



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 19, 2026  
2:00 p.m.**

| <b>LOCATION AND TELECONFERENCE</b>   | <b>BOARD OF RETIREMENT TRUSTEES</b>  |                                   |
|--|--------------------------------------|-----------------------------------|
| ACERA<br>C.G. "BUD" QUIST BOARD ROOM<br>475 14 <sup>TH</sup> STREET, 10 <sup>TH</sup> FLOOR<br>OAKLAND, CALIFORNIA 94612-1900<br>MAIN LINE: 510.628.3000<br>FAX: 510.268.9574  | TARRELL GAMBLE<br>CHAIR              | APPOINTED                         |
| <b>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.</b>  | ELIZABETH ROGERS<br>FIRST VICE-CHAIR | ELECTED RETIRED                   |
| <b>Link: <a href="https://zoom.us/join">https://zoom.us/join</a><br/>Call-In: 1 (669) 900-6833 US<br/>Webinar ID: 879 6337 8479<br/>Passcode: 699406</b><br><b>For help joining a Zoom meeting, see:<br/><a href="https://support.zoom.us/hc/en-us/articles/201362193">https://support.zoom.us/hc/en-us/articles/201362193</a></b> | ROSS CLIPPINGER<br>SECOND VICE-CHAIR | ELECTED SAFETY                    |
|  | OPHELIA BASGAL                       | APPOINTED                         |
|  | KEITH CARSON                         | APPOINTED                         |
|  | SCOTT FORD                           | ELECTED GENERAL                   |
|  | HENRY LEVY                           | TREASURER                         |
|  | KELLIE SIMON                         | ELECTED GENERAL                   |
|  | STEVEN WILKINSON                     | APPOINTED                         |
|  | KATHY FOSTER                         | ALTERNATE<br>RETIRED <sup>1</sup> |
|  | VACANT                               | ALTERNATE<br>SAFETY               |

<sup>1</sup> 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.

*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](mailto: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](http://www.acera.org) and also may be inspected at 475 14<sup>th</sup> Street, 10<sup>th</sup> Floor, Oakland, CA 94612.

**1. CALL TO ORDER**

**2. ROLL CALL**

**3. PUBLIC COMMENT**

**4. CONSENT CALENDAR:**

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

**A. REPORT ON SERVICE RETIREMENTS:**

*Appendix A*

**B. LIST OF DEFERRED RETIREMENTS:**

*Appendix B*

**C. LIST OF DECEASED MEMBERS:**

*Appendix C*

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

*Appendix D*

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

*Appendix E*

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

*None*

**G. APPROVE MINUTES of BOARD and COMMITTEE MEETINGS:**

*January 15, 2026 Minutes of the Regular Board Meeting*

*February 4, 2026 Investment Committee Minutes*

**H. MISCELLANEOUS:**

- *Operating Expenses as of 12/31/25*
- *Un-Audited Financial Statements as of 12/31/25*
- *Actual Cash Report as of 12/31/25*
- *Board Member Conference Expense Report for 4th Qtr. 2025*
- *Senior Manager Conference and Training Expense Report for 4th Qtr. 2025*
- *Quarterly Report on Member Underpayments and Overpayments*
- *4<sup>th</sup> Quarter 2025 Call Center Report*
- *Technical Amendment to the Conflict of Interest Policy to Conform to Conflict of Interest Code and Law*

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

**REGULAR CALENDAR**  
**REPORTS AND ACTION ITEMS**

**5. DISABILITY, DEATH AND OTHER BENEFIT CLAIMS:**

**The following Items will be addressed in Closed Session, pursuant to Gov't Code 54957(b):**

A. Service-Connected Disability Retirement Application of Ara Hayes, Eligibility Support Clerk, Alameda County Social Services Agency: Consideration of Hearing Officer's Proposed Findings of Fact and Recommended Decision Regarding Service Connection, per Gov't Code § 31534.

**6. COMMITTEE REPORTS, RECOMMENDATIONS AND MOTIONS:**

A. **Investment:** **[See February 4, 2026 Investment Committee Agenda Packet for public materials related to the below listed items.]**

1. Summary of February 4, 2026 Meeting.

B. **Retirees:** **[See February 19, 2026 Retirees Committee Agenda Packet for public materials related to the below listed items.]**

1. Summary of February 19, 2026 Meeting.
2. Discussion and possible motion to adopt the Supplemental Cost of Living Adjustment increase for Tier 1 members who retired on or before April 1, 1981, and Tier 2 members who retired on or before April 1, 2012, effective with the April 1, 2026 monthly retirement allowance. This annual supplemental benefit is non-vested and is funded by the Supplemental Retiree Benefit Reserve.

C. **Audit:** **[See February 19, 2026 Audit Committee Agenda Packet for public materials related to the below listed items.]**

1. Summary of February 19, 2026 Meeting.
2. Discussion and possible motion to approve the external audit scope of work and timeline of services for the Financial Statements ended December 31, 2025, to be performed by Williams, Adley & Company-CA, LLP.
3. Discussion and possible motion to approve a 1-year contract extension with Williams, Adley & Company-CA, LLP for External Audit services for the contract expiring December 31, 2026, extending the contract to end December 31, 2027.

**7. NEW BUSINESS:**

A. Discussion and Possible Motion to select, and provide direction to, Trustee Tarrell Gamble to vote ACERA's Proxy on behalf of the Board of Retirement at the Council of Institutional Investors' (CII) Spring Conference Business Meeting.

B. Chief Executive Officer's Report.

- 8. CONFERENCE/ORAL REPORTS**
- 9. ANNOUNCEMENTS**
- 10. BOARD INPUT**
- 11. ESTABLISHMENT OF NEXT MEETING:**  
Thursday, March 19, 2026 at 2:00 p.m.
- 12. CLOSED SESSION:**
  - A. See Item 5A above.**
- 13. REPORT ON ACTION TAKEN IN CLOSED SESSION**
- 14. ADJOURNMENT**

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**APPENDIX A**  
**REPORT ON SERVICE RETIREMENTS**

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BARRETT, Errol  
Effective: 12/16/2025  
Alameda Health System

BERRY-DONAVILLE, Leslie  
Effective: 12/6/2025  
Auditor-Controller

BROOKS, Jackie L.  
Effective: 11/20/2025  
Alameda Health System

COOPER, Lucille  
Effective: 12/6/2025  
Courts

FRAGOSO, Katherine  
Effective: 11/1/2025  
Social Service Agency

GREEN, Brian  
Effective: 12/6/2025  
Social Service Agency

HAMER, Adam  
Effective: 12/10/2025  
Courts

HARDY, Eva  
Effective: 12/6/2025  
ACERA

HOFMANN, Brendan  
Effective: 11/22/2025  
Child Support Services

HOYT, Kathryn  
Effective: 12/6/2025  
Courts

KLEIN, Sharon  
Effective: 12/6/2025  
Social Service Agency

KOSENKO, Alexander  
Effective: 12/2/2025  
Courts

MAGGY, Suzette M.  
Effective: 11/22/2025  
Child Support Services

MCFARLAND, Becky  
Effective: 11/8/2025  
Alameda County Health

NANCE, Phyllis  
Effective: 11/22/2025  
Child Support Services

PALLADINO-DOWNS, Christine  
Effective: 10/1/2025  
Social Service Agency

PASHON, Carl  
Effective: 11/22/2025  
General Service Agency

SEXTY, William  
Effective: 11/13/2025  
Sheriff's Office

SPEER, David  
Effective: 10/25/2025  
General Service Agency

TOCKEY, Leslie  
Effective: 12/19/2025  
Social Service Agency

VALLANDIGHAM, Ken  
Effective: 11/22/2025  
Sheriff's Office

WILLIAMS, Keef  
Effective: 10/28/2025  
Child Support Services

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**APPENDIX A**  
**REPORT ON SERVICE RETIREMENTS**

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YOUNG, Sherree  
Effective: 12/13/2025  
Courts

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**APPENDIX B**  
**LIST OF DEFERRED RETIREMENTS**

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CHAVEZ, Karen  
Alameda Health System  
Effective: 12/13/2025

IFEDIGBO, Nkiru  
Alameda Health System  
Effective: 12/1/2025

COLE, Jocelyn  
Auditor-Controller Agency  
Effective: 12/19/2025

JOHNSON, Rochell  
Social Services Agency  
Effective: 12/2/2025

COOKE, Michaelle  
Social Services Agency  
Effective: 12/8/2025

JONES, Aubrea  
Social Services Agency  
Effective: 12/2/2025

DAVIS, Kristen  
Alameda County Health  
Effective: 12/3/2025

KING, Tanaysha  
Social Services Agency  
Effective: 12/2/2025

DOVE, Jessica  
Alameda Health System  
Effective: 12/5/2025

NEGRETE, Evelyn  
Alameda Health System  
Effective: 12/19/2025

DUNBAR, Kiara  
Social Services Agency  
Effective: 12/2/2025

ONER, Susan  
Alameda Health System  
Effective: 12/8/2025

FELIX, Tony  
Sheriff's Office  
Effective: 12/17/2025

ORTEGA, Hannah  
Alameda Health System  
Effective: 12/12/2025

HERNANDEZ, Alfonso  
Probation  
Effective: 12/9/2025

ROBINSON, Sharde  
Social Services Agency  
Effective: 12/2/2025

HESSLER, Stephanie  
Alameda County Health  
Effective: 12/5/2025

ROSSI, Isabella  
Alameda County Superior Court  
Effective: 12/4/2025

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**APPENDIX B**  
**LIST OF DEFERRED RETIREMENTS**

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SHAHZAD, Michelle  
Social Services Agency  
Effective: 12/8/2025

WESTON, Annette  
Alameda County Superior Court  
Effective: 12/19/2025

VALENTINE, Joshi  
Public Defender  
Effective: 12/1/2025

WHARTON, Kimberly  
Social Services Agency  
Effective: 12/2/2025

WANG, Bob  
Alameda Health System  
Effective: 12/2/2025

WILSON, Quanisha  
Alameda Health System  
Effective: 12/12/2025

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**APPENDIX C**  
**LIST OF DECEASED MEMBERS**

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KAMMERER, Gary E.  
Alameda County Health  
1/19/2026

PUNZALAN, Zenaida A.  
Probation  
1/9/2026

KIZZIEE, Lee A.  
Social Services Agency  
1/11/2026

REYES, Robert  
Information Technology Dept.  
1/27/2026

MARGOSIAN, Ervin M.  
Probation  
1/28/2026

RUYBAL, Delphina C.  
Public Works Agency  
1/12/2026

MARTINEZ, Fredrick F.  
Probation  
12/23/2025

SILVA, Linda D.  
Superior Court  
12/31/2025

NICHOLS, Lorna K.  
Non-Member Survivor of AYLMER V.  
NICHOLS  
1/13/2026

VEGA, Jose D.  
Non-Member Survivor of TERESA  
VEGA  
1/21/2026

PALMA, Janet A.  
Non-Member Survivor of FRANK  
PALMA  
1/2/2026

WILLIAMS, Arthur L.  
Probation  
1/24/2026

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**APPENDIX C**  
**LIST OF DECEASED MEMBERS**

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WILLIAMS, Sandra M.  
Social Services Agency  
12/9/2025

WILSON, Steven R.  
Sheriff's Office  
1/15/2026

WRIGHT, London O.  
Probation  
1/2/2026

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

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IKHARO-MATLOCK, Mariam  
Government Code § 31641.5 Part Time & Days Prior

ILAG-ZAYAS, Liberty  
Government Code § 31641.5 Part Time

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

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**Name:** **Gordon, Matthew**  
**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. Gordon's application for service-connected disability and waiving annual medical examinations and questionnaires.

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**Name:** **Stevens, Marcus**  
**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. Steven's application for service-connected disability and waiving annual medical examinations and questionnaires.

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

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**Name:** **Thane, John**  
**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. Thane's application for service-connected disability and waiving annual medical examinations and questionnaires at this time.

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**Name:** **Woods, Felicia**  
**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, denying Ms. Wood's application for service-connected disability, granting a non-service connected disability and waiving annual medical examinations and questionnaires.

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

Thursday, January 15, 2026

First Vice-Chair Tarrell Gamble called the meeting to order at 2:00p.m.

Trustees Present: Ophelia Basgal  
Keith Carson  
Ross Clippinger  
Scott Ford  
Tarrell Gamble  
Henry Levy (*Arrived After Roll Call*)  
Steven Wilkinson (*Arrived After Roll Call*)  
Kathy Foster (*Alternate*)

Trustees Excused: Elizabeth Rogers  
Kellie Simon

Staff Present:

Victoria Arruda, Human Resource Officer  
Carlos Barrios, Assistant Chief Executive Officer-Benefits  
Angela Bradford, Executive Secretary  
Sandra Dueñas-Cuevas, Benefits Manager  
Vacant, 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.

Chief Counsel Jeff Rieger explained the Board Officers Election Process.

First Vice-Chair Tarrell Gamble called for nominations regarding the election of the Board Chair for 2026.

**26-01**

Ophelia Basgal nominated Tarrell Gamble (seconded by Keith Carson) to serve as the 2026 Board Chair. There were no further nominations.

**Tarrell Gamble was elected as Chair of the Board of Retirement by a vote of 7 yes (*Basgal, Carson, Clippinger, Ford, Foster, Levy, Wilkinson*), 0 no, and 1 abstention (*Gamble*).**

Newly elected Board Chair Tarrell Gamble continued to call for nominations regarding the election of the Board First-Vice-Chair for 2026.

Ophelia Basgal nominated Elizabeth Rogers (seconded by Keith Carson) and Henry Levy nominated Ross Clippinger to serve as the 2026 First Vice-Board Chair. There were no further nominations.

**26-02**

**Elizabeth Rogers was elected as First Vice-Chair of the Board of Retirement by a vote of 5 yes (*Basgal, Carson, Ford, Foster, Wilkinson*), 3 no (*Clippinger, Gamble, Levy*), and 0 abstentions.**

Trustee Gamble called for nominations regarding the election of the Board Second Vice-Chair for 2026.

Tarrell Gamble nominated Ross Clippinger and Ophelia Basgal nominated Steven Wilkinson to serve as the 2026 Second Vice-Board Chair. There were no further nominations.

Trustee Basgal reminded that there was a previous discussion regarding elected and appointed members alternating each year to serve as Board Chair and Board Vice-Chairs.

**26-03**

**Ross Clippinger was elected as Second Vice-Chair of the Board of Retirement by a vote of 5 yes (*Clippinger, Ford, Foster, Gamble, Levy*), 3 no (*Basgal, Carson, Wilkinson*), and 0 abstentions.**

There was discussion about the possible creation of an ad hoc committee to address the nomination of Board officers next year. This item will be brought back for discussion at a future Board meeting.

**CONSENT CALENDAR**  
**REPORTS AND ACTION ITEMS**

**REPORT ON SERVICE RETIREMENTS**

*Appendix A*

**LIST OF DEFERRED RETIREMENTS**

*Appendix B*

**LIST OF DECEASED MEMBERS**

*Appendix C*

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

*None*

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

*None*

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

*None*

**APPROVE MINUTES of BOARD and COMMITTEE MEETINGS**

*December 15, 2026 Minutes of the Regular Board Meeting*

*January 7, 2026 Investment Committee Minutes*

**MISCELLANEOUS**

*Operating Expenses as of 11/30/25*

*Approve Staff Recommendation regarding Alameda County's New Pay Code: 43L*

*Proposed 2026 Operations Committee Workplan*

*Changes to Remote Access to Meetings Policy Approved by CEO and Chief Counsel Per  
Delegated Authority*

**26-04**

**It was moved by Henry Levy and seconded by Ross Clippinger that the Board adopt the Consent Calendar. The motion carried 8 yes (*Basgal, Carson, Clippinger, Ford, Foster, Gamble, Levy, Wilkinson*), 0 no, and 0 abstentions.**

**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:*

***Investment:***

Tarrell Gamble reported that the Investment Committee met on January 7, 2026 and that the Committee was presented with and discussed a new Public Equity Structure.

**26-05**

**It was moved by Tarrell Gamble and seconded by Henry Levy that the Board adopt a new public Equity Structure (Option 2, No Modification). The motion carried 8 yes (Basgal, Carson, Clippinger, Ford, Foster, Gamble, Levy, Wilkinson), 0 no, and 0 abstentions.**

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

**NEW BUSINESS:**

**Discussion and Possible Motion to Approve the 2025 Discharge Request of Benefits Overpayments**

Assistant CEO of Operations Lisa Johnson reported that, for the 2025 financial reporting period, ACERA had a total net uncollectable amount of \$48,059.29 in benefit overpayments and requested the Board's approval to discharge the \$48,059.29, in accordance with the *Discharge of Benefits Overpayments Receivables Policy*.

**26-06**

**It was moved by Henry Levy and seconded by Ross Clippinger that the Board approve Staff's discharge request of benefit overpayments in the amount of \$48,059.29 for the 2025 financial reporting period. The motion carried 8 yes (Basgal, Carson, Clippinger, Ford, Foster, Gamble, Levy, Wilkinson), 0 no, and 0 abstentions.**

Trustee Levy requested that Staff provide the Board with a three-year comparison of the quantity and associated costs of benefit overpayment discharge requests going forward.

**Discussion and Possible Motion to Amend ACERA's Conflict of Interest Code**

Mr. Rieger reported that individuals who manage public investments, including ACERA Trustees, the Chief Executive Officer (CEO) and the Chief Investment Officer (CIO), as identified in ACERA's Conflict of Interest Code Appendix, are now required to file their Form 700 directly through the Fair Political Practices Commission's (FPPC) electronic filing system by the April 1, 2026 deadline. Mr. Rieger reported that ACERA's Conflict of Interest Code also requires Alameda County Board of Supervisors (BOS) approval.

**26-07**

**It was moved by Ross Clippinger and seconded by Scott Ford that the Board approve amendments to ACERA's Conflict of Interest Code, as identified in Mr. Rieger's January 15, 2026 memorandum in the public agenda backup materials. The motion carried 8 yes (Basgal, Carson, Clippinger, Ford, Foster, Gamble, Levy, Wilkinson), 0 no, and 0 abstentions.**

**Discussion and Possible Approve Trustee Henry Levy's Request To Travel Outside of the United States to Amsterdam**

CEO Dave Nelsen reported that per Section III.F (Page 3) of the *Board Travel Policy*, Trustees must obtain Board approval to travel outside of the United States for ACERA business-related conferences/events. Mr. Nelsen reported that Trustee Henry Levy is requesting the Board's approval to travel outside of the United States to attend the Phenix Group Impact Europe Conference in Amsterdam, on April 14 through 15, 2026. Trustee Levy will submit a written conference report upon his return.

**26-08**

**It was moved by Steven Wilkinson and seconded by Tarrell Gamble that the Board approve Trustee Henry Levy's request to travel out of the United States to Amsterdam to attend the Phenix Group Impact Europe Conference on April 14 through 15, 2026. The motion carried 8 yes (Basgal, Carson, Clippinger, Ford, Foster, Gamble, Levy, Wilkinson), 0 no, and 0 abstentions.**

**Chief Executive Officer's Report**

Mr. Nelsen presented his January 15, 2026 written CEO Report which provided an update on: **1) Committee and Board Action Items; 2) Other Items: a) Business Planning; b) Legislative Update; c) Stand-by Pay Issue; d) Budget; and 3) Key Performance Indicators.**

Mr. Nelsen provided an update on new legislation and on Orange County's new Deferred Retirement Option Plans (DROP) Program.

Mr. Rieger provided an update on new legislation that expanded Trustee and designated Staff's educational requirements and stated that the *Board Education Policy* will need to be updated accordingly.

Mr. Nelsen responded to Mr. Albert's inquiry regarding Orange County's new bill to increase Board Stipends.

**CONFERENCE/ORAL REPORTS**

None.

**ANNOUNCEMENTS**

None.

**BOARD INPUT**

None.

To view the January 15, 2026 Board meeting in its entirety, click on the link below:  
<https://youtu.be/Ryy4uLRBf0o>.

**ADJOURNMENT**

The meeting was adjourned at approximately 2:36 p.m.

Respectfully Submitted,



02/19/26

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David Nelsen  
Chief Executive Officer

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Date Adopted

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**APPENDIX A**  
**REPORT ON SERVICE RETIREMENTS**

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ALON, Ann O.  
Effective: 11/7/2025  
Social Service Agency

ALVAREZ-PENA, Maritza  
Effective: 10/21/2025  
Alameda County Health

AQUITANIA, Jaime S.  
Effective: 11/18/2025  
Courts

CANADA, Gladis I.  
Effective: 11/9/2025  
Sheriff's Office

CHAPLIN, Tiffaney Y.  
Effective: 10/28/2025  
District Attorney

CHUNG, Wilbur  
Effective: 10/25/2025  
Alameda Health System

COUSINO, Tom L.  
Effective: 10/25/2025  
Sheriff's Office

DE VILLA, Edwin A.  
Effective: 10/25/2025  
Community Development Agency

ELENTENY, Adrienne A.  
Effective: 10/1/2025  
Public Defender

FLEMING, Theresa  
Effective: 10/25/2025  
Alameda County Health

FULINARA, Lerma F.  
Effective: 11/7/2025  
Social Service Agency

HISKETT, David  
Effective: 10/25/2025  
Alameda Health System

JAIMES, Marcus  
Effective: 11/8/2025  
Public Works Agency

JENKINS, Anita  
Effective: 10/23/2025  
Social Service Agency

LEE, Warren  
Effective: 11/1/2025  
Alameda Health System

MITCHELL, Gregory  
Effective: 11/1/2025  
Sheriff's Office

MITHAIWALA, Mark  
Effective: 10/25/2025  
Social Service Agency

MIXON, Loren  
Effective: 10/22/2025  
Sheriff's Office

MURILLO, Martha  
Effective: 10/25/2025  
Alameda Health System

NEWMAN, Kristin  
Effective: 10/2/2025  
Alameda Health System

O'BRYANT, Douglas  
Effective: 10/2/2025  
General Services Agency

OWENS-CHAPMAN, Jetrenee  
Effective: 10/4/2025  
Alameda County Health

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**APPENDIX A**  
**REPORT ON SERVICE RETIREMENTS**

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POBLETE, Jocelyn  
Effective: 10/25/2025  
District Attorney

RICHART, Brian  
Effective: 10/18/2025  
Probation

SHAHEEN, Todd  
Effective: 10/4/2025  
Sheriff's Office

SHAW, Christiana  
Effective: 10/21/2025  
Alameda County Health

TADESSE, Ashenafi  
Effective: 10/25/2025  
Community Development Agency

TAN, Wilbur  
Effective: 11/18/2025  
Information Technology

YOUNG, Donald  
Effective: 8/29/2025  
Probation

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**APPENDIX B**  
**LIST OF DEFERRED RETIREMENTS**

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ADIELE, Ruth  
Alameda Health System  
Effective Date: 10/12/2025

ARROYO, Margarita  
Social Services Agency  
Effective: 11/20/2025

BARKER, Christopher  
Zone 7  
Effective: 10/16/2025

CALMO JERONIMO, Brendi  
District Attorney's Office  
Effective: 10/24/2025

CASTRO, Carleen kayle  
Alameda Health System  
Effective: 10/29/2025

CONGER, James  
District Attorney's Office  
Effective: 10/17/2025

DAVIS, Jorian  
Alameda Health System  
Effective: 11/12/2025

DELGADO, Christine  
Alameda Health System  
Effective: 11/12/2025

DIAZ, Julian  
Sheriff's Office  
Effective: 10/14/2025

DRIVERS, Breawna  
Social Services Agency  
Effective: 10/28/2025

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**APPENDIX B**  
**LIST OF DEFERRED RETIREMENTS**

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DRUSINSKY, Dana  
District Attorney's Office  
Effective: 10/21/2025

ELLIOTT, Sarah  
Alameda County Superior Court  
Effective: 11/4/2025

FONTES, Benjamin  
Alameda County Health  
Effective: 11/20/2025

FRANCE, Larnell  
District Attorney's Office  
Effective: 10/31/2025

GARCIA RODRIGUEZ, Joanna  
Probation  
Effective: 11/8/2025

GONOPOLSKY, Howard  
Assessor  
Effective: 10/20/2025

GONZALEZ, Emiliano  
District Attorney's Office  
Effective: 10/17/2025

GUERRA, Kevin  
Alameda Health System  
Effective: 11/9/2025

HAMMOUDEH, Mohammad  
Alameda County Health  
Effective: 10/17/2025

HIGGS, Gene  
Sheriff's Office  
Effective: 10/16/2025

IRVIN, Karessa  
Alameda County Superior Court  
Effective: 10/22/2025

KASSAN, Jennifer  
District Attorney's Office  
Effective: 10/17/2025

KAZAKOFF, Richard  
Zone 7  
Effective: 11/15/2025

LAMB, Lissa  
Alameda County Superior Court  
Effective: 11/21/2025

LATOURELLE, Marie  
Alameda Health System  
Effective: 10/27/2025

MONROE-THOMPSON, Donielle  
Social Services Agency  
Effective: 11/5/2025

NESJAN, Raymond  
Alameda Health System  
Effective: 11/19/2025

ORTIZ, Andres  
Sheriff's Office  
Effective: 11/12/2025

PAULASA, Julia sophia isabelle  
Alameda County Superior Court  
Effective: 11/21/2025

SEDGWICK, Audriana  
Human Resource Services  
Effective: 10/31/2025

SULLIVAN, Kenneth  
Public Works Agency  
Effective: 10/31/2025

USRY, Austin  
Sheriff's Office  
Effective: 10/24/2025

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**APPENDIX B**  
**LIST OF DEFERRED RETIREMENTS**

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VARGAS-MOLINA, Jacqueline  
Sheriff's Office  
Effective: 10/24/2025

VELAZQUEZ, Yoselin  
District Attorney's Office  
Effective: 11/7/2025

WRIGHT, Erica  
Social Services Agency  
Effective: 10/31/2025

**APPENDIX C**  
**LIST OF DECEASED MEMBERS**

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ALARCON, Peter G.  
Sheriff's Office  
10/12/2025

GASKILL, Robyn infelt F.  
Non-Member Survivor of JAY GASKILL  
10/2/2025

BORDES, Nancy  
Non-Member Survivor of JOHN BORDES  
9/30/2025

GLANCY, Roger F.  
Alameda Health System  
9/21/2025

BROWN, Charles K.  
Probation  
10/1/2025

GORDON, Robin G.  
Superior Court  
2/12/2025

DILUSTRO, Susan L.  
Non-Member Survivor of ELAINE  
LAESSLE  
10/3/2025

HALLISEY, Michael J.  
Non-Member Survivor of BARBARA  
HALLISEY  
10/2/2025

DURKEE, Linda  
Social Services Agency  
9/28/2025

ISKOW, Eva  
Alameda Health System  
10/19/2025

EDMONDSON, Wanda F.  
Alameda Health System  
10/5/2025

MARCUS, Lavella  
Alameda Health System  
10/20/2025

ELLIOTT, Mabele S.  
Social Services Agency  
9/26/2025

MCCLAIN, Edith M.  
Alameda Health System  
10/2/2025

ENRIGHT, Richard  
Sheriff's Office  
10/25/2025

MOLES, Karen K.  
Non-member DRO Recipient of Dennis  
Jeglum  
9/13/2025

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**APPENDIX C**  
**LIST OF DECEASED MEMBERS**

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NEWTON, Lois A.  
Non-Member Survivor of WILLIAM  
NEWTON  
9/12/2025

NOONAN, James J.  
Sheriff's Office  
10/19/2025

PARGETT, Robert A.  
Assessor  
10/16/2025

PICKETT, Raife  
Alameda Health System  
9/30/2025

SCHNELLER, David  
Public Defender  
10/11/2025

SMITH, Latonia P.  
Community Development Agency  
10/12/2025

WENSLER, Shirley M.  
Superior Court  
9/29/2025

ZAHN, Patricia L.  
County Library  
10/27/2025

**CONSENT CALENDAR ITEM**

**February 4, 2026**  
**Investment Committee Minutes**  
**For approval under February 19, 2026**  
**Board “Consent Calendar”**

**The February 4, 2026**  
**Investment Committee Minutes**  
**will be distributed under separate cover**



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MEMORANDUM TO THE BOARD OF RETIREMENT

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DATE: February 19, 2026

TO: Members of the Board of Retirement

FROM: Lisa Johnson, Assistant Chief Executive Officer

SUBJECT: Operating Expenses & Budget Summary for December 31, 2025

ACERA's operating expenses are \$259K over budget for the period ending December 31, 2025. The overage is primarily due to depreciation expenses related to the capitalization of the Pension Gold V3. Other notable budget overages and surpluses are outlined below:

**Budget Overages of \$913K**

*Depreciation Expense is \$887K over budget.*

Pension Gold V3(PG3) was budgeted for capitalization in 2025. In accordance with GASB 51, PG3 was capitalized in 2024.

*Staffing Expense is \$10K over budget.*

The overages are attributed to the temporary staffing of \$192K, and 5% staff vacancy adjustment of \$983K; offset by surpluses in salaries of (\$44K) and fringe benefits of (\$1,121K).

*Insurance is \$16K over budget.*

The overage in insurance is due to higher insurance premiums.

**Budget Surpluses of \$654K**

*Systems Expense is \$263K under budget.*

The surplus in systems expense is primarily due to the switch to the Microsoft Teams from the telephone landlines, a credit received from the overlapped payments of PGv2/PGv3, and the in-house execution of the OnBase software upgrade project that reduced external costs.

***Member Services Expense is \$156K under budget.***

The member services expense is under budget, primarily due to fewer cases in disability medical review expenses and disability legal arbitration cases.

***Staff Development is \$89K under budget.***

The surplus in staff development is due to unattended trainings.

***Board of Retirement is \$65K under budget.***

The surpluses are attributed to board compensation of (\$7K), board conferences and training of (\$46K), and board reimbursement of (\$12K).

***Uncollectable Benefits Payments are \$30K under budget.***

Surplus due to lower write-off than budgeted.

***Professional Fees are \$26K under budget.***

The surplus is mainly due to lower actuarial fees.

***Office Expense is \$25K under budget.***

The surplus in office expense is mainly due to reduced spending in ergonomic equipment and furniture, and lower office maintenance expenses.

**Staffing Detail**

Vacant positions as of December 31, 2025:

| <b>Department</b> | <b>Position</b>              | <b>Qty</b> | <b>Comments</b>                          |
|-------------------|------------------------------|------------|--|
| Administration    | Administrative Specialist II | 1          | Vacant - currently budgeted for the year |
| Benefits          | Management Analyst           | 1          | Vacant – currently budgeted for the year |
| Investments       | Investment Analyst           | 1          | Vacant - currently budgeted for the year |
| Fiscal Services   | Fiscal Services Officer      | 1          | Vacant - currently budgeted for the year |
|                   | <b>Total Positions</b>       | 4          |  |

**PAS Project:**

| Pension Administration System Project - as of December 31, 2025 |                    |                    |                    |                    |                     |
|---|--------------------|--------------------|--------------------|--------------------|---------------------|
|   | Year-To-Date       |                    |                    | 2025 Budget        | 2019-24 Actual      |
|   | Actual             | Budget             | Variance           |                    |                     |
| <b>Consultant Fees</b>  |                    |                    |                    |                    |                     |
| Levi, Ray and Shoup   | \$1,057,800        | \$1,130,000        | \$(72,200)         | \$1,130,000        | \$5,410,677         |
| Segal and other consultant fees                                 |                    |                    |                    |                    | 3,019,751           |
| Total   | 1,057,800          | 1,130,000          | (72,200)           | 1,130,000          | 8,430,428           |
| <b>Staffing</b>   | 256,435            | 345,000            | (88,565)           | 345,000            | 3,646,457           |
| <b>TOTAL</b>  | <b>\$1,314,235</b> | <b>\$1,475,000</b> | <b>\$(160,765)</b> | <b>\$1,475,000</b> | <b>\$12,076,885</b> |

## 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**

| <b>YEAR TO DATE - ACTUAL VS. BUDGET</b>                            |                            |                            |                            |                      |                      |                             |
|--|----------------------------|----------------------------|----------------------------|----------------------|----------------------|-----------------------------|
| <u><b>December 31, 2025</b></u>                                    |                            |                            |                            |                      |                      |                             |
|  | <b>Actual</b>              | <b>Budget</b>              | <b>YTD</b>                 | <b>2025</b>          |                      |                             |
|  | <u><b>Year-To-Date</b></u> | <u><b>Year-To-Date</b></u> | <u><b>(Under)/Over</b></u> | <u><b>Annual</b></u> | <u><b>Budget</b></u> | <u><b>% Actual to</b></u>   |
|  | <u><b>Year-To-Date</b></u> | <u><b>Year-To-Date</b></u> | <u><b>(Under)/Over</b></u> | <u><b>Annual</b></u> | <u><b>Budget</b></u> | <u><b>Annual Budget</b></u> |
| <b>Staffing</b>  | \$ 19,042,635              | \$ 19,033,000              | \$ 9,635                   | \$ 19,033,000        |                      | 100.1%                      |
| <b>Staff Development</b>   | 200,846                    | 290,000                    | (89,154)                   | 290,000              |                      | 69.3%                       |
| <b>Professional Fees (Next Page)</b>                               | 1,188,013                  | 1,214,000                  | (25,987)                   | 1,214,000            |                      | 97.9%                       |
| <b>Office Expense</b>  | 371,167                    | 396,000                    | (24,833)                   | 396,000              |                      | 93.7%                       |
| <b>Insurance</b>   | 671,411                    | 655,000                    | 16,411                     | 655,000              |                      | 102.5%                      |
| <b>Member Services</b>   | 681,967                    | 838,000                    | (156,033)                  | 838,000              |                      | 81.4%                       |
| <b>Systems</b>   | 1,032,991                  | 1,296,000                  | (263,009)                  | 1,296,000            |                      | 79.7%                       |
| <b>Depreciation</b>  | 1,921,377                  | 1,034,000                  | 887,377                    | 1,034,000            |                      | 185.8%                      |
| <b>Board of Retirement</b>   | 642,181                    | 707,000                    | (64,819)                   | 707,000              |                      | 90.8%                       |
| <b>Uncollectable Benefit Payments</b>                              | 48,059                     | 78,000                     | (29,941)                   | 78,000               |                      | 61.6%                       |
| <b>Total Operating Expense</b>                                     | <b>\$ 25,800,647</b>       | <b>\$ 25,541,000</b>       | <b>\$ 259,647</b>          | <b>\$ 25,541,000</b> |                      | 101.0%                      |
| <b>Investment Consultant Fees</b>                                  | 1,492,630                  | 1,770,000                  | (277,370)                  | 1,770,000            |                      | 84.3%                       |
| <b>Investment Custodian Fees</b>                                   | 577,187                    | 648,000                    | (70,813)                   | 648,000              |                      | 89.1%                       |
| <b>Investment Manager and Incentive Fees</b>                       | 135,097,423                | 67,525,000                 | 67,572,423                 | 67,525,000           |                      | 200.1%                      |
| <b>Other Investment Expenses</b>                                   | 514,088                    | 651,000                    | (136,912)                  | 651,000              |                      | 79.0%                       |
| <b>Total Portfolio Management Investment Expense</b>               | <b>\$ 137,681,328</b>      | <b>\$ 70,594,000</b>       | <b>\$ 67,087,328</b>       | <b>\$ 70,594,000</b> |                      | 195.0%                      |
| <b>Total Operating and Portfolio Management Investment Expense</b> | <b>\$ 163,481,975</b>      | <b>\$ 96,135,000</b>       | <b>\$ 67,346,975</b>       | <b>\$ 96,135,000</b> |                      | 170.1%                      |



ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

PROFESSIONAL FEES

YEAR TO DATE - ACTUAL VS. BUDGET

December 31, 2025

|  | <i>Actual<br/>Year-To-Date</i> | <i>Budget<br/>Year-To-Date</i> | <i>YTD Variance<br/>(Under)/Over</i> | <i>2025 Annual<br/>Budget</i> | <i>% Actual to<br/>Annual Budget</i> |
|--|--------------------------------|--------------------------------|--------------------------------------|-------------------------------|--------------------------------------|
| <b><i>Professional Fees</i></b>                        |                                |                                |                                      |                               |                                      |
| Consultant Fees - Operations and Projects <sup>1</sup> | \$ 461,296                     | \$ 448,000                     | \$ 13,296                            | \$ 448,000                    | 103.0%                               |
| Actuarial Fees <sup>2</sup>                            | 477,793                        | 496,000                        | (18,207)                             | 496,000                       | 96.3%                                |
| External Audit <sup>3</sup>                            | 140,510                        | 145,000                        | (4,490)                              | 145,000                       | 96.9%                                |
| Legal Fees <sup>4</sup>                                | 108,414                        | 125,000                        | (16,586)                             | 125,000                       | 86.7%                                |
| <b>Total Professional Fees</b>                         | <b>\$ 1,188,013</b>            | <b>\$ 1,214,000</b>            | <b>\$ (25,987)</b>                   | <b>\$ 1,214,000</b>           | <b>97.9%</b>                         |

<sup>1</sup> CONSULTANT FEES - OPERATIONS AND PROJECTS:

|  | <i>Actual<br/>Year-To-Date</i> | <i>Budget<br/>Year-To-Date</i> | <i>YTD Variance<br/>(Under)/Over</i> | <i>2025 Annual<br/>Budget</i> | <i>% Actual to<br/>Annual Budget</i> |
|--|--------------------------------|--------------------------------|--------------------------------------|-------------------------------|--------------------------------------|
| <b>Benefits</b>                                    |                                |                                |                                      |                               |                                      |
| Alameda County HRS (Benefit Services)              | 126,000                        | 126,000                        | -                                    | 126,000                       | 100.0%                               |
| Segal (Benefit Consultant/Retiree Open Enrollment) | 187,000                        | 187,000                        | -                                    | 187,000                       | 100.0%                               |
| <b>Total Benefits</b>                              | <b>313,000</b>                 | <b>313,000</b>                 | <b>-</b>                             | <b>313,000</b>                | <b>100.0%</b>                        |
| <b>Human Resources</b>                             |                                |                                |                                      |                               |                                      |
| Lakeside Group (County Personnel)                  | 148,296                        | 135,000                        | 13,296                               | 135,000                       | 109.8%                               |
| <b>Total Human Resources</b>                       | <b>148,296</b>                 | <b>135,000</b>                 | <b>13,296</b>                        | <b>135,000</b>                | <b>109.8%</b>                        |
| <b>Total Consultant Fees - Operations</b>          | <b>461,296</b>                 | <b>448,000</b>                 | <b>13,296</b>                        | <b>448,000</b>                | <b>103.0%</b>                        |

<sup>2</sup> ACTUARIAL FEES

|  |                |                |                 |                |              |
|--|----------------|----------------|-----------------|----------------|--------------|
| Actuarial Valuation                            | 90,789         | 90,000         | 789             | 90,000         | 100.9%       |
| GASB 67 & 68 Valuation                         | 55,000         | 55,000         | -               | 55,000         | 100.0%       |
| GASB 74 & 75 Actuarial                         | 16,500         | 17,000         | (500)           | 17,000         | 97.1%        |
| Actuarial Standard of Practice 51 Pension Risk | 25,486         | 30,000         | (4,514)         | 30,000         | 85.0%        |
| Supplemental Consulting                        | 244,018        | 258,000        | (13,982)        | 258,000        | 94.6%        |
| Supplemental Retiree Benefit Reserve valuation | 46,000         | 46,000         | -               | 46,000         | 100.0%       |
| <b>Total Actuarial Fees</b>                    | <b>477,793</b> | <b>496,000</b> | <b>(18,207)</b> | <b>496,000</b> | <b>96.3%</b> |

<sup>3</sup> EXTERNAL AUDIT

|                                  |                |                |                |                |              |
|----------------------------------|----------------|----------------|----------------|----------------|--------------|
| External audit                   | 122,346        | 121,000        | 1,346          | 121,000        | 101.1%       |
| GASB 67 & 68 audit               | 9,999          | 12,000         | (2,001)        | 12,000         | 83.3%        |
| GASB 74 & 75 audit               | 8,165          | 12,000         | (3,835)        | 12,000         | 68.0%        |
| <b>Total External Audit Fees</b> | <b>140,510</b> | <b>145,000</b> | <b>(4,490)</b> | <b>145,000</b> | <b>96.9%</b> |

<sup>4</sup> LEGAL FEES

|                            |                |                |                 |                |              |
|----------------------------|----------------|----------------|-----------------|----------------|--------------|
| Fiduciary & Litigation     | 55,609         | 50,000         | 5,609           | 50,000         | 111.2%       |
| Tax and Benefit Issues     | 46,529         | 25,000         | 21,529          | 25,000         | 186.1%       |
| Miscellaneous Legal Advice | 6,276          | 50,000         | (43,724)        | 50,000         | 12.6%        |
| <b>Total Legal Fees</b>    | <b>108,414</b> | <b>125,000</b> | <b>(16,586)</b> | <b>125,000</b> | <b>86.7%</b> |

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION  
 TOTAL EXPENDITURES VS. PRIOR YEAR ACTUAL  
 For the Twelve Months Ending 12/31/2025

|  | <i>For the Month of<br/>December 2025</i> | <i>For the Month of<br/>December 2024</i> | <i>Variance</i> | <i>Year-To-Date<br/>2025</i> | <i>Year-To-Date<br/>2024</i> | <i>Variance</i>  |
|--|---|---|-----------------|------------------------------|------------------------------|------------------|
| <b>STAFFING</b>                              |   |   |                 |                              |                              |                  |
| Salaries                                     | 1,396,884                                 | 1,196,433                                 | 200,451         | 12,885,876                   | 11,633,655                   | 1,252,221        |
| Fringe Benefits                              | 482,998                                   | 686,401                                   | (203,403)       | 5,690,338                    | 5,823,099                    | (132,761)        |
| Temporary Staffing Cost                      | 42,125                                    | 34,016                                    | 8,109           | 466,421                      | 477,410                      | (10,989)         |
| Staffing Total                               | <u>1,922,007</u>                          | <u>1,916,850</u>                          | <u>5,157</u>    | <u>19,042,635</u>            | <u>17,934,164</u>            | <u>1,108,471</u> |
| <b>STAFF DEVELOPMENT</b>                     |   |   |                 |                              |                              |                  |
|  | 8,073                                     | 13,656                                    | (5,583)         | 200,846                      | 218,822                      | (17,976)         |
| <b>PROFESSIONAL FEES</b>                     |   |   |                 |                              |                              |                  |
| Actuarial Fees                               | (37,689)                                  | (20,315)                                  | (17,374)        | 477,793                      | 444,502                      | 33,291           |
| Consultant Fees - Operations                 | 34,400                                    | 32,781                                    | 1,619           | 461,296                      | 364,683                      | 96,613           |
| Consultant Fees - Legal                      | (500)                                     | 1,365                                     | (1,865)         | 108,414                      | 39,898                       | 68,516           |
| External Audit                               | 0   | 0   | 0               | 140,510                      | 141,618                      | (1,108)          |
| Professional Fees Total                      | <u>(3,789)</u>                            | <u>13,831</u>                             | <u>(17,620)</u> | <u>1,188,013</u>             | <u>990,701</u>               | <u>197,312</u>   |
| <b>OFFICE EXPENSE</b>                        |   |   |                 |                              |                              |                  |
| Bank Charges & Misc. Admin                   | 6,183                                     | 6,084                                     | 99              | 73,143                       | 70,989                       | 2,154            |
| Building Expenses                            | 3,813                                     | 9,850                                     | (6,037)         | 65,566                       | 72,543                       | (6,977)          |
| Communications                               | 4,684                                     | 19,908                                    | (15,224)        | 58,758                       | 138,968                      | (80,210)         |
| Equipment Lease/Maintenance                  | 6,839                                     | 5,966                                     | 873             | 104,703                      | 147,835                      | (43,132)         |
| Minor Equipment and Furniture                | 0   | 90  | (90)            | 4,195                        | 7,597                        | (3,402)          |
| Office Supplies/Maintenance                  | 2,950                                     | 4,367                                     | (1,417)         | 40,685                       | 41,582                       | (897)            |
| Printing & Postage                           | 1,381                                     | 1,729                                     | (348)           | 24,117                       | 16,121                       | 7,996            |
| Office Expense Total                         | <u>25,850</u>                             | <u>47,994</u>                             | <u>(22,144)</u> | <u>371,167</u>               | <u>495,635</u>               | <u>(124,468)</u> |
| <b>INSURANCE</b>                             |   |   |                 |                              |                              |                  |
|  | 53,231                                    | 54,300                                    | (1,069)         | 671,411                      | 635,341                      | 36,070           |
| <b>MEMBER SERVICES</b>                       |   |   |                 |                              |                              |                  |
| Disability - Legal Arbitration & Transcripts | 277                                       | 9,418                                     | (9,141)         | 63,410                       | 133,925                      | (70,515)         |
| Disability Medical Expense                   | 20,950                                    | 29,483                                    | (8,533)         | 198,043                      | 227,313                      | (29,270)         |
| Disability Claims Management                 | 3,850                                     | 3,850                                     | 0               | 46,200                       | 42,350                       | 3,850            |
| Health Reimbursement Acct. (HRA)             | 7,788                                     | 6,486                                     | 1,302           | 94,648                       | 71,479                       | 23,169           |
| Member Training & Education                  | 5,669                                     | 714                                       | 4,955           | 33,664                       | 25,421                       | 8,243            |
| Printing & Postage - Members                 | 4,383                                     | 4,776                                     | (393)           | 175,398                      | 167,594                      | 7,804            |
| Virtual Call Center                          | 5,388                                     | 5,054                                     | 334             | 70,604                       | 64,062                       | 6,542            |
| Member Services Total                        | <u>48,305</u>                             | <u>59,781</u>                             | <u>(11,476)</u> | <u>681,967</u>               | <u>732,144</u>               | <u>(50,177)</u>  |

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION  
 TOTAL EXPENDITURES VS.PRIOR YEAR ACTUAL  
 For the Twelve Months Ending 12/31/2025

|  | <i>For the Month of<br/>December 2025</i> | <i>For the Month of<br/>December 2024</i> | <i>Variance</i>  | <i>Year-To-Date<br/>2025</i> | <i>Year-To-Date<br/>2024</i> | <i>Variance</i>  |
|--|---|---|------------------|------------------------------|------------------------------|------------------|
| <b>SYSTEMS</b>                         |   |   |                  |                              |                              |                  |
| Business Continuity Expense            | 21,254                                    | 18,838                                    | 2,416            | 272,846                      | 243,900                      | 28,946           |
| County Data Processing                 | 14,325                                    | 13,627                                    | 698              | 160,394                      | 138,228                      | 22,166           |
| Minor Computer Hardware                | 1,648                                     | 744                                       | 904              | 54,655                       | 68,354                       | (13,699)         |
| Intangible right to use SBITA - GASB96 | 7,376                                     | 7,348                                     | 28               | 88,787                       | 86,914                       | 1,873            |
| Software Maintenance & Support         | 45,568                                    | 89,093                                    | (43,525)         | 456,309                      | 844,485                      | (388,176)        |
| Systems Total                          | <u>90,171</u>                             | <u>129,650</u>                            | <u>(39,479)</u>  | <u>1,032,991</u>             | <u>1,381,881</u>             | <u>(348,890)</u> |
| <b>DEPRECIATION</b>                    |   |   |                  |                              |                              |                  |
| Depreciation Expense                   | 246,646                                   | 878,087                                   | (631,441)        | 1,921,377                    | 982,821                      | 938,556          |
| <b>BOARD OF RETIREMENT</b>             |   |   |                  |                              |                              |                  |
| Board Compensation                     | 1,600                                     | 1,400                                     | 200              | 20,500                       | 21,600                       | (1,100)          |
| Board Conferences & Training           | 16,655                                    | 3,575                                     | 13,080           | 156,411                      | 127,107                      | 29,304           |
| Board Election                         | 47,181                                    | 0   | 47,181           | 58,672                       | 1,500                        | 57,172           |
| Board Employer Reimbursement           | 33,210                                    | 31,730                                    | 1,480            | 378,300                      | 379,300                      | (1,000)          |
| Board Miscellaneous Expense            | 1,486                                     | 773                                       | 713              | 11,884                       | 11,135                       | 749              |
| Board Software Maint. & Support        | 1,379                                     | 1,335                                     | 44               | 16,414                       | 15,841                       | 573              |
| Board Strategic Planning               | 0   | 0   | 0                | 0                            | 8,386                        | (8,386)          |
| Board of Retirement Total              | <u>101,511</u>                            | <u>38,813</u>                             | <u>62,698</u>    | <u>642,181</u>               | <u>564,869</u>               | <u>77,312</u>    |
| <b>UNCOLLECTABLE BENEFIT PAYMENTS</b>  |   |   |                  |                              |                              |                  |
| GRAND TOTALS                           | <u>2,540,064</u>                          | <u>3,182,931</u>                          | <u>(642,867)</u> | <u>25,800,647</u>            | <u>23,966,347</u>            | <u>1,834,300</u> |



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MEMORANDUM TO THE BOARD OF RETIREMENT

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DATE: February 19, 2026

TO: Members of the Board of Retirement

FROM: Lisa Johnson, Assistant Chief Executive Officer

SUBJECT: Quarterly Unaudited Financial Statements as of December 31, 2025

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### Executive Summary

Attached for review are the unaudited financial statements for the period ended December 31, 2025. The Fiduciary Net Position Held in Trust and the Change in Fiduciary Net Position compared to the same period in 2024 increased by \$2.02 billion.

### Financial Highlights

- Net Position Restricted (Held in Trust for Benefits), as reported on the Statement of Fiduciary Net Position totaled \$14.05 billion. Total Receivables increased by \$7.23 million, Investments at fair value increased by \$2.00 billion, Capital Assets decreased by \$0.64 million, and Total Liabilities without Securities Lending Liability decreased by \$2.63 million.
- The year-over-year Change in Net Position increased by \$1.26 billion.
  - Total Additions year-over-year increased by \$1.29 billion. This includes an increase in net investment income of \$877.43 million.
  - Total Deductions year-over-year increased by \$32.49 million. The amount is mainly attributable to the growth in payments of service retirement, and retiree healthcare program.

**ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**As of 12/31/2025**

|   | <b>Year-To-Date<br/>2025</b> | <b>Year-To-Date<br/>2024</b> |
|---|------------------------------|------------------------------|
| <b>ASSETS</b>   |                              |                              |
| Cash (Note 1)   | 5,839,435                    | 1,898,344                    |
| Securities Lending Cash Collateral (Note 2)   | 284,406,150                  | 149,259,557                  |
| Receivables:  |                              |                              |
| Contributions (Note 3)  | 30,475,070                   | 30,652,627                   |
| Investment Receivables (Note 4a)  | 32,382,384                   | 25,203,382                   |
| Unsettled Trades - Investments Sold   | 1,062,088                    | 1,221,241                    |
| Futures Contracts (Note 5a)   | 314,123                      | 58,859                       |
| Foreign Exchange Contracts (Note 6a)  | 4,825                        | 19,996                       |
| Other Receivables (Note 7)  | 375,723                      | 229,650                      |
| Total Receivables   | 64,614,214                   | 57,385,755                   |
| Prepaid Expenses  | 720,613                      | 571,128                      |
| Total Current Assets  | 355,580,412                  | 209,114,783                  |
| Investments - at Fair Value:  |                              |                              |
| Short-Term Investments (Note 8)   | 776,516,237                  | 255,540,204                  |
| Domestic Equity   | 768,804,841                  | 737,932,229                  |
| Domestic Equity Commingled Funds  | 3,132,357,410                | 2,669,271,572                |
| International Equity  | 1,034,844,417                | 794,383,139                  |
| International Equity Commingled Funds (Note 9)                                      | 1,977,856,317                | 1,907,232,062                |
| Domestic Fixed Income   | 1,823,071,857                | 1,473,965,863                |
| International Fixed Income  | 219,845,929                  | 147,747,588                  |
| International Fixed Income - Commingled Funds (Note 10)                             | 42,889,732                   | 26,865,703                   |
| Real Estate - Separate Properties (Note 11)   | 25,052,365                   | 34,056,481                   |
| Real Estate - Commingled Funds (Note 12)  | 790,122,723                  | 780,272,719                  |
| Real Assets (Note 13)   | 884,056,208                  | 732,743,365                  |
| Absolute Return (Note 14)   | 968,671,577                  | 1,000,260,625                |
| Private Equity (Note 15)  | 1,008,179,741                | 934,647,274                  |
| Private Credit (Note 16)  | 563,449,026                  | 515,989,194                  |
| Total Investments   | 14,015,718,378               | 12,010,908,019               |
| Capital Assets at Cost (Net of Accumulated Depreciation and Amortization) (Note 17) | 11,700,817                   | 12,339,158                   |
| <b>Total Assets</b>   | <b>14,382,999,607</b>        | <b>12,232,361,960</b>        |
| <b>LIABILITIES</b>  |                              |                              |
| Securities Lending Liability (Note 2)   | 284,406,150                  | 149,259,557                  |
| Unsettled Trades - Investments Purchased  | 17,905,800                   | 18,267,876                   |
| Investment-Related Payables (Note 4b)   | 12,177,854                   | 13,557,381                   |
| Futures Contracts (Note 5b)   | 2,399,447                    | 1,310,020                    |
| Foreign Exchange Contracts (Note 6b)  | 2,109,209                    | 5,035,526                    |
| Accrued Administration Expenses (Note 18)   | 4,011,002                    | 3,822,689                    |
| Members Benefits & Refunds Payable (Note 19a)                                       | 6,944,828                    | 6,117,415                    |
| Retirement Payroll Deductions Payable (Note 19b)                                    | 404,242                      | 390,884                      |
| Lease Liability   | 120,676                      | 127,235                      |
| SBITA GASB 96 Liability   | 42,037                       | 118,329                      |
| <b>Total Liabilities</b>  | <b>330,521,247</b>           | <b>198,006,913</b>           |
| <b>DEFERRED INFLOWS OF RESOURCES</b>  |                              |                              |
| <i>Net Position</i>   |                              |                              |
| <i>Restricted - Held in Trust for Benefits</i>                                      | <i>14,052,478,360</i>        | <i>12,034,355,047</i>        |
| <i>Total Net Position</i>   | <i>14,052,478,360</i>        | <i>12,034,355,047</i>        |

**ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**For the Twelve Months Ending 12/31/2025**

|  | <b>Year-To-Date<br/>2025</b> | <b>Year-To-Date<br/>2024</b> |
|--|------------------------------|------------------------------|
| <b>ADDITIONS</b>   |                              |                              |
| Contributions: (Note 20)                                       |                              |                              |
| Members  | 144,466,720                  | 134,489,875                  |
| Employers  | 717,385,583                  | 311,106,275                  |
| Total Contributions  | <u>861,852,303</u>           | <u>445,596,150</u>           |
| From Investment Activities:                                    |                              |                              |
| Net Appreciation/(Depreciation) in FV of Investments (Note 21) | 1,775,417,728                | 822,031,489                  |
| Interest   | 97,611,607                   | 74,168,822                   |
| Dividends  | 34,905,256                   | 29,902,128                   |
| Real Estate - Net  | 21,519,878                   | 35,550,283                   |
| Private Equity and Alternatives                                | 115,148,607                  | 135,112,683                  |
| Brokers Commissions - Directed Brokerage                       | 7,699                        | 7,758                        |
| Sub-Total Dividends, Interest, Other Investment Inc. (Note 22) | <u>269,193,047</u>           | <u>274,741,674</u>           |
| Total Income from Investment Activities                        | 2,044,610,774                | 1,096,773,163                |
| Total Investment Expenses (Note 23)                            | <u>(142,631,588)</u>         | <u>(72,253,630)</u>          |
| Net Income from Investment Activities (Note 24)                | 1,901,979,186                | 1,024,519,533                |
| From Securities Lending Activities:                            |                              |                              |
| Securities Lending Income                                      | 7,785,189                    | 10,365,886                   |
| Securities Lending Expenses                                    | <u>(7,110,566)</u>           | <u>(9,657,829)</u>           |
| Net Income from Securities Lending Activities (Note 25)        | <u>674,623</u>               | <u>708,056</u>               |
| Total Net Investment Income                                    | 1,902,653,809                | 1,025,227,590                |
| Miscellaneous Income (Note 26)                                 | <u>806,520</u>               | <u>390,504</u>               |
| <b>Total Additions</b>   | <b><u>2,765,312,632</u></b>  | <b><u>1,471,214,244</u></b>  |
| <b>DEDUCTIONS</b>  |                              |                              |
| Benefits:  |                              |                              |
| Service Retirement and Disability Benefits (Note 27)           | 658,832,112                  | 628,985,557                  |
| Death Benefits (Note 28)                                       | 3,746,328                    | 3,818,199                    |
| Supplemental Cost of Living Allowance                          | 1,300,181                    | 1,242,635                    |
| Retiree Healthcare Program                                     | <u>52,784,099</u>            | <u>50,186,853</u>            |
| Total Benefit Payments   | 716,662,719                  | 684,233,244                  |
| Member Refunds   | 8,593,193                    | 10,081,262                   |
| Administration: (Note 29)                                      |                              |                              |
| Administrative Expenses  | 15,120,880                   | 14,438,320                   |
| Actuarial Expenses   | 431,793                      | 399,502                      |
| Business Continuity Expenses                                   | 713,581                      | 678,395                      |
| Legal Expenses   | 921,796                      | 890,613                      |
| Technology Expenses  | 2,582,855                    | 2,016,277                    |
| 401(h) Expenses  | <u>2,162,502</u>             | <u>1,957,000</u>             |
| Total Administration   | <u>21,933,407</u>            | <u>20,380,107</u>            |
| <b>Total Deductions</b>  | <b><u>747,189,319</u></b>    | <b><u>714,694,613</u></b>    |
| <b>Net Increase(Decrease)</b>                                  | <b><u>2,018,123,313</u></b>  | <b><u>756,519,631</u></b>    |
| <b>Net Position Held in Trust for Benefits:</b>                |                              |                              |
| <b>Net Position - January 1</b>                                | <b><u>12,034,355,047</u></b> | <b><u>11,277,835,416</u></b> |
| <b>Net Position - December 31</b>                              | <b><u>14,052,478,360</u></b> | <b><u>12,034,355,047</u></b> |

# ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

## NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

As of December 31, 2025

### 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 - \$5.84 million

Cash balance is the sum of the funds in the JP Morgan Bank operating accounts. The increase of \$3.94 million as of December 31, 2025, from \$1.90 million on December 31, 2024, 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 - \$284.41 million

Cash collateral of \$284.41 million and \$149.26 million were held by ACERA, related to securities on loan as of December 31, 2025, and December 31, 2024, 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 - \$30.48 million

The receivable balances as of December 31, 2025, decreased by approximately \$0.17 million from \$30.65 million as of December 31, 2024. This is primarily due to decreases in employer contribution rate.

### *(Note 4)*

#### 4a. Investment Receivables - \$32.38 million

The investment receivables balance as of December 31, 2025, increased by \$7.18 million from \$25.20 million on December 31, 2024. The increase is mainly attributed to interest and dividend receivables.

#### 4b. Investment Related Payables - \$12.18 million

The decrease of \$1.38 million in investment related payables balance as of December 31, 2025, from \$13.56 million on December 31, 2024, is primarily due to timing difference of investment manager fee payments.

### *(Note 5)*

#### 5a. Futures Contracts Receivables - \$0.31 million

The receivables represent the unrealized gains on open futures contracts. The balance for unrealized gains as of December 31, 2025, and December 31, 2024, were \$0.31 million and \$0.06 million, respectively.

#### 5b. Futures Contracts Payables - \$2.40 million

The payables represent the unrealized losses on open futures contracts. The balance for unrealized losses as of December 31, 2025, and December 31, 2024, were \$2.40 and \$1.31 million, respectively.

## ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

### NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

As of December 31, 2025

*(Note 6)*

#### 6a. Foreign Exchange Contracts Receivables - \$0.00 million

The receivables represent unrealized gains on foreign exchange contracts. Foreign exchange (FX) contracts include forward currency contracts and spot contracts. As of December 31, 2025, and December 31, 2024, the unrealized gains on FX contracts were \$0.00 million and \$0.02 million, respectively. The decrease in unrealized gains of \$0.02 million is mainly due to the change in foreign exchange contracts and market volatility.

#### 6b. Foreign Exchange Contracts Payables - \$2.11 million

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

*(Note 7)*

#### Other Receivables - \$0.38 million

Other receivables as of December 31, 2025, 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, 2025

*(Note 8)***Short-Term Investments - \$776.52 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. The cash overlay account includes Global Equity and Fixed Income futures contracts. This amount reflects an additional \$400 million contribution made by the County of Alameda near June month-end, which subsequently invested in early July according to the Board-approved strategic asset allocation plan.

*(Dollars in Millions)*

| <b>Fund Name</b>                               | <b>12/31/2025</b> |
|--|-------------------|
| Cash Account – ACERA                           | \$ 497.84         |
| Parametric Portfolio Associates (cash overlay) | 179.96            |
| Baird Investors                                | 40.03             |
| Capital Guardian                               | 16.31             |
| Loomis   | 7.95              |
| William Blair Small Cap Growth                 | 7.91              |
| Aristotle Capital                              | 6.82              |
| Brandywine                                     | 6.82              |
| TCW  | 4.10              |
| Bivium - Haven Global Partners                 | 2.22              |
| Bivium - Promethos Capital, LLC                | 2.12              |
| Bivium - Dundas Partners                       | 1.86              |
| Bivium - Denali Advisors                       | 1.23              |
| Bivium- Channing Global Advisors, LLC          | 1.09              |
| Bivium - Cedar Street Asset Mgmt               | 0.16              |
| Bivium - Global Alpha Capital Mgmt             | 0.09              |
| AQR Capital Management, LLC                    | 0.01              |
| <b>Grand total</b>                             | <b>\$ 776.52</b>  |

# ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

## NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

As of December 31, 2025

*(Note 9)*

International Equity Commingled Funds - \$1,977.86 million

As of December 31, 2025, and December 31, 2024, the International Equity Commingled Funds were \$1,977.86 million and \$1,907.23 million, respectively. The increase of \$70.63 million resulted from unrealized gains from higher market valuations and rebalancing activity short-term cash flow needs.

*(Note 10)*

International Fixed Income Commingled Funds - \$42.89 million

The increase of \$16.02 million from the previous year is due to higher investment valuations. Disclosure of credit ratings on mutual fund holdings of fixed income portfolio is not required per GASB Statement No. 40.

*(Note 11)*

Real Estate Separate Properties - \$25.05 million

The following is a summary of Real Estate – Separate Property investments as of December 31, 2025, and December 31, 2024. The year-over-year decrease of \$9.01 million is due to the market value decrease of the Oakland 14<sup>th</sup> Street property.

*(Dollars in Millions)*

| Investment Manager | Net Mkt. Value 12-31-2025 | Net Mkt. Value 12-31-2024 | No. of Properties 2025 | No. of Properties 2024 |
|--------------------|---------------------------|---------------------------|------------------------|------------------------|
| RREEF              | \$ 25.05                  | \$ 34.06                  | 1                      | 1                      |

*(Note 12)*

Real Estate Commingled Funds - \$790.12 million

Detailed records regarding these investments of public pension funds are exempt from disclosure under the California Government Code Section 7928.710. The increase of \$9.85 million in 2025 as compared to 2024 is due to additional investments and unrealized gains from investments, net of capital calls and distributions.

*(Note 13)*

Real Assets - \$884.06 million

Detailed records regarding these investments of public pension funds are exempt from disclosure under California Government Code Section 7928.710. The increase of \$151.32 million in 2025 as compared to 2024 is due to additional investments and higher aggregate investment valuation, net of capital calls and distributions.

*(Note 14)*

Absolute Return - \$968.67 million

Detailed records regarding these investments of public pension funds are exempt from disclosure under California Government Code Section 7928.710. The decrease of \$31.59 million in 2025 as compared to 2024 is due to redemptions from several liquid absolute return investments, offset somewhat by net gains from investments. These redemptions were enacted to lower the market-value weighting of the asset class in the total Fund as the target weighting of the asset class was lowered from 8% to 6% in July 2024.

**ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION****NOTES TO THE UNAUDITED FINANCIAL STATEMENTS**

As of December 31, 2025

**(Note 15)****Private Equity - \$1,008.18 million**

Detailed records regarding these investments of public pension funds are exempt from disclosure under California Government Code Section 7928.710. The increase of \$73.53 million in 2025 as compared to 2024 is due to additional investments net of contributions and net gains on investments.

**(Note 16)****Private Credit - \$563.45 million**

Detailed records regarding these investments of public pension funds are exempt from disclosure under California Government Code Section 7928.710. The increase of \$47.46 million in 2025 as compared to 2024 is due to additional investments and realized gains, offset somewhat by unrealized losses, and net of capital calls and distributions.

**(Note 17)****Capital Assets at Cost (Net of Accumulated Depreciation and Amortization) - \$11.70 million***(Dollars in Millions)*

|  | 12/31/2025      | 12/31/2024      |
|--|-----------------|-----------------|
| Retirement Information System and Others - Construction-In-Process | \$ 0.06         | \$ -            |
| Equipment, Furniture & Information Systems                         | 26.99           | 25.67           |
| Electronic Document Management System                              | 4.18            | 4.18            |
| Right-to-Use Leased Office Equipments                              | 0.40            | 0.39            |
| Less: Accumulated Depreciation and Amortization                    | (20.72)         | (18.79)         |
| Net Book Value   | 10.91           | 11.45           |
| Leasehold Improvements   | 2.59            | 2.59            |
| Less: Accumulated Depreciation                                     | (1.80)          | (1.70)          |
| Net Book Value   | 0.79            | 0.89            |
| <b>Total Capital Assets, Net</b>                                   | <b>\$ 11.70</b> | <b>\$ 12.34</b> |

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

**ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION****NOTES TO THE UNAUDITED FINANCIAL STATEMENTS**

As of December 31, 2025

|                          |                                 |            |
|--------------------------|---------------------------------|------------|
| <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 |

*(Note 18)*Accrued Administration Expenses - \$4.01 million

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

*(Note 19)*19a. Members' Benefits & Refunds Payable - \$6.95 million

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

*(Dollars in Millions)*

| <i>Accrued Benefits and Refunds</i>                  | <i>12/31/2025</i> | <i>12/31/2024</i> |
|--|-------------------|-------------------|
| Basic Active Death Benefits                          | \$ 0.57           | \$ 0.64           |
| Active Death Contribution Refunds                    | 1.48              | 1.59              |
| Retired Death Benefits                               | 4.90              | 3.89              |
| <b>Total Members' Benefits &amp; Refunds Payable</b> | <b>\$ 6.95</b>    | <b>\$ 6.12</b>    |

19b. Retirement Payroll Deductions Payables - \$0.41 million

The balance as of December 31, 2025, includes \$0.01 million in health premium prepayments and accrual of \$0.40 million Health Reimbursement Account (HRA) benefits. The corresponding balance as of December 31, 2024, included \$0.03 million in health premium prepayments and accrual of \$0.36 million HRA benefits.

*(Note 20)*Contributions - \$861.85 million

The increase in contributions of \$416.25 million in 2025 as compared to 2024 is primarily due to the \$400 million advance UAAL contribution the County made for the general membership group. The remaining increase was due to higher member and employer contribution rates, which were in effect for the first eight months of the year.

**ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**  
**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS**  
As of December 31, 2025

*(Note 21)*

Net Appreciation/ (Depreciation) in Fair Value of Investments – \$1,775.42 million

*(Dollars in Millions)*

|   | <u>For the Period Ended</u> |                  |
|---|-----------------------------|------------------|
|   | 12/31/2025                  | 12/31/2024       |
| <i><u>Actual / Realized Gains/(Losses)</u></i>          |                             |                  |
| Domestic Equities                                       | \$ 45.24                    | \$ (689.87)      |
| International Equities                                  | 347.34                      | 905.90           |
| Domestic Bonds  | (6.25)                      | (25.29)          |
| International Bonds                                     | (2.17)                      | 8.20             |
| Real Estate Commingled Funds                            | 8.30                        | 3.31             |
| Private Equity & Alternative                            | 194.79                      | 95.54            |
| Real Assets   | 23.33                       | 21.55            |
| Private Credit  | 9.66                        | (3.63)           |
| Futures   | 67.53                       | 10.20            |
| Currency  | (1.57)                      | (2.77)           |
| <i>Total Realized Gains/(Losses)</i>                    | <b>686.20</b>               | <b>323.14</b>    |
| <i><u>Paper / Unrealized Gains/(Losses)</u></i>         |                             |                  |
| Domestic Equities                                       | 469.33                      | 525.07           |
| International Equities                                  | 395.76                      | 4.43             |
| Domestic Bonds  | 60.83                       | 10.34            |
| International Bonds                                     | 17.30                       | (20.53)          |
| Real Estate Commingled Funds                            | 20.55                       | (62.25)          |
| Real Estate Sep. Props.                                 | (9.49)                      | (15.12)          |
| Private Equity & Alternative                            | 54.59                       | 42.08            |
| Real Assets   | 124.45                      | 31.93            |
| Private Credit  | (47.66)                     | 1.68             |
| Futures   | (0.83)                      | (10.18)          |
| Currency  | 4.39                        | (8.56)           |
| <i>Total Unrealized Gains/(Losses)</i>                  | <b>1,089.22</b>             | <b>498.89</b>    |
| <b>Total Net Realized and Unrealized Gains/(Losses)</b> | <b>\$ 1,775.42</b>          | <b>\$ 822.03</b> |

**ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION****NOTES TO THE UNAUDITED FINANCIAL STATEMENTS**

As of December 31, 2025

(Note 22)Dividend, Interest, and Other Investment Income - \$ 269.19 million*(Dollars in Millions)*

| <i>Interest, Dividend, and Other Investment Income</i>           | <i>For the Period Ended</i> |                   |
|--|-----------------------------|-------------------|
|  | <i>12/31/2025</i>           | <i>12/31/2024</i> |
| Interest Income  | \$ 97.61                    | \$ 74.17          |
| Dividend Income  | 34.90                       | 29.90             |
| Real Estate Income   | 21.52                       | 35.55             |
| Private Equity, Absolute Return and Real Asset Income / (Losses) | 115.15                      | 135.11            |
| Directed Brokerage Commission Recapture                          | 0.01                        | 0.01              |
| <b>Total Interest, Dividend, and Other Investment Income</b>     | <b>\$ 269.19</b>            | <b>\$ 274.74</b>  |

**ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS**

As of December 31, 2025

*(Note 23)*

*Investment Expenses - \$142.63 million*

*(Dollars in Millions)*

| <i>Investment Expenses</i>                 | <i>For the Period Ended</i> |                   |                     |                   |
|--|-----------------------------|-------------------|---------------------|-------------------|
|  | <i>Basis Points</i>         | <i>12/31/2025</i> | <i>Basis Points</i> | <i>12/31/2024</i> |
| Investment Manager and Incentive Fees      | 96.91                       | \$ 136.18         | 55.16               | \$ 66.38          |
| Investment Custodian                       | 0.41                        | 0.58              | 0.46                | 0.56              |
| Investment Consultants & Other Expenses(*) | 1.43                        | 2.01              | 1.43                | 1.73              |
| Subtotal                                   | 98.75                       | 138.77            | 57.05               | 68.67             |
| Investment Allocated Cost                  | 2.75                        | 3.86              | 2.98                | 3.58              |
| <b>Total Investment Expenses(**)</b>       | <b>101.50</b>               | <b>\$ 142.63</b>  | <b>60.03</b>        | <b>\$ 72.25</b>   |

*(\*) Investment Consultant and Other Expenses*

*(Dollars in Millions)*

|  | <i>For the Period Ended</i> |                   |                     |                   |
|--|-----------------------------|-------------------|---------------------|-------------------|
|  | <i>Basis Points</i>         | <i>12/31/2025</i> | <i>Basis Points</i> | <i>12/31/2024</i> |
| Investment Advising & Performance (Pearls, Alternative Investment) | 0.70                        | \$ 0.98           | 0.99                | \$ 1.20           |
| Consultant - Legal (Alternative Investment)                        | 0.29                        | 0.41              | 0.19                | 0.23              |
| Subtotal – Consultants Expenses                                    | 0.99                        | 1.40              | 1.18                | 1.43              |
| Proxy Services   | 0.04                        | 0.05              | 0.04                | 0.05              |
| Transaction Cost Analysis  | 0.03                        | 0.04              | 0.04                | 0.05              |
| Other Investment Expenses/(Income)                                 | 0.37                        | 0.52              | 0.17                | 0.20              |
| Subtotal – Other Investment Expenses                               | 0.44                        | 0.61              | 0.25                | 0.30              |
| <b>Total Investment Consultants and Other Expenses</b>             | <b>1.43</b>                 | <b>\$ 2.01</b>    | <b>1.43</b>         | <b>\$ 1.73</b>    |

*(\*\*) The increase in total investment expenses of \$70.38 million in 2025 as compared to 2024 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, 2025

*(Note 24)*Net Investment Income/ (Losses) – \$1,901.98 million*(Dollars in Millions)*

|  | <i>For the Period Ended</i> |                    | <i>Inc. / (Dec.)</i>        |
|--|-----------------------------|--------------------|-----------------------------|
|  | <i>12/31/2025</i>           | <i>12/31/2024</i>  | <i>from previous period</i> |
| Paper / Unrealized Gains/(Losses)                | \$ 1,089.21                 | \$ 498.89          | \$ 590.32                   |
| Actual / Realized Gains/(Losses)                 | 686.21                      | 323.14             | 363.07                      |
| Investment Income (Interest/Dividend/RE/Other) - |                             |                    |                             |
| Net of Expenses                                  | 126.56                      | 202.49             | (75.93)                     |
| <b>Total Net Income/ (Losses)</b>                | <b>\$ 1,901.98</b>          | <b>\$ 1,024.52</b> | <b>\$ 877.46</b>            |

*(Note 25)*Securities Lending Net Income - \$0.67 million

The securities lending net income balance as of December 31, 2025, and December 31, 2024, were \$0.67 million and \$0.71 million, respectively.

*(Note 26)*Miscellaneous Income - \$0.81 million

The miscellaneous income of \$0.81 million is predominantly from prior year investment income and security litigation income recovery.

*(Note 27)*Service Retirement and Disability Benefits - \$658.83 million

The increase of \$29.84 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 165 in the total number of retirees and beneficiaries receiving benefits, from 11,225 on December 31, 2024, to 11,390 on December 31, 2025.

*(Note 28)*Death Benefits - \$3.75 million

The death benefits paid out during the year ended December 31, 2025, were comprised of \$0.19 million of Retired Death Benefits, \$0.48 million of Active Death Benefits, and \$3.08 million of Survivorship Benefits.

**ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION****NOTES TO THE UNAUDITED FINANCIAL STATEMENTS**

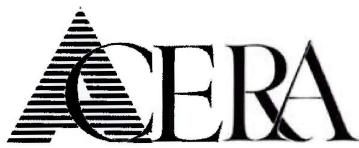
As of December 31, 2025

*(Note 29)***Total Administration - \$21.93 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 details of total administration expenses are as follows:

*(Dollars in Millions)*

|                                | 12/31/2025      | 12/31/2024      | Inc./(Dec.)<br>from previous<br>period |
|--------------------------------|-----------------|-----------------|--|
| Administrative Expenses        | \$ 15.12        | \$ 14.44        | \$ 0.68                                |
| Actuarial Expenses             | 0.43            | 0.40            | 0.03                                   |
| Business Continuity Expenses   | 0.72            | 0.68            | 0.04                                   |
| Legal Expenses                 | 0.92            | 0.89            | 0.03                                   |
| Technology Expenses            | 2.58            | 2.01            | 0.57                                   |
| 401(h) Administrative Expenses | 2.16            | 1.96            | 0.20                                   |
| <b>Total</b>                   | <b>\$ 21.93</b> | <b>\$ 20.38</b> | <b>\$ 1.55</b>                         |



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MEMORANDUM TO THE BOARD OF RETIREMENT

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DATE: February 19, 2026

TO: Members of the Board of Retirement

FROM: Lisa Johnson, Assistant Chief Executive Officer 

SUBJECT: Actual Cash and Forecast as of December 31, 2025

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**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 2025 Cash Forecast vs Actual Cash year-end review;
- Table 2 is the annual cash forecast from January 2026 to December 2026, 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 2025:

| <b>Table 1</b><br><b>2025 Year-End Cash Forecast vs Actual Cash</b> |                       |                            |                               |
|---|-----------------------|----------------------------|-------------------------------|
|   | <b>Total Receipts</b> | <b>Total Disbursements</b> | <b>Negative Cash Position</b> |
| Forecast  | \$ 477,986,739        | \$ 749,407,138             | \$ (271,420,399)              |
| Actual  | 463,547,304           | 753,720,795                | (290,173,491)                 |
| Variance  | 14,439,435            | (4,313,657)                | 18,753,092                    |
| Average*  | 35,547,725            | 62,947,221                 | (27,399,496)                  |

**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 2026 to December 2026. The average monthly negative cash position for the referenced period is \$29,455.938. Excluding the three three-pay-period months i.e., January 2026, July 2026, and December 2026 annotated by an \*. The year-over-year increase in average monthly negative cash position compared to the same period in 2025 is \$2,056,442 mainly due to decrease in county contributions of approximately \$2 million per pay period due to amortization of additional contribution made by the county in June 2025.

| <b>Table 2</b> Annual Cash Forecast from January 2026 to December 2026 |                       |                            |                               |
|--|-----------------------|----------------------------|-------------------------------|
| <b>Month-Year</b>  | <b>Total Receipts</b> | <b>Total Disbursements</b> | <b>Negative Cash Position</b> |
| Jan-26*  | \$ 50,872,153         | \$ 63,677,277              | \$ (12,805,124)               |
| Feb-26   | 34,153,408            | 64,143,586                 | (29,990,178)                  |
| Mar-26   | 34,358,714            | 64,209,895                 | (29,851,181)                  |
| Apr-26   | 34,564,020            | 64,276,204                 | (29,712,184)                  |
| May-26   | 34,769,325            | 64,342,513                 | (29,573,188)                  |
| Jun-26   | 34,974,631            | 65,160,531                 | (30,185,900)                  |
| Jul-26*  | 52,569,906            | 64,475,131                 | (11,905,225)                  |
| Aug-26   | 35,385,243            | 64,541,440                 | (29,156,197)                  |
| Sep-26   | 35,590,549            | 64,607,749                 | (29,017,200)                  |
| Oct-26   | 35,795,855            | 64,674,058                 | (28,878,203)                  |
| Nov-26   | 36,001,161            | 64,740,367                 | (28,739,206)                  |
| Dec-26*  | 54,109,700            | 65,558,385                 | (11,448,685)                  |
| <b>Total</b>   | <b>473,144,665</b>    | <b>774,407,136</b>         | <b>(301,262,471)</b>          |
| <b>Average</b>   | <b>\$ 35,065,878</b>  | <b>\$ 64,521,816</b>       | <b>\$ (29,455,938)</b>        |

**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.

| <b>Table 3</b> <span style="color: #0056b3;">5-Year Annual Cash Inflow</span> |   |                             |                          |
|---|---|-----------------------------|--------------------------|
| <b>Year</b>   | <b>Total Contributions, Misc. Cash Receipts, etc.</b> | <b>Cash Draw from SSB**</b> | <b>Total Cash Inflow</b> |
| <b>2025</b>   | <b>\$ 463,547,304</b>                                 | <b>\$ 385,000,000</b>       | <b>\$ 848,547,304</b>    |
| 2024  | 443,227,280   | 347,000,000                 | 790,227,280              |
| 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              |

**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.

| <b>Table 4</b> <span style="color: #0056b3;">5-Year Annual Cash Outflow</span> |   |                             |                           |
|--|---|-----------------------------|---------------------------|
| <b>Year</b>  | <b>Retiree Payroll, Accounts Payable, ACERA Payroll, etc.</b> | <b>Cash Return to SSB**</b> | <b>Total Cash Outflow</b> |
| <b>2025</b>  | <b>\$ 753,720,795</b>   | <b>\$ 91,000,000</b>        | <b>\$ 844,720,795</b>     |
| 2024   | 725,008,342   | 69,000,000                  | 794,008,342               |
| 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               |

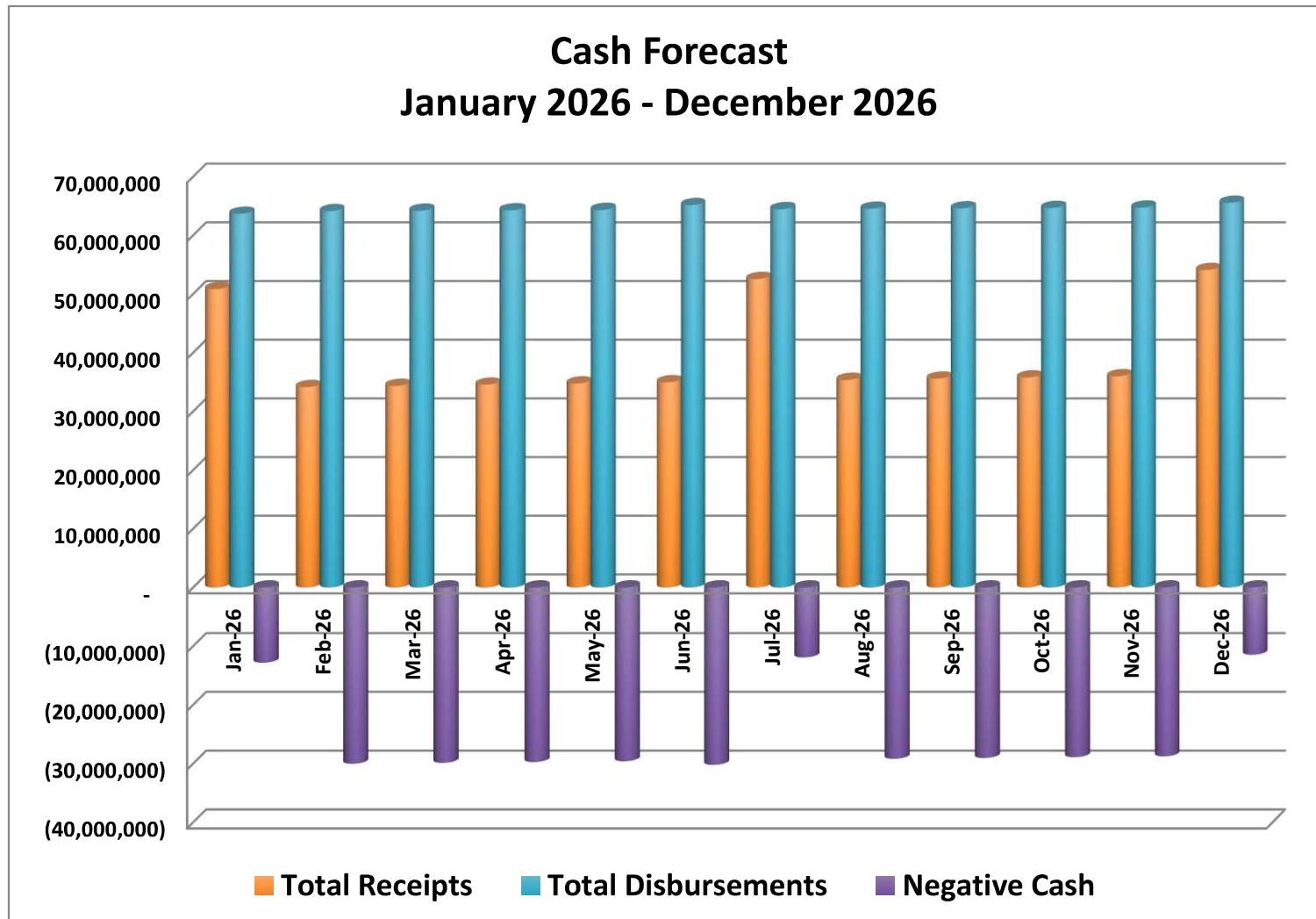
**Table 4.** Annualized outflow of retirement and benefit payments, accounts payable, and ACERA payroll. Excess cash (Cash Return to SSB column) is wired to the SSB HI1A account.

| <b>Table 5</b> <span style="color: #0056b3;">5-Year Annual Net Cash Position</span> |                         |                                 |                     |
|---|-------------------------|---------------------------------|---------------------|
| <b>Year</b>   | <b>Negative Cash</b>    | <b>Net Cash Draw from SSB**</b> | <b>Variance</b>     |
| <b>2025</b>   | <b>\$ (290,173,491)</b> | <b>\$ 294,000,000</b>           | <b>\$ 3,826,509</b> |
| 2024  | (281,781,062)           | 278,000,000                     | (3,781,062)         |
| 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           |

**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.





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MEMORANDUM TO THE BOARD OF RETIREMENT

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DATE: February 19, 2026

TO: Members of the Board of Retirement

FROM: Lisa Johnson, Assistant Chief Executive Officer

SUBJECT: Annual Board Conference and Training Expense Report for the Year Ended December 31, 2025



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Attached is the January 1, 2025 – December 31, 2025 Board conference and training expense report. As of December 31, 2025, reported expenses totaled \$114,861.

ACERA Trustees  
 Board Conference Expense Report  
 January 1, 2025 to  
 December 31, 2025

| From                           | To       | Attendee          | Conference   | Location            | Total             |
|--------------------------------|----------|-------------------|--|---------------------|-------------------|
| 03/02/25                       | 03/05/25 | Cynthia Baron     | CALAPRS General Assembly                                   | Napa, CA            | \$ 865            |
| 05/13/25                       | 05/16/25 | Cynthia Baron     | SACRS Spring Conference                                    | Rancho Mirage, CA   | \$ 290            |
| 08/21/25                       | 08/22/25 | Cynthia Baron     | Nossaman Fiduciaries                                       | Sacramento, CA      | \$ 1,007          |
| 09/04/25                       | 09/04/25 | Cynthia Baron     | SACRS Program Committee                                    | Sacramento, CA      | \$ 123            |
| 11/11/25                       | 11/14/25 | Cynthia Baron     | SACRS Fall Conference                                      | Huntington Beach,CA | \$ 3,174          |
| <b>Cynthia Baron Total</b>     |          |                   |  |                     | <b>\$ 5,459</b>   |
| 11/11/25                       | 11/14/25 | Ophelia Basgal    | SACRS Fall Conference                                      | Huntington Beach,CA | \$ 1,416          |
| <b>Ophelia Basgal Total</b>    |          |                   |  |                     | <b>\$ 1,416</b>   |
| 05/13/25                       | 05/16/25 | Kevin Bryant      | SACRS Spring Conference                                    | Rancho Mirage, CA   | \$ 1,896          |
| 06/02/25                       | 06/04/25 | Kevin Bryant      | NASP Financial Services Conference                         | Columbus, OH        | \$ 2,031          |
| 11/11/25                       | 11/14/25 | Kevin Bryant      | SACRS Fall Conference                                      | Huntington Beach,CA | \$ 2,763          |
| <b>Kevin Bryant Total</b>      |          |                   |  |                     | <b>\$ 6,690</b>   |
| 05/04/25                       | 05/07/25 | Keith Carson      | Milken Global Conference                                   | Los Angeles, CA     | \$ 8,658          |
| 05/13/25                       | 05/16/25 | Keith Carson      | SACRS Spring Conference                                    | Rancho Mirage, CA   | \$ 1,373          |
| 11/11/25                       | 11/14/25 | Keith Carson      | SACRS Fall Conference                                      | Huntington Beach,CA | \$ 2,257          |
| 12/04/25                       | 12/05/25 | Keith Carson      | Milken Middle East & Africa Summit                         | Abu Dhabi, UAE      | \$ 3,638          |
| <b>Keith Carson Total</b>      |          |                   |  |                     | <b>\$ 15,925</b>  |
| 08/21/25                       | 08/22/25 | Ross Clippinger   | Nossaman Fiduciaries                                       | Sacramento, CA      | \$ 840            |
| 11/11/25                       | 11/14/25 | Ross Clippinger   | SACRS Fall Conference                                      | Huntington Beach,CA | \$ 2,370          |
| <b>Ross Clippinger Total</b>   |          |                   |  |                     | <b>\$ 3,211</b>   |
| 01/27/25                       | 01/30/25 | Tarrell Gamble    | iConnections Global Alts Conference                        | Miami, FL           | \$ 2,544          |
| 03/10/25                       | 03/13/25 | Tarrell Gamble    | CII Spring Conference                                      | Washington, DC      | \$ 1,722          |
| 03/13/25                       | 03/13/25 | Tarrell Gamble    | SEO Alternative Investments Conference                     | New York, NY        | \$ 927            |
| 03/17/25                       | 03/19/25 | Tarrell Gamble    | ALTS LA Conference   | Los Angeles, CA     | \$ 1,091          |
| 04/01/25                       | 04/02/25 | Tarrell Gamble    | Carlye Global Credit Conference                            | New York, NY        | \$ 1,058          |
| 04/01/25                       | 04/02/25 | Tarrell Gamble    | Catalyst California's Emerging & Diverse Inv. Manager      | New York, NY        | \$ 499            |
| 04/23/25                       | 04/24/25 | Tarrell Gamble    | Vista Annual General Meeting                               | New York, NY        | \$ 752            |
| 05/14/25                       | 05/14/25 | Tarrell Gamble    | Institutional Investor Private Credit Forum                | Chicago, IL         | \$ 672            |
| 09/11/25                       | 09/11/25 | Tarrell Gamble    | IMN RE CFO & COO East Forum                                | New York, NY        | \$ 1,043          |
| 09/23/25                       | 09/25/25 | Tarrell Gamble    | iDAC Global Summit   | San Antonio, TX     | \$ 729            |
| 09/25/25                       | 09/25/25 | Tarrell Gamble    | iGlobal Forum Real Estate Private Equity Summit:West       | Los Angeles, CA     | \$ 444            |
| 10/01/25                       | 10/02/25 | Tarrell Gamble    | NAIC-Key Details for the Amplifying Alts Forum             | Los Angeles, CA     | \$ 906            |
| 10/09/25                       | 10/09/25 | Tarrell Gamble    | SVDX Annual Conference                                     | Los Altos, CA       | \$ 283            |
| 10/30/25                       | 10/30/25 | Tarrell Gamble    | LPGP Conference  | Los Angeles, CA     | \$ 98             |
| 11/11/25                       | 11/14/25 | Tarrell Gamble    | SACRS Fall Conference                                      | Huntington Beach,CA | \$ 2,197          |
| 11/18/25                       | 11/18/25 | Tarrell Gamble    | LinkBridge Investors Investors Reunion                     | Newport Beach, CA   | \$ 435            |
| <b>Tarrell Gamble Total</b>    |          |                   |  |                     | <b>\$ 15,400</b>  |
| 01/09/25                       | 01/10/25 | Henry Levy        | Opal Public Funds Summit                                   | Scottsdale, AZ      | \$ 715            |
| 02/14/25                       | 02/14/25 | Henry Levy        | West Coast Impact Forum and Investor Training              | San Francisco, CA   | \$ 795            |
| 02/25/25                       | 02/27/25 | Henry Levy        | BlackRock Asset Allocation & Portfolio Construction        | San Francisco, CA   | \$ 44             |
| 03/02/25                       | 03/05/25 | Henry Levy        | CALAPRS General Assembly                                   | Napa, CA            | \$ 254            |
| 04/16/25                       | 04/16/25 | Henry Levy        | GIIN West Coast Impact Forum and Investor Training         | San Francisco, CA   | \$ 873            |
| 04/28/25                       | 05/01/25 | Henry Levy        | Institutional Investors Institute Public Funds Round Table | Los Angeles, CA     | \$ 1,265          |
| 05/12/25                       | 05/13/25 | Henry Levy        | CalPERS Catalyst Forum                                     | Sacramento, CA      | \$ 992            |
| 05/30/25                       | 05/30/25 | Henry Levy        | CALAPRS Trustees Round Table                               | Virtual             | \$ 50             |
| 07/16/25                       | 07/17/25 | Henry Levy        | IMG ESG & Decarbonizing Real Estate Conf.                  | Dana Point, CA      | \$ 2,809          |
|                                |          |                   |  |                     |                   |
| 08/21/25                       | 08/22/25 | Henry Levy        | Nossaman Fiduciaries                                       | Sacramento, CA      | \$ 990            |
| 09/02/25                       | 09/04/25 | Henry Levy        | ValueEdge Public Funds Forum                               | Park City, UT       | \$ 2,231          |
| 11/11/25                       | 11/14/25 | Henry Levy        | SACRS Fall Conference                                      | Huntington Beach,CA | \$ 1,924          |
| 12/12/25                       | 12/12/25 | Henry Levy        | Pension Investment in California Affordable and Workforce  | Sacramento, CA      | \$ 544            |
| <b>Henry Levy Total</b>        |          |                   |  |                     | <b>\$ 13,486</b>  |
| 03/10/25                       | 03/12/25 | Elizabeth Rogers  | CII Spring Conference                                      | Washington, DC      | \$ 2,595          |
| 05/04/25                       | 05/07/25 | Elizabeth Rogers  | Milken Global Conference                                   | Los Angeles, CA     | \$ 8,788          |
| 10/22/25                       | 10/02/25 | Elizabeth Rogers  | CRCEA Fall Conference                                      | Modesto, CA         | \$ 50             |
| 11/11/25                       | 11/14/25 | Elizabeth Rogers  | SACRS Fall Conference                                      | Huntington Beach,CA | \$ 2,163          |
| <b>Elizabeth Rogers Total</b>  |          |                   |  |                     | <b>\$ 13,596</b>  |
| 02/03/25                       | 02/04/25 | Kellie Simon      | NEPC Public Funds Workshop                                 | Tempe, AZ           | \$ 750            |
| 05/04/25                       | 05/07/25 | Kellie Simon      | Milken Global Conference                                   | Los Angeles, CA     | \$ 8,559          |
| 10/03/25                       | 10/03/25 | Kellie Simon      | CALAPRS Trustees' Round Table                              | Virtual             | \$ 50             |
| 11/11/25                       | 11/14/25 | Kellie Simon      | SACRS Fall Conference                                      | Huntington Beach,CA | \$ 1,967          |
| <b>Kellie Simon Total</b>      |          |                   |  |                     | <b>\$ 11,325</b>  |
| 01/09/25                       | 01/10/25 | Steven Wilkinston | Opal Public Funds Summit                                   | Scottsdale, AZ      | \$ 812            |
| 02/03/25                       | 02/04/25 | Steven Wilkinston | NEPC Public Funds Workshop                                 | Tempe, AZ           | \$ 665            |
| 03/24/25                       | 03/26/25 | Steven Wilkinston | Annual Pension Bridge Conference                           | Half Moon Bay, CA   | \$ 1,557          |
| 05/12/25                       | 05/13/25 | Steven Wilkinston | CalPERS Catalyst Forum                                     | Sacramento, CA      | \$ 423            |
| 05/13/25                       | 05/16/25 | Steven Wilkinston | SACRS Spring Conference                                    | Rancho Mirage, CA   | \$ 1,731          |
| 06/02/25                       | 06/04/25 | Steven Wilkinston | NASP Financial Services Conference                         | Columbus, OH        | \$ 2,060          |
| 07/15/25                       | 07/17/25 | Steven Wilkinston | Pension Bridge Private Equity                              | Chicago, IL         | \$ 2,605          |
| 07/21/25                       | 07/23/25 | Steven Wilkinston | Opal Public Funds Summit                                   | Newport, RI         | \$ 1,705          |
| 09/02/25                       | 09/04/24 | Steven Wilkinston | ValueEdge Public Funds Forum                               | Park City, UT       | \$ 3,286          |
| 09/23/25                       | 09/25/25 | Steven Wilkinston | iDAC Annual Global Summit                                  | San Antonio, TX     | \$ 1,334          |
| 11/11/25                       | 11/14/25 | Steven Wilkinston | SACRS Fall Conference                                      | Huntington Beach,CA | \$ 1,920          |
| Steven Wilkinston              |          |                   | Board Approved Increase of Allotment                       |                     | <b>\$ (2,000)</b> |
|                                |          |                   |  |                     |                   |
| <b>Steven Wilkinston Total</b> |          |                   |  |                     | <b>\$ 16,096</b>  |
| 02/03/25                       | 02/04/25 | George Wood       | NEPC Public Funds Workshop                                 | Tempe, AZ           | \$ 1,230          |
| 05/04/25                       | 05/07/25 | George Wood       | Milken Global Conference                                   | Los Angeles, CA     | \$ 8,742          |
| 11/11/25                       | 11/14/25 | George Wood       | SACRS Fall Conference                                      | Huntington Beach,CA | \$ 2,284          |
| <b>George Wood Total</b>       |          |                   |  |                     | <b>\$ 12,256</b>  |
| <b>GRAND TOTAL</b>             |          |                   |  |                     | <b>\$ 114,861</b> |



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MEMORANDUM TO THE BOARD OF RETIREMENT

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DATE: February 19, 2026

TO: Members of the Board of Retirement

FROM: Lisa Johnson, Assistant Chief Executive Officer

SUBJECT: Annual SLT Conference and Training Expense Report for the period  
January 1, 2025, to December 31, 2025

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Attached is the January 1, 2025 – December 31, 2025 Senior Leadership Team conference and training expense report. As of December 31, 2025, reported expenses totaled \$40,003.

**ACERA SLT**  
**Conference and Training Expense Report**  
**January 1, 2025 to December 31, 2025**

| From                        | To       | SLT            | Training or Conference | Conference Name                                | Amount           |
|-----------------------------|----------|----------------|------------------------|--|------------------|
| <b>Conferences</b>          |          |                |                        |  |                  |
| 02/06/25                    | 02/06/25 | Dave Nelsen    | Conference             | CALAPRS Admin Round Table                      | \$ 50            |
| 03/02/25                    | 03/05/25 | Dave Nelsen    | Conference             | CALAPRS General Assembly                       | \$ 950           |
| 05/13/25                    | 05/16/25 | Dave Nelsen    | Conference             | SACRS Spring Conference                        | \$ 1,682         |
| 06/06/25                    | 06/06/25 | Dave Nelsen    | Conference             | CALAPRS Administrators Round Table             | \$ 50            |
| 08/09/25                    | 08/13/25 | Dave Nelsen    | Conference             | NASRA  | \$ 3,218         |
| 08/21/25                    | 08/22/25 | Dave Nelsen    | Conference             | Nossaman Forum                                 | \$ 877           |
| 09/16/25                    | 9/18.25  | Dave Nelsen    | Conference             | Stanford Fiduciary Investors Symposium         | \$ 495           |
| 09/24/25                    | 09/26/25 | Dave Nelsen    | Conference             | CALAPRS Admin. Institute                       | \$ 3,241         |
| 11/11/25                    | 11/14/25 | Dave Nelsen    | Conference             | SACRS Fall Conference                          | \$ 2,009         |
| <b>Trainings</b>            |          |                |                        |  |                  |
| 03/02/25                    | 03/05/25 | Dave Nelsen    | Training               | SACRS Legislative Committee                    | \$ 24            |
| 03/28/25                    | 03/28/25 | Dave Nelsen    | Training               | SACRS Legislative Committee                    | \$ 24            |
| 04/28/25                    | 04/29/25 | Dave Nelsen    | Training               | CALAPRS Management Academy                     | \$ 442           |
| <b>Dave Nelsen Total</b>    |          |                |                        |  | <b>\$ 13,063</b> |
| <b>Conferences</b>          |          |                |                        |  |                  |
| 05/13/25                    | 05/16/25 | Lisa Johnson   | Conference             | SACRS Spring Conference                        | \$ 1,500         |
| <b>Lisa Johnson Total</b>   |          |                |                        |  | <b>\$ 1,500</b>  |
| <b>Conferences</b>          |          |                |                        |  |                  |
| 02/13/25                    | 02/13/25 | Carlos Barrios | Conference             | CALAPRS Benefits Round Table                   | \$ 50            |
| 04/26/25                    | 04/30/25 | Carlos Barrios | Conference             | IFEBP Health Care Management Conf.             | \$ 3,711         |
| 05/13/25                    | 05/16/25 | Carlos Barrios | Conference             | SACRS Spring Conference                        | \$ 1,441         |
| 09/14/25                    | 09/17/25 | Carlos Barrios | Conference             | ISCEBS 44th Annual Employee Benefits Symposium | \$ 2,940         |
| 10/08/25                    | 10/09/25 | Carlos Barrios | Conference             | IFEBP Health Plan Basics                       | \$ 3,127         |
| 11/11/25                    | 11/14/25 | Carlos Barrios | Conference             | SACRS Fall Conference                          | \$ 2,054         |
| <b>Trainings</b>            |          |                |                        |  |                  |
| 11/05/25                    | 11/05/25 | Carlos Barrios | Training               | CALAPRS Intermediate Training                  | \$ 40            |
| <b>Carlos Barrios Total</b> |          |                |                        |  | <b>\$ 13,362</b> |
| <b>Conferences</b>          |          |                |                        |  |                  |
| 04/24/25                    | 04/25/25 | Erica Haywood  | Conference             | CA Regulatory Review & CPA Ethics              | \$ 268           |
| 06/28/25                    | 07/03/25 | Erica Haywood  | Conference             | GFOA Conference                                | \$ 3,765         |
| 11/06/25                    | 11/06/25 | Erica Haywood  | Conference             | GAAP Update                                    | \$ 150           |
| 11/11/25                    | 11/14/25 | Erica Haywood  | Conference             | SACRS Fall Conference                          | \$ 306           |
| <b>Erica Haywood Total</b>  |          |                |                        |  | <b>\$ 4,489</b>  |
| <b>Conferences</b>          |          |                |                        |  |                  |
| 05/13/25                    | 05/16/25 | Harsh Jadhav   | Conference             | SACRS Spring Conference                        | \$ 472           |
| 11/11/25                    | 11/14/25 | Harsh Jadhav   | Conference             | SACRS Fall Conference                          | \$ 868           |
| <b>Trainings</b>            |          |                |                        |  |                  |
| 01/01/25                    | 12/31/25 | Harsh Jadhav   | Training               | Lorman Online Continuing Education             | \$ 594.15        |
| 01/01/25                    | 12/31/25 | Harsh Jadhav   | Training               | CRISC Academy Continuing Ed. Risk Based IA     | \$ 648.00        |
| 01/01/25                    | 12/31/25 | Harsh Jadhav   | Training               | CPE247 CPA Continuing Education                | \$ 101.15        |
| 01/01/25                    | 12/31/25 | Harsh Jadhav   | Training               | ISACA Online Continuing Education              | \$ 796.12        |
| 01/01/25                    | 12/31/25 | Harsh Jadhav   | Training               | My CPE Online Continuing Education             | \$ 199.00        |
| 12/03/25                    | 12/03/25 | Harsh Jadhav   | Training               | CALAPRS Advanced Training                      | \$ 572.65        |
| <b>Harsh Jadhav Total</b>   |          |                |                        |  | <b>\$ 4,250</b>  |
| <b>Conferences</b>          |          |                |                        |  |                  |
| 02/07/25                    | 02/07/25 | Jeff Rieger    | Conference             | CALAPRS Attorney Round Table                   | \$ 50            |
| 05/13/25                    | 05/16/25 | Jeff Rieger    | Conference             | SACRS Spring Conference                        | \$ 1,139         |
| 10/09/25                    | 10/09/25 | Jeff Rieger    | Conference             | CALAPRS Attorney Round Table                   | \$ 50            |
| <b>Jeffrey Rieger Total</b> |          |                |                        |  | <b>\$ 1,239</b>  |
| <b>Conferences</b>          |          |                |                        |  |                  |
| 11/11/25                    | 11/14/25 | Vijay Jagar    | Conference             | SACRS Fall Conference                          | \$ 372.95        |
| <b>Vijay Jagar Total</b>    |          |                |                        |  | <b>\$ 373</b>    |
| <b>Conferences</b>          |          |                |                        |  |                  |
| 11/19/25                    | 11/21/25 | Vicki Arruda   | Conference             | CALPELRA                                       | \$ 825           |
| <b>Vicki Arruda Total</b>   |          |                |                        |  | <b>\$ 825</b>    |
| <b>Conferences</b>          |          |                |                        |  |                  |
| 05/13/25                    | 05/16/25 | Betty Tse      | Conference             | SACRS Spring Conference                        | \$ 601           |
| 11/11/25                    | 11/14/25 | Betty Tse      | Conference             | SACRS Fall Conference                          | \$ 300           |
| <b>Betty Tse Total</b>      |          |                |                        |  | <b>\$ 901</b>    |
| <b>Grand Total</b>          |          |                |                        |  | <b>\$ 40,003</b> |



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MEMORANDUM TO THE BOARD OF RETIREMENT

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DATE: February 19, 2026

TO: Members of the Board of Retirement

FROM: Jessica Huffman, Retirement Benefits Manager

A handwritten signature in blue ink, appearing to read 'J. Huffman'.

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 March 30, 2025 to September 27, 2025, 161 deaths occurred. There are 8 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 March 30, 2025 to September 27, 2025, shows discrepancies in member contribution amounts resulting in an underpayment or overpayment above the \$100 threshold, average time to resolve, and an explanation of the error type. For this reporting period, staff identified one member who underpaid their mandatory employee contributions and two members who overpaid their mandatory employee contributions. There were a total of 5,226 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**  
**March 30, 2025 thru September 27, 2025**

| Benefit Type       | Date of Death | Date ACERA Notified of Death | Last Check Issued | Net Receivable Owed | Staff's Comment   |
|--------------------|---------------|------------------------------|-------------------|---------------------|---|
| Service Retirement | 3/27/2025     | 4/10/2025                    | 3/31/2025         | \$1,025.92          | 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.  |
| Service Retirement | 3/28/2025     | 4/18/2025                    | 3/31/2025         | \$3,387.01          | 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        | 3/15/2025     | 5/19/2025                    | 4/30/2025         | \$3,485.50          | 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.  |
| Service Retirement | 5/6/2025      | 5/29/2025                    | 5/31/2025         | \$4,794.23          | 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        | 4/22/2025     | 7/3/2025                     | 6/30/2025         | \$3,011.36          | Staff initiated a reclaim request with JPMorgan but was only successful at collecting the June 2025 overpayment. Three unsuccessful attempts have been made to collect the April and May 2025 overpayments from the family. Staff will continue to attempt collection of overpayment. |
| Service Retirement | 6/29/2025     | 7/11/2025                    | 6/30/2025         | \$16,636.85         | 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.  |

## 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 Arrangement | 7/7/2025      | 8/1/2025                     | 8/14/2025         | \$426.72            | 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               | 6/26/2025     | 8/4/2025                     | 7/31/2025         | \$3,366.92          | 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.             |
| <b>Total Receivable</b>          |               | <b>\$36,134.51</b>           |                   |                     |  |

**Active Members - Overpayments and Underpayments of Member Contributions**  
**March 30, 2025 to September 27, 2025**

| <b>Alameda County</b> |   |                              |                |                       |       |
|-----------------------|---|------------------------------|----------------|-----------------------|-------|
|                       | Amount  | Date Discovered/<br>Received | Date Completed | # of days to complete | Cause |
| <b>Overpayments:</b>  | <b>No Overpayments to Report</b>  |                              |                |                       |       |
| <b>Underpayments:</b> | <b>No Underpayments to Report</b>   |                              |                |                       |       |
| <b>Summary</b>        | <b>Most Common Exception Type: N/A</b><br><b>Total Exceptions: 3,832</b><br><b>% Above Exceptions of Total Exceptions: 0%</b> |                              |                |                       |       |

| <b>Alameda County Housing Authority</b> |  |                              |                |                       |       |
|---|--|------------------------------|----------------|-----------------------|-------|
|   | Amount   | Date Discovered/<br>Received | Date Completed | # of days to complete | Cause |
| <b>Overpayments:</b>                    | <b>No Overpayments to Report</b>   |                              |                |                       |       |
| <b>Underpayments:</b>                   | <b>No Underpayments to Report</b>  |                              |                |                       |       |
| <b>Summary</b>                          | <b>Most Common Exception Type: N/A</b><br><b>Total Exceptions: 36</b><br><b>% Above Exceptions of Total Exceptions: 0%</b> |                              |                |                       |       |

Overpayments and Underpayments of Member Contributions – Continued

Page 2 of 3

| Alameda Health System     |   |                              |                |                       |  |
|---------------------------|---|------------------------------|----------------|-----------------------|--|
|                           | Amount  | Date Discovered/<br>Received | Date Completed | # of days to complete | Cause  |
| <b>Overpayment:</b><br>1  | \$479.98  | 9/11/2025                    | 9/11/2025      | 1                     | Employer Withheld Contribution Based on Incorrect Salary |
| <b>Overpayment:</b><br>2  | \$739.31  | 9/18/2025                    | 9/18/2025      | 1                     | Employer Withheld Contribution Based on Incorrect Salary |
| <b>Underpayment:</b><br>1 | \$850.10  | 8/8/2025                     | 8/8/2025       | 1                     | Employer Withheld Contribution Based on Incorrect Salary |
| <b>Summary</b>            | <b>Most Common Exception Type: Employer Withheld Contribution Based on Incorrect Salary</b><br><b>Total Exceptions: 1,154</b><br><b>% Above Exceptions of Total Exceptions: 0.26%</b> |                              |                |                       |  |

| First 5 Alameda County |  |                              |                |                       |       |
|------------------------|--|------------------------------|----------------|-----------------------|-------|
|                        | Amount   | Date Discovered/<br>Received | Date Completed | # of days to complete | Cause |
| <b>Overpayments:</b>   | <b>No Overpayments to Report</b>   |                              |                |                       |       |
| <b>Underpayments:</b>  | <b>No Underpayments to Report</b>  |                              |                |                       |       |
| <b>Summary</b>         | <b>Most Common Exception Type: N/A</b><br><b>Total Exceptions: 16</b><br><b>% Above Exceptions of Total Exceptions: 0%</b> |                              |                |                       |       |

| Livermore Area Recreation and Park District |  |                              |                |                       |       |
|---|--|------------------------------|----------------|-----------------------|-------|
|   | Amount   | Date Discovered/<br>Received | Date Completed | # of days to complete | Cause |
| Overpayments:                               | <b>No Overpayments to Report</b>   |                              |                |                       |       |
| Underpayments:                              | <b>No Underpayments to Report</b>  |                              |                |                       |       |
| Summary                                     | <b>Most Common Exception Type: N/A</b><br><b>Total Exceptions: 76</b><br><b>% Above Exceptions of Total Exceptions: 0%</b> |                              |                |                       |       |

| Alameda County Superior Courts |   |                              |                |                       |       |
|--------------------------------|---|------------------------------|----------------|-----------------------|-------|
|                                | Amount  | Date Discovered/<br>Received | Date Completed | # of days to complete | Cause |
| Overpayments:                  | <b>No Overpayments to Report</b>  |                              |                |                       |       |
| Underpayments:                 | <b>No Underpayments to Report</b>   |                              |                |                       |       |
| Summary                        | <b>Most Common Exception Type: N/A</b><br><b>Total Exceptions: 112</b><br><b>% Above Exceptions of Total Exceptions: 0%</b> |                              |                |                       |       |



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**MEMORANDUM TO THE BOARD OF RETIREMENT**

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DATE: February 19, 2026

TO: Members of the Board of Retirement

FROM: Jessica Huffman, Retirement Benefits Manager *JH*

SUBJECT: **4th Quarter 2025 Call Center Report**

Attached is the Service Level Report for the 4th quarter of 2025. Our service levels were slightly below our benchmark this past quarter. The team handled a total of 5,474 incoming calls this past quarter, 89.12% of which were answered within 60 seconds. The team also responded to a total of 135 member voicemails within 1 business day or less.

The matrix below provides the five highest call volume categories for Q3 2025 and Q4 2025.

| <b>Q3 2025<br/>Highest<br/>Volume</b> | <b>Categories of Calls</b>                          | <b>Q4 2025<br/>Highest<br/>Volume</b> | <b>Categories of Calls</b>                          |
|---------------------------------------|---|---------------------------------------|---|
| 16%                                   | Retiree Payroll Change Requests                     | 11%                                   | Retiree Payroll Change Requests                     |
| 54%                                   | Retirement/Membership/Job Status Change Related Q's | 60%                                   | Retirement/Membership/Job Status Change Related Q's |
| 17%                                   | Health/Dental/Vision related Q's                    | 24%                                   | Health/Dental/Vision Related Qs                     |
| 8%                                    | Award Letter/EFT Statement/1099R Requests           | 3%                                    | Award Letter/EFT Statement/1099R Requests           |
| 5%                                    | Service Purchase/Retirement Estimate Requests       | 2%                                    | Service Purchase/Retirement Estimate Requests       |

Attachment

## ACERA

### YTD 2025 Member Services Service Level Report

| Performance Indicators   | January 2025<br>Member Services | February 2025<br>Member Services | March 2025<br>Member Services | April 2025<br>Member Services | May 2025<br>Member Services | June 2025<br>Member Services |
|--|---------------------------------|----------------------------------|-------------------------------|-------------------------------|-----------------------------|------------------------------|
| KPI - Service Level<br>(% of calls answered within 60 seconds) | 82.38%                          | 85.16%                           | 87.02%                        | 87.54%                        | 89.99%                      | 95.15%                       |
| Total Calls Within KPI   | 2558                            | 1721                             | 2212                          | 1890                          | 1609                        | 1433                         |
| Total Number of Call Offered                                   | 3202                            | 2063                             | 2596                          | 2159                          | 1788                        | 1511                         |
| Call Center Agent Handled Calls                                | 3105                            | 2021                             | 2542                          | 2212                          | 1758                        | 1496                         |
| Number of Abandoned Calls                                      | 97                              | 42                               | 54                            | 53                            | 30                          | 15                           |
| Average Hold Time Before Abandoned<br>(minutes:seconds)        | 01:58                           | 02:05                            | 01:34                         | 01:27                         | 00:59                       | 01:15                        |
| Abandoned Call Rate<br>(Goal: 3% or less)                      | 3.03%                           | 2.04%                            | 2.08%                         | 2.40%                         | 1.71%                       | 1.00%                        |
| Average Talk Time<br>(minutes:seconds)                         | 04:51                           | 04:51                            | 04:47                         | 04:54                         | 05:09                       | 05:01                        |

| Performance Indicators   | July 2025<br>Member Services | August 2025<br>Member Services | September 2025<br>Member Services | October 2025<br>Member Services | November 2025<br>Member Services | December 2025<br>Member Services |
|--|------------------------------|--------------------------------|-----------------------------------|---------------------------------|----------------------------------|----------------------------------|
| KPI - Service Level<br>(% of calls answered within 60 seconds) | 97.53%                       | 92.59%                         | 92.34%                            | 90.42%                          | 86.22%                           | 90.72%                           |
| Total Calls Within KPI   | 1581                         | 1525                           | 1447                              | 1736                            | 1596                             | 1545                             |
| Total Number of Call Offered                                   | 1643                         | 1694                           | 1591                              | 1964                            | 1887                             | 1726                             |
| Call Center Agent Handled Calls                                | 1621                         | 1647                           | 1567                              | 1920                            | 1851                             | 1703                             |
| Number of Abandoned Calls                                      | 22                           | 47                             | 24                                | 44                              | 36                               | 23                               |
| Average Hold Time Before Abandoned<br>(minutes:seconds)        | 00:40                        | 01:23                          | 01:22                             | 01:05                           | 01:44                            | 00:37                            |
| Abandoned Call Rate<br>(Goal: 3% or less)                      | 1.34%                        | 2.77%                          | 1.51%                             | 2.24%                           | 1.91%                            | 1.33%                            |
| Average Talk Time<br>(minutes:seconds)                         | 05:12                        | 05:01                          | 04:34                             | 04:34                           | 04:42                            | 04:32                            |

#### YTD 2025

23443

Total Call Center Agent Handled Calls

20853

Total Call Center Agent Hanlded Calls

within KPI

## **CONSENT CALENDAR ITEM**

Technical Amendment to the Conflict of Interest Policy to Conform to Conflict of Interest Code and Law.



# *Conflict of Interest Policy*

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## I. Purpose

This Policy provides ACERA Trustees and Staff with guidelines for carrying out their fiduciary duties and mitigating the risk of an actual or perceived conflict of interest. For purposes of this Policy, a conflict of interest is defined as any matter that could reasonably be expected to interfere with the obligations of Trustees and Staff to prudently discharge their duties to the system solely in the interest of, and for the exclusive purpose of providing benefits to, ACERA members and their beneficiaries.

## II. Governing Law and Policy

- A. The Political Reform Act of 1974 (Gov't Code §§81000), regulations of the Fair Political Practices Commission ("FPPC") (2 Cal. Code of Regs. §§18104 et seq.), Gov't Code §§1090 et seq., and any amendments to these laws, are incorporated into this Policy by reference.
- B. The Board's Conflict of Interest Code, attached hereto as Exhibit A, is incorporated into this Policy by reference.
- C. Attached hereto as Exhibit B is an ACERA Legal Office memorandum that provides more detailed guidance about conflicts of interest in specific situations.

## III. Assumptions

- A. With respect to ACERA activities, the duty of an ACERA Trustee or Staff members to ACERA's members and beneficiaries shall take precedence over any other duty.
- B. A perceived conflict of interest can pose as great a risk to ACERA as an actual conflict of interest. Thus, perceived conflicts should be treated as actual conflicts of interest.
- C. Safeguarding the ACERA trust for members and beneficiaries is paramount. Conflicts of interest, bribes, gifts, or favors that elevate private gains over the duty of Trustees and Staff to members and beneficiaries are unacceptable.
- D. It is not possible to identify and address in a policy all the methods by which Trustees or Staff may take actions that benefit them or third parties rather than members and beneficiaries. A policy therefore should consist of general guidelines and principles that will provide Trustees and Staff with direction as situations arise.

- E. In situations where law or policy is unclear, the best interests of members and beneficiaries must be served. Trustees and Staff shall act in good faith and exercise sound judgment.
- F. When interacting with existing or potential service providers, Trustees and Staff must establish and maintain an independent relationship to ensure they remain objective when conducting ACERA's affairs.

#### IV. Policy Guidelines

- A. Trustees and Staff shall not:
  - 1. Accept or solicit any gift, favor, behested payment or service that may reasonably tend to influence or be perceived to influence the individual in the discharge of his or her official duties or that the individual knows, or should know, is being offered with the intent to influence the individual's official conduct.
  - 2. Fail to adhere to applicable law and FPPC regulations regarding gift disclosure requirements and gift value limits.
  - 3. Request behested payments on behalf of any non-profit or charitable organization from any person or entity that is doing business with ACERA.
  - 4. Accept other employment or engage in a business or professional activity that the individual might reasonably expect would require or induce him or her to disclose confidential information acquired by reason of his or her official position.
  - 5. Engage in or accept other employment or compensation that could reasonably be expected to adversely impact the individual's independence of judgment and duty of loyalty in the performance of his or her official duties.
  - 6. Make personal investments that could reasonably be expected to create a conflict between the individual's private interests and the interests of the members and beneficiaries.
  - 7. Solicit, accept, or agree to accept any benefit for having exercised the individual's official powers or for having performed his or her official duties in favor of another.
  - 8. Transact any business in the individual's official capacity with any entity or person in which he or she has an economic interest, unless authorized by law.
  - 9. Appear before the Board while acting as an advocate for himself or herself or any other person, group, or entity, without fully disclosing his or her relationship and

recusing himself or herself from the Board deliberations and voting.

- 10. Represent any business entity before the Board or senior management in return for any form of compensation.
- 11. Represent, directly or indirectly, any business entity or individuals in any proceeding against the interests of ACERA or in any litigation in which the Plan is a party.
- 12. Use the individual's official position to secure a special privilege or exemption for oneself or others that could be perceived as or is an actual conflict of interest under the intent of this policy.
- 13. Use the individual's official position to secure confidential ACERA information for any purpose other than the exercise of official duties.
- 14. Disclose any confidential information gained by one's position concerning the property, operations, policies, or affairs of ACERA, or use confidential information for pecuniary gain.

B. When the Board is in, or about to enter into, the process of selecting a vendor, the Board, Staff and individual Trustees shall not accept any social invitations, gifts, favors or services from vendors, nor solicit any behested payments where it is reasonably foreseeable that the vendor is, or may reasonably be expected to be a candidate in the selection process, even if such acceptance would be permitted at other times.

C. When an actual or perceived conflict of interest exists, Trustees and Staff shall fully disclose said conflict and abstain from participating in Board deliberations concerning the matter and in any way, except to the extent their participation is legally required for the decision to be made as allowed by applicable law and regulations.

D. To facilitate compliance with this policy, Trustees and Staff may pay for their own expenses when interacting with existing or potential service providers, and in turn may be reimbursed or compensated for those expenses by ACERA, if allowable under applicable reimbursement policies. Receipts shall be obtained when ordinarily given and claims shall be submitted to the Chief Executive Officer or his or her designee for reimbursement.

E. The ACERA Legal Office will maintain and provide to the Board Trustees, contemporaneous with the Form 700 materials, an annual report, listing the individuals and entities with whom ACERA is contracting for services, to assist the Trustees and Staff with

disclosure and/or recusal obligations relating to their own economic interests, including those of their immediate family members.

#### V. Conflict of Interest/Form 700 Statement of Economic Interests

A. Trustees and Designated Employees shall complete and file conflict of interest/Statement of Economic Interests – Form 700 ~~with the Legal Department~~ as follows:

1. Initial Statements. Each person already in a position when it is designated by an amendment to the Conflict of Interest Code for ACERA shall file an initial statement within 30 days after the effective date of the amendment.
2. Assuming Office Statements. All persons assuming designated positions after the effective date of the Conflict of Interest Code for ACERA shall file statements within 30 days after assuming the designated positions.
3. Annual Statements. Due no later than April 1.
4. Leaving Office Statements. All persons who leave designated positions shall file statements within 30 days after leaving office.

#### VI. Biennial Ethics Training

Under Government Code §53234 et seq., ACERA Trustees must receive at least two hours of training in general ethics principles and ethics laws relevant to public service every two years. Each Trustee shall attend ethics training at least once every two years and new Trustees shall attend no later than one year from the first day of service with ACERA, per Gov't Code §53235.1 The ACERA Legal Department will maintain records indicating the date ethics training was completed and the entity that provided the training.

#### VII. Policy Review

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

#### VIII. Policy History

- A. The Board reviewed and affirmed this policy, with revisions, on November 17, 2022.<sup>1</sup>
- B. The Board revised Section IV(A)(3) on July 20, 2023.

<sup>1</sup> The Board adopted this policy on November 18, 1999. Previous amendment dates all with revisions: August 15, 2002; August 16, 2007; June 17, 2010; September 19, 2013; June 18, 2015; November 17, 2016; December 20, 2018 and November 21, 2019.

C. The Board affirmed this policy, without revisions, on August 21, 2025 and made a minor technical amendment on February 19, 2026.



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*Office of the Chief Executive Officer  
Office of Administration*

DATE: February 19, 2026

TO: Members of the Board of Retirement

FROM: Dave Nelsen, Chief Executive Officer

*DN*

**SUBJECT: Voting Proxy for the Council of Institutional Investors Conference**

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The Board of Retirement can designate an individual to vote on behalf of the entire Board at conferences for organizations of which ACERA is a member and votes are requested. Boards have typically given the individual discretion to vote on their behalf or provided direction on how to vote. Beginning March 9, 2026, the Council of Institutional Investors (CII) will be conducting their Spring Conference, and there will be a vote on two (2) items. The CII Board of Directors Elections materials will not be available until Monday, February 16, 2026 (See attached CII Email).

The options before the Board are threefold:

1. Do not designate a proxy. This means any attendees would not be able to vote on behalf of ACERA.
2. Designate a proxy, and give them authority to vote using their discretion. They would also be able to report out on how they voted at the April Board of Retirement Meeting. Currently, Trustee Gamble is scheduled to attend the Conference.
3. Designate a proxy, and provide direction on how to vote for each of the items. The designee would then vote the Board's wishes at the meeting.

**Staff Recommendation:** Staff recommends option 2. If Trustee Gamble is willing to vote on behalf of ACERA, we recommend providing general proxy voting authority, with a follow-up report in April.

Enclosure: 1) *CII Email*  
2) *CII Spring Meeting Agenda*

## **ENCLOSURE 1**

## Angela Bradford

---

**From:** Michael Miller <Michael@ci.org>  
**Sent:** Friday, February 6, 2026 11:15 AM  
**To:** Kylund Arnold; Angela Bradford  
**Subject:** RE: CII Spring Conference Registration Open

This message is from outside ACERA's email system. Do not open links or attachments from untrusted sources.

Angela,

All materials for the CII board elections will go out with this proposed policy amendment on Monday, Feb. 16 so you will have 3 weeks to submit the ballot for ACERA.

Michael Miller  
IT & Resources Director  
Council of Institutional Investors  
Main: 202.822.0800  
Direct: 202.261.7092  
<mailto:michael@ci.org>

**From:** Kylund Arnold <Kylund@ci.org>  
**Sent:** Wednesday, February 4, 2026 4:00 PM  
**To:** Angela Bradford <abradford@acera.org>  
**Cc:** Michael Miller <Michael@ci.org>  
**Subject:** RE: CII Spring Conference Registration Open

Hi Angela,

I'm cc'ing my colleague Michael Miller who will be emailing ACERS' vote card for the spring conference later this month. I believe the upcoming voting items will be to 1) elect public fund candidates to our board of directors (3 terming off, 9 total seats). The nomination period for our public fund board seats does not end until Feb. 9 and as such I do not have the nominee info just yet.

2) vote on the proposed policy wording “Policy 1.4. Accountability to Shareowners: Corporate governance structures and practices should protect and enhance a company’s accountability to its shareowners, and ensure that they are treated equally. An action should not be taken if its purpose is to reduce accountability to shareowners. When a jurisdiction meaningfully weakens protections for a company’s shareholders, the board should conduct a review and disclose the specific standard that was weakened, an analysis of options to preserve protections such as through private ordering, and the board’s rationale for its decision.”

Best,  
Kylund

Kylund Arnold  
Head of Business Operations  
Council of Institutional Investors  
1828 L Street NW, Suite 600  
Washington, DC 20036  
Phone: 202.261.7084



---

**From:** Angela Bradford <[abradford@acera.org](mailto:abradford@acera.org)>  
**Sent:** Wednesday, February 4, 2026 3:34 PM  
**To:** Kylund Arnold <[Kylund@ci.org](mailto:Kylund@ci.org)>  
**Subject:** RE: CII Spring Conference Registration Open

Hello Kylund,

I know it's still a little early, but do you have information that ACERA Trustee Gamble will be allowed to vote on at the CII Conference?

Angela

---

**From:** Kylund Arnold <[Kylund@ci.org](mailto:Kylund@ci.org)>  
**Sent:** Wednesday, January 7, 2026 8:40 AM  
**To:** Angela Bradford <[abradford@acera.org](mailto:abradford@acera.org)>  
**Subject:** RE: CII Spring Conference Registration Open

## **ENCLOSURE 2**



General Info   **Agenda**   Trustee Events  
 Member-Hosted Meetings   Sponsors   Venue  
 Security & Code of Conduct   FAQ

[Register Now](#)

Already Registered?

# Agenda

**Please Note:** Session times are subject to change.

**Press:** All CII plenary and breakout sessions and some member-hosted meetings on Monday, March 9, and Tuesday, March 10 are open to the press. Please check the individual session descriptions for details. The program on Wednesday, March 11 is closed to press and are off-the-record. Please contact [events@cii.org](mailto:events@cii.org) to register as press.

**Member-Hosted Meetings:** Apart from CII programming, each CII conference includes a segment during which CII members self-produce breakout sessions. *The views expressed in these member-hosted meetings do not necessarily reflect those of CII or its member-approved policies.* For more information on member-hosted meetings, please see the [Conference FAQ](#).

All Dates  
3/9-3/11

Monday  
3/9

Tuesday  
3/10

Wednesday  
3/11

[Filters](#)

[Search](#)

March 9, 2026

9:00 AM ET

Registration Open

9:00 AM-5:30 PM

Member Lounge

9:00 AM-5:30 PM

Sponsored by [EY](#), the Member Lounge is the perfect place to grab a snack or cup of coffee, get some work...

[view more](#)

9:30 AM ET

### CII Board of Directors Policies Committee Meeting (Private Meeting)

9:30 AM-10:30 AM

This is a closed meeting of members of the CII Board of Directors Policies Committee. Interested U.S. Asset Owner members may request attendance by emailing [James Crowe](#) no later than March 2.

10:45 AM ET

#### Corporate Asset Owners Constituency Meeting

10:45 AM-11:30 AM

#### Labor Union Fund Constituency Meeting

10:45 AM-11:30 AM

#### Public Pension Fund & Foundation/Endowment Constituency...

10:45 AM-11:30 AM

1:00 PM ET

#### U.S. Asset Owners Advisory Council Meeting (Private Meeting)

1:00 PM-2:00 PM

#### Corporate Governance Advisory Council Meeting (Private Meeting)

1:00 PM-2:30 PM

#### Markets Advisory Council Meeting (Private Meeting)

1:00 PM-2:00 PM

#### U.S. Asset Owners Business Meeting & Lunch (Private Meeting)

1:00 PM-2:00 PM

## Professional Headshot Station

1:00 PM-2:00 PM

1:30 PM ET

### International Governance Committee Meeting (Advance RSVP Required)

1:30 PM-2:15 PM

This meeting is open to individuals from current CII members from the Non-U.S. Asset Owners category, and Non-U.S. based Asset Managers categories. Click [here](#) for member categories. Please RSVP directly to Emmanuel Tamrat at [Emmanuel@ciicenter.org](mailto:Emmanuel@ciicenter.org) to attend this meeting.

 [view more](#)

2:30 PM ET

### New & Prospective Member Icebreaker (Private Event, RSVP Required)

2:30 PM-3:15 PM

Sponsored by [Fidelity](#), this is a private event for individuals from who have never attended a CII conference, or prospective new member organizations. Space is limited and RSVPs are required. Please email [events@ciicenter.org](mailto:events@ciicenter.org) ...

3:30 PM ET

### Welcome & Conference Kickoff!

3:30 PM-3:35 PM

3:35 PM ET

### Plenary 1: U.S. Securities and Exchange Commission Chairman Paul Atkins

3:35 PM-4:20 PM

4:20 PM ET

Plenary 2: CIO Spotlight: Managing Assets in an Uncertain World

4:20 PM-4:55 PM

4:55 PM ET

Plenary 3: TBD

4:55 PM-5:45 PM

5:45 PM ET

Kick Off Cocktail Reception

5:45 PM-7:00 PM

Sponsored by [ISS STOXX](#)

7:00 PM ET

Pension Fund Trustee Dinner & Roundtable (Private Event, Advance RSVP Required)

7:00 PM-8:30 PM

Hosted exclusively by CII, this private dinner is for trustees from public pension funds. Advance RSVP is required. Please contact [Kylund Arnold](#) for assistance.

March 10, 2026

7:30 AM ET

Public Pension Fund CIO/Senior Investment Staff Breakfast (Private Event, RSVP Required)

**7:30 AM-8:30 AM**

Hosted exclusively by CII, this private event is open to CIOs or senior investment staff from U.S. public pension funds. Advance RSVP is required. Please contact [Kylund Arnold](#) for assistance.

**8:00 AM ET****Registration Open**

8:00 AM-5:15 PM

**Member Lounge**

8:00 AM-5:15 PM

**Networking Breakfast**

8:00 AM-8:45 AM

**8:45 AM ET****Day 2 Kickoff**

8:45 AM-8:50 AM

**8:50 AM ET****Plenary 4: Governance of AI**

8:50 AM-9:35 AM

**9:35 AM ET****Plenary 5: International Governance Committee: European Market Competitiveness**

9:35 AM-10:05 AM

10:05 AM ET

**Plenary 6: Macroeconomic Spotlight**

10:05 AM-10:50 AM

10:50 AM ET

**Networking Coffee Break**

10:50 AM-11:20 AM

**Investor Coalition for Equal Votes (ICEV)  
– Update and 2026 Plans**

10:50 AM-11:20 AM

Join this session to find out more about the \$4.5 trillion AUM investor coalition, co-founded by CII a...

[view more](#)

11:20 AM ET

**Breakout 1: Corporate Disclosure:  
Rethinking Frequency and Scope**

11:20 AM-12:05 PM

**Breakout 2: Navigating Private Equity  
Challenges**

11:20 AM-12:05 PM

12:15 PM ET

**Plenary 7 & Luncheon Session: Keynote Speaker**

12:15 PM-1:45 PM

2:00 PM ET

**Member-Hosted Meeting: Chemical Risk  
in Consumer Goods: Managing for Lon...**

**Member-Hosted Meeting: Does  
Shareholder Action Improve Returns? -...**

2:00 PM-2:45 PM

2:00 PM-2:45 PM

Member-Hosted Meeting: Preserving Shareholder Rights Amid Federal and...

2:00 PM-2:45 PM

2:45 PM ET

Professional Headshot Station

2:45 PM-3:15 PM

3:15 PM ET

Member-Hosted Meeting: Emerging Trends in Securities Fraud and Derivati...

3:15 PM-4:00 PM

Member-Hosted Meeting: Perspectives on Workforce Directors: Opportunities &...

3:15 PM-4:00 PM

Member-Hosted Meeting: Without Shareholder Resolutions, What Happen...

3:15 PM-4:00 PM

4:00 PM ET

CII Board and Advisory Council's Mixer (Private Event)

4:00 PM-4:30 PM

Networking Coffee Break

4:00 PM-4:30 PM

Professional Headshot Station

4:00 PM-4:30 PM

4:30 PM ET

Member-Hosted Meeting: A New Era of Shareholder Engagement: Evolving...

4:30 PM-5:15 PM

Member-Hosted Meeting: Hidden in Plain Sight: Physical Risk in Asset Owners'...

4:30 PM-5:15 PM

Member-Hosted Meeting: When "Accommodations" Become Obstacles:...

4:30 PM-5:15 PM

5:15 PM ET

Networking Cocktail Reception

5:15 PM-6:30 PM

8:30 PM ET

After-Hours Lounge

8:30 PM-10:30 PM

Open bar sponsored by [Glass Lewis](#)

March 11, 2026

8:00 AM ET

CII Board of Directors Meeting (Private Meeting)

**8:00 AM-8:45 AM**

This is a closed meeting of members of the CII Board of Directors.

**8:30 AM ET****Registration Open****8:30 AM-11:30 AM****Member Lounge****8:30 AM-11:30 AM**

Sponsored by [EY](#), the Member Lounge is the perfect place to grab a snack or cup of coffee, get some work...

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## *Office of the Chief Executive Officer*

DATE: February 19, 2026

TO: Members of the Board of Retirement

FROM: Dave Nelsen, Chief Executive Officer

*D N*

**SUBJECT: Chief Executive Officer's Report**

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### **Senior Manager Recruitment**

We are currently recruiting for the Fiscal Manager/CFO position previously held by Erica Haywood. Interviews will take place the week of the Board meeting.

### **Committee/Board Action Items**

| Follow-Up Board Item | Assigned Senior Leader | Estimated Completion Date | Completion Date | Notes |
|----------------------|------------------------|---------------------------|-----------------|-------|
| None outstanding.    |                        |                           |                 |       |

### **Conference/Event Schedule**

I will be attending the CALAPRS general Assembly in Carlsbad California from March 8 -11.

### **Other Items**

#### **Business Planning Update**

We are developing the draft 2026 Business plan and will present these items at the March Operations Committee meeting.

#### **Legislative Update**

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

#### **Other Items**

**Stand-by Pay Issue:** We are continuing to work with employers to determine whether stand-by pay has been appropriately reported to ACERA and whether other actions are being explored to potentially mitigate the impact of the fact finding. Once we have all the information, we will bring it to the Board to discuss next steps, corrections, etc.

Budget: Through December, and to close out the 2025 Budget year, ACERA was \$260K or 1.02% over budget. The primary reason is how we are showing depreciation for our PAS project costs. The depreciation was \$888K over budget. In terms of what we actually spent we were **under** budget by \$628K, or 2.46%.

Legislative Items: AB 1383: This bill was introduced last year and would change some of the PEPRA provisions. An amended version has passed out of the Assembly and is currently in the Senate.

AB 1439: This bill would have required pension systems to ensure prevailing wages are made on all development projects in California that are part of our investment portfolio.

This bill has been amended into a study bill and CERL systems are no longer included.

AB 1619: This bill would allow County Supervisors to increase the BOR per diem from \$100 per meeting up to \$320 per meeting. It has not been scheduled for a hearing.

### **Key Performance Indicators**

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

| Scorecard KPI                                 | 2025 Performance Goal  |
|---|--|
| <b>PRUDENT INVESTMENT PRACTICES</b>           |  |
| Portfolio Performance vs. Policy Benchmark    | <i>Annualized 10-year return will meet or exceed Policy benchmark at the total fund level</i><br>As of December of 2025: 10 year net return 9.06%, policy index 9.27%.         |
| <b>EFFECTIVE PLAN ADMINISTRATION</b>          |  |
| Actual Spent vs. Approved Budget              | <i>On budget or 10% below 2025 approved budget</i><br>As of December of 2025: 1.02% over budget.   |
| <b>COMPREHENSIVE ORGANIZATION DEVELOPMENT</b> |  |
| Employee Engagement Survey Results            | <i>80% of responses in top two rating boxes on the question: "Is ACERA a great place to work?"</i><br>As of the latest survey (October of 2025): 84%.                          |
| <b>SUPERIOR CUSTOMER SERVICE</b>              |  |
| 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 4th Quarter of 2025: 100%. |

# **LEGISLATIVE UPDATE**

TO: State Association of County Retirement Systems  
FROM: Cara Martinson, Capitol Advocacy  
Laurie Johnson, LJ Consulting & Advocacy  
DATE: February 6, 2026  
RE: **Legislative Update – February**

---

The Legislature reconvened in early January for the second year of the two-year session. With legislators scrambling to move bills introduced last year to meet the “bill of origin” deadline, advocates are actively lobbying to advance their priorities among the more than 2,000 bills expected to be introduced before the February 20 deadline.

As in previous years, legislation related to housing, homelessness, and climate resiliency will be plentiful. However, emerging priorities in this session include artificial intelligence, immigration, and general cost-of-living and affordability issues across multiple sectors. Leadership changes are also underway. New Senate President pro Tempore Monique Limón announced her leadership team and policy committee chairs just before the holiday break. This year also marks the final year of Governor Newsom’s term, with increasing attention focused on the gubernatorial election as it takes shape. The list of candidates and potential candidates is long, with polls showing nine Democrats and two Republicans as viable contenders. In addition, advocacy and interest groups are actively organizing and collecting signatures for several ballot initiatives expected to appear before voters in November. These measures could increase pressure on lawmakers, as the balance between legislative negotiations and campaign-driven outcomes remains a central consideration.

## **Budget Update**

Governor Newsom’s proposed 2026-27 budget, his final budget in office, is being shaped by both a significant projected deficit and optimistic revenue assumptions. Greater clarity on the proposed spending plan and how the Administration plans to address the deficit will emerge as the Legislature reviews and amends the proposal in the coming months.

### **Key Details:**

- \$349 billion total budget, including \$248 billion from the General Fund
- The Administration projects a \$2.9 billion deficit, significantly lower than the LAO’s projected \$18 billion shortfall. The Governor’s more optimistic outlook assumes

strong stock market-related tax revenues and other favorable economic performance factors.

- Total reserves across all accounts are estimated at approximately \$35-37 billion.

The Department of Finance's 200-plus-page [budget summary](#) provides limited detail and remains largely vague, serving primarily as an initial negotiating framework for the Legislature and stakeholders.

## II. Legislative Update:

- **AB 1054 (Gipson)** - This bill would establish the Deferred Retirement Option Program (DROP) as a voluntary program within PERS for employees of State Bargaining Units 5 (Highway Patrol) and 8 (Firefighters). The bill states that the DROP becomes effective and applicable only after: 1) the applicable Bargaining Unit has entered into a MOU with the employer to implement the program; 2) The program has been certified via an actuarial analysis that it is cost neutral by the CalPERS Board of Administration; and 2) CalPERS has adopted regulations to implement and administer the program.
  - Status: This bill passed out the Assembly and is awaiting action in the Senate.
  - Position: No Position/Watch
- **AB 1619 (Valencia)** – This bill would allow county Boards of Supervisors to increase the Board of Retirement trustee per diem from \$100 to \$320.
  - Status: This bill is awaiting policy committee referral in the Assembly.
  - Position: Neutral
- **AB 1383 (McKinnor)** - The bill was heard in the Assembly PERS Committee and advanced out of the Appropriations Committee this month after taking some amendments. The bill includes the following provisions:
  - - Adjust, on and after January 1, 2027, the pensionable compensation limit to the Social Security compensation limit. The prior version of the bill would have increased the pensionable compensation limit to the higher IRC 415(b) threshold.
    - Authorize a public employer and a recognized employee organization to negotiate a prospective increase to the Defined Benefit (DB) retirement formulas for existing and new safety plan members by:

- Lowering the retirement age from age 57 to 55 for three existing safety DB retirement formulas, and
  - Creating a fourth PEPRA safety DB retirement formula of three percent (3%) at age 55.
- Recent amendments removed a provision that would have permitted collective bargaining over the 50-50 normal cost sharing requirement.
  - Status: This bill advanced out of the Assembly and is now awaiting action in the Senate
  - Position: Neutral
- **AB 1439 (Garcia)** - The bill would have required labor protection standards on pension system investments in development projections. The bill was amended coming out the Assembly to now require CalPERS and CalSTRS to contract with the University of California Labor Centers to conduct an independent study to determine the impacts on public employee retirement funds of prohibiting the boards from investing in California development projects that do not provide labor standards protections for workers. The bill no longer applies to the CERL systems and removes SACRS' opposition.
  - Status: The bill passed out of the Assembly and is awaiting action in the Senate.
  - Position: No position/watch
- **Assembly Committee on Public Employment and Retirement – Public Retirement Systems: Omnibus Bill** - This bill is expected to include the SACRS-sponsored legislative package in the Legislature's annual omnibus bill for technical changes to laws affecting CalSTRS, CalPERS, and the CERL systems. The proposed changes in the CERL include the following:
  - Clarifying that deferred members cannot run for or vote in active member Miscellaneous and Safety trustee elections.
  - Establishing a 10-year statute of limitations for recovery of overpayments due to fraudulent reports of overpaid death benefits.
  - Formalizing the practice of the majority of CERL systems that only the last system pays a lump-sum burial allowance for reciprocal members.
  - Defining “concurrent retirement” to allow reciprocal members to retire on different dates with 30 days of each retirement date, as long as there is not overlapping service.



- Status: Not yet introduced
- Position: Support

**Contact:**

If you have any questions, contact Cara Martinson at [cmartinson@capitoladvocacy.com](mailto:cmartinson@capitoladvocacy.com), or Laurie Johnson at [lauriejconsult@gmail.com](mailto:lauriejconsult@gmail.com).