



ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
BOARD OF RETIREMENT
MINUTES

THIS MEETING WAS CONDUCTED VIA TELECONFERENCE WITH VIDEO

Thursday, April 16, 2020

Chair Henry Levy called the meeting to order at 2:05.m.

Trustees Present: Dale Amaral
Ophelia Basgal
Keith Carson
Tarrell Gamble
Jaime Godfrey
Liz Koppenhaver
Henry Levy
Elizabeth Rogers
George Wood
Nancy Reilly (*Alternate*)
Darryl Walker (*Alternate*)

Staff Present: Margo Allen, Fiscal Services Officer
Victoria Arruda, Human Resource Officer
Angela Bradford, Executive Secretary
Sandra Dueñas-Cuevas, Benefits Manager
Kathy Foster, Assistant Chief Executive Officer
Harsh Jadhav, Chief of Internal Audit
Vijay Jagar, Retirement Chief Technology Officer, ACERA
David Nelsen, Chief Executive Officer
Jeff Rieger, Chief Counsel
Betty Tse, Chief Investment Office

Staff Excused: Jessica Huffman, Benefits Manager

PUBLIC INPUT

None.

**CONSENT CALENDAR
REPORTS AND ACTION ITEMS**

APPROVAL of APPLICATIONS FOR SERVICE RETIREMENT

Appendix A

APPROVAL of APPLICATIONS FOR RETIREMENT, DEFERRED

*Appendix B
Appendix B-1*

APPROVAL of APPLICATIONS FOR DEFERRED TRANSFER

None

LIST OF DECEASED MEMBERS

Appendix D

**APPROVAL of REQUEST FOR 130 BI-WEEKLY PAYMENTS TO RE-DEPOSIT
CONTRIBUTIONS AND GAIN CREDIT**

Appendix E

**APPROVAL of STAFF RECOMMENDATIONS (UNCONTESTED) FOR
DISABILITY RETIREMENTS**

Appendix F

**APPROVAL of HEARING OFFICER RECOMMENDATIONS FOR DISABILITY
RETIREMENTS**

None

APPROVAL of COMMITTEE and BOARD MINUTES

*February 13, 2020 Investment Committee Minutes
February 20, 2020 Audit Committee Minutes
February 20, 2020 Minutes of the Regular Board Meeting*

MISCELLANEOUS MATTERS

*Operating Expenses as of February 29, 2020
Approval of Staff's recommendations for adoption of new pay codes for the County of Alameda, Alameda Health System and Superior Courts*

20-14

It was moved by Elizabeth Rogers seconded by Liz Koppenhaver and approved by a vote of 8 yes (*Basgal, Carson, Gamble, Godfrey, Koppenhaver, Levy, Rogers, Wood*), 0 no, and 0 abstentions. (*Dale Amaral and Darryl Walker recused themselves because one or more of the Consent Calendar items involved their employing Department*):

BE IT RESOLVED BY THIS BOARD that the Consent Calendar is approved.

**REGULAR CALENDAR
REPORTS AND ACTION ITEMS**

**DISABILITIES, CURRENT AND CONTINUING RECOMMENDATIONS AND
MOTIONS**

None.

COMMITTEE REPORTS, RECOMMENDATIONS AND MOTIONS

None.

NEW BUSINESS

Representatives Marc Davidson, Anthony Crooks, and Candida Hoeberichts from AEW provided the Trustees with a virtual teleconference presentation on the current Partners Real Estate Fund, number IX in the series. ACERA Chief Investment Officer Betty Tse explained that given prior investment experience with AEW, ACERA considers AEW a manager in good standing. Representatives of Callan Institutional Investment Consulting reviewed AEW's organization, research capabilities, and current objectives. Given the disruption caused by the COVID-19 global pandemic, AEW sees investment opportunities in the market dislocations in real estate. For example, properties taken back by a bank because of loan default. AEW Partners Real Estate Fund IX is a closed-end limited partnership that invests in the four primary real estate property types and growth regions of the United States.

20-15

It was moved by Elizabeth Rogers and seconded by Jaime Godfrey that the Board approve an up to \$35 million Investment in AEW Partners Real Estate Fund IX, as part of ACERA's Real Estate Portfolio – Opportunistic pending completion of legal and investment due diligence and successful contract negotiations. The motion carried 8 yes (*Basgal, Carson, Gamble, Godfrey, Koppenhaver, Levy, Rogers, Wood*), 1 no (*Amaral*), and 0 abstentions.

Chief Executive Officer Dave Nelsen presented and discussed Staff's proposal set forth in the memorandum attached to these minutes as **Exhibit A**.

20-16

It was moved by Keith Carson and seconded by Jaime Godfrey that the Board adopt the proposal in Exhibit A, with one change: Instead of having the Chair and Vice Chair of the Investment Committee make the investment decision in the first instance and only go to the Chair of the Board to break ties, the Board decided that all three of those Trustees will make the decision in the first instance, by majority vote. The motion carried 9 yes (*Amaral, Basgal, Carson, Gamble, Godfrey, Koppenhaver, Levy, Rogers, Wood*), 0 no, and 0 abstentions.

EXHIBIT A



*Office of the Chief Executive Officer
Office of Administration*

DATE: April 16, 2020
TO: Members of the Board of Retirement
FROM: Dave Nelsen, Chief Executive Officer *DN*
SUBJECT: Delegated Authority of Investment Staff

The current COVID-19 pandemic has created significant disruption in our society. This disruption has impacted each of us from how we conduct our personal daily routines, to how we conduct our business. It has created investment market disruption as well. We have seen the value of our portfolio decrease significantly in reaction to these events, while experiencing extreme volatility.

When faced with a highly volatile market, devalued equities, and businesses that could be struggling to continue, there may be deals available to ACERA that offer significant value. However, some of these deals may not be available for long, and authority to act quickly could be essential. The Investment team, in consultation with Verus, are in support of providing additional temporary authority to staff to approve certain investment proposals.

The Proposal:

Grant the Investment Staff the temporary authority to approve the consultant's new and re-up investment proposals up to \$75 million, upon completion of a thorough review and due diligence process with satisfactory results, in the following investment types:

- a) Private Equities;
- b) Absolute Returns;
- c) Real Assets;
- d) Real Estate; and,
- e) Private Credit.

Under this temporary expanded authority, a deal would require the approval of the Chair and Vice-Chair of the Investment Committee (unless the deal is already within previously existing delegated authority that does not require such approval). In the event the Chair and the Vice-Chair disagree on the investment proposal, the Chair of the Board would cast the deciding vote to approve or not. This temporary authority would be through September 30, 2020, or until removed by action of the Board, whichever comes first.

Background:

Currently, Investment Staff can approve up to \$25 million for new Private Equity or Absolute Return proposals, and up to \$65 million for new Private Credit proposals. There is currently no delegated authority to Investment Staff for Real Estate or Real Assets proposals.

Discussion:

ACERA uses a very deliberative process for approving most investment proposals. While it is the case for many public plans that the additional administrative approval requirements may make them a less nimble investment partner, it has been a value of the ACERA Board that this deliberative process results in better outcomes over the long term.

This proposal would allow Investment Staff to bypass some of those processes a bit more frequently in order to take advantage of a unique investment environment, while still providing Trustee oversight and involvement. It is noted that the temporary modifications to the Brown Act by Governor Newsom have made conducting public meetings much easier and quicker to bring about. These modifications could allow for more nimble actions by the Board to approve proposals quickly. However, given the uncertainty of health and availability of the parties involved during this crisis, we feel this temporary grant of additional authority could be both prudent and beneficial for the portfolio, and ultimately for the members and employers.

Recommendation:

We recommend that the Board of Retirement grant the temporary increase to Investment Staff delegated authority as outlined in this memo.

Investment Market Update (Information Item)

Verus representatives provided an update on the current market and the impact to ACERA's portfolio due to the COVID-19 Pandemic

Segal's Presentation and Discussion of the Actuarial Valuation and Review as of December 31, 2019 (Information Item)

Segal Consulting Actuary, Andy Yeung, presented and discussed ACERA's draft Actuarial Valuation and Review as of December 31, 2019 (*i.e.*, funding valuation report).

Segal's Presentation and Discussion of the GASB Statement No. 67 Valuation and addendums as of December 31, 2019 (Information Item)

Segal Consulting Representative, Eva Yum, presented and discussed ACERA's draft Governmental Accounting Standards Board (GASB) Statement No. 67 Valuation and addendums as of December 31, 2019 (*i.e.*, pension liability reporting).

Segal's Presentation and Discussion of the GASB Statement No. 74 Valuation and addendums as of December 31, 2019 (Information Item)

Segal Consulting Actuary, Andy Yeung, presented and discussed the draft GASB Statement No. 74 Valuation and addendums as of December 31, 2019 (*i.e.*, OPEB liability reporting).

Solicit Input on the Frequency and Content of Operational Updates to the Board During This Period of Disruption

Mr. Nelsen informed the Trustees that if they want additional information/updates and/or want updated information more frequently during the COVID-19 Pandemic, to contact him via phone and/or email.

David Nelsen, Chief Executive Officer's Report

Mr. Nelsen presented his April 16, 2020, written CEO Report which provided an update on: **1)** Committee and Board Action Items; **2)** how ACERA is currently serving its members, **3)** the Pension Administration System; and **4)** Personnel Items. Mr. Nelsen also explained that ACERA will soon begin conducting Committee meetings during this pandemic, as necessary, in addition to its Board meetings.

CONFERENCE/ORAL REPORTS

Chair Henry Levy attended the Council of Institutional Investors in March 2020.

ANNOUNCEMENTS

Trustees/Staff welcomed Jeff Rieger, ACERA's new Chief Counsel.

BOARD INPUT

None.

ADJOURNMENT

The meeting adjourned at approximately 5:00 p.m.

Respectfully Submitted,



David Nelsen
Chief Executive Officer

05/21/2020

Date Adopted

**APPENDIX A
APPLICATION FOR SERVICE RETIREMENT**

ALBERGOTTIE, Linda
Social Services Agency
Effective Date: 12/28/2019

DICKSON, Ursula
District Attorney
Effective Date: 1/11/2020

ALLEN, Sharon A.
Effective: 12/14/2019
Sheriff's Office

DURAN, Delia
Effective Date: 1/25/2020
Social Services Agency

ANILAO, Cristti S.
Effective: 12/3/2019
Alameda Health System

EIJANSANTOS, Ronald
Sheriff's Office
Effective Date: 2/9/2020

BHIMJI, Altaf
Health Care Services Agency
Effective Date: 1/15/2020

ELENDU, Ann U.
Effective: 8/15/2018
Alameda Health System

BOLDEN, Valerie
Social Services Agency
Effective Date: 1/25/2020

ELZY, Bennie
Probation
Effective Date: 12/2/2019

BUXTON, Stephen L.
Effective Date: 1/25/2020
Assessor

ESTRADA, Nellie
Effective 12/03/2019
Alameda Health System

COPEs, Deborah
Superior Court
Effective Date: 1/11/2020

FERNANDEZ, Thelma
Alameda Health System
Effective Date: 2/2/2020

CORREIA, Kevin
Zone 7
Effective Date: 2/9/2020

FOSSETT, John L.
Effective: 1/01/2020
Assessor

CRUZ, Louis
District Attorney
Effective Date: 2/8/2020

GARCIA, Maria
Alameda Health System
Effective Date: 2/9/2020

DAVIS, Charlena
Social Services Agency
Effective Date: 9/20/2019

GOODMAN, Kevin D.
Effective: 12/31/2019
Sheriff's Office

DEGAUD-OBROU, Colette
Alameda Health System
Effective Date: 11/7/2019

GREEN, Kelli
Social Services Agency
Effective Date: 12/2/2019

**APPENDIX A
APPLICATION FOR SERVICE RETIREMENT**

GRIFFEY, Dawn
Superior Court
Effective Date: 1/25/2020

JACKSON, Melanie E.
Effective: 1/11/2020
Social Services Agency

GRUIDL, Kenneth
Sheriff's Office
Effective Date: 1/25/2020

JACKSON, Ray
Public Works Agency
Effective Date: 1/25/2020

GUMS, Angela D.
Effective: 1/18/2020
Health Care Services Agency

JACKSON, Sharon
Alameda Health System
Effective Date: 1/12/2020

FRIBERG, James W.
Effective: 12/20/2019
Sheriff's Office

JAKUB, Charles T.
Effective: 12/14/2019
Public Works Agency

HALL, Laurie
Retirement
Effective Date: 3/4/2020

JOHNSON, Karen
Sheriff's Office
Effective Date: 11/2/2019

HALL, Phyllis K.
Effective: 1/10/2020
Probation

KESWANI, Anita
Effective: 12/14/2019
Alameda Health System

HALLOUM, Omar A.
Effective: 12/24/2019
Information Technology

KILER, Diane L.
Effective: 1/11/2020
Auditor-Controller

HENDERSON, Douglas
Community Development Agency
Effective Date: 3/7/2020

LEE, Teodora S.
Effective: 12/24/2019
Alameda Health System

HESS, David
Social Services Agency
Effective Date: 12/3/2019

LEE-FRISON, Pamela
Probation
Effective Date: 1/21/2020

HOU, Sandra
County Administrator
Effective Date: 2/8/2020

LOUKIANOFF, Michael
Health Care Services Agency
Effective Date: 1/22/2020

IRLANDA, Remedios
Effective: 1/11/2020
Alameda Health System

MARKLE, Madelyne
Effective: 11/26/2019
Alameda Health System

**APPENDIX A
APPLICATION FOR SERVICE RETIREMENT**

McGEE, Jim
Effective: 12/01/2019
Public Works Agency

SMALL Jeanne
Effective: 8/15/2018
Sheriff's Office

MERTL, Deborah
Sheriff's Office
Effective Date: 1/28/2020

SAN AGUSTIN, Enrique
Public Works Agency
Effective Date: 7/13/2019

MORALES, Sal
County Counsel
Effective Date: 2/1/2020

SMITH, Edward
General Services Agency
Effective Date: 6/29/2019

O'DOWD, Mark
Effective: 12/31/2019
Public Works Agency

STARK, David R.
Effective: 12/27/2019
Sheriff's Office

PURCELL, Libby A.
Effective: 1/12/2020
Alameda Health System

TATUM, Clinton
Alameda Health System
Effective Date: 1/14/2020

PUTICH, Richard R.
Effective: 12/01/2019
Zone 7

TRUJILLO DE TORRES, Salomae
Social Services Agency
Effective Date: 1/31/2020

RANDA, Dalen
Probation
Effective Date: 1/24/2020

VALENCIA, Perry
General Services Agency
Effective Date: 7/13/2019

RODRIGUEZ, Vincent
Public Works Agency
Effective Date: 6/15/2019

WALKER, Douglas R.
Effective: 12/27/2019
Sheriff's Office

RTOUBI, Latifa
Effective: 12/30/2019
Alameda Health System

WONG, Craig
Sheriff's Office
Effective Date: 7/27/2019

RUDE, Theresa
County Administrator
Effective Date: 2/8/2020

WOO, Mark
Health Care Services Agency
Effective Date: 12/20/2019

SLAVIT, Paul
Effective: 1/21/2020
Superior Court

WOODARD, Sharon
Effective: 12/27/2019
Alameda Health System

**APPENDIX B
APPLICATION FOR DEFERRED RETIREMENT**

ABRAHAM, Leah N.
Public Defender
Effective Date: 3/12/2020

SILVER, Rachel C.
Social Services Agency
Effective: 1/17/2020

AGNEW, Jonathan R.
Information Technology
Effective: 1/31/2020

STEWART, Shandonna M.
Alameda Health System
Effective: 1/03/2020

KEYES, Jade R.
Alameda Health System
Effective Date: 1/17/2020

TAYLOR, Erik J.
Sheriff's Office
Effective: 1/03/2020

MCFARLAND, Nancy L.
Alameda Health System
Effective: 12/27/2019

TURNER, Clarice J.
Alameda Health System
Effective: 2/24/2020

WARHUUS, Lisa M.
Health Care Services Agency
Effective: 3/6/2020

**APPENDIX B-1
APPLICATION FOR NON-VESTED DEFERRED**

ARAICA, Ernesto D.
Public Works Agency
Effective Date: 1/31/2020

LUKE, Ryan J.
Sheriff's Office
Effective: 3/6/2020

PENG, Kayla K.
Child Support Services
Effective Date: 1/24/2020

STEPNEY, Robert D.
Alameda Health System
Effective: 12/06/2019

**APPENDIX D
LIST OF DECEASED MEMBERS**

ANDERSEN, Ronald
Public Works Agency
2/27/2020

DICKSON, Jon
Alameda Health System
3/6/2020

BARBER, Carolyn
Social Services Agency
2/15/2020

EVANS, Thomas
County Library
02/20/2020

BAUGHMAN, Allen
Alameda County
02/03/2020

HASHIMOTO, Takeshi
General Services Agency
3/5/2020

BISQUERA, Aurelio
Auditor-Controller
2/24/2020

HEFFERNAN, Orlou
Alameda County
12/07/2019

BERGENDAHL, Lavoy
Social Services Agency
01/18/2020

HENDERSON, Alfred
Non-Member Survivor of Mable Henderson
02/01/2020

BLANCO, Arnold
Non-Mbr Survivor of Maria Blanco
2/23/2020

HOUSE, Thelma
Social Services Agency
3/5/2020

BROWN, Johnnie
Social Services Agency
02/24/2020

INGRAM, Eva
Alameda Health System
3/13/2020

CAYA, Robert
Alameda County
02/10/2020

JACKSON, Brenda
Alameda Health System
01/31/2020

DA VEGA, Clayton
Alameda County
01/25/2020

JULIAN, Daniel
Non-Mbr Survivor of Betty Julian
3/8/2020

DAVIS, Louie
Social Services Agency
02/04/2020

MALL, Athel
Alameda Health System
2/17/2020

DEGARMO, David
Public Defender
3/14/2020

MATHISEN, Aileen
Alameda Health System
3/6/2020

**APPENDIX D
LIST OF DECEASED MEMBERS**

MINOT, Roland
Non-Mbr Survivor of Anita Minot
3/10/2020

SIMPSON, Riccardo
Alameda Health System
02/06/2020

MUELLER, Ronald
LARP
02/11/2020

SPENCE, William
Sheriff's Office
2/22/2020

OSUNA, Anne
Alameda County
01/30/2020

SPIERING, Rochelle
Health Care Services Agency
2/11/2020

PANTONIAL, Zenaida
Public Defender
01/29/2020

TABOADA, Manuel
Alameda County
02/07/2020

PENNINGTON, Ora
Alameda Health System
02/29/2020

THOMPSON, Gloria
Social Services Agency
1/31/2020

PETERSON, Dale
Alameda Health System
01/12/2020

WALSH, Dorothy
Non-Member Survivor of Bernard Walsh
12/25/2019

POCHE, Bernard
Non-Mbr Survivor of Sharon Poche
2/17/2020

WHITE, Sheila
Information Technology
3/2/2020

PUENTES, Mirta
Alameda County
08/12/2019

WILLIAMSON, Gloria
Non-Mbr Survivor of Robert Williamson
2/22/2020

ROSE, James
Alameda County
01/30/2020

WINROW, Maelene
Social Services Agency
2/13/2020

SAPER, Eugene
Sheriff's Office
2/19/2020

SIMMONS, Velma
Assessor
2/21/2020

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

THOMAS, Andrea N.
130 Biweekly Payroll Deductions for a total of \$34,729.50
Government Code § 31652 Redeposit

APPENDIX F
APPLICATION FOR DISABILITY RETIREMENT

Name: Algere, Tachia
Type of Claim: Annual Review for SCD (Granted on 3/21/19)

Staff's Recommendation:

Adopt the findings and conclusions and approve and adopt the recommendation contained in the Medical Advisor's report to continue the allowance for Ms. Algere's service-connected disability and to require future annual medical examinations and questionnaires at this time.

Name: Arbuckle, Jason
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. Arbuckle's application for a service-connected disability. Since Mr. Arbuckle is over 55 years old, future annual medical examinations and questionnaires will not be required.

Name: Bautista, Sandra
Type of Claim: Annual Review for SCD (Granted on 3/21/19)

Staff's Recommendation:

Adopt the findings and conclusions and approve and adopt the recommendation contained in the Medical Advisor's report to continue the allowance for Ms. Bautista's service-connected disability and to waive future annual medical examinations and questionnaires at this time.

APPENDIX F
APPLICATION FOR DISABILITY RETIREMENT

Name: **Bishop, Timothy**
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. Bishop's application for a service-connected disability. Since Mr. Bishop is over 55 years old, future annual medical examinations and questionnaires will not be required.

Name: **Kniffin, John**
Type of Claim: Annual Review for SCD (Granted on 1/17/19)

Staff's Recommendation:

Adopt the findings and conclusions and approve and adopt the recommendation contained in the Medical Advisor's report to continue the allowance for Mr. Kniffin's service-connected disability and to waive future annual medical examinations and questionnaires at this time.

Name: **Krischer, Tanni**
Type of Claim: Annual Review for SCD (Granted on 9/20/18)

Staff's Recommendation:

Adopt the findings and conclusions and approve and adopt the recommendation contained in the Medical Advisor's report to continue the allowance for Ms. Krischer's service-connected disability and to waive future annual medical examinations and questionnaires at this time.

Name: **Mendoza, Arnoldo**
Type of Claim: Earlier Effective Date

Staff's Recommendation:

Based on the Medical Advisor's and Staff's review and determination of Mr. Mendoza's ability to determine the permanency of his incapacity, to deny Mr. Mendoza's request for an earlier effective date.

APPENDIX F
APPLICATION FOR DISABILITY RETIREMENT

Name: Neils, Adam
Type of Claim: Annual Review for SCD (Granted on 4/18/19)

Staff's Recommendation:

Adopt the findings and conclusions and approve and adopt the recommendation contained in the Medical Advisor's report to continue the allowance for Mr. Neil's service-connected disability and to waive future annual medical examinations and questionnaires at this time.

Name: O'Brien, Michael
Type of Claim: Annual Review for SCD (Granted on 9/20/18)

Staff's Recommendation:

Adopt the findings and conclusions and approve and adopt the recommendation contained in the Medical Advisor's report to continue the allowance for Mr. O'Brien's service-connected disability and to waive future annual medical examinations and questionnaires at this time.

Name: Pope, Derek
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. Pope's application for a service-connected disability, and waiving future annual medical examinations and questionnaires at this time.

Based on the Medical Advisor's and Staff's review and determination of Mr. Pope's ability to determine the permanency of his incapacity, to approve Mr. Pope's request for an earlier effective date.

APPENDIX F
APPLICATION FOR DISABILITY RETIREMENT

Name: Scott, Lisa
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. Scott's application for a service-connected disability. Since Ms. Scott is over 55 years old, future annual medical examinations and questionnaires will not be required.

Name: Tulley, Jeanette
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. Tulley's application for a service-connected disability, and requiring future annual medical examinations and questionnaires.

Based on the Medical Advisor's and Staff's review and determination of Ms. Tulley's ability to determine the permanency of her incapacity, to deny Ms. Tulley's request for an earlier effective date.
