



ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
BOARD OF RETIREMENT
MINUTES

THIS MEETING WAS CONDUCTED VIA TELECONFERENCE WITH VIDEO

Thursday, December 17, 2020

Chair Henry Levy called the meeting to order at 2:23 p.m.

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

Staff Present: Margo Allen, Fiscal Services 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: Victoria Arruda, Human Resource Officer

PUBLIC INPUT

None.

**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

*November 19, 2020 Operations Committee Minutes
November 19, 2020 Minutes of the Regular Board Meeting
December 2, 2020 Operations Committee Minutes
December 2, 2020 Retirees Committee Minutes
December 9, 2020 Investment Committee Minutes*

MISCELLANEOUS MATTERS

*Approve Staff Recommendations regarding First 5 Alameda County's New Pay
Items/Codes PTO Term Payout T2 – PP2 and PTO Term Payout T4 – PP4*

20-58

It was moved by Keith Carson seconded by Ophelia Basgal and approved by a vote of 8 yes (*Basgal, Carson, Gamble, Godfrey, Koppenhaver, Levy, Rogers, Wood*), 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:

Operations:

Ophelia Basgal gave an oral report stating that the Operations Committee met on December 2, 2020 and was presented with, reviewed information for, and discussed negotiations for a new agreement for benefits consulting services with the Segal Group. It was noted that the cost of benefit consulting services increased approximately 1.4% due to inflation.

20-59

It was moved by Ophelia Basgal and seconded by Liz Koppenhaver to approve the annual agreement for \$127,200 effective January 1, 2021 through December 31, 2021, for ACERA's Benefits Consultant, the Segal Group. The motion carried 9 yes (*Amaral, Basgal, Carson, Gamble, Godfrey, Koppenhaver, Levy, Rogers, Wood*), 0 no, and 0 abstentions.

Ophelia Basgal further reported that the Committee was presented with information and discussed potential remedies regarding ACERA's excess payments to participating employers under the Employer Reimbursement Policy in calendar years 2017, 2018, and 2019, totaling \$41,296.39. Dale Amaral, Elizabeth Rogers, Darryl Walker and George Wood recused themselves from the discussion and vote on this matter, because the Board's deliberations related to reimbursements to those four Trustees' employing departments.

20-60

It was moved by Ophelia Basgal and seconded by Nancy Reilly to approve a reduction in the payments that ACERA would otherwise make under the Employer Reimbursement Policy for calendar year 2020 by \$41,296.39, and to direct Staff to advise the affected employers of the proposed recommendation. The motion carried 6 yes (*Basgal, Carson, Godfrey, Koppenhaver, Levy, Reilly*), 1 no (*Gamble*), and 4 abstentions (*Amaral, Rogers, Walker, and Wood recused themselves*).

Ophelia Basgal further reported that the Committee was presented with, reviewed information for, and discussed the following Information Items: *1) Operating Expenses as of October 31, 2020; and 2) a Technology Update.*

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

Retirees:

Liz Koppenhaver gave an oral report stating that the Retirees Committee met on December 2, 2020 and was presented with, reviewed information for, and discussed ACERA's Medicare Part B Reimbursement Plan (MBRP) benefit.

20-61

It was moved by Liz Koppenhaver and seconded by Jaime Godfrey to continue to provide the Medicare Part B Reimbursement Plan (MBRP) benefit to eligible retirees in 2021, and approve the reimbursement based on the lowest standard monthly Medicare Part B premium at the rate of \$148.50. The MBRP benefit is a non-vested benefit funded by contributions from ACERA Employers to the 401(h) account. After contributions are made, in accordance with the County Employees Retirement Law, ACERA treats an equal amount of Supplemental Retiree Benefit Reserve assets as employer contributions for pensions. The motion carried 9 yes (*Amaral, Basgal, Carson, Gamble, Godfrey, Koppenhaver, Levy, Rogers, Wood*), 0 no, and 0 abstentions.

Liz Koppenhaver further reported that the Committee was presented with, reviewed information for, and discussed the revised and updated Appendix A to Resolution No. 07-29.

20-62

It was moved by Liz Koppenhaver and seconded by Jaime Godfrey to adopt the revised and updated Appendix A to Resolution No. 07-29, which reflects the changes approved by the Board to the Monthly Medical Allowance amounts for Group and Individual Plans as well as the Retiree Health Benefit contribution amounts for Plan Year 2021. The motion carried 9 yes (*Amaral, Basgal, Carson, Gamble, Godfrey, Koppenhaver, Levy, Rogers, Wood*), 0 no, and 0 abstentions.

Liz Koppenhaver further reported that the Committee was presented with, reviewed information for, and discussed the following Information Items: **1) Annual Retired Member (Lump Sum) Death Benefit Report; 2) Virtual Retiree Health and Wellness Fair Results and Open Enrollment Activity [See ACERA’s Website]; and 3) Miscellaneous Updates, which included information regarding a vaccine for COVID-19.**

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

Investment:

Tarrell Gamble gave an oral report stating that the Investment Committee met on December 9, 2020 and was presented with, reviewed information for, and discussed a new Real Assets Structure, Related Amendments to the Real Assets Policy, and the 2020 – 2026 Real Assets Investment Plan.

20-63

It was moved by Tarrell Gamble and seconded by Jaime Godfrey to adopt a New Real Assets Structure, approve Related Amendments to the Real Assets Policy, and adopt the 2020 – 2026 Real Assets Investment Plan. The motion carried 9 yes (*Amaral, Basgal, Carson, Gamble, Godfrey, Koppenhaver, Levy, Rogers, Wood*), 0 no, and 0 abstentions.

Tarrell Gamble further reported that the Committee was presented with, reviewed information for, and discussed the 2021 – 2023 Private Equity Investment Plan. [See ACERA’s Website.]

20-64

It was moved by Tarrell Gamble and seconded by Jaime Godfrey to adopt the 2021 – 2023 Private Equity Investment Plan. The motion carried 9 yes (*Amaral, Basgal, Carson, Gamble, Godfrey, Koppenhaver, Levy, Rogers, Wood*), 0 no, and 0 abstentions.

Darryl Walker stated that there was some discussion regarding the appropriate level of delegated investment authority at the December 9, 2020 Investment Committee, which he believed should have been reflected in the minutes of that meeting. After discussion, Chief Counsel Jeff Rieger stated that Trustees can request that particular discussions be reflected in the minutes of that meeting during that meeting and Trustees can also request additions to the minutes when the minutes come to the Board for approval.

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

Governance:

Ophelia Basgal gave an oral report stating that the Governance Committee met today and considered proposed revisions to the *Board Communications Policy*. After discussion, the Committee recommended that the Board approve the draft revised Policy that was presented to the Committee, but with the word “respect” rather than “support” in section IV.D.2. of the draft revised Policy.

20-65

It was moved by Ophelia Basgal and seconded by George Wood to affirm the existing *Board Communications Policy* with the revisions recommended by the Governance Committee. The motion carried 6 yes (*Amaral, Basgal, Carson, Koppenhaver, Rogers, Wood*), 2 no (*Gamble, Levy*), and 0 abstentions.

Ophelia Basgal further reported that the Governance Committee considered proposed revisions to the *Membership Policy*. There was discussion regarding the proposed increased flexibility for membership and termination dates to help members take advantage of reciprocity and it was decided that the Committee should receive further information before making a decision on this issue at a future meeting. The Committee recommended that the Board approve all other proposed revisions to the Policy.

20-66

It was moved by Ophelia Basgal and seconded by Liz Koppenhaver to affirm the existing *Membership Policy* with the revisions recommended by the Governance Committee. The motion carried 7 yes (*Amaral, Basgal, Carson, Koppenhaver, Levy, Rogers, Wood*), 1 no (*Gamble*), and 0 abstentions. Trustee Godfrey was not present for the vote on this item.

Ophelia Basgal further reported that the Governance Committee considered proposed revisions to the *Service Provider Policy* and recommended that the Board approve all proposed revisions.

20-67

It was moved by Ophelia Basgal and seconded by Liz Koppenhaver to affirm the existing *Service Provider Policy* with the revisions recommended by the Governance Committee. The motion carried 9 yes (*Amaral, Basgal, Carson, Gamble, Godfrey, Koppenhaver, Levy, Rogers, Wood*), 0 no, and 0 abstentions.

Minutes of the meeting will be presented to the Board for adoption on the Consent Calendar at the January 21, 2021 Board meeting.

OLD BUSINESS:

Exclusion of County Pay Codes

This item was removed from the Consent Calendar and briefly discussed at the August 20, 2020 Board meeting. At that meeting, the Board excluded County Pay Codes 741, 742 and 743 from “pensionable compensation,” but deferred making a decision regarding “compensation earnable.” Chief Counsel Jeff Rieger presented his December 17, 2020 memorandum, which explained why County Pay Codes 741, 742, and 743 should be excluded from “compensation earnable.”

20-68

It was moved by Ophelia Basgal and seconded by Liz Koppenhaver to exclude County Pay Codes 741, 742, and 743 from "compensation earnable." The motion carried 9 yes (Amaral, Basgal, Carson, Gamble, Godfrey, Koppenhaver, Levy, Rogers, Wood), 0 no, and 0 abstentions.

Proposed Interpretation of Gov't Code § 31461(b)(1)(B)

Mr. Rieger recommended that the Board adopt the interpretation of Gov't Code § 31461(b)(1)(B) in his December 17, 2020 memorandum.

20-69

It was moved by Liz Koppenhaver and seconded by Dale Amaral to adopt the proposed interpretation of Gov't Code § 31461(b)(1)(B), as set forth in the public memorandum (dated December 17, 2020) from Chief Counsel. The motion carried 9 yes (Amaral, Basgal, Carson, Gamble, Godfrey, Koppenhaver, Levy, Rogers, Wood), 0 no, and 0 abstentions.

NEW BUSINESS:

Educational Presentation on Conflicts of Interest by Chief Counsel Jeff Rieger

Mr. Rieger presented, and took answered questions regarding, his December 17, 2020 memorandum which described two important California conflict-of-interest laws, the Political Reform Act and Gov't Code § 1090, as they apply to ACERA Trustees. Mr. Rieger further explained that trustees can obtain more detailed information regarding conflicts of interest from ACERA's Conflict of Interest Policy posted on ACERA's website, or from materials found on the Attorney General and the California Fair Political Practices Commission's (FPPC) websites, and that trustees may also seek legal advice regarding potential conflicts of interest from Mr. Rieger and/or from their own personal attorney.

Cal. Gov. Code § 7514.7 Alternative Investment Vehicles Information Report

Mr. Rieger stated that Staff discovered that the Alternative Investment Vehicles Information Report (Report) was inadvertently omitted from the public Investment Committee Packet distributed on December 2, 2020. The Report was included in the December 17, 2020 Board Packet to remedy that oversight. Tarrell Gamble asked that the Report be included as an information item on the January Investment Committee agenda.

David Nelsen, Chief Executive Officer's Report

Chief Executive Officer Dave Nelsen presented his December 17, 2020, written CEO Report which provided an update on: **1) Committee and Board Action Items; and 2) Other Items**, which included updates on: COVID-19 Responses, the Pension Administration System, Personnel Items and Budget, Customer Service, and Key Performance Indicators.

Mr. Nelsen announced that he sent the Board an email regarding the Board of Supervisors' approval of a potential transfer of \$800 million in employer contributions from the County to ACERA for payment of the County's Unfunded Accrued Actuarial Liability (UAAL). The Board of Supervisors and the Board of Retirement will negotiate the terms and timing of the transfer in the near future.

Mr. Nelsen expressed his appreciation for Staff's hard work as it has been a very challenging year. Mr. Nelsen reported that in spite of the challenges, Staff was still able to provide excellent customer service to ACERA members during the COVID-19 Pandemic. In the member survey, 95% of members stated that Staff met or exceeded their expectations. Staff accomplished the following: **1) processed 423 retirement applications and of the 423, 417 members received a 100% retirement benefit allowance; 2) processed 500 service audits and approximately 400 service purchases; 3) answered and responded to 1,200 member calls and of those calls, 95% were answered within 1 minute; 4) answered and responded to 1,500 voicemails and 7,000 emails; and 5) posted a YouTube Pre-Retirement Counseling Session on ACERA's Website.** It was noted that members viewed the YouTube Pre-Retirement Counseling Session five times the amount in comparison to members participating in the live Pre-Retirement Counseling Sessions. Although Staff was busy assisting its members, Staff was still able to file its CAFR (Comprehensive Annual Financial Report) on time, implemented the Redesign of the ACERA Website, kept on schedule with the Pension Administration Replacement Program, ACERA received a clean audit, and ACERA's portfolio was at an all-time high in spite of the market during this difficult time. The Board also expressed their appreciation to Staff for all of their hard work.

It was noted that ACERA will be filling one Retirement Technician position, two Investment Analysts positions, and one Investment Officer position in the first quarter of 2021.

Discussion and Possible Motion regarding Chief Executive Officer Compensation

Henry Levy announced that the Board would go into Closed Session [See below.] After the Board concluded that Closed Session, the Board returned to this Open Session item.

20-70

It was moved by Jaime Godfrey and seconded by Keith Carson to provide a 2% compensation (base salary) increase to Chief Executive Officer Dave Nelsen, in addition to any cost of living increases to base salary, effective the first full pay period in January 2021. The motion carried 7 yes (*Amaral, Basgal, Carson, Godfrey, Koppenhaver, Levy, Rogers*), 0 no, and 1 abstention (*Wood*). Trustees Gamble and Walker were not present for the vote on this item. Chief Counsel Jeff Rieger will make any necessary amendments to the CEO's contract.

CLOSED SESSION

- A. Conference with Designated Representative (Henry Levy) for Compensation Negotiations with Chief Executive Officer (Cal. Gov't Code § 54957.6).

The Board reconvened into Open Session and Chair Henry Levy announced that the Board took no reportable action on the above-referenced matter.

CONFERENCE/ORAL REPORTS

None.

ANNOUNCEMENTS

None.

BOARD INPUT

The Board wished everyone happy holidays and that everyone stay safe.

ADJOURNMENT

The meeting adjourned at approximately 3:50 p.m.

Respectfully Submitted,



David Nelsen
Chief Executive Officer

1/21/21

Date Adopted

**APPENDIX A
APPLICATION FOR SERVICE RETIREMENT**

AIZAWA, Bruce
Effective: 11/16/2020
LARPD

BENDER, Lydia L.
Effective: 10/3/2020
Sheriff's Office

BIRDEN, Claudene
Effective: 10/4/2020
Sheriff's Office

CARDENAS, Vilma
Effective: 10/17/2020
Alameda Health System

CASTRO, Patricia M.
Effective: 10/3/2020
Social Services Agency

CHON, Luna
Effective: 10/3/2020
Social Services Agency

COSTA, Paul
Effective: 10/18/2020
Sheriff's Office

CRISTOBAL, Elvira
Effective: 9/1/2020
Alameda Health System

CROSBY, Neola M.
Effective: 9/19/2020
Probation Department

DUTTON, Wendy
Effective: 9/19/2020
Alameda Health System

ENCARNACION, Albert
Effective: 10/16/2020
Alameda Health System

GANNON, Catherine
Effective: 10/6/2020
Child Support Services

HARTMAN, Robert
Effective: 10/14/2020
District Attorney

HEIL, Lisa
Effective: 9/9/2020
Alameda Health System

HIRAKI, Atsuko
Effective: 10/3/2020
Alameda Health System

HSU, Patricia Y.
Effective: 10/3/2020
Probation

KILDEGAARD, Sharon C.
Effective: 10/3/2020
Social Services Agency

KNIGHT, Shawn
Effective: 10/17/2020
District Attorney

LEINES, Cheryl A.
Effective: 10/3/2020
Sheriff's Office

MACINTYRE, Kathy M.
Effective: 10/3/2020
Social Services Agency

MANANSALA, Rosemarie
Effective: 10/17/2020
Alameda Health System

MYERS, Kenise B.
Effective: 9/13/2020
Sheriff's Office

**APPENDIX A
APPLICATION FOR SERVICE RETIREMENT**

PEREZ, Enrique Effective: 10/10/2020 Sheriff's Office	SEIULI-HAZZARD, Malia Effective: 10/3/2020 Social Services Agency
PERKINS, Gregory D. Effective: 10/1/2020 Sheriff's Office	SEPT, Joyce A. Effective: 8/11/2020 Alameda Health System
PETERSEN, Nancy Effective: 10/1/2020 Alameda Health System	TAYLOR, Patricia Effective: 9/24/2020 Alameda Health System
RICE, Sharon Effective: 11/1/2020 Social Services Agency	TRINKL, Peter Effective: 10/17/2020 Health Care Service Agency
SALER, Barbara F. Effective: 10/3/2020 Health Care Services Agency	VALLE, Delfredda H. Effective: 10/3/2020 Superior Court

**APPENDIX B
APPLICATION FOR DEFERRED RETIREMENT**

LUCKETT, Robin L. Social Services Agency Effective: 9/18/2020	PFENNING, Kirsten M. Auditor-Controller Effective: 9/18/2020
MURAKAMI, Jenna C. County Administrator Effective Date: 9/4/2020	TOUSSAINT, Meghan E. Sheriff's Office Effective: 9/1/2020
	ZACHLOD, Chris G. Information Technology Department Effective: 9/4/2020

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

BRONSTON, Aram L. Health Care Services Agency Effective: 9/4/2020	STEPHENSON, Nancy K. Health Care Services Agency Effective Date: 9/4/2020
GOMEZ, Francisco J. Community Development Agency Effective: 9/14/2020	WANG, Chat-Ju Alameda Health Systems Effective: 9/1/2020
ORDON, Cameron A. Social Services Agency Effective: 9/1/2020	

**APPENDIX D
LIST OF DECEASED MEMBERS**

CLOSE-CIBULL, Jeanette
Social Services Agency
11/1/2020

JOHNSTON, Winifred
Non-Mbr Survivor of Harry Johnston
10/30/2020

FORD, Stephen
General Services Agency
11/7/2020

JONAS, Gail
Non-Mbr Survivor of Arnold Jonas
11/1/2020

GARLAND, Glenda
Social Services Agency
11/9/2020

KROGER, Donald
Assessor's Office
11/8/2020

GEX, Wilbert
Assessor
11/2/2020

LA CHAPELLE, Peter
County Counsel
11/3/2020

GOLOYOGO, Remedios
Social Services Agency
10/26/2020

LUANGRATH, Khamson
Social Services Agency
9/28/2020

HECKENLIABLE, Barbara
Alameda Health System
10/20/2020

MARTIN, Linda
Assessor's Office
11/22/2020

HESS, Claude
Social Services Agency
11/6/2020

SCHAFER, Charles
Public Health Care Services
9/25/2020

JACKSON, Sherrye
Social Services Agency
11/7/2020

SHIBLEY, Ruth
Alameda Health System
11/12/2020

WHYTE, Donald
District Attorney
11/25/2020

APPENDIX F
APPLICATION FOR DISABILITY RETIREMENT

Name: Catalan, Yolanda
Type of Claim: Annual Review for NSCD (Granted on 3/21/19)

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 Ms. Catalan's non-service connected disability and as Ms. Catalan will turn 55 years old in the next several months, in accordance with Govt. Code section 31729 future annual medical examinations and questionnaires will not be required.

Name: Jackson, Benita
Type of Claim: Annual Review for NSCD (Granted on 10/17/19)

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

Name: Knox-Banks, Janay
Type of Claim: Annual Review for SCD (Granted on 5/16/19)

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