



Alameda County Employees' Retirement Association
BOARD OF RETIREMENT

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.

**Thursday, May 20, 2021
2:00 p.m.**

ZOOM INSTRUCTIONS	BOARD OF RETIREMENT - MEMBERS	
<p>The public can view the Teleconference and comment via audio during the meeting. To join this Teleconference, please click on the link below. https://zoom.us/join Webinar ID: 848 1155 4030 Passcode: 191081 For help joining a Zoom meeting, see: https://support.zoom.us/hc/en-us/articles/201362193</p>	DALE AMARAL	ELECTED SAFETY
	CHAIR	
	JAIME GODFREY	APPOINTED
	FIRST VICE-CHAIR	
	LIZ KOPPENHAVER	ELECTED RETIRED
	SECOND VICE-CHAIR	
	OPHELIA BASGAL	APPOINTED
	KEITH CARSON	APPOINTED
	TARRELL GAMBLE	APPOINTED
	HENRY LEVY	TREASURER
	DARRYL WALKER	ELECTED GENERAL¹
	GEORGE WOOD	ELECTED GENERAL
	NANCY REILLY	ALTERNATE RETIRED²
	VACANT	ALTERNATE SAFETY³

¹ Trustee Walker is filling the vacancy created by Trustee Rogers' retirement. See Gov't Code §§ 31524, 31520.1(b).

² 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 Elected Safety Member and an Elected General member, are absent).

³ Trustee Walker is filling the vacancy created by Trustee Rogers' retirement. See Gov't Code §§ 31524, 31520.1(b).

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.

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

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.

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. APPROVE APPLICATIONS FOR SERVICE RETIREMENT:

Appendix A

B. APPROVE APPLICATIONS FOR RETIREMENT, DEFERRED:

Appendix B

Appendix B-1

C. APPROVE APPLICATIONS FOR DEFERRED TRANSFER:

None

D. LIST OF DECEASED MEMBERS:

Appendix D

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

Appendix E

F. APPROVE STAFF RECOMMENDATIONS (UNCONTESTED) FOR DISABILITY RETIREMENTS:

Appendix F

G. APPROVE HEARING OFFICER RECOMMENDATIONS FOR DISABILITY RETIREMENTS:

None

H. APPROVAL of COMMITTEE and BOARD MINUTES:

April 14, 2021 Investment Committee Minutes

April 15, 2021 Actuarial Committee Minutes

April 15, 2021 Audit Committee Minutes

April 15, 2021 Minutes of the Regular Board Meeting

May 5, 2021 Investment Committee Minutes

I. MISCELLANEOUS MATTERS:

Quarterly Financial Statements as of March 31, 2021

Operating Expenses as of March 31, 2021

Quarterly Cash Forecast Report as of March 31, 2021

Board Member Conference Expense Report for 1st Qtr. 2021

Senior Manager Conference and Training Expense Report for 1st Qtr. 2021

Quarterly Report on Member Under/Overpayments

1st Quarter Call Center Report

1. *Approve Staff Recommendation regarding Alameda Health System's New Pay Item/Code COVID-19 Supplemental Paid Sick Leave – 12D*
2. *Approve Staff Recommendation regarding County of Alameda's New Pay Item/Code Countywide-Responsibility-Workplace-Safety & Project – 42Q*
3. *Approve Staff Recommendation regarding First 5 Alameda County's New Pay Item/Code CA COVID Supplemental Sick – 6CL*

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

REGULAR CALENDAR
REPORTS AND ACTION ITEMS

5. DISABILITIES, RECOMMENDATIONS AND MOTIONS:

None.

6. COMMITTEE REPORTS, RECOMMENDATIONS AND MOTIONS:

A. Investment: [See May 5, 2021 Investment Committee Agenda Packet for all public materials related to the below listed items.]

1. Summary of May 5, 2021 Meeting.
2. Motion to adopt an up to \$40 million Investment in CBRE Strategic Partners U.S. Value 9 as part of ACERA's Real Estate Portfolio – Value Added, pending completion of legal and investment due diligence and successful contract negotiations.
3. Discussion and possible motion to adopt an up to \$27 million investment in ABRY Senior Equity VI, L.P., as part of ACERA's Private Equity Portfolio - Debt Related/Special Situations, pending completion of legal and investment due diligence and successful contract negotiations.

B. Governance: [See May 19, 2021 Governance Committee Agenda Packet for all public materials related to the below listed items.]

1. Summary of May 19, 2021 Meeting.
2. Motion to adopt the Governance Committee’s recommended revisions to the *Chief Executive Officer (CEO) Job Duties and Delegation Authority Policy*.
3. Motion to adopt the Governance Committee’s recommended revisions to the *Emergency CEO Succession Policy*.
4. Motion to adopt the Governance Committee’s recommended revisions to the *CEO Evaluation Policy*.

C. Actuarial: [See May 20, 2021 Actuarial Committee Agenda Packet for all public materials related to the below listed items.]

1. Summary of May 20, 2021 Meeting.
2. Motion to adopt the Actuarial Valuation as of December 31, 2020 (The Segal Group).
3. Motion to adopt the Actuarial Committee’s recommended revisions to the *Actuarial Funding Policy*.
4. Motion to adopt the Actuarial Committee’s recommended revisions to the *Interest Crediting Policy*.

D. Audit: [See May 20, 2021 Audit Committee Agenda Packet for all public materials related to the below listed items.]

1. Summary of May 20, 2021 Meeting.
2. Motion to approve the December 31, 2020 Audited Financial Statements and Independent Auditor’s Report (Williams Adley & Company).
3. Motion to adopt the Government Accounting Standards Board (GASB) Statement No. 67 Actuarial Valuation and addendum as of December 31, 2020.
4. Motion to adopt the Government Accounting Standards Board (GASB) Statement No. 74 Actuarial Valuation and addendum as of December 31, 2020.

7. NEW BUSINESS:

- A.** Discussion and possible motion that after contributions are made to the 401(h) accounts by the respective Participating Employers, ACERA, in accordance with the CERL, treat an equal amount of Supplemental Retiree Benefit Reserve (SRBR) assets as employer contributions for pensions and transfer the amount equal to the pro rata share of the 401(h) contributions for the 2021-2022 fiscal year for each Participating Employer. The exact amount will be adjusted by the balance remaining in each of the 401(h) accounts and is contingent upon receipt by ACERA of an authorizing resolution from the Participating Employers' governing bodies.
- B.** Discussion and possible motion to adopt proposed *eSignature Policy*.
- C.** Discussion regarding the Timing of Transitioning to Non-Virtual Committee and Board Meetings.
- D.** Update on the Vote regarding SACRS Business Meeting Action Items.
- E.** Chief Executive Officer's Report.

8. CONFERENCE/ORAL REPORTS:

9. ANNOUNCEMENTS:

10. BOARD INPUT:

11. ESTABLISHMENT OF NEXT MEETING:

Thursday, June 17, 2021 at 2:00 p.m.

12. CLOSED SESSION:

- A.** Conference With Legal Counsel--Existing Litigation (Gov't Code § 54956.9(d)(1)):

Alameda County Deputy Sheriff's Association v. Alameda County Employees' Retirement Association, Contra Costa County Superior Court, Case No. MSN12-1870.

13. REPORT ON ACTION TAKEN IN CLOSED SESSION:

14. ADJOURNMENT:

**APPENDIX A
APPLICATION FOR SERVICE RETIREMENT**

BARKER, Joan T.
Effective: 2/27/2021
Superior Court

CONTRERAS, Maria B.
Effective: 3/20/2021
Public Works Agency

BRANTLEY, Idelia
Effective: 2/11/2021
Health Care Services Agency

CRIST, Frieda J.
Effective: 11/14/2020
Social Services Agency

BROCK, Bruce W.
Effective: 3/20/2021
District Attorney

DANNER, Marie E.
Effective: 2/27/2021
Superior Court

BURNS, Thomas A.
Effective: 3/20/2021
Sheriff's Office

DAO, Joseph
Effective: 3/20/2021
Social Services Agency

BYE, Lance R.
Effective: 2/7/2021
Sheriff's Office

DUBOWY, David R.
Effective: 1/23/2021
Superior Court

CAMACHO, Ester S.
Effective: 3/20/2021
Assessor

ELLISON, Carolyn A.
Effective: 3/20/2021
Health Care Services Agency

CARTWRIGHT, Kelly B.
Effective: 3/13/2021
Sheriff's Office

ESCOBAR, Rodolfo T.
Effective: 3/7/2021
Alameda Health System

CASTILLO, Dana J.
Effective: 2/27/2021
Social Services Agency

FAKHRI, Karima
Effective: 3/16/2021
Alameda Health System

CASTILLO, Estela
Effective: 3/27/2021
Human Resource Services

FOO, Barbara C.
Effective: 3/20/2021
District Attorney

CHAN, Kimberly A.
Effective: 3/6/2021
Social Services Agency

FUENTES, Rebecca B.
Effective: 3/20/2021
Dept. of Child Support Services

CHENAULT, Robert A.
Effective: 3/20/2021
District Attorney

GEBHART, Rebecca
Effective: 3/20/2021
Health Care Services Agency

APPENDIX A
APPLICATION FOR SERVICE RETIREMENT

GRESSEL, Josh
Effective: 3/4/2021
County Counsel

MC CAFFREY, Mary Jane
Effective: 3/20/2021
Dept. of Child Support Services

GUFFEY, Kenneth D.
Effective: 2/27/2021
Sheriff's Office

MINTZ, Jonathan D.
Effective: 3/17/2021
Dept. of Child Support Services

HINDERLIE, Norma
Effective: 4/4/2021
Non-Member

MITCHELL, Tina L.
Effective: 3/10/2021
Social Services Agency

JOHNSON, Karen L.
Effective: 3/20/2021
Dept. of Child Support Services

MUNIZ, Matthew G.
Effective: 3/6/2021
Genral Services Agency

JOHNSON, Reginald R.
Effective: 2/19/2021
Probation Department

MUNOZ, Norma
Effective: 2/20/2021
Alameda Health System

KELLER, Michele A.
Effective: 3/1/2021
Probation Department

NEAL, Michele S.
Effective: 2/27/2021
Alameda Health System

KIBLER, Richard
Effective: 2/23/2021
Alameda Health System

NEHRLING, Paula R.
Effective: 2/12/2021
Alameda Health System

KIFLE, George G.
Effective: 2/22/2021
Alameda Health System

NEWTON, Ronald S.
Effective: 3/20/2021
General Services Agency

KILLINGSWORTH, Dorothy A.
Effective: 3/20/2021
General Services Agency

NGUYEN, Tai C.
Effective: 3/20/2021
District Attorney

LUK, Wayne W.
Effective: 3/20/2021
Social Services Agency

OLDENHAGE, Marion E.
Effective: 2/20/2021
ACERA

MARRAMA, Gregg A.
Effective: 3/22/2021
County Administrator

PINNOCK, James
Effective: 3/6/2021
Social Services Agency

**APPENDIX A
APPLICATION FOR SERVICE RETIREMENT**

RANDALL, Oteria
Effective: 3/6/2021
Health Care Services Agency

SOUZA-BRIEN, Norma M.
Effective: 2/20/2021
Social Services Agency

ROBINSON, Tonia T.
Effective: 2/20/2021
Social Services Agency

STROUP, Mark C.
Effective: 3/27/2021
Public Defender

ROGERS, John K.
Effective: 2/6/2021
Public Works Agency

SUCHON, Susan G.
Effective: 3/11/2021
Sheriff's Office

ROWDEN, Cynthia M.
Effective: 3/20/2021
Alameda Health System

SWIERS, Randy
Effective: 3/1/2021
LARPD

SAN JUAN, Elvie V.
Effective: 3/20/2021
Alameda Health System

WATSON, Ricky L.
Effective: 3/12/2021
Probation Department

SHAGOVAC, Machele F.
Effective: 2/6/2021
Dept. of Child Support Services

WESTON, Christine
Effective: 3/20/2021
Community Development Agency

SINESIO, Vincent P.
Effective: 3/19/2021
Public Works Agency

WHITAKER, Betty J.
Effective: 3/6/2021
Dept. of Child Support Services

SMITH, Derek L.
Effective: 3/2/2021
Probation Department

WILSON, George W.
Effective: 3/20/2021
Public Works Agency

**APPENDIX B
APPLICATION FOR DEFERRED RETIREMENT**

BAILEY, Monee L.
Probation Department
Effective Date: 3/31/2021

CASAREZ, Raymond C.
District Attorney
Effective: 1/29/2021

BALMES, Alma A.
County Administrator
Effective: 3/5/2021

CHEW, Mary A.
Social Services Agency
Effective: 3/19/2021

BERNAOLA, Stephanie C.
District Attorney
Effective: 4/9/2021

CHILDERS, Iona F.Q.
General Services Agency
Effective: 3/12/2021

**APPENDIX B
APPLICATION FOR DEFERRED RETIREMENT**

COUTHER, Tasha A.
Social Services Agency
Effective: 11/4/2020

GUILBERT, Evguenia Y.
Assessor
Effective: 4/2/2021

CRUZ, Nayeli Z.
Social Services Agency
Effective: 1/15/2021

HORTON, Felicia
Alameda Health System
Effective: 1/21/2021

DEKTAR, Ellen
Social Services Agency
Effective: 3/15/2021

JOHNSON, Tamara T.
Probation Department
Effective: 4/16/2021

EMOLE, Murphy E.N.
Alameda Health System
Effective: 4/8/2021

SMITH, Mack M.
General Services Agency
Effective: 4/16/2021

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

AMADOR, Gynelly
Public Works Agency
Effective Date: 2/1/2021

CUEVAS BUENDIA, Beatriz
Health Care Services Agency
Effective: 1/22/2021

BASA, Caesar Joseph T.
Alameda Health System
Effective: 2/20/2021

DAMANI, Annalyn E.
Assessor
Effective: 3/19/2021

BUI, Linda T.
Health Care Services Agency
Effective: 4/9/2021

DES PRES, Alex
Social Services Agency
Effective: 3/19/2021

BURNS, Paula S.
Alameda Health System
Effective: 2/1/2021

DUONG, My H.
Social Services Agency
Effective: 2/5/2021

CARLOS, Rudy
Alameda Health System
Effective: 3/1/2021

DYBA, Stephen P.
ACERA
Effective: 4/2/2021

CASHEN, Brett S.
Alameda Health System
Effective: 2/3/2021

FERGUSON, Brittany E.
Alameda Health System
Effective: 2/13/2021

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

GLENN, Nathan L.
Superior Court
Effective: 3/19/2021

JONES, Monique A.
Alameda Health System
Effective: 3/12/2021

GUEVARA, Steve
Public Works Agency
Effective: 3/29/2021

KAUL, Rashmi
Social Services Agency
Effective: 3/12/2021

GUTIERREZ, Gian L. G.
Superior Court
Effective: 2/6/2021

KIFLE, Abel Y.
Assessor
Effective: 4/1/2021

HAYFRON, Najaree L.
Superior Court
Effective: 3/9/2021

KOKEZAS, Anastassia
Superior Court
Effective: 3/26/2021

HOLMES, Mark III
Superior Court
Effective Date: 3/19/2021

KUDRNA, Marc A.
Human Resource Services
Effective: 2/15/2021

JACINTO, Denise L.
Board of Supervisors
Effective: 2/5/2021

LEWIS, Keonia L.
Alameda Health System
Effective: 2/12/2021

**APPENDIX D
LIST OF DECEASED MEMBERS**

BEAUCHAMP, John, F.
Sheriff's Office
4/6/2021

CHAPMAN, Gerald
Non-Mbr Survivor of Patricia Chapman
4/12/2021

BRIDGEMAN, Marvin
Alameda Health System
4/7/2021

CHRISTENSEN, Virginia L.
Alameda Health System
3/15/2021

BROXTON, Billie K.
Social Services Agency
4/6/2021

CONCEL, Alfredo L.
Social Services Agency
4/14/2021

BURNETT, John M.
Probation Department
4/10/2021

DEBOSE, Ernest J.
General Services Agency
4/19/2021

CABALLERO, Benjamin
General Services Agency
3/25/2021

DICKERSON, Anna R.
Non-Mbr Survivor of Kenneth Dickerson
3/31/2021

**APPENDIX D
LIST OF DECEASED MEMBERS**

DINH, Joseph C.
Social Services Agency
3/20/2021

NOMA, Amy
Non-Mbr Survivor of Sammes Noma
2/16/2021

EDMUNDS, Carolyn L.
Health Care Services Agency
4/4/2021

OWENS, Marleasa M.
Information Technology Department
4/20/2021

FONG, Betty W.
Social Services Agency
3/26/2021

PORTER, Harold R.
General Services Agency
3/14/2021

GRAYSON- EVANS, Honey
Social Services Agency
3/25/2021

PRICE, Richard M.
Alameda Health System
3/13/2021

HENDRIX, Richard
Public Works Agency
3/31/2021

RAWSON, Marjorie M.
Non-Mbr Survivor of Ralph Rawson
4/28/2021

KITCHEN, Leaster
Auditor-Controller
3/23/2021

ROBERTSON, Nancy F.
Social Services Agency
4/14/2021

LEONE, Robert J.
Non-Mbr Survivor of Ethel Leone
1/29/2021

ROSE, Carol L.
Social Services Agency
3/12/2021

MARSH, Glenn A.
Sheriff's Office
4/3/2021

SIT, KIN T.
Alameda Health System
4/2/2021

MILLER, Jerome M.
Health Care Services Agency
3/22/2021

TELLARDIN, Barbara A.
Public Works Agency
4/9/2021

MONEYHUN, Lorna L.
General Services Agency
12/26/2020

WARREN, Willie M.
Alameda Health System
4/8/2021

MULLEN, Patrick J.
Sheriff's Office
3/30/2021

WILLIAMS, Oralea
Alameda Health System
4/15/2021

APPENDIX D
LIST OF DECEASED MEMBERS

WILLSON, Maria
Non-Mbr Survivor of Albert Willson
3/12/2021

WILSON, Donald J.
General Services Agency
3/30/2021

ZORICH, Samuel A.
Health Care Services Agency
4/28/2021

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

OKEKE, Caroline
Government Code § 31641.5 Part Time & Days Prior

APPENDIX F
APPLICATION FOR DISABILITY RETIREMENT

Name: Johnson, Deborah
Type of Claim: Non-Service Connected – Reciprocal Member

Staff's Recommendation:

Approve staff's recommendation to grant Ms. Johnson a non-service connected disability retirement in conjunction with reciprocal agency San Francisco Employees' Retirement System (SFERS) in accordance with Section 31837.

Name: Konnoff, Kelly
Type of Claim: Non-Service Connected

Staff's Recommendation:

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

Name: Teichera, Dennis
Type of Claim: Service-Connected

Adopt the findings and conclusions and adopt the recommendation contained in the Medical Advisor's report to grant Mr. Teichera's application for a non-service connected disability retirement, waiving future annual medical examinations and questionnaires at this time.

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100 101 102 103 104 105 106 107 108 109 110 111 112 113 114 115 116 117 118 119 120 121 122 123 124 125 126 127 128 129 130 131 132 133 134 135 136 137 138 139 140 141 142 143 144 145 146 147 148 149 150 151 152 153 154 155 156 157 158 159 160 161 162 163 164 165 166 167 168 169 170 171 172 173 174 175 176 177 178 179 180 181 182 183 184 185 186 187 188 189 190 191 192 193 194 195 196 197 198 199 200 201 202 203 204 205 206 207 208 209 210 211 212 213 214 215 216 217 218 219 220 221 222 223 224 225 226 227 228 229 230 231 232 233 234 235 236 237 238 239 240 241 242 243 244 245 246 247 248 249 250 251 252 253 254 255 256 257 258 259 260 261 262 263 264 265 266 267 268 269 270 271 272 273 274 275 276 277 278 279 280 281 282 283 284 285 286 287 288 289 290 291 292 293 294 295 296 297 298 299 300 301 302 303 304 305 306 307 308 309 310 311 312 313 314 315 316 317 318 319 320 321 322 323 324 325 326 327 328 329 330 331 332 333 334 335 336 337 338 339 340 341 342 343 344 345 346 347 348 349 350 351 352 353 354 355 356 357 358 359 360 361 362 363 364 365 366 367 368 369 370 371 372 373 374 375 376 377 378 379 380 381 382 383 384 385 386 387 388 389 390 391 392 393 394 395 396 397 398 399 400 401 402 403 404 405 406 407 408 409 410 411 412 413 414 415 416 417 418 419 420 421 422 423 424 425 426 427 428 429 430 431 432 433 434 435 436 437 438 439 440 441 442 443 444 445 446 447 448 449 450 451 452 453 454 455 456 457 458 459 460 461 462 463 464 465 466 467 468 469 470 471 472 473 474 475 476 477 478 479 480 481 482 483 484 485 486 487 488 489 490 491 492 493 494 495 496 497 498 499 500 501 502 503 504 505 506 507 508 509 510 511 512 513 514 515 516 517 518 519 520 521 522 523 524 525 526 527 528 529 530 531 532 533 534 535 536 537 538 539 540 541 542 543 544 545 546 547 548 549 550 551 552 553 554 555 556 557 558 559 560 561 562 563 564 565 566 567 568 569 570 571 572 573 574 575 576 577 578 579 580 581 582 583 584 585 586 587 588 589 590 591 592 593 594 595 596 597 598 599 600 601 602 603 604 605 606 607 608 609 610 611 612 613 614 615 616 617 618 619 620 621 622 623 624 625 626 627 628 629 630 631 632 633 634 635 636 637 638 639 640 641 642 643 644 645 646 647 648 649 650 651 652 653 654 655 656 657 658 659 660 661 662 663 664 665 666 667 668 669 670 671 672 673 674 675 676 677 678 679 680 681 682 683 684 685 686 687 688 689 690 691 692 693 694 695 696 697 698 699 700 701 702 703 704 705 706 707 708 709 710 711 712 713 714 715 716 717 718 719 720 721 722 723 724 725 726 727 728 729 730 731 732 733 734 735 736 737 738 739 740 741 742 743 744 745 746 747 748 749 750 751 752 753 754 755 756 757 758 759 760 761 762 763 764 765 766 767 768 769 770 771 772 773 774 775 776 777 778 779 780 781 782 783 784 785 786 787 788 789 790 791 792 793 794 795 796 797 798 799 800 801 802 803 804 805 806 807 808 809 810 811 812 813 814 815 816 817 818 819 820 821 822 823 824 825 826 827 828 829 830 831 832 833 834 835 836 837 838 839 840 841 842 843 844 845 846 847 848 849 850 851 852 853 854 855 856 857 858 859 860 861 862 863 864 865 866 867 868 869 870 871 872 873 874 875 876 877 878 879 880 881 882 883 884 885 886 887 888 889 890 891 892 893 894 895 896 897 898 899 900 901 902 903 904 905 906 907 908 909 910 911 912 913 914 915 916 917 918 919 920 921 922 923 924 925 926 927 928 929 930 931 932 933 934 935 936 937 938 939 940 941 942 943 944 945 946 947 948 949 950 951 952 953 954 955 956 957 958 959 960 961 962 963 964 965 966 967 968 969 970 971 972 973 974 975 976 977 978 979 980 981 982 983 984 985 986 987 988 989 990 991 992 993 994 995 996 997 998 999 1000 1001 1002 1003 1004 1005 1006 1007 1008 1009 1010 1011 1012 1013 1014 1015 1016 1017 1018 1019 1020 1021 1022 1023 1024 1025 1026 1027 1028 1029 1030 1031 1032 1033 1034 1035 1036 1037 1038 1039 1040 1

**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.

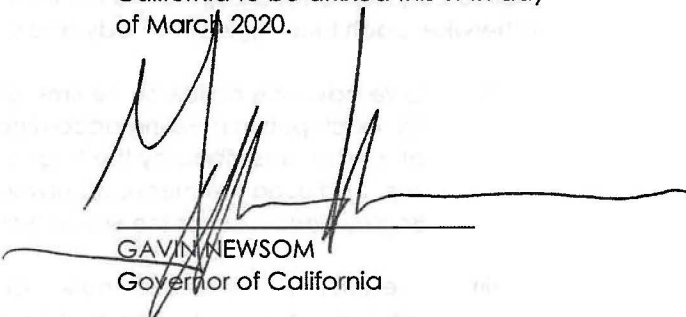
All of the foregoing provisions concerning the conduct of public meetings shall apply only during the period in which state or local public health officials have imposed or recommended social distancing measures.

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.



GAVIN NEWSOM
Governor of California

ATTEST:

ALEX PADILLA
Secretary of State

April 15, 2021
Minutes of the Regular Board Meeting
For approval under May 20, 2021
Board “Consent Calendar”



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

THIS MEETING WAS CONDUCTED VIA TELECONFERENCE WITH VIDEO

Thursday, April 15, 2021

Chair Dale Amaral called the meeting to order at 2:00 p.m.

Trustees Present: Dale Amaral
Ophelia Basgal
Keith Carson
Tarrell Gamble (*Arrived After Approval of the Consent Calendar*)
Jaime Godfrey
Liz Koppenhaver
Henry Levy
Darryl Walker (*Arrived After Approval of the Consent Calendar*)
George Wood

Trustees Excused: Nancy Reilly (*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
Jessica Huffman, Benefits Manager
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 Officer

PUBLIC INPUT

None.

**CONSENT CALENDAR
REPORTS AND ACTION ITEMS**

APPROVAL of APPLICATIONS FOR SERVICE RETIREMENT

Appendix A

APPROVAL of APPLICATIONS FOR RETIREMENT, DEFERRED

None

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**

None

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

Appendix F

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

None

APPROVAL of BOARD and COMMITTEE MINUTES

March 18, 2021 Minutes of the Regular Board Meeting

April 7, 2021 Operations Committee Minutes

April 7, 2021 Retirees Committee Minutes

MISCELLANEOUS MATTER

None

21-21

It was moved by Jaime Godfrey and seconded by Keith Carson that the Board adopt the Consent Calendar. The motion carried 7 yes (*Amaral, Basgal, Carson, Godfrey, Koppenhaver, Levy, Wood*), 0 no, and 0 abstentions. Trustees Gamble and Walker were not present for the vote on the motion.

REGULAR CALENDAR
REPORTS AND ACTION ITEMS

DISABILITIES, CURRENT AND CONTINUING RECOMMENDATIONS AND MOTIONS

None.

COMMITTEE REPORTS, RECOMMENDATIONS AND MOTIONS

Operations:

Jaime Godfrey gave an oral report stating that the Operations Committee met on April 7, 2021 and that there were no action items. However, the Committee was presented with, reviewed information for, and discussed the following information items: **1)** Operating Expenses as of February 28, 2021; and **2)** Statement of Reserves as of December 31, 2020.

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

Retirees:

Liz Koppenhaver gave an oral report stating that the Retirees Committee met on April 7, 2021 and that there were not action items. However, the Committee was presented with, reviewed information for, and discussed the following information items: **1)** Supplemental Retiree Benefit Reserve Financial Status; SRBR Financial Status; **2)** Via Benefits 2020 Year-End Review **3)** Semi-Annual Report on ACERA's Wellness Program; and **4)** Miscellaneous Updates.

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

Investment:

George Wood gave an oral report stating that the Investment Committee met on April 14, 2021 and was presented with, reviewed information for, and discussed approval of certain changes to the Absolute Return Asset Class Structure.

21-22

It was moved by George Wood and seconded by Darryl Walker that the Board approve the change in the Absolute Return Asset Class Structure to 80% Fund of Hedge Funds and 20% Other Alternatives/Opportunistic. The motion carried 8 yes (*Amaral, Basgal, Carson, Gamble, Godfrey, Koppenhaver, Walker, Wood*), 1 no (*Levy*), and 0 abstentions.

George Wood reported that the Committee was also presented with, reviewed information for, and discussed hiring Parametric Portfolio Associates, the proposed candidate, as ACERA's Overlay Services Provider.

21-23

It was moved by George Wood and seconded by Jaime Godfrey that the Board hire Parametric as an Overlay Services Provider, pending completion of legal and operational due diligence and successful contract negotiations. The motion carried 9 yes (*Amaral, Basgal, Carson, Gamble, Godfrey, Koppenhaver, Levy, Walker, Wood*), 0 no, and 0 abstentions.

Trustees expressed their appreciation to ACERA's Consultants and Staff for all their efforts and hard work regarding getting ACERA's total fund to over \$10 billion to date. Chief Investment Officer Betty Tse thanked the Board for all their support.

Minutes of the meeting will be presented to the Board for adoption on the Consent Calendar at the May 20, 2021 Board meeting.

Actuarial:

Tarrell Gamble gave an oral report stating that the Actuarial Committee met today and that there were no action items. However, the Committee was presented with, reviewed information for, and discussed an information item regarding the Actuarial Valuation and Review as of December 31, 2020 (The Segal Group).

Minutes of the meeting will be presented to the Board for adoption on the Consent Calendar at the May 20, 2021 Board meeting.

Audit:

Henry Levy gave an oral report stating that the Audit Committee met today and was presented with, reviewed information for, and discussed approving renewing a five-year contract with Williams Adley and Company-CALLP (WACO) as ACERA's External Auditor for financial years ending 2021-2025, per ACERA's Service Provider Policy, p.3, IV(B)(2). Trustee Levy reported that ACERA's 2021-2025 external audit will be conducted by a different WACO Managing Partner/Staff than in previous years. It was noted that there was one other firm in the external auditing business and that the firm's fees were about the same as WACO.

21-24

It was moved by Henry Levy and seconded by Darryl Walker that the Board retain Williams Adley and Company-CALLP as ACERA's External Auditor for financial years ending 2021-2025, per ACERA's Service Provider Policy, p.3, IV(B)(2), subject to successful contract negotiations. The motion carried 8 yes (*Amaral, Basgal, Carson, Gamble, Godfrey, Levy, Walker, Wood*), 0 no, and 1 abstention (*Koppenhaver*).

Trustee Levy further reported that the Committee was presented with, reviewed information for, and discussed the following information items: **External Audit: 1)** GASB Statement No. 67 Valuation and addendum as of December 31, 2020 (Net Pension Liability reporting); and, **2)** GASB Statement No. 74 Valuation and addendum as of December 31, 2020 (Net OPEB Liability reporting); **Internal Audit: 3)** Internal Audit Plan; and **4)** Completed Audits, which included a presentation on Cybersecurity..

Minutes of the meeting will be presented to the Board for adoption on the Consent Calendar at the May 20, 2021 Board meeting.

NEW BUSINESS:

Discussion regarding the 2021 Board Election to fill the vacant Board of Retirement General Member Seat No. 2

Chief Executive Officer Dave Nelsen presented his April 15, 2021 memo regarding the replacement of former Board Trustee Elizabeth Rogers due to her retirement from the County and the Board of Retirement. Mr. Nelsen and Chief Counsel Jeff Rieger explained that the County Employees' Retirement Law provides that when the Board has a vacancy for the General Member Seat 2, the Alternate Safety 7th Member shall fill the vacancy until a successor qualifies (Govt. Code Section 31520.1(b)). Mr. Nelsen explained that the Board could opt to run a Special Election for Seat 2, but that ACERA's regular Board of Retirement Election Cycle for Seat 2 is scheduled to begin in July and will run through December 2021. Mr. Nelsen reported that because the Registrar of Voters (ROV) Office have other scheduled elections, the ROV has requested that ACERA continue with its regular Board of Retirement Election Cycle of July through December 2021. After discussion, the Board made the following motion:

21-25

It was moved by Liz Koppenhaver and seconded by Henry Levy that ACERA Staff not run a Special Board of Retirement Election for the General Member Seat 2, but will run its regularly scheduled Board of Retirement Election for the General Member Seat 2 in July through December 2021. The motion carried 8 yes (*Amaral, Basgal, Carson, Gamble, Godfrey, Koppenhaver, Levy, Wood*), 0 no, and 1 abstention (*Walker*).

Trustee Darryl Walker inquired whether other '37 Act Counties have changed their election protocols regarding the gathering of signatures due to the pandemic. Mr. Nelsen reported that the Secretary of State has not made any changes to its election process regarding how candidates collect the required number of signatures. Trustee Walker reported that because the majority of Staff in the Probation Department are working virtually, they obtain signatures via DocuSign and/or other Department processes. Alameda County Retired Employees President Pete Albert reported that Sonoma County held two Board Elections, via U.S. Mail, and that candidates were still able to collect the required number of signatures in spite of the Pandemic.

SACRS 2021-2022 Board of Directors Election

Mr. Nelsen presented his April 15, 2021 memo requesting direction from the Board on how he (or his Designee) should vote ACERA's Proxy, via electronically, on behalf of the Board regarding the following SACRS Business Meeting action items: **1) Approve the Secretary and Treasurer's Reports and approve the Audit; 2) Approve the recommended technical corrections to Legislative Senate Bill 634; and 3) the vote regarding the Nominating Committee's recommended slate of candidates for its 2021-2022 SACRS Board of Directors Election.** The SACRS Nominating Committee's recommended slate is as follows: **a) Vivian Gray** of Los Angeles CERA for **President; b) Kathryn Cavness** of Mendocino CERA for **Vice President; c) Harry Hagen** of Santa Barbara CERS for **Treasurer; d) Thomas Garcia** of Imperial CERS for **Secretary; e) David MacDonald, MD**, of Contra Costa CERA for **Regular Member; and f) Vere Williams** of San Bernardino CERA for **Regular Member.** Additional Candidates Submitted: **g) John Kelly** of Sacramento CERS for **Regular Member; and h) Chris Prevatt** of Orange CERS for **Regular Member.**

21-26

It was moved by Henry Levy and seconded by Ophelia Basgal that the Board direct Chief Executive Officer Dave Nelsen (or his Designee) to vote ACERA's Proxy, via electronically, on behalf of the Board of Retirement on the action items at the SACRS Virtual Spring Conference Business Meeting as follows: 1) Vote in favor of the recommended technical corrections to Legislative Senate Bill 634 in support of the Legislative Committee; 2) Vote in favor of the recommended slate in support of the SACRS Nominating Committee; and 3) Receive, file and approve the Secretary and Treasurer's Reports and the Audit. The motion carried 8 yes (Amaral, Basgal, Carson, Godfrey, Koppenhaver, Levy, Walker, Wood), 1 no (Gamble), and 0 abstentions.

Update on Results of the Vote regarding Council of Institutional Investors' (CII) Agenda Items/2021 Board of Director Election Results

Trustee Henry Levy reported that an Ad Hoc Committee, consisting of Trustees Gamble, Godfrey and himself, was established in order for the Board to have an opportunity to vote, via electronically, on the Council of Institutional Investors' (CII) action items at the CII Virtual Business Meeting. Trustee Levy further reported that Trustees Gamble and Godfrey gave him authority to vote on behalf of the Board at CII's Virtual Business Meeting. Trustee Levy reported that he voted in favor of CII's recommendation regarding clarification of CII's Benefit Plans Policy. Trustee Levy provided the following excerpt, which was taken from CII's Benefit Plans Policy:

"CII believes the involvement of DB plans, particularly state and local government and union pension systems, in corporate governance issues has benefited investors at large in the U.S. capital markets and contributed to the vitality of the U.S. economy and U.S. corporations. Pension fund advocacy has resulted in regulatory and legislative reforms to strengthen rights for shareowners, improved corporate governance standards for U.S. companies and boards, increased accountability of corporate directors and executives and enhanced transparency of governance activities and financial accounting. Weakening the voice of defined benefit plans in matters of corporate governance would be detrimental to U.S. investors and companies and the U.S. financial markets."

Trustee Levy stated that CII wants to convey that defined benefit plans play an important role in U.S. Capital Markets, which the Board also feels is very important.

Trustee Levy further reported that there are 15 members on CII's Board and that the Nominating Committee recommended voting in favor of a slate consisting of nine (9) public sector pension plan professionals and the seat of the Board Chair. Trustee Levy reported he voted in favor of the recommended slate, which is as follows: **1) Mitch Vogel**, Trustee at the State Universities Retirement System of Illinois; **2) Simiso Nzima**, Investment Director, Global Equity, at the California Public Employees' Retirement System; **3) Michael McCauley**, Senior Officer at the Florida State Board of Administration; **4) Katy Hoffman**, Chief of Staff, Investment Management Division, at the Teacher Retirement System of Texas; **5) Patti Gazda**, Corporate Governance Officer at the Ohio Public Employees' Retirement System; **6) Ron Baker**, Executive Director at the Colorado Public Employees' Retirement Association; **7) Mansco Perry** as **Board Treasurer**, Executive Director and CIO at the Minnesota State Board of Investment; **8) Aeisha Mastagni** as **Co-Chair**, Portfolio Manager at the California State Teachers' Retirement System; and **9) Scott Zdrazil** as **Board Chair**, Senior Investment Officer-Corporate Governance at the Los Angeles CERA. It was noted that Mr. Zdrazil served on CII's Board since 2018 as Treasurer and Chair of the Audit Committee. Trustee Levy reported that Mr. Zdrazil is also scheduled to speak at the May 10th CALAPRS Trustees' Round Table.

David Nelsen, Chief Executive Officer's Report

Mr. Nelsen presented his April 15, 2021, written CEO Report which provided an update on: **1) Committee and Board Action Items**; **2) Other Items**, which included updates on: **a) COVID-19 Responses**, **b) the Pension Administration System**; **c) Transfer of additional funds by the County**; **d) ACERA Refresh Project**; **e) Strategic Planning Session**; and **3) Key Performance Indicators**. Mr. Nelsen also reported that discussions regarding the County's additional contributions, approved by the Board of Supervisors, continue and are going very well and that the County Treasurer has confirmed that his Office Staff will forward approximately \$600,000 million, on behalf of the County, to ACERA by the end of June 2021. The remaining additional contributions balance is scheduled to be forwarded to ACERA by December 2021, subject to Board of Supervisors' approval. Staff will bring back to the Board ACERA's proposed revisions to its policies regarding the process for accepting these types of contributions.

Mr. Nelsen stated that due to the Governor's recent announcement regarding the re-opening of the State of California by mid-June 2021, ACERA will allow customers and appropriate Staff back into the Office sooner than anticipated. However, there are no immediate plans to allow **all** Staff back into the Office at that time. Mr. Nelsen reported that once the State completely re-opens, ACERA's policies will include a hybrid workforce schedule which will allow Staff to work part-time in the Office and/or remotely as needed. It was noted that other private and public entities are also adopting a hybrid workforce model.

Trustee Walker inquired whether or not Consultants had any savings since they have been meeting with ACERA Staff virtually as opposed to physically coming into the Office and if there were any savings, were those savings passed on to ACERA. Mr. Nelsen stated that he was not aware of any savings from any of ACERA's vendors, but if there are any savings going forward, Staff can follow-up with the vendors and request that the savings be passed on to ACERA (*e.g.*, lower fees and/or costs).

CONFERENCE/ORAL REPORTS

None.

ANNOUNCEMENTS

None.

BOARD INPUT

None.

CLOSED SESSION

- A. Conference With Legal Counsel--Existing Litigation (Gov't Code § 54956.9(d)(1)):

Alameda County Deputy Sheriff's Association v. Alameda County Employees' Retirement Association, Contra Costa County Superior Court, Case No. MSN12-1870

The Board reconvened into Open Session and Chief Counsel Jeff Rieger confirmed that there was a quorum of the Board, which was as follows:

(Amaral, Basgal, Godfrey, Koppenhaver, Wood)

Carson, Gamble, Levy and Walker did not return to Open Session.

Chair Dale Amaral announced that the Board took no reportable action on the above-referenced matter.

ADJOURNMENT

The meeting adjourned at approximately 4:03 p.m.

Respectfully Submitted,



David Nelsen

5/20/21

Date Adopted

APPENDIX A
APPLICATION FOR SERVICE RETIREMENT

ASHLEY, Vickie
Effective: 1/30/2021
Sheriff's Office

FULGADO, Samuel
Effective: 2/3/2021
Alameda Health System

BRIONES, Angelita
Effective: 2/2/2021
Alameda Health System

GORTON, Wendy
Effective: 2/10/2021
Alameda Health System

BROWN, Jeff
Effective: 12/31/2020
Health Care Services Agency

HUYNH, Davann
Effective: 2/27/2021
Probation Department

CARPIO, Emily
Effective: 12/31/2020
Public Defender

INSOGNA, Marta
Effective: 1/7/2021
Alameda Health System

CHAVEZ, Alvaro
Effective: 1/23/2021
Social Services Agency

KEATING, Donna
Effective: 12/31/2020
Superior Court

CHOW, Julyan
Effective: 2/20/2021
Health Care Services Agency

KENNEDY, Patrick
Effective: 1/2/2021
Sheriff's Office

COLEMAN, Bridgette
Effective: 2/4/2021
Sheriff's Office

KETTLITZ, Kristina
Effective: 2/2/2021
Sheriff's Office

CURRY, Roxann
Effective: 1/9/2021
Social Services Agency

KHUN, Sithy
Effective: 2/6/2021
Alameda Health System

DUFFY, Dawn
Effective: 2/6/2021
Auditor-Controller

KLEIN, Jennifer
Effective: 2/1/2021
Health Care Services Agency

EL GOHARY, Kathy
Effective: 2/19/2021
Health Care Services Agency

KNITTEL, Douglas
Effective: 1/30/2021
Sheriff's Office

ENG, Lucia
Effective: 2/20/2021
Social Services Agency

KONG, Luis
Effective: 1/23/2021
Library

FRASER, Audrey
Effective: 12/29/2020
Alameda Health System

KRUGER, Ana
Effective: 12/1/2020
Social Services Agency

APPENDIX A
APPLICATION FOR SERVICE RETIREMENT

LEONARD, Sonya
Effective: 1/30/2021
Social Services Agency

OGUL, Michael
Effective: 12/31/2020
Public Defender

LEVENTIS, Jon-Anne
Effective: 1/27/2021
District Attorney

OLSHASKIE, Robert
Effective: 12/31/2020
Probation Department

LIVENSPARGAR, Gena
Effective: 1/17/2021
Sheriff's Office

ORDONEZ, Ruth
Effective: 1/22/2021
Alameda Health System

LUCAS-DERRY, Tracy
Effective: 1/1/2021
Sheriff's Office

PETERSON, Douglas
Effective: 1/7/2021
Health Care Services Agency

LUM, Edan
Effective: 12/29/2020
Health Care Services Agency

PIRES, Joe
Effective: 2/2/2021
Sheriff's Office

MARS-HIGHTOWER, Dianne
Effective: 1/21/2021
Alameda Health System

PLUMMER, Charlotte
Effective: 1/23/2021
Social Services Agency

MCGRATH, Kathryn
Effective: 11/25/2020
Probation Department

ROBINSON, Ora
Effective: 2/6/2021
Social Services Agency

MENDOZA, Athala
Effective: 2/20/2021
Social Services Agency

SINGH, Dharmbir
Effective: 1/26/2021
Sheriff's Office

MOREIRA, Maria
Effective: 3/1/2021
District Attorney

SMITH, Lydia
Effective: 2/6/2021
County Counsel

MORLINO, Anamaria
Effective: 12/26/2020
Social Services Agency

WANG, Leonor
Effective: 1/24/2021
Alameda Health System

MURAI-PAVON, Nora
Effective: 1/23/2021
ACERA

WEI, Michelle
Effective: 2/4/2021
Social Services Agency

MURRAY, Adriana
Effective: 1/30/2021
Social Services Agency

WOLF, Stephen
Effective: 2/6/2021
Sheriff's Office

APPENDIX A
APPLICATION FOR SERVICE RETIREMENT

WONG, Matthew
Effective: 2/5/2021
Health Care Services Agency

YOUNG, Karen
Effective: 1/9/2021
Alameda Health System

APPENDIX D
LIST OF DECEASED MEMBERS

BUNTING, Ruth
Non-Mbr Survivor of Thomas Bunting
3/2/2021

JONES, Michael
Sheriff's Office
2/19/2021

BURCH, Ronald
Sheriff's Office
1/14/2021

KAWAKAMI, Anne
Alameda Health System
2/22/2021

CHEUNG, Susan
Alameda Health System
2/15/2021

KHANACHET, Fawaz
General Services Agency
3/4/2021

DE VALOIS, Gordon
Non-Mbr Survivor of Rikki De Valois
2/13/2021

MC CRACKEN, Clare
Social Services Agency
2/3/2021

ERLER, Ernest
Sheriff's Office
3/16/2021

MELLO, Roberta
Sheriff's Office
3/22/2021

FITZPATRICK, Eugene
Alameda Health System
2/28/2021

MOSLEY, Lucille
Probation Dept
1/29/2021

FRASER, David
Sheriff's Office
3/18/2021

NELSON, Donald
Assessor
1/7/2021

GIBSON, Cruz
Superior Court
2/3/2021

OLEARY, Katherine
Assessor
2/15/2021

HABER, Ellen
Superior Court
3/12/2021

OSBORNE, Steven
Alameda Health System
2/10/2021

APPENDIX D
LIST OF DECEASED MEMBERS

PARLETTE, Vincent
Alameda Health System
2/25/2021

STRATTON, Gilbert
Environmental Health Department
3/17/2021

PATTERSON, Susan
Non-Mbr Survivor of James Patterson
2/15/2021

TESHIMA, Harris
Zone 7
3/5/2021

PERSONS, Carol
Alameda Health System
2/14/2021

THOMAS, Betty
Social Services Agency
1/31/2021

POON, Leland
Superior Court
12/19/2020

TULEY, Tommy
Zone 7
1/24/2021

RAINEY, Margaret
Social Services Agency
2/26/2021

VIEIRA, Shirley
Alameda County Superior Court
3/16/2021

SANDOVAL, Maria
Non-Mbr Survivor of Delfino Sandoval
3/16/2021

WATTS, Joyce
Housing Authority
2/27/2021

SANDS, Marion
Social Services Agency
3/9/2021

WHITE-YOUNG, Rachael
Social Services Agency
2/7/2021

SAPUGAY-PEDROSA, Myrna
Sheriff's Office
3/15/2021

WILLIAMS, Edward
Probation Department
3/10/2021

SHELTON, Francis
Non-Mbr Survivor of Oscar Shelton
2/13/2021

WILSON-JEFFERSON, Lajeane
Probation Department
2/4/2021

SPIKER, Howard
Sheriff's Office
2/12/2021

YATES, Constance
Non-Mbr Survivor of Richard Yates
2/15/2021

Name: Pobre, Maria
Type of Claim: Service-Connected

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

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100 101 102 103 104 105 106 107 108 109 110 111 112 113 114 115 116 117 118 119 120 121 122 123 124 125 126 127 128 129 130 131 132 133 134 135 136 137 138 139 140 141 142 143 144 145 146 147 148 149 150 151 152 153 154 155 156 157 158 159 160 161 162 163 164 165 166 167 168 169 170 171 172 173 174 175 176 177 178 179 180 181 182 183 184 185 186 187 188 189 190 191 192 193 194 195 196 197 198 199 200 201 202 203 204 205 206 207 208 209 210 211 212 213 214 215 216 217 218 219 220 221 222 223 224 225 226 227 228 229 230 231 232 233 234 235 236 237 238 239 240 241 242 243 244 245 246 247 248 249 250 251 252 253 254 255 256 257 258 259 260 261 262 263 264 265 266 267 268 269 270 271 272 273 274 275 276 277 278 279 280 281 282 283 284 285 286 287 288 289 290 291 292 293 294 295 296 297 298 299 300 301 302 303 304 305 306 307 308 309 310 311 312 313 314 315 316 317 318 319 320 321 322 323 324 325 326 327 328 329 330 331 332 333 334 335 336 337 338 339 340 341 342 343 344 345 346 347 348 349 350 351 352 353 354 355 356 357 358 359 360 361 362 363 364 365 366 367 368 369 370 371 372 373 374 375 376 377 378 379 380 381 382 383 384 385 386 387 388 389 390 391 392 393 394 395 396 397 398 399 400 401 402 403 404 405 406 407 408 409 410 411 412 413 414 415 416 417 418 419 420 421 422 423 424 425 426 427 428 429 430 431 432 433 434 435 436 437 438 439 440 441 442 443 444 445 446 447 448 449 450 451 452 453 454 455 456 457 458 459 460 461 462 463 464 465 466 467 468 469 470 471 472 473 474 475 476 477 478 479 480 481 482 483 484 485 486 487 488 489 490 491 492 493 494 495 496 497 498 499 500 501 502 503 504 505 506 507 508 509 510 511 512 513 514 515 516 517 518 519 520 521 522 523 524 525 526 527 528 529 530 531 532 533 534 535 536 537 538 539 540 541 542 543 544 545 546 547 548 549 550 551 552 553 554 555 556 557 558 559 560 561 562 563 564 565 566 567 568 569 570 571 572 573 574 575 576 577 578 579 580 581 582 583 584 585 586 587 588 589 590 591 592 593 594 595 596 597 598 599 600 601 602 603 604 605 606 607 608 609 610 611 612 613 614 615 616 617 618 619 620 621 622 623 624 625 626 627 628 629 630 631 632 633 634 635 636 637 638 639 640 641 642 643 644 645 646 647 648 649 650 651 652 653 654 655 656 657 658 659 660 661 662 663 664 665 666 667 668 669 670 671 672 673 674 675 676 677 678 679 680 681 682 683 684 685 686 687 688 689 690 691 692 693 694 695 696 697 698 699 700 701 702 703 704 705 706 707 708 709 710 711 712 713 714 715 716 717 718 719 720 721 722 723 724 725 726 727 728 729 730 731 732 733 734 735 736 737 738 739 740 741 742 743 744 745 746 747 748 749 750 751 752 753 754 755 756 757 758 759 760 761 762 763 764 765 766 767 768 769 770 771 772 773 774 775 776 777 778 779 780 781 782 783 784 785 786 787 788 789 790 791 792 793 794 795 796 797 798 799 800 801 802 803 804 805 806 807 808 809 810 811 812 813 814 815 816 817 818 819 820 821 822 823 824 825 826 827 828 829 830 831 832 833 834 835 836 837 838 839 840 841 842 843 844 845 846 847 848 849 850 851 852 853 854 855 856 857 858 859 860 861 862 863 864 865 866 867 868 869 870 871 872 873 874 875 876 877 878 879 880 881 882 883 884 885 886 887 888 889 890 891 892 893 894 895 896 897 898 899 900 901 902 903 904 905 906 907 908 909 910 911 912 913 914 915 916 917 918 919 920 921 922 923 924 925 926 927 928 929 930 931 932 933 934 935 936 937 938 939 940 941 942 943 944 945 946 947 948 949 950 951 952 953 954 955 956 957 958 959 960 961 962 963 964 965 966 967 968 969 970 971 972 973 974 975 976 977 978 979 980 981 982 983 984 985 986 987 988 989 990 991 992 993 994 995 996 997 998 999 1000 1001 1002 1003 1004 1005 1006 1007 1008 1009 1010 1011 1012 1013 1014 1015 1016 1017 1018 1019 1020 1021 1022 1023 1024 1025 1026 1027 1028 1029 1030 1031 1032 1033 1034 1035 1036 1037 1038 1039 1040 1

April 14, 2021
Investment Committee Minutes
For approval under May 20, 2021
Board “Consent Calendar”



MINUTES OF THE APRIL 14, 2021 INVESTMENT COMMITTEE MEETING

THIS MEETING WAS CONDUCTED VIA TELECONFERENCE WITH VIDEO

To: Members of the Board of Retirement
From: George Wood - Chair
Subject: Summary of April 14, 2021 Investment Committee Meeting

The Investment Committee ("Committee") met on Wednesday, April 14, 2021 at 9:30 a.m. The Committee members present were Dale Amaral, Ophelia Basgal, Keith Carson, Tarrell Gamble, Jaime Godfrey, Liz Koppenhaver, Henry Levy, Darryl Walker, and George Wood. ACERA Senior Managers and Presenting Staff present were, David Nelsen – Chief Executive Officer, Jeff Rieger – Chief Counsel, Vijay Jagar – Chief Technology Officer, Harsh Jadhav – Chief of Internal Audit and Betty Tse – Chief Investment Officer.

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

1. Discussion and Possible Motion to Recommend that the Board Approve Certain Changes to the Absolute Return Asset Class Structure
 - The need to review the Absolute Return Asset Class structure to remove the Alternative Premia sub-class, which has not performed well due to changing market environment, was discussed by Staff, Verus, and the Trustees. In addition, the cost, net-return potential, diversification, transparency, liquidity and active management considerations of the recommended structure, as well as of other structural options were reviewed. The performance of the Absolute Return Asset Class and its sub-classes were also discussed, along with potential investment and divestment scenarios for the asset class' investments if the recommended structural change was approved. Should the structural change be approved, the use of a second customized fund of one was discussed as the recommended fund-of-hedge-funds type for investment.
 - After further discussion, Trustee Koppenhaver moved, seconded by Trustee Basgal, to recommend that the Board approve the recommended change to the Absolute Return Asset Class Structure, which is 80% Fund of Hedge Funds and 20% Other Alternatives/Opportunistic.
 - The motion carried with 7 Yes (Amaral, Basgal, Carson, Gamble, Godfrey, Koppenhaver, and Wood) 1 No (Levy), and 0 Abstention.

- Discussion of and Possible Motion to Recommend that the Board Hire an Overlay Services Provider, Pending Completion of Legal and Operational Due Diligence and Successful Contract Negotiations
 - Staff and Verus provided background information on the Action Item, including the due diligence Staff and Verus conducted, as well as the costs and benefits of Overlay Services. Staff and Verus noted that this Overlay Services recommendation is only focused on Cash Overlay Services.
 - Trustees and Parametric representatives addressed the recent merger of Parametric's parent company, Eaton Vance, with Morgan Stanley, particularly the impact of the transaction on Parametric's organization, business practices and culture. Further, they also discussed Parametric's current and go-forward initiatives as they relate to Environmental, Social, and Governance (ESG), Diversity and Inclusion, as well as cybersecurity.
 - Trustees and Parametric representatives discussed the operational processes that Parametric would undertake in serving as an extension of ACERA Staff. Parametric representatives also described how Parametric seamlessly works with ACERA's custodian, State Street Bank – this process includes daily reports that Parametric would verify, which assists in ACERA's overall oversight and governance.
 - After further discussion, Trustee Godfrey moved, seconded by Trustee Basgal, to recommend that the Board Hire Parametric an Overlay Services Provider, Pending Completion of Legal and Operational Due Diligence and Successful Contract Negotiations
 - The motion carried with 8 Yes (Amaral, Basgal, Gamble, Godfrey, Koppenhaver, Levy, Walker, and Wood) 0 No, and 0 Abstention.

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

None

TRUSTEE/PUBLIC INPUT

None

FUTURE DISCUSSION ITEMS

None

ESTABLISHMENT OF NEXT MEETING DATE

Wednesday, May 5, 2021 at 9:30 a.m.

ADJOURNMENT

The meeting ended at 11:33 a.m.

May 5, 2021
Investment Committee Minutes
For approval under May 20, 2021
Board “Consent Calendar”



MINUTES OF THE MAY 5, 2021 INVESTMENT COMMITTEE MEETING

THIS MEETING WAS CONDUCTED VIA TELECONFERENCE WITH VIDEO

To: Members of the Board of Retirement
From: George Wood - Chair
Subject: Summary of May 5, 2021 Investment Committee Meeting

The Investment Committee ("Committee") met on Wednesday, May 5, 2021 at 9:31 a.m. The Committee members present were Ophelia Basgal, Keith Carson, Tarrell Gamble, Jaime Godfrey, Liz Koppenhaver, Henry Levy, Darryl Walker, and George Wood. Also present was Alternate Retired Member, Nancy Reilly. ACERA Senior Managers and Presenting Staff present were, David Nelsen – Chief Executive Officer, Jeff Rieger – Chief Counsel, Vijay Jagar – Chief Technology Officer, Harsh Jadhav – Chief of Internal Audit, Clint Kuboyama – Investment Officer, Thomas Taylor – Investment Officer, and Betty Tse – Chief Investment Officer.

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

1. Discussion and Possible Motion to Recommend that the Board Adopt an up to \$40 million Investment in CBRE Strategic Partners U.S. Value 9 as part of ACERA's Real Estate Portfolio – Value Added, Pending Completion of Legal and Investment Due Diligence and Successful Contract Negotiations
 - Staff and Callan briefly discussed the CBRE Strategic Partners U.S. Value 9 (Fund) recommendation, a potentially new real estate manager. Staff noted that presentation materials shared via video-conference projection during the public meeting would be a public record.
 - CBRE representatives provided a brief overview of CBRE's organization, history, investment philosophy, strategy, and process, as well as the Fund's management. CBRE, a publicly traded company (NYSE: CBRE), is a distinctive company with several wholly owned subsidiaries, including an Advisory Service, Global Workplace Solutions and Real Estate Investment Management. CBRE has a unique advantage in its breadth and depth of research and information from its parent company's affiliates. Strategic Partners U.S. Value is CBRE Global Investors' flagship offering in the value-added space. Trustees queried CBRE representatives regarding its business model, fully integrated operations, diversity & inclusion and ESG.
 - After further discussion, Supervisor Carson moved, seconded by Treasurer Levy, to recommend that the Board adopt an up to \$40 million investment in CBRE Strategic

Partners U.S. Value 9 as part of ACERA's Real Estate Portfolio – Value Added, pending completion of legal and investment due diligence and successful contract negotiations.

- The motion carried with 8 Yes (Basgal, Carson, Gamble, Godfrey, Koppenhaver, Levy, Walker, and Wood) 0 No, and 0 Abstention.
2. Discussion of and Possible Motion to Recommend that the Board Adopt an up to \$27 million Investment in ABRY Senior Equity VI, L.P. as part of ACERA's Private Equity Portfolio – Debt Related/Special Situations, Pending Completion of Legal and Investment Due Diligence and Successful Contract Negotiations
- Staff, Verus, and the Trustees discussed ACERA's existing investment exposure to ABRY funds across ABRY's three main fund series. Staff and Verus noted the distinction between each fund series and communicated the rationale behind the investment recommendation, including the strategy's historical return consistency and favorable risk/return profile. ABRY's strong and longstanding position in a focused set of sectors that offer attractive investment opportunities was also conveyed by Staff and Verus.
 - Representatives from ABRY presented an overview of the Firm including its competitive advantages, history, organizational and investment-team structure, employee diversity, and its investment team's stability, growth and development. The Fund's investment strategy was also discussed, including the strict criteria for its investments, investment sourcing and structuring, the impact COVID-19 has had on its investments, and the recommended Fund size.
 - Trustees, Verus, and Staff discussed potential manager concentration risk given that this would be ACERA's 8th commitment to an ABRY fund and ACERA's exposure to ABRY would be approximately 10% of ACERA's private equity portfolio. The investment-manager concentration limit within ACERA's Private Equity Investment Policy is no more than 20% of the Private Equity Portfolio can be committed to a single investment vehicle, so the approximately 10% potential exposure to ABRY is in compliance with the Private Equity Investment Policy and Investment Plan. The underperformance of one of ACERA's ABRY investments (in another ABRY fund series) was also reviewed.
 - After further discussion, Trustee Wood moved, seconded by Trustee Basgal, to recommend that the Board adopt an up to \$27 million Investment in ABRY Senior Equity VI, L.P. as part of ACERA's Private Equity Portfolio – Debt Related/Special Situations, Pending Completion of Legal and Investment Due Diligence and Successful Contract Negotiations.
 - The motion did not pass due to a tie vote with 4 Yes (Basgal, Carson, Reilly, and Wood), 4 No (Gamble, Godfrey, Levy, Walker), and 0 Abstention.
 - Trustees and Staff discussed the potential to bring this item as an action item to the Board meeting and concluded that the Board Chair would make that determination.

3. Discussion and Possible Motion to Recommend that The Board Approve Changes to ACERA's Portfolio Asset Allocation

- The Committee deferred discussion of changes to ACERA's portfolio asset allocation to the June 9, 2021 Investment Committee Meeting.

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

None

TRUSTEE/PUBLIC INPUT

None

FUTURE DISCUSSION ITEMS

None

ESTABLISHMENT OF NEXT MEETING DATE

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

ADJOURNMENT

The meeting ended at 12:02 p.m.

April 15, 2021
Actuarial Committee Minutes
For approval under May 20, 2021
Board “Consent Calendar”



MINUTES OF THE APRIL 15, 2021 ACTUARIAL COMMITTEE MEETING
THIS MEETING WAS CONDUCTED VIA TELECONFERENCE WITH VIDEO

Date: April 15, 2021
To: Members of the Actuarial Committee
From: Tarrell Gamble, Chair
Subject: **Summary of the April 15, 2021, Actuarial Committee Meeting**

ACERA TRUSTEE, SENIOR MANAGERS AND PRESENTING STAFF IN ATTENDANCE

Actuarial Committee Chair Tarrell Gamble called the April 15, 2021 Actuarial Committee Meeting to order at 11:01 a.m. Committee members present were Tarrell Gamble, Chair; Keith Carson; and Liz Koppenhaver. Vice Chair, Ophelia Basgal arrived after roll call. Other Board members present were Dale Amaral; and Jaime Godfrey. Board member Darryl Walker arrived after roll call. Staff present were David Nelsen, Chief Executive Officer; Kathy Foster, Assistant Chief Executive Officer; Margo Allen, Fiscal Services Officer; Jeff Rieger, Chief Counsel; Sandra Duenas, Benefits Manager; Jessica Huffman, Benefits Manager; Betty Tse, Chief Investment Officer; Harsh Jadhav, Chief of Internal Audit; and Vijay Jagar, Chief Technology Officer.

PUBLIC INPUT

None

ACTION ITEMS

None

INFORMATION ITEMS

1. Presentation and Discussion of the Actuarial Valuation and Review as of December 31, 2020

Staff and Segal representatives discussed the draft Actuarial Valuation and Review as of December 31, 2020. It will be presented for discussion and review to ACERA's participating employers' group at a meeting scheduled for Wednesday, April 29, 2020. Staff will bring the Actuarial Valuation and Review as of December 31, 2020, to the May 2021 committee meeting for final adoption.

TRUSTEE INPUT

None

FUTURE DISCUSSION ITEMS

May 2021

- Discussion and possible motion to adopt the Actuarial Valuation as of December 31, 2020 (Segal)

June 2021

- Segal presentation of the deterministic projections based on the Actuarial Valuation and Review as of December 31, 2020

ESTABLISHMENT OF NEXT MEETING DATE

The next meeting is scheduled for May 20, 2021 at 11:00 a.m.

MEETING ADJOURNED

The meeting adjourned at 12:00 p.m.

May 20, 2021
Actuarial Committee Minutes
For approval under June 17, 2021
Board “Consent Calendar”

April 15, 2021
Audit Committee Minutes
For approval under May 20, 2021
Board “Consent Calendar”



MINUTES OF APRIL 15, 2021 AUDIT COMMITTEE MEETING

THIS MEETING WAS CONDUCTED VIA TELECONFERENCE WITH VIDEO

Date: April 15, 2021
To: Members of the Audit Committee
From: Henry Levy, Chair
Subject: Summary of the April 15, 2021 Audit Committee Meeting

ACERA TRUSTEES, SENIOR MANAGERS AND PRESENTING STAFF IN ATTENDANCE

Audit Committee Chair Henry Levy called the April 15, 2021, Audit Committee meeting to order at 12:04 p.m. Committee members present were Henry Levy, Tarrell Gamble, Ophelia Basgal, and Keith Carson. Darryl Walker arrived after the roll call. Other Board members present were Dale Amaral, and Jaime Godfrey. Members of the Staff present were David Nelsen, Chief Executive Officer; Kathy Foster, Assistant Chief Executive Officer; Margo Allen, Fiscal Services Officer; Harsh Jadhav, Chief of Internal Audit; Jeff Rieger, Chief Counsel; Jessica Huffman, Benefits Manager and Vijay Jagar, Retirement Chief Technology Officer. Betty Tse, Chief Investment Officer; Sandra Duenas, Benefits Manager, arrived after the start of the meeting.

PUBLIC COMMENT

None

ACTION ITEMS

External Audit:

1. **Presentation of staff recommendation for selection of a Board Approved Service Provider for ACERA's External Auditor for financial years ending 2021- 2025, per ACERA's Service Provider Policy, p.3, IV(B)**

Staff provided updated fee schedules for the two firms that responded to the 2016 Request for Proposal. After review, the two firms, Williams Adley & Company., LLP and Brown Armstrong, showed no material financial difference in the cost proposals.

After discussion, it was moved by Trustee Basgal and seconded by Trustee Carson that the Audit Committee recommend to the Board of Retirement that the Board approve staff's request to retain ACERA's current external auditor (Williams Adley & Co.) for financial audit years 2021-2025.

The motion carried 6 yes (*Amaral, Basgal, Carson, Gamble, Godfrey, Levy*), 0 no, 0 abstentions.

INFORMATION ITEMS

External Audit

1. Presentation and discussion of the draft Governmental Accounting Standards Board Statements No. 67 and 74 Valuations as of December 31, 2020 (Segal)

Staff presented GASB 67 and 74 valuations (financial reporting) for review by the audit committee.

The GASB 67 valuation measures and reports the Total/Net Pension Liability (TPL/NPL), while the GASB 74 valuation measures and reports the Total/Net OPEB (Other Postemployment Benefits) Liability (TOL/NOL).

The Government Accounting Standards Board (GASB) Statement No. 67 Actuarial Valuation and No. 74 Actuarial Valuation and their respective addendums as of December 31, 2020 will be brought back to the May 20th Audit Committee for discussion and approval.

Internal Audit

1. Progress report on the Internal Audit Plan

Staff presented a progress report on the Internal Audit Plan.

TRUSTEE INPUT AND DIRECTION TO STAFF

None

FUTURE DISCUSSION ITEMS

None

ESTABLISHMENT OF NEXT MEETING DATE

May 20, 2021 at 12:30 p.m.

MEETING ADJOURNED

The meeting adjourned at 1:09 p.m.

May 20, 2021
Audit Committee Minutes
For approval under June 17, 2021
Board “Consent Calendar”

May 19, 2021
Governance Committee Minutes
For approval under June 17, 2021
Board “Consent Calendar”

CONSENT CALENDAR ITEM


**Quarterly Financial Statements
as of March 31, 2021
For review under May 20, 2021
Board “Consent Calendar”**



MEMORANDUM TO THE BOARD OF RETIREMENT

DATE: May 20, 2021

TO: Members of the Board of Retirement

FROM: Margo Allen, Fiscal Services Officer 

SUBJECT: March 31, 2021, Unaudited Financial Statements

Executive Summary

Attached for review and discussion is the unaudited financial statements for the period ended March 31, 2021.

The Fiduciary Net Position Held in Trust and the Change in Fiduciary Net Position compared to the same period in 2020 increased by \$2.55 billion.

Financial Highlights

- Net Position Restricted (Held in Trust for Benefits), as reported on the Statement of Fiduciary Net Position totaled \$10.04 billion. Total Receivables decreased by \$14 million, Investments at fair value increased by \$2.55 billion, Capital Assets increased by \$1 million and Total Liabilities without Security Lending Liability decreased by \$13 million.
- The year-over-year Change in Net Position increased by \$1.71 billion. This is due to increase in additions of \$1.72 billion and increase in deductions of \$6 million as explained below:
 - Total Additions year-over-year increased by \$1.72 billion. This includes, increase in investments of \$1.72 billion, increase in contributions of \$2 million, and increase in miscellaneous income of \$1 million.
 - Total Deductions year-over-year increased by \$6 million. The amount is mainly attributable to the growth in payments of service retirement and disability benefits.

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
STATEMENT OF FIDUCIARY NET POSITION
As of 3/31/2021

	<u>Year-To-Date 2021</u>	<u>Year-To-Date 2020</u>
ASSETS		
Cash (Note 1)	1,970,588	1,707,598
Securities Lending Cash Collateral (Note 2)	115,431,143	122,705,115
Receivables:		
Contributions (Note 3)	29,347,914	27,565,392
Investment Receivables (Note 4a)	20,239,951	18,142,696
Unsettled Trades - Investments Sold	3,190,354	19,621,431
Future Contracts (Note 5a)	1,023,318	2,464,018
Swap Contracts (Note 6a)	0	148,997
Foreign Exchange Contracts (Note 7a)	1,440	6,551
Other Receivables (Note 8)	205,906	173,662
Total Receivables	<u>54,008,883</u>	<u>68,122,746</u>
Prepaid Expenses	677,369	641,211
Total Current Assets	<u>172,087,982</u>	<u>193,176,671</u>
Investments - at Fair Value:		
Short-Term Investments (Note 9)	183,107,748	279,693,442
Domestic Equity	603,219,989	363,589,734
Domestic Equity Commingled Funds	2,266,802,864	1,579,155,694
International Equity	1,296,871,182	887,619,364
International Equity Commingled Funds (Note 10)	1,444,931,782	905,267,928
Domestic Fixed Income	1,212,032,704	826,379,265
International Fixed Income	154,930,302	130,085,543
International Fixed Income - Commingled Funds (Note 11)	148,935,174	127,467,879
Real Estate - Separate Properties (Note 12)	72,787,095	74,348,220
Real Estate - Commingled Funds (Note 13)	543,214,293	530,081,162
Real Assets	489,630,502	356,175,865
Absolute Return (Note 14a)	698,003,026	746,266,224
Private Equity (Note 14b)	845,285,304	620,709,701
Private Credit	58,319,931	40,159,793
Total Investments	<u>10,018,071,897</u>	<u>7,466,999,813</u>
Capital Assets at Cost (Net of Accumulated Depreciation or Amortization) (Note 15)	4,396,629	3,138,132
Intangible right-to-use Leased Assets (Net of - Accumulated Amortization)	116,005	150,641
Total Assets	<u>10,194,672,513</u>	<u>7,663,465,256</u>
LIABILITIES		
Securities Lending Liability (Note 2)	115,431,143	122,705,115
Unsettled Trades - Investments Purchased	19,334,978	20,805,073
Investment-Related Payables (Note 4b)	13,561,117	15,501,588
Future Contracts (Note 5b)	0	10,227
Foreign Exchange Contracts (Note 7b)	2,646,830	14,350,256
Accrued Administration Expenses (Note 16)	2,635,574	2,114,981
Members Benefits & Refunds Payable (Note 17a)	4,815,021	3,689,951
Retirement Payroll Deductions Payable (Note 17b)	11,725	4,794
Lease Liability	134,184	164,599
Total Liabilities	<u>158,570,573</u>	<u>179,346,584</u>
Net Position		
Restricted - Held in Trust for Benefits	<u>10,036,101,940</u>	<u>7,484,118,672</u>
Total Net Position	<u><u>10,036,101,940</u></u>	<u><u>7,484,118,672</u></u>

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Three Months Ending 3/31/2021

	<u>Year-To-Date 2021</u>	<u>Year-To-Date 2020</u>
ADDITIONS		
Contributions: (Note 18)		
Members	26,692,336	27,428,155
Employers	80,250,543	77,535,785
Total Contributions	106,942,879	104,963,941
From Investment Activities:		
Net Appreciation/(Depreciation) in Fair Value of Investments (Note 19a)	416,130,071	(1,278,428,328)
Interest	10,975,915	10,522,943
Dividends	11,513,186	8,969,012
Real Estate - Net	4,574,749	5,695,515
Private Equity and Alternatives	33,360,045	(2,006,966)
Brokers Commissions - Directed Brokerage	3,806	8,842
Sub-Total of Dividends, Interest, Other Investment Income (Note 19b)	60,427,701	23,189,346
Total Income from Investment Activities	476,557,771	(1,255,238,982)
Total Investment Expenses (Note 20)	(29,082,063)	(12,326,594)
Net Income from Investment Activities (Note 21)	447,475,709	(1,267,565,576)
From Securities Lending Activities:		
Securities Lending Income	201,899	584,293
Securities Lending Expenses	(40,417)	(418,102)
Net Income from Securities Lending Activities (Note 22)	161,483	166,191
Total Net Investment Income	447,637,191	(1,267,399,385)
Miscellaneous Income (Note 23)	708,333	60,342
Total Additions	555,288,403	(1,162,375,103)
DEDUCTIONS		
Benefits:		
Service Retirement and Disability Benefits (Note 24)	131,433,590	124,856,170
Death Benefits (Note 25)	682,413	741,471
Supplemental Cost of Living Allowance	254,757	285,317
Retiree Healthcare Program	11,282,616	11,288,734
Total Benefit Payments	143,653,376	137,171,692
Member Refunds	1,261,148	1,528,810
Administration: (Note 26)		
Administrative Expenses	3,085,076	3,037,073
Actuarial Expenses	83,666	97,540
Business Continuity Expenses	159,321	151,702
Legal Expenses	189,680	211,533
Technology Expenses	177,296	211,118
401(h) Expenses	344,250	363,750
Total Administration	4,039,289	4,072,716
Total Deductions	148,953,813	142,773,219
Net Increase/(Decrease)	406,334,590	(1,305,148,321)
Net Position Held in Trust for Benefits:		
Net Position - January 1	9,629,767,350	8,789,266,993
Net Position - March 31	10,036,101,940	7,484,118,672

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
As of March 31, 2021

Basis of Accounting

ACERA follows the accounting principles and reporting guidelines set forth by the Government Accounting Standards Board (GASB). ACERA's financial statements are prepared on the accrual basis of accounting.

(Note 1)

Cash - \$1.97 million

Cash balance is the sum of the funds in the Wells Fargo Bank operating accounts. The increase of \$0.26 million from 1.71 million in March 31, 2020, is primarily due to the timing difference between receipt of contributions and the transfer of funds for retiree payroll and investment.

(Note 2)

Securities Lending Cash Collateral - \$115.43 million

Cash collateral of \$115.43 million and \$122.71 million was held by ACERA related to securities on loan as of March 31, 2021, and March 31, 2020, respectively. This amount is reported as an asset with a corresponding liability for the same amount in compliance with the GASB Statement No. 28. The decrease in securities lending collateral is due to decrease in the balances of traditional active manager accounts in passive index funds.

(Note 3)

Contributions Receivables - \$29.35 million

The receivable balances of March 31, 2021, increased approximately \$1.78 million from \$27.57 million in March 31, 2020. This is primarily due to increase in the member and employer contribution rates.

(Note 4a)

Investment Receivables - \$20.24 million

The investment receivables balance as of March 31, 2021, increased by \$2.10 million from \$18.14 million for March 31, 2020. The increase is mainly attributed to interest receivables.

(Note 4b)

Investment Related Payables - \$13.56 million

The decrease of \$1.94 million in investment related payables balance as of March 31, 2021, from \$15.50 million for March 31, 2020 is primarily due to timing difference in investment managers/consultants fees payable.

(Note 5)

Future Contracts Receivables - \$1.02 million and Payables - none

5a. The receivable represents unrealized gains on open future contracts. The balance for unrealized gains as of March 31, 2021, and March 31, 2020, were \$1.02 million and \$2.46 million, respectively.

5b. The Payables represents the unrealized losses on open future contracts. The balance for unrealized losses as of March 31, 2021, and March 31, 2020, were none and \$0.01 million, respectively.

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
As of March 31, 2021

(Note 6)

Swap Contracts Receivable – none

6a. The receivable represents the amount to be received from the counterparties of the swap contracts. The total receivable as of March 31, 2021, were none and March 31, 2020, were \$0.15 million.

(Note 7)

Foreign Exchange Contracts Receivables - \$0.001 million and Payables - \$2.65 million

Foreign exchange (FX) contracts include currency forward contracts and spot contracts.

7a. The receivables represents unrealized gains on foreign exchange contracts. As of March 31, 2021, and March 31, 2020, unrealized gains on FX contracts were \$0.001 million and \$0.006 million, respectively. The decrease of \$0.005 million is due to change in number and valuation of contracts and market volatility.

7b. The payables represents unrealized losses on foreign exchange contracts. As of March 31, 2021, and March 31, 2020, unrealized losses on FX contracts were \$2.65 million and \$14.35 million, respectively. The decrease in unrealized losses of \$11.70 million is due to change in number and valuation of contracts and market volatility.

(Note 8)

Other Receivables - \$0.21 million

Other receivables as of March 31, 2021, are comprised primarily of funds due from deceased retirees' estates for overpayment of benefits; and from insurance for ACERA legal claims.

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
As of March 31, 2021

(Note 9)

Short-Term Investments - \$183.11 million

Short-term investments are temporarily kept in a pooled account with State Street Bank. These pooled assets are primarily invested in short-term investment funds and deposits, including U.S. Treasury and agency obligations, corporate bonds, commercial paper, repurchase agreements, certificates of deposit, bankers' acceptances, time deposits, and floating-rate notes.

(Dollars in Millions)

Fund Name	3/31/2021
Brandywine	\$ 81.67
Unallocated Cash	34.15
Baird Investors	29.19
Capital Guardian	18.42
Kennedy	4.47
Loomis	3.97
William Blair Small Cap Growth	2.64
Aristotle Capital	2.33
TCW	1.54
Mondrian	1.14
Bivium - Dundas Partners	0.92
Bivium - Applied Research Management	0.48
Prudential Investors PRISA FD	0.42
Bivium - Global Alpha Capital Mgmt	0.41
Bivium - Arga Investment Management	0.39
Bivium - Denali Advisors	0.28
Bivium - Radin Capital Partners	0.22
PRISA III	0.21
Bivium RVX Asset Management LLC	0.15
AQR Capital Management, LLC	0.07
Next Century Investors Ultra	0.02
Transition	0.02
Total	\$ 183.11

(Note 10)

International Equity Commingled Funds - \$1,444.93 million

As of March 31, 2021, and March 31, 2020, the International Equity Commingled Funds were \$1,444.93 million and \$905.27 million, respectively. The increase of \$539.66 million is mainly due to market appreciation and additional investments net of distributions.

(Note 11)

International Fixed Income Commingled Funds - \$148.94 million

The increase of \$21.47 million from the prior year is due to market appreciation. Disclosure of credit ratings on mutual fund holdings of fixed income portfolio is not required per GASB Statement No. 40.

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
As of March 31, 2021

(Note 12)

Real Estate Separate Properties - \$72.79 million

The following is a summary of Real Estate – Separate Property investments as of March 31, 2021, and March 31, 2020. The year over year decrease of \$1.56 million is due to the market depreciation of the Oakland 14th Street property.

(Dollars in Millions)

<i>Investment Manager</i>	<i>Net Mkt. Value 3-31-2021</i>	<i>Net Mkt. Value 3-31-2020</i>	<i>No. of Properties 2021</i>	<i>No. of Properties 2020</i>
RREEF	\$ 72.79	\$ 74.35	1	1

(Note 13)

Real Estate Commingled Funds - \$543.21 million

Detailed records regarding these investments of public pension funds are exempt from disclosure under the California Government Code Section 6254.26. The increase of \$13.13 million in 2021 as compared to 2020 is mainly due to market appreciation and additional investments net of distributions.

(Note 14a)

Absolute Return - \$698.00 million

Detailed records regarding these investments of public pension funds are exempt from disclosure under California Government Code Section 6254.26. The decrease of \$48.26 million in 2021 as compared to 2020 is predominantly due to distributions net of additional investments.

(Note 14b)

Private Equity - \$845.29 million

Detailed records regarding these investments of public pension funds are exempt from disclosure under California Government Code Section 6254.26. The increase of \$224.58 million in 2021 as compared to 2020 is mainly due to additional investments net of distributions; and net gain on investments.

(Note 15)

Capital Assets at Cost (Net of Accumulated Depreciation and Amortization) - \$4.40 million

(Dollars in Millions)

<i>Net Capital Assets</i>	<i>3/31/2021</i>	<i>3/31/2020</i>
Retirement Information System and Others - Construction-In-Process	\$ 3.11	\$ 1.75
Equipment, Furniture & Information Systems	13.54	13.54
Electronic Document Management System	4.18	4.16
Less: Accumulated Depreciation	(17.67)	(17.65)
Net Book Value	3.16	1.80
Leasehold Improvements	2.59	2.59
Less: Accumulated Depreciation	(1.35)	(1.25)
Net Book Value	1.24	1.34
Total Capital Assets, Net	\$ 4.40	\$ 3.14

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
As of March 31, 2021

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

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

(Note 16)

Accrued Administration Expenses - \$2.64 million

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

(Note 17)

17a. Members' Benefits & Refunds Payable - \$4.82 million

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

<i>Accrued Benefits and Refunds</i>	<i>3/31/2021</i>	<i>3/31/2020</i>
Basic Active Death Benefits	\$ 0.80	\$ 0.47
Active Death Contribution Refunds	1.60	1.23
Retired Death Benefits	2.39	1.94
Members' Contribution Refunds	0.03	0.05
Total Members' Benefit & Refunds Payable	\$ 4.82	\$ 3.69

17b. Retirement Payroll Deductions Payables - \$0.01 million

The balance for March 31, 2021, includes health premium prepayments for 9 retirees. The corresponding balance for March 31, 2020, included health premium prepayments for 12 retirees.

(Note 18)

Contributions - \$106.94 million

The increase in contributions of \$1.98 million in 2021 as compared to 2020 is primarily due to increases in employer and member contribution rates.

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
As of March 31, 2021

(Note 19)

(Note 19a) *Net Appreciation/ (Depreciation) in Fair Value of Investments – \$416.13 million*
(Dollars in Millions)

	<i>For the Period Ended</i>	
	<i>3/31/2021</i>	<i>3/31/2020</i>
<i>Actual / Realized Gains/(Losses)</i>		
Domestic Equities	\$ 32.92	\$ (8.46)
International Equities	52.46	(7.96)
Domestic Bonds	(0.80)	12.36
International Bonds	2.14	1.33
Real Estate Commingled Funds	(10.64)	0.62
Real Estate Sep. Props.	0.04	-
Private Equity & Alternative	58.21	(6.34)
Real Assets	1.62	(2.26)
Private Credit	0.07	-
Swaps and Others	-	3.33
Futures	4.49	(14.82)
Currency	5.56	(1.85)
<i>Total Realized Gains/(Losses)</i>	146.07	(24.05)
<i>Paper / Unrealized Gains/(Losses)</i>		
Domestic Equities	148.00	(534.34)
International Equities	50.22	(573.45)
Domestic Bonds	(47.45)	(22.33)
International Bonds	(21.39)	(25.29)
Real Estate Commingled Funds	18.77	4.81
Real Estate Sep. Props.	(0.04)	-
Private Equity & Alternative	105.48	13.68
Real Assets	24.18	(101.59)
Private Credit	0.39	(1.10)
Swaps and Others	-	2.65
Futures	0.79	2.28
Currency	(8.89)	(19.70)
<i>Total Unrealized Gains/(Losses)</i>	270.06	(1,254.38)
Total Net Realized and Unrealized Gains/(Losses)	\$ 416.13	\$ (1,278.43)

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
As of March 31, 2021

(Note 19b) Dividend, Interest, and Other Investment Income - \$60.43 million

(Dollars in Millions)

<i>Dividend, Interest, and Other Investment Income</i>	<i>For the Period Ended</i>	
	<i>3/31/2021</i>	<i>3/31/2020</i>
Interest Income	\$ 10.98	\$ 10.52
Dividend Income	11.51	8.97
Real Estate Income	4.58	5.70
Private Equity, Absolute Return, Private Credit and Real Asset Income/(Loss) ⁽¹⁾	33.36	(2.01)
Directed Brokerage Commission Recapture	0.00	0.01
Total Net Income⁽²⁾	\$ 60.43	\$ 23.19

⁽¹⁾ Income in current year is mostly related to Private Equity investments and the loss in last year is mainly related to Absolute Return investments.

⁽²⁾ The increase in Net Income of \$37.24 million in current year as compared to last year is mostly due to Private Equity gains in 2021 and Absolute Return losses in 2020.

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
As of March 31, 2021

(Note 20)

Investment Expenses - \$29.08 million

(Dollars in Millions)

<i>Investment Expenses</i>	<i>For the Period Ended</i>			
	<i>Basis Points</i>	<i>3/31/2021</i>	<i>Basis Points</i>	<i>3/31/2020</i>
Investment Manager and Incentive Fees	27.78	\$ 27.83	14.97	\$ 11.18
Investment Custodian	0.15	0.15	0.19	0.14
Investment Consultants & Other Expenses(*)	0.44	0.45	0.43	0.32
Subtotal	28.37	28.43	15.59	11.64
Investment Allocated Cost	0.65	0.65	0.91	0.69
Total Investment Expenses(**)	29.02	\$ 29.08	16.50	\$ 12.33

(*) *Investment Consultant and Other Expenses*

(Dollars in Millions)

	<i>For the Period Ended</i>			
	<i>Basis Points</i>	<i>3/31/2021</i>	<i>Basis Points</i>	<i>3/31/2020</i>
Investment Advising & Performance (Pearls, Alternative Investment)	0.23	\$ 0.24	0.30	\$ 0.23
Consultant - Portfolio Rebalancing	0.01	0.01	0.02	0.01
Consultant - Legal (Alternative Investment)	0.08	0.08	0.05	0.04
Subtotal – Consultants Expenses	0.32	0.33	0.37	0.28
Proxy Services	0.01	0.01	0.02	0.01
Transaction Cost Analysis	0.01	0.01	0.02	0.01
Other Investment Expenses/(Income) ***	0.10	0.10	0.02	0.02
Subtotal – Other Investment Expenses	0.12	0.12	0.06	0.04
Total Investment Consultants and Other Expenses	0.44	\$ 0.45	0.43	\$ 0.32

(**) The increase in total investment expenses of \$16.75 million in 2021 as compared to 2020 is primarily due to Private Equity incentive fees which is based on funds' performance.

(***) There is minor increase in other investment expenses of \$0.08 million in 2021 as compared to 2020.

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
As of March 31, 2021

(Note 21)

Net Investment Income/ (Losses) - \$447.48 million

(Dollars in Millions)

	<i>For the Period Ended</i>		<i>Inc./ (Dec.)</i>
	<i>3/31/2021</i>	<i>3/31/2020</i>	<i>from previous period</i>
Paper / Unrealized Gains/(Losses)	\$ 270.06	\$ (1,254.37)	\$ 1,524.43
Actual / Realized Gains/(Losses)	146.07	(24.06)	170.13
Investment Income (Interest/Dividend/RE/Other) - Net of Expenses	31.35	10.86	20.49
Total Net Income/ (Losses)	\$ 447.48	\$ (1,267.57)	\$ 1,715.05

(Note 22)

Securities Lending Net Income - \$0.16 million

The securities lending net income balance as of March 31, 2021, and March 31, 2020, were \$0.16 million and \$0.17 million, respectively. The decrease in securities lending income is due to decrease in the balances of traditional active manager accounts in passive index funds.

(Note 23)

Miscellaneous Income - \$0.71 million

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

(Note 24)

Service Retirement and Disability Benefits - \$131.43 million

The increase of \$6.57 million was predominantly due to the higher average benefit paid to the newly added retirees as compared to that of deceased retirees with lower average benefits as well as a modest increase of 218 in the total number of retirees and beneficiaries receiving benefits, from 10,095 on March 31, 2020 to 10,313 on March 31, 2021.

(Note 25)

Death Benefits - \$0.68 million

The death benefits paid out during the three months ended March 31, 2021, were comprised of \$0.07 million of Retired Death Benefits, \$0.06 million of Active Death Benefits, and \$0.55 million of Survivorship Benefits.

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
As of March 31, 2021

(Note 26)

Total Administration - \$4.04 million

ACERA's Board of Retirement adopted Section 31580.2 of the 1937 Act. This Section allows ACERA to exclude investment (included in Total Investment Expenses under Note 20 above), actuarial, legal, business continuity related expenses and technology costs from administrative expenses subject to the statutory limits. Under Section 31618.5 ACERA excludes the SRBR administrative expenses from its total administrative expenses. ACERA's SRBR administrative expenses are the amount that exceeds the employers' 401(h) contributions allocated to estimated administrative costs of Postemployment Medical Benefits.

The detail of total Administration Expenses are as follows:

(Dollars in Millions)

	3/31/2021	3/31/2020	Inc./ (Dec.) from previous period
Administrative Expenses	\$ 3.09	\$ 3.04	\$ 0.05
Actuarial Expenses	0.08	0.10	(0.02)
Business Continuity Expenses	0.16	0.15	0.01
Legal Expenses	0.19	0.21	(0.02)
Technology Expenses	0.18	0.21	(0.03)
401(h) Administrative Expenses	0.34	0.36	(0.02)
Total	\$ 4.04	\$ 4.07	\$ (0.03)

CONSENT CALENDAR ITEM


**Operating Expenses as of March 31, 2021
For review under May 20, 2021
Board “Consent Calendar”**



MEMORANDUM TO THE BOARD OF RETIREMENT

DATE: May 20, 2021

TO: Members of the Board of Retirement

FROM: Margo Allen, Fiscal Services Officer 

SUBJECT: Operating Expenses Budget Summary for the period ended March 31, 2021

ACERA's operating expenses are \$474K under budget for the period ended March 31, 2021. Budget overages and surpluses worth noting are as follows:

Budget Surpluses

1. *Staffing*: Staffing is \$204K under budget. This amount comprises surplus in staff vacancies of (\$88K) and fringe benefits of (\$162K), which are offset by overage in temporary staffing of \$46K due to vacant positions filled by temporary staff.
2. *Staff Development*: Staff Development is \$22K under budget due to savings from unattended staff trainings and conferences.
3. *Professional Fees*: Professional Fees are \$25K under budget. This amount comprises surplus in legal fees of (\$21K), benefit consultant fees of (\$1K) and actuarial fees of (\$3K) due to savings from last year accrual.
4. *Office Expense*: Office Expense is \$28K under budget. This amount comprises surpluses in printing and postage of (\$5K) and office maintenance and supplies of (\$9K) are both due to majority staff are working from home, communication expenses of (\$2K), bank charges and miscellaneous administration of (\$4K), equipment lease and maintenance of (\$5K), and minor equipment and furniture of (\$4K). Which are offset by overage in building expenses of \$1K.
5. *Member Services*: Member Services are \$4K under budget. This amount comprises surpluses in disability legal arbitration and transcripts of (\$15K), members printing and postage of (\$3K), and member training and education of (\$1K), which are offset by overage in virtual call center of \$6K and disability medical expense of \$9K.
6. *Systems*: Systems are \$74K under budget. This amount comprises surpluses in software maintenance and support of (\$89K) mainly due to delay in IT projects, which is offset by overage in minor computer hardware of \$1K, business continuity of \$13K, and county data processing of \$1K.
7. *Depreciation*: Depreciation is \$1K under budget, which is mainly related to the disaster recovery fixed assets.

Operating Expenses Budget Summary for the period ended March 31, 2021

8. *Board of Retirement:* Board of Retirement is \$116K under budget. This amount comprises surpluses in board conferences and trainings of (\$27K) due to unattended trainings and conferences, board compensation of (\$2K), board employer reimbursement of (\$83K) due to adjustment of previous year's overpayments, and board miscellaneous expenses of (\$4K).

Staffing Detail

Permanent vacant positions as of March 31, 2021:

Department	Position	QTY	Comments
Benefits	Administrative Specialist II	2	Vacant - currently budgeted until 12/2021
Benefits	Retirement Support Specialist	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
Total Positions		5	

Pension Administration System Project - as of 3/31/2021					
All amounts are in \$	Year-To-Date				
	Actual	Budget	Variance	2021 Budget	2019-20 Actual
Consultant Fees					
Levi, Ray and Shoup	28,337	171,000	(142,663)	683,000	1,085,179
Segal	72,600	96,000	(23,400)	384,000	800,450
Other expenses	-	12,600	(12,600)	50,000	1,500
Leap Technologies	-	-	-	-	98,970
Total	100,937	279,600	(178,663)	1,117,000	1,986,099
Staffing	133,083	144,000	(10,917)	577,000	881,052
TOTAL	234,020	423,600	(189,580)	1,694,000	2,867,151

Attachments:

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



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

YEAR TO DATE - ACTUAL VS. BUDGET					
<u>March 31, 2021</u>					
	<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	\$ 3,674,575	\$ 3,878,240	\$ (203,665)	\$ 16,099,000	22.8%
Staff Development	36,118	58,395	(22,277)	274,000	13.2%
Professional Fees (Next Page)	298,031	322,900	(24,869)	1,128,000	26.4%
Office Expense	109,672	138,200	(28,528)	574,000	19.1%
Insurance	197,207	197,760	(553)	825,000	23.9%
Member Services	94,374	98,400	(4,026)	464,000	20.3%
Systems	232,211	306,180	(73,969)	1,202,000	19.3%
Depreciation	29,258	30,000	(742)	118,000	24.8%
Board of Retirement	22,637	138,420	(115,783)	675,000	3.4%
Uncollectable Benefit Payments	-	-	-	68,000	0.0%
Total Operating Expense	\$ 4,694,083	\$ 5,168,495	\$ (474,412)	\$ 21,427,000	21.9%
Investment Consultant Fees	323,842	349,200	(25,358)	1,399,000	23.1%
Investment Custodian Fees	145,753	151,500	(5,747)	606,000	24.1%
Investment Manager and Incentive Fees	27,833,444	12,234,750	15,598,694	48,942,000	56.9%
Other Investment Expenses	124,230	106,500	17,730	426,000	29.2%
Total Portfolio Management Investment Expense	\$ 28,427,269	\$ 12,841,950	\$ 15,585,319	\$ 51,373,000	55.3%
Total Operating and Portfolio Management Investment Expense	\$ 33,121,352	\$ 18,010,445	\$ 15,110,907	\$ 72,800,000	45.5%



ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

PROFESSIONAL FEES

YEAR TO DATE - ACTUAL VS. BUDGET

March 31, 2021

	<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>
<u>Professional Fees</u>					
Consultant Fees - Operations and Projects ¹	\$ 82,550	\$ 83,190	\$ (640)	\$ 333,000	24.8%
Actuarial Fees ²	104,666	107,990	(3,324)	415,000	25.2%
External Audit ³	76,000	76,000	-	157,000	48.4%
Legal Fees ⁴	34,815	55,720	(20,905)	223,000	15.6%
Total Professional Fees	\$ 298,031	\$ 322,900	\$ (24,869)	\$ 1,128,000	26.4%

	<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>
¹ CONSULTANT FEES - OPERATIONS AND PROJECTS:					
Benefits					
Alameda County HRS (Benefit Services)	31,500	31,500	-	126,000	25.0%
Segal (Benefit Consultant/Retiree Open Enrollment)	31,800	32,490	(690)	130,000	24.5%
Total Benefits	63,300	63,990	(690)	256,000	24.7%
Human Resources					
Lakeside Group (County Personnel)	19,250	19,200	50	77,000	25.0%
Total Human Resources	19,250	19,200	50	77,000	25.0%
Total Consultant Fees - Operations	\$ 82,550	\$ 83,190	\$ (640)	\$ 333,000	24.8%
² ACTUARIAL FEES					
Actuarial valuation	39,500	39,500	-	79,000	50.0%
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	44,166	47,490	(3,324)	190,000	23.2%
Supplemental Retiree Benefit Reserve valuation	21,000	21,000	-	42,000	50.0%
Total Actuarial Fees	\$ 104,666	\$ 107,990	\$ (3,324)	\$ 415,000	25.2%
³ EXTERNAL AUDIT					
External audit	66,000	66,000	-	132,000	50.0%
GASB 67 & 68	5,200	5,200	-	13,000	40.0%
GASB 74 & 75-External Audit	4,800	4,800	-	12,000	40.0%
Total External Audit Fees	\$ 76,000	\$ 76,000	\$ -	\$ 157,000	48.4%
⁴ LEGAL FEES					
<u>Fiduciary Counseling & Litigation</u>					
Nossaman - Fiduciary Counseling	4,397	4,500	(103)	54,000	
Nossaman - Litigation	3,449	12,000	(8,551)	42,000	
Reed Smith - Litigation	17,179	15,000	2,179	30,000	
Subtotal	25,025	31,500	(6,475)	126,000	19.9%
<u>Tax and Benefit Issues</u>					
Hanson Bridgett	3,781	7,200	(3,419)	29,000	
Subtotal	3,781	7,200	(3,419)	29,000	13.0%
<u>Miscellaneous Legal Advice</u>					
Meyers Nave	6,010	17,020	(11,010)	68,000	
Subtotal	6,010	17,020	(11,010)	68,000	8.8%
Total Legal Fees	\$ 34,815	\$ 55,720	\$ (20,905)	\$ 223,000	15.6%

CONSENT CALENDAR ITEM


**Quarterly Cash Forecast Report
as of March 31, 2021
For review under May 20, 2021
Board “Consent Calendar”**



MEMORANDUM TO THE BOARD OF RETIREMENT

DATE: May 20, 2021

TO: Members of the Board of Retirement

FROM: Margo Allen, Fiscal Services Officer 

SUBJECT: Actual Cash and Forecast as of March 31, 2021

Executive Summary

ACERA liquidates cash from the plan's invested assets on a monthly basis to meet its increasing financial obligations. To better manage assets, best practices recommend a robust cash forecast and analysis to understand, communicate, and manage the invested assets that fund ever-increasing pension liabilities and administrative expense obligations.

- Table 1 is the annual cash forecast from April 2021 to March 2022, which will roll forward monthly as the year progresses; and,
- Tables 2 through 4 is the annualized, 5-year actual cash management information. Please note that the current year 2021 comprises the three months actual and nine months forecast information.

Table 1 Cash Forecast: Table 1 provides the current forecasted negative cash position for the period spanning April 2021 to March 2022. The average monthly negative cash position for the referenced period is \$19,519,046. Excluding the two three-pay-period months i.e., April 2021 and October 2021, annotated by an *. The year-over-year increase in average monthly forecasted negative cash position compared to the same period in 2020-2021 is \$1,680,904.

Table 1 Annual Cash Forecast from April 2021 to March 2022			
Month-Year	Total Receipts	Total Disbursements	Negative Cash Position
Apr-21*	\$ 48,420,000	\$ 53,670,957	\$ (5,250,957)
May-21	32,800,000	53,022,213	(20,222,213)
Jun-21	32,754,853	53,093,470	(20,338,617)
Jul-21	32,832,280	53,164,727	(20,332,447)
Aug-21	32,909,707	53,235,983	(20,326,277)
Sep-21	34,291,522	53,307,240	(19,015,718)
Oct-21*	51,403,423	53,903,497	(2,500,074)
Nov-21	34,446,375	53,449,753	(19,003,378)
Dec-21	34,523,802	53,521,010	(18,997,208)
Jan-22	34,601,228	53,592,267	(18,991,038)
Feb-22	34,678,655	53,663,523	(18,984,868)
Mar-22	34,756,082	53,734,780	(18,978,698)
Total	\$ 438,417,927	\$ 641,359,420	\$ (202,941,493)
Average	\$ 33,859,450	\$ 53,378,497	\$ (19,519,046)

Table 1 notes: *These are three-pay-period months which are excluded from the average because they cause inaccuracy with extreme fluctuation.

Tables 2 through 4, below, provide a 5-year, annualized analysis of ACERA's cash management.

Table 2 5-Year Annual Cash Inflow			
Year	Total Contributions, Misc. Cash Receipts, etc.	Cash Draw from SSB*	Total Cash Inflow
2021	\$ 434,172,537	\$ 249,000,000	\$ 683,172,537
2020	413,586,022	247,200,000	660,786,022
2019	401,756,315	232,000,000	633,756,315
2018	361,633,074	224,000,000	585,633,074
2017	335,099,875	217,350,000	552,449,875
Table 2. Annualized inflow of total cash receipts. The Cash Draw from SSB, in the second column is the actual net cash drawn from ACERA's investment portfolio.			

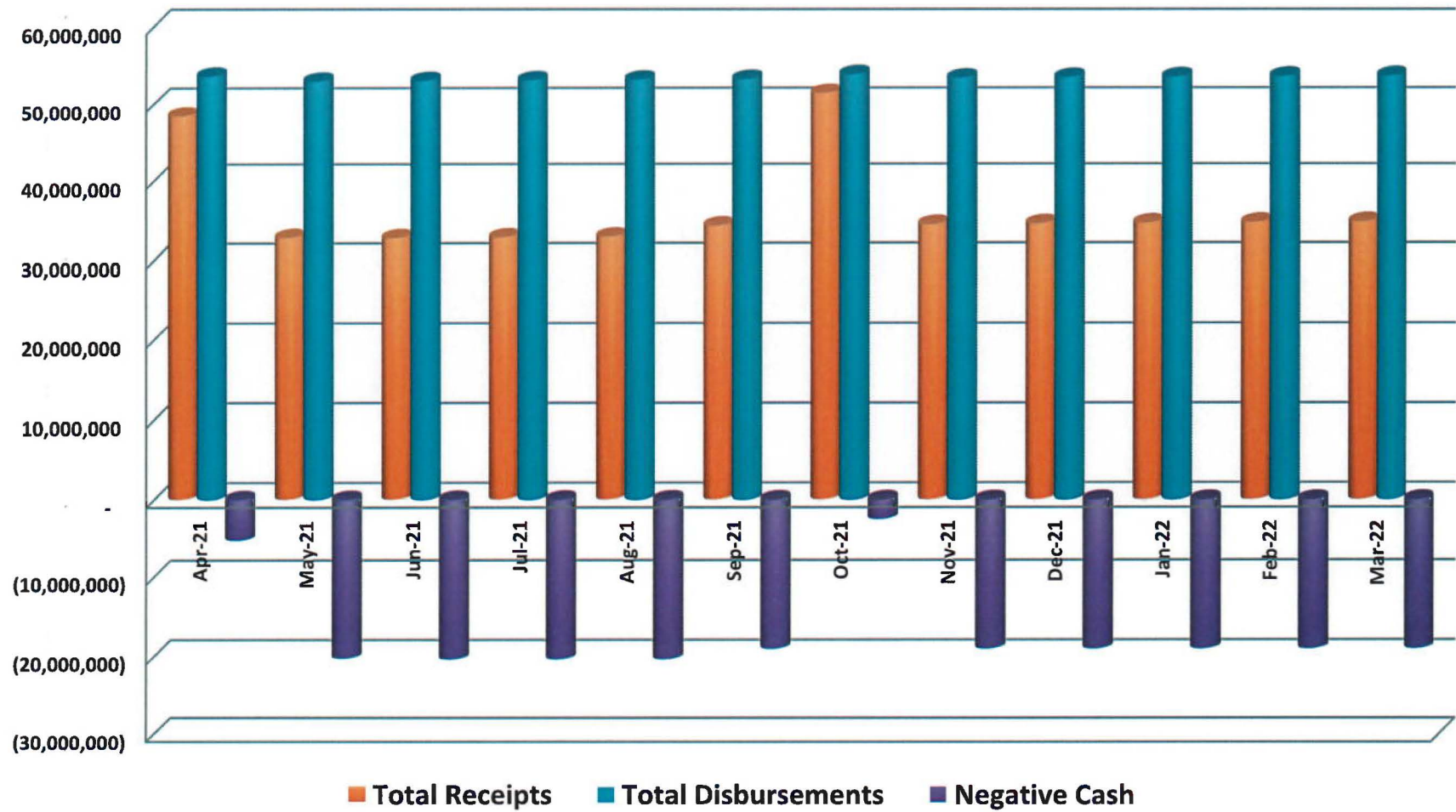
Table 3 5-Year Annual Cash Outflow			
Year	Retiree Payroll, Accounts Payable, ACERA Payroll, etc.	Cash Return to SSB*	Total Cash Outflow
2021	\$ 632,521,549	\$ 51,700,000	\$ 684,221,549
2020	597,872,011	64,013,096	661,885,107
2019	570,574,725	60,500,000	631,074,725
2018	534,704,781	66,503,646	601,208,427
2017	502,857,234	33,750,000	536,607,234
Table 3. Annualized outflow of retirement and benefit payments, accounts payable, and ACERA payroll. Excess cash (Cash Return to SSB column) is wired to the SSB HIIA account.			

Table 4 5-Year Annual Net Cash Position			
Year	Negative Cash	Net Cash Draw from SSB	Variance
2021	\$ (198,349,012)	\$ 197,300,000	\$ (1,049,012)
2020	(184,285,989)	183,186,904	(1,099,085)
2019	(168,818,410)	171,500,000	2,681,590
2018	(173,071,707)	157,496,354	(15,575,353)
2017	(167,757,359)	183,600,000	15,842,641
Table 4. Annualized Negative Cash position and the SSB Net Cash Draw. Due to timing differences and end-of-year balance differences, the net cash draw can fluctuate several hundred-thousand dollars in a year-over-year comparison.			

* State Street Bank (SSB)

Conclusion: This information is not meant to be statistically inferential in nature; but rather, it presents facts about ACERA's negative cash position on a 5-year annualized basis. Future analysis of the this information can be undertaken to evaluate specific tendency; however, the current presentation is intended to provide a factual assessment of the actual cash draw down of ACERA's investment portfolio.

Cash Forecast April 2021 - March 2022



CONSENT CALENDAR ITEM


**Board Member Conference Expense
Report for 1st Qtr. 2021
For review under May 20, 2021
Board “Consent Calendar”**



MEMORANDUM TO THE BOARD OF RETIREMENT

DATE: May 20, 2021

TO: Members of the Board of Retirement

FROM: Margo Allen, Fiscal Services Officer 

SUBJECT: Board Conference and Training Expense Report for the period January 1, 2021, to March 31, 2021

Attached is the Jan-Mar 2021 Board conference and training expense report. As of March 31, 2021, reported expenses totaled \$2,981.

ACERA Trustees
Board Conference Expense Report
January 1, 2021 to March 31, 2021

From	To	Attendee	Conference	Location	Total
		Dale Amaral			\$ -
		Dale Amaral			\$ -
		Darryl Walker			\$ -
		Darryl Walker Total			\$ -
		Elizabeth Rogers			\$ -
		Elizabeth Rogers Total			\$ -
		George Wood			\$ -
		George Wood Total			\$ -
01/31/21	01/31/21	Henry Levy	ICGN Governance, Stewardship Course	Virtual	\$ 961
02/25/21	02/25/21	Henry Levy	NASP Diverse Manager Forum	Virtual	\$ 100
03/04/21	03/04/21	Henry Levy	Corporate Directors Forum	Virtual	\$ 25
03/08/21	03/09/21	Henry Levy	CALAPRS General Assembly	Virtual	\$ 250
05/06/21	05/06/21	Henry Levy	Corporate Secretary Forum-Governance Priorities	Virtual	\$ 45
		Henry Levy Total			\$ 1,381
		Jaime Godfrey			
		Jaime Godfrey Total			\$ -
		Keith Carson			
		Keith Carson total			\$ -
		Liz Koppenhaver			
		Liz Koppenhaver Total			\$ -
		Nancy Reilly			
		Nancy Reilly Total			\$ -
		Ophelia Basgal			\$ -
		Ophelia Basgal Total			\$ -
01/25/21	06/25/21	Tarrell Gamble	Berkeley Law Course:Sustainable Capitalism and ESG Online	Virtual	\$ 1,250
02/25/21	02/25/21	Tarrell Gamble	NASP Diverse Manager Forum and Kick Off Reception	Virtual	\$ 100
02/19/21	03/26/21	Tarrell Gamble	National Association of Investment Companies NAIC Conference	Virtual	\$ 250
		Tarrell Gamble Total			\$ 1,600
		Grand Total			\$ 2,981

CONSENT CALENDAR ITEM

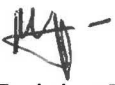
**Senior Manager Conference and Training
Expense Report for 1st Qtr. 2021
For review under May 20, 2021
Board “Consent Calendar”**



MEMORANDUM TO THE BOARD OF RETIREMENT

DATE: May 20, 2021

TO: Members of the Board of Retirement

FROM: Margo Allen, Fiscal Services Officer 

SUBJECT: Senior Managers Conference and Training Expense Report for the period
January 1, 2021, to March 31, 2021

Attached is the Jan-Mar 2021 senior managers' conference and training expense report. As of March 31, 2021, reported expenses totaled \$950.

ACERA Sr. Managers
SM Conference and Training Expense Report
January 1, 2021 to March 31, 2021

From	To	Senior Manager	Training or Conference	Name	Amount
Trainings					
				NASRA Virtual Winter Systems Roundtable and Joint Legislative Conference	
02/22/21	02/24/21	Dave Nelsen	Conference	Conference	\$ 350
03/08/21	03/09/21	Dave Nelsen	Conference	CALAPRS Virtual General Assembly	\$ 250
Trainings					
02/11/21	02/11/21	Dave Nelsen	Training	CALAPRS Administrators Roundtable	\$ 50
Dave Nelsen Total					\$ 650
Conferences					
03/08/21	03/09/21	Kathy Foster	Conference	CALAPRS Virtual General Assembly	\$ 250
Kathy Foster Total					\$ 250
Trainings					
02/19/21	02/19/21	Jeffrey Reiger	Training	CALAPRS Virtual Attorney Roundtable	\$ 50
Jeffrey Reiger Total					\$ 50
Grand Total					\$ 950

CONSENT CALENDAR ITEM


**Quarterly Report on Member Under/Overpayments
For review under May 20, 2021
Board “Consent Calendar”**



MEMORANDUM TO THE BOARD OF RETIREMENT

DATE: May 20, 2021

TO: Members of the Board of Retirement

FROM: Jessica Huffman, Retirement Benefits Manager 

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

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

Overpayments of Retirement Allowance Due to Death

This report provides any payments (including HRA (Health Reimbursement Arrangements) payments) made after the death of a retiree. In instances where a death is not reported timely, an overpayment occurs. For the six-month reporting period July 12, 2020 through December 26, 2020, 138 deaths occurred. There is 1 overpayment due to unreported deaths to report at this time. Staff is actively attempting to collect on this overpayment.

Staff Errors

There are no overpayments due to staff errors to report.

Overpayments and Underpayments of Member Contributions

This report, which is for the period July 12, 2020 through December 26, 2020, shows discrepancies in member contribution amounts resulting in an underpayment or overpayment above the \$50 threshold, average time to resolve, and an explanation of the error type. For this reporting period, staff identified 8 members who underpaid their mandatory employee contributions and 4 members who overpaid their mandatory employee contributions. Staff reviewed and resolved each of the twelve cases of incorrect payment. There were a total of 2,515 exceptions from all Participating Employers. The most common exception type was underpayments due to the Employers withholding retirement contributions based on the incorrect salary.

Attachments

Overpayments of Retirement Allowance Due to Unreported Death
July 12, 2020 to December 29, 2020

Benefit Type	Date of Death	Date ACERA was notified of Death	Last Check Issued	Net Receivable Owed	Staff's Comment
Service Retirement	10/18/2020	10/29/2020	10/30/2020	\$ 2,754.25	Staff initiated ACH reversal request with Well Fargo but was unsuccessful at collecting. Two unsuccessful attempts have been made to collect the overpayment from the family. Staff will continue to attempt collection of overpayment.
Total Receivable				\$2,754.25	

Active Members - Overpayments and Underpayments of Member Contributions
July 12, 2020 thru December 26, 2020

Alameda County					
	Amount	Date Discovered/ Received	Date Completed	# of days to complete	Cause
Overpayments: 1	\$350.73	7/30/2020	8/5/2020	4	Age Adjustment Due to Reciprocity
Underpayments: 1	\$582.89	9/9/2020	9/15/2020	5	Employer Withheld Contribution Based on Incorrect Salary
2	\$245.54	12/09/2020	12/12/2020	4	Employer Withheld Contribution Based on Incorrect Salary
Summary	Most Common Exception Type: Employer Withheld Contribution Based on Incorrect Salary Total Exceptions: 1076 % Above Exceptions of Total Exceptions: 0.28%				

Alameda County Housing Authority					
	Amount	Date Discovered/ Received	Date Completed	# of days to complete	Cause
Overpayments:	No Overpayments to Report				
Underpayments:	No Underpayments to Report				
Summary	Most Common Exception Type: N/A Total Exceptions: 101 % Above Exceptions of Total Exceptions: 0%				

Overpayments and Underpayments of Member Contributions – Continued

Page 2 of 4

Alameda Health Systems					
	Amount	Date Discovered/ Received	Date Completed	# of days to complete	Cause
Overpayments:	No Overpayments to Report				
Underpayment: 1	\$34.69	8/13/2020	8/14/2020	1	Employer Withheld Contribution Based on Incorrect Salary
2	\$32.54	12/17/2020	12/18//2020	1	Employer Withheld Contribution Based on Incorrect Salary
Summary	Most Common Exception Type: Employer Withheld Contribution Based on Incorrect Salary Total Exceptions: 1233 % Above Exceptions of Total Exceptions: 0.16 %				

First 5 Alameda County					
	Amount	Date Discovered/ Received	Date Completed	# of days to complete	Cause
Overpayments	No Overpayments to Report				
Underpayments	No Underpayments to Report				
Summary	Most Common Exception Type: N/A Total Exceptions: 6 % Above Exceptions of Total Exceptions: 0.00%				

Overpayments and Underpayments of Member Contributions – Continued

Page 3 of 4

Alameda County Superior Courts					
	Amount	Date Discovered/ Received	Date Completed	# of days to complete	Cause
Overpayments: 1	\$115.84	7/31/2020	8/3/2020	1	Employer Withheld Contribution Based on Incorrect Salary
2	\$27.66	8/31/2020	9/2/2020	2	Employer Withheld Contribution Based on Incorrect Salary
3	\$25.64	8/31/2020	9/2/2020	2	Employer Withheld Contribution Based on Incorrect Salary
Underpayments: 1	\$589.90	7/10/2020	7/14/2020	4	Employer Withheld Contribution Based on Incorrect Tier
2	\$432.66	8/5/2020	8/11/2020	6	Employer Withheld Contribution Based on Incorrect Tier
3	\$345.92	8/7/2020	9/1/2020	15	Employer Withheld Contribution Based on Incorrect Salary
4	\$47.33	12/2/2020	12/2/2020	1	Employer Withheld Contribution Based on Incorrect Salary
Summary	Most Common Exception Type: Employer Withheld Contribution Based on Incorrect Salary Total Exceptions: 96 % Above Exceptions of Total Exceptions: 7.29%				

Livermore Area Recreation and Park District					
	Amount	Date Discovered/ Received	Date Completed	# of days to complete	Cause
Overpayments	No Overpayments to Report				
Underpayments	No Underpayments to Report				
Summary	Most Common Exception Type: N/A Total Exceptions: 3 % Above Exceptions of Total Exceptions: 0.00%				

CONSENT CALENDAR ITEM

**1st Quarter 2021 Call Center Report
For review under May 20, 2021
Board “Consent Calendar”**



MEMORANDUM TO THE BOARD OF RETIREMENT

DATE: May 20, 2021

TO: Members of the Operations Committee

FROM: Ismael Piña, Assistant Benefits Manager

SUBJECT: **1st Quarter 2021 Call Center Report**

A handwritten signature in black ink, appearing to read "Ismael Piña".

Attached is the Service Level Report for the first quarter of 2021. Our service levels met our benchmark this past quarter. The team handled a total of 4,118 incoming calls this past quarter, 90% of which were answered within 60 seconds. The team also responded to a total of 495 member voicemails within 1 business day or less.

The matrix below provides the five highest call volume categories for the Q4 2020 and Q1 2021.

Q4 2020 Highest Volume	Categories of Calls		Q1 2021 Highest Volume	Categories of Calls
37%	Health/Dental/ Vision related Q's		32%	Retirement/Membership/ Job Status Change Related Q's
23%	Retiree Payroll Change Requests		26%	Retiree Payroll Change Requests
22%	Retirement/Counseling /Job Status Change Related Q's		24%	Health/Dental/ Vision related Q's
11%	Award Letter/EFT Statement/1099R Requests		11%	Award Letter/EFT Statement/1099R Requests
7%	Web Member Services Related Q's		7%	Web Member Services Related Q's

Attachment

ACERA

YTD 2021 Member Services and Reception Service Level Report

Performance Indicators	January 2021 Member Services	February 2021 Member Services	March 2021 Member Services	April 2021 Member Services	May 2021 Member Services	June 2021 Member Services
KPI - Service Level	93.85%	90.12%	86.73%			
Total Number of Call Offered	1272	1292	1622			
ACD Agent Handled Calls	1253	1275	1590			
Number of Abandoned Calls	19	17	32			
Average Hold Time Before Abandon (minutes:seconds)	2:30	3:11	2:56			
Abandon Call Rate (Goal: 3% or less)	1.49%	1.31%	1.97%			
Number of Interflow Calls	0	0	0			
Interflow Rate (Goal: 3% or less)	0.00%	0.00%	0.00%			
Average Talk Time (minutes:seconds)	5:38	5:53	5:32			

Performance Indicators	July 2021 Member Services	August 2021 Member Services	September 2021 Member Services	October 2021 Member Services	November 2021 Member Services	December 2021 Member Services
KPI - Service Level						
Total Number of Call Offered						
ACD Agent Handled Calls						
Number of Abandoned Calls						
Average Hold Time Before Abandon (minutes:seconds)						
Abandon Call Rate (Goal: 3% or less)						
Number of Interflow Calls						
Interflow Rate (Goal: 3% or less)						
Average Talk Time (minutes:seconds)						

	2021
Total Member Calls	4118
Total Reception Calls	0
TOTAL - Both	4118

CONSENT CALENDAR ITEM

1. **Approve Staff Recommendation regarding Alameda Health System's New Pay Item/Code COVID-19 Supplemental Paid Sick Leave – 12D**



MEMORANDUM TO THE BOARD OF RETIREMENT

DATE: May 20, 2021

TO: Members of the Board of Retirement

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

SUBJECT: **Approval of One New Pay Item/Code as “Compensation Earnable” and “Pensionable Compensation” –Alameda Health System**

Alameda Health System (AHS) requested that new pay item/code COVID-19 Supplemental Paid Sick Leave –12D be reviewed to determine whether it qualifies as “compensation earnable” and “pensionable compensation”. This new pay item/code was established to comply with Senate Bill 95 (SB-95), which was signed into law on March 19, 2021. SB-95 requires covered employers to provide full-time employees up to 80 hours of Supplemental Paid Sick Leave (SPSL) for specific COVID-19 related reasons. Part-time employees are eligible for prorated SPSL hours. The effective date of SB-95 and this new pay item/code is retroactive to January 1, 2021.

Staff and Chief Counsel reviewed the required supporting documentation (attached) and made the determination that the new pay item/code qualifies as “compensation earnable” under Government Code Section 31461 (for Legacy members) and “pensionable compensation” under Government Code Section 7522.34 (for PEPPRA members). Paid leave is included in both “compensation earnable” and “pensionable compensation”. The two relevant Government Code sections are attached for the Board of Retirement’s (Board) reference.

Staff informed AHS that Staff’s determination will be on the Board’s consent calendar for approval at its May 20, 2021 meeting. If this item is not pulled from the consent calendar for discussion, then the Board will approve Staff’s determination that the pay item/code is “compensation earnable” under Government Code Section 31461 (for Legacy members) and “pensionable compensation” under Government Code Section 7522.34 (for PEPPRA members).

Attachments

REQUEST FOR ACERA APPROVAL OF NEW PAY CODE

Employer Name: ALAMEDA HEALTH SYSTEM Date: May 3, 2021

Contact Person/Employer (include title/position): **Cynthia Enriquez, Senior Retirement Plans Administrator**

Contact Person Telephone: **(510) 618-2141** Email: **cyenriquez@alamedahealthsystem.org**

Pay Item Name (and code number): **Pay code 12D: COVID-19 SPSL**

The following information is required before ACERA can review and respond to your request. Please provide substantive responses on separate paper and return with this form 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). **All employees are eligible.**
2. State employment status of employees eligible to receive the pay item (i.e., full time employees, part time employees) **All Status-Full-Time, Part-Time and SAN**
3. State the number of members or employees who are eligible to receive the pay item (i.e., all members or employers in a job classification eligible to receive the pay item, or “not to exceed one employee”) **All members**
4. State whether pay item is for overtime or regular base pay. **Base pay not to exceed \$511 per day**
5. State whether pay item is calculated as a fixed amount or percentage of the base pay.
Fixed amount
6. State whether the pay item is paid one time (i.e., incentive pay, referral pay, bonus, award). **To be paid for a specific time period January 1, 2021 through September 30, 2021**
7. State whether the pay item is an ad hoc payment (i.e., stipend, payment for attending a meeting during working hours, payment for attending a meeting during non working hours). **This is not an ad hoc payment**

8. State whether the pay item is a reimbursement (i.e., car allowance, housing allowance, uniform allowance, mileage payment, cell phone allowance). **This is not for reimbursement.**
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). **All employees are eligible**
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 work week, or outside of the employee's 40 hour work week). **No this payment is not for work outside of workweek**
11. State whether the pay item is for deferred compensation. **No not for deferred comp**
12. State whether the pay item is for retro payments. **No not for retro pay**
13. State whether the pay item is for accrued unused leave (i.e., sick leave, annual leave, floating holiday, vacation, comp time). **No not for accrued unused leave**
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. **Not in kind payments**
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). **Not severance**
16. State whether the pay item is paid in one lump sum or bi-weekly (or over some other time period-monthly, quarterly, annually). **To be paid each pay period for specific time period**
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). **The basis for eligibility and authorization for this ne paycode is California bill SB95.**

2021 COVID-19 Supplemental Paid Sick Leave

Effective March 29, 2021

Covered Employees in the public or private sectors who work for employers with more than 25 employees are entitled to up to 80 hours of COVID-19 related sick leave from January 1, 2021 through September 30, 2021, immediately upon an oral or written request to their employer. If an employee took leave for the reasons below prior to March 29, 2021, the employee should make an oral or written request to the employer for payment.

A covered employee may take leave *if the employee is unable to work or telework for any of the following reasons:*

- Caring for Yourself: The employee is subject to quarantine or isolation period related to COVID-19 as defined by an order or guidelines of the California Department of Public Health, the federal Centers for Disease Control and Prevention, or a local health officer with jurisdiction over the workplace, has been advised by a healthcare provider to quarantine, or is experiencing COVID-19 symptoms and seeking a medical diagnosis.
- Caring for a Family Member: The covered employee is caring for a family member who is subject to a COVID-19 quarantine or isolation period or has been advised by a healthcare provider to quarantine due to COVID-19, or is caring for a child whose school or place of care is closed or unavailable due to COVID-19 on the premises.
- Vaccine-Related: The covered employee is attending a vaccine appointment or cannot work or telework due to vaccine-related symptoms.

Paid Leave for Covered Employees

- 80 hours for those considered full-time employees. Full-time firefighters may be entitled to more than 80 hours, caps below apply.
 - For part-time employees with a regular weekly schedule, the number of hours the employee is normally scheduled to work over two weeks.
 - For part-time employees with variable schedules, 14 times the average number of hours worked per day over the past 6 months.
- Rate of Pay for COVID-19 Supplemental Paid Sick Leave: Non-exempt employees must be paid the highest of the following for each hour of leave:
 - Regular rate of pay for the workweek in which leave is taken
 - State minimum wage
 - Local minimum wage
 - Average hourly pay for preceding 90 days (not including overtime pay)
- Exempt employees must be paid the same rate of pay as wages calculated for other paid leave time.

Not to exceed \$511 per day and \$5,110 in total for 2021 COVID-19 Supplemental Paid Sick leave.

Retaliation or discrimination against a covered employee requesting or using COVID-19 supplemental paid sick leave is strictly prohibited. A covered employee who experiences such retaliation or discrimination can file a claim with the Labor Commissioner's Office. Locate the office by looking at the [list of offices on our website](http://www.dir.ca.gov/dlse/DistrictOffices.htm) (<http://www.dir.ca.gov/dlse/DistrictOffices.htm>) using the alphabetical listing of cities, locations, and communities or by calling 1-833-526-4636.

This poster must be displayed where employees can easily read it. If employees do not frequent a physical workplace, it may be disseminated to employees electronically.



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FAQ's for Supplemental Paid Sick Leave (SPSL)

1. What are the circumstances that allow a covered employee to take 2021 COVID-19 Supplemental Paid Sick Leave?

- **Caring for Yourself:** The covered employee is subject to a quarantine or isolation period related to COVID-19 (see note below) or has been advised by a healthcare provider to quarantine due to COVID-19 or is experiencing symptoms of COVID-19 and seeking a medical diagnosis.
- **Caring for a Family Member:** The covered employee is caring for a family member who is either subject to a quarantine or isolation period related to COVID-19 (see note below) or has been advised by a healthcare provider to quarantine due to COVID-19.
- **COVID-19 Outbreak on school or childcare campus:** The covered employee is caring for a child whose school or place of care is closed or unavailable due to COVID-19 on the premises.
- **Vaccine-Related:** The covered employee is attending a vaccine appointment or cannot work or telework due to vaccine-related symptoms.

2. What time period does 2021 COVID-19 Supplemental Paid Sick Leave Cover?

January 1, 2021 through September 30, 2021, which means that covered employees who took **qualifying leave between January 1, 2021 and March 28, 2021**, can request payment for that leave if it was not paid by the employer in the amount that is required under this law.

3. How much 2021 COVID-19 Supplemental Paid Sick Leave is a covered employee entitled to receive?

AHS employees considered to be "full-time" (i.e. at least 0.9 FTE) are entitled to take up to 80 hours of SPSL. Part-time employees are entitled to the number of SPSL hours that they are normally scheduled to work over two weeks. SAN employees are entitled to the number of SPSL hours equal to the average number of hours worked each day in the past six (6) months, multiplied by 14.

4. Can Supplemental Paid Sick Leave be used for non-consecutive days?

Yes. AHS employees may use SPSL for non-consecutive days so long as they are taken for qualifying reasons.

5. How much pay does a covered employee receive while taking Supplemental Paid Sick Leave?

Employers are not required to pay more than five hundred eleven dollars (\$511) per day and five thousand one hundred ten dollars (\$5,110) in the aggregate to a covered employee for COVID-19 supplemental paid sick leave taken by the covered employee.

For employees whose regular daily pay exceed these daily or aggregate maximums, AHS will permit employees to "supplement" their SPSL using either ESL or PTO as follows. Employees may supplement their SPSL with ESL for the following qualifying reasons:

- Caring for Yourself: The covered employee is subject to a quarantine or isolation period related to COVID-19 or has been advised by a healthcare provider to quarantine due to COVID-19 or is experiencing symptoms of COVID-19 and seeking a medical diagnosis.
- Caring for a Family Member: The covered employee is caring for a family member who is either subject to a quarantine or isolation period related to COVID-19 (see note below) or has been advised by a healthcare provider to quarantine due to COVID-19.

The other 2 qualifying reasons can be coded as PTO only when supplementing the SPSL benefit:

- COVID-19 Outbreak on school or childcare campus: The covered employee is caring for a child whose school or place of care is closed or unavailable due to COVID-19 on the premises.
- Vaccine-Related: The covered employee is attending a vaccine appointment or cannot work or telework due to vaccine-related symptoms occurring for fewer than three workdays.
 - When absent three or more consecutive days for this reason, employees must file for leave through Matrix and supplemental pay will be determined per existing HR Policy or Memorandum of Understanding.

Instructions for Managers for coding Supplemental Paid Sick Leave (SPSL)

- For retro-active requests (1/1/21-4/30/21), employee's time will be coded by Payroll upon verification of the employee's eligibility for SPSL and upon receipt of the completed request form.
- For future requests (5/1/21 forward), please use the following examples to ensure you code your employee's time correctly:
 - a) Look up the employee's hourly rate in the Manager Self-Service in Lawson:
<https://lawpb.c101.velocity.cloud/sso/SSOServlet?ssoOrigUrl=https://lawpb.c101.velocity.cloud/lawson/portal/index.htm?portalloadreference=1618268631399>
 - b) The daily maximum for SPSL is \$511.00. For employees earning more than \$511 per day, they can use their accrued leave balances (ESL and PTO, depending on leave type) in order to supplement their use of SPSL. Below is an example of how to code Kronos using pay code **12D = COVID 19-SPSL**:

Mary works 4-8 hour shifts per week as a 0.8 FTE and earns \$80.00 per hour. Mary usually earns \$640.00 daily 8 hrs. per day x \$80 = \$640.00. Mary's earnings exceed the SPSL daily maximum of \$511.00 per day. Find the difference between Mary's daily rate and SPSL by subtracting (\$640 – \$511 = \$129). Divide \$129 by \$80 (Mary's per hour pay rate) to come up with the # of hours to enter into Kronos to make Mary whole or supplement her SPSL payment, which equals 1.6 hours.

Subtract her daily hours (8.0) from 1.6 hours to determine # of SPSL hours, which equals 6.4 hours.

Final coding should be 6.4 hours of SPSL and 1.6 hours of ESL/PTO.

- c) For employees earning less than \$511.00 per day, see example below:

Joe works 3-8 hour shifts per week as a .60 FTE and earns \$40 per hour. Joe earns \$320.00 daily and is entitled to (8 hrs. per day x \$40 = \$320.00) of SPSL.

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.

CONSENT CALENDAR ITEM


2. **Approve Staff Recommendation regarding County of Alameda's New Pay Item/Code Countywide Responsibility-Workplace-Safety & Project – 42Q**



MEMORANDUM TO THE BOARD OF RETIREMENT

DATE: May 20, 2021

TO: Members of the Board of Retirement

FROM: Sandra Dueñas-Cuevas, Benefits Manager 

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

The County of Alameda (County) requested that new pay item/code Countywide-Responsibility-Workplace-Safety & Project – 42Q be reviewed to determine whether it qualifies as “compensation earnable” and “pensionable compensation. This new pay item/code establishes a footnote provision for additional compensation of 10% of the base pay to be paid to an employee assigned overall countywide responsibility to provide guidance to County Agencies/Departments on workplace safety compliance.

On March 23, 2021, the Board of Supervisors of the County of Alameda approved adding Subsection 3-21.103 to the Alameda County Salary Ordinance. It states: “Effective December 27, 2020, not to exceed one (1) employee when authorized by the County Administrator and assigned the overall countywide responsibility to provide guidance to County Agencies/Department on workplace safety, compliance, track and ensure communication and coordination between County Agencies/Departments, County Risk Management Unit, and partner agencies sharing County facilities on workplace safety compliance; and perform other related duties and countywide special projects, shall receive an additional 10% compensation of the base pay. This footnote will sunset on the earlier of December 31, 2021, or when these duties are no longer assigned to the incumbent and shall be deleted from the Salary Ordinance upon the sunset date.”

Staff and Chief Counsel reviewed the required supporting documentation (attached) and made the determination that because this pay item/code is for one employee, it does not qualify as “pensionable compensation” under Government Code Section 7522.34 (for PEPRAs members). However, this pay item/code does qualify as “compensation earnable” under Government Code Section 31461 (for Legacy members). The two relevant Government Code sections are attached for the Board of Retirement’s (Board) reference.

Staff informed the County that its determination will be included on the Board’s consent calendar for its May 20, 2021 meeting. If this item is not pulled from the consent calendar for discussion, then the Board will approve Staff’s determination to exclude pay item/code Countywide-Responsibility-Workplace-Safety & Project – 42Q from “pensionable compensation” under Government Code Section 7522.34 (for PEPRAs members) and include it as “compensation earnable” under Government Code Section 31461 (for Legacy members).

Attachments



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

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

Employer Name:	County of Alameda
Date of Request	4/1/2021
Employer Department Submitting the Request	Auditor-Controller's Agency
Contact Person/Employer (include title/position)	Satjit Dale
Contact Person Telephone incl area code	(510) 272-6520
Contact Person Email address	satjit.dale@acgov.org
Pay Item Name (and code Number)	42Q Cntywide-Resp-Wkplce-Sfty&Proj
Pay Item Effective Date per authorization:	12/27/2020
State if additional documentation is attached	Yes – Board Letter

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: No designated job classification

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

RESPONSE #2: N/A

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 employee when authorized by the County Administrator

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, paid an additional 10% of base pay.

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

RESPONSE #6: No

Office of the Auditor-Controller
1221 Oak St., Suite 249
Oakland, CA 94612
Tel: (510) 272-6565
Fax: (510) 272-6502

Central Collections Division
1221 Oak St., Suite 220
Oakland, CA 94612
Tel: (510) 208-9900
Fax: (510) 208-9932

Clerk-Recorder's Office, Main
1106 Madison St., 1st Floor
Oakland, CA 94607
Tel: (510) 272-6362
Fax: (510) 208-9858

Clerk-Recorder's Office, Tri-Valley
7600 Dublin Blvd.
Dublin, CA 94568
Tel: (510) 272-6362
Fax: (510) 208-9858



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

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: N/A

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



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

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: Per Salary Ordinance Section 3-21.103

Effective December 27, 2020, not to exceed one (1) employee when authorized by the County Administrator and assigned the overall countywide responsibility to provide guidance to County Agencies/Departments on workplace safety compliance; track and ensure communication and coordination between County Agencies/Departments, County Risk Management Unit, and partner agencies sharing County facilities on workplace safety compliance; and perform other related duties and countywide special projects, shall receive an additional 10% compensation of the base pay. This footnote will sunset on the earlier of December 31, 2021, or when these duties are no longer assigned to the incumbent and shall be deleted from the Salary Ordinance upon the sunset date.

Office of the Auditor-Controller
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7600 Dublin Blvd.
Dublin, CA 94568
Tel: (510) 272-6362
Fax: (510) 208-9858



Human Resource Services

AGENDA NO. _____ March 16, 2021

Lakeside Plaza Building
1401 Lakeside Drive, Suite 200
Oakland, CA 94612-4305
TDD: (510) 272-3703

March 16, 2021

Honorable Board of Supervisors
County of Alameda
1221 Oak Street, Suite 536
Oakland, California 94612-4305

SUBJECT: ADOPT THE UPDATED 2020 - 2021 COUNTY OF ALAMEDA SALARY ORDINANCE AND TWO (2) SALARY ORDINANCE AMENDMENTS TO 1) AMEND SUBSECTION 3-6.9 AND 2) ADD NEW SUBSECTION 3-21.103

Dear Board Members:

RECOMMENDATIONS:

A. Adopt the updated 2020 - 2021 County of Alameda ("County") Salary Ordinance; and

B. Adopt Salary Ordinance amendments to:

- Current Addl Pay 103*
- i) Amend Article 3, Section 3-6, subsection 3-6.9 by adding the classification of Principal Administrative Analyst (Job Code ("JC") 0255SM), to receive additional compensation of up to 10% of the base pay retroactive to March 7, 2021; and
- New Addl Pay 42Q*
- ii) Amend Article 3, Section 3-21 (Miscellaneous) by adding subsection 3-21.103, a footnote for additional compensation of 10% of the base pay for one (1) employee when authorized by the County Administrator and assigned overall countywide responsibility on workplace safety compliance and related duties and countywide special projects retroactive to December 27, 2020.

DISCUSSION/SUMMARY:

We have typically submitted to your Board an annual adoption of the County Salary Ordinance, which provides for the compensation and designates the number of positions by Agency or Department in the County. However, throughout each fiscal year, compensation and/or designation on the number of positions by Agency or Department in the County may change and hence the County Salary Ordinance needs to be updated from time to time to reflect current compensation and/or position designations. Therefore, staff recommends that your Board approve and adopt the updated 2020-2021 County Salary Ordinance.

In addition, staff recommends amending subsection 3-6.9 of the Salary Ordinance. When said provision was created, it referenced the classification of Administrative Analyst (JC #0245PA) as being eligible for up to 10% additional compensation when, in addition to the employee's regular assignment, assigned as the Countywide Budget Coordinator. In order to provide greater flexibility for the County in assigning said key role, staff recommends adding the classification of Principal Administrative Analyst (JC #0255SM) to subsection 3-6.9 retroactive to March 7, 2021.

Lastly, staff recommends amending Section 3-21 (Miscellaneous) of the Salary Ordinance by adding subsection 3-21.103. This new footnote will provide one (1) employee an additional 10% compensation of the base pay when authorized by the County Administrator and assigned the overall countywide responsibility to provide guidance to County

Agencies/Departments on workplace safety compliance; track and ensure communication, and coordination between County Agencies/Departments, County Risk Management Unit, and partner agencies sharing County facilities on workplace safety compliance; and perform other related duties and countywide special projects retroactive to December 27, 2020. This footnote will sunset on the earlier of December 31, 2021, or when these duties are no longer assigned to the incumbent and shall be deleted from the Salary Ordinance upon the sunset date.

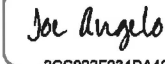
FINANCING:

Funds are available in the 2020-2021 Approved Budget and will be included in future years' requested budgets to cover the costs resulting from the recommendations, as applicable.

VISION 2026 GOAL:

The annual Ordinance adoption meet the 10x goal pathways of Employment for All in support of our shared vision of a Prosperous and Vibrant Economy.

Very truly yours,

DocuSigned by:

2CC022F834DA404...
Joe Angelo, Director
Human Resource Services

c: CAO
Auditor-Controller
County Counsel
Agency/Department Heads

1st Reading 3/10/21
2nd Reading 3/23/21

Approved as to Form
DONNA ZIEGLER, County Counsel

By 
Kristy van Herick, Asst. County Counsel

AN ORDINANCE AMENDING
CERTAIN PROVISIONS OF THE 2020 – 2021
COUNTY OF ALAMEDA SALARY ORDINANCE

The Board of Supervisors of the County of Alameda ordains as follows:

SECTION I

Article 3, Section 3-6, Subsection 3-6.9 of the County of Alameda Salary Ordinance is hereby amended, to read as follows:

Effective March 7, 2021, Not not to exceed one (1) person-underemployee in either Job Codes 0245PA or 0255SM when assigned in writing authorized by the County Administrator to be assigned as the Countywide Budget Coordinator shall receive up to 10% percent additional compensation of the base pay.

SECTION II

Article 3, Section 3-21, Subsection 3-21.103 of the County of Alameda Salary Ordinance is hereby added, to read as follows:

Effective December 27, 2020, not to exceed one (1) employee when authorized by the County Administrator and assigned the overall countywide responsibility to provide guidance to County Agencies/Departments on workplace safety compliance; track and ensure communication and coordination between County Agencies/Departments, County Risk Management Unit, and partner agencies sharing County facilities on workplace safety compliance; and perform other related duties and countywide special projects, shall receive an additional 10% compensation of the base pay. This footnote will sunset on the earlier of December 31, 2021, or when these duties are no longer assigned to the incumbent and shall be deleted from the Salary Ordinance upon the sunset date.

SECTION III

This ordinance shall take effect immediately, and before the expiration of fifteen days after its passage, shall be published once with the names of the members voting for and against it in the Inter-City Express, a newspaper published in the County of Alameda.

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.

CONSENT CALENDAR ITEM

3. **Approve Staff Recommendation regarding First 5
Alameda County's New Pay Item/Code CA COVID
Supplemental Sick– 6CL**



MEMORANDUM TO THE BOARD OF RETIREMENT

DATE: May 20, 2021

TO: Members of the Board of Retirement

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

SUBJECT: **Approval of One New Pay Item/Code as “Compensation Earnable” and “Pensionable Compensation” – First 5 Alameda County**

First 5 Alameda County (First 5) requested that new pay item/code CA COVID Supplemental Sick – 6CL be reviewed to determine whether it qualifies as “compensation earnable” and “pensionable compensation”. This new pay item/code was established to comply with Senate Bill 95 (SB-95), which was signed into law on March 19, 2021. SB-95 requires covered employers to provide full-time employees up to 80 hours of Supplemental Paid Sick Leave (SPSL) for specific COVID-19 related reasons. Part-time employees are eligible for prorated SPSL hours. The effective date of SB-95 and this new pay item/code is retroactive to January 1, 2021.

Staff and Chief Counsel reviewed the required supporting documentation (attached) and made the determination that the new pay item/code qualifies as “compensation earnable” under Government Code Section 31461 (for Legacy members) and “pensionable compensation” under Government Code Section 7522.34 (for PEPPRA members). Paid leave is included in both “compensation earnable” and “pensionable compensation”. The two relevant Government Code sections are attached for the Board of Retirement’s (Board) reference.

Staff informed First 5 that Staff’s determination will be on the Board’s consent calendar for approval at its May 20, 2021 meeting. If this item is not pulled from the consent calendar for discussion, then the Board will approve Staff’s determination that the pay item/code is “compensation earnable” under Government Code Section 31461 (for Legacy members) and “pensionable compensation” under Government Code Section 7522.34 (for PEPPRA members).

Attachments



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

Employer Name: First 5 Alameda County Date: 04/12/2021

Contact Person/Employer (include title/position): Steven Quach, Payroll & Finance Manger

Contact Person Telephone: 510-227-6997 Email: steven.quach@first5alameda.org

Pay Item Name (and code number): CA COVID Supplemental Sick (6CL)

Effective January 1, 2021

The following information is required before ACERA can review and respond to your request. Please provide substantive responses on separate paper and return with this form 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). Any F5 Alameda County employee
2. State employment status of employees eligible to receive the pay item (i.e., full time employees, part time employees) Either full-time or part-time employees may receive this pay item.
3. State the number of members or employees who are eligible to receive the pay item (i.e., all members or employers in a job classification eligible to receive the pay item, or "not to exceed one employee") Any F5 employee is eligible.
4. State whether pay item is for overtime or regular base pay. CA COVID Supplemental Sick would be for regular base pay.
5. State whether pay item is calculated as a fixed amount or percentage of the base pay. This pay item is calculated by multiplying the number of CA COVID Supplemental Sick_hours by the base pay rate.
6. State whether the pay item is paid one time (i.e., incentive pay, referral pay, bonus, award). This pay item would be paid whenever an employee takes off applicable time.

7. State whether the pay item is an ad hoc payment (i.e., stipend, payment for attending a meeting during working hours, payment for attending a meeting during non working hours). This is not an ad hoc payment.
8. State whether the pay item is a reimbursement (i.e., car allowance, housing allowance, uniform allowance, mileage payment, cell phone allowance) The pay item is not a reimbursement.
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) Regular employees working full-time (40 hours/week) or part-time employees receive CA COVID Supplemental Sick hours. Part-time employees earn prorated CA COVID Supplemental Sick hours based on their FTE.
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 work week, or outside of the employee's 40 hour work week) This pay item is not for work performed outside regular work week.
11. State whether the pay item is for deferred compensation. Pay item is not for deferred compensation.
12. State whether the pay item is for retro payments. Pay item is not for retro payments.
13. State whether the pay item is for accrued unused leave (i.e., sick leave, annual leave, floating holiday, vacation, comp time) Pay item is not for accrued unused leave.
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. It is not.
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) This pay item is not severance and is not in connection with separation from employment. It is made while the employee is still an active employee.
16. State whether the pay item is paid in one lump sum or bi-weekly (or over some other time period-monthly, quarterly, annually). It is paid as requested as part of bi-weekly payroll.
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). Any employee is eligible.



April 12, 2021

To: Sandra Duenas, ACERA

From: Lyssa DeGolia
Human Resources Administrator

Re: Justification for Pay Code Creation—CA COVID Supplemental Sick

We are requesting the creation of a new pay code for First 5 Alameda County.

On March 19, 2021, Governor Newsom signed into law SB 95. First 5 Alameda County is a covered employer who must provide full-time employees with up to 80 hours of COVID-19 Supplemental paid sick leave to employees who are unable to work (or telework) due to COVID-19 related reasons. Part-time employees are entitled to paid sick leave based on the number of hours the employees work, on average, over a two-week period.

We need this new pay code to comply with this legal requirement.

The ACERA Exhibit 2 form has been completed for this code. Please let me know if you need further information.

Thank you,

A handwritten signature in blue ink that reads "Lyssa DeGolia".

C: Kristin Spanos, CEO
Mojgan Vijeh, Director, Operations and Technology
Christine Hom, Finance Officer
Steven Quach, Payroll and Finance Manager

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.

NEW BUSINESS


- 7.A. Discussion and possible motion that after contributions are made to the 401(h) accounts by the respective Participating Employers, ACERA, in accordance with the CERL, treat an equal amount of Supplemental Retiree Benefit Reserve (SRBR) assets as employer contributions for pensions and transfer the amount equal to the pro rata share of the 401(h) contributions for the 2021-2022 fiscal year for each Participating Employer. The exact amount will be adjusted by the balance remaining in each of the 401(h) accounts and is contingent upon receipt by ACERA of an authorizing resolution from the Participating Employers' governing bodies.**



MEMORANDUM TO THE BOARD OF RETIREMENT

DATE: May 20, 2021

TO: Members of the Board of Retirement

FROM: Margo Allen, Fiscal Services Officer 

SUBJECT: **Participating Employers' Recommended Contributions to their Alameda County Employees' Retirement Association 401(h) Accounts for the 2021-2022 Fiscal Year**

Each year, the governing bodies of ACERA's Participating Employers authorize ACERA to establish a 401(h) account on their behalf. These accounts are funded by the Participating Employers with a portion of the normal annual contributions to ACERA. Simultaneously, after contributions are made in accordance with the County Employee Retirement Law (CERL), ACERA treats an equal amount of Supplemental Retiree Benefits Reserve (SRBR) assets as employer contributions for pensions and transfers that amount to the appropriate Employer Advance Reserve. This procedure provides retirees with contributions towards their Retiree Health Benefits (RHBs) on a tax-free basis in compliance with Internal Revenue Code Section (IRC) §401(h).

Background

Beginning with resolution 96-634 for the fiscal year ending June 30, 1996, the Alameda County Board of Supervisors has annually authorized County contributions to a 401(h) account to provide non-vested RHBs to retirees on a non-taxable basis. In accordance with the County's annual resolution, ACERA's actuary has estimated the cost to fund this account, and the County has paid these funds into the 401(h) account in conjunction with its annual normal retirement contribution payment.

In 2005, in an effort to limit its cost related to Other Post-Employment Benefits (OPEBs) the Alameda County Board of Supervisors adopted Resolution number R-2005-292. The resolution states: (1) the County's annual contribution to ACERA's 401(h) account be limited to costs related to non-vested OPEB benefits attributed to retired County employees, and (2) that contributions for retired employees of other ACERA member entities (e.g. Alameda County Medical Center now named Alameda Health System, Housing Authority and Livermore Area Recreation and Park District, etc.) were the responsibility of those entities. Subsequently, the Alameda County Housing Authority, the Alameda Health System (AHS), the Livermore Area Recreation and Park District (LARPD) and First Five-Alameda County Children and Families Commission (First 5) chose to establish their own 401(h) accounts. Alameda County includes the Alameda County Office of Education in the County's 401(h). In accordance with Government Code 71624, the Superior Court of California is also included in the County's 401(h). However, the Superior Court funds its own 401(h) contribution amount.

The Segal Company, ACERA's actuary, projected that \$55,495,000 will be required in contributions for the 2021-2022 fiscal year. IRC § 401(h) limits the total contribution under the plan to 25% of total contributions. In the attached letter, The Segal Company confirmed that the estimate of the 401(h) contributions does not exceed the 25% limit of the total contribution under the plan imposed by the IRC Section 401(h).

The attached 401(h) Contributions Summary by Participating Employer schedule shows a percentage breakdown of the 401(h) expense by employer based on the number of retirees eligible for non-vested OPEB benefits. This percentage was applied to the projected 401(h) contributions total of \$55,495,000 and was adjusted by the estimated balance remaining in the 401(h) account, as of June 30, 2021 for fiscal year 2021-2022.

<u>Employer</u>	<u>Percentage</u>	<u>Net Contribution</u>
Alameda County	80.20%	\$37,328,044.39
AHS	13.08%	\$6,168,257.76
First 5	0.13%	\$61,606.39
Housing Authority	0.61%	\$285,416.87
LARPD	0.70%	\$326,604.49
<u>Superior Court</u>	<u>5.28%</u>	<u>\$2,466,745.06</u>
Total Net Contribution	100.00%	\$46,636,674.96

The estimated contributions for all Participating Employers include:

- Projected health premium subsidy increases of 3.00% for medical, 4.50% for Medicare Part B, and 4.00% for dental and vision;
- An additional 10% subsidy requirement for 2021-2022 to provide a margin for unexpected retirements (e.g., if the employer grants Golden Handshake benefits);
- Administrative expenses for health benefits

ACERA will send a letter to each of the Participating Employers requesting that their respective governing bodies pass a resolution to approve the funding of their 401(h) account in the upcoming fiscal year in the amount specified by ACERA's actuary and adjusted by the balance remaining in their 401(h) account.

Recommendation

Staff recommends to the Board of Retirement that after contributions are made to the 401(h) accounts by the respective Participating Employers, ACERA, in accordance with the CERL, treat an equal amount of Supplemental Retiree Benefits Reserve (SRBR) assets as employer contributions for pensions and transfer the amount equal to the pro rata share of the 401(h) contributions for the 2021-2022 fiscal year for each Participating Employer. The exact amount will be adjusted by the balance remaining in each of their 401(h) accounts and is contingent upon receipt by ACERA of an authorizing resolution from each of the Participating Employers' governing bodies.

Attachment:

Memo from Segal

401(h) Contributions Needed for County and Special Districts FY 2021-2022



180 Howard Street,
Suite 1100
San Francisco, CA 94105-6147
T 415.263.8200
segalco.com

VIA E-Mail

April 15, 2021

Ms. Margo Allen
Fiscal Services Officer
Alameda County Employees' Retirement Association
475 14th Street, Suite 1000
Oakland, CA 94612-1900

Re: 401(h) Contributions for the 2021-2022 Fiscal Year

Dear Margo,

Pursuant to the Association's request, we have estimated the 401(h) contributions for the 2021-2022 fiscal year.

Results and Analysis

We project that, for the 2021-2022 fiscal year, the Association will need \$55,495,000 to provide medical benefit subsidies from the 401(h) account. The process used to determine the actual biweekly contribution amounts is discussed on page 2. Please note that as previously directed by ACERA, in developing the estimated 401(h) contribution amount, we have included the expenses related to the administration of health benefits for retirees.

The 401(h) funding requirement is developed as follows:

1. Total monthly premium subsidy paid by ACERA to all health benefit plan providers during the month of February 2021, projected to June 2021 by the Association (for comparison purposes only). \$3,862,000*
2. Annualized premium subsidy as of February 2021, projected to June 2021 (for comparison purposes only). \$46,344,000

* Last year, the total monthly premium subsidy paid by ACERA to all health benefit plan providers for February 2020 and projected to June 2020 by the Association was \$3,873,000, or \$46,476,000 annualized. There is a reduction in the projected monthly premium subsidy amount from last year to this year primarily as a result of a decrease in the Kaiser Senior Advantage premium from 2020 to 2021.

3. Best estimate of annualized premium subsidy required for 2021-2022 (based on actual payouts from July 2020 through February 2021 and estimated payouts from March 2021 through June 2021 provided by ACERA). Following the Association's current practice, we have assumed that the Retirement Board will increase the Monthly Medical Allowance at the rate equal to one-half of the lowest medical trend assumption for the non-Medicare and Medicare Advantage plans. We have assumed that the Medicare Part B, dental and vision subsidies will increase at the full rate of the trend assumption for those plans for calendar year 2021 (as assumed in the December 31, 2019 SRBR valuation). The assumed increases in the subsidy calculation are 3.00% for medical¹, 4.50% for Medicare Part B, and 4.00% for dental and vision plans. \$48,906,000
4. Increase of 10% in Item 3 to provide a margin for unexpected retirements rounded to nearest \$1,000. \$4,891,000
5. Administrative expenses for health benefits, rounded to nearest \$1,000. \$1,698,000²
6. Sum of Items 3, 4, and 5. \$55,495,000

Important Assumptions Regarding Anticipated Change In Health Premium Subsidy

Except for the projected health premium subsidy increases described above, we have not assumed any other changes in the level of subsidy from 2020-2021 to 2021-2022. Our estimate will have to be revised if the Retirement Board later decides to amend the level of benefits.

401(h) Contributions

The actual required contributions for the 2021-2022 fiscal year should be determined by subtracting the June 30, 2021 balance in the 401(h) account from the \$55,495,000. We understand that this net amount will be contributed to the 401(h) account on a biweekly basis by the employers and the Association will transfer a like amount from the Supplemental Retirees Benefit Reserve to the Employer Advance Reserve.

¹ This is based on 50% of the 6.00% trend assumption used to project the increase for Medicare Advantage plans from calendar year 2021 to calendar year 2022, as described in our health care cost trend letter dated May 6, 2020 for the December 31, 2019 SRBR sufficiency valuation. The medical trend assumptions in our letter dated March 22, 2021, recommended for the December 31, 2020 sufficiency valuation, are slightly higher and will be applied in the 401(h) contribution estimate for the 2022-2023 fiscal year.

² As part of the determination of the 401(h) contributions for the 2020-2021 fiscal year, we followed the directions from the Association (as provided in the past) to use the actual 2019 calendar year expense as a proxy for the 2020-2021 fiscal year. We have maintained this procedure and have used the actual 2020 calendar year expense as a proxy for the 2021-2022 fiscal year expense.

As instructed by the Association, we have provided a breakdown of the 401(h) expense by employer in the following table. We understand that the breakdown has been compiled by the Association as of February 2021, based on the number of retirees eligible for retirement benefits.

Employer	Percentage of 401(h) Contributions
Alameda County*	80.20%
Health System	13.08%
Superior Court	5.28%
Livermore Area Recreation and Park District	0.70%
Housing Authority	0.61%
First 5	0.13%
Total	100.00%

**As in years past, retirees from the Office of Education and the Alameda County Fire Department are included in the County's percentage by ACERA.*

Under IRC Section 401(h), medical benefits must be "incidental" to the retirement benefits under a plan. Section 401(h) indicates that medical benefits will be considered "incidental" if the contributions for medical benefits are less than 25% of the total contributions under the plan (excluding unfunded actuarial accrued liability (UAAL) payments). We believe that the transfer from the Supplemental Retirees Benefit Reserve should be treated as an offset to the UAAL contribution requirement (to the extent that the net UAAL payment after the offset is still positive), which means that in a given year the medical contributions can be up to 25% of the total Normal Cost contributions.

In the following table, we demonstrate that the value of the medical benefits is in compliance with the above requirement. Please note that as the Retirement Board has not yet adopted the contribution rates for the December 31, 2020 pension funding valuation, we have continued to apply the average employer and employee contribution rates calculated in the last valuation, that is, as of December 31, 2019, to the payroll calculated in that valuation, increased by 3.50% to reflect one year of projected payroll growth.

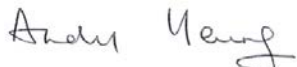
Source of Contributions	Estimated Amount (\$millions)
Employee Normal Cost (based on an aggregate member rate of 9.34% calculated in the December 31, 2019 valuation and an estimated payroll of \$1,168.7 million)	\$109.2
Employer Normal Cost (based on aggregate employer normal cost rate of 10.55% calculated in the December 31, 2019 valuation and an estimated payroll of \$1,168.7 million)	\$123.3
Recommended 401(h) Medical Contributions	\$55.5
Total Normal Cost and Recommended 401(h) Medical Contributions	\$288.0
Ratio of 401(h) Contributions to the Total Normal Cost Contributions and Recommended 401(h) Medical Contributions	19.3% ³

These calculations were prepared under our supervision. Except as noted above, the calculations are based on the December 31, 2019 actuarial pension funding valuation results including the membership data and the non-health care cost trend actuarial assumptions on which that valuation was based, and the health care cost trend assumptions letter dated May 6, 2020.

We are members of the American Academy of Actuaries and we meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein.

Please let us know if you have any questions.

Sincerely,



Andy Yeung, ASA, MAAA, FCA, EA
Vice President & Actuary



Thomas Bergman, ASA, MAAA, EA
Senior Actuary

TJH/hy

cc: Kathy Foster
Eva Hardy
Katherine Martinez

³ This ratio was 19.8% as provided in our 401(h) contributions letter for the 2020-2021 fiscal year.

401(h) Contributions needed for County and Special Districts - For the Fiscal Year 2021-22

<u>Employer</u>	<u>Percentage of 401(h) Contribution</u>	<u>Paid Interval</u>	<u>Actuarial 401(h) Account Balance Required for FY 2021-22</u>	<u>Est. 401(h) Balance as of 6/30/2021</u>	<u>FY 2021-22 Required 401(h) Contribution Amount</u>	<u>FY 2021-22 Per Pay Period 401(h) Payment</u>	<u>Monthly Payment 2 PP</u>	<u>Oct.'21 & Apr.'22 3 PP</u>	<u>Nov.'21 & May'22 3 PP</u>	<u>Required Adm. Allocation 2021-22 Total</u>	<u>Adm.Allocation</u>
Alameda County	80.20%	Bi-Weekly (26 PP)	\$ 44,506,990.00	\$ 7,178,945.61	\$ 37,328,044.39	\$ 1,435,694.02	\$ 2,871,388.04	\$ 4,307,082.06	\$ 2,871,388.04	\$ 1,698,000.00 \$ 1,361,796.00	\$ 113,483.00
AHS	13.08%	Bi-Weekly (26 PP)	7,258,746.00	1,090,488.24	6,168,257.76	\$ 237,240.68	\$ 474,481.36	\$ 711,722.04	\$ 474,481.36	\$ 222,098.40	\$ 18,508.20
Superior Court	5.28%	Bi-Weekly (26 PP)	2,930,136.00	463,390.94	2,466,745.06	\$ 94,874.81	\$ 189,749.62	\$ 284,624.43	\$ 189,749.62	\$ 89,654.40	\$ 7,471.20
Livermore Area Recreation & Park District	0.70%	Bi-Weekly (26 PP)	388,465.00	61,860.51	326,604.49	\$ 12,561.71	\$ 25,123.42	\$ 25,123.42	\$ 37,685.13	\$ 11,886.00	\$ 990.50
Housing Authority	0.61%	Bi-Weekly (26 PP)	338,519.50	53,102.63	285,416.87	\$ 10,977.57	\$ 21,955.14	\$ 21,955.14	\$ 32,932.71	\$ 10,357.80	\$ 863.15
First 5	0.13%	Bi-Weekly (26 PP)	72,143.50	10,537.11	61,606.39	\$ 2,369.48	\$ 4,738.96	\$ 7,108.44	\$ 4,738.96	\$ 2,207.40	\$ 183.95
Total	100.00%		\$ 55,495,000.00	\$ 8,858,325.04	\$ 46,636,674.96	\$ 1,793,718.27	\$ 3,587,436.54	\$ 5,357,615.53	\$ 3,610,975.82	\$ 1,698,000.00	\$ 141,500.00

Per SEGAL letter dated April 15, 2021 required amount \$ 55,495,000.00

** Please see attached payment schedule.

Prepared by: Hema - 4/22/21

Reviewed by: Hermella - 4/23/21

NEW BUSINESS

- 7.B. Discussion and possible motion to Adopt Proposed *eSignature Policy*.**



MEMORANDUM TO THE BOARD

DATE: May 20, 2021

TO: Members of the Board of Retirement

FROM: Vijay Jagar, Chief Technology Officer, ACERA

SUBJECT: **Use of DocuSign for Electronic Signatures**

Currently, ACERA requires some documents that require a member signature to have a wet signature. DocuSign will accelerate processing by providing members with the option to sign and submit documents electronically. Electronic signatures benefit members in several ways, namely it allows for secure signing from any electronic device, it intelligently guides the member as the form is filled out, it provides real-time error detection, and it allows for faster turnaround times. For ACERA staff, DocuSign will increase efficiencies by eliminating manual tasks such as following-up with members and automating approval and validation workflows. DocuSign also has built in audit-trails and uses the strongest data encryption technologies commercially available. I find that DocuSign is sufficient to ensure the integrity, security, and authenticity of the signed documents that members and beneficiaries submit to ACERA.

There is already an existing Alameda County eSignature Policy that *“shall be used by Alameda County Agencies and Departments to increase productivity and ensure convenient, timely and appropriate access to County information by using electronic signature technology to collect and preserve signatures on documents quickly, securely, and efficiently.”* This policy applies to *“all signatures used in processing various County documents.”*

Recommendation – Staff recommends that the Board of Retirement approve the use of DocuSign for electronic signatures, per the proposed E-Signature Policy attached to this Memorandum, prepared and recommended by Chief Counsel.

E-Signature Policy

I. Purpose

As technology has improved, ACERA has been able to serve its members and beneficiaries more effectively and efficiently through electronic means. This E-Signature Policy is designed to further improve ACERA's service to its members and beneficiaries and ACERA's prudent administration of benefits.

II. Applicable Law

- A. Gov't Code § 31527(i) provides: "In its regulations, the board may include the following provisions: ... (i) Notwithstanding any other law, for the use and acceptance of a document requiring a signature that is submitted by a member using an electronic signature, if the document and electronic signature are submitted using technology the board deems sufficient to ensure its integrity, security, and authenticity. A document submitted pursuant to the regulation shall be given the same force as a signed, valid original document."
- B. Section 4.5 of the Regulations of the Board of Retirement provides: "The Board may adopt such other policies and procedures relating to the conduct of Board business as it deem necessary."

III. Policy

The Board deems DocuSign sufficient to ensure the integrity, security, and authenticity of a document with electronic signature submitted to ACERA by a member or beneficiary. Thus, pursuant to Gov't Code § 31527(i) and Section 4.5 of the Regulations of the Board of Retirement, ACERA will use and accept any document requiring a signature that is submitted to ACERA by a member or beneficiary through DocuSign with an electronic signature. A document with electronic signature that a member or beneficiary submits to ACERA through DocuSign shall be given the same force as a signed, valid original document.

IV. Policy Modification

This Policy was first adopted on May 20, 2021. The Operations Committee will review this Policy approximately every three years and recommend appropriate revisions to the Board.

NEW BUSINESS

- 7.C. Discussion regarding the Timing of Transitioning to Non-Virtual Board Meetings.**



*Office of the Chief Executive Officer
Office of Administration*

DATE: May 20, 2021

TO: Members of the Board of Retirement

FROM: Dave Nelsen, Chief Executive Officer

DN

SUBJECT: Transition to On-Site Board and Committee Meetings

In March of 2020, Governor Newsom suspended the *Brown Act* Restrictions on virtual attendance at Board and Committee meetings. Many governmental entities switched to entirely virtual meetings, and have enjoyed the increased accessibility and participation that this medium allows. It was hoped that legislation would be passed in 2021 that would allow for continued use of virtual technology to enhance public participation after the COVID crisis ended.

While legislation that intended to do just that was introduced, it is not moving through the legislature, and looks unlikely to be passed. What this means for ACERA, is that when the Governor removes the emergency order related to the *Brown Act*, we will likely revert to our meetings being fully in-person. While we currently don't have a timeline on when the Governor will lift his emergency orders, there are rumors that he will do this on June 15th, when he has declared the State will likely re-open.

The purpose of this agenda item is to discuss the timing of moving back to on-site meetings. I would like to get your input on this so we know how quickly to develop the staffing and IT plans to accommodate your wishes. If the Governor lifts the emergency order, then our previous restrictions for virtual attendance by Trustees will be in place. They are very restrictive. If the Governor doesn't lift the emergency order soon, would the Trustees want to begin having optional on-site attendance at meetings? We could possibly run these as a hybrid meeting, where some would be on-site and some participating remotely.

NEW BUSINESS

7.D. Update on the Vote regarding SACRS Business Meeting Action Items.

NEW BUSINESS

7.E. Chief Executive Officer's Report.



*Office of the Chief Executive Officer
Office of Administration*

DATE: May 20, 2021
TO: Members of the Board of Retirement
FROM: Dave Nelsen, Chief Executive Officer *DN*
SUBJECT: **Chief Executive Officer's Report**

Senior Manager Recruitment

None.

Committee/Board Action Items

ASSIGNED FOLLOW-UP ITEMS				
Follow-Up Board Item	Assigned Senior Leader	Estimated Completion Date	Completion Date	Notes
Develop ACERA Re-Opening Plan.	Dave Nelsen	July 2020	On-going	The general guidelines of the Plan have been developed and implemented. We are responding to changes as necessary based on new information.
Additional Contributions from the County to pay on County Unfunded Actuarial Accrued Liability.	Dave Nelsen	June 2021		This is regarding the on-going efforts to accept extra pension contributions from the County.

Conference/Event Schedule

None, but I will be out of the office the first week of June following my wedding on May 31st. I will be participating via Zoom in the Operations and Retirees' Committee meetings on June 2nd.

Other Items

COVID-19 Responses

The Governor's announcement about opening the State effective June 15 has changed our plans regarding the timing of bringing customers back into the building. We believe at this point that the expectations of our customers will be for us to begin direct customer service. To accommodate this, we are planning a phased approach to re-establishing on-site service and are developing the staffing model to accommodate that approach. It is likely we will begin by allowing on-site appointments for limited days during the week. This is similar to how we reintroduced our Call Center. We started at two days a week and expanded to five days over time. We will continue to promote virtual service delivery options as the primary means of meeting our customers' needs.

As we bring customers back into the building, we will also be bringing team members into the building to provide the service to these customers. We will continue to do the majority of our work remotely, but necessary team members will begin transitioning to working in the office in June. Our protocols and infrastructure to accommodate protection and safety guidelines for employees and customers remain in place, and will be applied once customers are allowed on-site. We will continue to monitor the circumstances and respond accordingly.

Pension Administration System Update

The project is continuing to work through its phases. We have completed the first deliverable, and have completed much of deliverable two. We have been working with the County for the pilot effort to work through some of the design changes that will impact Participating Employers. However, the County will be unable to program some of the required changes into their systems until early summer, due to priority work for available resources. Testing these changes is necessary to complete deliverable two. To accommodate this issue, LRS will develop a sample file that we can use to test the programming changes, but it will delay slightly our completion of phase two and the beginning of phase three. Value added work will continue as we work through this delay.

Additional Contributions

In December 2020, the County Board of Supervisors approved the possible payment of up to \$800 million in additional funds to address their UAAL. Discussions continue to work through the details of this possible transfer of funds. Policy revisions to accept these funds, if provided, are before you this month. Next month, assuming Board of Supervisor approval, you will see and vote on the Memorandum of Understanding, and adjusting the County contribution rates assuming receipt of the full \$800 million. The goal is to complete this process by the end of June of 2021.

Additionally, the Livermore Area Parks and Recreation District (LARPD) is looking to offer up to \$12 million in Pension Obligation Bonds. They are looking to complete this before the end of June as well.

Repeal of Governor's Emergency Orders

We are hearing that the Governor may repeal his emergency orders related to COVID effective June 15. Not only will this affect the ability to hold virtual Committee and Board meetings, but it will affect our Participating Employers who took advantage of the repeal of the Retiree Return to Work provisions. We will be communicating to employers and retirees about what the impact of reinstating the restrictions means to them.

Key Performance Indicators

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

Scorecard KPI	2020 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 Through February 2021: -.01%.</i>
EFFECTIVE PLAN ADMINISTRATION	
Actual Spent vs. Approved Budget	<i>On budget or 10% below 2021 approved budget As of end of February 2021: 13% under budget.</i>
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?" As of last survey (Fall of 2020): 65%.</i>
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?" As of 1st Quarter of 2021: 100%</i>

CLOSED SESSION

- 12. A.** Conference With Legal Counsel--Existing Litigation (Gov't Code § 54956.9(d)(1)):

Alameda County Deputy Sheriff's Association v. Alameda County Employees' Retirement Association, Contra Costa County Superior Court, Case No. MSN12-1870

IF THERE ARE ANY MATERIALS TO BE DISTRIBUTED FOR THE ABOVE-REFERENCED MATTER(S), IT WILL BE DISTRIBUTED UNDER SEPARATE COVER.