



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

LOCATION AND TELECONFERENCE	BOARD OF RETIREMENT TRUSTEES	
<p>ACERA C.G. "BUD" QUIST BOARD ROOM 475 14TH STREET, 10TH FLOOR OAKLAND, CALIFORNIA 94612-1900 MAIN LINE: 510.628.3000 FAX: 510.268.9574</p> <p>The public can observe the meeting and offer public comment by using the below Webinar ID and Passcode after clicking on the below link or calling the below call-in number.</p> <p>Link: https://zoom.us/join Call-In: 1 (669) 900-6833 US Webinar ID: 879 6337 8479 Passcode: 699406 For help joining a Zoom meeting, see: https://support.zoom.us/hc/en-us/articles/201362193</p>	TARRELL GAMBLE CHAIR	APPOINTED
	ELIZABETH ROGERS FIRST VICE-CHAIR	ELECTED RETIRED
	ROSS CLIPPINGER 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 RETIRED ¹
VACANT	ALTERNATE SAFETY	

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

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

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

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

1. CALL TO ORDER

2. ROLL CALL

3. PUBLIC COMMENT

4. CONSENT CALENDAR:

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

A. REPORT ON SERVICE RETIREMENTS:

Appendix A

B. LIST OF DEFERRED RETIREMENTS:

Appendix B

C. LIST OF DECEASED MEMBERS:

Appendix C

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

None

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

Appendix E

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

Appendix F

G. APPROVE MINUTES of BOARD and COMMITTEE MEETINGS:

February 19, 2026 Minutes of the Regular Board Meeting

February 19, 2026 Retirees Committee Minutes

February 19, 2026 Audit Committee Minutes

March 4, 2026 Operations Committee Minutes

March 4, 2026 Investment Committee Minutes

H. MISCELLANEOUS:

- *Operating Expenses as of 01/31/26*
- *Approve Staff Recommendation regarding the County’s New Pay Code: Child Psychiatry – 43M*
- *Approve Staff Recommendation regarding the County’s New Pay Code: Adult Psychiatry – 43N*
- *Approve Staff Recommendation regarding the County’s New Pay Code: Nurse Practitioner SRJ – 43P*
- *Approve Staff Recommendation regarding the County’s New Pay Code: Forensic Psychiatry w/ Child Psychiatry Specialty – 43Q*
- *Approve Staff Recommendation regarding the County’s New Pay Code: Nurse Practitioner Cert 103NP– 43R*

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

REGULAR CALENDAR
REPORTS AND ACTION ITEMS

5. DISABILITY, DEATH AND OTHER BENEFIT CLAIMS:

The following Item will be addressed in Closed Session, pursuant to Gov’t Code 54957(b):

- A. Service-Connected Disability Retirement Application of Anamaria Morlino, Eligibility Services Technician III, Social Services Agency for the County of Alameda: Consideration of Hearing Officer’s Proposed Findings of Fact and Recommended Decision, per Gov’t Code § 31534.

6. COMMITTEE REPORTS, RECOMMENDATIONS AND MOTIONS:

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

1. Summary of March 4, 2026 Meeting.
2. Motion to affirm the *Administrative Hearing Policy*, without revision, as recommended by the Operations Committee.
3. Motion to revise the *Board Education Policy*, as recommended by the Operations Committee.
4. Motion to revise ACERA’s Tax Regulations, as recommended by the Operations Committee.

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

1. Summary of March 4, 2026 Meeting.
2. Motion to extend the current State Street Custody Contract for up to three-years and direct Staff to conduct a Request for Information, as recommended by the Investment Committee.
3. Motion to Terminate the Investment Management Agreements with Aristotle, Capital Group, and TCW (Public Equity), as recommended by the Investment Committee.

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

1. Summary of March 19, 2026 Meeting.
2. Discussion and possible motion regarding the *Board Communications Policy*, as recommended by the Governance Committee.
3. Discussion and possible motion regarding the *Service Provider Policy*, as recommended by the Governance Committee.
4. Discussion and possible motion regarding the *Board Membership Policy*, as recommended by the Governance Committee.

7. NEW BUSINESS:

A. Motion and possible motion to instruct the Chief Executive Officer (CEO) (or his designee) to vote ACERA's Proxy on behalf of the Board of Retirement at the SACRS 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, April 16, 2026 at 2:00 p.m.

12. CLOSED SESSION:

A. See 5A Above.

13. REPORT ON ACTION TAKEN IN CLOSED SESSION

14. ADJOURNMENT

**APPENDIX A
REPORT ON SERVICE RETIREMENTS**

ABRAM, Sharon
Effective: 1/3/2026
Alameda Health System

IDOLYANTES, George
Effective: 1/17/2026
Alameda Health System

BAILEY, Doris
Effective: 1/3/2026
Alameda Health System

INDRANI, Menaka
Effective: 1/5/2026
Information Technology

BAUMER, Andreas
Effective: 1/3/2026
Sheriff's Office

IRLANDA, Belinda
Effective: 1/20/2026
Alameda Health System

CASTILLO, Beatriz
Effective: 1/17/2026
Alameda Health System

JOE-EMESON, Uchechukwu
Effective: 1/10/2026
Alameda Health System

CHU, Janet
Effective: 1/3/2026
Alameda Health System

JOHNSON, Ramona
Effective: 1/17/2026
Alameda Health System

DE LA VEGA, Stephen
Effective: 1/3/2026
Alameda County Health

LAVERTY, Annette
Effective: 1/3/2026
Alameda County Health

FORNSHELL, Elsy
Effective: 1/3/2026
Alameda Health System

LEE, John Chuck Nam
Effective: 11/22/2025
Public Works Agency

GALLARDO, Michelle
Effective: 12/31/2025
Non-Member

MC MAHON, Heath
Effective: 12/30/2025
Zone 7

GUEREQUE, Armando
Effective: 12/31/2025
Sheriff's Office

MURPHY, Monica
Effective: 1/22/2026
Social Service Agency

GUZMAN-TINOCO, Patricia
Effective: 1/3/2026
Social Service Agency

PULIDO-LOPEZ, Yolanda
Effective: 12/31/2025
First 5

HANDY, Richard
Effective: 12/20/2025
Social Service Agency

RAMLER, Rebecca
Effective: 1/10/2026
First 5

**APPENDIX A
REPORT ON SERVICE RETIREMENTS**

REEDER, Torey
Effective: 1/2/2026
Courts

SANCHEZ, Claudia
Effective: 1/6/2026
Social Service Agency

RICHARDSON, Benjamin
Effective: 12/20/2025
Sheriff's Office

SIMKOVER, Ross
Effective: 1/1/2026
Alameda Health System

ROTBURG, Vadim
Effective: 12/31/2025
Sheriff's Office

SIMON, Marion
Effective: 1/17/2026
Alameda Health System

SALAM, Hakim
Effective: 1/17/2026
Alameda Health System

UDEAFOR, Elizabeth
Effective: 1/3/2026
Alameda Health System

WELLMAN, Karen
Effective: 1/1/2026
Non-Member

**APPENDIX B
LIST OF DEFERRED RETIREMENTS**

ADKINS, Shawna
Alameda Health System
Effective Date: 1/9/2026

COLBERT, Hannah
Alameda Health System
Effective: 1/9/2026

ARIAS, Constance
Alameda Health System
Effective: 1/2/2026

FERNANDEZ, Alejandra
District Attorney's Office
Effective: 1/9/2026

BROCKMAN, Adam
Auditor-Controller Agency
Effective: 1/2/2026

FERNANDEZ, Irene
Probation
Effective: 1/6/2026

CARTER, Sheleka
Alameda Health System
Effective: 1/15/2026

FOLAWIYO, Nosimot
Alameda Health System
Effective: 1/16/2026

**APPENDIX B
LIST OF DEFERRED RETIREMENTS**

HAMMERICH, Sue
Alameda Health System
Effective: 1/9/2026

HOSSEINI, Mitra
Zone 7
Effective: 12/22/2025

JONES, Rachel
Community Development Agency
Effective: 12/31/2025

KABBA, Kadiatu
Alameda Health System
Effective: 1/9/2026

LEZAMA, Carlos
Alameda Health System
Effective: 1/16/2026

LOCKE, Joanna
Alameda County Health
Effective: 1/2/2026

MCFARLAND, Nancy
Alameda Health System
Effective: 1/9/2026

MENDOZA, Ivana
Sheriff's Office
Effective: 1/16/2026

MURELLA, Brian
Alameda Health System
Effective: 1/3/2026

PANG, Amy
Social Services Agency
Effective: 1/2/2026

PAYNE, Ashanti
Alameda Health System
Effective: 12/22/2025

RAFFEL, April
Community Development Agency
Effective: 12/31/2025

RAHIM, Mujdah
Child Support Services
Effective: 1/2/2026

REYES, Susan
Alameda Health System
Effective: 1/9/2026

RIOS, Diego
Alameda County Health
Effective: 1/7/2026

ROBERTS, Danielle
Alameda Health System
Effective: 1/9/2026

SAHLE, Senait
Alameda Health System
Effective: 1/16/2026

SANCHEZ, Vanessa
Alameda Health System
Effective: 1/9/2026

SEWAK, Priscilla
Alameda Health System
Effective: 1/1/2026

SMITH HARRIS, Lakisha
Alameda County Health
Effective: 12/22/2025

SMITHSON, Julayne
Alameda Health System
Effective: 12/29/2025

WARNER, Jamie
Alameda Health System
Effective: 1/10/2026

**APPENDIX B
LIST OF DEFERRED RETIREMENTS**

WHITE, Montika
Alameda Health System
Effective: 1/9/2026

XAVIER, Agnes Roma
Alameda Health System
Effective: 1/9/2026

**APPENDIX C
LIST OF DECEASED MEMBERS**

ANDERSEN, Roberta L.
Non-Member Survivor of ROBERT
ANDERSEN
1/8/2026

DE GUZMAN, Myrna C.
Alameda Health System
1/22/2026

BRECHER, Karen J.
Social Services Agency
1/2/2026

DE PARRES, Victor M.
Alameda Health System
11/20/2025

BUHNERKEMPE, Beverly B.
Non-Member Survivor of ROBERT
BUHNERKEMPE
12/19/2025

DELGADO, Jean C.
District Attorney
1/6/2025

CASTLE, Kathleen D.
Non-Member Survivor of DONALD
CASTLE
1/7/2026

ERDELATZ, Edward J.
District Attorney
1/18/2026

CRUZ, Eduardo
Social Services Agency
1/22/2026

FOWLER-JONES, Deborah L.
Alameda County Health
12/23/2025

DAVIS, Jane A.
Non-Member Survivor of FRED DAVIS
12/4/2025

HELM, Betty J.
Non-Member Survivor of STANLEY T.
HELM
1/9/2026

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

**APPENDIX C
LIST OF DECEASED MEMBERS**

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

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

MARGOSIAN, Ervin M.
Probation
1/28/2026

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

MARTINEZ, Fredrick F.
Probation
12/23/2025

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

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

WILLIAMS, Arthur L.
Probation
1/24/2026

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

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

PUNZALAN, Zenaida A.
Probation
1/9/2026

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

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

WRIGHT, London O.
Probation
1/2/2026

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

Name: Douglas, Lucinda
Type of Claim: Service-Connected

Staff’s Recommendation:

Adopt the findings and conclusions and approve and adopt the recommendation contained in the Medical Advisor’s report, including but not limited to, granting Ms. Douglas’s application for service-connected disability and waiving annual medical examinations and questionnaires at this time.

**CONFIDENTIAL APPENDIX F
APPROVE UNCONTESTED HEARING OFFICER
RECOMMENDATION FOR DISABILITY RETIREMENT**

Name: Cardoza, Michael
Type of Claim: Service-Connected Disability

Staff’s Recommendation:

Adopt the Hearing Officer’s Proposed Findings of Fact and Recommended Decision as the Board’s own final decision to grant Michael Cardoza’s application for a Service-Connected Disability Retirement. No future medical examinations or questionnaires required.



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

Thursday, February 19, 2026

Chair Tarrell Gamble called the meeting to order at 2:04 p.m.

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

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

After calling for Public Input, Board Chair Tarrell Gamble reported on the February 4, 2026 Investment Committee meeting on Page 3 below before calling for a motion on the Consent Calendar.

**CONSENT CALENDAR
REPORTS AND ACTION ITEMS**

REPORT ON SERVICE RETIREMENTS

Appendix A

LIST OF DEFERRED RETIREMENTS

Appendix B

LIST OF DECEASED MEMBERS

Appendix C

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

Appendix D

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

Appendix E

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

None

APPROVE MINUTES of BOARD and COMMITTEE MEETINGS

*January 15, 2026 Minutes of the Regular Board Meeting
February 4, 2026 Investment Committee Minutes*

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*
- *4th Quarter 2025 Call Center Report*
- *Technical Amendment to the Conflict of Interest Policy to Conform to Conflict of Interest Code and Law*

26-09

It was moved by Ross Clippinger and seconded by Keith Carson that the Board adopt the Consent Calendar. The motion carried 7 yes (Carson, Clippinger, Ford, Gamble, Levy, Rogers, Wilkinson), 0 no, and 0 abstentions. Trustees Basgal, Foster and Simon were not present for the motion.

**REGULAR CALENDAR
REPORTS AND ACTION ITEMS**

DISABILITY, DEATH AND OTHER BENEFIT CLAIMS

The following Item was addressed in Closed Session, pursuant to Gov't Code 54957(b):

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.

See Motion No. **26-13** under Closed Session on Page 6 below.

COMMITTEE REPORTS, RECOMMENDATIONS AND MOTIONS

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

Investment:

Trustee Gamble reported that the Investment Committee met on February 4, 2026 and that there were no Action Items. However, the Committee was presented with and discussed the following Information Items: **1)** 2026 Capital Market Assumptions; **2)** Education Session: **(a)** Total Portfolio Approach, **(b)** Asset Overlay and Cash Equitization, and **(c)** Affordable Housing – Real Estate Investments; **3)** Report on: **(a)** Real Assets Investment Made Under Delegated Authority after Distribution of the Last Investment Committee Meeting Agenda – Blackstone Infrastructure Partners, LP (\$40 million) and **(b)** Private Credit Investment Made Under Delegated Authority after Distribution of the Last Investment Committee Meeting Agenda – Strategic Value Special Situations VI (\$45 million); **4)** Oral Status Update on Clearwater Onboarding; and **5)** Investment Committee Meeting Work Plan for 2026 (Proposed).

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

Retirees:

Elizabeth Rogers reported that the Retirees Committee met earlier today, and was presented with and discussed the Supplemental Cost of Living Adjustment increase for Tier I 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.

26-10

It was moved by Elizabeth Rogers and seconded by Scott Ford that the Board adopt the Supplemental Cost of Living Adjustment increase for Tier I 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. The motion carried 9 yes (Basgal, Carson, Clippinger, Ford, Gamble, Levy, Rogers, Simon, Wilkinson), 0 no, and 0 abstentions.

The Committee was presented with and discussed the following Information Items: **1)** Annual Cost of Living Adjustment (COLA); **2)** 2026 Annual Retirees Committee Work Plan Review; **3)** Discussion to Offer Individual Plans for Early Retirees Living in the Service Area; **4)** Discussion to Increase MMA for Medicare Eligible Retiree Individual Plans to Coincide with Group Plans; **5)** Annual Health Care Planning Meeting with Retiree Representatives/Date Announcement; **6)** Report on 1099-R Processing; **7)** Report on Open Enrollment Activity; and **8)** Semi-Annual Report on ACERA's Wellness Program.

Minutes of the meeting will be presented to the Board for adoption on the Consent Calendar at the March 19, 2026 Board meeting.

Audit:

Steven Wilkinson reported that the Audit Committee met earlier today, and was presented with and discussed 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. Trustee Wilkinson reported that the Committee also discussed Staff's recommendation to extend the Williams, Adley & Company-CA, LLP contract for External Audit services, as the contract expires December 31, 2026, extending the contract to end December 31, 2027.

26-11

It was moved by Steven Wilkinson and seconded by Elizabeth Rogera that the Board 1) 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; AND 2) that the Board approve a one-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. The motion carried 9 yes (*Basgal, Carson, Clippinger, Ford, Gamble, Levy, Rogers, Simon, Wilkinson*), 0 no, and 0 abstentions.

The Committee was presented with and discussed the following Information Items: **1)** 2026 Audit Committee Work Plan (Proposed); **2)** ACE (Anti-Fraud, Controls, Excellence) Award Recognition, Recipient: Mustafa Miakhail; **3)** Review of Annual Risk Assessment; and **4)** Presentation of the 2026 Internal Audit Plan.

Minutes of the meeting will be presented to the Board for adoption on the Consent Calendar at the March 19, 2026 Board meeting.

NEW BUSINESS:

Council of Institutional Investors (CII) Board of Directors Election –Voting Proxy

Trustee Gamble provided a high-level overview of the Council of Institutional Investors (CII) and reported that, as a CII Advisory Member, he is eligible to vote ACERA's proxy, on behalf of the Board of Retirement, in the election of CII Board of Directors. Trustee Gamble also noted that he is not permitted to vote on any of CII's policies. Trustee Gamble responded to Trustees' questions.

26-12

It was moved by Elizabeth Rogers and seconded by Ross Clippinger that the Board select and provide direction to Trustee Tarrell Gamble to vote ACERA's Proxy, on behalf of the Board of Retirement, for CII Board of Director Members at the CII Spring Conference Business Meeting. The motion carried 9 yes (*Basgal, Carson, Clippinger, Ford, Gamble, Levy, Rogers, Simon, Wilkinson*), 0 no, and 0 abstentions.

Chief Executive Officer's Report

Mr. Nelsen presented his February 19, 2026 written CEO Report which provided an update on: **1)** Senior Manager Recruitment; **2)** Committee and Board Action Items; **3)** Conference/Event Schedule; **4) Other Items:** (**a**) Business Planning, (**b**) Legislative Update, (**c**) Stand-by Pay Issue, (**d**) Budget; and **4)** Key Performance Indicators.

Mr. Nelsen provided additional detailed information on the following Legislative Items: AB 1383, AB 1439 and AB 1619. Mr. Nelsen responded to Trustees and ACRE President Pete Alberts's questions.

CONFERENCE/ORAL REPORTS

None.

ANNOUNCEMENTS

Trustee Gamble announced that he will most likely attend the March 4, 2026 Committee meetings (Operations and Investment) remotely.

BOARD INPUT

None.

CLOSED SESSION

DISABILITY, DEATH AND OTHER BENEFIT CLAIMS

The following Item was addressed in Closed Session, pursuant to Gov't Code 54957(b):

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 (**Item 5A above**).

The Board reconvened into Open Session and the following Trustees returned:

Basgal, Carson, Clippinger, Ford, Foster, Gamble, Levy Rogers, Simon and Wilkinson

Trustee Gamble and Mr. Rieger reported that the Board took the following action in Closed Session:

26-13

Motion that the Board adopt the Hearing Officer's *Proposed Findings of Fact and Recommended Decision* to deny Ara Hayes's Application for a Service-Connected Disability Retirement Benefit. The motion carried 9 yes (*Basgal, Carson, Clippinger, Ford, Gamble, Levy, Simon, Rogers, Wilkinson*), 0 no, and 0 abstentions.

To view the February 19, 2026 Board meeting YouTube video in its entirety, go to ACERA's Website at: <https://youtu.be/rYIfBIkgpDg>.

ADJOURNMENT

The meeting was adjourned at approximately 2:37 p.m.

Respectfully Submitted,



David Nelsen
Chief Executive Officer

03/19/26

Date Adopted

APPENDIX A
REPORT ON SERVICE RETIREMENTS

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

KOSENKO, Alexander
Effective: 12/2/2025
Courts

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

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

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

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

COOPER, Lucille
Effective: 12/6/2025
Courts

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

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

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

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

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

HAMER, Adam
Effective: 12/10/2025
Courts

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

HARDY, Eva
Effective: 12/6/2025
ACERA

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

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

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

HOYT, Kathryn
Effective: 12/6/2025
Courts

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

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

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

**APPENDIX A
REPORT ON SERVICE RETIREMENTS**

YOUNG, Sherree
Effective: 12/13/2025
Courts

**APPENDIX B
LIST OF DEFERRED RETIREMENTS**

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

**APPENDIX B
LIST OF DEFERRED RETIREMENTS**

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

**APPENDIX C
LIST OF DECEASED MEMBERS**

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

**APPENDIX C
LIST OF DECEASED MEMBERS**

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

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

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

ILAG-ZAYAS, Liberty
Government Code § 31641.5 Part Time

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

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.

.....

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

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.

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.

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.



MINUTES OF FEBRUARY 19, 2026, RETIREES COMMITTEE MEETING

To: Members of the Retirees Committee

From: Elizabeth Rogers, Chair

Subject: Summary of the February 19, 2026, Retirees Committee Meeting

Committee Chair Elizabeth Rogers called the February 19, 2026, Committee meeting to order at 11:37 a.m.

ACERA TRUSTEES, SENIOR MANAGERS AND PRESENTING STAFF IN ATTENDANCE

Committee members present were Elizabeth Rogers, Kellie Simon and Ophelia Basgal. Also, present were Ross Clippinger, Scott Ford, Tarrell Gamble, Henry Levy and alternate member Kathy Foster. Committee member Keith Carson and Steven Wilkinson joined the meeting after roll call.

Staff present were Carlos Barrios, Assistant Chief Executive Officer; Jessica Huffman, Benefits Manager; Harsh Jadhav, Chief of Internal Audit; Vijay Jagar, Chief Technology Officer; Lisa Johnson, Assistant Chief Executive Officer; David Nelsen, Chief Executive Officer; and Jeff Rieger, Chief Counsel.

PUBLIC INPUT

Pete Albert, President of the Alameda County Retired Employees (ACRE) thanked Andy Yeung, Segal, for his services through the years.

INFORMATION ITEMS

Chair Rogers moved the following information item to the top of the agenda at the request of Staff to provide for more complete background before considering the action items:

1. Annual Cost of Living Adjustment (COLA)

Staff reported that based on information provided by Segal, ACERA's actuaries, the Cost of Living Adjustment effective April 1, 2026 results in the maximum increase of 3.0% for Tier 1 and Tier 3 retirees/payees who retired on or before April 1, 2026. Tiers 1 and 3 retirees/payees who retired on or after April 2, 2023 will receive a COLA increase of 3.0%. All Tier 2 and Tier 4 retirees/payees will receive a COLA increase of 2.0%. The Consumer Price Index (CPI) calculation resulted in a change of 3.04%. According to Government Code Sections 31870 and 31870.1, the percentage change should be rounded to the nearest one-half percent, which is 3.0%. The difference between the 3.0% and the maximum COLA adjustment allowed for Tier 2 and Tier 4 will be banked.

ACTION ITEMS

1. Annual Supplemental Cost of Living Adjustment (COLA)

Staff provided information regarding the Supplemental Cost of Living Adjustment (COLA) benefit. The Supplemental COLA is provided to retirees who have an accumulated loss of purchasing power of over 15% due to inflation. For 2025, there were approximately 1,683 retirees/payees receiving this benefit at a cost of \$1,312,590.80. Based on the accumulated loss of purchasing power as of December 31, 2025, those Tier 1 members who retired on or before April 1, 1981, and those Tier 2 members who retired on or before April 1, 2012, will receive the Supplemental COLA increase effective with their April 1, 2026, monthly allowance.

It was moved by Kellie Simon and seconded by Ross Clippinger that the Retirees Committee recommend to the Board of Retirement that it adopt the Supplemental Cost of Living Adjustment increase for Tier I 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.

The motion carried 8 yes (*Basgal, Clippinger, Ford, Gamble, Levy, Rogers, Simon, Wilkinson*), 0 no, 0 abstention.

INFORMATION ITEMS

2. 2026 Annual Retirees Committee Work Plan Review

Staff provided a proposed 2025 Retirees Committee Work Plan highlighting four changes from last year's work plan: 1) discussion to offer individual plans for early retirees living in the service area; 2) discussion to increase MMA for Medicare Eligible Retiree Individual Plans to Coincide with Group Plans; 3) a proposal to offer individual plans for early retirees in the service area; and 4) a proposal to increase MMA for Medicare Eligible Retiree Plans to Coincide with Group Plans.

3. Discussion to Offer Individual Plans for Early Retirees Living in the Service Area

Staff informed the Committee of plans to bring an Action item to the April meeting that would propose to offer individual health plan options for early retirees living within the service area. Staff work with Via Benefits (Willis Towers Watson), ACERA's third party administrator of the Individual Plans, to provide information at a future meeting that compares plans available and the costs to administer the changes to our current plan. Staff will also research tax deductions that retirees can take if they do not participate in an HRA which can also lower the costs for ACERA. An additional request was made to research Health Savings plans for retirees with Dependents on our plan.

4. Discussion to Increase MMA for Medicare Eligible Retiree Individual Plans to Coincide with Group Plans

Segal, ACERA's actuary, provided a report that explored the effect on the SRBR sufficiency period if the Board were to increase the MMA for Medicare eligible retirees enrolled in the Individual Plan such that the MMA coincided with the Group Plans starting in 2027. The financial impact of the proposal would be dependent on the increase in the subsidy paid by ACERA. Under two alternative assumptions, one with 100% and the other with 50% assumption, the level of increase/change in the sufficiency period changes. For 100% assumption, the sufficiency period would be through 2044 or 19 years and 11.9 months, a decrease of 6 months. For the 50% assumption, the sufficiency period would be through 2045 or 20 years and 1.2 months, a decrease of 5 months.

5. Annual Health Care Planning Meeting with Retiree Representatives/Date Announcement

Staff presented information regarding the purpose and plans for ACERA's annual health care planning meeting with Trustees, retiree representatives, Benefits Consultants, and the County of Alameda. This meeting will be held virtually and has been tentatively set for March 18, 2026.

6. Report on 1099-R Processing

Staff provided a report that the 2025 1099-R forms were mailed to all retirees/payees on January 12th, prior to the IRS deadline of January 31st.

7. Report on Open Enrollment Activity

Staff provided information on the Plan Year 2026 Open Enrollment activity for ACERA and Via Benefits.

8. Semi-Annual Report on ACERA's Wellness Program

Staff provided a report on ACERA's 2025 wellness email campaign performance covering various key metrics, which indicate that the frequency and content of the wellness emails were well received and enjoyed by the majority of recipients. Staff also reviewed the 2026 wellness email campaign, which focuses on addressing chronic conditions through virtual resources provided by ACERA's insurance carriers.

The planning for the hybrid 2026 Retiree Health and Wellness Fair is underway and is scheduled to take place in the third or fourth week of October.

Trustee Basgal noted a modification to the number of One Pass visits permitted at her gym, a change that had not been communicated to retirees in advance. Yolanda Smith of Kaiser clarified that the adjustment was made between One Pass and the participating gyms, rather than by Kaiser. Kaiser will work with ACERA to ensure that any future changes are communicated to members.

TRUSTEE REMARKS

None.

FUTURE DISCUSSION ITEMS

- Proposal to Offer Individual Plans for Early Retirees Living in the Service Area
- Proposal to Increase MMA for Medicare Eligible Retiree Individual Plans to Coincide with Group Plans

ESTABLISHMENT OF NEXT MEETING DATE

The next meeting is scheduled for April 1, 2026, at 9:30 a.m.

MEETING ADJOURNED

The meeting adjourned at 12:43 p.m.



MINUTES OF FEBRUARY 19, 2026 AUDIT COMMITTEE MEETING

Date: February 19, 2026
To: Members of the Audit Committee
From: Steven Wilkinson, Chair
Subject: **Summary of the February 19, 2026 Audit Committee Meeting**

The Audit Committee Chair, Steven Wilkinson called the February 19, 2026, Audit Committee meeting to order at 1:01p.m.

ACERA TRUSTEES, SENIOR MANAGERS AND PRESENTING STAFF IN ATTENDANCE

Committee members present were Steven Wilkinson, Henry Levy, Keith Carson, Ross Clippinger and Elizabeth Rogers. Other Board members present were Ophelia Basgal, Scott Ford, Tarrell Gamble, and Kellie Simon. and alternate Kathy Foster.

Staff present were David Nelsen, Chief Executive Officer; Lisa Johnson, Assistant Chief Executive Officer; Carlos Barrios, Assistant Chief Executive Officer; Jeff Rieger, Chief Counsel; Harsh Jadhav, Chief of Internal Audit; Vijay Jagar, Chief Technology Officer; Sandra Dueñas-Cuevas, Benefits Manager; and Jessica Huffman, Benefits Manager. Victoria Arruda, Human Resource Officer attended via zoom.

PUBLIC COMMENT

None

ACTION ITEMS

External Audit

- 1. Presentation, discussion, and possible motion to approve the external audit scope of work and timeline of services for the Financial Statements ended December 31, 2025, performed by Williams, Adley & Company-CA, LLP**

Robert Griffin and Kenneth Yu of Williams, Adley & Company-CA, LLP. (WACO), presented and discussed the external audit scope of work and timeline for the 2025 external audit.

After discussion, it was moved by Trustee Gamble and seconded by Trustee Levy, that the Audit Committee recommend to the Board of Retirement that the Board 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.

The motion carried 9 yes (Basgal, Carson, Clippinger, Ford, Gamble, Levy, Rogers, Simon, Wilkinson), 0 no, 0 abstentions.

2. Presentation, discussion, and possible motion to approve a 1- year extension of the current external audit contract with Williams, Adley & Company-CA, LLP that expires December 31, 2026.

Lisa Johnson, Assistant CEO, presented a memo regarding a one-year contract extension with Williams, Adley & Company-CA, LLP.

After discussion, it was moved by Trustee Gamble and seconded by Trustee Rogers, that the Audit Committee recommend to the Board of Retirement that the Board approve one-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.

The motion carried 9 yes (Basgal, Carson, Clippinger, Ford, Gamble, Levy, Rogers, Simon, Wilkinson), 0 no, 0 abstentions.

INFORMATION ITEMS

External Audit

1. 2026 Audit Committee Work Plan (Proposed)

Staff presented the proposed 2026 Audit Committee work plan.

Internal Audit

2. ACE (Anti-Fraud, Controls, Excellence) Award Recognition

Mustafa Miakhail received the ACE Award.

3. Review of Annual Risk Assessment

Staff reviewed the Annual Risk Assessment.

4. Presentation of the 2026 Internal Audit Plan (Proposed)

Staff presented the proposed 2026 Internal Audit Plan.

TRUSTEE INPUT AND DIRECTION TO STAFF

None

FUTURE DISCUSSION ITEMS

None

ESTABLISHMENT OF NEXT MEETING DATE

April 16, 2026

MEETING ADJOURNED

The meeting adjourned at 1:56 p.m.



MINUTES OF MARCH 4, 2026 OPERATIONS COMMITTEE MEETING

To: Members of the Operations Committee

From: Kellie Simon, Chair

Subject: Summary of the March 4, 2026, Operations Committee Meeting

Committee Chair Kellie Simon called the March 4, 2026, Operations Committee meeting to order at 9:30 a.m.

ACERA TRUSTEES, SENIOR MANAGERS AND PRESENTING STAFF IN ATTENDANCE

Committee members present were Kellie Simon, Scott Ford, and Steve Wilkinson. Also present was Kathy Foster. Henry Levy, Keith Carson, Elizabeth Rogers, and Tarrell Gamble (who appeared via Zoom for “just cause”) arrived after roll call.

Staff present were Dave Nelsen, Chief Executive Officer; Lisa Johnson, Assistant Chief Executive Officer; Carlos Barrios, Assistant Chief Executive Officer; Jeff Rieger, Chief Counsel; Jessica Huffman, Benefits Manager; Sandra Dueñas-Cuevas, Benefits Manager; Vijay Jagar, Chief Technology Officer; Harsh Jadhav, Chief of Internal Audit; and Betty Tse, Chief Investment Officer.

PUBLIC INPUT

None

Action Items

1. Administrative Hearing Policy Review

It was moved by Henry Levy and seconded by Scott Ford that the Operations Committee recommended that the Board of Retirement approve the Administrative Hearing Policy without revision.

The motion carried 6 yes (Gamble, Levy, Rogers, Simon, Ford, and Wilkinson), 0 no, and no abstentions. Trustee Carson was not present at time of voting.

2. Education Policy Review

It was moved by Henry Levy and seconded by Elizabeth Rogers that the Operations Committee recommend that the Board of Retirement approve the revisions to the Education Policy per the redline in the agenda backup.

The motion carried 7 yes (Carson, Gamble, Levy, Rogers, Simon, Ford, and Wilkinson), 0 no, and no abstentions.

3. Tax Regulation Review

It was moved by Elizabeth Rogers and seconded by Henry Levy that the Operations Committee recommend that the Board of Retirement approve the revised Tax Regulations in the agenda backup.

The motion carried 7 yes (Carson, Gamble, Levy, Rogers, Simon, Ford, and Wilkinson), 0 no, and no abstentions.

INFORMATION ITEMS

1. Operating Expenses as of 01/31/26

Staff presented the Operating Expenses as of 01/31/26, actual expenses were \$22K under budget. Budget overages were Staffing (\$7K over budget). Budget surpluses noted were Professional Fees (\$10K under budget), Member Services (\$6K under budget), Systems (\$4K under budget), Staff Development (\$1K under budget), Professional Fees (\$10K Under Budget), and Office Expense (\$4K under budget).

2. ACERA Strategic Business Initiatives 2026 Presentation.

ACERA Senior leadership presented the Strategic Business Initiatives for 2026.

TRUSTEE INPUT AND DIRECTION TO STAFF

FUTURE DISCUSSION ITEMS

- **Operating Expenses as of 02/28/26**
- **Statement of Reserves 12/31/26**

ESTABLISHMENT OF NEXT MEETING DATE

May 6, 2026, at 9:30 am

MEETING ADJOURNED

The meeting adjourned at 10:34 a.m.



MINUTES OF THE MARCH 4, 2026, INVESTMENT COMMITTEE MEETING

To: Members of the Investment Committee
From: Tarrell Gamble, Chair
Subject: **Summary of the March 4, 2026, Investment Committee Meeting**

The Investment Committee (“Committee”) met on Wednesday, March 4, 2026, at 10:41 a.m. The Committee members present were Keith Carson, Scott Ford, Tarrell Gamble (via Zoom), Henry Levy, Kellie Simon, Elizabeth Rogers (arrived after roll call), and Steve Wilkinson. Also present was Alternate Retired Member Kathy Foster. ACERA Senior Managers and Presenting Staff were David Nelsen – Chief Executive Officer, Harsh Jadhav – Chief of Internal Audit, Lisa Johnson – Assistant Chief Executive Officer – Operations, Jeff Rieger – Chief Counsel, Serafin Lim – Investment Operations Officer, Clint Kuboyama – Senior Investment Officer, Stephen Quirk – Investment Officer, John Ta – Senior Investment Officer, Betty Tse – Chief Investment Officer, and Susan Weiss – Investment Counsel.

PUBLIC COMMENT:

N/A

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

1. Discussion and Possible Motion regarding the term of the Custody Contract with State Street Bank and Trust Company (SSB), currently set to expire on February 8, 2027
 - Trustees discussed surveys of other custodial service providers, ACERA’s long history with SSB and whether past due diligence was conducted on SSB. Some Trustees also commented on SSB’s commitment to keeping ACERA with the Sacramento service team, and concerns with SSB’s past headline news.
 - Staff stated that only the Board has authority over the SSB Custody Contract, as such, Staff responded that past due diligence results on SSB were reported timely to the Board which has chosen not to authorize an RFP after receiving these reports.
 - Trustee Ford asked about impacts to Staff resources and costs if an RFP ran concurrent with other ACERA initiatives such as the General Ledger Accounting Software upgrade. Trustee Ford also discussed having SSB add a clause or update to the service agreements to ensure that the ACERA account would continue to be serviced from SSB’s Sacramento office.
 - Trustee Gamble made a motion to accept Option 3 with a modification extending the contract for 18 months instead of 3 years before the Board reviews the SSB contract again. This motion was later withdrawn.

Investment Committee Meeting Minutes
March 4, 2026

- Trustee Levy shared the Treasurer's Office experience with a recent RFP for a Custodian Bank, highlighting that there were not many candidates in the market space and that they decided to go with State Street.
 - Trustee Wilkinson shared his concerns about State Street Corporation, including possible complacency and negative news reporting relative to pricing, executive wrongdoings and commitment to its clients and customers. Ellyn Charters (via zoom) of SSB apologized to Trustee Wilkinson on behalf of SSB.
 - Trustee Rodgers suggested that the Custody Contract term be extended 3 years and requiring Staff to conduct an RFI and later made a formal motion.
 - Trustee Rogers moved, seconded by Trustee Simon, to recommend that the Board adopt a modified Option 3, to authorize Staff to extend the current Custody Contract for up to three years with a requirement for Staff to conduct an RFI, and that during the extended contract term ACERA would be serviced by SSB out of the Sacramento Office.
 - The motion carried with 6 Yes (Carson, Ford, Gamble, Rogers, Simon, and Wilkinson), 1 No (Levy), and 0 Abstention.
2. Discussion and Possible Motion to Recommend that the Board Terminate the Investment Management Agreements with Aristotle, Capital Group, and TCW (Public Equity)
- Staff and NEPC stated that the Board's approval of the Public Equity restructure at the January 2026 ICM which implied the termination of three Public Equity managers: Aristotle, Capital Group, and TCW. Staff and NEPC recommended hiring an interim Transition Manager to manage approximately \$1 billion of the legacy public equity assets while Staff conducts a Global Core manager search which is expected to take approximately six months.
 - Staff explained that the interim transition portfolio would seek to align with ACERA's policy benchmarks and allocation targets while minimizing implementation costs, active management fees, and tracking error. Staff noted that full replication of the current portfolio would require substantial trading and associated costs. Thus, the transition mandate would employ an optimized approach targeting approximately 1% tracking error to the Policy benchmark.
 - NEPC stated that the recommendation is prudent, consistent with best practices, and would reduce active management fees during the interim period. NEPC noted that the transition manager recommendation would be developed in coordination with Staff.
 - Trustee Rogers moved, seconded by Trustee Ford, to recommend that the Board terminate the Investment Management Agreements with Aristotle, Capital Group, and TCW (Public Equity).
 - The motion carried with 7 Yes (Carson, Ford, Gamble, Levy, Rogers, Simon, and Wilkinson), 0 No, and 0 Abstention.

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

1. Progress Report on Private Credit Investment Plan

- Staff and NEPC provided a progress report on the Private Credit (PC) Investment Plan (Plan), which is intended to be a guide to reach the PC asset-class and sub-asset-class long-term targets. The report covered the year 2025 and compared the Plan's projected investment activity versus actual investment activity. The actual investment activity for Opportunistic and Distressed investments was largely in-line with the Plan. However, no Direct Lending investments were made versus 2–3 commitments projected in the Plan.
- Staff and NEPC discussed why no Direct Lending investments were made in 2025, citing unattractive fundamentals and an overweight to Direct Lending in the PC Asset Class. The PC Asset Class's exposure to software companies, the media reports on Blue Owl, and ACERA's exposure to Blue Owl were also discussed. Finally, the potential Total-Fund impact of under-committing to the PC Asset Class compared to the Plan, and the actual performance of the private asset classes versus their projections were assessed with the Committee.

2. Progress Report on Private Equity Investment Plan

- Staff and NEPC discussed the progress of private equity (PE) investments made in the 2025 period, noting that allocation targets are guidelines and subject to change due to the availability of opportunities and market dynamics. The progress within each PE sub-asset class was discussed. Staff and NEPC do not expect material changes to the PE investment pacing plan for 2026.

3. Asset Allocation Update

- NEPC provided an update on ACERA's Capital Market Assumptions (CMAs) as of 12/31/2025. NEPC noted that CMAs are inherently volatile and are updated quarterly. As such, periodic changes in expected returns should not be interpreted as long-term structural shifts in the risk/return tradeoff.
- NEPC noted that longer-run expected returns for U.S. Large Cap Equity are higher than the 12/31/2025 point estimate (e.g., approximately ~6.7% over a 30-year horizon, as referenced), and that unusually strong recent Private Equity performance (near ~20% in the prior year, above long-term averages) is not assumed to persist over the long term.
- NEPC advised that ACERA is still in the process of implementing the 2024 Strategic Asset Allocation (SAA) decisions and does not recommend changes to the SAA at this time based solely on the 12/31/2025 CMA snapshot. NEPC concluded that, despite the decline in modeled expected return relative to the prior year, the portfolio's expected volatility and risk profile remain broadly consistent with ACERA's long-term objectives, and the diversification benefits across public and private markets continue to be the primary drivers supporting the current SAA.

4. Semiannual Performance Review for the Period Ending December 2025 – Total Fund II Highlighting Public Markets Asset Classes

- For the six-month period ending 12/31/2025, ACERA's net return was 7.84%, ranking in the 12th percentile of US public funds. For the year, ACERA's net return was 15.86%, ranking 12th percentile of US public funds. Over three years, the net return was 12.52%, placing ACERA in the 25th percentile. Over five years, the net return was 7.89%, placing ACERA in the 27th percentile. Over ten years, ACERA's net return was 9.06%, placing it in the 15th percentile. For each time period discussed, ACERA has been outperforming the average public fund returns and exceeding the 7% assumed rate.
- NEPC stated that overall performance has been strong and consistent with the benefits of the strategic asset allocation framework. NEPC also noted that ACERA's net cash flow profile has remained comparatively constructive relative to many public funds. NEPC recommended that ACERA continue implementing the current Strategic Asset Allocation and remain on its established path.

TRUSTEE REMARKS:

FUTURE DISCUSSION ITEMS

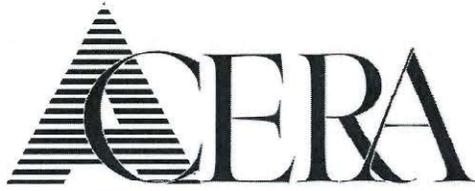
ESTABLISHMENT OF NEXT MEETING DATE

April 1, 2026, at 10:30 a.m.

ADJOURNMENT

The meeting ended at 12:16 p.m.

To view the March 4, 2026, Investment Committee Meeting in its entirety, click on the link below.
<https://www.youtube.com/watch?v=RzfdWot6sc>



MEMORANDUM TO THE OPERATIONS COMMITTEE

DATE: March 4, 2026

TO: Members of the Operations Committee

FROM: Lisa Johnson, Assistant Chief Executive Officer 

SUBJECT: Operating Expenses & Budget Summary for January 31, 2026

ACERA's operating expenses are \$22K under budget for the period ending January 31, 2026. The budget overage and surpluses worth noting are as follows:

Budget Overage of \$7K

Staffing Expense is \$7K over budget.

The overages are attributed to the temporary staffing of \$18K, and 5% staff vacancy adjustment of \$87K; offset by surpluses in salaries of (\$1K) and fringe benefits of (\$97K).

Budget Surpluses of \$29K

Staff Development is \$1K under budget.

The surplus in staff development is due to the timing of training reimbursement requests.

Professional Fees are \$10K under budget.

The surplus is attributed to invoice timing differences from the 2025 fiscal year.

Office Expense is \$4K under budget.

The surplus in office expense is primarily due to lower-than-expected spending on office supplies and building operating expenses.

Member Services Expense is \$6K under budget.

The member services expense is under budget due to the timing of vendor invoicing.

Systems Expense is \$4K under budget.

The surplus in systems expense is primarily due to the timing of vendor invoicing.

Depreciation Expense is \$2K under budget.

Depreciation expense is under budget due to lower-than-anticipated post PGv3 implementation costs.

Board of Retirement is \$2K under budget.

The surplus is mainly due to the timing of the training reimbursement requests.

Staffing Detail

Vacant positions as of January 31, 2026:

Department	Position	Qty	Comments
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
	Total Positions	3	

Attachments:

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



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

YEAR TO DATE - ACTUAL VS. BUDGET					
<u>January 31, 2026</u>					
	<u>Actual</u>	<u>Budget</u>	<u>YTD</u>	<u>2026</u>	<u>% Actual to</u>
	<u>Year-To-Date</u>	<u>Year-To-Date</u>	<u>Variance</u>	<u>Annual</u>	<u>Annual Budget</u>
			<u>(Under)/Over</u>	<u>Budget</u>	
Staffing	\$ 1,656,503	\$ 1,649,560	\$ 6,943	\$ 20,313,000	8.2%
Staff Development	17,037	18,200	(1,163)	290,000	5.9%
Professional Fees (Next Page)	85,346	95,160	(9,814)	1,255,000	6.8%
Office Expense	36,960	41,130	(4,170)	497,000	7.4%
Insurance	53,231	53,420	(189)	658,000	8.1%
Member Services	58,149	64,390	(6,241)	720,000	8.1%
Systems	106,496	110,970	(4,474)	1,379,000	7.7%
Depreciation	167,706	169,390	(1,684)	2,079,000	8.1%
Board of Retirement	39,430	41,020	(1,590)	658,000	6.0%
Uncollectable Benefit Payments	-	-	-	25,000	0.0%
Total Operating Expense	\$ 2,220,858	\$ 2,243,240	\$ (22,382)	\$ 27,874,000	8.0%



ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

PROFESSIONAL FEES

YEAR TO DATE - ACTUAL VS. BUDGET

January 31, 2026

	<u>Actual</u> <u>Year-To-Date</u>	<u>Budget</u> <u>Year-To-Date</u>	<u>YTD Variance</u> <u>(Under)/Over</u>	<u>2026</u> <u>Annual</u> <u>Budget</u>	<u>% Actual to</u> <u>Annual Budget</u>
<u>Professional Fees</u>					
Consultant Fees - Operations and Projects ¹	\$ 40,564	\$ 40,830	\$ (266)	\$ 458,000	8.9%
Actuarial Fees ²	21,500	21,500	-	550,000	3.9%
External Audit ³	24,500	24,500	-	147,000	16.7%
Legal Fees ⁴	(1,218)	8,330	(9,548)	100,000	-1.2%
Total Professional Fees	\$ 85,346	\$ 95,160	\$ (9,814)	\$ 1,255,000	6.8%

	<u>Actual</u> <u>Year-To-Date</u>	<u>Budget</u> <u>Year-To-Date</u>	<u>YTD Variance</u> <u>(Under)/Over</u>	<u>2026 Annual</u> <u>Budget</u>	<u>% Actual to</u> <u>Annual Budget</u>
¹ <u>CONSULTANT FEES - OPERATIONS AND PROJECTS:</u>					
Administration					
Strategic Planning	5,830	5,830	-	35,000	16.7%
Total Administration	5,830	5,830	-	35,000	16.7%
Benefits					
Alameda County HRS (Benefit Services)	10,500	10,500	-	126,000	8.3%
Segal (Benefit Consultant/Retiree Open Enrollment)	11,750	12,000	(250)	144,000	8.2%
Total Benefits	22,250	22,500	(250)	270,000	8.2%
Human Resources					
Lakeside Group (County Personnel)	12,484	12,500	(16)	153,000	8.2%
Total Human Resources	12,484	12,500	(16)	153,000	8.2%
Total Consultant Fees - Operations	40,564	40,830	(266)	458,000	8.9%

² <u>ACTUARIAL FEES</u>					
Actuarial Valuation	-	-	-	92,500	0.0%
GASB 67 & 68 Valuation	-	-	-	56,500	0.0%
GASB 74 & 75 Actuarial	-	-	-	17,000	0.0%
Actuarial Standard of Practice 51 Pension Risk	-	-	-	35,000	0.0%
Supplemental Consulting	21,500	21,500	-	258,000	8.3%
Triennial Experience Study	-	-	-	44,000	0.0%
Supplemental Retiree Benefit Reserve valuation	-	-	-	47,000	0.0%
Total Actuarial Fees	21,500	21,500	-	550,000	3.9%

³ <u>EXTERNAL AUDIT</u>					
External audit	20,500	20,500	-	123,000	16.7%
GASB 67 & 68 audit	2,000	2,000	-	12,000	16.7%
GASB 74 & 75 audit	2,000	2,000	-	12,000	16.7%
Total External Audit Fees	24,500	24,500	-	147,000	16.7%

⁴ <u>LEGAL FEES</u>					
Fiduciary & Litigation, Tax & Benefit Issues, and Misc.	(1,218)	8,330	(9,548)	100,000	-1.2%
Total Legal Fees	(1,218)	8,330	(9,548)	100,000	-1.2%

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
TOTAL EXPENDITURES VS. PRIOR YEAR ACTUAL
For the One Month Ending 1/31/2026

	<i>For the Month of January 2026</i>	<i>For the Month of January 2025</i>	<i>Variance</i>	<i>Year-To-Date 2026</i>	<i>Year-To-Date 2025</i>	<i>Variance</i>
STAFFING						
Salaries	1,100,473	1,103,161	(2,688)	1,100,473	1,103,161	(2,688)
Fringe Benefits	516,301	529,492	(13,191)	516,301	529,492	(13,191)
Temporary Staffing Cost	39,729	36,405	3,324	39,729	36,405	3,324
Staffing Total	<u>1,656,503</u>	<u>1,669,058</u>	<u>(12,555)</u>	<u>1,656,503</u>	<u>1,669,058</u>	<u>(12,555)</u>
STAFF DEVELOPMENT	17,037	14,127	2,910	17,037	14,127	2,910
PROFESSIONAL FEES						
Actuarial Fees	21,500	21,500	0	21,500	21,500	0
Consultant Fees - Operations	40,564	41,649	(1,085)	40,564	41,649	(1,085)
Consultant Fees - Legal	(1,218)	320	(1,538)	(1,218)	320	(1,538)
External Audit	24,500	24,000	500	24,500	24,000	500
Professional Fees Total	<u>85,346</u>	<u>87,469</u>	<u>(2,123)</u>	<u>85,346</u>	<u>87,469</u>	<u>(2,123)</u>
OFFICE EXPENSE						
Bank Charges & Misc. Admin	7,088	6,529	559	7,088	6,529	559
Building Expenses	11,155	5,804	5,351	11,155	5,804	5,351
Communications	4,731	3,256	1,475	4,731	3,256	1,475
Equipment Lease/Maintenance	11,327	12,230	(903)	11,327	12,230	(903)
Minor Equipment and Furniture	0	683	(683)	0	683	(683)
Office Supplies/Maintenance	1,303	5,665	(4,362)	1,303	5,665	(4,362)
Printing & Postage	1,356	2,543	(1,187)	1,356	2,543	(1,187)
Office Expense Total	<u>36,960</u>	<u>36,710</u>	<u>250</u>	<u>36,960</u>	<u>36,710</u>	<u>250</u>
INSURANCE	53,231	53,430	(199)	53,231	53,430	(199)
MEMBER SERVICES						
Disability - Legal Arbitration & Transcripts	14,008	13,777	231	14,008	13,777	231
Disability Medical Expense	6,000	4,000	2,000	6,000	4,000	2,000
Disability Claims Management	3,850	3,850	0	3,850	3,850	0
Health Reimbursement Acct. (HRA)	7,664	8,436	(772)	7,664	8,436	(772)
Member Training & Education	2,753	714	2,039	2,753	714	2,039
Printing & Postage - Members	18,486	29,362	(10,876)	18,486	29,362	(10,876)
Virtual Call Center	5,388	5,061	327	5,388	5,061	327
Member Services Total	<u>58,149</u>	<u>65,200</u>	<u>(7,051)</u>	<u>58,149</u>	<u>65,200</u>	<u>(7,051)</u>

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
TOTAL EXPENDITURES VS. PRIOR YEAR ACTUAL
For the One Month Ending 1/31/2026

	<i>For the Month of January 2026</i>	<i>For the Month of January 2025</i>	Variance	<i>Year-To-Date 2026</i>	<i>Year-To-Date 2025</i>	Variance
SYSTEMS						
Business Continuity Expense	22,540	19,125	3,415	22,540	19,125	3,415
County Data Processing	14,325	12,415	1,910	14,325	12,415	1,910
Minor Computer Hardware	1,340	5,635	(4,295)	1,340	5,635	(4,295)
Intangible right to use SBITA - GASB96	8,316	7,511	805	8,316	7,511	805
Software Maintenance & Support	59,975	54,949	5,026	59,975	54,949	5,026
Systems Total	<u>106,496</u>	<u>99,635</u>	<u>6,861</u>	<u>106,496</u>	<u>99,635</u>	<u>6,861</u>
DEPRECIATION						
Depreciation Expense	167,706	152,392	15,314	167,706	152,392	15,314
BOARD OF RETIREMENT						
Board Compensation	900	1,100	(200)	900	1,100	(200)
Board Conferences & Training	2,428	2,365	63	2,428	2,365	63
Board Employer Reimbursement	32,410	32,490	(80)	32,410	32,490	(80)
Board Miscellaneous Expense	2,313	664	1,649	2,313	664	1,649
Board Software Maint. & Support	1,379	1,335	44	1,379	1,335	44
Board of Retirement Total	<u>39,430</u>	<u>37,954</u>	<u>1,476</u>	<u>39,430</u>	<u>37,954</u>	<u>1,476</u>
GRAND TOTALS	<u>2,220,858</u>	<u>2,215,975</u>	<u>4,883</u>	<u>2,220,858</u>	<u>2,215,975</u>	<u>4,883</u>



MEMORANDUM TO THE BOARD OF RETIREMENT

DATE: March 19, 2026

TO: Members of the Board of Retirement

FROM: Sandra Dueñas-Cuevas, Benefits Manager 

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

The County of Alameda (County) requested that new pay code 43M – Child Psychiatry be reviewed to determine whether it qualifies as “compensation earnable” and “pensionable compensation.” This new pay code establishes a temporary footnote for additional compensation of 4% of the base pay to be paid to employees in the classification of Physicians III (Job Code 5139) when assigned to the responsibilities described below:

On February 10, 2026, the Board of Supervisors approved adding new Subsection 3-12.103 to Article 3, Section 3-12 of the County of Alameda Salary Ordinance. It states that “Effective February 15, 2026, employees in Job Code 5139- Physician III while service as Child Psychiatry shall be compensated an additional four percent (4%) of the base pay.” This footnote will remain in effect until employees are reclassified into their respective new classification of Child Psychiatrist (Job code 5144) and shall sunset and be removed from the Salary Ordinance on the effective date of reclassification.

Staff and Chief Counsel reviewed the required supporting documentation (attached) and made the determination that this pay code qualifies as “compensation earnable” under Government Code Section 31461 (for Legacy members) and “pensionable compensation” under Government Code Section 7522.34 (for PEPRA members). This is an increase to base pay and does not fall under any of the exclusions for “compensation earnable” so it is included in “compensation earnable.” It is also included as “pensionable compensation” because it is an increase to base pay, it is paid to more than one employee in the classification, and it does not fall under any of the exclusions for “pensionable compensation.” Under the Board of Retirement’s (Board) historical practices, these kinds of pay items/codes have been included in both “compensation earnable” and “pensionable compensation.” The two relevant Government Code sections are attached.

Staff informed the County that its determination will be included on the Board’s Consent Calendar for its March 19, 2026, meeting. If this item is not pulled from the Consent Calendar for discussion, then the Board will approve Staff’s determination to include pay code 43M – Child Psychiatry as “compensation earnable” under Government Code Section 31461 (for Legacy members) and “pensionable compensation” under Government Code Section 7522.34 (for PEPRA members).

Attachments:

Pay Item Request, 2/11/26
UAPD MOU, 7/6/25 – 7/15/28 (p. 26-27)



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

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

Employer Name:	County of Alameda
Date of Request	02/11/2026
Employer Department Submitting the Request	Auditor-Controller’s Agency
Contact Person/Employer (include title/position)	Stephanie Tsurumoto
Contact Person Telephone incl area code	(510)272-6581
Contact Person Email address	stephanie.tsurumoto@acgov.org
Pay Item Name (and code Number)	43M Child Psychiatry
Pay Item Effective Date per authorization:	02/15/2026
State if additional documentation is attached	None

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

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

RESPONSE #1: Job Code 5139 – Physician III

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

RESPONSE #2: Full Time

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

RESPONSE #3: All Employees in Job Code 5139

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

RESPONSE #4: Regular Base Pay

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

RESPONSE #5: Percentage - 4% of Base Pay

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

RESPONSE #6: No

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

RESPONSE #7: No

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

RESPONSE #8: No

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

RESPONSE #9: 40.0 Hour Work Week

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

RESPONSE #10: No

11. State whether the pay item if for deferred compensation

RESPONSE #11: No

12. State whether the pay item is for retro payments

RESPONSE #12: No

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

RESPONSE #13: No

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

RESPONSE #14: No

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

RESPONSE #15: No

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

RESPONSE #16: Biweekly

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

RESPONSE #17: Salary Ordinance/Board Letter

- ii) add new subsection 3-12.103 to temporarily grant additional compensation of four percent (4%) and seven percent (7%) of the base pay to employees in the Physician III (JC 5139) classification who are assigned to child psychiatry and adult psychiatry, respectively, effective February 15, 2026; such additional compensation shall remain in effect until employees are reclassified into the respective new classifications and shall sunset and be removed from the SO on the effective date of reclassification; and

3-12.103 – Effective February 15, 2026, employees in Job Code 5139 who are assigned to child psychiatry shall receive an additional four percent (4%) of base pay, and who are assigned to adult psychiatry shall receive an additional seven percent (7%) of base pay. This footnote will remain in effect until employees are reclassified into their respective new classifications of Child Psychiatrist (JC 5144) or Adult Psychiatrist (JC 5145) and shall sunset and be removed from the Salary Ordinance on the effective date of reclassification.

- e. Who unreasonably refuses to accept other County employment for which they are not substantially disabled,
 - f. Whose injury or illness is the result of failure to observe County health or safety regulations or the commission of a criminal offense,
 - g. Whose injury or illness has been aggravated or delayed in healing by reasons of the failure of the employee to have received medical treatment or to have followed medical advice, except where such treatment or advice has not been sought or followed by reason of the religious beliefs of the employee, and
 - h. Whose injury or illness is a recurrence or reinjury of an earlier job-related injury or illness, or is contributed to by a susceptibility or predisposition to such injury or illness related to an earlier job-related injury or illness.
4. **Fringe Benefit Entitlement During Industrial Injury Leave.** Employees receiving industrial sick leave with pay shall maintain and accrue all benefits to which they are entitled under this MOU at one hundred percent (100%) of their regularly scheduled biweekly hours immediately preceding an industrial illness or injury.

SECTION 12. PREMIUM CONDITIONS

- 12.A. SPLIT SHIFT.** Except as provided otherwise in paragraph B. (Night Shift), below, any employee required to work a split shift shall be paid at a rate of five percent (5%) over and above their regular biweekly or hourly rate of pay for the entire shift so worked. For purposes of this paragraph “split shift” is defined as any daily tour of duty divided into two (2) work periods of time and taking more than nine and one-half (9.5) consecutive hours to complete. Individual employees may waive this premium payment. Effective February 15, 2026, split shift pay shall be increased to seven and one-half percent (7.5%).
- 12.B. NIGHT SHIFT.** Employees who are required to work at least five-eighths (5/8th) of their normal daily tour of duty after 4:30 p.m. and before 8:00 a.m. shall be paid at a rate of five percent (5%) over and above their normal hourly rate of pay for the entire shift so worked. Effective February 15, 2026, night shift pay shall be increased to seven and one-half percent (7.5%).
- 12.C. BILINGUAL PAY.** Upon the recommendation of the Agency/Department Head and the approval of the Director, Human Resource Services, employees occupying a position designated as requiring fluency in a language other than English shall receive an additional sixty dollars (\$60) per pay period and employees occupying such a position and having proficiency in three (3) or more languages shall receive sixty-five dollars (\$65) per pay period, provided that such employees are required to utilize such additional languages in the course of their duties for the County.
- 12.D. BOARD SPECIALTY CERTIFICATION.**
- 1. **Physician II/III/SAN.** Employees in the classifications of Physician II (JC 5137), Physician III (JC 5139), Physician II SAN (JC 5137N), and Physician III SAN (JC 5139N) shall receive an additional five percent (5%) compensation of base pay upon establishing proof of certification from the appropriate American Specialty Board. Continuously maintaining such certification is required to remain eligible for this additional five percent (5%) compensation of base pay.

2. **Forensic Psychiatrist with Child Psychiatry Specialty.** Not to exceed two (2) employees in the classification of Forensic Psychiatrist (JC 5146) who are Board-certified in child psychiatry, and who are regularly assigned to perform the full range of psychiatric care related duties in the Juvenile Justice Center/Camp Sweeney, shall receive an additional five percent (5%) compensation of base pay, upon established proof of certification from the appropriate American Specialty Board.
 3. **Nurse Practitioner Certification (103NP).** Employees in the classification of Psychiatric Mental Health Nurse Practitioner (JC 5384) who upon establishing proof of the California Board of Registered Nursing 103 Nurse Practitioner (103NP) certification that expands a nurse practitioner authority to diagnose, treat, and manage patient care autonomously within their population focus, without physician supervision, and is required to perform such work within the scope of the certification, shall receive an additional five percent (5%) of base pay.
- 12.E. NURSE PRACTITIONER ASSIGNMENT IN SANTA RITA JAIL.** Not to exceed (1) employee in the classification of Psychiatric Mental Health Nurse Practitioner (JC 5384), who is regularly assigned to perform psychiatric care related duties in Santa Rita Jail, shall receive an additional five percent (5%) compensation of base pay.
- 12.F. FOR STANDBY DUTY.** Unless otherwise provided in the Salary Ordinance, employees who are required to perform standby duty shall be compensated at the rate of one-eighth (1/8) pay for such duty. Effective February 15, 2026, the compensation provided herein shall be at the rate of one-fifth (1/5) pay.
- 12.G. FOR CALL-BACK.** An employee called back to perform work from either standby duty or non-standby status, shall be compensated at one and one-half (1.5) times the hourly rate for such work, provided, however, that the minimum compensation shall be two (2) hours at the overtime rate. An employee called back to work because of a shift change shall be compensated at one and one-half (1.5) times the hourly rate for only the hours worked prior to the beginning of the employee's regular shift. An employee notified of a shift change before going off duty is not eligible for call back pay.
- 12.H. FOR TEMPORARY ASSIGNMENT TO A HIGHER-LEVEL POSITION.** An employee specifically assigned on a temporary basis to a higher-level position in which there is no appointed incumbent or in which the appointed incumbent is on paid or unpaid leave, shall be compensated at the pay rate for the higher-level position provided that all of the following criteria are met:
1. Criteria for temporary assigned to a higher-level position is as follows:
 - a. The full range of duties of the higher-level position has been specifically assigned in writing by the Agency/Department Head.
 - b. Assignment for out-of-class pay can only be made for the full shift of the higher-level position. Under the provisions of this section, part-time employees can only meet the "full shift" criteria by being assigned to a higher-level part-time position, or by being assigned to work the full shift of a full-time position.
 2. Compensation for temporary assignment to a higher-level position shall be as follows:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



MEMORANDUM TO THE BOARD OF RETIREMENT

DATE: March 19, 2026

TO: Members of the Board of Retirement

FROM: Sandra Dueñas-Cuevas, Benefits Manager *SDC*

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

The County of Alameda (County) requested that new pay code 43N – Adult Psychiatry be reviewed to determine whether it qualifies as “compensation earnable” and “pensionable compensation.” This new pay code establishes a temporary footnote for additional compensation of 7% of the base pay to be paid to employees in the classifications of Physicians III (Job Code 5139) when assigned to the responsibilities described below:

On February 10, 2026, the Board of Supervisors approved adding new Subsection 3-12.103 to Article 3, Section 3-12 of the County of Alameda Salary Ordinance. It states that “Effective February 15, 2026, employees in Job Code 5139- Physician III while service as Adult Psychiatry shall be compensated an additional seven percent (7%) of the base pay. This footnote will remain in effect until employees are reclassified into their respective new classification of Adult Psychiatrist (Job code 5145) and shall sunset and be removed from the Salary Ordinance on the effective date of reclassification.”

Staff and Chief Counsel reviewed the required supporting documentation (attached) and made the determination that this pay code qualifies as “compensation earnable” under Government Code Section 31461 (for Legacy members) and “pensionable compensation” under Government Code Section 7522.34 (for PEPRA members). This is an increase to base pay and does not fall under any of the exclusions for “compensation earnable” so it is included in “compensation earnable.” It is also included as “pensionable compensation” because it is an increase to base pay, it is paid to more than one employee in the classification, and it does not fall under any of the exclusions for “pensionable compensation.” Under the Board of Retirement’s (Board) historical practices, these kinds of pay items/codes have been included in both “compensation earnable” and “pensionable compensation.” The two relevant Government Code sections are attached.

Staff informed the County that its determination will be included on the Board’s Consent Calendar for its March 19, 2026, meeting. If this item is not pulled from the Consent Calendar for discussion, then the Board will approve Staff’s determination to include pay code 43N – Adult Psychiatry as “compensation earnable” under Government Code Section 31461 (for Legacy members) and “pensionable compensation” under Government Code Section 7522.34 (for PEPRA members).

Attachments:

Pay Item Request, 2/11/26
UAPD MOU, 7/6/25 – 7/15/28 (p. 26-27)



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

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

Employer Name:	County of Alameda
Date of Request	02/11/2026
Employer Department Submitting the Request	Auditor-Controller's Agency
Contact Person/Employer (include title/position)	Stephanie Tsurumoto
Contact Person Telephone incl area code	(510)272-6581
Contact Person Email address	stephanie.tsurumoto@acgov.org
Pay Item Name (and code Number)	43N Adult Psychiatry
Pay Item Effective Date per authorization:	02/15/2026
State if additional documentation is attached	None

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

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

RESPONSE #1: Job Code 5139 – Physician III

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

RESPONSE #2: Full Time

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

RESPONSE #3: All Employees in Job Code 5139

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

RESPONSE #4: Regular Base Pay

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

RESPONSE #5: Percentage - 7% of Base Pay

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

RESPONSE #6: No

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

RESPONSE #7: No

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

RESPONSE #8: No

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

RESPONSE #9: 40.0 Hour Work Week

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

RESPONSE #10: No

11. State whether the pay item is for deferred compensation

RESPONSE #11: No

12. State whether the pay item is for retro payments

RESPONSE #12: No

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

RESPONSE #13: No

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

RESPONSE #14: No

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

RESPONSE #15: No

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

RESPONSE #16: Biweekly

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

RESPONSE #17: Salary Ordinance/Board Letter

- ii) add new subsection 3-12.103 to temporarily grant additional compensation of four percent (4%) and seven percent (7%) of the base pay to employees in the Physician III (JC 5139) classification who are assigned to child psychiatry and adult psychiatry, respectively, effective February 15, 2026; such additional compensation shall remain in effect until employees are reclassified into the respective new classifications and shall sunset and be removed from the SO on the effective date of reclassification; and

3-12.103 – Effective February 15, 2026, employees in Job Code 5139 who are assigned to child psychiatry shall receive an additional four percent (4%) of base pay, and who are assigned to adult psychiatry shall receive an additional seven percent (7%) of base pay. This footnote will remain in effect until employees are reclassified into their respective new classifications of Child Psychiatrist (JC 5144) or Adult Psychiatrist (JC 5145) and shall sunset and be removed from the Salary Ordinance on the effective date of reclassification.

- e. Who unreasonably refuses to accept other County employment for which they are not substantially disabled,
 - f. Whose injury or illness is the result of failure to observe County health or safety regulations or the commission of a criminal offense,
 - g. Whose injury or illness has been aggravated or delayed in healing by reasons of the failure of the employee to have received medical treatment or to have followed medical advice, except where such treatment or advice has not been sought or followed by reason of the religious beliefs of the employee, and
 - h. Whose injury or illness is a recurrence or reinjury of an earlier job-related injury or illness, or is contributed to by a susceptibility or predisposition to such injury or illness related to an earlier job-related injury or illness.
4. **Fringe Benefit Entitlement During Industrial Injury Leave.** Employees receiving industrial sick leave with pay shall maintain and accrue all benefits to which they are entitled under this MOU at one hundred percent (100%) of their regularly scheduled biweekly hours immediately preceding an industrial illness or injury.

SECTION 12. PREMIUM CONDITIONS

- 12.A. SPLIT SHIFT.** Except as provided otherwise in paragraph B. (Night Shift), below, any employee required to work a split shift shall be paid at a rate of five percent (5%) over and above their regular biweekly or hourly rate of pay for the entire shift so worked. For purposes of this paragraph “split shift” is defined as any daily tour of duty divided into two (2) work periods of time and taking more than nine and one-half (9.5) consecutive hours to complete. Individual employees may waive this premium payment. Effective February 15, 2026, split shift pay shall be increased to seven and one-half percent (7.5%).
- 12.B. NIGHT SHIFT.** Employees who are required to work at least five-eighths (5/8th) of their normal daily tour of duty after 4:30 p.m. and before 8:00 a.m. shall be paid at a rate of five percent (5%) over and above their normal hourly rate of pay for the entire shift so worked. Effective February 15, 2026, night shift pay shall be increased to seven and one-half percent (7.5%).
- 12.C. BILINGUAL PAY.** Upon the recommendation of the Agency/Department Head and the approval of the Director, Human Resource Services, employees occupying a position designated as requiring fluency in a language other than English shall receive an additional sixty dollars (\$60) per pay period and employees occupying such a position and having proficiency in three (3) or more languages shall receive sixty-five dollars (\$65) per pay period, provided that such employees are required to utilize such additional languages in the course of their duties for the County.
- 12.D. BOARD SPECIALTY CERTIFICATION.**
- 1. **Physician II/III/SAN.** Employees in the classifications of Physician II (JC 5137), Physician III (JC 5139), Physician II SAN (JC 5137N), and Physician III SAN (JC 5139N) shall receive an additional five percent (5%) compensation of base pay upon establishing proof of certification from the appropriate American Specialty Board. Continuously maintaining such certification is required to remain eligible for this additional five percent (5%) compensation of base pay.

2. **Forensic Psychiatrist with Child Psychiatry Specialty.** Not to exceed two (2) employees in the classification of Forensic Psychiatrist (JC 5146) who are Board-certified in child psychiatry, and who are regularly assigned to perform the full range of psychiatric care related duties in the Juvenile Justice Center/Camp Sweeney, shall receive an additional five percent (5%) compensation of base pay, upon established proof of certification from the appropriate American Specialty Board.
 3. **Nurse Practitioner Certification (103NP).** Employees in the classification of Psychiatric Mental Health Nurse Practitioner (JC 5384) who upon establishing proof of the California Board of Registered Nursing 103 Nurse Practitioner (103NP) certification that expands a nurse practitioner authority to diagnose, treat, and manage patient care autonomously within their population focus, without physician supervision, and is required to perform such work within the scope of the certification, shall receive an additional five percent (5%) of base pay.
- 12.E. NURSE PRACTITIONER ASSIGNMENT IN SANTA RITA JAIL.** Not to exceed (1) employee in the classification of Psychiatric Mental Health Nurse Practitioner (JC 5384), who is regularly assigned to perform psychiatric care related duties in Santa Rita Jail, shall receive an additional five percent (5%) compensation of base pay.
- 12.F. FOR STANDBY DUTY.** Unless otherwise provided in the Salary Ordinance, employees who are required to perform standby duty shall be compensated at the rate of one-eighth (1/8) pay for such duty. Effective February 15, 2026, the compensation provided herein shall be at the rate of one-fifth (1/5) pay.
- 12.G. FOR CALL-BACK.** An employee called back to perform work from either standby duty or non-standby status, shall be compensated at one and one-half (1.5) times the hourly rate for such work, provided, however, that the minimum compensation shall be two (2) hours at the overtime rate. An employee called back to work because of a shift change shall be compensated at one and one-half (1.5) times the hourly rate for only the hours worked prior to the beginning of the employee's regular shift. An employee notified of a shift change before going off duty is not eligible for call back pay.
- 12.H. FOR TEMPORARY ASSIGNMENT TO A HIGHER-LEVEL POSITION.** An employee specifically assigned on a temporary basis to a higher-level position in which there is no appointed incumbent or in which the appointed incumbent is on paid or unpaid leave, shall be compensated at the pay rate for the higher-level position provided that all of the following criteria are met:
1. Criteria for temporary assigned to a higher-level position is as follows:
 - a. The full range of duties of the higher-level position has been specifically assigned in writing by the Agency/Department Head.
 - b. Assignment for out-of-class pay can only be made for the full shift of the higher-level position. Under the provisions of this section, part-time employees can only meet the "full shift" criteria by being assigned to a higher-level part-time position, or by being assigned to work the full shift of a full-time position.
 2. Compensation for temporary assignment to a higher-level position shall be as follows:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



MEMORANDUM TO THE BOARD OF RETIREMENT

DATE: March 19, 2026

TO: Members of the Board of Retirement

FROM: Sandra Dueñas-Cuevas, Benefits Manager 

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

The County of Alameda (County) requested that new pay code 43P – Nurse Practitioner SRJ be reviewed to determine whether it qualifies as “compensation earnable” and “pensionable compensation.” This new pay code establishes a footnote for additional compensation of 5% of the base pay to be paid to an employee in the job classification of Psychiatric Mental Health Nurse Practitioner (Job Code 5384) when assigned to the responsibilities described below:

On February 10, 2026, the Board of Supervisors approved adding new Subsection 3-12.103 to Article 3, Section 3-12 of the County of Alameda Salary Ordinance. It states that “Effective February 15, 2026, not to exceed one employee in Job Code 5384- Psychiatric Mental Health Nurse Practitioner, who is regularly assigned to perform psychiatric care related duties in Santa Rita Jail, shall receive an additional five percent (5%) of the base pay.

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

Staff informed the County that its determination will be included on the Board’s Consent Calendar for its March 19, 2026, meeting. If this item is not pulled from the Consent Calendar for discussion, then the Board will approve Staff’s determination to exclude pay code 43P – Nurse Practitioner SRJ from “pensionable compensation” under Government Code Section 7522.34 (for PEPRA members), and include it as “compensation earnable” under Government Code Section 31461 (for Legacy members).

Attachments:

Pay Item Request, 2/11/26
UAPD MOU, 7/6/25 – 7/15/28 (p. 26-27)



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

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

Employer Name:	County of Alameda
Date of Request	02/11/2026
Employer Department Submitting the Request	Auditor-Controller’s Agency
Contact Person/Employer (include title/position)	Stephanie Tsurumoto
Contact Person Telephone incl area code	(510)272-6581
Contact Person Email address	stephanie.tsurumoto@acgov.org
Pay Item Name (and code Number)	43P Nurse Practitioner SRJ
Pay Item Effective Date per authorization:	02/15/2026
State if additional documentation is attached	None

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

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

RESPONSE #1: Job Code 5384 Psychiatric Mental Health Nurse Practitioner

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

RESPONSE #2: Full Time

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

RESPONSE #3: Not to exceed 1 person in Job Code 5384 when assigned to Santa Rita Jail

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

RESPONSE #4: Regular Base Pay

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

RESPONSE #5: Percentage - 5% of Base Pay

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

RESPONSE #6: No

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

RESPONSE #7: No

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

RESPONSE #8: No

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

RESPONSE #9: 40.0 Hour Work Week

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

RESPONSE #10: No

11. State whether the pay item is for deferred compensation

RESPONSE #11: No

12. State whether the pay item is for retro payments

RESPONSE #12: No

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

RESPONSE #13: No

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

RESPONSE #14: No

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

RESPONSE #15: No

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

RESPONSE #16: Biweekly

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

RESPONSE #17: MOU/Board Letter

12.E. NURSE PRACTITIONER ASSIGNMENT IN SANTA RITA JAIL. Not to exceed (1) employee in the classification of Psychiatric Mental Health Nurse Practitioner (JC 5384), who is regularly assigned to perform psychiatric care related duties in Santa Rita Jail, shall receive an additional five percent (5%) compensation of base pay.

- e. Who unreasonably refuses to accept other County employment for which they are not substantially disabled,
 - f. Whose injury or illness is the result of failure to observe County health or safety regulations or the commission of a criminal offense,
 - g. Whose injury or illness has been aggravated or delayed in healing by reasons of the failure of the employee to have received medical treatment or to have followed medical advice, except where such treatment or advice has not been sought or followed by reason of the religious beliefs of the employee, and
 - h. Whose injury or illness is a recurrence or reinjury of an earlier job-related injury or illness, or is contributed to by a susceptibility or predisposition to such injury or illness related to an earlier job-related injury or illness.
4. **Fringe Benefit Entitlement During Industrial Injury Leave.** Employees receiving industrial sick leave with pay shall maintain and accrue all benefits to which they are entitled under this MOU at one hundred percent (100%) of their regularly scheduled biweekly hours immediately preceding an industrial illness or injury.

SECTION 12. PREMIUM CONDITIONS

- 12.A. SPLIT SHIFT.** Except as provided otherwise in paragraph B. (Night Shift), below, any employee required to work a split shift shall be paid at a rate of five percent (5%) over and above their regular biweekly or hourly rate of pay for the entire shift so worked. For purposes of this paragraph “split shift” is defined as any daily tour of duty divided into two (2) work periods of time and taking more than nine and one-half (9.5) consecutive hours to complete. Individual employees may waive this premium payment. Effective February 15, 2026, split shift pay shall be increased to seven and one-half percent (7.5%).
- 12.B. NIGHT SHIFT.** Employees who are required to work at least five-eighths (5/8th) of their normal daily tour of duty after 4:30 p.m. and before 8:00 a.m. shall be paid at a rate of five percent (5%) over and above their normal hourly rate of pay for the entire shift so worked. Effective February 15, 2026, night shift pay shall be increased to seven and one-half percent (7.5%).
- 12.C. BILINGUAL PAY.** Upon the recommendation of the Agency/Department Head and the approval of the Director, Human Resource Services, employees occupying a position designated as requiring fluency in a language other than English shall receive an additional sixty dollars (\$60) per pay period and employees occupying such a position and having proficiency in three (3) or more languages shall receive sixty-five dollars (\$65) per pay period, provided that such employees are required to utilize such additional languages in the course of their duties for the County.
- 12.D. BOARD SPECIALTY CERTIFICATION.**
1. **Physician II/III/SAN.** Employees in the classifications of Physician II (JC 5137), Physician III (JC 5139), Physician II SAN (JC 5137N), and Physician III SAN (JC 5139N) shall receive an additional five percent (5%) compensation of base pay upon establishing proof of certification from the appropriate American Specialty Board. Continuously maintaining such certification is required to remain eligible for this additional five percent (5%) compensation of base pay.

2. **Forensic Psychiatrist with Child Psychiatry Specialty.** Not to exceed two (2) employees in the classification of Forensic Psychiatrist (JC 5146) who are Board-certified in child psychiatry, and who are regularly assigned to perform the full range of psychiatric care related duties in the Juvenile Justice Center/Camp Sweeney, shall receive an additional five percent (5%) compensation of base pay, upon established proof of certification from the appropriate American Specialty Board.
 3. **Nurse Practitioner Certification (103NP).** Employees in the classification of Psychiatric Mental Health Nurse Practitioner (JC 5384) who upon establishing proof of the California Board of Registered Nursing 103 Nurse Practitioner (103NP) certification that expands a nurse practitioner authority to diagnose, treat, and manage patient care autonomously within their population focus, without physician supervision, and is required to perform such work within the scope of the certification, shall receive an additional five percent (5%) of base pay.
- 12.E. NURSE PRACTITIONER ASSIGNMENT IN SANTA RITA JAIL.** Not to exceed (1) employee in the classification of Psychiatric Mental Health Nurse Practitioner (JC 5384), who is regularly assigned to perform psychiatric care related duties in Santa Rita Jail, shall receive an additional five percent (5%) compensation of base pay.
- 12.F. FOR STANDBY DUTY.** Unless otherwise provided in the Salary Ordinance, employees who are required to perform standby duty shall be compensated at the rate of one-eighth (1/8) pay for such duty. Effective February 15, 2026, the compensation provided herein shall be at the rate of one-fifth (1/5) pay.
- 12.G. FOR CALL-BACK.** An employee called back to perform work from either standby duty or non-standby status, shall be compensated at one and one-half (1.5) times the hourly rate for such work, provided, however, that the minimum compensation shall be two (2) hours at the overtime rate. An employee called back to work because of a shift change shall be compensated at one and one-half (1.5) times the hourly rate for only the hours worked prior to the beginning of the employee's regular shift. An employee notified of a shift change before going off duty is not eligible for call back pay.
- 12.H. FOR TEMPORARY ASSIGNMENT TO A HIGHER-LEVEL POSITION.** An employee specifically assigned on a temporary basis to a higher-level position in which there is no appointed incumbent or in which the appointed incumbent is on paid or unpaid leave, shall be compensated at the pay rate for the higher-level position provided that all of the following criteria are met:
1. Criteria for temporary assigned to a higher-level position is as follows:
 - a. The full range of duties of the higher-level position has been specifically assigned in writing by the Agency/Department Head.
 - b. Assignment for out-of-class pay can only be made for the full shift of the higher-level position. Under the provisions of this section, part-time employees can only meet the "full shift" criteria by being assigned to a higher-level part-time position, or by being assigned to work the full shift of a full-time position.
 2. Compensation for temporary assignment to a higher-level position shall be as follows:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



MEMORANDUM TO THE BOARD OF RETIREMENT

DATE: March 19, 2026

TO: Members of the Board of Retirement

FROM: Sandra Dueñas-Cuevas, Benefits Manager *SDC*

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

The County of Alameda (County) requested that new pay code 43Q - Forensic Psychiatrist w/ Child Psychiatry Specialty be reviewed to determine whether it qualifies as “compensation earnable” and “pensionable compensation.” This new pay code establishes a footnote for additional compensation of 5% of the base pay to be paid to employees in the classifications of Forensic Psychiatrist (Job Code 5146) when assigned to the responsibilities described below:

On February 10, 2026, the Board of Supervisors approved adding new Subsection 3-12.103 to Article 3, Section 3-12 of the County of Alameda Salary Ordinance. It states that “Effective February 15, 2026, not to exceed two employees in the classification of Forensic Psychiatrist (Job Code 5146) who are Board-certified in Child Psychiatry, and who are regularly assigned to perform the full range of psychiatric care related duties in the Juvenile Justice Center/Camp Sweeney, shall receive an additional five percent (5%) compensation of base pay, upon established proof of certification from the appropriate American Specialty Board.

Staff and Chief Counsel reviewed the required supporting documentation (attached) and made the determination that this pay code qualifies as “compensation earnable” under Government Code Section 31461 (for Legacy members) and “pensionable compensation” under Government Code Section 7522.34 (for PEPRA members). This is an increase to base pay and does not fall under any of the exclusions for “compensation earnable” so it is included in “compensation earnable.” It is also included as “pensionable compensation” because it is an increase to base pay, it is paid to more than one employee in the classification, and it does not fall under any of the exclusions for “pensionable compensation.” Under the Board of Retirement’s (Board) historical practices, these kinds of pay items/codes have been included in both “compensation earnable” and “pensionable compensation.” The two relevant Government Code sections are attached.

Staff informed the County that its determination will be included on the Board’s Consent Calendar for its March 19, 2026, meeting. If this item is not pulled from the Consent Calendar for discussion, then the Board will approve Staff’s determination to include pay code 43Q - Forensic Psychiatrist w/ Child Psychiatry Specialty as “compensation earnable” under Government Code Section 31461 (for Legacy members) and “pensionable compensation” under Government Code Section 7522.34 (for PEPRA members).

Attachments:

Pay Item Request, 2/11/26
UAPD MOU, 7/6/25 – 7/15/28 (p. 26-27)



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

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

Employer Name:	County of Alameda
Date of Request	02/11/2026
Employer Department Submitting the Request	Auditor-Controller's Agency
Contact Person/Employer (include title/position)	Stephanie Tsurumoto
Contact Person Telephone incl area code	(510)272-6581
Contact Person Email address	stephanie.tsurumoto@acgov.org
Pay Item Name (and code Number)	43Q Forensic Psy W Child Psy Spec
Pay Item Effective Date per authorization:	02/15/2026
State if additional documentation is attached	None

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

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

RESPONSE #1: Job Code 5146 Forensic Psychiatric

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

RESPONSE #2: Full Time

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

RESPONSE #3: Not to exceed 2 employees in Job Code 5146 Board Certified in Child Psychiatry

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

RESPONSE #4: Regular Base Pay

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

RESPONSE #5: Percentage - 5% of Base Pay

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

RESPONSE #6: No

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

RESPONSE #7: No

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

RESPONSE #8: No

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

RESPONSE #9: 40.0 Hour Work Week

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

RESPONSE #10: No

11. State whether the pay item if for deferred compensation

RESPONSE #11: No

12. State whether the pay item is for retro payments

RESPONSE #12: No

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

RESPONSE #13: No

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

RESPONSE #14: No

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

RESPONSE #15: No

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

RESPONSE #16: Biweekly

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

RESPONSE #17: MOU/Board Letter

2. **Forensic Psychiatrist with Child Psychiatry Specialty.** Not to exceed two (2) employees in the classification of Forensic Psychiatrist (JC 5146) who are Board-certified in child psychiatry, and who are regularly assigned to perform the full range of psychiatric care related duties in the Juvenile Justice Center/Camp Sweeney, shall receive an additional five percent (5%) compensation of base pay, upon established proof of certification from the appropriate American Specialty Board.]

- e. Who unreasonably refuses to accept other County employment for which they are not substantially disabled,
 - f. Whose injury or illness is the result of failure to observe County health or safety regulations or the commission of a criminal offense,
 - g. Whose injury or illness has been aggravated or delayed in healing by reasons of the failure of the employee to have received medical treatment or to have followed medical advice, except where such treatment or advice has not been sought or followed by reason of the religious beliefs of the employee, and
 - h. Whose injury or illness is a recurrence or reinjury of an earlier job-related injury or illness, or is contributed to by a susceptibility or predisposition to such injury or illness related to an earlier job-related injury or illness.
4. **Fringe Benefit Entitlement During Industrial Injury Leave.** Employees receiving industrial sick leave with pay shall maintain and accrue all benefits to which they are entitled under this MOU at one hundred percent (100%) of their regularly scheduled biweekly hours immediately preceding an industrial illness or injury.

SECTION 12. PREMIUM CONDITIONS

- 12.A. SPLIT SHIFT.** Except as provided otherwise in paragraph B. (Night Shift), below, any employee required to work a split shift shall be paid at a rate of five percent (5%) over and above their regular biweekly or hourly rate of pay for the entire shift so worked. For purposes of this paragraph “split shift” is defined as any daily tour of duty divided into two (2) work periods of time and taking more than nine and one-half (9.5) consecutive hours to complete. Individual employees may waive this premium payment. Effective February 15, 2026, split shift pay shall be increased to seven and one-half percent (7.5%).
- 12.B. NIGHT SHIFT.** Employees who are required to work at least five-eighths (5/8th) of their normal daily tour of duty after 4:30 p.m. and before 8:00 a.m. shall be paid at a rate of five percent (5%) over and above their normal hourly rate of pay for the entire shift so worked. Effective February 15, 2026, night shift pay shall be increased to seven and one-half percent (7.5%).
- 12.C. BILINGUAL PAY.** Upon the recommendation of the Agency/Department Head and the approval of the Director, Human Resource Services, employees occupying a position designated as requiring fluency in a language other than English shall receive an additional sixty dollars (\$60) per pay period and employees occupying such a position and having proficiency in three (3) or more languages shall receive sixty-five dollars (\$65) per pay period, provided that such employees are required to utilize such additional languages in the course of their duties for the County.
- 12.D. BOARD SPECIALTY CERTIFICATION.**
1. **Physician II/III/SAN.** Employees in the classifications of Physician II (JC 5137), Physician III (JC 5139), Physician II SAN (JC 5137N), and Physician III SAN (JC 5139N) shall receive an additional five percent (5%) compensation of base pay upon establishing proof of certification from the appropriate American Specialty Board. Continuously maintaining such certification is required to remain eligible for this additional five percent (5%) compensation of base pay.

2. **Forensic Psychiatrist with Child Psychiatry Specialty.** Not to exceed two (2) employees in the classification of Forensic Psychiatrist (JC 5146) who are Board-certified in child psychiatry, and who are regularly assigned to perform the full range of psychiatric care related duties in the Juvenile Justice Center/Camp Sweeney, shall receive an additional five percent (5%) compensation of base pay, upon established proof of certification from the appropriate American Specialty Board.
 3. **Nurse Practitioner Certification (103NP).** Employees in the classification of Psychiatric Mental Health Nurse Practitioner (JC 5384) who upon establishing proof of the California Board of Registered Nursing 103 Nurse Practitioner (103NP) certification that expands a nurse practitioner authority to diagnose, treat, and manage patient care autonomously within their population focus, without physician supervision, and is required to perform such work within the scope of the certification, shall receive an additional five percent (5%) of base pay.
- 12.E. NURSE PRACTITIONER ASSIGNMENT IN SANTA RITA JAIL.** Not to exceed (1) employee in the classification of Psychiatric Mental Health Nurse Practitioner (JC 5384), who is regularly assigned to perform psychiatric care related duties in Santa Rita Jail, shall receive an additional five percent (5%) compensation of base pay.
- 12.F. FOR STANDBY DUTY.** Unless otherwise provided in the Salary Ordinance, employees who are required to perform standby duty shall be compensated at the rate of one-eighth (1/8) pay for such duty. Effective February 15, 2026, the compensation provided herein shall be at the rate of one-fifth (1/5) pay.
- 12.G. FOR CALL-BACK.** An employee called back to perform work from either standby duty or non-standby status, shall be compensated at one and one-half (1.5) times the hourly rate for such work, provided, however, that the minimum compensation shall be two (2) hours at the overtime rate. An employee called back to work because of a shift change shall be compensated at one and one-half (1.5) times the hourly rate for only the hours worked prior to the beginning of the employee's regular shift. An employee notified of a shift change before going off duty is not eligible for call back pay.
- 12.H. FOR TEMPORARY ASSIGNMENT TO A HIGHER-LEVEL POSITION.** An employee specifically assigned on a temporary basis to a higher-level position in which there is no appointed incumbent or in which the appointed incumbent is on paid or unpaid leave, shall be compensated at the pay rate for the higher-level position provided that all of the following criteria are met:
1. Criteria for temporary assigned to a higher-level position is as follows:
 - a. The full range of duties of the higher-level position has been specifically assigned in writing by the Agency/Department Head.
 - b. Assignment for out-of-class pay can only be made for the full shift of the higher-level position. Under the provisions of this section, part-time employees can only meet the "full shift" criteria by being assigned to a higher-level part-time position, or by being assigned to work the full shift of a full-time position.
 2. Compensation for temporary assignment to a higher-level position shall be as follows:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



MEMORANDUM TO THE BOARD OF RETIREMENT

DATE: March 19, 2026

TO: Members of the Board of Retirement

FROM: Sandra Dueñas-Cuevas, Benefits Manager *SDC*

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

The County of Alameda (County) requested that new pay code 43R – Nurse Practitioner Cert 103NP be reviewed to determine whether it qualifies as “compensation earnable” and “pensionable compensation.” This pay code establishes a footnote for additional compensation of 5% of the base pay to be paid to an employee in the job classification of Psychiatric Mental Health Nurse Practitioner (Job Code 5384) when assigned to the responsibilities described below:

On February 10, 2026, the Board of Supervisors approved adding new Subsection 3-12.103 to Article 3, Section 3-12 of the County of Alameda Salary Ordinance. It states that “Effective February 15, 2026, employees in the classification of Psychiatric Mental Health Nurse Practitioner (Job Code 5384) who upon establishing proof of the California Board of Registered Nursing 103 Nurse Practitioner (103NP) certification that expands a nurse practitioner authority to diagnose, treat, and manage patient care autonomously within their population focus, without physician supervision, and is required to perform such work within the scope of the certification, shall receive an additional five percent (5%) of base pay.

Staff and Chief Counsel reviewed the required supporting documentation (attached) and made the determination that this pay code qualifies as “compensation earnable” under Government Code Section 31461 (for Legacy members) and “pensionable compensation” under Government Code Section 7522.34 (for PEPRA members). This is an increase to base pay and does not fall under any of the exclusions for “compensation earnable” so it is included in “compensation earnable.” It is also included as “pensionable compensation” because it is an increase to base pay, it is paid to more than one employee in the classification, and it does not fall under any of the exclusions for “pensionable compensation.” Under the Board of Retirement’s (Board) historical practices, these kinds of pay items/codes have been included in both “compensation earnable” and “pensionable compensation.” The two relevant Government Code sections are attached.

Staff informed the County that its determination will be included on the Board’s Consent Calendar for its March 19, 2026, meeting. If this item is not pulled from the Consent Calendar for discussion, then the Board will approve Staff’s determination to include pay code 43R – Nurse Practitioner Cert 103NP as “compensation earnable” under Government Code Section 31461 (for Legacy members) and “pensionable compensation” under Government Code Section 7522.34 (for PEPRA members).

Attachments:

Pay Item Request, 2/11/26
UAPD MOU, 7/6/25 – 7/15/28 (p. 26-27)



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

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

Employer Name:	County of Alameda
Date of Request	02/11/2026
Employer Department Submitting the Request	Auditor-Controller’s Agency
Contact Person/Employer (include title/position)	Stephanie Tsurumoto
Contact Person Telephone incl area code	(510)272-6581
Contact Person Email address	stephanie.tsurumoto@acgov.org
Pay Item Name (and code Number)	43R Nurse Practitioner Cert 103NP
Pay Item Effective Date per authorization:	02/15/2026
State if additional documentation is attached	None

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

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

RESPONSE #1: Job Code 5384 Psychiatric Mental Health Nurse Practitioner

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

RESPONSE #2: Full Time

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

RESPONSE #3:

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

RESPONSE #4: Regular Base Pay

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

RESPONSE #5: Percentage - 5% of Base Pay

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

RESPONSE #6: No

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

RESPONSE #7: No

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

RESPONSE #8: No

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

RESPONSE #9: 40.0 Hour Work Week

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

RESPONSE #10: No

11. State whether the pay item is for deferred compensation

RESPONSE #11: No

12. State whether the pay item is for retro payments

RESPONSE #12: No

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

RESPONSE #13: No

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

RESPONSE #14: No

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

RESPONSE #16: Biweekly

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

RESPONSE #17: MOU/Board Letter

3. **Nurse Practitioner Certification (103NP).** Employees in the classification of Psychiatric Mental Health Nurse Practitioner (JC 5384) who upon establishing proof of the California Board of Registered Nursing 103 Nurse Practitioner (103NP) certification that expands a nurse practitioner authority to diagnose, treat, and manage patient care autonomously within their population focus, without physician supervision, and is required to perform such work within the scope of the certification, shall receive an additional five percent (5%) of base pay.

- e. Who unreasonably refuses to accept other County employment for which they are not substantially disabled,
 - f. Whose injury or illness is the result of failure to observe County health or safety regulations or the commission of a criminal offense,
 - g. Whose injury or illness has been aggravated or delayed in healing by reasons of the failure of the employee to have received medical treatment or to have followed medical advice, except where such treatment or advice has not been sought or followed by reason of the religious beliefs of the employee, and
 - h. Whose injury or illness is a recurrence or reinjury of an earlier job-related injury or illness, or is contributed to by a susceptibility or predisposition to such injury or illness related to an earlier job-related injury or illness.
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SECTION 12. PREMIUM CONDITIONS

- 12.A. SPLIT SHIFT.** Except as provided otherwise in paragraph B. (Night Shift), below, any employee required to work a split shift shall be paid at a rate of five percent (5%) over and above their regular biweekly or hourly rate of pay for the entire shift so worked. For purposes of this paragraph “split shift” is defined as any daily tour of duty divided into two (2) work periods of time and taking more than nine and one-half (9.5) consecutive hours to complete. Individual employees may waive this premium payment. Effective February 15, 2026, split shift pay shall be increased to seven and one-half percent (7.5%).
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- 12.E. NURSE PRACTITIONER ASSIGNMENT IN SANTA RITA JAIL.** Not to exceed (1) employee in the classification of Psychiatric Mental Health Nurse Practitioner (JC 5384), who is regularly assigned to perform psychiatric care related duties in Santa Rita Jail, shall receive an additional five percent (5%) compensation of base pay.
- 12.F. FOR STANDBY DUTY.** Unless otherwise provided in the Salary Ordinance, employees who are required to perform standby duty shall be compensated at the rate of one-eighth (1/8) pay for such duty. Effective February 15, 2026, the compensation provided herein shall be at the rate of one-fifth (1/5) pay.
- 12.G. FOR CALL-BACK.** An employee called back to perform work from either standby duty or non-standby status, shall be compensated at one and one-half (1.5) times the hourly rate for such work, provided, however, that the minimum compensation shall be two (2) hours at the overtime rate. An employee called back to work because of a shift change shall be compensated at one and one-half (1.5) times the hourly rate for only the hours worked prior to the beginning of the employee's regular shift. An employee notified of a shift change before going off duty is not eligible for call back pay.
- 12.H. FOR TEMPORARY ASSIGNMENT TO A HIGHER-LEVEL POSITION.** An employee specifically assigned on a temporary basis to a higher-level position in which there is no appointed incumbent or in which the appointed incumbent is on paid or unpaid leave, shall be compensated at the pay rate for the higher-level position provided that all of the following criteria are met:
1. Criteria for temporary assigned to a higher-level position is as follows:
 - a. The full range of duties of the higher-level position has been specifically assigned in writing by the Agency/Department Head.
 - b. Assignment for out-of-class pay can only be made for the full shift of the higher-level position. Under the provisions of this section, part-time employees can only meet the "full shift" criteria by being assigned to a higher-level part-time position, or by being assigned to work the full shift of a full-time position.
 2. Compensation for temporary assignment to a higher-level position shall be as follows:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



*Office of the Chief Executive Officer
Office of Administration*

DATE: March 19, 2026
TO: Members of the Board of Retirement
FROM: Dave Nelsen, Chief Executive Officer *DN*
SUBJECT: SACRS Proxy Voting

Twice each year, the State Association of County Retirement Systems (SACRS) requests submission of a Voting Proxy Form which, designates the member agency's representative(s) who will vote for the Board of Retirement at the business meeting during the conference.

Recommendation

Staff recommends that the Board of Retirement direct the Chief Executive Officer (or his designee) to vote ACERA's proxy on behalf of the Board at the SACRS Fall Conference Business Meeting.

Enclosure: 1) SACRS Proxy Voting Form

ENCLOSURE 1



SACRS VOTING PROXY FORM

The following are authorized by the Alameda County Retirement Board to vote on behalf of the County Retirement System at the upcoming SACRS Conference

(If you have more than one alternate, please attach the list of alternates in priority order):

<u>David Nelsen</u>	Voting Delegate
<u>Carlos Barrios</u>	Alternate Voting Delegate

These delegates were approved by the Retirement Board on 03/19/26.

The person authorized to fill out this form and submit electronically on behalf of the Retirement Board:

Signature: _____
Print Name: David Nelsen
Position: Chief Executive Officer
Date: March 19, 2026

Please send your system's voting proxy by the following due date to SACRS at sacrs@sacrs.org. If you require additional information, please contact SACRS as soon as possible.

Due Dates:

- Spring Conference Due by May 1
- Fall Conference Due by November 1



Office of the Chief Executive Officer

DATE: March 19, 2026
TO: Members of the Board of Retirement
FROM: Dave Nelsen, Chief Executive Officer *DN*
SUBJECT: **Chief Executive Officer’s Report**

Senior Manager Recruitment

We are currently recruiting for the Fiscal Manager/CFO position previously held by Erica Haywood. We had an initial recruitment that did not produce a replacement, and we have since opened the position again with broader recruitment activities.

Committee/Board Action Items

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

Conference/Event Schedule

None

Other Items

2025 Investment Returns

I wanted to call out the latest end-of-year investment return numbers provided at the last Investment Committee meeting. For 2025 we earned 15.86%, which ranked in the top 12 percent of funds over \$1 billion. As you know, this outperformance not only works to secure solid funding for our pensions but provides additional “excess returns” to help fund the SRBR and secure health and other benefits for thousands of our retirees. While these end of year numbers are impressive, even more impressive are the long-term results. Our 10-year return of 9.06% ranks in the top 15th percentile, and our 25-year return of 7.27% ranks in the top 6th percentile. This long-term sustained outperformance has allowed the County to redirect millions of dollars that would have had to be paid into the pension system to provide lifesaving support to county residents. Congratulations to all on truly making a difference!

Business Planning Update

Please see the attached ACERA’s Strategic Business Goals for 2026, which was presented at this month’s Operation’s 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. We anticipate bringing this issue to the Operations Committee in May to discuss next steps.

Budget: After the first month, ACERA is under budget by 1%, which amounts to \$22,000.

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. It may get a hearing in committee on March 24th.

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 been referred to a committee but 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
PRUDENT INVESTMENT PRACTICES	
Portfolio Performance vs. Policy Benchmark	<i>Annualized 10-year return will meet or exceed Policy benchmark at the total fund level</i> As of January of 2026: 10 year net return 9.83%, policy index 9.99%.
EFFECTIVE PLAN ADMINISTRATION	
Actual Spent vs. Approved Budget	<i>On budget or 10% below 2025 approved budget</i> As of January of 2026: 1.0% under budget.
COMPREHENSIVE ORGANIZATION DEVELOPMENT	
Employee Engagement Survey Results	<i>80% of responses in top two rating boxes on the question: "Is ACERA a great place to work?"</i> As of the latest survey (October of 2025): 84%.
SUPERIOR CUSTOMER SERVICE	
Service Excellence Survey	<i>80% of responses in top two rating boxes on the question: "Did ACERA meet or exceed my expectations for my customer service experience?"</i> For 4th Quarter of 2025: 100%.

**ACERA BUSINESS
PLANNING PROJECTS UPDATE**

1. **CEM Benchmarking**

Goal 3 (Completion Goal – December 1, 2026)

This project will review administrative benchmarking process and tools available to help measure, compare and guide assessment of our pension administration costs, resource levels and the value of service we provide to our members. The Benchmarking process provides peer Intelligence and information sharing with objective actionable benchmarking across pension fund activities such as emerging trends in the pension market, customer journeys, digital services, self-service, service to Employers, and Staffing Service Models.

2. **General Ledger System - New Product Implementation**

Goal 3 (Completion Goal – September 30, 2026)

The General Ledger system will be updated with a new product, Microsoft Dynamic 365 Business Central. The goals of the project are to maintain vendor support, enhance real-time reporting capabilities, introduce a more intuitive, user-friendly interface, streamline system updates and security management and provide enhanced control and view of cash flow.

3. **Information Risk Management Framework**

Goal 3 (Completion Goal – December 1, 2026)

This initiative involves planning and implementing a structured process to capture and protect institutional knowledge, support consistency in resource material management and keep our systems and data secure. Some of the work of the project will help raise staff awareness on evolving information security risks and responsibilities and also create a process to manage policies, standards and procedures for critical processes.

4. **Improving Member Experience**

Goal 4 (Completion Goal – September 30, 2026)

This is a research and development project to explore how retirement systems elevate the member experience in a transformational way. During this phase of the project we will be reviewing the areas of digital member experience satisfaction; member privacy protection; expedient member service delivery and seamless interactive member portal navigation.

5. **Agencywide New Employee Training-Cross Training Plan - 2026 Deliverables**

Goal 2 & 3 (Completion Goal – December 1, 2026)

We will begin work to create a career development framework for cross-training to strengthen ACERA's workforce to build more comprehensive skill sets across all units, enhance employee growth and engagement and continue to build business resilience at ACERA.

6. HR Workflow Product Selection

Goal 3 (Completion Goal – October 15, 2026)

The initiative centers on assessment and selection of a Cloud-Based HR tool to optimize and scale storage and availability of information; also bringing efficiency to onboarding and building HR file disaster recovery resilience.

7. ADA Compliance

Goal 4 (Completion Goal – October 31, 2026)

This project is to ensure accessibility for all web users by meeting ADA and WCAG 2.1 AA standards across public-facing and internal web-based systems. The benefits include updating digital experiences and workforce readiness.

8. Investment Committee Meeting (ICM) Optimization Process

Goal 4 (Completion Goal – October 31, 2026)

The primary goals of this initiative are Streamlining access, enhancing reporting, and aligning best practices to foster excellent trustee experience. The project will utilize a feedback loop to help achieve the optimization goals.

LEGISLATIVE UPDATE



TO: State Association of County Retirement Systems
FROM: Cara Martinson, Capitol Advocacy
Laurie Johnson, LJ Consulting & Advocacy
DATE: March 9, 2026
RE: **Legislative Update – March**

While the urgency surrounding the bill introduction deadline has subsided, the Legislature is now shifting its focus to preparing the budget committees to address a projected multi-year structural deficit. The Assembly and Senate have begun its formal review of Newsom’s January budget proposal through the subcommittee process. Lawmakers are evaluating the Administration’s revenue assumptions, proposed spending reductions, and programmatic changes as part of the early stages of the annual budget process. These hearings will inform legislative priorities ahead of the Governor’s May Revision and subsequent negotiations leading to adoption of the 2026 - 27 state budget. Accurate revenue assumptions are still pending as we await April tax receipts.

On the bill front, 1,798 bills have been introduced, more than 600 of which are “spot bills.” As previously anticipated, the Legislature’s policy priorities largely mirror those of 2025, with housing and affordability continuing to dominate the agenda. Additional areas of legislative activity are expected to include an insurance and wildfire legislative package, as well as issues related to artificial intelligence.

In addition to a significant legislative workload, the 2026 election cycle will include all 100 legislative seats, the Governor, and the remaining statewide constitutional offices. Several statewide initiatives are also anticipated to appear on the November ballot. To date, only one measure has qualified: a constitutional amendment that would revise the vote requirements for initiatives imposing supermajority thresholds. However, several additional and potentially contentious proposals are expected to qualify, including measures related to voter identification requirements, a billionaire wealth tax, and artificial intelligence regulation.

The race to succeed term-limited Governor Gavin Newsom remains fluid and highly competitive, with no clear frontrunner emerging ahead of the June 2026 primary. The field is crowded, particularly among Democrats, with candidates including Eric Swalwell, Katie Porter, Xavier Becerra, Antonio Villaraigosa, Betty Yee, Tony Thurmond, Tom Steyer, and Matt Mahan competing alongside Republican candidates Chad Bianco and Steve Hilton. Recent polling suggests the race remains wide open, with Hilton currently



leading a fragmented field while several Democratic candidates remain clustered in the low-to-mid teens. The large number of Democratic contenders has raised concerns among party leaders that vote-splitting in California's top-two primary system could create an unpredictable path to the November general election.

III. 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 1383 (McKinnor)** – The bill was heard in the Assembly PERS Committee and advanced out of the Appropriations Committee in January after taking several 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.
 - Lower the retirement age on a prospective basis from age 57 to 55 for three existing safety DB retirement formulas, and
 - Authorize a public employer to create a fourth PEPRA safety DB retirement formula of three percent (3%) at age 55, to be applied prospectively.
 - 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 (as recommended by SACRS Legislative Committee)



- **AB 1439 (Garcia)** - The bill would have required labor protection standards on pension system investments in development projections. The bill was amended coming out of 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
- **AB 1601 (Rogers)** – This bill would permit the county Board of Supervisors for Sonoma County to authorize a cost-of-living adjustment to the retirement allowances, optional death allowances, or annual death allowances payable by the retirement system.
 - Status: This bill has been referred to the Assembly PERS Committee
 - Position: Neutral (as recommended by SACRS Legislative Committee)
- **AB 1619 (Valencia)** – This bill would allow county Boards of Supervisors to authorize an increase in the Board of Retirement trustee per diem from \$100 to \$320. The bill would then require action by the Board of Retirement to establish the increased compensation rate.
 - Status: This bill has been referred to the Assembly PERS Committee
 - Position: Neutral (as recommended by SACRS Legislative Committee)
- **AB 1762 (Gonzalez)** – This bill extends Public Employees' Medical and Hospital Care Act (PEMHCA) authorization contract for health benefits to the City of Indio for employees hired from January 1, 2025, onward. It sets conditions such as collective bargaining agreements and requires at least five years of service for any benefit eligibility. The bill applies only to retirees after the approval of the memorandum of understanding and mandates that the City of Indio provide necessary notifications and information.
 - Status: This bill has been referred to the Assembly PERS Committee
 - Position: No position/watch
- **AB 1844 (Pacheco)** – This bill modifies the Judges' Retirement System II, to give judges more flexibility in designating beneficiaries for their retirement benefits. This bill would authorize a judge who elects one of the optional retirement payment plans in lieu of receiving the maximum retirement



- allowance to designate a beneficiary other than their spouse to receive the payment or allowance after the judge's death, subject to the community property rights of the judge's spouse. Additionally, the bill extends existing survivor benefits to non-spouse beneficiaries, removing the stipulation that the judge must have served a minimum of 20 years if they die in office.
- Status: This bill has been referred to the Assembly PERS Committee
 - Position: No position/watch
- **AB 2336 (Macedo)** – This bill would, for taxable years beginning on or after January 1, 2026, and before January 1, 2031, exclude from gross income the first \$25,000 of overtime pay received by a taxpayer during the taxable year. The bill would also exclude from gross income the first \$25,000 received by a taxpayer as proceeds from a defined benefit plan.
 - Status: This bill is awaiting Committee referral
 - 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
 - **SB 1187 (Durazo)** – This bill would define “majority” in the Brown Act to mean the number of members of the legislative body equaling more than half of the total number of seats on the legislative body. The bill would specify that if a seat on the legislative body is vacant, that seat is to still be counted as a seat on the legislative body.



- Status: This bill has been referred to the Senate Local Government Committee
- No position/watch

Contact:

If you have any questions, contact Cara Martinson at cmartinson@capitoladvocacy.com, or Laurie Johnson at lauriejconsult@gmail.com.