



Alameda County Employees' Retirement Association
BOARD OF RETIREMENT

OPERATIONS COMMITTEE/BOARD MEETING
NOTICE and AGENDA

ACERA MISSION:

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

Wednesday, August 7, 2019
9:30 a.m.

| LOCATION | COMMITTEE MEMBERS | |
|---|-------------------------|-----------------|
| ACERA C.G. "BUD" QUIST BOARD ROOM 475 14 TH STREET, 10 TH FLOOR OAKLAND, CALIFORNIA 94612-1900 MAIN LINE: 510.628.3000 FAX: 510.268.9574 | OPHELIA BASGAL, CHAIR | APPOINTED |
| | DALE AMARAL, VICE CHAIR | ELECTED SAFETY |
| | LIZ KOPPENHAVER | ELECTED RETIRED |
| | ELIZABETH ROGERS | ELECTED GENERAL |
| | GEORGE WOOD | ELECTED GENERAL |

Should a quorum of the Board attend this meeting, this meeting shall be deemed a joint meeting of the Board and Committee.

The order of agenda items is subject to change without notice. Board and Committee agendas and minutes are available online at www.acera.org.

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

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

OPERATIONS COMMITTEE/BOARD MEETING

NOTICE and AGENDA, Page 2 of 2 – Wednesday, August 7, 2019

Call to Order: 9:30 a.m.

Public Input

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

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

1. Operating Expenses as of June 30, 2019

Report on the status of ACERA's budget vs. actual as of June 30, 2019

- Margo Allen

2. Quarterly Financial Statements as of June 30, 2019

Report on ACERA's financial statements as of June 30, 2019

- Margo Allen

3. Quarterly Cash Forecast Report

Report on the cash forecast year-to-date for the period ending June 30, 2019

- Margo Allen

4. Board Member Conference Expense Report as of December 31, 2018

Report on Board Members' conference expenses year-to-date for the period ending June 30, 2019

- Margo Allen

5. Senior Manager Conference and Training Expense Report as of December 31, 2018

Report on Senior Managers' conference and training expenses year-to-date for the period ending June 30, 2019

- Margo Allen

Future Discussion Items

Trustee Remarks

Establishment of Next Meeting Date

October 2, 2019, at 9:30 a.m.

Adjournment



MEMORANDUM TO THE OPERATIONS COMMITTEE

DATE: August 07, 2019

TO: Members of the Operations Committee

FROM: Margo Allen, Fiscal Services Officer 

SUBJECT: Operating Expense Budget Summary for the period ended June 30, 2019

ACERA's operating expenses are \$632K under budget for the period ended June 30, 2019. Budget overages and surpluses worth noting are as follows:

Budget Surpluses

1. *Staffing*: Staffing is \$222K under budget. This amount comprises surplus in staff vacancies of (\$293K) and fringe benefits of (\$171K), which are offset by overage in temporary staffing of \$242K due to vacant positions filled by temporary staff.
2. *Staff Development*: Staff Development is \$110K under budget. The is due to savings from unattended staff trainings.
3. *Professional Fees*: Professional Fees are \$19K under budget. This amount comprises surplus in operations consultant fees of (\$50K) due to timing difference, and actuarial fees¹ of (\$27K) primarily due to saving from last year accrual, which are offset by overages in legal fees² of \$58K
4. *Office Expense*: Office Expense is \$42K under budget. This amount comprises surpluses in building expense³ of (\$13K) primarily due to credit from CBRE for the 2018 escalation reconciliation, bank charges and miscellaneous administrative expenses of (\$15K), office maintenance and supplies of (\$12K), communication expense of (\$5K), printing and postage of (\$3K) and minor equipment and furniture of (\$7K). Which are offset by overage in equipment lease and maintenance of \$13K.

¹ The surplus in actuarial fees of \$27K is primarily due to saving from last year accrual of \$23K for the actuarial services provided by Segal (supplemental consulting).

² The overage in legal fees of \$58K is due to an unanticipated payment of \$34K to Shaw Law for professional services and overage in fiduciary counseling of \$76K is primarily due to Alameda Health System vs ACERA and Rivera vs ACERA legal cases. Which are offset by surplus in litigation expense of \$33K, tax and benefits expense of \$9K and investigation services expense of \$10K.

³ The surpluses in building expense of \$13K is primarily due to credit of \$11K from CBRE for 2018 escalation reconciliation.

5. *Member Services:* Member Services are \$71K under budget. This amount comprises surpluses in disability legal arbitration and transcripts of (\$19K), disability medical expense of (\$39K) due to reduction in number of monthly cases as compared to budget, and members printing and postage⁴ of (\$16K) is due to savings from last year accrual and timing difference. Which are offset by overage in member training and education of \$3K.
6. *Systems:* Systems are \$65K under budget. This amount comprises surpluses in business continuity expense of (\$30K) due to timing difference, software maintenance and support of (\$27K) due to timing difference, computer maintenance of (\$2K), and minor computer hardware of (\$10K), which are offset by overage in county data processing of \$4K.
7. *Depreciation:* Depreciation is \$4K under budget, which is related to office equipment.
8. *Board of Retirement:* Board of Retirement is \$99K under budget. This amount comprises surpluses in board election expense⁵ of (\$13K), board miscellaneous expense of (\$7K), board compensation of (\$3K), board software maintenance and support of (\$3K) and board conferences & training of (\$84K) due to savings from unattended board conferences and trainings, which are offset by overage in board employer reimbursement of \$11K.

Staffing Detail

As of June 30, 2019, ACERA had the following permanent vacant positions:

| Department | Position | QTY | Comments |
|------------------------|-------------------------------|----------|--|
| Benefits | Retirement Technician | 1 | Filled by temporary staff - currently budgeted until 12/2019 |
| Benefits | Retirement Support Specialist | 2 | Filled by temporary staff - currently budgeted until 12/2019 |
| Investments | Senior Investment Officer | 1 | Resigned in May - currently budgeted until 12/2019 |
| Investments | Investment Analyst | 2 | Vacant - currently budgeted until 12/2019 |
| Investments | Investment Officer | 1 | Retired in March - currently budgeted until 12/2019 |
| Legal | Associate Counsel | 2 | Terminated in June - currently budgeted until 12/2019 |
| Total Positions | | 9 | |

⁴ The surplus in members printing and postage of \$16K is due to savings from last year newsletters accrual of \$8K and also due to timing difference of this year newsletters.

⁵ The surplus in board election expense of (\$13K) is due to saving from last year accrual.



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

| YEAR TO DATE - ACTUAL VS. BUDGET | | | | | |
|--|----------------------------|----------------------------|----------------------------|----------------------|-----------------------------|
| <u>June 30, 2019</u> | | | | | |
| | Actual | Budget | YTD | 2019 | % Actual to |
| | <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 | \$ 7,144,901 | \$ 7,366,400 | \$ (221,499) | \$ 15,122,000 | 47.2% |
| Staff Development | 151,011 | 261,020 | (110,009) | 510,000 | 29.6% |
| Professional Fees (Next Page) | 677,223 | 696,520 | (19,297) | 1,187,000 | 57.1% |
| Office Expense | 252,127 | 294,160 | (42,033) | 554,000 | 45.5% |
| Insurance | 641,937 | 641,910 | 27 | 1,305,000 | 49.2% |
| Member Services | 162,451 | 233,920 | (71,469) | 527,000 | 30.8% |
| Systems | 500,332 | 565,240 | (64,908) | 1,152,000 | 43.4% |
| Depreciation | 60,277 | 63,860 | (3,583) | 126,000 | 47.8% |
| Board of Retirement | 254,704 | 353,780 | (99,076) | 711,000 | 35.8% |
| Uncollectable Benefit Payments | - | - | - | 39,000 | 0.0% |
| Total Operating Expense | \$ 9,844,963 | \$ 10,476,810 | \$ (631,847) | \$ 21,233,000 | 46.4% |
| Investment Consultant Fees | 559,217 | 740,490 | (181,273) | 1,486,000 | 37.6% |
| Investment Custodian Fees | 271,610 | 274,800 | (3,190) | 550,000 | 49.4% |
| Investment Manager and Incentive Fees | 20,294,645 | 26,445,600 | (6,150,955) | 54,495,000 | 37.2% |
| Other Investment Expenses/(Income) | (415,442) | 220,000 | (635,442) | 454,000 | -91.5% |
| Total Portfolio Management Investment Expense | \$ 20,710,030 | \$ 27,680,890 | \$ (6,970,860) | \$ 56,985,000 | 36.3% |
| Total Operating and Portfolio Management Investment Expense | \$ 30,554,992 | \$ 38,157,700 | \$ (7,602,708) | \$ 78,218,000 | 39.1% |



ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
 PROFESSIONAL FEES
 YEAR TO DATE - ACTUAL VS. BUDGET
 June 30, 2019

| | <u>Actual</u> <u>Year-To-Date</u> | <u>Budget</u> <u>Year-To-Date</u> | <u>YTD Variance</u> <u>(Under)/Over</u> | <u>2019</u> <u>Annual</u> <u>Budget</u> | <u>% Actual to</u> <u>Annual Budget</u> |
|--|--------------------------------------|--------------------------------------|--|---|--|
| Professional Fees | | | | | |
| Consultant Fees - Operations and Projects ¹ | \$ 179,000 | \$ 229,060 | \$ (50,060) | \$ 388,000 | 46.1% |
| Actuarial Fees ² | 179,997 | 207,500 | (27,503) | 415,000 | 43.4% |
| External Audit ³ | 149,000 | 149,000 | - | 149,000 | 100.0% |
| Legal Fees ⁴ | 169,226 | 110,960 | 58,266 | 235,000 | 72.0% |
| Total Professional Fees | \$ 677,223 | \$ 696,520 | \$ (19,297) | \$ 1,187,000 | 57.1% |

| | <u>Actual</u> <u>Year-To-Date</u> | <u>Budget</u> <u>Year-To-Date</u> | <u>YTD Variance</u> <u>(Under)/Over</u> | <u>2019 Annual</u> <u>Budget</u> | <u>% Actual to</u> <u>Annual Budget</u> |
|--|--------------------------------------|--------------------------------------|--|-------------------------------------|--|
|--|--------------------------------------|--------------------------------------|--|-------------------------------------|--|

¹ CONSULTANT FEES - OPERATIONS AND PROJECTS:

Benefits

| | | | | | |
|---|----------------|----------------|-----------------|----------------|--------------|
| <i>Admin Consultant (Process Excellence & Benchmarking)</i> | 16,000 | 70,000 | (54,000) | 70,000 | 22.9% |
| <i>Alameda County HRS (Benefit Services)</i> | 63,000 | 63,000 | - | 126,000 | 50.0% |
| <i>Segal (Benefit Consultant/Retiree Open Enrollment)</i> | 61,500 | 57,600 | 3,900 | 115,000 | 53.5% |
| Total Benefits | 140,500 | 190,600 | (50,100) | 311,000 | 45.2% |

Human Resources

| | | | | | |
|---|-------------------|-------------------|--------------------|-------------------|--------------|
| <i>Lakeside Group (County Personnel)</i> | 38,500 | 38,460 | 40 | 77,000 | 50.0% |
| Total Human Resources | 38,500 | 38,460 | 40 | 77,000 | 50.0% |
| Total Consultant Fees - Operations | \$ 179,000 | \$ 229,060 | \$ (50,060) | \$ 388,000 | 46.1% |

² ACTUARIAL FEES

| | | | | | |
|--|-------------------|-------------------|--------------------|-------------------|--------------|
| <i>Actuarial fees (562-00-005)</i> | 129,997 | 157,500 | (27,503) | 315,000 | 41.3% |
| <i>GASB 67 & 68 Valuation (562-00-005)</i> | 23,000 | 23,000 | - | 46,000 | 50.0% |
| <i>GASB 74 & 75-Actuarial (562-00-005)</i> | 7,000 | 7,000 | - | 14,000 | 50.0% |
| <i>Actuarial fees-SRBR (562-00-007)</i> | 20,000 | 20,000 | - | 40,000 | 50.0% |
| Total Actuarial Fees | \$ 179,997 | \$ 207,500 | \$ (27,503) | \$ 415,000 | 43.4% |

³ EXTERNAL AUDIT

| | | | | | |
|---|-------------------|-------------------|-------------|-------------------|---------------|
| <i>External audit (562-00-004)</i> | 126,000 | 126,000 | - | 126,000 | 100.0% |
| <i>GASB 67 & 68 (562-00-004)</i> | 12,000 | 12,000 | - | 12,000 | 100.0% |
| <i>GASB 74 & 75-External Audit (562-00-004)</i> | 11,000 | 11,000 | - | 11,000 | 100.0% |
| Total External Audit Fees | \$ 149,000 | \$ 149,000 | \$ - | \$ 149,000 | 100.0% |

⁴ LEGAL FEES

Fiduciary Counseling

| | | | | | |
|-----------------------------------|----------------|---------------|----------------|----------------|---------------|
| <i>Nossaman, LLP</i> | 116,402 | 50,000 | 66,402 | 110,000 | |
| <i>Baker Hostetler</i> | 3,101 | - | 3,101 | - | |
| <i>Shaw Law Group</i> | 34,136 | - | 34,136 | - | |
| <i>Reed Smith (ACD Sheriff's)</i> | 7,034 | - | 7,034 | - | |
| Subtotal | 160,672 | 50,000 | 110,672 | 110,000 | 146.1% |

Tax and Benefit Issues

| | | | | | |
|------------------------------|--------------|---------------|----------------|---------------|--------------|
| <i>Hanson, Bridgett, LLP</i> | 8,554 | 18,000 | (9,446) | 39,000 | |
| Subtotal | 8,554 | 18,000 | (9,446) | 39,000 | 21.9% |

Litigation

| | | | | | |
|-------------------------|----------|---------------|-----------------|---------------|-------------|
| <i>Byers/Richardson</i> | - | 33,000 | (33,000) | 66,000 | |
| Subtotal | - | 33,000 | (33,000) | 66,000 | 0.0% |

Investigation Services

| | | | | | |
|---------------------------------------|----------|--------------|----------------|---------------|-------------|
| <i>Law offices of Amy Oppenheimer</i> | - | 9,960 | (9,960) | 20,000 | |
| Subtotal | - | 9,960 | (9,960) | 20,000 | 0.0% |

| | | | | | |
|-------------------------|-------------------|-------------------|------------------|-------------------|--------------|
| Total Legal Fees | \$ 169,226 | \$ 110,960 | \$ 58,266 | \$ 235,000 | 72.0% |
|-------------------------|-------------------|-------------------|------------------|-------------------|--------------|



MEMORANDUM TO THE OPERATIONS COMMITTEE

DATE: August 07, 2019
TO: Members of the Operations Committee
FROM: Margo Allen, Fiscal Services Officer 
SUBJECT: June 30, 2019, Unaudited Financial Statements

Executive Summary

Attached for review and discussion is the unaudited financial statements for the period ended June 30, 2019.

The Fiduciary Net Position Held in Trust and the Change in Fiduciary Net Position compared to the same period in 2018 increased by \$258 million.

Financial Highlights

- Net Position Restricted (Held in Trust for Benefits), as reported on the Statement of Fiduciary Net Position totaled \$8.38 billion. Total Receivables decreased by \$13 million, Investments at fair value increased by \$250 million, Cash increased by \$1 million and Total Liabilities without Security Lending Liability decreased by \$20 million.
- The year-over-year Change in Net Position increased by \$777 million. This is due to increase in additions of \$796 million and increase in deductions of \$19 million as explained below:
 - Total Additions year-over-year increased by \$796 million. This includes, increase in contributions of \$27 million, and increase in investments of \$769 million.
 - Total Deductions year-over-year increased by \$19 million. The amount is mainly attributable to the growth in payments of service retirement, disability benefits, retiree health programs and administrative expenses.

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
STATEMENT OF FIDUCIARY NET POSITION
As of 6/30/2019

| | Year-To-Date 2019 | Year-To-Date 2018 |
|--|------------------------------|------------------------------|
| ASSETS | | |
| Cash (Note 1) | 2,460,667.77 | 1,719,811.76 |
| Securities Lending Cash Collateral (Note 2) | 251,449,489.89 | 263,960,700.06 |
| Receivables: | | |
| Contributions (Note 3) | 16,437,153.88 | 13,749,269.36 |
| Investment Receivables (Note 4a) | 19,073,879.92 | 20,551,325.47 |
| Unsettled Trades - Investments Sold | 6,439,916.12 | 22,630,040.92 |
| Futures Contracts - Equity Index (Note 5a) | 628,407.62 | (198,617.46) |
| Equity Index Swaps (Note 6a) | 35,752.84 | 21,188.63 |
| Foreign Exchange Contracts (Note 7a) | 1,268,787.53 | 348,918.85 |
| Other Receivables (Note 8) | 98,820.04 | 208,592.81 |
| Total Receivables | 43,982,717.95 | 57,310,718.58 |
| Prepaid Expenses | 402,686.66 | 449,625.24 |
| Total Current Assets | 298,295,562.27 | 323,440,855.64 |
| Investments - at Fair Value: | | |
| Short-Term Investments (Note 9) | 234,574,160.34 | 278,559,273.56 |
| Domestic Equity | 550,289,587.81 | 737,688,350.59 |
| Domestic Equity Commingled Funds | 2,038,635,050.42 | 1,840,840,714.99 |
| International Equity | 1,092,105,791.89 | 1,604,341,238.41 |
| International Equity Commingled Funds (Note 10) | 1,100,245,397.81 | 490,707,459.25 |
| Domestic Fixed Income | 947,051,635.32 | 949,851,272.99 |
| International Fixed Income | 116,993,350.50 | 154,370,908.61 |
| International Fixed Income - Commingled Funds (Note 11) | 147,170,415.81 | 135,346,336.46 |
| Real Estate - Separate Properties (Note 12) | 73,583,229.40 | 68,571,981.78 |
| Real Estate - Commingled Funds (Note 13) | 512,190,482.69 | 458,890,302.64 |
| Real Assets | 294,267,261.27 | 319,526,076.22 |
| Absolute Return (Note 14a) | 728,247,666.27 | 612,694,017.20 |
| Private Equity (Note 14b) | 541,166,071.25 | 475,191,372.59 |
| Total Investments | 8,376,520,100.78 | 8,126,579,305.29 |
| Capital Assets at Cost (Net of Accumulated Depreciation or Amortization) (Note 15) | 1,943,449.06 | 1,543,318.01 |
| Total Assets | 8,676,759,112.11 | 8,451,563,478.94 |
| LIABILITIES | | |
| Securities Lending Liability (Note 2) | 251,449,489.89 | 263,960,700.06 |
| Unsettled Trades - Investments Purchased | 31,867,434.66 | 42,072,930.40 |
| Investment-Related Payables (Note 4b) | 9,643,628.91 | 13,354,320.17 |
| Futures Contracts - Equity Index (Note 5b) | 251,300.71 | 1,170,412.87 |
| Equity Index Swaps (Note 6b) | 0.00 | 677,415.32 |
| Foreign Exchange Contracts (Note 7b) | 73,036.45 | 5,600,982.19 |
| Accrued Administration Expenses (Note 16) | 2,160,694.78 | 2,170,057.32 |
| Members Benefits & Refunds Payable (Note 17a) | 4,393,635.80 | 3,274,960.03 |
| Retirement Payroll Deductions Payable (Note 17b) | 17,798.19 | 11,466.34 |
| Total Liabilities | 299,857,019.39 | 332,293,244.70 |
| Net Position | | |
| Restricted - Held in Trust for Benefits | 8,376,902,092.72 | 8,119,270,234.24 |
| Total Net Position | 8,376,902,092.72 | 8,119,270,234.24 |

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Six Months Ending 6/30/2019

| | Year-To-Date 2019 | Year-To-Date 2018 |
|--|------------------------------|------------------------------|
| ADDITIONS | | |
| Contributions: (Note 18) | | |
| Members | 50,783,600 | 45,709,399 |
| Employers | 148,901,999 | 127,074,900 |
| Total Contributions | 199,685,599 | 172,784,299 |
| From Investment Activities: | | |
| Net Appreciation in Fair Value of Investments | 832,399,170 | 23,533,386 |
| Interest | 22,719,550 | 22,610,441 |
| Dividends | 35,974,336 | 45,714,985 |
| Real Estate - Net | 10,278,046 | 11,355,901 |
| Private Equity and Alternatives | (17,491,173) | 15,160,431 |
| Brokers Commissions - Directed Brokerage | 21,374 | 57,441 |
| Sub-Total of Dividends, Interest, Other Investment Income (Note 19) | 51,502,133 | 94,899,198 |
| Total Income from Investment Activities | 883,901,302 | 118,432,584 |
| Total Investment Expenses (Note 20) | (22,212,077) | (25,524,019) |
| Net Income from Investment Activities (Note 21) | 861,689,226 | 92,908,565 |
| From Securities Lending Activities: | | |
| Securities Lending Income | 3,486,389 | 3,530,551 |
| Securities Lending Expenses | (2,787,217) | (2,333,161) |
| Net Income from Securities Lending Activities (Note 22) | 699,172 | 1,197,390 |
| Total Net Investment Income | 862,388,398 | 94,105,955 |
| Miscellaneous Income (Note 23) | 791,157 | 146,342 |
| Total Additions | 1,062,865,154 | 267,036,596 |
| DEDUCTIONS | | |
| Benefits: | | |
| Service Retirement and Disability Benefits (Note 24) | 241,148,906 | 226,314,268 |
| Death Benefits (Note 25) | 1,327,372 | 1,418,526 |
| Supplemental Cost of Living Allowance | 587,012 | 575,792 |
| Retiree Healthcare Program | 21,594,127 | 20,116,556 |
| Total Benefit Payments | 264,657,418 | 248,425,142 |
| Member Refunds | 5,549,299 | 3,534,717 |
| Administration: (Note 26) | | |
| Administrative Expenses | 5,967,496 | 5,681,771 |
| Actuarial Expenses | 159,997 | 157,227 |
| Business Continuity Expenses | 279,365 | 275,350 |
| Legal Expenses | 873,594 | 736,094 |
| Technology Expenses | 435,461 | 458,117 |
| 401(h) Expenses | 627,000 | 597,500 |
| Total Administration | 8,342,913 | 7,906,059 |
| Total Deductions | 278,549,630 | 259,865,918 |
| Net Increase(Decrease) | 784,315,524 | 7,170,678 |
| Net Position Held in Trust for Benefits: | | |
| Net Position - January 1 | 7,592,586,569 | 8,112,099,556 |
| Net Position - June 30 | 8,376,902,093 | 8,119,270,234 |

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
As of June 30, 2019

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 - \$2.46 million

Cash balance is the sum of the funds in the Wells Fargo Bank operating accounts. The increase of \$0.74 million from \$1.72 million in June 30, 2018, is due to the timing differences between receipt of contributions and the transfer of funds for retiree payroll and investment.

(Note 2)

Securities Lending Cash Collateral - \$251.45 million

Cash collateral of \$251.45 million and \$263.96 million was held by ACERA related to securities on loan as of June 30, 2019, and June 30, 2018, respectively. This amount is reported as an asset with a corresponding liability for the same amount in compliance with the GASB Statement No. 28.

(Note 3)

Contributions Receivables - \$16.44 million

The receivable balances of June 30, 2019, increased approximately \$2.69 million from \$13.75 million in June 30, 2018. This is primarily due to increase in the member and employer contribution rates.

(Note 4a)

Investment Receivables - \$19.07 million

The investment receivables balance as of June 30, 2019, decreased by \$1.48 million from \$20.55 million for June 30, 2018. The decrease is attributed mainly to stock dividend receivables.

(Note 4b)

Investment Related Payables - \$9.64 million

The decrease of \$3.71 million in investment related payables balance as of June 30, 2019, from \$13.35 million for June 30, 2018 is primarily due to investment managers and consultant fees payable.

(Note 5)

Future Contracts Equity Index Receivables - \$0.63 million and Liability - \$0.25 million

5a. The receivable represents unrealized gains on open future contracts. The balance for unrealized gains/ (losses) as of June 30, 2019, and June 30, 2018, were \$0.63 million and (\$0.20) million, respectively.

5b. The liability represents the unrealized losses on open future contracts. The balance for unrealized losses as of June 30, 2019, and June 30, 2018, were \$0.25 million and \$1.17 million, respectively.

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
As of June 30, 2019

(Note 6)

Equity Index Swaps Receivable - \$0.04 million and Liability - none

6a. The receivable represents the amount to be received from the counterparties of the equity index swaps. The total receivable as of June 30, 2019, and June 30, 2018, were \$0.04 million and \$0.02 million, respectively.

6b. The liability represents the amount owed, but not yet paid, to the counterparties of equity index swaps. The total liabilities as of June 30, 2019, and June 30, 2018, were none and \$0.68 million, respectively.

(Note 7)

Foreign Exchange Contracts Receivables - \$1.27 million and Liability - \$0.07 million

7a. Foreign exchange (FX) contracts include currency forward contracts and spot contracts. As of June 30, 2019, and June 30, 2018, unrealized gains on FX contracts were \$1.27 million and \$0.35 million, respectively. The increase of \$0.92 million is due to change in number and valuation of contracts.

7b. The liability represents unrealized losses on foreign exchange contracts. As of June 30, 2019, and June 30, 2018, unrealized losses on FX contracts were \$0.07 million and \$5.60 million, respectively. The decrease in unrealized losses of \$5.53 million is due to market volatility.

(Note 8)

Other Receivables - \$0.10 million

Other receivables as of June 30, 2019, are comprised primarily of funds due from deceased retirees' estates for overpayment of benefits.

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
As of June 30, 2019

(Note 9)

Short-Term Investments - \$234.57 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)

| <u>Fund Name</u> | <u>6/30/2019</u> |
|--------------------------------------|------------------|
| Brandywine | \$ 96.31 |
| Baird Investors | 33.81 |
| AQR Capital Management | 32.05 |
| Unallocated Cash | 26.67 |
| Capital Guardian | 12.52 |
| Loomis | 7.06 |
| Mondrian | 5.83 |
| Next Century Growth Small Cap | 5.66 |
| TCW | 5.34 |
| Kennedy | 4.46 |
| Pzena | 1.63 |
| Bivium - Dundas Partners | 0.80 |
| Transition | 0.73 |
| Bivium - Arga Investment Management | 0.68 |
| Bivium - Radin Capital Partners | 0.32 |
| Bivium - Denali Advisors | 0.25 |
| RVX Asset Management | 0.19 |
| Bivium - Global Alpha Capital Mgmt. | 0.18 |
| Bivium - Applied Research Management | 0.08 |
| Total | \$ 234.57 |

(Note 10)

International Equity Commingled Funds - \$1,100.25 million

As of June 30, 2019, and June 30, 2018, the International Equity Commingled Funds were \$1,100.25 million and \$490.71 million, respectively. The increase of \$609.54 million is mainly due to additional investments.

(Note 11)

International Fixed Income Commingled Funds - \$147.17 million

The increase of \$11.82 million from the prior year is mainly 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 June 30, 2019

(Note 12)

Real Estate Separate Properties - \$73.58 million

The following is a summary of Real Estate – Separate Property investments as of June 30, 2019, and June 30, 2018. The year over year increase of \$5.01 million is due to the market appreciation of the Oakland 14th Street property.

(Dollars in Millions)

| <i>Investment Manager</i> | <i>Net Mkt. Value 06-30-2019</i> | <i>Net Mkt. Value 06-30-2018</i> | <i>No. of Properties 2019</i> | <i>No. of Properties 2018</i> |
|---------------------------|--------------------------------------|--------------------------------------|-----------------------------------|-----------------------------------|
| RREEF | \$ 73.58 | \$ 68.57 | 1 | 1 |

(Note 13)

Real Estate Commingled Funds - \$512.19 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 \$53.30 million in 2019 as compared to 2018 is predominantly due to additional investments net of distributions.

(Note 14a)

Absolute Return - \$728.25 million

Detailed records regarding these investments of public pension funds are exempt from disclosure under California Government Code Section 6254.26. The increase of \$115.55 million in 2019 as compared to 2018 is predominantly due to additional investments.

(Note 14b)

Private Equity - \$541.17 million

Detailed records regarding these investments of public pension funds are exempt from disclosure under California Government Code Section 6254.26. The increase of \$65.97 million in 2019 as compared to 2018 is predominantly due to additional investments net of distributions.

(Note 15)

Capital Assets at Cost (Net of Accumulated Depreciation and Amortization) - \$1.94 million

| <i>Net Capital Assets</i> | <u>6/30/2019</u> | <u>6/30/2018</u> |
|---|------------------|------------------|
| Retirement Information System - Construction-In-Process | \$ 0.47 | \$ - |
| Equipment, Furniture & Information Systems | 13.53 | 13.49 |
| Electronic Document Management System | 4.16 | 4.16 |
| Less: Accumulated Depreciation | (17.63) | (17.61) |
| Net Book Value | \$ 0.53 | \$ 0.04 |
| Leasehold Improvements | 2.59 | 2.59 |
| Less: Accumulated Depreciation | (1.18) | (1.09) |
| Net Book Value | \$ 1.41 | \$ 1.50 |
| Total Capital Assets, Net | \$ 1.94 | \$ 1.54 |

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
As of June 30, 2019

Depreciation is computed using the straight-line method for most assets not relevant over the following estimated useful lives:

| | | |
|--------------------------|---------------------------------|------------|
| <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 - \$2.16 million

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

(Note 17)

17a. Members' Benefits & Refunds Payable - \$4.39 million

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

| <i>Accrued Benefits and Refunds</i> | <i>6/30/2019</i> | <i>6/30/2018</i> |
|---|------------------|------------------|
| Basic Active Death Benefits | \$ 0.62 | \$ 0.55 |
| Active Death Contribution Refunds | 1.83 | 1.18 |
| Retired Death Benefits | 1.34 | 1.30 |
| Members' Contribution Refunds | 0.60 | 0.24 |
| Total Members' Benefit & Refunds Payable | \$ 4.39 | \$ 3.27 |

17b. Retirement Payroll Deductions Payables - \$0.02 million

The balance for June 30, 2019, includes health premium prepayments for 10 retirees. The corresponding balance for June 30, 2018, of \$0.01 million included prepayments for 11 retirees.

(Note 18)

Contributions - \$199.69 million

The increase in contributions of \$26.90 million in 2019 as compared to 2018 is primarily due to increases in employer and member contribution rates.

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
As of June 30, 2019

(Note 19)

Dividend, Interest, and Other Investment Income - \$51.50 million

| <i>Dividend, Interest, and Other Investment Income</i> | <i>For the Six Months Ended</i> | |
|--|---------------------------------|------------------|
| | <u>6/30/2019</u> | <u>6/30/2018</u> |
| Interest Income | \$ 22.72 | \$ 22.61 |
| Dividend Income | 35.97 | 45.71 |
| Real Estate Income | 10.28 | 11.36 |
| PEARLS Income/ (Losses) ⁽¹⁾ | (17.49) | 15.16 |
| Directed Brokerage Commission Recapture | 0.02 | 0.06 |
| Total Net Income/ (Losses)⁽²⁾ | \$ 51.50 | \$ 94.90 |

⁽¹⁾The PEARLS Income/ (Losses) represents the net operating results of Private Equity, Absolute Return and Real Asset Funds.

⁽²⁾The decrease in total Net Income of \$43.40 million in 2019 as compared to 2018 is primarily due to PEARLS (Losses) and decline in dividend income.

(Note 20)

Investment Expenses - \$22.21 million

| <i>Investment Expenses</i> | <i>For the Six Months Ended</i> | | | |
|---|---------------------------------|------------------|---------------------|------------------|
| | <u>Basis Points</u> | <u>6/30/2019</u> | <u>Basis Points</u> | <u>6/30/2018</u> |
| Investment Manager and Incentive Fees | 24.23 | \$ 20.30 | 27.1 | \$ 22.01 |
| Investment Custodian | 0.32 | 0.27 | 0.30 | 0.27 |
| Investment Consultants and Other Expense/ (Income) (*) | 0.18 | 0.14 | 2.09 | 1.70 |
| Subtotal Investment Services | 24.73 | 20.71 | 29.49 | 23.98 |
| Investment Allocated Cost | 1.79 | 1.50 | 1.90 | 1.54 |
| Total Investment Expenses(**) | 26.52 | \$ 22.21 | 31.39 | \$ 25.52 |

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

As of June 30, 2019

(*) *Investment Consultant and Other Expenses/ (Income):*

| | <i>For the Six Months Ended</i> | | | |
|--|---------------------------------|------------------|---------------------|------------------|
| | <i>Basis Points</i> | <i>6/30/2019</i> | <i>Basis Points</i> | <i>6/30/2018</i> |
| Investment Advising & Performance (Pearls, Alternative Investment) | 0.54 | \$ 0.45 | 0.54 | \$ 0.44 |
| Consultant - Portfolio Rebalancing | 0.03 | 0.02 | 0.02 | 0.02 |
| Consultant - Legal (Alternative Investment) | 0.1 | 0.09 | 0.19 | 0.16 |
| Subtotal – Consultants Expenses | 0.67 | 0.56 | 0.75 | 0.62 |
| Proxy Services | 0.03 | 0.02 | 0.03 | 0.03 |
| Transaction Cost Analysis | 0.03 | 0.02 | 0.04 | 0.02 |
| Other Investment Expenses/(Income) *** | (0.55) | (0.46) | 1.27 | 1.03 |
| Subtotal – Other Investment Expenses | (0.49) | (0.42) | 1.34 | 1.08 |
| Total Investment Consultants & Other Expense/ (Income) | 0.18 | \$ 0.14 | 2.09 | \$ 1.70 |

(**) The decrease in total investment expenses of \$3.31 million in 2019 as compared to 2018 is primarily due to investment management and incentive fees in Equity Securities, Private Equity and Absolute Return; and a reversal of foreign tax expense recorded in 2018.

(***) The decrease in other investment expenses of \$1.49 million in 2019 as compared to 2018 is primarily due to foreign tax expense which was overlooked in 2018. The correction has been made this year which is resulted in reduction of 2019 expenses.

(Note 21)

Net Investment Gain/ (Losses) - \$861.69 million

The detail of net investment income/ (losses) are as follows:

| | <i>For the Period Ended</i> | | <i>Inc./(Dec.)</i> |
|--|-----------------------------|------------------|--------------------------|
| | <i>6/30/2019</i> | <i>6/30/2018</i> | <i>from prior period</i> |
| Paper/Unrealized Gains/(Losses) | \$ 679.86 | \$ (1,067.73) | \$ 1,747.59 |
| Actual/Realized Gains/(Losses) | 152.54 | 1,091.27 | (938.73) |
| Investment Income (Interest/Dividend/RE/Other) - Net of Expenses | 29.29 | 69.37 | (40.08) |
| Total Net Income/ (Losses) | \$ 861.69 | \$ 92.91 | \$ 768.78 |

(Note 22)

Securities Lending Net Income - \$0.70 million

The securities lending net income balance as of June 30, 2019, and June 30, 2018, were \$0.70 million and \$1.20 million, respectively.

(Note 23)

Miscellaneous Income - \$0.79 million

The miscellaneous income of \$0.79 million is predominantly from prior year investment income and recovery.

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
As of June 30, 2019

(Note 24)

Service Retirement and Disability Benefits - \$241.15 million

The increase of \$14.83 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 an increase of 348 in the total number of retirees and beneficiaries receiving benefits, from 9,625 on June 30, 2018 to 9,973 on June 30, 2019.

(Note 25)

Death Benefits - \$1.33 million

The death benefits paid out during the six months ended June 30, 2019, were comprised of \$0.10 million of Retired Death Benefits, \$0.18 million of Active Death Benefits, and \$1.05 million of Survivorship Benefits.

(Note 26)

Total Administration - \$8.34 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 on total Administration Expenses are as follows:

| | <u><i>6/30/2019</i></u> | <u><i>6/30/2018</i></u> | <u><i>Inc./ (Dec.) from previous period</i></u> |
|--------------------------------|-------------------------|-------------------------|---|
| Administrative Expenses | \$ 5.97 | \$ 5.68 | 0.29 |
| Actuarial Expenses | 0.16 | 0.16 | 0.00 |
| Business Continuity Expenses | 0.28 | 0.27 | 0.01 |
| Legal Expenses | 0.87 | 0.74 | 0.13 |
| Technology Expenses | 0.43 | 0.46 | (0.03) |
| 401(h) Administrative Expenses | 0.63 | 0.60 | 0.03 |
| Total | \$ 8.34 | \$ 7.91 | \$ 0.43 |



MEMORANDUM TO THE OPERATIONS COMMITTEE

DATE: August 07, 2019
 TO: Members of the Operations Committee
 FROM: Margo Allen, Fiscal Services Officer 
 SUBJECT: Actual Cash and Forecast as of June 30, 2019

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 July 2019 to June 2020, 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 2019 comprises the six months actual and six months forecast information.

Table 1 Cash Forecast: Table 1 provides the current forecasted negative cash position for the period spanning July 2019 to June 2020. The average monthly negative cash position for the referenced period is \$17,517,603. Excluding the two three-pay-period months i.e., November 2019 and May 2020, annotated by an *. The year-over-year increase in average monthly forecasted negative cash position compared to the same period in 2018 is \$458,020.

| Table 1 Annual Cash Forecast from July 2019 to June 2020 | | | |
|---|-----------------------|----------------------------|-------------------------------|
| Month-Year | Total Receipts | Total Disbursements | Negative Cash Position |
| Jul-19 | \$ 30,952,743 | \$ (48,222,269) | \$ (17,269,526) |
| Aug-19 | 31,108,421 | (48,760,768) | (17,652,347) |
| Sep-19 | 31,214,098 | (48,829,267) | (17,615,169) |
| Oct-19 | 31,319,776 | (48,897,766) | (17,577,990) |
| Nov-19* | 46,975,341 | (49,506,264) | (2,530,923) |
| Dec-19 | 31,425,453 | (49,034,763) | (17,609,310) |
| Jan-20 | 31,531,131 | (49,103,262) | (17,572,131) |
| Feb-20 | 31,636,808 | (49,171,761) | (17,534,952) |
| Mar-20 | 31,742,486 | (49,240,260) | (17,497,774) |
| Apr-20 | 31,848,164 | (49,308,758) | (17,460,595) |
| May-20* | 47,767,923 | (49,917,257) | (2,149,334) |
| Jun-20 | 32,059,519 | (49,445,756) | (17,386,237) |
| Total | \$ 409,581,863 | \$ (589,438,151) | \$ (179,856,288) |
| Average | \$ 31,483,860 | \$ (49,001,463) | \$ (17,517,603) |

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 SSB¹ | Total Cash Inflow |
| 2019 | \$ 404,433,511 | \$ 216,500,000 | \$ 620,933,511 |
| 2018 | 361,633,074 | 224,000,000 | 585,633,074 |
| 2017 | 335,099,875 | 217,350,000 | 552,449,875 |
| 2016 | 325,836,998 | 196,400,000 | 522,236,998 |
| 2015 | 316,918,096 | 216,100,000 | 533,018,096 |

Table 2 notes: 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 |
| 2019 | \$ 574,685,950 | \$ 46,500,000 | \$ 621,185,950 |
| 2018 | 534,704,781 | 66,503,646 | 601,208,427 |
| 2017 | 502,857,234 | 33,750,000 | 536,607,234 |
| 2016 | 475,743,162 | 45,900,000 | 521,643,162 |
| 2015 | 454,551,561 | 78,200,000 | 532,751,561 |

Table 3 notes: Annualized outflow of retirement and benefit payments, accounts payable, and ACERA payroll. Excess cash (Cash Return to SSB column) is wired to the SSB H11A account.

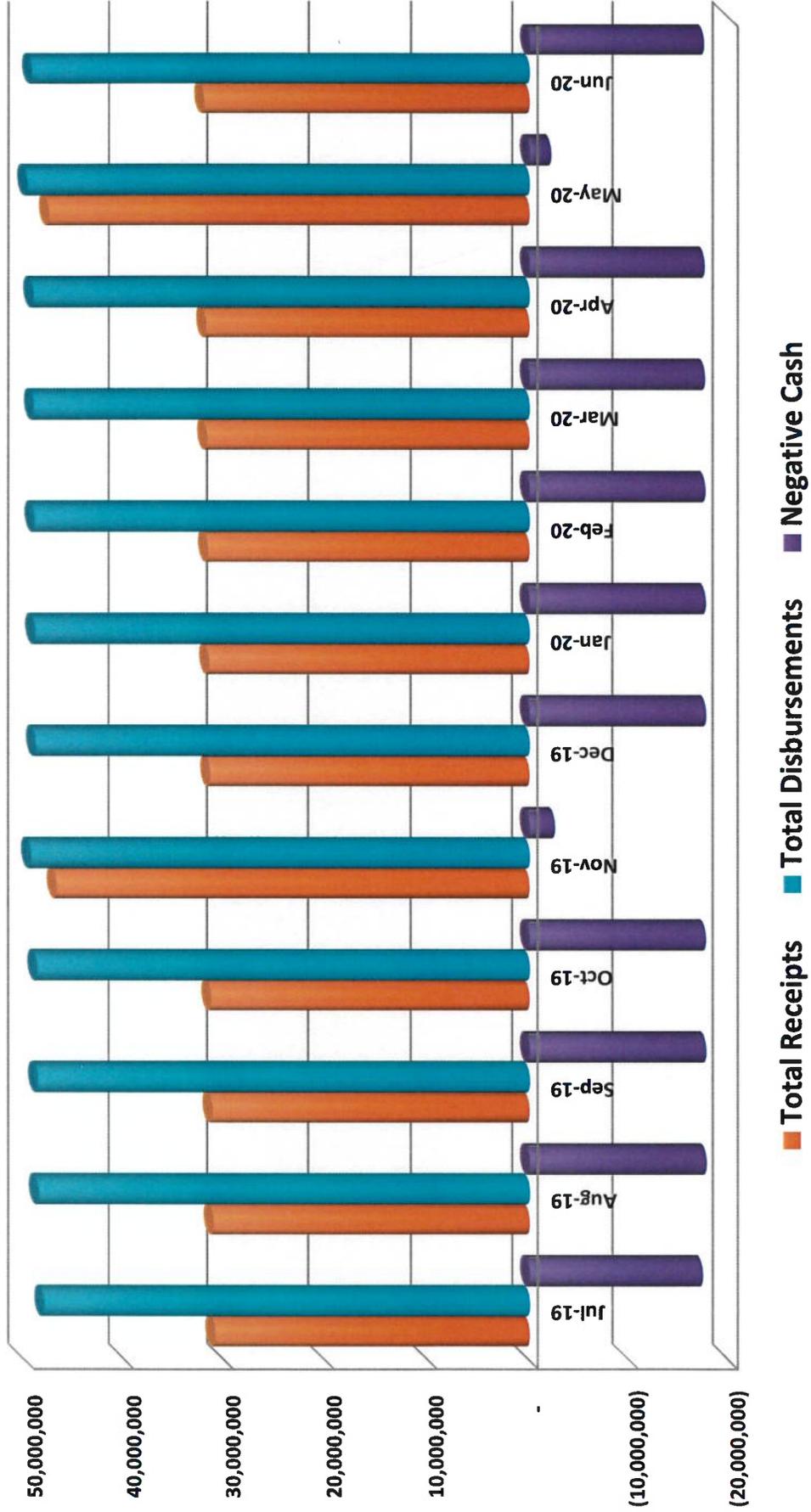
| Table 4 5-Year Annual Net Cash Position | | | |
|---|-------------------------|-------------------------------|---------------------|
| Year | Negative Cash | Net Cash Draw from SSB | Variance |
| 2019 | \$ (170,252,439) | \$ 170,000,000 | \$ (252,439) |
| 2018 | (173,071,707) | 157,496,354 | (15,575,353) |
| 2017 | (167,757,359) | 183,600,000 | 15,842,641 |
| 2016 | (149,906,164) | 150,500,000 | 593,836 |
| 2015 | (137,633,465) | 137,900,000 | 266,535 |

Table 4 notes: 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.

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 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.

¹ (SSB) State Street Bank

Cash Forecast July 2019 - June 2020





MEMORANDUM TO THE OPERATIONS COMMITTEE

DATE: August 7, 2019

TO: Members of the Operations Committee

FROM: Margo Allen, Fiscal Services Officer 

SUBJECT: Board Conference and Training Expense Report for the period January 1, 2019, to June 30, 2019

Attached is the year-to-date board conference and training expense report. As of June 30, 2019, reported expenses totaled \$69,963.

Acera Trustees
Board Conference Expense Report
January 1, 2019 to June 30, 2019

| From | To | Attendee | Conference/Location | Location | Total |
|-------------------------------|----------|------------------|---|--------------------|------------------|
| 05/07/19 | 05/10/19 | Dale Amaral | SACRS - Spring Conference | Olympic Valley, CA | \$ 721 |
| Dale Amaral Total | | | | | \$ 721 |
| 01/09/19 | 01/11/19 | Darryl Walker | Opal Public Funds Summit | Scottsdale, AZ | \$ 32 |
| 01/28/19 | 01/30/19 | Darryl Walker | Callan Institute - 2019 National Conference | San Francisco, CA | \$ 20 |
| 02/11/19 | 02/13/19 | Darryl Walker | Super Return US West | Los Angeles, CA | \$ 638 |
| 03/27/19 | 03/28/19 | Darryl Walker | NASP Day of Education in Private Equity for Trustees | Los Angeles, CA | \$ 737 |
| 04/09/19 | 04/10/19 | Darryl Walker | Pension Bridge, Private Equity Exclusive | San Francisco, CA | \$ 189 |
| 05/07/19 | 05/10/19 | Darryl Walker | SACRS - Spring Conference | Olympic Valley, CA | \$ 1,928 |
| 06/12/19 | 06/15/19 | Darryl Walker | Andes Capital Curtis Spears Dinner | New York, NY | \$ 429 |
| 06/14/19 | 06/14/19 | Darryl Walker | GCM Grosvenor Capital Management, LP - 16th Annual Consortium EAST | New York, NY | \$ 1,204 |
| 06/24/19 | 06/24/19 | Darryl Walker | NASP 30th Anniversary Pension/Financial Services | Baltimore, MD | \$ 347 |
| Darryl Walker Total | | | | | \$ 5,523 |
| 04/09/19 | 04/10/19 | Elizabeth Rogers | Foundation Research Associates - 5th Annual Conference | New York, NY | \$ 3,630 |
| 05/07/19 | 05/10/19 | Elizabeth Rogers | SACRS - Spring Conference | Olympic Valley, CA | \$ 946 |
| Elizabeth Rogers Total | | | | | \$ 4,576 |
| 03/02/19 | 03/05/19 | George Wood | CALAPRS General Assembly | Monterrey, CA | \$ 767 |
| 04/28/19 | 05/01/19 | George Wood | Milken Global Conference 2019 | Beverly Hills, CA | \$ 11,752 |
| 05/07/19 | 05/10/19 | George Wood | SACRS - Spring Conference | Olympic Valley, CA | \$ 120 |
| George Wood Total | | | | | \$ 12,639 |
| 01/28/19 | 01/30/19 | Henry Levy | Callan Institute - 2019 National Conference | San Francisco, CA | \$ 31 |
| 03/02/19 | 03/05/19 | Henry Levy | CALAPRS General Assembly | Monterrey, CA | \$ 872 |
| 03/18/19 | 03/22/19 | Henry Levy | Black Rock-Indexing & Alpha Strategies | San Francisco, CA | \$ 23 |
| 04/09/19 | 04/10/19 | Henry Levy | Pension Bridge, Private Equity Exclusive | San Francisco, CA | \$ 189 |
| 04/24/19 | 04/26/19 | Henry Levy | Institutional Investor Forums - Public Funds | Beverly Hills, CA | \$ 1,055 |
| 04/29/19 | 05/02/19 | Henry Levy | Wharton Advanced Investments Management | Pensylvania, PA | \$ 7,998 |
| 05/07/19 | 05/10/19 | Henry Levy | SACRS - Spring Conference | Olympic Valley, CA | \$ 860 |
| 07/22/19 | 07/24/19 | Henry Levy | (*) International and Emerging Market Investing | Pensylvania, PA | \$ 4,155 |
| 09/16/19 | 09/19/19 | Henry Levy | (*) 2019 PIMCO, Pacific Investment Management Co. LLC - Institute Educational Seminar | Newport Beach, CA | \$ 1,463 |
| Henry Levy Total | | | | | \$ 16,647 |
| 03/27/19 | 03/29/19 | Jaime Godfrey | CALAPRS Advanced Principles of Pension Management for Trustees | Los Angeles, CA | \$ 3,456 |
| 04/24/19 | 04/26/19 | Jaime Godfrey | Institutional Investor Forums - Public Funds | Beverly Hills, CA | \$ 869 |
| 05/07/19 | 05/10/19 | Jaime Godfrey | SACRS - Spring Conference | Olympic Valley, CA | \$ 1,335 |
| Jaime Godfrey Total | | | | | \$ 5,660 |
| 04/28/19 | 05/01/19 | Keith Carson | Milken Global Conference 2018 | Los Angeles, CA | \$ 11,615 |
| Keith Carson Total | | | | | \$ 11,615 |
| 05/07/19 | 05/10/19 | Liz Koppenhaver | SACRS - Spring Conference | Olympic Valley, CA | \$ 1,510 |
| Liz Koppenhaver Total | | | | | \$ 1,510 |

(*) Expenses prepaid before the end of June 19

Acera Trustees
Board Conference Expense Report
January 1, 2019 to June 30, 2019

| From | To | Attendee | Conference/Location | Location | Total |
|-----------------------------|-----------|-----------------|--|--------------------|------------------|
| 04/09/19 | 04/10/19 | Nancy Reilly | Pension Bridge, Private Equity Exclusive | San Francisco, CA | \$ 189 |
| 05/07/19 | 05/10/19 | Nancy Reilly | SACRS - Spring Conference | Olympic Valley, CA | \$ 904 |
| Nancy Reilly Total | | | | | \$ 1,093 |
| 01/17/19 | 01/17/19 | Tarrell Gamble | NASP - Diverse and Emerging Manager Forum | Baltimore, MD | \$ 2,044 |
| 01/24/19 | 01/26/19 | Tarrell Gamble | African Diaspora Investment Symposium 2019 | Mountain View, CA | \$ 419 |
| 01/24/19 | 01/26/19 | Tarrell Gamble | NASP - Pension Bridge Annual Conference | San Francisco, CA | \$ 203 |
| 01/28/19 | 01/30/19 | Tarrell Gamble | Callan Institute - 2019 National Conference | San Francisco, CA | \$ 21 |
| 02/01/19 | 02/01/19 | Tarrell Gamble | CALAPRS Trustees Round Table | Oakland, CA | \$ 134 |
| 03/07/19 | 03/07/19 | Tarrell Gamble | SEO Alternative Investments | New York, NY | \$ 1,371 |
| 03/27/19 | 03/28/19 | Tarrell Gamble | NASP Day of Education in Private Equity for Trustees | Los Angeles, CA | \$ 782 |
| 05/07/19 | 05/10/19 | Tarrell Gamble | SACRS - Spring Conference | Olympic Valley, CA | \$ 1,322 |
| 06/18/19 | 06/19/19 | Tarrell Gamble | Accelerate Investors 2019 Annual Conference, NY | New York, NY | \$ 1,261 |
| 06/24/19 | 06/24/19 | Tarrell Gamble | NASP 30th Anniversary Pension/Financial Services | Baltimore, MD | \$ 1,283 |
| 07/22/19 | 07/22/19 | Tarrell Gamble | (*) Pension Bridge, Private Equity Exclusive | Chicago, IL | \$ 1,140 |
| Tarrell Gamble Total | | | | | \$ 9,979 |
| Grand Total | | | | | \$ 69,963 |



MEMORANDUM TO THE OPERATIONS COMMITTEE

DATE: August 7, 2019

TO: Members of the Operations Committee

FROM: Margo Allen, Fiscal Services Officer 

SUBJECT: Senior Managers Conference and Training Expense Report for the period
January 1, 2019, to June 30, 2019

Attached is the year-to-date senior managers' conference and training expense report. As of June 30, 2019, reported expenses totaled \$27,493.

**ACERA Sr. Managers
SM Conference and Training Expense Report
January 1, 2019 to June 30, 2019**

| From | To | Senior Manager | Training/Conference | Training or Conference | Total |
|-------------------|-----------|-----------------------------------|--|-------------------------------|------------------|
| Conference | | | | | |
| 01/30/19 | 01/30/19 | Betty Tse | Callan Conference | Conference | \$ 34 |
| 03/01/19 | 03/01/19 | Betty Tse | CALAPRS Conference | Conference | \$ 6 |
| 03/04/19 | 03/04/19 | Betty Tse | CALAPRS General Assembly | Conference | \$ 307 |
| 04/10/19 | 04/10/19 | Betty Tse | Pension Bridge | Conference | \$ 7 |
| 04/26/19 | 04/26/19 | Betty Tse | Women's Leadership Forum | Conference | \$ 325 |
| 04/29/19 | 05/01/19 | Betty Tse | Milken Conference | Conference | \$ 12,201 |
| 05/07/19 | 05/10/19 | Betty Tse | SACRS Spring Conference | Conference | \$ 585 |
| | | Betty Tse Total | | | \$ 13,465 |
| Training | | | | | |
| 05/20/19 | 05/20/19 | Betty Tse | Employee Benefit Plans Annual Audit Webcast | Training | \$ 345 |
| 06/01/19 | 06/01/20 | Betty Tse | Aicpa | Training | \$ 425 |
| 06/04/19 | 06/04/19 | Betty Tse | Create Reports that Matter Webcast | Training | \$ 295 |
| 06/14/19 | 06/14/19 | Betty Tse | California Frauds, Scams, Webcast | Training | \$ 295 |
| 07/16/19 | 07/16/19 | Betty Tse | California Ethics and Frauds Studies Webcast | Training | \$ 295 |
| 07/31/19 | 07/31/19 | Betty Tse | Common Frauds and Internal Controls Webcast | Training | \$ 295 |
| | | Betty Tse Total | | | \$ 1,950 |
| Conference | | | | | |
| 01/25/19 | 01/25/19 | Dave Nelsen | CALAPRS Administrators Roundtable | Conference | \$ 563 |
| 03/02/19 | 03/05/19 | Dave Nelsen | CALAPRS General Assembly | Conference | \$ 710 |
| 04/16/19 | 04/16/19 | Dave Nelsen | CALAPRS Management Academy, Module 2 | Conference | \$ 140 |
| 05/19/19 | 05/22/19 | Dave Nelsen | NCPERS National Conference | Conference | \$ 1,803 |
| 05/07/19 | 05/10/19 | Dave Nelsen | SACRS Spring Conference | Conference | \$ 1,615 |
| 06/21/19 | 06/21/19 | Dave Nelsen | CALAPRS Administrators Roundtable | Conference | \$ 125 |
| | | Dave Nelsen Total | | | \$ 4,956 |
| Conference | | | | | |
| 03/04/19 | 03/05/19 | Harsh Jadhav | Cybersecurity Conference | Conference | \$ 1,595 |
| 05/07/19 | 05/10/19 | Harsh Jadhav | SACRS Spring Conference | Conference | \$ 1,023 |
| | | Harsh Jadhav Total | | | \$ 2,618 |
| Conference | | | | | |
| 05/07/19 | 05/10/19 | Jessica Huffman | SACRS Spring Conference | Conference | \$ 496 |
| | | Jessica Huffman Total | | | \$ 496 |
| Conference | | | | | |
| 05/07/19 | 05/10/19 | Kathy Foster | SACRS Spring Conference | Conference | \$ 1,063 |
| 10/22/19 | 10/23/19 | Kathy Foster | IBEBP Conference | Conference | \$ 550 |
| | | Kathy Foster Total | | | \$ 1,613 |
| Conference | | | | | |
| 02/01/19 | 02/01/19 | Kathy Mount | CALAPRS Attorneys' Roundtable | Conference | \$ 135 |
| | | Kathy Mount Total | | | \$ 135 |
| Conference | | | | | |
| 05/07/19 | 05/10/19 | Margo Allen | SACRS Spring Conference | Conference | \$ 747 |
| | | Margo Allen Total | | | \$ 747 |
| Conference | | | | | |
| 05/07/19 | 05/10/19 | Sandra Dueñas-Cuevas | SACRS Spring Conference | Conference | \$ 817 |
| | | Sandra Dueñas-Cuevas Total | | | \$ 817 |
| Conference | | | | | |
| 12/04/19 | 12/07/19 | Victoria Arruda | CALPELRA HR Conference | Conference | \$ 695 |
| | | Victoria Arruda Total | | | \$ 695 |
| | | Grand Total | | | \$ 27,493 |