



ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
BOARD OF RETIREMENT
MINUTES

Thursday, July 18, 2019

Chair Henry Levy called the meeting to order at 2:04 p.m.

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

Trustees Excused: Elizabeth Rogers
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
Kathy Mount, Chief Counsel
David Nelsen, Chief Executive Officer
Betty Tse, Chief Investment Officer

NEW BUSINESS

Presentation Regarding Legal Standards And Best Practices For Managing Proposition 209 Restrictions On Using Specified Criteria In Awarding Contracts (Information Item)

Board Chair Henry Levy moved this agenda item to the top of the calendar to accommodate time constraints by the presenters. Attorneys Harvey Leiderman and Jennifer Kregel of Reed Smith LLP, discussed the legal standards and best practices for managing Proposition 209 restrictions on using specified criteria in awarding contracts. The Board will further discuss this issue at a future Special Board meeting.

PUBLIC INPUT

A member of the public requested that the Board consider incorporating the same investment beliefs on diversity and inclusion as does CalPERS and/or other peer systems.

**CONSENT CALENDAR
REPORTS AND ACTION ITEMS**

APPLICATION FOR SERVICE RETIREMENT

Appendix A

APPLICATION FOR RETIREMENT, DEFERRED

Appendix B

Appendix B-1

APPLICATION FOR DEFERRED TRANSFER

Appendix C

LIST OF DECEASED MEMBERS

Appendix D

**REQUESTS FOR 130 BI-WEEKLY PAYMENTS TO RE-DEPOSIT
CONTRIBUTIONS AND GAIN CREDIT**

Appendix E

APPLICATION FOR DISABILITY RETIREMENT – NON-CONTESTED ITEMS

Appendix F

**APPLICATION FOR DISABILITY RETIREMENT – HEARING OFFICER
RECOMMENDATIONS**

Appendix G

APPROVAL OF BOARD and COMMITTEE MINUTES

June 20, 2019 Audit Committee Minutes

June 20, 2019 Minutes of the Regular Board Meeting

July 10, 2019 Investment Committee Minutes

MISCELLANEOUS MATTERS:

Quarterly Report on Member Underpayments and Overpayments

1st Quarter 2019 Call Center Report

Operating Expenses as of May 31, 2019

Chair Henry Levy called for nominations for the election of the Second Vice-Chair.

19-48

It was moved by Ophelia Basgal and seconded by Darryl Walker to nominate Jaime Godfrey as Second Vice-Chair of the Board of Retirement.

There were no further nominations. The nominations were closed.

Jaime Godfrey was elected as Second Vice-Chair of the Board of Retirement by a vote of 9 yes (*Amaral, Basgal, Carson, Gamble, Godfrey, Koppenhaver, Levy, Walker, Wood*), 0 no, and 0 abstentions.

The Board approved all items on the consent calendar except for the minutes of the Board of Retirement meeting on June 20, 2019, which matter was removed from the consent calendar before the vote.

19-49

It was moved by Tarrell Gamble seconded by Jaime Godfrey, and approved by a vote of 7 yes (*Basgal, Carson, Gamble, Godfrey, Koppenhaver, Levy, Wood*), 0 no, and 0 abstentions (*Dale Amaral and Darryl Walker recused themselves because one or more of the consent calendar items involved their employing Departments*)

BE IT RESOLVED BY THIS BOARD that the Consent Calendar is approved, with the exception of the June 20, 2019 Board minutes.

19-50

It was moved by Tarrell Gamble and seconded by Keith Carson that the Board approve the amended June 20, 2019 Board minutes. The motion carried 8 yes (*Amaral, Basgal, Carson, Gamble, Levy, Godfrey, Walker, Wood*), 0 no, and 1 abstention (*Koppenhaver*).

REGULAR CALENDAR
REPORTS AND ACTION ITEMS

DISABILITIES, CURRENT AND CONTINUING RECOMMENDATIONS AND MOTIONS

None.

COMMITTEE REPORTS, RECOMMENDATIONS AND MOTIONS

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

Investment:

Tarrell Gamble gave an oral report stating that the Investment Committee met on July 10, 2019 and that the Committee was presented with, reviewed information for and/or discussed the attributes of the newly adopted Private Credit Asset Class (4% target in asset allocation) and the proposed Private Credit Investment Policy ("Policy").

19-51

It was moved by Tarrell Gamble and seconded by Jaime Godfrey that the Board adopt the Private Credit Investment Policy. The motion carried 7 yes (*Basgal, Carson, Godfrey, Koppenhaver, Levy, Walker, Wood*), 0 no, and 2 abstentions (*Amaral, Gamble*).

Trustee Gamble reported that the Committee was presented with, reviewed information for and/or discussed the proposed Private Credit Investment Plan (2019 – 2022) including investment sizing and timing.

19-52

It was moved by Tarrell Gamble and seconded by Jaime Godfrey that the Board adopt the Private Credit Investment Plan. The motion carried 7 yes (*Basgal, Carson, Godfrey, Koppenhaver, Levy, Walker, Wood*), 0 no, and 2 abstentions (*Amaral, Gamble*).

Trustee Gamble reported that the Committee was presented with, reviewed information for and/or discussed the proposed Private Equity Investment Plan.

19-53

It was moved by Tarrell Gamble and seconded by Darryl Walker that the Board adopt the Private Equity Investment Plan. The motion carried 9 yes (*Amaral, Basgal, Carson, Gamble, Godfrey, Koppenhaver, Levy, Walker, Wood*), 0 no, and 0 abstentions.

Information Item presented was the review of the Trust Company of the West (Traditional Manager – Large Cap Growth).

Minutes of the meeting were presented to the Board for adoption on the consent calendar at today's Board meeting.

Retirees:

Liz Koppenhaver gave an oral report stating that the Retirees Committee met today and that the Committee was presented with, reviewed information for and/or discussed the Monthly Medical Allowance (MMA) paid to eligible retirees in group plans for Plan Year 2020.

19-54

It was moved by Liz Koppenhaver and seconded by Ophelia Basgal that the Board increase the 2020 Group Plan Monthly Medical Allowance (MMA) by 3.70% for eligible retirees in the group plans, in accordance with the substantive plan definition adopted under GASB 43 equal to 50% of the rate of health care inflation assumptions provided by ACERA’s actuary, which results in a MMA maximum of \$578.65 for the Plan Year 2020. The MMA contribution is a non-vested benefit subject to possible reduction or elimination if Board policies change or funds are unavailable. This benefit is funded by contributions from ACERA employers to the 401(h) account. After contributions are made, in accordance with the County Employees Retirement Law, ACERA treats an equal amount of Supplemental Retiree Benefit Reserve assets as employer contributions for pensions. The motion carried 9 yes (*Amaral, Basgal, Carson, Gamble, Godfrey, Koppenhaver, Levy, Walker, Wood*), 0 no, and 0 abstentions.

Liz Koppenhaver reported that the Committee was presented with, reviewed information for and/or discussed the early (non-Medicare) retiree Individual Plans Monthly Medical Allowance (MMA) costs for the 2019 Plan Year.

19-55

It was moved by Liz Koppenhaver and seconded by George Wood that the Board increase the 2020 Individual Plan Monthly Medical Allowance (MMA) by 3.70% for eligible qualified early (non-Medicare) retirees enrolled in individual plans through the Health Exchange, in accordance with the substantive plan definition adopted under GASB 43 equal to 50% of the rate of health care inflation assumptions provided by ACERA’s actuary, which results in a MMA maximum of \$578.65 for Plan Year 2020. The MMA contribution is a non-vested benefit subject to possible reduction or elimination if Board policies change or funds are unavailable. This benefit is funded by contributions from ACERA employers to the 401(h) account. After contributions are made, in accordance with the County Employees Retirement Law, ACERA treats an equal amount of Supplemental Retiree Benefit Reserve assets as employer contributions for pensions. The motion carried 9 yes (*Amaral, Basgal, Carson, Gamble, Godfrey, Koppenhaver, Levy, Walker, Wood*), 0 no, and 0 abstentions.

Liz Koppenhaver reported that the Committee was presented with, reviewed information for and/or discussed the Medicare eligible retiree Individual Plans Monthly Medical Allowance (MMA) costs for the 2019 Plan Year.

19-56

It was moved by Liz Koppenhaver and seconded by George Wood that the Board increase the 2020 Individual Plan Monthly Medical Allowance (MMA) by 3.70% for qualified Medicare eligible retirees enrolled in individual plans through the Medicare Exchange, in accordance with the substantive plan definition adopted under GASB 43 equal to 50% of the rate of health care inflation assumptions provided by ACERA's actuary, which results in a MMA maximum of \$443.28 for Plan Year 2020. The MMA contribution is a non-vested benefit subject to possible reduction or elimination if Board policies change or funds are unavailable. This benefit is funded by contributions from ACERA employers to the 401(h) account. After contributions are made, in accordance with the County Employees Retirement Law, ACERA treats an equal amount of Supplemental Retiree Benefit Reserve assets as employer contributions for pensions. The motion carried 9 yes (*Amaral, Basgal, Carson, Gamble, Godfrey, Koppenhaver, Levy, Walker, Wood*), 0 no, and 0 abstentions.

The Committee reviewed, was presented with and/or discussed the following Information Items: *1) Report on Dental and Vision Plans Experience, Utilization, and Proposed Delta Dental Renewal Information, which will be further discussed at next month's Retirees Committee meeting; 2) Timeline for Supplemental Retiree Benefit Reserve (SRBR) Benefits Survey. The SRBR Benefits Survey will be distributed to both active and retiree members sometime in October 2019 to determine what type of benefits members are interested in receiving; and 3) Miscellaneous Updates, which included a report on the retirees meeting on financial and benefits related issues.*

Minutes of the meeting will be presented to the Board for adoption on the consent calendar at the August 15, 2019 Board meeting.

NEW BUSINESS

Chief Executive Officer's Report.

CEO Dave Nelsen reported that he will provide the Board with the full ACERA Employee Engagement Survey results.

CONFERENCE/ORAL REPORTS

None.

ANNOUNCEMENTS

None.

BOARD INPUT

Trustee Liz Koppenhaver reported that she, Trustee Jaime Godfrey and Board Chair Henry Levy will be reviewing the CEO evaluation process to determine how the process can be improved. It will be brought back to the full Board for its consideration.

Chair Henry Levy expressed his appreciation to former Board Chair George Wood for his tenure for the first half of the year and outlined the following goals he would like to accomplish as Board Chair for the remainder of this year: **1)** Strengthen Trustee involvement in the most appropriate areas; **2)** work with CEO Dave Nelsen on the implementation of Granicus Technology, and examine the meeting structure; **3)** work with Trustee Koppenhaver to strengthen the relationship of the retiree community; and **4)** working with CEO Dave Nelsen to ensure that Operations are being done as cost effectively as possible. Copies of Board Levy’s detailed goals were made available.

ADJOURNMENT

The meeting adjourned at approximately 2:29 p.m.

Respectfully Submitted,



David Nelsen
Chief Executive Officer

8/15/19

Date Adopted

**APPENDIX A
APPLICATION FOR SERVICE RETIREMENT**

ADAMS, William R.
Effective: 3/1/2018
Sheriff's Office

KOVAC, Kathleen
Effective: 5/31/2019
Health Care Services Agency

ALEXANDER, Karlyn J.
Effective: 1/25/2019
Alameda Health System

MC CRAE, Ethel M.
Effective: 4/1/2018
Alameda Health System

APOSTOLAKOS, Diane
Effective: 5/20/2019
Alameda Health System

MCCARTHY, Michael F.
Effective: 1/3/2019
Alameda Health System

COTTON, Cynthia Louise
Effective: 4/13/2019
Probation

MURANISHI, William H.
Effective: 10/10/2018
General Services Agency

DABICH, Dabich L.
Effective: 7/15/2017
Superior Court

NELSON, Suzanne U.
Effective: 3/30/2019
Probation

DEAN, Miranda J.
Effective: 6/2/2018
Alameda County

RAMOS, Myrlina G.
Effective: 7/27/2017
Sheriff's Office

ESTRADA, Emilia E.
Effective: 12/15/2018
Alameda Health System

RAMOS, Yvonne
Effective: 6/24/2017
Alameda Health System

FONG, William K.
Effective: 5/4/2019
Alameda Health System

ROBERSON, Samuel
Effective: 11/3/2018
Alameda Health System

GROSE, Beth B.
Effective: 3/30/2019
Alameda County

STOCKEL, Gary W.
Effective: 12/29/2018
Alameda County

HUNTER, Rebecca A.
Effective: 8/12/2018
Alameda Health System

TRINIDAD, Erna T.
Effective: 10/14/2017
Alameda Health System

KHALILI, Marzieh
Effective: 2/1/2018
Library

WARD, Janie D.
Effective: 10/19/2018
Alameda Health System

**APPENDIX A
APPLICATION FOR SERVICE RETIREMENT**

WHEAT, Kimberly
Effective: 5/24/2019
Social Services Agency

**APPENDIX B
APPLICATION FOR DEFERRED RETIREMENT**

GIVEN, Tirzah E.
Sheriff's Office
Effective Date: 5/31/2019

NARANJO, Pedro
Health Care Services Agency
Effective: 5/3/2019

JUNG, Matthew B.
General Services Agency
Effective: 5/17/2019

OGBE, Sunny K.
Alameda Health System
Effective: 4/10/2019

MCCONICO, Tanisha D.
Alameda Health System
Effective: 5/18/2019

TREGLEAGLE, Sheri K.
Alameda Health System
Effective: 5/9/2019

MCCORKINDALE, Carolyn
Alameda Health System
Effective: 5/17/2019

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

HEWITT, Shevela D.
Human Resource Services
Effective: 4/26/2019

SHIH, Annie Y.
Health Care Services Agency
Effective: 4/26/2019

KIVEDO-OVERALL, Jessica C.
Health Care Services Agency
Effective: 6/4/2019

TRACY, Maryanne
District Attorney
Effective: 5/2/2019

LAVAKA, Anaseini L.
Alameda Health System
Effective: 5/1/2019

WATT, Nicole
Superior Court
Effective: 5/24/2019

MORELAND, Tracy P.
Alameda Health System
Effective: 4/10/2019

WILDE, Constance S.
Assessor
Effective: 5/24/2019

APPENDIX D
LIST OF DECEASED MEMBERS

BARBOUR, James R.
District Attorney
4/30/2019

DELL ARRINGA, Mary
Non-Mbr Survivor of Lawrence Dell Arringa
4/23/2019

BITTEN, Eileen
Non-Mbr Survivor of Robert Bitten
4/12/2019

DUNCAN, Brenda L.
SSA Welfare to work
5/13/2019

BOHANNON, Dorothy H.
Social Services Agency
3/31/2019

EVANS, Michael
Auditor-Controller
1/30/2019

BORDES, John W.
Sheriff's Office
6/2/2019

FLOURNOY-WEATHERFORD, Cynthia
SSA Welfare to work
4/12/2019

BRANNON, Beverly B.
Non-Mbr Survivor of Thomas Brannon
5/31/2019

HAMILTON, Lessie A.
Health Care Services Agency
5/22/2019

CAMPBELL, Barbara A.
Information Technology
5/24/2019

HAMRE, Catherine M.
Health Care Services Agency
6/12/2019

CHRISTENSEN, Ethel
Child Support Services
5/2/2019

HAUSER, Tom
Detention & Correction Santa Rita Jail
6/3/2019

COHEN, Alan J.
Health Care Services Agency
5/7/2019

HEWITT, George M.
Social Services Agency
5/31/2019

COMBS, Agnes
Non-Mbr Survivor of George Combs
4/14/2019

LING, John C.D.
Information Technology
6/1/2019

COMBS, Queen
Alameda County Medical Center
4/16/2019

MEFFORD, Diane
Community Development Agency
6/12/2019

COOPER, Verneatha R.
SSA Administration
3/14/2019

PALMORE, Bettye L.
District Attorney
5/9/2019

APPENDIX D
LIST OF DECEASED MEMBERS

PERRY, Lou A.
Health Care Services Agency
6/17/2019

PETERS, Leonard E.
Social Services Agency
5/27/2019

PUGH, Evie L.
Health Care Services Agency
6/11/2019

RODRIGUES, Barbara A.
Social Services Agency
6/6/2019

SCCOTT, Donald L.
General Services Agency
3/21/2019

SHORT-FREENEY, Patricia M.
County Library
6/6/2019

VENN DELAHANTY, Helen L.
County Library
5/20/2019

WHYSONG, Ruth A.
Social Services Agency
2/26/2019

WILLIAMS, Alicia F.
Superior Court
3/30/2019

WRIGHT, Ola M.
Non-Mbr Survivor of Walter Wright
5/31/2019

APPENDIX F
APPLICATION FOR DISABILITY RETIREMENT

Name: Dyson, Cynthia
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. Dyson's application for a non-service connected disability, and waiving future annual medical examinations and questionnaires.

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

Name: Latorre, Forrest
Type of Claim: Annual Review for SCD (Granted on 12/21/17)

Staff's Recommendation:

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

Name: Lewis, Mykeisha
Type of Claim: Service Connected

Staff's Recommendation:

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

APPENDIX F
APPLICATION FOR DISABILITY RETIREMENT

Name: **Mensinger, Mitchell**
Type of Claim: **Service Connected**

Staff’s Recommendation:

Adopt the findings and conclusions and approve and adopt the recommendation contained in the Medical Advisor’s report, including but not limited to, granting Mr. Mensinger’s application for a service-connected disability, and waiving future annual medical examinations and questionnaires.

Name: **Pico, Thomas**
Type of Claim: **Service Connected**

Staff’s Recommendation:

Adopt the findings and conclusions and approve and adopt the recommendation contained in the Medical Advisor’s report, including but not limited to, granting Mr. Pico’s application for a service-connected disability, and waiving future annual medical examinations and questionnaires.

Name: **Scroggin, Robert**
Type of Claim: **Service Connected**

Staff’s Recommendation:

Adopt the findings and conclusions and approve and adopt the recommendation contained in the Medical Advisor’s report, including but not limited to, granting Mr. Scroggin’s application for a service-connected disability, and waiving future annual medical examinations and questionnaires.

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