



**Alameda County Employees' Retirement Association
BOARD OF RETIREMENT**

**OPERATIONS COMMITTEE/BOARD MEETING
NOTICE and AGENDA**

ACERA MISSION:

To provide ACERA members and employers with flexible, cost-effective, participant-oriented benefits through prudent investment management and superior member services.

**Wednesday, June 7, 2023
9:30 a.m.**

LOCATION AND TELECONFERENCE	COMMITTEE MEMBERS	
ACERA C.G. "BUD" QUIST BOARD ROOM 475 14TH STREET, 10TH FLOOR OAKLAND, CALIFORNIA 94612-1900 MAIN LINE: 510.628.3000 FAX: 510.268.9574 The public can observe the meeting and offer public comment by using the below Webinar ID and Passcode after clicking on the below link or calling the below call-in number. https://zoom.us/join Call-In Number: 1 699 900 6833 Meeting ID: 879 6337 8479 Password: 699406 For help joining a Zoom meeting, see: https://support.zoom.us/hc/en-us/articles/201362193	KELLIE SIMON, CHAIR	ELECTED GENERAL
	OPHELIA BASGAL, VICE CHAIR	APPOINTED
	ROSS CLIPPINGER	ELECTED SAFETY
	HENRY LEVY	TREASURER
	ELIZABETH ROGERS	ELECTED RETIRED

The Alternate Retired Member votes in the absence of the Elected Retired Member, or, if the Elected Retired Member is present, then votes if both Elected General members, or the Safety Member and an Elected General member, are absent.

The Alternate Safety Member votes in the absence of the Elected Safety, either of the two Elected General Members, or both the Retired and Alternate Retired members.

This is a meeting of the Actuarial Committee if a quorum of the Actuarial Committee attends, and it is a meeting of the Board if a quorum of the Board attends. This is a joint meeting of the Actuarial Committee and the Board if a quorum of each attends.

Board and Committee agendas and minutes and all documents distributed to the Board or a Committee in connection with a public meeting (unless exempt from disclosure) are posted online at www.acera.org and also may be inspected at 475 14th Street, 10th Floor, Oakland, CA 94612-1900.

Public comments are limited to four (4) minutes per person in total. The order of the items on the agenda is subject to change without notice.

Note regarding accommodations: If you require a reasonable modification or accommodation for a disability, please contact ACERA between 9:00 a.m. and 5:00 p.m. at least 72 hours prior to the meeting at accommodation@acera.org or at 510-628-3000.

OPERATIONS COMMITTEE/BOARD MEETING

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Call to Order: 9:30 a.m.

Roll Call

Public Input (Time Limit: 4 minutes per speaker)

Action Items: Matters for Discussion and Possible Motion by the Committee

None

Information Items: These items are not presented for Committee action but consist of status updates and cyclical reports

1. Operating Expenses as of 04/30/2023

-Erica Haywood

2. Elections Follow up

-Lisa Johnson

Trustee Remarks

Future Discussion Items

July (to be presented at Board Meeting)

- Operating Expenses as of 05/31/2023

August

- Voluntary Elected Member Employer Reimbursement Policy Review, discussion and possible motion to renew the Voluntary Elected Member Employer Reimbursement Policy, with or without revisions
- Electronic Tablet policy review, discussion and possible motion to renew the Electronic Tablet policy, with or without revisions
- MMRO Annual Report

Establishment of Next Meeting Date

August 2, 2023, at 9:30 a.m.

Adjournment



MEMORANDUM TO THE OPERATIONS COMMITTEE

DATE: June 7, 2023

TO: Members of the Operations Committee

FROM: Erica Haywood, Fiscal Services Officer *EH*

SUBJECT: Operating Expenses and Budget Summary for the period ended April 30, 2023

ACERA's operating expenses are \$95K under budget for the period ended April 30, 2023. Budget overages and surpluses worth noting are as follows:

Budget Overages

1. *Staffing*: Staffing is \$29K over budget. This amount comprised surpluses in fringe benefits of (\$190K), and staff vacancies of (\$143K), offset by overages in temporary staffing of \$108K and 5% staff vacancy adjustment of \$254K.
2. *Board of Retirement*: Board of Retirement is \$54K over budget in board conferences and trainings due to timing.

Budget Surpluses

3. *Staff Development*: Staff Development is \$41K under budget in savings from unattended staff trainings and conferences.
4. *Professional Fees*: Professional fees is \$50K under budget. This amount comprised surpluses in actuarial fee of (\$40K), legal fee of (\$16K), offset by overage in consultant fees of \$6K.
5. *Office Expense*: Office Expense is \$37K under budget. This amount comprised surpluses in bank charges of (\$14K), building expenses of (\$21K), equipment lease/maintenance of (4K), office supplies/maintenance of (\$4K), and printing & postage of (\$3K), offset by overages in communications of \$7K, and minor equipment and furniture of \$2K.
6. *Member Services*: Member Services are \$48K under budget. This amount comprised surpluses in disability legal arbitration & transcripts of (\$18K), disability medical expense of (\$21K), and member printing & postage of (\$9K).
7. *Systems*: Systems are \$2K under budget. This amount comprised surpluses in business continuity expenses of (\$4K), and software maintenance & support of (\$10K), offset by overage in minor computer hardware of \$12K.

Staffing Detail

Vacant positions as of April 30, 2023:

Department	Position	Qty	Comments
Benefits	Retirement Benefits Specialist	1	Vacant - currently budgeted for the year
Benefits	Sr. Retirement Technician	2	Vacant - currently budgeted for the year
Fiscal Services	Retirement Accountant II	1	Vacant - currently budgeted for the year
Investments	Investment Admin Specialist	1	Vacant - currently budgeted for the year
PRISM	Retirement System Program Analyst	1	Vacant – currently budgeted for the year
	Total Positions	6	

Pension Administration System Project - as of April 30, 2023					
	Year-To-Date				
	Actual	Budget	Variance	2023 Budget	2019-22 Actual
Consultant Fees					
Levi, Ray and Shoup	\$ 203,972	\$ 375,000	\$ (171,028)	\$ 1,500,000	\$ 2,533,989
Segal and other consultant fees	204,115	120,000	84,115	480,000	1,632,042
Other expenses	-	-	-	-	1,500
Leap Technologies	-	-	-	-	98,970
Total	408,087	495,000	(86,913)	1,980,000	4,266,501
Staffing	189,680	174,000	15,680	696,000	2,158,220
TOTAL	\$ 597,767	\$ 669,000	\$ (71,233)	\$ 2,676,000	\$ 6,424,721

Attachments:

- Total Operating Expenses Summary
- Professional Fees – Year-to-Date – Actual vs. Budget
- Actual Operating Expenses comparison with last year



ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

TOTAL OPERATING EXPENSES SUMMARY

YEAR TO DATE - ACTUAL VS. BUDGET					
<u>April 30, 2023</u>					
	<u>Actual</u>	<u>Budget</u>	<u>YTD</u>	<u>2023</u>	<u>% Actual to</u>
	<u>Year-To-Date</u>	<u>Year-To-Date</u>	<u>Variance</u>	<u>Annual</u>	<u>Annual Budget</u>
			<u>(Under)/Over</u>	<u>Budget</u>	
Staffing	\$ 5,236,823	\$ 5,207,380	\$ 29,443	\$ 16,224,000	32.3%
Staff Development	42,856	84,160	(41,304)	367,000	11.7%
Professional Fees (Next Page)	400,909	450,740	(49,831)	1,301,000	30.8%
Office Expense	117,265	154,460	(37,195)	469,000	25.0%
Insurance	187,697	187,720	(23)	579,000	32.4%
Member Services	110,894	158,880	(47,986)	522,000	21.2%
Systems	411,247	413,560	(2,313)	1,223,000	33.6%
Depreciation	39,846	39,920	(74)	120,000	33.2%
Board of Retirement	217,892	163,480	54,412	614,000	35.5%
Uncollectable Benefit Payments	-	-	-	53,000	0.0%
Total Operating Expense	\$ 6,765,429	\$ 6,860,300	\$ (94,871)	\$ 21,472,000	31.5%



ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

PROFESSIONAL FEES

YEAR TO DATE - ACTUAL VS. BUDGET

April 30, 2023

	<i><u>Actual</u></i> <i><u>Year-To-Date</u></i>	<i><u>Budget</u></i> <i><u>Year-To-Date</u></i>	<i><u>YTD Variance</u></i> <i><u>(Under)/Over</u></i>	<i><u>2023</u></i> <i><u>Annual</u></i> <i><u>Budget</u></i>	<i><u>% Actual to</u></i> <i><u>Annual Budget</u></i>
<i>Professional Fees</i>					
Consultant Fees - Operations and Projects ¹	\$ 117,442	\$ 111,280	\$ 6,162	\$ 354,000	33.2%
Actuarial Fees ²	152,923	193,100	(40,177)	653,000	23.4%
External Audit ³	96,400	96,400	-	144,000	66.9%
Legal Fees ⁴	34,144	49,960	(15,816)	150,000	22.8%
Total Professional Fees	\$ 400,909	\$ 450,740	\$ (49,831)	\$ 1,301,000	30.8%

	<i><u>Actual</u></i> <i><u>Year-To-Date</u></i>	<i><u>Budget</u></i> <i><u>Year-To-Date</u></i>	<i><u>YTD Variance</u></i> <i><u>(Under)/Over</u></i>	<i><u>2023 Annual</u></i> <i><u>Budget</u></i>	<i><u>% Actual to</u></i> <i><u>Annual Budget</u></i>
<i>¹ CONSULTANT FEES - OPERATIONS AND PROJECTS:</i>					
Administration					
Strategic Planning	6,730	-	6,730	-	0.0%
Total Administration	6,730	-	6,730	-	0.0%
Benefits					
Alameda County HRS (Benefit Services)	42,000	42,000	-	126,000	33.3%
Segal (Benefit Consultant/Retiree Open Enrollment)	43,000	43,680	(680)	131,000	32.8%
Total Benefits	85,000	85,680	(680)	257,000	33.1%
Fiscal Services					
Cashlog	-	-	-	20,000	0.0%
Total Fiscal Services	-	-	-	20,000	0.0%
Human Resources					
Lakeside Group (County Personnel)	25,712	25,600	112	77,000	33.4%
Total Human Resources	25,712	25,600	112	77,000	33.4%
Total Consultant Fees - Operations	117,442	111,280	6,162	354,000	33.2%

<i>² ACTUARIAL FEES</i>					
Actuarial Valuation	42,500	42,500	-	85,000	50.0%
Actuarial Audit	5,000	45,000	(40,000)	135,000	3.7%
GASB 67 & 68 Valuation	-	-	-	52,000	0.0%
GASB 74 & 75 Actuarial	-	-	-	16,000	0.0%
Actuarial Standard of Practice 51 Pension Risk	-	-	-	30,000	0.0%
Supplemental Consulting	83,423	83,600	(177)	251,000	33.2%
Supplemental Retiree Benefit Reserve valuation	22,000	22,000	-	44,000	50.0%
Triennial Experience Study	-	-	-	40,000	0.0%
Total Actuarial Fees	152,923	193,100	(40,177)	653,000	23.4%

<i>³ EXTERNAL AUDIT</i>					
External audit	80,400	80,400	-	121,000	66.4%
GASB 67 & 68 audit	8,000	8,000	-	11,000	72.7%
GASB 74 & 75 audit	8,000	8,000	-	12,000	66.7%
Total External Audit Fees	96,400	96,400	-	144,000	66.9%

<i>⁴ LEGAL FEES</i>					
Fiduciary & Litigation	11,594	25,000	(13,406)	75,000	15.5%
Tax and Benefit Issues	4,290	8,320	(4,030)	25,000	17.2%
Miscellaneous Legal Advice	18,260	16,640	1,620	50,000	36.5%
Total Legal Fees	34,144	49,960	(15,816)	150,000	22.8%

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
TOTAL EXPENDITURES VS. PRIOR YEAR ACTUAL
For the Four Months Ending 4/30/2023

	<u><i>For the Month of April 2023</i></u>	<u><i>For the Month of April 2022</i></u>	<u><i>Variance</i></u>	<u><i>Year-To-Date 2023</i></u>	<u><i>Year-To-Date 2022</i></u>	<u><i>Variance</i></u>
STAFFING						
Salaries	827,987	825,027	2,960	3,359,988	3,218,787	141,201
Fringe Benefits	404,711	347,124	57,587	1,718,862	1,686,864	31,998
Temporary Staffing Cost	40,521	38,802	1,719	157,973	135,733	22,240
Staffing Total	<u>1,273,219</u>	<u>1,210,953</u>	<u>62,266</u>	<u>5,236,823</u>	<u>5,041,384</u>	<u>195,439</u>
STAFF DEVELOPMENT	8,751	12,219	(3,468)	42,856	62,590	(19,734)
PROFESSIONAL FEES						
Actuarial Fees	25,900	16,600	9,300	152,923	128,316	24,607
Consultant Fees - Operations	27,712	35,817	(8,105)	117,442	143,267	(25,825)
Consultant Fees - Legal	6,844	14,248	(7,404)	34,144	33,895	249
External Audit	24,100	23,600	500	96,400	94,400	2,000
Professional Fees Total	<u>84,556</u>	<u>90,265</u>	<u>(5,709)</u>	<u>400,909</u>	<u>399,878</u>	<u>1,031</u>
OFFICE EXPENSE						
Bank Charges & Misc. Admin	4,831	11,454	(6,623)	19,249	45,049	(25,800)
Building Expenses	1,397	511	886	5,797	2,452	3,345
Communications	8,334	11,463	(3,129)	35,579	44,949	(9,370)
Equipment Lease/Maintenance	11,699	9,953	1,746	35,223	36,391	(1,168)
Minor Equipment and Furniture	1,023	130	893	6,359	2,620	3,739
Office Supplies/Maintenance	1,813	679	1,134	10,689	4,538	6,151
Printing & Postage	1,031	1,358	(327)	4,369	4,678	(309)
Office Expense Total	<u>30,128</u>	<u>35,548</u>	<u>(5,420)</u>	<u>117,265</u>	<u>140,677</u>	<u>(23,412)</u>
INSURANCE	46,924	44,286	2,638	187,697	177,145	10,552
MEMBER SERVICES						
Disability - Legal Arbitration & Transcripts	0	0	0	(3,283)	7,942	(11,225)
Disability Medical Expense	9,650	15,610	(5,960)	43,450	41,074	2,376
Disability Claims Management	3,850	3,850	0	15,400	15,400	0
Health Reimbursement Acct. (HRA)	5,325	5,058	267	22,541	22,078	463
Member Training & Education	427	419	8	1,870	1,859	11
Printing & Postage - Members	883	4,948	(4,065)	9,288	29,419	(20,131)
Virtual Call Center	5,422	0	5,422	21,628	0	21,628
Member Services Total	<u>25,557</u>	<u>29,885</u>	<u>(4,328)</u>	<u>110,894</u>	<u>117,772</u>	<u>(6,878)</u>

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
TOTAL EXPENDITURES VS. PRIOR YEAR ACTUAL
For the Four Months Ending 4/30/2023

	<i>For the Month of April 2023</i>	<i>For the Month of April 2022</i>	<i>Variance</i>	<i>Year-To-Date 2023</i>	<i>Year-To-Date 2022</i>	<i>Variance</i>
SYSTEMS						
Business Continuity Expense	(4,782)	17,037	(21,819)	91,982	64,521	27,461
County Data Processing	10,881	10,394	487	43,547	41,521	2,026
Minor Computer Hardware	4,379	367	4,012	25,482	10,044	15,438
Software Maintenance & Support	61,401	57,773	3,628	250,236	238,142	12,094
Systems Total	<u>71,879</u>	<u>85,571</u>	<u>(13,692)</u>	<u>411,247</u>	<u>354,228</u>	<u>57,019</u>
DEPRECIATION						
Depreciation Expense	9,961	10,392	(431)	39,846	41,567	(1,721)
BOARD OF RETIREMENT						
Board Compensation	2,800	2,800	0	7,400	7,200	200
Board Conferences & Training	65,748	720	65,028	79,852	9,835	70,017
Board Employer Reimbursement	29,660	28,250	1,410	123,240	118,605	4,635
Board Miscellaneous Expense	2,791	1,072	1,719	6,358	3,766	2,592
Board Software Maint. & Support	1,042	986	56	1,042	3,943	(2,901)
Board of Retirement Total	<u>102,041</u>	<u>33,828</u>	<u>68,213</u>	<u>217,892</u>	<u>143,349</u>	<u>74,543</u>
GRAND TOTALS	<u><u>1,653,016</u></u>	<u><u>1,552,947</u></u>	<u><u>100,069</u></u>	<u><u>6,765,429</u></u>	<u><u>6,478,590</u></u>	<u><u>286,839</u></u>



MEMORANDUM TO THE OPERATIONS COMMITTEE

DATE: June 7, 2023

TO: Members of the Operations Committee

FROM: Lisa Johnson, Assistant Chief Executive Officer *Lisa Johnson*

SUBJECT: **Elections Follow-Up**

During the June 1, 2022 Operations Committee meeting, staff was directed to return to the August 3, 2022 meeting with ideas on how to improve voter turnout for the year 2022 ACERA election. Staff presented past voter participation rates and ideas to bolster voter participation through changes to voter outreach communications strategies. Some of those changes were employed in the 2022 election. The rate of voter participation increased in 2022 to 24.56% from 9.20% in election 2021 and 9.77% in 2019.

Ballot mailing was also raised as a key concern in 2022. Staff was asked to research online and hybrid voting options for future elections. That research has begun. County Registrar of Voters is unable to offer online voting, however staff has identified and met with another elections vendor who does currently run online and hybrid elections for other boards, one being another California employee's retirement system board for which the vendor has run three elections, one hybrid. Hybrid elections provide a paper and an online option for voting.

Staff is following up to seek direction on whether the committee is still interested in learning more about hybrid and/or online voting as a method for future ACERA elections.