



Alameda County Employees' Retirement Association  
BOARD OF RETIREMENT

**OPERATIONS COMMITTEE/BOARD MEETING  
NOTICE and AGENDA**

**THIS MEETING WILL BE CONDUCTED VIA TELECONFERENCE [SEE EXECUTIVE ORDER N-29-20 ATTACHED AT THE END OF THIS AGENDA.]**

**ACERA MISSION:**

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

**Wednesday, April 7, 2021  
9:30 a.m.**

<b>ZOOM INSTRUCTIONS</b>	<b>COMMITTEE MEMBERS</b>	
The public can view the Teleconference and comment via audio during the meeting. To join this Teleconference, please click on the link below. <a href="https://zoom.us/join">https://zoom.us/join</a> Meeting ID: 838 9730 3072 Password: 249818 For help joining a Zoom meeting, see: <a href="https://support.zoom.us/hc/en-us/articles/201362193">https://support.zoom.us/hc/en-us/articles/201362193</a>	<b>JAIME GODFREY, CHAIR</b>	<b>APPOINTED</b>
	<b>LIZ KOPPENHAVER, VICE CHAIR</b>	<b>ELECTED RETIRED</b>
	<b>OPHELIA BASGAL</b>	<b>APPOINTED</b>
	<b>KEITH CARSON</b>	<b>APPOINTED</b>
	<b>HENRY LEVY</b>	<b>TREASURER</b>

This is a meeting of the Operations Committee if a quorum of the Operations Committee attends, and it is a meeting of the Board if a quorum of the Board attends. This is a joint meeting of the Operations Committee and the Board if a quorum of each attends.

The order of agenda items 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 available online at [www.acera.org](http://www.acera.org).

*Note regarding public comments:* Public comments are limited to four (4) minutes per person in total.

*Note regarding accommodations:* The Board of Retirement will provide reasonable accommodations for persons with special needs of accessibility who plan to attend Board meetings. Please contact ACERA at (510) 628-3000 to arrange for accommodation.

# ***OPERATIONS COMMITTEE/BOARD MEETING***

NOTICE and AGENDA, Page 2 of 2 – April 7, 2021

Call to Order: 9:30 a.m.

Roll Call:

**Public Input (Time Limit: 4 minutes per speaker)**

**Action Items: Matters for Discussion and Possible Motion by the Committee**

None

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

1. Operating Expenses as of 02/29/2021

-Margo Allen

2. Statement of Reserves as of 12/31/2020

-Margo Allen

**Trustee Remarks**

**Future Discussion Items**

**Establishment of Next Meeting Date**

June 2, 2021, at 9:30 a.m.

**Adjournment**

**EXECUTIVE DEPARTMENT  
STATE OF CALIFORNIA**

**EXECUTIVE ORDER N-29-20**

**WHEREAS** on March 4, 2020, I proclaimed a State of Emergency to exist in California as a result of the threat of COVID-19; and

**WHEREAS** despite sustained efforts, the virus continues to spread and is impacting nearly all sectors of California; and

**WHEREAS** the threat of COVID-19 has resulted in serious and ongoing economic harms, in particular to some of the most vulnerable Californians; and

**WHEREAS** time bound eligibility redeterminations are required for Medi-Cal, CalFresh, CalWORKs, Cash Assistance Program for Immigrants, California Food Assistance Program, and In Home Supportive Services beneficiaries to continue their benefits, in accordance with processes established by the Department of Social Services, the Department of Health Care Services, and the Federal Government; and

**WHEREAS** social distancing recommendations or Orders as well as a statewide imperative for critical employees to focus on health needs may prevent Medi-Cal, CalFresh, CalWORKs, Cash Assistance Program for Immigrants, California Food Assistance Program, and In Home Supportive Services beneficiaries from obtaining in-person eligibility redeterminations; and

**WHEREAS** under the provisions of Government Code section 8571, I find that strict compliance with various statutes and regulations specified in this order would prevent, hinder, or delay appropriate actions to prevent and mitigate the effects of the COVID-19 pandemic.

**NOW, THEREFORE, I, GAVIN NEWSOM**, Governor of the State of California, in accordance with the authority vested in me by the State Constitution and statutes of the State of California, and in particular, Government Code sections 8567 and 8571, do hereby issue the following order to become effective immediately:

**IT IS HEREBY ORDERED THAT:**

1. As to individuals currently eligible for benefits under Medi-Cal, CalFresh, CalWORKs, the Cash Assistance Program for Immigrants, the California Food Assistance Program, or In Home Supportive Services benefits, and to the extent necessary to allow such individuals to maintain eligibility for such benefits, any state law, including but not limited to California Code of Regulations, Title 22, section 50189(a) and Welfare and Institutions Code sections 18940 and 11265, that would require redetermination of such benefits is suspended for a period of 90 days from the date of this Order. This Order shall be construed to be consistent with applicable federal laws, including but not limited to Code of Federal Regulations, Title 42, section 435.912, subdivision (e), as interpreted by the Centers for Medicare and Medicaid Services (in guidance issued on January 30, 2018) to permit the extension of

otherwise-applicable Medicaid time limits in emergency situations.

2. Through June 17, 2020, any month or partial month in which California Work Opportunity and Responsibility to Kids (CalWORKs) aid or services are received pursuant to Welfare and Institutions Code Section 11200 et seq. shall not be counted for purposes of the 48-month time limit set forth in Welfare and Institutions Code Section 11454. Any waiver of this time limit shall not be applied if it will exceed the federal time limits set forth in Code of Federal Regulations, Title 45, section 264.1.
3. Paragraph 11 of Executive Order N-25-20 (March 12, 2020) is withdrawn and superseded by the following text:

Notwithstanding any other provision of state or local law (including, but not limited to, the Bagley-Keene Act or the Brown Act), and subject to the notice and accessibility requirements set forth below, a local legislative body or state body is authorized to hold public meetings via teleconferencing and to make public meetings accessible telephonically or otherwise electronically to all members of the public seeking to observe and to address the local legislative body or state body. All requirements in both the Bagley-Keene Act and the Brown Act expressly or impliedly requiring the physical presence of members, the clerk or other personnel of the body, or of the public as a condition of participation in or quorum for a public meeting are hereby waived.

In particular, any otherwise-applicable requirements that

- (i) state and local bodies notice each teleconference location from which a member will be participating in a public meeting;
- (ii) each teleconference location be accessible to the public;
- (iii) members of the public may address the body at each teleconference conference location;
- (iv) state and local bodies post agendas at all teleconference locations;
- (v) at least one member of the state body be physically present at the location specified in the notice of the meeting; and
- (vi) during teleconference meetings, a least a quorum of the members of the local body participate from locations within the boundaries of the territory over which the local body exercises jurisdiction

are hereby suspended.

A local legislative body or state body that holds a meeting via teleconferencing and allows members of the public to observe and address the meeting telephonically or otherwise electronically, consistent with the notice and accessibility requirements set forth below, shall have satisfied any requirement that the body allow

members of the public to attend the meeting and offer public comment. Such a body need not make available any physical location from which members of the public may observe the meeting and offer public comment.

Accessibility Requirements: If a local legislative body or state body holds a meeting via teleconferencing and allows members of the public to observe and address the meeting telephonically or otherwise electronically, the body shall also:

- (i) Implement a procedure for receiving and swiftly resolving requests for reasonable modification or accommodation from individuals with disabilities, consistent with the Americans with Disabilities Act and resolving any doubt whatsoever in favor of accessibility; and
- (ii) Advertise that procedure each time notice is given of the means by which members of the public may observe the meeting and offer public comment, pursuant to subparagraph (ii) of the Notice Requirements below.

Notice Requirements: Except to the extent this Order expressly provides otherwise, each local legislative body and state body shall:

- (i) Give advance notice of the time of, and post the agenda for, each public meeting according to the timeframes otherwise prescribed by the Bagley-Keene Act or the Brown Act, and using the means otherwise prescribed by the Bagley-Keene Act or the Brown Act, as applicable; and
- (ii) In each instance in which notice of the time of the meeting is otherwise given or the agenda for the meeting is otherwise posted, also give notice of the means by which members of the public may observe the meeting and offer public comment. As to any instance in which there is a change in such means of public observation and comment, or any instance prior to the issuance of this Order in which the time of the meeting has been noticed or the agenda for the meeting has been posted without also including notice of such means, a body may satisfy this requirement by advertising such means using "the most rapid means of communication available at the time" within the meaning of Government Code, section 54954, subdivision (e); this shall include, but need not be limited to, posting such means on the body's Internet website.

All of the foregoing provisions concerning the conduct of public meetings shall apply only during the period in which state or local public health officials have imposed or recommended social distancing measures.

All state and local bodies are urged to use sound discretion and to make reasonable efforts to adhere as closely as reasonably possible to the provisions of the Bagley-Keene Act and the Brown Act, and other applicable local laws regulating the conduct of public meetings, in order to maximize transparency and provide the public access to their meetings.

**IT IS FURTHER ORDERED** that as soon as hereafter possible, this Order be filed in the Office of the Secretary of State and that widespread publicity and notice be given of this Order.

This Order is not intended to, and does not, create any rights or benefits, substantive or procedural, enforceable at law or in equity, against the State of California, its agencies, departments, entities, officers, employees, or any other person.

**IN WITNESS WHEREOF** I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 17th day of March 2020.



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GAVIN NEWSOM  
Governor of California

**ATTEST:**

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ALEX PADILLA  
Secretary of State



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MEMORANDUM TO THE OPERATIONS COMMITTEE

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DATE: April 7, 2021

TO: Members of the Operations Committee

FROM: Margo Allen, Fiscal Services Officer *MA*

SUBJECT: Operating Expenses Budget Summary for the period ended February 28, 2021

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ACERA's operating expenses are \$228K under budget for the period ended February 28, 2021. Budget overages and surpluses worth noting are as follows:

**Budget Surpluses**

1. *Staffing*: Staffing is \$135K under budget. This amount comprises surplus in staff vacancies of (\$33K) and fringe benefits of (\$125K), which are offset by overage in temporary staffing of \$23K due to vacant positions filled by temporary staff.
2. *Staff Development*: Staff Development is \$20K under budget due to savings from unattended staff trainings and conferences.
3. *Professional Fees*: Professional Fees are \$18K under budget. This amount comprises surplus in legal fees of \$15K, and actuarial fees of \$3K due to savings from last year accrual.
4. *Office Expense*: Office Expense is \$25K under budget. This amount comprises surpluses in printing and postage of (\$3K) and office maintenance and supplies of (\$8K) are both due to majority staff are working from home, communication expenses of (\$2K), bank charges and miscellaneous administration of (\$3K), building expenses of (\$1K), equipment lease and maintenance of (\$5K), and minor equipment and furniture of (\$3K).
5. *Member Services*: Member Services are \$2K under budget. This amount comprises surpluses in disability legal arbitration and transcripts of (\$10K), Health Reimbursement Account of (\$1K), members printing and postage of (\$3K), and member training and education of (\$1K), which are offset by overage in virtual call center of \$4K and disability medical expense of \$9K.
6. *Systems*: Systems are \$14K under budget. This amount comprises surpluses in software maintenance and support of (\$23K) mainly due to timing difference, which is offset by overage in minor computer hardware of \$1K, business continuity of \$6K, county data processing of \$1K, and COVID-19 related expenses of \$1K.
7. *Board of Retirement*: Board of Retirement is \$14K under budget. This amount comprises surpluses in board conferences and trainings of (\$10K) due to unattended trainings and conferences, board compensation of (\$1K), and board miscellaneous expenses of (\$3K).

**Staffing Detail**

Permanent vacant positions as of February 28, 2021:

Department	Position	QTY	Comments
Benefits	Administrative Specialist II	1	Vacant - currently budgeted until 12/2021
Investments	Investment Operation Officer	1	Vacant - currently budgeted until 12/2021
Investments	Investment Analyst	1	Vacant - currently budgeted until 12/2021
PRISM	Retirement Support Specialist	1	Vacant - currently budgeted until 12/2021
PRISM	Administrative Specialist II	1	Vacant - currently budgeted until 12/2021
<b>Total Positions</b>		<b>5</b>	

<b>Pension Administration System Project - as of 2/28/2021</b>					
All amounts are in \$	Year-To-Date			2021 Budget	2019-20 Actual
	Actual	Budget	Variance		
<b>Consultant Fees</b>					
Levi, Ray and Shoup	28,337	114,000	(85,663)	683,000	1,085,179
Segal	38,460	64,000	(25,540)	384,000	800,450
Other expenses	-	8,400	(8,400)	50,000	1,500
Leap Technologies	-	-	-	-	98,970
Total	66,797	186,400	(119,603)	1,117,000	1,986,099
<b>Staffing</b>	76,120	96,000	(19,880)	577,000	881,052
<b>TOTAL</b>	<b>142,917</b>	<b>282,400</b>	<b>(139,483)</b>	<b>1,694,000</b>	<b>2,867,151</b>

Attachments:

- Total Operating Expenses Summary
- Professional Fees – Year-to-Date – Actual vs. Budget





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

YEAR TO DATE - ACTUAL VS. BUDGET					
<i>February 28, 2021</i>					
	<u>Actual</u>	<u>Budget</u>	<u>YTD</u>	<u>2021</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	\$ 2,345,109	\$ 2,480,160	\$ (135,051)	\$ 16,099,000	14.6%
Staff Development	22,772	42,330	(19,558)	274,000	8.3%
Professional Fees (Next Page)	155,032	173,280	(18,248)	1,128,000	13.7%
Office Expense	67,553	92,300	(24,747)	574,000	11.8%
Insurance	131,471	131,860	(389)	825,000	15.9%
Member Services	65,995	67,600	(1,605)	464,000	14.2%
Systems	178,649	193,120	(14,471)	1,202,000	14.9%
Depreciation	19,506	20,000	(494)	118,000	16.5%
Board of Retirement	70,498	84,080	(13,582)	675,000	10.4%
Uncollectable Benefit Payments	-	-	-	68,000	0.0%
<b>Total Operating Expense</b>	<b>\$ 3,056,585</b>	<b>\$ 3,284,730</b>	<b>\$ (228,145)</b>	<b>\$ 21,427,000</b>	<b>14.3%</b>



ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION  
PROFESSIONAL FEES

YEAR TO DATE - ACTUAL VS. BUDGET

February 28, 2021

<u>Professional Fees</u>	<u>Actual Year-To-Date</u>	<u>Budget Year-To-Date</u>	<u>YTD Variance (Under)/Over</u>	<u>2021 Annual Budget</u>	<u>% Actual to Annual Budget</u>
Consultant Fees - Operations and Projects <sup>1</sup>	\$ 55,033	\$ 55,460	\$ (427)	\$ 333,000	16.5%
Actuarial Fees <sup>2</sup>	28,336	31,660	(3,324)	415,000	6.8%
External Audit <sup>3</sup>	49,000	49,000	-	157,000	31.2%
Legal Fees <sup>4</sup>	22,663	37,160	(14,497)	223,000	10.2%
<b>Total Professional Fees</b>	<b>\$ 155,032</b>	<b>\$ 173,280</b>	<b>\$ (18,248)</b>	<b>\$ 1,128,000</b>	<b>13.7%</b>

	<u>Actual Year-To-Date</u>	<u>Budget Year-To-Date</u>	<u>YTD Variance (Under)/Over</u>	<u>2019 Annual Budget</u>	<u>% Actual to Annual Budget</u>
<b><sup>1</sup> CONSULTANT FEES - OPERATIONS AND PROJECTS:</b>					
<u>Benefits</u>					
Alameda County HRS (Benefit Services)	21,000	21,000	-	126,000	16.7%
Segal (Benefit Consultant/Retiree Open Enrollment)	21,200	21,660	(460)	130,000	16.3%
Total Benefits	42,200	42,660	(460)	256,000	16.5%
<u>Human Resources</u>					
Lakeside Group (County Personnel)	12,833	12,800	33	77,000	16.7%
Total Human Resources	12,833	12,800	33	77,000	16.7%
<b>Total Consultant Fees - Operations</b>	<b>\$ 55,033</b>	<b>\$ 55,460</b>	<b>\$ (427)</b>	<b>\$ 333,000</b>	<b>16.5%</b>
<b><sup>2</sup> ACTUARIAL FEES</b>					
Actuarial valuation	-	-	-	79,000	0.0%
GASB 67 & 68 Valuation	-	-	-	49,000	0.0%
GASB 74 & 75 Actuarial	-	-	-	15,000	0.0%
Actuarial Standard of Practice 51 Pension Risk	-	-	-	40,000	0.0%
Supplemental Consulting	28,336	31,660	(3,324)	190,000	14.9%
Supplemental Retiree Benefit Reserve valuation	-	-	-	42,000	0.0%
<b>Total Actuarial Fees</b>	<b>\$ 28,336</b>	<b>\$ 31,660</b>	<b>\$ (3,324)</b>	<b>\$ 415,000</b>	<b>6.8%</b>
<b><sup>3</sup> EXTERNAL AUDIT</b>					
External audit	44,000	44,000	-	132,000	33.3%
GASB 67 & 68	2,600	2,600	-	13,000	20.0%
GASB 74 & 75-External Audit	2,400	2,400	-	12,000	20.0%
<b>Total External Audit Fees</b>	<b>\$ 49,000</b>	<b>\$ 49,000</b>	<b>\$ -</b>	<b>\$ 157,000</b>	<b>31.2%</b>
<b><sup>4</sup> LEGAL FEES</b>					
<u>Fiduciary Counseling &amp; Litigation</u>					
Nossaman - Fiduciary Counseling	2,703	1,667	1,036	54,000	
Nossaman - Litigation	3,861	9,333	(5,472)	42,000	
Reed Smith - Litigation	7,179	10,000	(2,822)	30,000	
Subtotal	13,742	21,000	(7,258)	126,000	10.9%
<u>Tax and Benefit Issues</u>					
Hanson Bridgett	3,781	4,800	(1,019)	29,000	
Subtotal	3,781	4,800	(1,019)	29,000	13.0%
<u>Miscellaneous Legal Advice</u>					
Meyers Nave	5,140	11,360	(6,220)	68,000	
Subtotal	5,140	11,360	(6,220)	68,000	7.6%
<b>Total Legal Fees</b>	<b>\$ 22,663</b>	<b>\$ 37,160</b>	<b>\$ (14,497)</b>	<b>\$ 223,000</b>	<b>10.2%</b>



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MEMORANDUM TO THE OPERATIONS COMMITTEE

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DATE: April 7, 2021  
TO: Members of the Operations and Retiree Committee  
FROM: Margo Allen, Fiscal Services Officer *MA*  
SUBJECT: Statement of Reserves and Supplemental Retirees Benefit Reserve (SRBR)  
Status as of December 31, 2020

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**Statement of Reserves**

The Statement of Reserves as of December 31, 2020, is attached for your review. The semi-annual interest crediting as of December 31, 2020, was completed on February 23, 2021.

For the six-month period ended December 31, 2020, approximately \$315.0 million of total interest was credited to all the valuation reserve accounts, including the 401(h) account and the SRBR.

- Regular earnings of \$315.0 million were credited to the valuation reserve accounts, the 401(h) account and the SRBR at one half of the assumed crediting rate of return of 3.6250%.
- There was no crediting of earnings above the assumed rate of return (excess earnings).

The total interest crediting rate to the valuation reserve accounts and the 401(h) account as well as the SRBR was 3.6250% (see table below).

Earnings Classification	Valuation Reserve & 401(h) Accounts		SRBR	
	Amount	Rate	Amount	Rate
Regular Earnings	\$281,572,944	3.6250%	\$33,414,313	3.6250%
Excess Earnings	0	0.0000%	0	0.0000%
<b>Total Interest Credited</b>	<b>\$281,572,944</b>	<b>3.6250%</b>	<b>\$33,414,313</b>	<b>3.6250%</b>

The process for crediting interest as of December 31, 2020, is presented in the table on the next page. Note that for this semi-annual interest crediting period, the Contingency Reserve Account (CRA) was restored to 1% of total assets, \$98.7 million as of December 31, 2020, and \$29.7 million was subsequently withdrawn from the CRA to fund the interest crediting shortfall. Without the use of the CRA funds the interest crediting rate would've been 3.2831%.

<b>Interest Crediting Methodology as of December 31, 2020</b>	
Expected Actuarial Earnings for the period	\$ 295,971,204.79
10 % Amortization of deferred amounts – (Sum of the last 10 periods)	88,000,387.53
<b>Actuarial earnings on a smoothed basis</b>	<b>383,971,592.32</b>
CRA adjustment to 1% of total assets as of 12/31/2020	(98,689,470.27)
<b>Actuarial earnings available for interest crediting at the rate 3.2831%</b>	<b>285,282,122.05</b>
CRA usage to cover the interest crediting shortfall	29,705,134.60
<b>Total amount to credit interest at 3.6250%</b>	<b>\$ 314,987,256.65</b>

There was a market *gain* of approximately \$1,508.5 million for the six-month period ended December 31, 2020, which was higher than the expected actuarial earnings of approximately \$296.0 million. As a result, \$1,212.5 million in *gains* were added to the market stabilization reserve (the difference of the actual market gain and the expected actuarial earnings). In addition, \$88.0 million of net *gains* from the previous ten (10) interest crediting cycles were recognized in the current interest crediting period. Thus, the market stabilization reserve increased from net deferred *loss* of \$481.2 million as of June 30, 2020, to \$643.3 million in deferred *gains* as of December 31, 2020.

#### **Supplemental Retiree Benefit Reserve (SRBR) Status Report**

The 10-year history of SRBR activity through December 31, 2020, is attached for your review. The December 31, 2020, ending balance of the SRBR account is approximately \$931.8 million.

The break-down of the December 31, 2020 total interest crediting rate is as follows:

- Regular earnings were credited at the assumed rate of return of 3.6250%.
- No earnings above the assumed rate of return (excess earning) were credited.

The total interest credited to the SRBR for the six-month period ended December 31, 2020, was approximately \$33.4 million of regular earning and \$0.0 of excess earnings. For the year ended December 31, 2020 approximately \$58.9 million of regular earnings and \$0.0 excess earnings were credited to the SRBR.

For the six-month period ended December 31, 2020, the net deductions from SRBR were approximately \$23.5 million. These deductions include the net transfer to/from the employer advance reserve for 401(h) contributions of \$22.8 million, as well as payments of supplemental COLA and retired death benefits of \$0.7 million. For the year ended December 31, 2020, the net deductions from SRBR were approximately \$51.8 million. These deductions include the net transfer to/from the employer advance reserve for 401(h) contributions of \$50.5 million as well as payments of supplemental COLA and retired death benefits of \$1.3 million.

Attachments:

- Statement of Reserves as of December 31, 2020.
- SRBR Status as of December 31, 2020.

**ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**  
**STATEMENT OF RESERVES**  
**For the Six Months Ended December 31, 2020**

	Beginning Balances 6/30/2020	Net Contributions Benefits, Refunds & Transfers 7/1 - 12/31/2020	Interest Crediting Process 7/1 - 12/31/2020 (3.6250%)	Allocation of Excess Earnings 7/1 - 12/31/2020 (0.0000%)	Ending Balances 12/31/2020
<b>Member Reserves:</b>					
Active Member Reserves	\$ 1,593,765,136	\$ (8,260,755)	\$ 54,992,932 <sup>1</sup>	- <sup>1</sup>	\$ 1,640,497,313
Employer Advance Reserve	1,206,797,808	42,354,443	41,728,191	-	1,290,880,442
401(h) Account - OPEB	9,099,884	(378,134)	329,870	-	9,051,620
Total Employer Reserves	1,215,897,692	41,976,309	42,058,061 <sup>1</sup>	- <sup>1</sup>	1,299,932,062
Retired Member Reserves	4,957,026,429	(96,234,602)	184,521,950 <sup>1</sup>	- <sup>1</sup>	5,045,313,777
Supplemental Retiree Benefit Reserve:	921,774,155	(23,434,311)	33,414,313 <sup>1</sup>	- <sup>1</sup>	931,754,157
Contingency Reserve	-	-	68,984,336 <sup>2</sup>	-	68,984,336
Market Stabilization Reserve	(481,202,797)	-	-	1,124,488,502	643,285,705
<b>Total Reserves at Fair Value</b>	<b>\$ 8,207,260,615</b>	<b>\$ (85,953,359)</b>	<b>\$ 383,971,592</b>	<b>\$ 1,124,488,502</b>	<b>\$ 9,629,767,350</b>

Notes: 1. Interest credited as of 12/31/20 includes \$314,987,256.65 of regular earnings and no excess earning allocation to either the SRBR Reserve or Non-SRBR reserves.

2. Amount includes an increase of the CRA by \$98,689,470.27 to restore the balance at 1% total assets as of 12/31/20; and subsequent withdrawal of \$29,705,134.60 to cover the semi-annual interest crediting shortfall at 12/31/20. As a result, the CRA balance at 12/31/20 was 0.70% of total assets.

**ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**  
**STATEMENT OF RESERVES**  
**For the Year Ended December 31, 2020**

	Beginning Balances 1/1/2020	Net Contributions Benefits, Refunds & Transfers 1/1 - 12/31/2020	Interest Crediting Process 6/30/20 & 12/31/2020 (2.7537%) & (3.6250%)	Allocation of Excess Earnings 6/30/20 & 12/31/2020 (0.0000%) & (0.0000%)	Ending Balances 12/31/2020
<b>Member Reserves:</b>					
Active Member Reserves	\$ 1,581,322,252	\$ (36,600,726)	\$ 95,775,787 <sup>1</sup>	- <sup>1</sup>	\$ 1,640,497,313
Employer Advance Reserve	1,159,079,408	60,575,906	71,225,128	-	1,290,880,442
401(h) Account - OPEB	10,415,538	(1,980,605)	616,687	-	9,051,620
Total Employer Reserves	1,169,494,946	58,595,301	71,841,815 <sup>1</sup>	- <sup>1</sup>	1,299,932,062
Retired Member Reserves	4,853,063,581	(131,087,320)	323,337,516 <sup>1</sup>	- <sup>1</sup>	5,045,313,777
Supplemental Retiree Benefit Reserve:	924,709,823	(51,834,073)	58,878,407 <sup>1</sup>	- <sup>1</sup>	931,754,157
Contingency Reserve	-	-	68,984,336 <sup>2</sup>	-	68,984,336
Market Stabilization Reserve	260,688,449			382,597,256	643,285,705
<b>Total Reserves at Fair Value</b>	<b>\$ 8,789,279,051</b>	<b>\$ (160,926,818)</b>	<b>\$ 618,817,861</b>	<b>\$ 382,597,256</b>	<b>\$ 9,629,767,350</b>

Notes: 1. Interest credited as of 06/30/20 and 12/31/20 were \$234,846,268.57 and \$314,987,256.65, respectively. There were no allocation of earnings above the assumed rate of return as of 6/30/20 and 12/31/20.

2. Net amount includes addition to the CRA of \$83,861,667.61 as of 6/30/20 and \$98,689,470.27 as of 12/31/20, to restore the balance at 1% total assets; and subsequent withdrawals of the entire \$83,861,667.61 at 6/30/20 and \$29,705,134.60 at 12/31/20, to cover the semi-annual interest crediting shortfall for the respective crediting periods. As a result, the CRA balance at 12/31/20 was \$68,984,335.67, which is about 0.70% of total assets.

**ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION  
SUPPLEMENTAL RETIREES' BENEFIT RESERVE (SRBR)  
For the Ten Years Ended December 31, 2011 - December 31, 2020**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Beginning Balance</b>	\$624,166,664	\$ 602,906,726	\$570,878,929	\$ 643,056,500	\$ 789,826,877	\$853,842,371	\$874,385,246	\$ 893,770,614	\$ 919,488,617	\$924,709,823
<b>Deductions:</b>										
Transferred to Employers Advance Reserve	31,858,291	33,353,151	32,240,449	34,039,593	36,528,264	33,818,832	38,327,914	43,777,409	44,858,371	45,456,100
Employers Implicit Subsidy	4,402,603	4,411,206	7,370,466	6,992,822	5,320,953	6,021,451	8,787,596	5,800,563	6,899,139	6,446,702
Supplemental Cost of Living	2,556,221	2,345,527	2,067,218	1,849,140	1,555,924	1,350,784	1,231,500	1,134,613	1,181,244	1,116,523
Death Benefit - Burial - SRBR	746,102	791,492	5,525	223,529	213,909	187,081	187,060	196,576	216,834	230,747
ADEB (Active Death)	936,133	426,640	-	-	-	-	-	-	-	-
Total Deductions	40,499,351	41,328,016	41,683,658	43,105,084	43,619,050	41,378,148	48,534,070	50,909,161	53,155,588	53,250,072
<b>Additions:</b>										
Interest Credited to SRBR	19,239,412	9,300,219	38,786,516	54,031,947	62,722,797	60,730,023	66,715,938	64,827,682	57,022,294	58,878,408
Excess Earnings Allocation	-	-	75,074,713 (1)	132,455,002	43,770,247	-	-	10,574,982	-	-
Transferred from Employers Advance Reserve	-	-	-	3,388,512 (2)	1,141,500	1,191,000	1,203,500	1,224,500	1,354,500	1,416,000
Total Additions	19,239,412	9,300,219	113,861,229	189,875,461	107,634,544	61,921,023	67,919,438	76,627,164	58,376,794	60,294,406
<b>Ending Balance</b>	\$602,906,726	\$ 570,878,929	\$843,056,500	\$ 789,826,877	\$ 853,842,371	\$ 874,385,246	\$ 893,770,614	\$ 919,488,617	\$ 924,709,823	\$ 931,754,157

**Notes**

(1) The Excess Earnings allocation of \$75,074,713.03 is a total of \$72,013,436.53 from investment earning above the assumed rate of return and \$3,061,276.50 from additional excess earning made available from the dispersal of the Death Benefit-Burial Reserve as of 12/31/13.

(2) These amounts include reclassification of OPEB Administrative Expense contribution reimbursement activities and interest from January 2012 through June 2014, and normal activities for the six month period of July 2014 through December 2014. The SB 1479 reimbursements from the Employer Advance Reserve were inadvertently booked to the 401(h) account instead of SRBR. A total misclassified balance of \$2,649,500 and regular credited interest of \$182,511.54 were transferred from the 401(h) account to SRBR.

Amounts are rounded to the nearest dollar and include <\$1 rounding differences.