



Date: April 4, 2018
To: Members of the Operations Committee
From: Ophelia Basgal, Chair
Subject: Summary of the April 4, 2018, Operations Committee Meeting

Operations Committee Chair Ophelia Basgal called the April 4, 2018, Operations Committee Meeting to order at 9:32 a.m. Committee members present were Ophelia Basgal, Chair; Dale Amaral, Vice-Chair; Liz Koppenhaver, Elizabeth Rogers, and George Wood. Other Board members present were Annette Cain-Darnes, Keith Carson, and Henry Levy, and Alternates Nancy Reilly and Darryl Walker. Staff present were David Nelsen, Chief Executive Officer; Margo Allen, Fiscal Services Officer; Kathy Foster, Assistant Chief Executive Officer; Kathy Mount, Chief Counsel; Harsh Jadhav, Chief of Internal Audit; Sandra Dueñas-Cuevas, Benefits Manager; Betty Tse, Chief Investment Officer; Victoria Arruda, Human Resource Officer; and Vijay Jagar, Chief Technology Officer.

ACTION ITEMS

1. Adoption of New Pay Item – Pay Code 41Z for County

Staff presented a proposal to the Operations Committee to recommend to the Board of Retirement that the Board adopt Pay Code 41Z.

It was moved by Dale Amaral and seconded by Liz Koppenhaver, that the Operations Committee recommend to the Board of Retirement that the Board approve the inclusion of Pay Item 41Z – ChldPsy Cert & Supvsing Duties as pensionable compensation and compensation earnable for members with entry dates before, on or after January 1, 2013, based on Government Code Section 7522.34 and 31461.

The motion carried 7 yes (*Amaral, Basgal, Cain-Darnes, Koppenhaver, Levy, Rogers, Walker*), 0 no, 0 abstentions.

2. Discussion and possible motion to approve the LEAP Technologies' contract for work associated with completing ACERA's 2018 Performance Excellence initiatives

Staff presented a request to the Operations Committee to approve the LEAP Technologies' contract for work associated with completing ACERA's 2018 Performance Excellence initiatives.

It was moved by Liz Koppenhaver and seconded by Henry Levy, that the Operations Committee recommend to the Board of Retirement that the Board approve the LEAP Technologies' 2018 service provider contract effective March 19, 2018, for work related to ACERA's 2018 Performance Excellence objectives at a cost not to exceed \$83,000.

The motion carried 7 yes (*Amaral, Basgal, Cain-Darnes, Koppenhaver, Levy, Rogers, Walker*), 0 no, 0 abstentions.

INFORMATION ITEMS

1. Operating Expenses

Staff presented the year-to-date Budget vs. Actual Operating Expense Report. As of February 28, 2018, actual expenses were \$98K under budget. Budget overages noted were Member Services (\$5K over budget), and Systems (\$10K over budget). Budget surpluses noted were Staffing (\$27K under budget) with six unfilled positions, Staff Development (\$35K under budget), Professional Fees (\$27K under budget), Office Expense (\$11K under budget), and Board Expenses (\$10K under budget).

2. Statement of Reserves

Staff reported on the Statement of Reserves and the interest posted to member and employer accounts for the six months ending December 31, 2017. For the six-month period ending December 31, 2017, approximately \$285.4 million of regular interest was credited to all the valuation reserve accounts, the 401(h) account and the SRBR at rate of 3.80%.

3. Quarterly Report on Member Underpayments and Overpayments

Staff presented and discussed the quarterly report on active and retiree members' underpayments and overpayments.

TRUSTEE/PUBLIC INPUT

None.

RECOMMENDATIONS

The Committee recommends, and I move, that the Board of Retirement approve the inclusion of Pay Item 41Z – ChldPsy Cert & Supvsing Duties as pensionable compensation and compensation earnable for members with entry dates before, on or after January 1, 2013, based on Government Code Section 7522.34 and 31461.

The Committee recommends, and I move, that the Board of Retirement approve the LEAP Technologies' 2018 service provider contract effective March 19, 2018, for work related to ACERA's 2018 Performance Excellence objectives at a cost not to exceed \$83,000.

ESTABLISHMENT OF NEXT MEETING DATE

The next meeting is scheduled for May 2, 2018, at 9:30 a.m.

MEETING ADJOURNED

The meeting adjourned at 10:02 a.m.