



ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
BOARD OF RETIREMENT
MINUTES

THIS MEETING WAS CONDUCTED VIA TELECONFERENCE WITH VIDEO

Thursday, September 17, 2020

Chair Henry Levy called the meeting to order at 2:03 p.m.

Trustees Present: Ophelia Basgal
Tarrell Gamble
Jaime Godfrey
Liz Koppenhaver
Henry Levy
Elizabeth Rogers
Darryl Walker (*Alternate*)

Trustees Excused: Keith Carson
George Wood
Nancy Reilly (*Alternate*)

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

Staff Excused: Margo Allen, Fiscal Services Officer
Betty Tse, Chief Investment Officer

PUBLIC INPUT

During the discussion regarding UBS and the Baltimore Marriott labor dispute, ACRE President Pete Albert and SEIU Local 1021 Union Representative Cynthia Landry expressed their concerns and urged the Board of Retirement to send a second letter requesting that UBS exert its influence to encourage swift resolution of the Marriott labor dispute, noting that ACERA is an investor in the UBS Trumbull Property Fund.

**CONSENT CALENDAR
REPORTS AND ACTION ITEMS**

APPROVAL of APPLICATIONS FOR SERVICE RETIREMENT

Appendix A

APPROVAL of APPLICATIONS FOR RETIREMENT, DEFERRED

*Appendix B
Appendix B-1*

APPROVAL of APPLICATIONS FOR DEFERRED TRANSFER

None

LIST OF DECEASED MEMBERS

Appendix D

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

Appendix E

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

Appendix F

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

None

APPROVAL of BOARD and COMMITTEE MINUTES

*August 20, 2020 Minutes of the Regular Board Meeting
September 9, 2020 Investment Committee Minutes*

MISCELLANEOUS MATTERS

None

REPORT OUT OF JULY 16, 2020 CLOSED SESSION, ITEM 12(A)

In closed session, at its July 16, 2020 Board meeting (Item No. 12.A.), the Board of Retirement decided to fully redeem ACERA's remaining \$76 million investment in the AQR Global Stock Selection Institutional Fund.

20-38A

It was moved by Elizabeth Rogers and seconded by Jaime Godfrey to fully redeem ACERA's remaining investment in the AQR Global Stock Selection Institutional Fund. The motion carried 9 yes (*Basgal, Carson, Gamble, Godfrey, Koppenhaver, Levy, Rogers, Walker, Wood*), 0 no, and 0 abstentions.

20-43

It was moved by Liz Koppenhaver seconded by Jaime Godfrey and approved by a vote of 6 yes (*Basgal, Gamble, Godfrey, Koppenhaver, Levy, Rogers*), 0 no, and 2 abstentions (*Dale Amaral and Darryl Walker recused themselves*):

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

REGULAR CALENDAR
REPORTS AND ACTION ITEMS

DISABILITIES, CURRENT AND CONTINUING RECOMMENDATIONS AND MOTIONS

None.

COMMITTEE REPORTS, RECOMMENDATIONS AND MOTIONS

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

Investment:

Elizabeth Rogers gave an oral report stating that the Investment Committee met on September 9, 2020 and was presented with, reviewed information for, and discussed an up to \$35 million investment in CD&R Fund as part of ACERA's Private Equity Portfolio – Buyouts.

20-44

It was moved by Tarrell Gamble and seconded by Elizabeth Rogers that the Board approve an up to \$35 million investment in Clayton, Dubilier & Rice Fund XI as part of ACERA's Private Equity Portfolio – Buyouts, pending completion of legal and investment due diligence and successful contract negotiations. The motion carried 8 yes (*Amaral, Basgal, Gamble, Godfrey, Koppenhaver, Levy, Rogers, Walker*), 0 no, and 0 abstentions.

Trustee Rogers further reported that the Committee was presented with, reviewed information for, and discussed an up to \$75 million investment in Blackrock Direct Lending Fund IX as part of ACERA's Private Credit Portfolio.

20-45

It was moved by Tarrell Gamble and seconded by Jaime Godfrey that the Board approve an up to \$75 million investment in Blackrock Direct Lending Fund IX as part of ACERA's Private Credit Portfolio, pending completion of legal and investment due diligence and successful contract negotiations. The motion carried 8 yes (*Amaral, Basgal, Gamble, Godfrey, Koppenhaver, Levy, Rogers, Walker*), 0 no, and 0 abstentions.

The Committee was also presented with, reviewed information for, and discussed ACERA's International Equity Manager Structure (Information Item).

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

Actuarial:

Dale Amaral gave an oral report stating that the Actuarial Committee met today and that there were no action items. Segal Consulting presented and explained ACERA's Actuarial Experience Study for years 2017-2019. Main topics of discussion were the proposed economic and non-economic assumptions for use in conducting the December 31, 2020 through December 31, 2022 actuarial valuations. Segal recommended the investment return assumption be lowered from 7.25% to 7.00%. The estimated cost impact to the employers and members' contribution rates due to the decrease is: \$27,447 million and \$6,128 million, respectively, for a total of \$33,575.

Minutes of the meeting will be presented to the Board for adoption on the Consent Calendar at the October 15, 2020 Board meeting.

Governance:

Ophelia Basgal gave an oral report stating that the Governance Committee met today and was presented with, reviewed information for, and discussed the proposed revisions to the *Administrative Hearing Policy*.

20-46

It was moved by Ophelia Basgal and seconded by Liz Koppenhaver that the Board affirm the *Administrative Hearing Policy*, with the revisions recommended by the Governance Committee. The motion carried 8 yes (*Amaral, Basgal, Gamble, Godfrey, Koppenhaver, Levy, Rogers, Walker*), 0 no, and 0 abstentions.

The Committee was also presented with, reviewed information for, and discussed the proposed revisions to the *Felony Forfeiture Policy*.

20-47

It was moved by Ophelia Basgal and seconded by Liz Koppenhaver that the Board affirm the *Felony Forfeiture Policy*, with the revisions recommended by the Governance Committee. The motion carried 8 yes (*Amaral, Basgal, Gamble, Godfrey, Koppenhaver, Levy, Rogers, Walker*), 0 no, and 0 abstentions.

The Committee was also presented with, reviewed information for, and discussed the proposed revisions to the *Error Correction Policy*.

20-48

It was moved by Ophelia Basgal and seconded by Dale Amaral that the Board affirm the *Error Correction Policy*, with the revisions recommended by the Governance Committee. The motion carried 8 yes (*Amaral, Basgal, Gamble, Godfrey, Koppenhaver, Levy, Rogers, Walker*), 0 no, and 0 abstentions.

Minutes of the meeting will be presented to the Board for adoption on the Consent Calendar at the October 15, 2020 Board meeting.

NEW BUSINESS:

UBS and Baltimore Marriott Labor Dispute

ACERA holds an investment position in the UBS-managed Trumbull Property Fund. It was noted that labor negotiations between the Marriott Hotels and the union representing Marriott workers (UniteHere) have stalled. Therefore, Trustee Levy requested the Board's approval to send a second letter to UBS, on behalf of the Board of Retirement, asking that UBS enforce its own Responsible Contractor Policy and encourage swift resolution of the Baltimore Marriott labor dispute. Trustee Levy stated that he was contacted directly and asked to assist with this issue and he believes that sending a second letter from the Board will have some impact on UBS' future actions. Several Trustees expressed their concerns. After much discussion, the Board did not take action on this item, but instead will invite UBS to attend a future virtual Investment Committee meeting for further discussion.

SACRS 2020-2021 Board of Directors Election Results

CEO Dave Nelsen presented his September 17, 2020 memo regarding the SACRS Board of Directors election results and stated that the SACRS Nominating Committee's recommended slate was adopted. The election results are as follows:

SACRS Nominating Committee Recommended Ballot:

- Vivian Gray, Los Angeles CERA, President
- Roger Hilton, Orange CERS, Vice President
- Harry Hagen, Santa Barbara, CERS Treasurer
- Kathryn Cavness, Mendocino, CERA Secretary
- David MacDonald, MD, Contra Costa CERA, Regular Member
- John Kelly, Sacramento CERA Regular Member

It was noted that the Board recommended Edward Robinson as a Regular Member in lieu of John Kelly.

Report on ACERA-Sponsored Medical Plans and Premiums for Plan Year 2021

Assistant CEO Kathy Foster presented her September 17, 2020 memo summarizing the ACERA-Sponsored Medical Plans and Premiums for Plan Year 2021, and introduced Joe Angelo, County Human Resource Services Director; Christina Saunders, County Interim Human Resource Division Manager, Benefits; and Ryan Olson, Principal at Korn Ferry Benefits Consulting, who presented background information on Kaiser Permanente and UnitedHealthcare's (UHC) overall blended and unblended individual and family medical premium rates for Plan Year 2021. Both Mr. Angelo and Ms. Saunders reported that after contract negotiations, UHC's Signature Value Advantage (SVA) Plan rates were reduced making it the lowest cost medical plan in the County. Mr. Angelo stated that he hopes more members will participate in SVA in order to build up and sustain the Plan.

David Nelsen, Chief Executive Officer's Report

Mr. Nelsen presented his September 17, 2020, written CEO Report which provided an update on: **1) Committee and Board Action Items; 2) Conference Schedule; and 3) Other Items**, which included: COVID-19 Responses, the Pension Administration System, Personnel Items and Budget, Customer Service, and Miscellaneous updates on: **a. AHS matter, b. SACRS Sponsored Bill AB 2101, and c. DSA Supreme Court Decision.**

Mr. Nelsen reported that ACERA has implemented its new Off-Site Call Center that allows Staff to work from home and receive and respond to members' calls from 9 a.m. to 3 p.m., Monday through Friday. The Off-Site Call Center is also a part of ACERA's Business Continuity Program. The PRISM and Benefits Departments are working with vendors to implement a program that will allow members to complete and submit forms, that currently require a wet signature, to be completed online electronically through ACERA's Web Member Services Program.

Since ACERA will not be hosting a live Board Off-Site this year due to the COVID-19 Pandemic, Mr. Nelsen reminded the Trustees to provide him with topics they want to be presented at future Committee and/or Board meetings. Mr. Nelsen reported that Chief Counsel Jeff Rieger may present to the Board on conflict of interest issues at future meetings. It was noted that ethics and sexual harassment prevention trainings will be available at this year's virtual SACRS Fall Conference.

CONFERENCE/ORAL REPORTS

Trustee Levy reminded the Board that he will be hosting this year's virtual CALAPRS Trustees' Round Table on Friday, October 23, 2020 and announced the topics that will be discussed.

Trustee Koppenhaver reported she attended a very interesting virtual Neuberger Berman Event and that Ambassador Nikki Haley was one of the speakers.

ANNOUNCEMENTS

N/A

BOARD INPUT

Trustee Koppenhaver announced that former Retired Employees of Alameda County (REAC) President Ken Moresi passed away. The Board, Staff, and attendees at today's meeting all expressed their condolences and stated Mr. Moresi was very knowledgeable and was very helpful to all those he came in contact with.

ADJOURNMENT

The meeting adjourned at approximately 3:30 p.m.

Respectfully Submitted,



David Nelsen
Chief Executive Officer

10/15/20

Date Adopted

**APPENDIX A
APPLICATION FOR SERVICE RETIREMENT**

ANDERSON, Sherry
Effective: 7/25/2020
Auditor-Controller

ENG, Nancy
Effective: 7/10/2020
Social Services Agency

ARCENEUX, Victor
Effective: 3/29/2020
Social Services Agency

FIRMEZA, Raymond
Effective: 6/20/2020
Sheriff's Office

BIVENS, Gregory
Effective: 6/1/2020
Sheriff's Office

FORSHAY, Adrienne
Effective: 7/18/2020
Superior Court

BORGESS, Michele
Effective: 7/10/2020
Assessor

GRAVES-MATTHEWS, Mcheko
Effective: 7/11/2020
Health Care Services Agency

BUCHANAN, Donald
Effective: 6/27/2020
Sheriff's Office

GRIFFIN, Patricia
Effective: 7/24/2020
Social Services Agency

CHI, Yiu
Effective: 7/1/2020
District Attorney

GUTIERREZ-PADILLA, Margaret
Effective: 7/11/2020
Health Care Services Agency

CRUZ, Marivic
Effective: 7/8/2020
Department of Child Support Services

HAIN, Debra
Effective: 6/1/2020
Non-Member

DA SILVA, Paul
Effective: 6/27/2020
Community Development Agency

HALILI, Ramon
Effective: 7/1/2020
Social Services Agency

DANEHY-OAKES, Sheila
Effective: 7/25/2020
Health Care Services Agency

HAWKINS, Carol
Effective: 10/20/2018
Library

DAVIS, Colette
Effective: 7/11/2020
Social Services Agency

HUDACK, Patrick
Effective: 12/6/2014
Health Care Services Agency

DUNCAN, Commieolla
Effective: 7/11/2020
Social Services Agency

IANIRO, Sally
Effective: 7/25/2020
Social Services Agency

APPENDIX A
APPLICATION FOR SERVICE RETIREMENT

KONNOFF, Kelly
Effective: 6/1/2020
Alameda Health System

PHUVANATNARANUBAL, Chaipong
Effective: 7/11/2020
Health Care Services Agency

LEE, Karen
Effective: 6/27/2020
Probation Department

POBRE, Maria
Effective: 5/22/2020
Social Services Agency

LI, Pui-Lan
Effective: 7/1/2020
Social Services Agency

PROCTOR, Sheila
Effective: 6/25/2020
Health Care Services Agency

MARKS, Leslie
Effective: 7/22/2020
Health Care Services Agency

RASTI, Ghulam
Effective: 6/27/2020
Social Services Agency

MIDDLEKAUFF, Sam
Effective: 7/11/2020
Probation Department

REVEL, Steven
Effective: 6/27/2020
District Attorney

MILLS, Cynthia
Effective: 7/11/2020
Social Services Agency

RIVERA, Nohemy
Effective: 7/25/2020
Social Services Agency

NEIDIVER, Theresa
Effective: 6/27/2020
Social Services Agency

RUSSELL, Penelope
Effective: 6/20/2020
Health Care Services Agency

NOWAK, Stanley
Effective: 6/27/2020
Information Technology

SAIA, Josephine
Effective: 5/30/2020
Alameda Health System

PALMA, Janet
Effective: 7/11/2020
Health Care Services Agency

SANDOVAL, DaAnne
Effective: 5/1/2020
Department of Child Support Services

PHILLIPS, Victor
Effective: 7/30/2020
Social Services Agency

SCHWEITZER, Beth
Effective: 6/13/2020
Alameda Health System

**APPENDIX A
APPLICATION FOR SERVICE RETIREMENT**

SHEAN, Mary
Effective: 7/11/2020
Social Services Agency

SMITH, Jeffrey
Effective: 7/11/2020
Sheriff's Office

SHEHEE, Terrance
Effective: 7/2/2020
Alameda Health System

VAN LEEUWAARDE, Robert
Effective: 7/5/2020
Probation Department

SHOPTAW, Loranne
Effective: 3/25/2018
Library

WILLIAMS, Jacqueline
Effective: 6/21/2020
Alameda Health System

**APPENDIX B
APPLICATION FOR DEFERRED RETIREMENT**

BLOEDE, Carolyn J.
General Services Agency
Effective Date: 6/12/2020

ORTH, Carol S.
Auditor-Controller
Effective: 7/31/2020

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

YILDIZ, Alev
Superior Court
Effective Date: 3/27/2020

**APPENDIX D
LIST OF DECEASED MEMBERS**

ARNOLD, Mary
Health Care Services Agency
8/8/2020

CRAWFORD, Betty
Assessor
7/25/2020

BARGA, Jasmine Fidela
Auditor-Controller
8/18/2020

DICKSON, Paula
Non-Mbr Survivor of Marvin Dickinson
8/9/2020

CLEMENTE, Vicente
Sheriff's Office
7/27/2020

DONAHUE, Stella
Alameda Health System
7/25/2020

**APPENDIX D
LIST OF DECEASED MEMBERS**

FRITTS, Gerald
Social Services Agency
8/24/2020

PARDO, Alexander
Public Defender
7/28/2020

JACKSON, Debra
Alameda Health System
8/3/2020

RIVARD, Earl
Social Services Agency
8/2/2020

JOHNSON, Annetta
Non-Member Survivor of David Johnson
7/19/2020

SERAILE, Octave
Non-Mbr Survivor of Elizabeth Seraile
7/14/2020

JONES-WILLIAMS, Linda
Probation Department
7/24/2020

SMITH, Barbara
Alameda Health System
7/13/2020

LANGE, Michael
Sheriff's Office
8/16/2020

SPARKMAN, Jewell
Alameda Health System
8/15/2020

LEWIS, Marjorie
Non-Mbr Survivor of Marquis Lewis
8/1/2020

STUBBS-HARDY, Antoinette
Probation Department
8/28/2020

LORD, Richard
Social Services Agency
7/30/2020

TUDOR, Troy
LARPD
4/30/2020

MC DONALD, Flora
Non-Mbr Survivor of J C Mc Donald
8/5/2020

WRIGHT, Leegretta
Social Services Agency
8/21/2020

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

TADESSE, Ashenafi.
130 Biweekly Payroll Deductions for a total of \$16,815.50
Years of Service: 0.877
Government Code § 31641.1 Other Public Service

APPENDIX F
APPLICATION FOR DISABILITY RETIREMENT

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

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

Name: Lee, Karen
Type of Claim: Service-Connected

Adopt the findings and conclusions and approve and adopt the recommendation contained in the Medical Advisor's report, including but not limited to, granting Ms. Lee's application for a service-connected disability. Since Ms. Lee is over 55 years old, future annual medical examinations and questionnaires will not be required.

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

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

Staff's Recommendation:

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

APPENDIX F
APPLICATION FOR DISABILITY RETIREMENT

Name: Wilson, Doris
Type of Claim: Service-Connected

Adopt the findings and conclusions and approve and adopt the recommendation contained in the Medical Advisor’s report, including but not limited to, granting Ms. Wilson’s application for a service-connected disability. Since Ms. Wilson is over 55 years old, future annual medical examinations and questionnaires will not be required.

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

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

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