



ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

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Date: November 1, 2017
To: Members of the Operations Committee
From: Elizabeth Rogers, Chair
Subject: Summary of the November 1, 2017, Operations Committee Meeting

Operations Committee Chair Elizabeth Rogers called the November 1, 2017, Operations Committee Meeting to order at 9:34 a.m. Committee members present were Elizabeth Rogers, Chair; Tarrell Gamble, Vice-Chair; Annette Cain-Darnes; Liz Koppenhaver; and George Wood. Other Board members present were Ophelia Basgal; and Alternate Nancy Reilly. 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; Victoria Arruda, Human Resources Officer; Betty Tse, Chief Investment Officer; Sandra Dueñas, Benefits Manager, and Vijay Jagar, Chief of Technology Officer.

ACTION ITEMS

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

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

It was moved by Ms. Koppenhaver and seconded by Mr. Wood, that the Operations Committee recommend to the Board of Retirement that the Board designate Pay Item 41V – Trng/Consult to HCSA/CBO Staff as not pensionable compensation for a member (PEPRA) with an entry date on or after January 1, 2013, based on Government .Code Section 7522.34, and approve the inclusion of this pay item as compensation earnable for a member (legacy) with an entry date prior to January 1, 2013, based on Government Code Section 31461.

The motion carried 4 yes (*Cain-Darnes, Koppenhaver, Rogers, Wood*), 0 no, 0 abstentions.

2. Adoption of New Pay Item – Pay Code 41W for the County

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

It was moved by Mr. Wood and seconded by Ms. Koppenhaver, that the Operations Committee recommend to the Board of Retirement that the Board designate Pay Item 41W – Det/Cor Pers Attend Syst Admin as not pensionable compensation for a member (PEPRA) with an entry date on or after January 1, 2013, based on Government .Code Section 7522.34, and approve the inclusion of this pay

item as compensation earnable for a member (legacy) with an entry date prior to January 1, 2013, based on Government Code Section 31461.

The motion carried 4 yes (*Cain-Darnes, Koppenhaver, Rogers, Wood*), 0 no, 0 abstentions.

INFORMATION ITEMS

1. Operating Expenses

Staff presented the year-to-date Budget vs. Actual Operating Expense Report. As of September 30, 2017, actual expenses were \$2,363,133 under budget. Budget surpluses noted were Staffing (\$1,137K under budget) with 11 unfilled positions, Staff Development (\$267K under budget), Professional Fees (\$294K under budget), Insurance (\$113K under budget), Systems (\$163K under budget), and Board Expenses (\$113K under budget).

2. Quarterly Financial Statement

Staff presented the Quarterly Financial Statement for the period ending September 30, 2017. Staff stated the net position held in trust for pension benefits totaled \$7.8 billion. The fiduciary net position held in trust compared to the same period in 2016 increased by \$884 million. From January 1, 2017, to September 30, 2017, the change in fiduciary net position increased about \$859 million.

3. Quarterly Cash Forecast Report

Staff presented the Cash Forecast Report for October 1, 2017 – September 1, 2018. With the exception of the two three-pay-period months, the average monthly negative cash position for the period is - \$16,707,872.

4. Board Member Conference and Training Expense Report

Staff presented the Board Member Conference and Training Report for the period January 1, 2017 to September 30, 2017. Reported expenses for the period were \$90,441.

5. Senior Manager Conference and Training Expense Report

Staff presented the Senior Manager Conference and Training Expense Report for the period January 1, 2017 to September 30, 2017. Reported expenses for the period were \$84,712.

6. Human Resources Staffing Report

Staff reported on position vacancies for the 3rd quarter of 2017 that were approved in the 2017 budget.

7. Call Center Report

Staff reported on the call center service levels for the 3rd quarter of 2017.

8. Technology Projects Report

Staff reported current and future technology projects at ACERA. Current and future projects include; cybersecurity, OnBase, intranet, web member services, disaster recovery, and pension administration software RFI.

TRUSTEE/PUBLIC INPUT

None

RECOMMENDATIONS

The Committee recommends, and I move, that the Board of Retirement designate Pay Item 41V – Trng/Consult to HCSA/CBO Staff as not pensionable compensation for a member (PEPRA) with an entry date on or after January 1, 2013, based on Government Code Section 7522.34, and approve the inclusion of this pay item as compensation earnable for a member (legacy) with an entry date prior to January 1, 2013, based on Government Code Section 31461.

The Committee recommends, and I move, that the Board of Retirement designate Pay Item 41W – Det/Cor Pers Attend Syst Admin as not pensionable compensation for a member (PEPRA) with an entry date on or after January 1, 2013, based on Government Code Section 7522.34, and approve the inclusion of this pay item as compensation earnable for a member (legacy) with an entry date prior to January 1, 2013, based on Government Code Section 31461.

ESTABLISHMENT OF NEXT MEETING DATE

The next meeting is scheduled for December 6, 2017, at 9:30 a.m.

MEETING ADJOURNED

The meeting adjourned at 10:13 a.m.