.2%
Investment Consultant Fees	1,430,512	1,560,000	(129,488)	1,560,000	91.7%
Investment Custodian Fees	603,341	564,000	39,341	564,000	107.0%
Investment Manager and Incentive Fees	61,716,178	52,413,000	9,303,178	52,413,000	117.7%
Other Investment Expenses	230,939	572,000	(341,061)	572,000	40.4%
Total Portfolio Management Investment Expense	\$ 63,980,970	\$ 55,109,000	\$ 8,871,970	\$ 55,109,000	116.1%
Total Operating and Portfolio Management Investment Expense	\$ 84,861,717	\$ 76,581,000	\$ 8,280,717	\$ 76,581,000	110.8%



ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
PROFESSIONAL FEES

YEAR TO DATE - ACTUAL VS. BUDGET

December 31, 2023

	<u>Actual</u>	<u>Budget</u>	<u>YTD Variance</u>	<u>2023</u>	<u>% Actual to</u>
<u>Professional Fees</u>	<u>Year-To-Date</u>	<u>Year-To-Date</u>	<u>(Under)/Over</u>	<u>Annual</u>	<u>Annual Budget</u>
				<u>Budget</u>	
Consultant Fees - Operations and Projects ¹	\$ 338,776	\$ 354,000	\$ (15,224)	\$ 354,000	95.7%
Actuarial Fees ²	513,482	653,000	(139,518)	653,000	78.6%
External Audit ³	138,765	144,000	(5,235)	144,000	96.4%
Legal Fees ⁴	165,660	150,000	15,660	150,000	110.4%
Total Professional Fees	\$ 1,156,683	\$ 1,301,000	\$ (144,317)	\$ 1,301,000	88.9%

	<u>Actual</u>	<u>Budget</u>	<u>YTD Variance</u>	<u>2023 Annual</u>	<u>% Actual to</u>
	<u>Year-To-Date</u>	<u>Year-To-Date</u>	<u>(Under)/Over</u>	<u>Budget</u>	<u>Annual Budget</u>
¹ CONSULTANT FEES - OPERATIONS AND PROJECTS:					
Administration					
Strategic Planning	6,731	-	6,731	-	0.0%
Total Administration	6,731	-	6,731	-	0.0%
Benefits					
Alameda County HRS (Benefit Services)	126,000	126,000	-	126,000	100.0%
Segal (Benefit Consultant/Retiree Open Enrollment)	129,000	131,000	(2,000)	131,000	98.5%
Total Benefits	255,000	257,000	(2,000)	257,000	99.2%
Fiscal Services					
Cashlog	-	20,000	(20,000)	20,000	0.0%
Total Fiscal Services	-	20,000	(20,000)	20,000	0.0%
Human Resources					
Lakeside Group (County Personnel)	77,045	77,000	45	77,000	100.1%
Total Human Resources	77,045	77,000	45	77,000	100.1%
Total Consultant Fees - Operations	338,776	354,000	(15,224)	354,000	95.7%
² ACTUARIAL FEES					
Actuarial Valuation	85,000	85,000	-	85,000	100.0%
Actuarial Audit	45,000	135,000	(90,000)	135,000	33.3%
GASB 67 & 68 Valuation	52,000	52,000	-	52,000	100.0%
GASB 74 & 75 Actuarial	15,500	16,000	(500)	16,000	96.9%
Actuarial Standard of Practice 51 Pension Risk	30,000	30,000	-	30,000	100.0%
Supplemental Consulting	201,982	251,000	(49,018)	251,000	80.5%
Supplemental Retiree Benefit Reserve valuation	44,000	44,000	-	44,000	100.0%
Triennial Experience Study	40,000	40,000	-	40,000	100.0%
Total Actuarial Fees	513,482	653,000	(139,518)	653,000	78.6%
³ EXTERNAL AUDIT					
External audit	121,046	121,000	46	121,000	100.0%
GASB 67 & 68 audit	9,400	11,000	(1,600)	11,000	85.5%
GASB 74 & 75 audit	8,319	12,000	(3,681)	12,000	69.3%
Total External Audit Fees	138,765	144,000	(5,235)	144,000	96.4%
⁴ LEGAL FEES					
Fiduciary & Litigation	83,570	75,000	8,570	75,000	111.4%
Tax and Benefit Issues	11,000	25,000	(14,000)	25,000	44.0%
Miscellaneous Legal Advice	71,090	50,000	21,090	50,000	142.2%
Total Legal Fees	165,660	150,000	15,660	150,000	110.4%

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
TOTAL EXPENDITURES VS. PRIOR YEAR ACTUAL
For the Twelve Months Ending 12/31/2023

	<u>For the Month of December 2023</u>	<u>For the Month of December 2022</u>	<u>Variance</u>	<u>Year-To-Date 2023</u>	<u>Year-To-Date 2022</u>	<u>Variance</u>
STAFFING						
Salaries	912,049	887,781	24,268	10,557,831	10,196,177	361,654
Fringe Benefits	383,727	384,049	(322)	5,062,558	5,071,204	(8,646)
Temporary Staffing Cost	36,001	25,108	10,893	490,622	357,012	133,610
Staffing Total	<u>1,331,777</u>	<u>1,296,938</u>	<u>34,839</u>	<u>16,111,011</u>	<u>15,624,393</u>	<u>486,618</u>
STAFF DEVELOPMENT	12,233	12,305	(72)	214,134	250,980	(36,846)
PROFESSIONAL FEES						
Actuarial Fees	(2,717)	(38,131)	35,414	513,482	424,772	88,710
Consultant Fees - Operations	27,667	42,517	(14,850)	338,776	418,200	(79,424)
Consultant Fees - Legal	16,496	39,202	(22,706)	165,660	136,812	28,848
External Audit	0	0	0	138,765	136,912	1,853
Professional Fees Total	<u>41,446</u>	<u>43,588</u>	<u>(2,142)</u>	<u>1,156,683</u>	<u>1,116,696</u>	<u>39,987</u>
OFFICE EXPENSE						
Bank Charges & Misc. Admin	5,947	6,834	(887)	79,580	130,397	(50,817)
Building Expenses	3,120	1,498	1,622	33,824	(9,702)	43,526
Communications	9,647	14,255	(4,608)	106,984	155,022	(48,038)
Equipment Lease/Maintenance	7,423	9,229	(1,806)	98,292	107,108	(8,816)
Minor Equipment and Furniture	591	2,766	(2,175)	9,133	13,329	(4,196)
Office Supplies/Maintenance	1,900	5,166	(3,266)	36,367	39,050	(2,683)
Printing & Postage	1,092	1,053	39	14,678	13,266	1,412
Office Expense Total	<u>29,720</u>	<u>40,801</u>	<u>(11,081)</u>	<u>378,858</u>	<u>448,470</u>	<u>(69,612)</u>
INSURANCE	51,590	46,924	4,666	592,469	547,262	45,207
MEMBER SERVICES						
Disability - Legal Arbitration & Transcripts	9,111	800	8,311	8,629	25,192	(16,563)
Disability Medical Expense	10,275	13,100	(2,825)	146,920	77,074	69,846
Disability Claims Management	3,850	3,850	0	46,200	46,200	0
Health Reimbursement Acct. (HRA)	6,565	5,918	647	70,496	69,792	704
Member Training & Education	419	509	(90)	7,979	5,727	2,252
Printing & Postage - Members	4,618	511	4,107	129,892	114,297	15,595
Virtual Call Center	5,422	0	5,422	65,027	0	65,027
Member Services Total	<u>40,260</u>	<u>24,688</u>	<u>15,572</u>	<u>475,143</u>	<u>338,282</u>	<u>136,861</u>

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
TOTAL EXPENDITURES VS. PRIOR YEAR ACTUAL
For the Twelve Months Ending 12/31/2023

	<i>For the Month of December 2023</i>	<i>For the Month of December 2022</i>	Variance	<i>Year-To-Date 2023</i>	<i>Year-To-Date 2022</i>	Variance
SYSTEMS						
Business Continuity Expense	17,747	15,676	2,071	237,859	214,589	23,270
County Data Processing	11,946	10,961	985	133,783	127,611	6,172
Minor Computer Hardware	3,165	6,349	(3,184)	86,129	58,155	27,974
Intangible right to use SBITA - GASB96	2,597	0	2,597	76,726	0	76,726
Software Maintenance & Support	59,503	74,192	(14,689)	696,313	743,743	(47,430)
Systems Total	<u>94,958</u>	<u>107,178</u>	<u>(12,220)</u>	<u>1,230,810</u>	<u>1,144,098</u>	<u>86,712</u>
DEPRECIATION						
Depreciation Expense	10,409	9,961	448	120,882	122,121	(1,239)
BOARD OF RETIREMENT						
Board Compensation	1,800	1,800	0	22,600	23,300	(700)
Board Conferences & Training	4,519	1,818	2,701	147,579	92,237	55,342
Board Election	0	49,430	(49,430)	0	60,794	(60,794)
Board Employer Reimbursement	29,740	28,250	1,490	360,600	344,605	15,995
Board Miscellaneous Expense	872	634	238	18,129	11,477	6,652
Board Software Maint. & Support	1,294	0	1,294	14,943	3,943	11,000
Board of Retirement Total	<u>38,225</u>	<u>81,932</u>	<u>(43,707)</u>	<u>563,851</u>	<u>536,356</u>	<u>27,495</u>
UNCOLLECTABLE BENEFIT PAYMENTS	<u>36,906</u>	<u>33,647</u>	<u>3,259</u>	<u>36,906</u>	<u>33,647</u>	<u>3,259</u>
GRAND TOTALS	<u><u>1,687,524</u></u>	<u><u>1,697,962</u></u>	<u><u>(10,438)</u></u>	<u><u>20,880,747</u></u>	<u><u>20,162,305</u></u>	<u><u>718,442</u></u>



MEMORANDUM TO THE BOARD OF RETIREMENT

DATE: February 15, 2024
 TO: Members of the Board of Retirement
 FROM: Erica Haywood, Fiscal Services Officer *EH*
 SUBJECT: Actual Cash and Forecast as of December 31, 2023

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 a summary of the 2023 Cash Forecast vs Actual Cash year-end review;
- Table 2 is the annual cash forecast from January to December 2024, which will roll forward monthly as the year progresses; and,
- Tables 3 through 5 is the annualized, 5-year actual cash management information.

Table 1, below, is the Comparison between Cash Forecast and Actual Cash Position for the year 2023:

Table 1 2023 Year-End Cash Forecast vs Actual Cash					
	Total Receipts		Total Disbursements		Negative Cash Position
Forecast	\$	402,099,900	\$	687,304,349	\$ (285,204,449)
Actual		414,899,787		695,633,991	(280,734,204)
Variance		(12,799,887)		(8,329,642)	(4,470,245)
Average*		32,080,961		58,143,197	(26,062,236)

Table 1 notes: *This is actual monthly average excluding the three-pay-period months because they cause inaccuracy with extreme fluctuation.

Table 2 Cash Forecast: Table 2 provides the current forecasted negative cash position for the period spanning January 2024 to December 2024. The average monthly negative cash position for the referenced period is \$24,480,843. Excluding the two three-pay-period months i.e., March 2024 and August 2024, annotated by an *. The year-over-year increase in average monthly negative cash position compared to the same period in 2023 is \$1,581,393.

Table 2 Annual Cash Forecast from January 2024 to December 2024			
Month-Year	Total Receipts	Total Disbursements	Negative Cash Position
Jan-24	33,383,544	58,528,156	\$ (25,144,612)
Feb-24	33,498,906	58,136,090	(24,637,184)
Mar-24*	50,236,403	58,897,151	(8,660,748)
Apr-24	33,729,631	58,291,959	(24,562,328)
May-24	33,844,993	58,369,894	(24,524,901)
Jun-24	33,960,355	58,447,829	(24,487,474)
Jul-24	33,960,355	58,447,829	(24,487,474)
Aug-24*	50,928,575	58,525,763	(7,597,188)
Sep-24	34,306,441	58,603,698	(24,297,257)
Oct-24	34,421,803	58,681,632	(24,259,829)
Nov-24	34,537,166	58,759,567	(24,222,401)
Dec-24	34,652,528	58,837,501	(24,184,973)
Total	441,460,700	\$ 702,527,069	(261,066,369)
Average	\$ 34,029,572	\$ 58,510,416	\$ (24,480,843)

Table 2 notes: *These are three-pay-period months which are excluded from the average because they cause inaccuracy with extreme fluctuation.

Tables 3 through 5, below, provide a 5-year, annualized analysis of ACERA's cash management.

Table 3			
5-Year Annual Cash Inflow			
Year	Total Contributions, Misc. Cash Receipts, etc.	Cash Draw from SSB**	Total Cash Inflow
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
2019	401,756,315	232,000,000	633,756,315

Table 3. 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 4			
5-Year Annual Cash Outflow			
Year	Retiree Payroll, Accounts Payable, ACERA Payroll, etc.	Cash Return to SSB**	Total Cash Outflow
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
2019	570,574,725	60,500,000	631,074,725

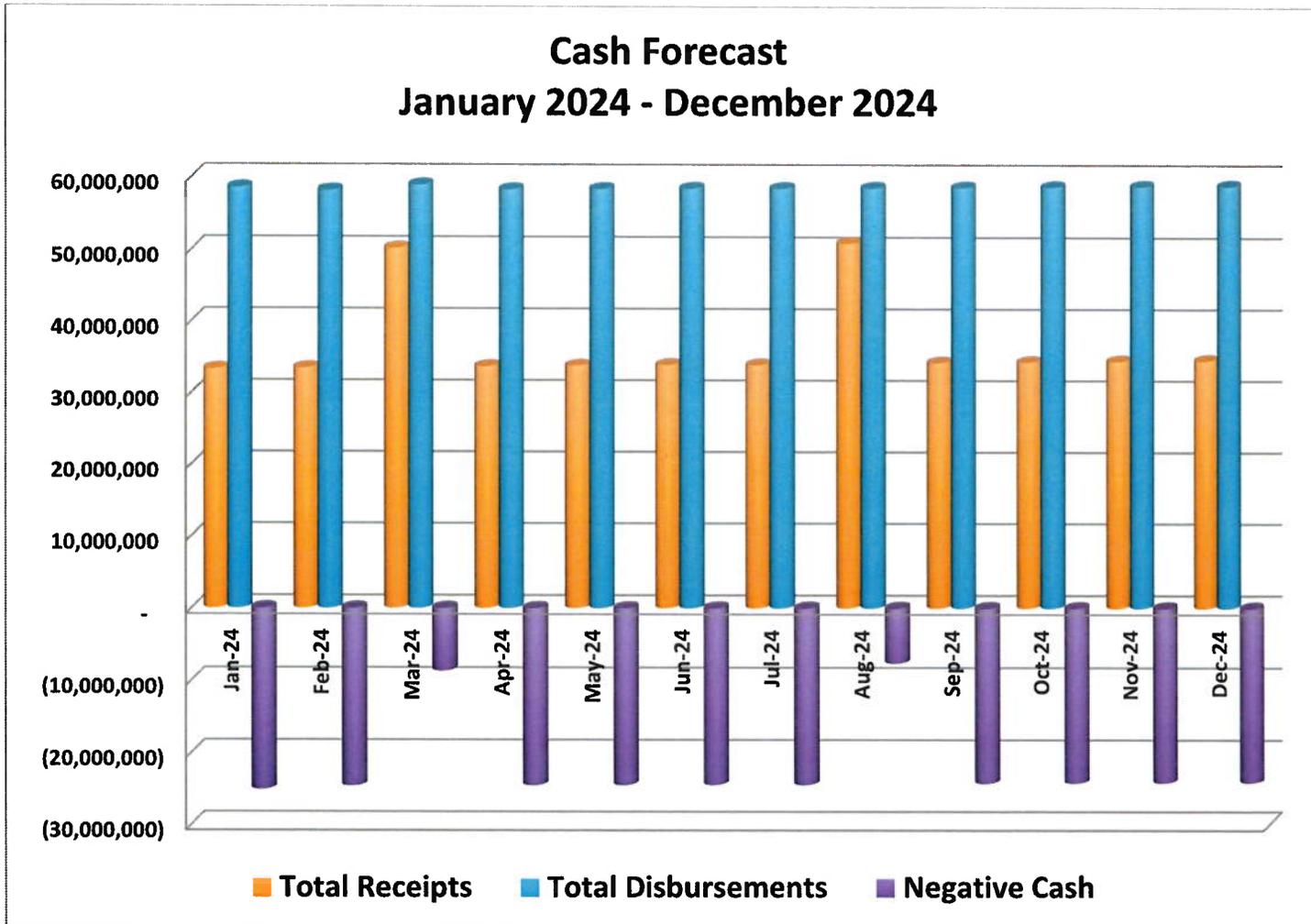
Table 4. Annualized outflow of retirement and benefit payments, accounts payable, and ACERA payroll. Excess cash (Cash Return to SSB column) is wired to the SSB HI1A account.

Table 5			
5-Year Annual Net Cash Position			
Year	Negative Cash	Net Cash Draw from SSB**	Variance
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)
2019	(168,818,410)	171,500,000	2,681,590

Table 5. 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 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: February 15, 2024

TO: Members of the Board of Retirement

FROM: Erica Haywood, Fiscal Services Officer *EH*

SUBJECT: Board Conference and Training Expense Report for the period
ending December 31, 2023

Attached is the January 1, 2023 – December 31, 2023 Board conference and training expense report. As of December 31, 2023, reported expenses totaled \$147,579.

ACERA Trustees
Board Conference Expense Report
January 1, 2023 to
December 31, 2023

From	To	Attendee	Conference	Location	Total
05/05/23	05/05/23	Cynthia Baron	CAPAPRS Trustees Round Table	Online	\$ 50
05/09/23	05/13/23	Cynthia Baron	SACRS Spring Conference	San Diego, CA	\$ 1,737
07/16/23	07/20/23	Cynthia Baron	SACRS UC Berkeley Program	Berkeley, CA	\$ 4,327
Cynthia Baron Total					\$ 6,114
04/30/23	05/01/23	Elizabeth Rogers	2023 Milken Conference	Los Angeles, CA	\$ 17,113
05/09/23	05/13/23	Elizabeth Rogers	SACRS Spring Conference	San Diego, CA	\$ 1,539
Elizabeth Rogers total					\$ 18,651
04/30/23	05/01/23	George Wood	2023 Milken Conference	Los Angeles, CA	\$ 17,048
05/09/23	05/13/23	George Wood	SACRS Spring Conference	San Diego, CA	\$ 1,221
11/07/23	11/10/23	George Wood	SACRS Fall Conference	Palm Springs, CA	\$ 120
George Wood Total					\$ 18,389
01/12/23	01/13/23	Henry Levy	Opal Public Funds Summit	Scottsdale, AZ	\$ 2,327
03/06/23	03/08/23	Henry Levy	CII Spring Conference	Washington, DC	\$ 2,355
04/17/23	04/19/23	Henry Levy	Pension Bridge Annual Conference	San Francisco, CA	\$ 433
05/05/23	05/05/23	Henry Levy	CAPAPRS Trustees Round Table	Online	\$ 50
05/10/23	05/13/23	Henry Levy	SACRS Spring Conference	San Diego, CA	\$ 150
06/04/23	06/07/23	Henry Levy	World Investment Forum	Sea Island, GA	\$ 3,296
09/11/23	09/13/23	Henry Levy	CII Fall Conference	Long Beach, CA	\$ 647
09/19/23	09/21/23	Henry Levy	Conexus Fiduciary Investors' Symposium	Stanford, CA	\$ 984
10/05/23	10/05/23	Henry Levy	Nossaman Fiduciaries Forum	San Francisco, CA	\$ 95
11/07/23	11/10/23	Henry Levy	SACRS Fall Conference	Palm Springs, CA	\$ 1,470
12/04/23	12/04/23	Henry Levy	Wharton's Online Courses	Online	\$ 3,000
Henry Levy Total					\$ 14,807
02/28/23	03/01/23	Jaime Godfrey	Pension Bridge ESG Summit	Beverly Hills, CA	\$ 1,630
03/05/23	03/07/23	Jaime Godfrey	CALAPRS General Assembly	Monterey, CA	\$ 250
03/27/23	03/29/23	Jaime Godfrey	Markets Group ALTSLA Conference	Los Angeles, CA	\$ 1,223
04/24/23	04/26/23	Jaime Godfrey	Institutional Investor Public Funds Roundtable	Los Angeles, CA	\$ 1,027
04/25/23	04/26/23	Jaime Godfrey	Public Funds Round Table	Beverly Hills, CA	\$ 289
04/30/23	05/01/23	Jaime Godfrey	Milken Conference	Los Angeles, CA	\$ 17,934
05/09/23	05/13/23	Jaime Godfrey	SACRS Spring Conference	San Diego, CA	\$ 1,596
07/18/23	07/19/23	Jaime Godfrey	IMN ESG & Decarbonizing in Real Estate	Dana Point, CA	\$ 1,778
11/07/23	11/10/23	Jaime Godfrey	SACRS Fall Conference	Palm Springs, CA	\$ 1,816
Jaime Godfrey Total					\$ 27,543
05/09/23	05/13/23	Kevin Bryant	SACRS Spring Conference	San Diego, CA	\$ 1,415
05/20/23	05/21/23	Kevin Bryant	NCPERS TEDS	New Orleans, LA	\$ 1,598
05/21/23	05/24/23	Kevin Bryant	NCPERS ACE	New Orleans, LA	\$ 1,976
07/24/23	07/26/23	Kevin Bryant	NASP Financial Services Conference	Philadelphia, PA	\$ 2,248
11/07/23	11/10/23	Kevin Bryant	SACRS Fall Conference	Palm Springs, CA	\$ 1,319
Kevin Bryant Total					\$ 8,556
04/30/23	05/01/23	Keith Carson	Milken Conference	Los Angeles, CA	\$ 16,865
09/12/23	09/16/23	Keith Carson	Milken Asia Summit	Singapore	\$ 4,505
Keith Carson Total					\$ 21,370
05/05/23	05/05/23	Kellie Simon	CALAPRS Trustees Round Table	Online	\$ 50
05/09/23	05/13/23	Kellie Simon	SACRS Spring Conference	San Diego, CA	\$ 1,435
09/19/23	09/21/23	Kellie Simon	Conexus Fiduciary Investors' Symposium	Stanford, CA	\$ 969
11/07/23	11/10/23	Kellie Simon	SACRS Fall Conference	Palm Springs, CA	\$ 1,564
Kellie Simon Total					\$ 4,018
05/05/23	05/05/23	Ophelia Basgal	CALAPRS Trustees Round Table	Online	\$ 50
Ophelia Basgal Total					\$ 50
05/09/23	05/13/23	Ross Clippinger	SACRS Spring Conference	San Diego, CA	\$ 1,609
07/16/23	07/20/23	Ross Clippinger	SACRS UC Berkeley Program	Berkeley, CA	\$ 3,854
08/28/23	08/31/23	Ross Clippinger	CALAPRS Principals of Pension Governance for Trustees	Malibu, CA	\$ 3,744
11/07/23	11/10/23	Ross Clippinger	SACRS Fall Conference	Palm Springs, CA	\$ 1,453
Ross Clippinger Total					\$ 10,660
01/18/23	01/20/23	Tarrell Gamble	NASP Diverse Managers Forum	Philadelphia, PA	\$ 1,050
02/01/23	02/28/23	Tarrell Gamble	VC University	Online	\$ 1,545
02/28/23	03/01/23	Tarrell Gamble	Pension Bridge ESG Summit	Beverly Hills, CA	\$ 1,021
03/06/23	03/08/23	Tarrell Gamble	CII Spring Conference	Washington, DC	\$ 2,171
03/28/23	03/30/23	Tarrell Gamble	GPC Conference	New York, NY	\$ 1,486
04/14/23	04/14/23	Tarrell Gamble	Private Debt Microcredential	Online	\$ 395
04/26/23	04/27/23	Tarrell Gamble	Titan Investors Due Diligence Retreat	Scottsdale, AZ	\$ 314
05/09/23	05/13/23	Tarrell Gamble	SACRS Spring Conference	San Diego, CA	\$ 911
07/12/23	07/13/23	Tarrell Gamble	Tide Spark Conference	Dana Point, CA	\$ 706
07/24/23	07/26/23	Tarrell Gamble	NASP Financial Services Conference	Philadelphia, PA	\$ 1,990
08/02/23	08/03/23	Tarrell Gamble	Markets Group Private Equity Forum	Chicago, IL	\$ 1,799
09/11/23	09/13/23	Tarrell Gamble	CII Fall Conference	Long Beach, CA	\$ 478
09/18/23	09/20/23	Tarrell Gamble	Carlyle Global Investor Conference	Washington, DC	\$ 1,983
10/24/23	10/25/23	Tarrell Gamble	Pension Bridge Sustainability	San Diego, CA	\$ 458
11/07/23	11/10/23	Tarrell Gamble	SACRS Fall Conference	Palm Springs, CA	\$ 1,114
Tarrell Gamble Total					\$ 17,422
GRAND TOTAL					\$147,579



MEMORANDUM TO THE BOARD OF RETIREMENT

DATE: February 15, 2024

TO: Members of the Board of Retirement

FROM: Erica Haywood, Fiscal Services Officer *EH*

SUBJECT: Senior Leadership Conference and Training Expense Report for the period
Ending December 31, 2023

Attached is the January 1, 2023 – December 31, 2023 Senior Leadership Team conference and training expense report. As of December 31, reported expenses totaled \$60,400.

**ACERA SLT
Conference and Training Expense Report
January 1, 2023 to December 31, 2023**

From	To	SLT	Training or Conference	Name	Amount
Conferences					
02/09/23	02/09/23	Dave Nelsen	Conference	CALAPRS Administrator's Round Table	\$ 50
03/27/23	03/27/23	Dave Nelsen	Conference	CALAPRS General Assembly	\$ 1,109
05/09/23	05/12/23	Dave Nelsen	Conference	SACRS Spring Conference	\$ 1,372
06/12/23	06/14/23	Dave Nelsen	Conference	CALAPRS Mgmt. Academy	\$ 1,269
06/23/23	06/23/23	Dave Nelsen	Conference	CALAPRS Administrator's Round Table	\$ 50
08/08/23	08/09/23	Dave Nelsen	Conference	Verus Due Diligence	\$ 272
09/11/23	09/13/23	Dave Nelsen	Conference	CALAPRS Administrators' Institute	\$ 2,500
10/30/23	10/30/23	Dave Nelsen	Conference	2023 Pensions, Benefits & Investments Fiduciaries' Forum	\$ 95
11/07/23	11/10/23	Dave Nelsen	Conference	SACRS Fall Conference	\$ 1,344
12/06/23	12/08/23	Dave Nelsen	Conference	CALAPRS	\$ 701
Trainings					
03/17/23	03/17/23	Dave Nelsen	Conference	SACRS Legislative Committee Meeting	\$ 24
Dave Nelsen Total					\$ 8,786
Conferences					
07/24/23	07/27/23	Lisa Johnson	Conference	IFEPP CAPPP Part I & II	\$ 5,914
10/05/23	10/06/23	Lisa Johnson	Conference	Fundamentals of Finance & Accounting for Non-Financial Managers	\$ 2,595
10/16/23	10/17/23	Lisa Johnson	Conference	Strategic Planning	\$ 2,795
Lisa Johnson Total					\$ 11,304
Conferences					
02/09/23	02/09/23	Carlos Barrios	Conference	CALAPRS Admin Roundtable	\$ 100
03/27/23	03/27/23	Carlos Barrios	Conference	CALAPRS General Assembly	\$ 1,141
05/09/23	05/12/23	Carlos Barrios	Conference	SACRS Spring Conference	\$ 1,195
07/25/23	07/30/23	Carlos Barrios	Conference	IFEPP Certificate Series	\$ 6,447
08/20/23	08/23/23	Carlos Barrios	Conference	CALAPRS General Assembly	\$ 132
08/21/23	08/25/23	Carlos Barrios	Conference	42nd Annual ISCEBS Employee Benefits Symposium	\$ 2,971
10/01/23	10/04/23	Carlos Barrios	Conference	IFEPP 69th Annual Employee Benefits Conf.	\$ 5,326
11/07/23	11/10/23	Carlos Barrios	Conference	SACRS Fall Conference	\$ 1,795
Carlos Barrios Total					\$ 19,107
Conferences					
03/02/23	03/10/23	Erica Haywood	Conference	AMA Leading with Emotional Intelligence	\$ 2,295
05/20/23	05/25/23	Erica Haywood	Conference	GFOA Annual Conference	\$ 2,844
11/02/23	11/02/23	Erica Haywood	Conference	GFOA Annual Update	\$ 135
11/07/23	11/20/23	Erica Haywood	Conference	SACRS Fall Conference	\$ 1,416
Trainings					
03/02/23	03/10/23	Erica Haywood	Training	Project Management Skills	\$ 1,895
09/21/23	09/21/23	Erica Haywood	Training	Toastmasters	\$ 60
10/05/23	10/05/23	Erica Haywood	Training	AMA Annual Pass	\$ 3,495
Erica Haywood Total					\$ 12,140
Conferences					
05/09/23	05/12/23	Harsh Jadhav	Conference	SACRS Spring Conference	\$ 169
06/01/23	06/01/23	Harsh Jadhav	Conference	CALCPA GAA Meeting	\$ 132
11/07/23	11/10/23	Harsh Jadhav	Conference	SACRS Fall Conference	\$ 971
12/06/23	12/08/23	Harsh Jadhav	Conference	CALAPRS	\$ 614
Trainings					
02/03/23	02/06/23	Harsh Jadhav	Training	CPE247.com Continuing Education	\$ 150
09/04/23	09/04/23	Harsh Jadhav	Training	Sequoia CPE	\$ 127
10/07/23	10/07/23	Harsh Jadhav	Training	CRISK Academy	\$ 750
12/16/23	12/16/23	Harsh Jadhav	Training	Excel University	\$ 390
Harsh Jadhav Total					\$ 3,302
Conferences					
02/10/23	02/10/23	Jeffrey Rieger	Conference	CALAPRS Attorney Round Table	\$ 50
05/26/23	05/26/23	Jeffrey Rieger	Conference	CALAPRS Attorney Round Table	\$ 50
05/09/23	05/12/23	Jeffrey Rieger	Conference	SACRS Spring Conference	\$ 1,008
09/08/23	09/08/23	Jeffrey Rieger	Conference	CALAPRS Attorney Round Table	\$ 50
11/07/23	11/10/23	Jeffrey Rieger	Conference	SACRS Fall Conference	\$ 864
Trainings					
01/18/23	01/18/23	Jeffrey Rieger	Training	Access MCLE	\$ 10
Jeffrey Rieger Total					\$ 2,032
Conferences					
10/06/23	10/06/23	Vijay Jagar	Conference	CALAPRS IT Roundtable	\$ 50
Trainings					
04/10/23	04/10/23	Vijay Jagar	Training	Cybersecurity Training	\$ 199
Vijay Jagar Total					\$ 249
Conferences					
10/02/23	10/05/23	Sandra Duenas	Conference	Hyland/OnBase Conference	\$ 3,361
11/07/23	11/10/23	Sandra Duenas	Conference	SACRS Fall Conference	\$ 120
Sandra Duenas Total					\$ 3,481
Conferences					
11/14/23	11/17/23	Vicki Arruda	Conference	CALPERLA	\$ 1,411
Vicki Arruda Total					\$ 1,411
Grand Total					\$ 60,400



MEMORANDUM TO THE BOARD OF RETIREMENT

DATE: February 15, 2024

TO: Members of the Board of Retirement

FROM: Jessica Huffman, Retirement Benefits Manager 

SUBJECT: **Quarterly Report on Member Underpayments and Overpayments**

Attached are the quarterly reports regarding member contributions and overpayments of retirement allowance due to death for the most current six-month period. The report regarding staff errors contains the cases initially presented that have not yet been resolved, along with recently discovered errors. The information below provides more specifics in each of these categories.

Overpayments of Retirement Allowance Due to Death

This report provides any payments (including HRA (Health Reimbursement Arrangements) payments) made after the death of a retiree. In instances where a death is not reported timely, an overpayment occurs. For the six-month reporting period April 2, 2023 through September 30, 2023, 131 deaths occurred. There are seven overpayments due to unreported deaths to report at this time. Staff is actively attempting to collect on these overpayments.

Staff Errors

There are no staff errors to report.

Overpayments and Underpayments of Member Contributions

This report, which is for the period April 2, 2023 through September 30, 2023, shows discrepancies in member contribution amounts resulting in an underpayment or overpayment above the \$50 threshold, average time to resolve, and an explanation of the error type. For this reporting period, staff identified no members who underpaid their mandatory employee contributions and one member who overpaid their mandatory employee contributions. Staff reviewed and resolved the one case of incorrect payment. There were a total of 3,466 exceptions from all Participating Employers. The most common exception type was underpayments due to the Employers withholding retirement contributions based on the incorrect salary.

Attachments

Overpayments of Retirement Allowance Due to Unreported Death April 2, 2023 thru September 30, 2023

Benefit Type	Date of Death	Date ACERA Notified of Death	Last Check Issued	Net Receivable Owed	Staff's Comment
Service Retirement	3/23/2023	4/7/2023	3/31/2023	\$3,305.54	Staff initiated a reclaim request with JPMorgan but was unsuccessful at collecting. Three unsuccessful attempts have been made to collect the overpayment from the family. Staff will continue to attempt collection of overpayment.
Duty Disability Retirement	4/23/2023	5/12/2023	4/28/2023	\$2,098.27	Staff initiated a reclaim request with JPMorgan but was unsuccessful at collecting. Three unsuccessful attempts have been made to collect the overpayment from the family. Staff will continue to attempt collection of overpayment.
Continuance	6/13/2023	7/10/2023	6/30/2023	\$1,526.83	Staff initiated a reclaim request with JPMorgan but was unsuccessful at collecting. Two unsuccessful attempts have been made to collect the overpayment from the family. Staff will continue to attempt collection of overpayment.
Service Retirement	7/16/2023	7/27/2023	7/31/2023	\$2,328.55	Staff initiated a reclaim request with JPMorgan but was unsuccessful at collecting. Three unsuccessful attempts have been made to collect the overpayment from the family. Staff will continue to attempt collection of overpayment.
Health Reimbursement	7/14/2023	8/3/2023	8/24/2023	\$378.00	Via Benefits reimbursed a claim reimbursement prior to receiving notification of member's death. Four unsuccessful attempts have been made to collect the overpayment from the family. Staff will continue to attempt collection of overpayment.
Service Retirement	7/28/2023	8/11/2023	7/31/2023	\$4,725.88	Staff initiated a reclaim request with JPMorgan but was unsuccessful at collecting. Two unsuccessful attempts have been made to collect the overpayment from the family. Staff will continue to attempt collection of overpayment.

Overpayments of Retirement Allowance Due to Unreported Death – Continued

Page 2 of 2

Benefit Type	Date of Death	Date ACERA Notified of Death	Last Check Issued	Net Receivable Owed	Staff's Comment
Health Reimbursement	7/28/2023	8/11/2023	8/24/2023	\$395.70	Via Benefits reimbursed a claim reimbursement prior to receiving notification of member's death. Four unsuccessful attempts have been made to collect the overpayment from the family. Staff will continue to attempt collection of overpayment.
Total Receivable				\$14,758.77	

**Active Members - Overpayments and Underpayments of Member Contributions
April 2, 2023 to September 30, 2023**

Alameda County					
	Amount	Date Discovered/ Received	Date Completed	# of days to complete	Cause
Overpayments:	\$74.07	6/20/2023	6/20/2023	1	Employer Withheld Contribution Based at Incorrect Salary
Underpayments:	No Underpayments to Report				
Summary	Most Common Exception Type: Employer Withheld Contribution Based at Incorrect Salary Total Exceptions: 1,367 % Above Exceptions of Total Exceptions: 0.15%				

Alameda County Housing Authority					
	Amount	Date Discovered/ Received	Date Completed	# of days to complete	Cause
Overpayments:	No Overpayments to Report				
Underpayments:	No Underpayments to Report				
Summary	Most Common Exception Type: N/A Total Exceptions: 42 % Above Exceptions of Total Exceptions: 0.00%				

Alameda Health Systems					
	Amount	Date Discovered/ Received	Date Completed	# of days to complete	Cause
Overpayments:	No Overpayments to Report				
Underpayments:	No Underpayments to Report				
Summary	Most Common Exception Type: N/A Total Exceptions: 1118 % Above Exceptions of Total Exceptions: 0.54%				

First 5 Alameda County					
	Amount	Date Discovered/ Received	Date Completed	# of days to complete	Cause
Overpayments:	No Overpayments to Report				
Underpayments:	No Underpayments to Report				
Summary	Most Common Exception Type: N/A Total Exceptions: 19 % Above Exceptions of Total Exceptions: 0.00%				

Livermore Area Recreation and Park District					
	Amount	Date Discovered/ Received	Date Completed	# of days to complete	Cause
Overpayments:	No Overpayments to Report				
Underpayments:	No Underpayments to Report				
Summary	Most Common Exception Type: N/A Total Exceptions: 0 % Above Exceptions of Total Exceptions: 0.00%				

Alameda Superior Courts					
	Amount	Date Discovered/ Received	Date Completed	# of days to complete	Cause
Overpayments:	No Overpayments to Report				
Underpayments:	No Underpayments to Report				
Summary	Most Common Exception Type: N/A Total Exceptions: 920 % Above Exceptions of Total Exceptions: 0.00%				



MEMORANDUM TO THE BOARD OF RETIREMENT

DATE: February 15, 2024

TO: Members of the Board of Retirement

FROM: Jessica Huffman, Retirement Benefits Manager 

SUBJECT: **4th Quarter 2023 Call Center Report**

Attached is the Service Level Report for the 4th quarter of 2023. Our service levels exceeded our benchmark this past quarter. The team handled a total of 4,557 incoming calls this past quarter, 95.57% of which were answered within 60 seconds. The team also responded to a total of 66 member voicemails within 1 business day or less.

The matrix below provides the five highest call volume categories for Q3 2023 and Q4 2023.

Q3 2023 Highest Volume	Categories of Calls	Q4 2023 Highest Volume	Categories of Calls
33%	Retiree Payroll Change Requests	27%	Retiree Payroll Change Requests
33%	Retirement/Membership/ Job Status Change Related Q's	24%	Retirement/Membership/ Job Status Change Related Q's
18%	Health/Dental/ Vision related Q's	34%	Health/Dental/ Vision related Q's
11%	Award Letter/EFT Statement/1099R Requests	12%	Award Letter/EFT Statement/1099R Requests
5%	Service Purchase/Retirement Estimate Requests	3%	Service Purchase/Retirement Estimate Requests

Attachment

ACERA

YTD 2023 Member Services Service Level Report

Performance Indicators	January 2023 Member Services	February 2023 Member Services	March 2023 Member Services	April 2023 Member Services	May 2023 Member Services	June 2023 Member Services
KPI - Service Level (% of calls answered within 60 seconds)	90.37%	94.74%	97.37%	98.03%	98.98%	98.81%
Total Calls Within KPI	1352	1332	1743	1297	1266	1243
Total Number of Call Offered	1524	1418	1823	1342	1293	1275
Call Center Agent Handled Calls	1496	1406	1790	1323	1279	1258
Number of Abandoned Calls	28	12	33	19	14	17
Average Hold Time Before Abandoned (minutes:seconds)	03:27	00:47	00:15	00:15	00:17	00:10
Abandoned Call Rate (Goal: 3% or less)	1.84%	0.85%	1.81%	1.42%	1.08%	1.33%
Average Talk Time (minutes:seconds)	04:35	04:42	04:29	04:27	04:22	04:23

Performance Indicators	July 2023 Member Services	August 2023 Member Services	September 2023 Member Services	October 2023 Member Services	November 2023 Member Services	December 2023 Member Services
KPI - Service Level (% of calls answered within 60 seconds)	98.11%	96.35%	96.87%	96.64%	93.66%	96.41%
Total Calls Within KPI	1246	1451	1236	1582	1507	1264
Total Number of Call Offered	1287	1532	1290	1649	1624	1320
Call Center Agent Handled Calls	1270	1506	1276	1637	1609	1311
Number of Abandoned Calls	17	26	14	12	15	9
Average Hold Time Before Abandoned (minutes:seconds)	00:27	00:48	00:48	00:31	01:10	00:13
Abandoned Call Rate (Goal: 3% or less)	1.32%	1.70%	1.09%	0.70%	0.90%	0.60%
Average Talk Time (minutes:seconds)	04:39	04:49	04:40	04:57	04:44	04:30

YTD 2023
17161

Total Call Center Agent Handled Calls

**REGULAR CALENDAR
REPORTS and ACTION ITEMS**

**COMMITTEE REPORTS,
RECOMMENDATIONS and MOTIONS:**

See Page 3 of the Attached Board Agenda for this month's Committee Reports and Motions.



MEMORANDUM TO THE BOARD OF RETIREMENT

DATE: February 15, 2024

TO: Members of the Board of Retirement

FROM: Carlos Barrios, Assistant Chief Executive Officer 

SUBJECT: **Rebalancing the Supplemental Retiree Benefit Reserve (SRBR) to Equalize Sufficiency Periods to Pay OPEB and Non-OPEB Benefits**

At the October 4, 2023 Retirees Committee meeting, Andy Yeung and Eva Yum, with Segal, presented a proposal to align the Supplemental Retiree Benefit Reserve (SRBR) assets to equalize the sufficiency periods of paying OPEB and non-OPEB benefits. Trustees requested this item be brought back for further discussion, after the financial results and the December 2023 Bay Area consumer price index information are available. Andy Yeung will provide updated information at the meeting regarding the proposal to rebalance the SRBR.



MEMORANDUM TO THE BOARD OF RETIREMENT

DATE: February 15, 2024
TO: Members of the Board of Retirement
FROM: Erica Haywood, Fiscal Services Officer *EH*
SUBJECT: 2023 Discharge Request of Uncollectable Benefit Overpayments

Executive Summary

For the 2023 financial reporting period, benefits' management has deemed 21 accounts uncollectable, for a total net uncollectable amount of \$36,905.61. The following table summarizes the type, quantity, and respective accrual amounts of each uncollectable account type in this 2023 discharge request.

2023 Discharge Summary		
Type of Benefit Overpayment	QTY	Total Net Uncollectable
Continuance	1	\$ 1,410.23
Duty Related Disability Retirement	1	760.92
Non Duty Related Disability Retirement	-	-
Service Retirement	12	31,712.19
Survivorship	-	-
All Other Benefit Related Items	7	3,022.27
Prior Year Tax Overpayments	-	-
Total	21	\$ 36,905.61

Budget and Financial Statement Impact

In preparing the 2023 budget, fiscal services staff created a budget expense line item to discharge benefit overpayments in the amount of \$53,000.00. The Fiscal Services Officer is requesting approval to discharge \$36,905.61 of uncollectable accruals from ACERA's stated assets.

Recommendation

Staff recommends that the Board of Retirement approve the 2023 discharge request of benefit overpayments in the amount of \$36,905.61.

Attachment

1). Discharge of Benefits Overpayments Receivables Policy (January 18, 2024).



Discharge of Overpayments Policy

I. Purpose

- A. This policy sets forth procedures for discharge of uncollectable benefit overpayments. For purposes of this policy, “benefit overpayments” include retirement benefits, health care premiums, credit union deductions, and taxes.
- B. The primary objective of this policy is to ensure that uncollectable benefit overpayments to a member or a beneficiary are properly identified, tracked and, when appropriate, discharged from ACERA’s financial accounting records.
- C. The principal focus of this policy is to ensure that staff follows consistent, Board-approved guidelines to determine that an amount due is deemed uncollectable, and therefore qualifies to be discharged from ACERA’s financial accounting records.

II. Assumptions

- A. Benefit overpayments deemed uncollectable should be discharged from ACERA’s financial accounting records as “receivables” in accordance with generally accepted accounting principles.
- B. Discharging uncollectable benefit overpayments from ACERA’s financial accounting records does not prevent the Board from recouping the resulting shortfall by transferring the shortfall to ACERA’s unfunded liability.
- C. ACERA can later accept repayment from the member or beneficiary after a discharge.

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III. Guidelines

- A. Upon discovery of an overpayment of benefits, the Benefits Department will proceed according to the ACERA Error Correction Policy.

- B. When the Benefits Department, in consultation with the Legal Department, determines that an overpayment is uncollectable following exhaustion of all reasonable efforts (taking into account the statute of limitations for court filings), the Benefits Manager shall notify the Fiscal Services Officer in writing.
- C. Included in that writing shall be name of the recipient, amount of the receivable, the cause of the overpayment, the date on which the Benefits Department initially became aware of the overpayment circumstance, the steps taken to collect the overpayment, and the determination that the overpayment is uncollectable consistent with applicable procedures.
- D. Upon receipt of the writing, the Fiscal Services Department shall track the uncollectable accrued overpayment until approval by the Board of Retirement to discharge the overpayment is received.
- E. At the beginning of each calendar year, the Fiscal Services Officer shall present a Notice of Uncollectable Receivables to the Operations Committee to request a recommendation to the Board of Retirement that it authorize the discharge of accounts that have been deemed uncollectable receivables for the previous calendar year ending December 31.

IV. Policy Review

The Operations Committee shall review this policy at least every three (3) years to ensure that it remains relevant and appropriate.

V. Policy History

- A. The Board adopted this policy on November 17, 2016.
- B. The Board updated this policy on December 20, 2018 and January 18, 2024.



Office of the Chief Executive Officer

DATE: February 15, 2024
TO: Members of the Board of Retirement
FROM: Dave Nelsen, Chief Executive Officer *DN*
SUBJECT: 2024 Board Governance Themed Off-Site Meeting

After consulting with the Chair and Vice-Chair of the Board, they would like to discuss an Off-Site meeting of the Board of Retirement in 2024 that would be focused on topics of Governance, perhaps specific to ACERA, perhaps more general or best practice topics. The thought is a half-day program with topics approved by the Board in advance. We would likely contract with a facilitator for the meeting who has a background in Governance Best Practices.

Some topics for the meeting could include:

- Committee structure and meeting schedule. Too many, too few? Should some be combined or eliminated? Perhaps some best practices discussion with regard to committee operations.
- Expanded roles of Alternate Board Members.
- Staff delegation. Opportunities and barriers, and some best practices discussions. This could include contracting, overpayment write-offs, settlements, investment manager selection, etc.
- Duration of the term for Board Chair. Is annual changeover preferred, or are longer terms more effective?.

Historically, Off-Site meetings were all day and focused on Board Education, with some topics specific to ACERA. Attendance at these meetings has been spotty, and the cost of providing the education and food is not insignificant. It is proposed that by limiting the duration and focus of the meeting, it could improve effectiveness and engagement.

This discussion is to garner feedback on this idea, to determine if we should proceed with the planning of the meeting. We would query the Board for topics, and find a date that would be amenable to as many Board members as possible.



Office of the Chief Executive Officer

DATE: February 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
Update Business Plan	Dave Nelsen	March 2024		We will be updating the Business Plan to support the Strategic direction of ACERA.

Conference/Event Schedule

None

Other Items

Business Planning Update

Attached is a list of updates for each of the projects.

Legislative Update

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

Other Items

Budget: As the KPI indicates on the next page, we finished 2023 at 2.75% below our approved budget, which is slightly over \$593,000 not spent.

Board Education: I will be working with the Chairs of the various committees and Board to occasionally bring in presenters, or have them appear via Zoom, to provide education on a variety of topics. I would love to get your feedback on topics of interest. AI, actuarial trends, macroeconomic updates, legal trends or cases of interest, inflation, demographic trends, etc.?

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 November of 2023: We were .05% short of the benchmark.
EFFECTIVE PLAN ADMINISTRATION	
Actual Spent vs. Approved Budget	<i>On budget or 10% below 2023 approved budget</i> As of December of 2023: 2.75% under budget.
COMPREHENSIVE ORGANIZATION DEVELOPMENT	
Employee Engagement Survey Results	<i>80% of responses in top two rating boxes on the question: "Is ACERA a great place to work?"</i> As of the latest survey (October of 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 4 th Quarter of 2023: 100%.

ACERA 2023-2024 BUSINESS PLANNING PROJECTS UPDATE

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

A scope of work has been defined to proceed with generating job aids to support readiness for V3 go-live. The proof-of-concept work is complete. Implementation of the job aid work has been initiated. Our standard operating procedure project is in progress with the first round of completed procedures will be complete this week. The internal review of the next round of standard operating procedures begins during the week of February 11th.

2. PGV3 Upgrade**Goal 2 (October 2024) & Goal 3**

The design review meetings for the final deliverable are scheduled to begin in mid-October. Design reviews for the final deliverable are almost complete. Member Direct Rollout and Employer Direct Rollout Plan discussions begin this month. Initial planning for member. Member Direct training is on the schedule for the first week in April.

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

New features have been added to The Beneficiary Maintenance Case Manager. End-user testing on Advance Directive Beneficiary Election is in progress. Conversion planning to the V3 environment for Case Manager functionality is in-progress.

Dashboard Report will be used to develop baseline data used to track and measure improvements to the New Member Enrollment process in October. The Communications Team will lead a pilot for distribution and collection of the AWF in Q4.

4. Communications Methods**Goal 4 (Apr. 2023 – Dec. 2023) *Holding item on list for future demo of 7-minute new member orientation video.***

Staff continues to develop video graphic animations for a seven-minute new-member orientation video to be shown during employer orientation. Staff provided a draft of the onboarding schedule in alignment with the New Member Onboarding project.

LEGISLATIVE UPDATE



February 1st, 2024

TO: State Association of County Retirement Systems
FROM: Edelman Gilbert Robson & Smith, LLC
RE: **Legislative Update – February 2024**

Thus far, one word has captured the tone of the beginning of this legislative session: change. With term limits ending the tenures of Assembly Speaker Anthony Rendon and Senate Pro-Temp Toni Atkins, there have been changes in leadership in both houses. While Robert Rivas assumed the position of Assembly Speaker during the closing weeks of the 2023 session, he did not fully wield the power or influence of his office during that time. That, however, has changed with the new session and we are seeing the scope of what Rivas' Speakership will look like.

Rivas has installed many new committee chairs and appointed dozens of new members to committees. One early, and notable, change is that Speaker Rivas has directed committee chairs to allow all bills referred to committee to be eligible for a hearing in that committee if the author of the bill so chooses. While this appears to deviate from the policy of Speaker Rendon, who had allowed Chairs to simply decide whether a bill deserved a hearing or not, it is actually a return to longstanding procedures of the Legislature whereby the authors could decide on their own whether their bill is set for a hearing or not.

With regards to the Senate, Mike McGuire will be taking over as Senate Pro-Temp on February 5th. Senator McGuire is a very active, hands-on legislator. As a lieutenant to the Pro-Temp, he managed the workflow of the Senate Floor and was in a constant state of motion in that capacity, engaging with his colleagues and being "in the know" on the matters at hand. This is a stark contrast to the otherwise staid and mellow action of the Senate as a whole. It is expected that Senator McGuire will make changes to Chairs and Members of Senate committees, but at this time it is not evident what and how substantive those changes will be.

This year will also involve electoral change. Of the 120 seats in the Legislature, there are 35 seats where the sitting incumbent legislator will no longer serve after 2024. These 35 legislators are either terming out or seeking a different elective office, which could be Congress, the other house, or local elective office. For those running for a different office, some of these sitting legislators have found themselves running against another sitting legislator for a new office.

The electoral future of some of these legislators will be decided in the event that they lose. Those moving on will find themselves in a continued “campaign mode.” While every election cycle brings a modest amount of change to the Legislature, 35 members is a larger than average number, and how they legislate in their final months will be an interesting development.

Legislation

We continue pursuing the legislative proposal approved by SACRS in November. The deadline to introduce new bills is February 16, at which point the Legislative Committee will get very busy reviewing dozens of newly introduced bills. It promises to be another busy year as the Legislature grapples with several hundred bills and a massive budget deficit.