



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

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**THIS MEETING WAS CONDUCTED IN-PERSON and VIA TELECONFERENCE WITH VIDEO**

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**Thursday, September 16, 2021**

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

Trustees Present: Dale Amaral  
Ophelia Basgal  
Keith Carson  
Jaime Godfrey  
Henry Levy  
George Wood  
Darryl Walker  
Nancy Reilly (*Alternate*)

Trustees Excused: Tarrell Gamble  
Liz Koppenhaver

Staff Present: 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

Staff Excused: Margo Allen, Fiscal Services Officer

**PUBLIC INPUT**

During the discussion regarding the status of the ACERA Board Elections Process, ACERA President Pete Albert inquired as to when the Candidates' names would be published. Chief Executive Officer Dave Nelsen responded that the Candidates' names will be published after they have been verified by the ACERA Board Elections Coordinator.

During the discussion regarding the up to \$70 million investment in Ares Senior Direct Lending Fund II, Chloe Jackson introduced herself and addressed the Board stating that Ares Management is part owner of Front Yard Residential (Haven Brook Rental Homes). Ms. Jackson reported that Haven Brook tenants, and in particular, low-income African American tenants, have been adversely affected, as their rents are constantly increased and their maintenance issues are not being properly addressed. After Ms. Jackson made her comments, she urged the Board not to invest in Ares Senior Direct Lending Fund II. Alyssa Giachino of the Private Equity Stakeholder Project also addressed the Board stating that Ares Management acquired Front Yard Residential in January 2021 and that it owns approximately 15,000 rental homes, along with Pretium Partners. Ms. Giachino further stated that Front Yard Residential has filed approximately 1,200 eviction actions since the CDC Moratorium took effect in September 2020 and of those 1,200 eviction actions, most of them were filed in majority black counties in Georgia (DeKalb and Clayton Counties) as opposed to majority white counties (Polk County, Florida). Ms. Giachino reported that the United States House of Representatives Select Sub-Committee launched an investigation to look into the eviction actions filed by Front Yard Residential. After Ms. Giachino made her comments, she requested that the Board hold-off on new investments with Ares Management until it adequately addresses its home rental eviction actions and its disproportionate filings of evictions in majority Black Counties.

**CONSENT CALENDAR  
REPORTS AND ACTION ITEMS**

**APPROVAL of APPLICATIONS FOR SERVICE RETIREMENT**

*Appendix A*

**APPROVAL of APPLICATIONS FOR RETIREMENT, DEFERRED**

*Appendix B  
Appendix B-1*

**APPROVAL of APPLICATIONS FOR DEFERRED TRANSFER**

*None*

**LIST OF DECEASED MEMBERS**

*Appendix D*

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

*None*

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

*Appendix F*

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

*None*

**APPROVAL of COMMITTEE and BOARD MINUTES**

*August 19, 2021 Governance Committee Minutes  
August 19, 2021 Minutes of the Regular Board Meeting  
September 1, 2021 Retirees Committee Minutes  
September 8, 2021 Investment Committee Minutes*

**MISCELLANEOUS MATTERS**

*Operating Expenses as of 07/31/21  
Approve Staff Recommendation regarding County of Alameda’s amendment to Oversight  
Facilities Management/Staff Development – 42C*

**21-65**

**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, Levy, Reilly, Wood*), 0 no, and 1 abstention (*Trustee Walker recused himself*).**

**REGULAR CALENDAR  
REPORTS AND ACTION ITEMS**

**DISABILITY AND DEATH BENEFIT CLAIMS**

Discussion and Possible Motion on Claim for Service-Connected Surviving Spouse Allowance

Deceased Member: Oscar Rocha

Surviving Spouse: Carol Maureen Ennor

Non-Service-Connected Surviving Spouse Allowance Effective: July 24, 2020

Trustee Amaral recused himself from the discussion because, as a Commander in the Alameda County Sheriff’s Office, he helped Ms. Ennor apply for federal benefits for officers who die in the line of duty. First Vice-Chair Jaime Godfrey took over the discussion stating that Carol Maureen Ennor’s new counsel (Raymond E. Frost, Esq.) requested that this matter be postponed for discussion at a future Board meeting. It was noted that Mr. Frost, Esq. was in attendance (virtually) at today’s Board meeting. Chief Counsel Jeff Rieger informed the Board that the Office of the County Counsel did not object to postponing this matter. No motion was made so the matter was postponed.

## **COMMITTEE REPORTS, RECOMMENDATIONS AND MOTIONS**

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

### ***Retirees:***

Nancy Reilly gave an oral report stating that the Retirees Committee met on September 1, 2021 and was presented with, reviewed information for, and discussed Information Items regarding ACERA-Sponsored Medical Plans and Premiums for Plan Year 2022.

Trustee Reilly further reported the Committee was presented with, reviewed information for, and discussed approving an offer for Kaiser Permanente Senior Advantage Plan Enrollees Optional Silver & Fit Benefit for Plan Year 2022 at no cost as a “trial.”

### **21-66**

**It was moved by Nancy Reilly and seconded by Ophelia Basgal that the Board approve the Optional Silver & Fit benefit offer for Kaiser Permanente Senior Advantage plan enrollees for the 2022 Plan Year at no cost as a “trial”, and decide whether to continue this benefit starting with the 2023 Plan Year, based on the cost for the benefit at that time. The motion carried 8 yes (*Amaral, Basgal, Carson, Godfrey, Levy, Reilly, Walker Wood*), 0 no, and 0 abstentions.**

Trustee Reilly further reported that the Committee was presented with, reviewed information for, and discussed approving an offer for Optional Meals Rider for Kaiser Permanente Senior Advantage plan enrollees beginning in Plan Year 2022, at an estimated annual cost of \$86,016. Although the Committee recommended that the Board approve the plan, based on later discussions with Consultants and Staff, Trustee Reilly requested that the Board postpone this matter for further analysis stating that the Optional Meals Rider Plan may not be cost effective and it may also replicate other benefits already in place. No motion was made so the matter was postponed.

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

### ***Investment:***

Chair Amaral moved the Ares Senior Direct Lending Fund II investment discussion and motion to the end of the agenda after Closed Session [**See** Motion No. 21-71 below.]

George Wood gave an oral report stating that at the September 8, 2021 Investment Committee meeting, the Committee was presented with, reviewed information for, and discussed an up to \$25 million Investment in Summit Partners Growth Equity Fund XI as part of ACERA's Private Equity Portfolio – Venture Capital, pending completion of Legal and Investment due diligence and successful contract negotiations.

21-67

**It was moved by George Wood and seconded by Jaime Godfrey that the Board approve an up to \$25 million investment in Summit Partners Growth Equity Fund XI as part of ACERA’s Private Equity Portfolio – Venture Capital, pending completion of legal and investment due diligence and successful contract negotiations. The motion carried 8 yes (*Amaral, Basgal, Carson, Godfrey, Levy, Reilly, Walker Wood*), 0 no, and 0 abstentions.**

Trustee Wood further reported that the Committee was presented with, reviewed information for, and discussed the following Information Items *1) Review of ACERA’s Dedicated Emerging Markets Equity Manager Newton Investment Management; and 2) Verus Firm Update – Introduction of Eileen Neill, Managing Director/Senior Consultant,*

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

**NEW BUSINESS:**

***State Association of County Retirement System (SACRS) Voting Proxy***

Chief Executive Officer Dave Nelsen presented his September 16, 2021, memo requesting the Board’s approval for him to vote ACERA’s Proxy (or his Designee) on behalf of the Board of Retirement at the SACRS Fall Conference Business Meeting. Mr. Nelsen also recommended that the Board designate Assistant CEO Kathy Foster as the Alternate Voting Delegate in Mr. Nelsen’s absence. Mr. Nelsen reported that the SACRS Business Meeting agenda items up for vote were not available in time for this Board meeting, but that the agenda items should be available for the Board’s consideration at the October 21, 2021 Board meeting.

21-68

**It was moved by Ophelia Basgal and seconded by Nancy Reilly to select Chief Executive Officer (CEO) Dave Nelsen and Assistant CEO Kathy Foster as the Alternate Voting Delegate to vote ACERA’s Proxy on behalf of the Board of Retirement at the SACRS Fall Conference Business Meeting. The motion carried 8 yes (*Amaral, Basgal, Carson, Godfrey, Levy, Reilly, Walker Wood*), 0 no, and 0 abstentions.**

***Council of Institutional Investors (CII) Voting Proxy***

Mr. Nelsen presented his September 16, 2021, memo regarding *Voting Proxy for the Council of Institutional Investors (CII) Fall Conference* wherein he provided three options for the Board’s consideration regarding ACERA’s proxy vote at the CII Fall Conference. Mr. Nelsen recommended option 2, which is to designate and provide direction to either Trustee Gamble or Trustee Levy, who are both attending the CII Fall Conference, to use his discretion/best judgement to vote ACERA’s proxy on behalf of the Board of Retirement at the CII Business Meeting – similar to the type of vote ACERA participates in at the SACRS Conference. Trustees Gamble and Levy will decide amongst themselves regarding who will vote ACERA’s Proxy. It was noted that the CII Packet materials were provided to the Trustees and that the items up for vote do not impact ACERA.

21-69

**It was moved by Jaime Godfrey and seconded by Darryl Walker that the Board authorize and select Trustee Gamble or Trustee Levy, who are both attending the Council of Institutional Investors (CII) Fall Conference, to review CII’s materials and to use his discretion/best judgement to vote ACERA’s Proxy on behalf of the Board of Retirement at the CII Fall Conference Business Meeting. The motion carried 8 yes (*Amaral, Basgal, Carson, Godfrey, Levy, Reilly, Walker Wood*), 0 no, and 0 abstentions.**

**Retire Members for Service Pursuant to Government Code Section 31670(b)**

Assistant Chief Executive Officer Kathy Foster presented her September 16, 2021, memo regarding *Retire Members for Service Pursuant to Government Code Section 31670(b)*, which recommended that Staff be allowed to exercise the Board’s power and perform the Board’s duty to retire members as of the date ACERA issues the first retirement allowance payment. Ms. Foster reported that ACERA currently publishes its service retirements for the Board’s approval (on Appendix A of the monthly Board agenda) approximately one to two months *after* members have retired and received their first retirement allowance payment. Mr. Rieger explained that ACERA’s current practice can create administrative difficulties and legal ambiguities. In response to Trustee Wood’s question, Mr. Rieger explained that, if adopted, Staff’s recommendation will not have an impact on the claims the Board expects to receive on the Board’s June 17, 2021 decisions regarding the inclusion of leave sell back and cash out in “compensation earnable.”

21-70

**It was moved by Nancy Reilly and seconded by Dale Amaral that the Board authorize and direct ACERA Staff to exercise the Board’s power and perform the Board’s duty to retire members as of the date ACERA issues the first retirement allowance payment, pursuant to Gov’t Code § 31670(b). The motion carried 7 yes (*Amaral, Basgal, Carson, Godfrey, Levy, Reilly, Wood*), 1 no (*Walker*), and 0 abstentions.**

**David Nelsen, Chief Executive Officer’s Report**

Chief Executive Officer Dave Nelsen presented his September 16, 2021, written CEO Report which provided an update on: **1)** Senior Manager Recruitment for Assistant CEO of Operations; **2)** Committee and Board Action Items; **3)** Other Items, which included updates on: **a)** COVID-19 Responses; **b)** Pension Administration System Project; **c)** Board Election; **d)** Legislation of Interest: **i)** AB 826 and **ii)** AB 361; and **e)** Key Performance Indicators.

Mr. Nelsen reported the status of Assembly Bill 826 (Bill) that was recently introduced by SEIU in coordination with Ventura County that relates to reporting compensation that was deemed legally non-reportable as “compensation earnable.” Mr. Nelsen reported that, due to opposition by several retirement systems, the Bill did not pass in this Legislative Session.

Mr. Nelsen reported the status of Assembly Bill 361 stating the Bill was amended to include an emergency clause, which would allow the Board to continue to meet remotely/virtually whenever there is a State of Emergency declared by the Governor (*i.e.*, the rise in COVID cases) under specified conditions. Several Trustees expressed that they would like to continue meeting virtually. Mr. Nelsen will keep the Board apprised to the status of the Bill.

Mr. Nelsen reported the status of the Board Election Process stating that four (4) members have requested and received *Board Election Information Packets* and that the results of the election will be announced at the December 2021 Board meeting. Mr. Nelsen reminded the Board that Staff will accept scanned and/or copies of signatures as opposed to original (wet) signatures on the *Nomination Petition*. However, the *Candidate's Application* must contain the Candidate's original (wet) signature.

### **CONFERENCE/ORAL REPORTS**

Trustee Levy encouraged Trustees who attend the Milken Conference (October 17 thru 20, 2021) to please report back to the Board any ideas they gained from attending the Conference.

### **ANNOUNCEMENTS**

None.

### **BOARD INPUT**

Trustee Basgal announced that there was a *New York Times* news article that reported CalPERS paid approximately \$41 million to its deceased members. Trustee Basgal inquired whether or not ACERA uses the same Company (Berwyn) that CalPERS uses to find out if its members are deceased. Ms. Foster responded that ACERA does not.

### **CLOSED SESSION**

- A. Existing Litigation pursuant to Government Code Section 54956.9(d)(1): *Alameda Health System v. ACERA*, San Francisco County Superior Court, No. CGC-19-516795.
- B. 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 the following Trustees returned:  
***Amaral, Basgal, Levy, Reilly, Walker, Wood***

Chair Amaral stated the Board took no reportable action on the *AHS* or the *ACDSA* matters. Mr. Rieger reported that Trustee Carson recused himself from the discussion regarding the *AHS* matter.

**Discussion regarding the up to \$70 million investment in Ares Senior Direct Lending Fund II**

Trustee Wood reported that the Investment Committee was presented with, reviewed information for, and discussed an up to \$70 million Investment in Ares Senior Direct Lending Fund II as part of ACERA’s Private Credit Portfolio. However, the Investment Committee did not make a recommendation to the Board and requested that this issue be presented to the full Board for its consideration at today’s Board meeting. Chief Investment Officer Betty Tse reported that Staff and Verus performed further research regarding the eviction actions filed by Front Yard Residential. Ms. Tse further reported that both Ares Management and ACERA have responded to the public’s comments at the Investment Committee meeting and that the responses have been posted to ACERA’s Website. Verus and Staff acknowledged that Front Yard Residential is a company under Ares. However, Front Yard Residential has no direct relation to the Ares Senior Direct Lending Fund II. After an in-depth discussion, including input from representatives of Ares, the Board made the following motion:

**21-71**

**It was moved by George Wood and seconded by Dale Amaral that the Board approve an up to \$70 million Investment in Ares Senior Direct Lending Fund II as part of ACERA’s Private Credit Portfolio, pending completion of Legal and Investment due diligence and successful contract negotiations. The motion carried 5 yes (*Amaral, Basgal, Reilly, Walker Wood*), 1 no (*Levy*), and 0 abstentions.**

**ADJOURNMENT**

The meeting adjourned at approximately 4:57 p.m.

Respectfully Submitted,



\_\_\_\_\_  
David Nelsen  
Chief Executive Officer

10/21/21

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Date Adopted



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**APPENDIX A  
APPLICATION FOR SERVICE RETIREMENT**

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ALLEN, Michael  
Effective: 7/1/2021  
Sheriff's Office

GALINDO, Gustavo  
Effective: 7/10/2021  
District Attorney

ALTAMIRANO, Claudette  
Effective: 7/24/2021  
Health Care Services Agency

HO, Yoke  
Effective: 8/10/2021  
Health Care Services Agency

ARGULA, Dawn  
Effective: 7/28/2021  
Board of Supervisors

PHILLIP, Victoria  
Effective: 7/10/2021  
Social Services Agency

BALANDRA, Joyce  
Effective: 7/10/2021  
Probation Department

PORTER, Brenda  
Effective: 6/2/2021  
Social Services Agency

BUNKER-ALBERTS, Michele  
Effective: 6/15/2021  
Alameda Health System

REITER, Marianne  
Effective: 6/26/2021  
Auditor-Controller

CASTELLVI, Delia  
Effective: 7/10/2021  
Health Care Services Agency

ROBERSON, Loretta  
Effective: 7/10/2021  
Sheriff's Office

DRENICK, Teresa  
Effective: 7/24/2021  
District Attorney

ROBINSON, Cora  
Effective: 5/29/2021  
Social Services Agency

EAVES, Damon  
Effective: 5/15/2021  
Health Care Services Agency

SALTZMAN, Paula  
Effective: 6/28/2021  
Alameda Health System

EDWARDS, Cheryl  
Effective: 6/25/2021  
Superior Court

STONE, Lance  
Effective: 6/26/2021  
Alameda Health System

ESPINOZA, Caleen  
Effective: 5/29/2021  
Superior Court

VILLASENOR-MURPHY, Edelmira  
Effective: 7/10/2021  
Health Care Services Agency

VON GELDERN, Eric  
Effective: 7/10/2021  
District Attorney

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**APPENDIX A  
APPLICATION FOR SERVICE RETIREMENT**

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WRIGHT, Roger  
Effective: 6/30/2021  
Alameda Health System

YOUNG, Andrew  
Effective: 7/10/2021  
Community Development Agency

ZHANG, Danni  
Effective: 7/10/2021  
Social Services Agency

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**APPENDIX B  
APPLICATION FOR DEFERRED RETIREMENT**

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

CORPUZ, Alan P.  
Sheriff's Office  
Effective: 2/27/2021

FANFA, Amanda M.  
Sheriff's Office  
Effective: 2/26/2021

GREEN, Saundra L.  
Superior Court  
Effective: 7/23/2021

HUANG, Sandra Y.  
Health Care Services Agency  
Effective: 2/19/2021

MCDONNELL, Thomas  
Community Development Agency  
Effective: 7/16/2021

NAGY, Jeanne M.  
Superior Court  
Effective: 7/16/2021

RANSOM, Brandi S.  
Social Services Agency  
Effective: 7/23/2021

TUTOL, William B.  
Health Care Services Agency  
Effective: 7/30/2021

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

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ALTER, Harrison J.  
Health Care Services Agency  
Effective Date: 2/5/2021

MENDOZA, Jonathan D.  
Alameda Health System  
Effective: 7/9/2021

BEYROUTI, Seryn  
Alameda Health System  
Effective: 7/23/2021

MOLINA-PHILLIPS, Joann  
Alameda Health System  
Effective: 7/6/2021

CERVANTES, Felipe  
General Services Agency  
Effective: 7/27/2021

PIPER, John  
General Services Agency  
Effective: 6/11/2021

CHIN, Patricia M.  
Health Care Services Agency  
Effective: 2/5/2021

RALLANKA, Reena Faith B.  
Alameda Health System  
Effective: 4/30/2021

FLORES, Jessica  
Alameda Health System  
Effective: 4/16/2021

RHONE, Sade V.  
Alameda Health System  
Effective: 7/9/2021

FURTADO, Melissa  
Superior Court  
Effective: 5/6/2021

ROWLEY, Heather M.  
Alameda Health System  
Effective: 7/9/2021

HAMBLIN, Dallas C.  
Sheriff's Office  
Effective: 8/6/2021

WEINBERGER, Brian E.  
County Administrator  
Effective: 8/6/2021

LAITY, Hayley V.  
County Administrator  
Effective: 4/16/2021

WU, Tin Nok  
District Attorney  
Effective: 8/6/2021

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**APPENDIX D**  
**LIST OF DECEASED MEMBERS**

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CARTER, Delores  
Social Services Agency  
8/17/2021

COSTAIN, John  
Public Defender  
8/14/2021

CHAMBERS, Jill  
District Attorney  
7/24/2021

COULTER, Sandra  
Health Care Services Agency  
7/20/2021

COMELO, Ernest  
Social Services Agency  
8/14/2021

DE LA TORRE, Raquel  
Health Care Services Agency  
7/13/2021

**APPENDIX D  
LIST OF DECEASED MEMBERS**

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DE OCAMPO, Norma Sheriff's Office 7/22/2021	NAVA, Patricia Ann Superior Court 8/5/2021
DEGARMO, Ramona Non-Mbr Survivor of David Degarmo 7/23/2021	NISLEIT, Kathleen Public Works Agency 8/17/2021
DELGADO, Robert Sheriff's Office 8/4/2021	ODELL, Betty Non-Mbr Survivor of David Odell 8/7/2021
DELPHEY, William Probation Department 7/30/2021	O'TOOLE, Thomas Public Defender 8/21/2021
ELLIS, Robert Information Technology Department 8/7/2021	PANGASNAN, Annie Sheriff's Office 8/4/2021
FLORES, Alma Probation Department 8/18/2021	PRIEST, Carolyn Probation Department 8/28/2021
FULGADO, Samuel Alameda Health System 7/17/2021	QUAN, Mely Alameda Health System 8/8/2021
GULSETH, Bridget Non-Mbr Survivor of Charles Gulseth 8/25/2021	RIFFEL, Louise Non-Mbr Survivor of Edward Riffel 7/25/2021
KELLY, Jesse General Services Agency 7/28/2021	SHANER, Robert Probation Department 8/3/2021
LAURICELLA, Nilda Sheriff's Office 8/5/2021	SIMS, Arthur Superior Court 7/31/2021
MEYER, Carleton Public Defender 8/4/2021	STINSON, Ethlyn Alameda Health System 8/16/2021
	VAUGHN, Dorothy Alameda Health System 7/10/2021

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**APPENDIX F**  
**APPLICATION FOR DISABILITY RETIREMENT**

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**Name:** Bachan, Pius  
**Type of Claim:** Service-Connected

**Staff’s Recommendation:**

Grant Mr. Pius Bachan’s application for a non-service connected disability retirement, without prejudice to his surviving spouse’s pending claim for a service connected disability retirement.

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**Name:** Pugh, Deidre  
**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. Pugh’s application for a non-service connected disability, and waiving future annual medical examinations and questionnaires.

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