





What's Up?

Retirement-Ready Checklist

As active, working members, it is difficult to fit in time for retirement planning. So to help you out, here's a checklist of areas to think about and take action on (if they apply to you).

Planning Ahead 

Preparing to Retire 

Planning Ahead

- **Attend an ACERA Seminar:** Whatever phase of ACERA membership you may be in, we have a seminar to help educate you on all areas of your retirement benefits. They usually last a couple hours and contain valuable information to assist with your planning. See www.acera.org/seminars. We'll be adding deferred compensation training in 2018.
- **Ensure Maximum Service Credit:** Don't wait until retirement to find out you may have less service credit than you thought. Review your service credit amount in Web Member Services at www.acera.org/wms to make sure it matches the time you think you've earned. Here are some situations that might cause it not to match. Some of this time may be purchasable to increase your service credit:
 - » **Leave without pay:** Whether medical, military, or administrative leave, you may not have earned service credit during these periods. Unpaid medical and military leave during county employment are purchasable upon returning from leave. Administrative leave is generally not purchasable.
 - » **Comp time:** There may be periods of time when you took comp time, but service credit wasn't added to your membership. If this happened, it was most likely a system error; our staff will fix it if you request an audit of your account.
 - » **Separated service:** If your retirement account was divided at the time of divorce, the service credit and contributions equal to 50% of community property may have been transferred to a separate account for your ex-spouse. If they took a refund of the contributions, you are eligible to purchase this time (redeposit) and re-establish that service to your account.
 - » **Part-time service:** If you worked part-time prior to entering your membership, that service will not be added unless it's purchased. (If you went part-time during your membership, your service credit was earned at less than full-time for that period.)

Continued from cover page

If you have time that is eligible for purchase as service credit, see www.acera.org/service-credit for more information on how to make the purchase or request a service credit audit.

- Double Check Beneficiary Information:** Don't wait until you have a serious medical issue to think about providing for your loved ones. Make sure your beneficiary nomination and their contact information is current with ACERA. Your ACERA benefits are separate from your employer benefits and require a separate nomination. If you have minor children, make sure we know who their guardian would be in your absence. If you've recently divorced or are newly married, make sure to update this information with ACERA. Log in to ACERA's Web Member Services portal to review your beneficiary designations: www.acera.org/wms.
- Establish Reciprocity (if applicable):** Did you work for a public agency within California before starting with your current employer? Or did you leave an ACERA participating employer and go to work for another agency? You may be eligible for reciprocal benefits. If so, log into Web Member Services at www.acera.org/wms to verify that reciprocity is established. See www.acera.org/reciprocity for more info.
- Get an Estimate:** Log in to ACERA's Web Member Services portal to get an estimate of how much you will receive each month in retirement: www.acera.org/wms.

Preparing to Retire

If you are ready to retire within the next year, review our How to Retire page at www.acera.org/how-retire. Additionally, here are some important areas to consider:

- Get an Estimate:** Log in to ACERA's Web Member Services portal to get an estimate of how much you will receive each month in retirement: www.acera.org/wms. Do the same for other retirement accounts you may have such as deferred comp, Social Security, other reciprocal agency systems, 401(k)'s, etc.
- Understand Healthcare Options:** Are you aware of health care options as a retiree? It's not the same as active member coverage. Only retirees receive a medical plan subsidy at retirement based on years of service. The subsidy does not cover the entire premium in all cases and there is no subsidy towards spouse/dependent coverage. If you are moving out of the HMO service area, your medical coverage will be affected. Dental and vision plan coverages are also different. ACERA publishes Retiree Enrollment Guides each year providing comprehensive information on all available plan coverage levels, premiums, subsidies, and subsidy eligibility requirements. See www.acera.org/health-plans for more information.
- Get Your Documents In Order:** When you apply to retire we will need to have a lot of information from you including birth verification, SS card, and if applicable, marriage/domestic partnership documentation, divorce dissolution documentation, and proof of name change. See www.acera.org/documents-needed for a complete list.
- Turn in Your Retirement Application:** Applications to retire will be accepted within 60 days of your effective retirement date. If you're going straight from active work into retirement, your date of retirement is the day after your last day in pay status. See www.acera.org/applying for more information.



Message From the CEO

ACERA Chief Investment Officer Betty Tse Honored

We are thrilled that ACERA Chief Investment Officer (CIO), Betty Tse, has gained recognition for her outstanding work managing ACERA's portfolio for a second time in TrustedInsight magazine, a trade publication for institutional investors.

In 2016, TrustedInsight named Betty as one of the Top 30 Women Chief Investment Officers of that year. And again, this year they named her as one of the Top 30 Public Pension CIOs of 2017. ACERA stands out as one of the few county funds on a list of other CIO notables from state funds.

Betty recognizes the entire 10-member investment team as crucial to ACERA's portfolio success, and all played a part in earning this honor.

Strong Investment Returns

According to a recent public fund universe analysis prepared by investment consulting firm RVK, ACERA's 16.0% return (net of fees) for the year ending June 30, 2017 ranks ACERA's total fund as #1 among all the twenty '37 act counties in California and #3 in the entire universe of public funds. See more at www.acera.org/news.

Partnership With Deferred Compensation

ACERA will begin a partnership with the deferred compensation program in January to offer expanded retirement planning training as part of our retirement planning seminar series. Each seminar will feature instruction on how to utilize deferred compensation to help you achieve income replacement when you retire. Check www.acera.org/seminars for more information.

Process Improvement

We are constantly striving to provide you with efficient, outstanding service. In that spirit, we are excited to be implementing Lean Process Improvement Methodology. After team members receive comprehensive training in the methodology, we will examine and streamline our processes to ensure our service is customer focused and as efficient as possible.

Sincerely,

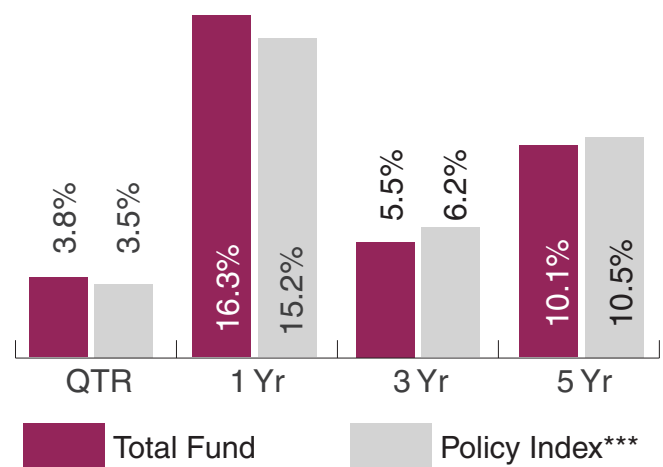
Dave Nelsen
Chief Executive Officer

Investment - 2nd Quarter 2017

During the second quarter of 2017, the Retirement Board approved the finalist for the passive index manager search for the U.S. and International Equity asset classes. The Board authorized staff to negotiate an extension of the custody contract with our custodian bank. Additionally, the Board authorized a search for a U.S. Small Cap Equity Growth Manager. In May, the Board approved increasing the passive asset allocation to 80% from 70% and decreasing the large cap managers' from 10% to 5%. The Board also approved increasing the small cap managers' allocation from 4% to 5% for the U.S. equity asset class and removing the All Cap Core which is at 2%. In June, the Board adopted the recommendation to invest \$10.0 million in a new fund with an existing real estate manager.

For the quarter ending June 30, 2017, ACERA's Total Fund had gross returns of 3.8%—ranking it in the 8th percentile among its peers—and finished the second quarter at a market value of \$7.6 billion. Domestic Equities returned 3.6% (21st percentile), International Equities returned 6.3% (57th percentile), and Fixed Income returned 2.8% (19th percentile) in the quarter. ACERA's Real Estate managers composite and Private Equity and Alternatives Return Leading Strategies* (PEARLS) composite returned 3.1% and 3.1% respectively, during the second quarter. Gross return for the Real Assets class was -4.7%. ACERA is a long term investor with a well-diversified portfolio and has generated 8.8% annualized returns over the last 25 years, ranking it in the 2nd percentile among its peers.

Investment Returns for 2nd Quarter, 2017**



*Real Estate and PEARLS composite returns are subject to a quarter lag in reporting results.

**Returns for periods greater than one year are annualized. Results of all publicly traded investments are presented in a format consistent with the CFA Institute's Global Investment Performance Standards®.

***As of December 2012, the Policy Index is 32% Russell 3000/ 11.25% Barclays Aggregate/ 2.25% Citigroup WGBI - ex US/ 1.5% Barclays High Yield/ 27% MSCI ACWI - ex US IMI/ 6% ODCE/ 15% Russell 3000 + 100 bps (net)/ 5% Core CPI + 300 bps.

Strengthening Your Health Through Positive Recognition

Cultivating moments of positive awareness has been found to be a simple and quick practice with an abundance of health benefits. In five separate controlled studies, ranging from Northwestern University in Chicago to UC San Francisco, researchers have found that Positive Affect Training for patients in a health crisis led to greater rates of recovery, remission, and general happiness when they practiced what Dr. Judith T. Moskowitz calls the skills to foster positive emotions¹. Positive Affect Training is simple exercises to recognize positive aspects in your life.

Whether you're recovering from cancer², living with type 2 diabetes³, or trying to decrease the effects of aging⁴, practicing positive recognition tends to be habit forming, and this new habit can reduce symptoms associated with heart health, stress, and depression. Practicing positive observation not only uplifts your mental health but also your projected lifespan and quality of life.

Even if you believe your natural state is a negative one, **just like anything else in life, positive recognition is a skill that anyone can learn. The first steps are basic:**

▶ A Few Ways To Begin

- ▶ Take a moment to recognize the small acts of kindness from others
- ▶ Perform one small act of kindness, even as simple as opening a door for someone, and write it down

- ▶ List your strengths and how you use them
- ▶ Try a short guided breathing exercise: bit.ly/breathing101
- ▶ Set an attainable goal and keep track of your progress
- ▶ Savor an event by sharing it with another. Or at bedtime, list out a few positive events from the day.
- ▶ You can see that Positive Affect Training techniques are basic and achievable. Get more techniques at www.acera.org/positive-affect.

▶ The Results

As an expansive study at the Yale School of Public Health shows, your body (specifically the C-reactive proteins within it) has reduced levels of inflammation when you maintain a positive perception of yourself⁴. Less inflammation in your body means your heart and body are less stressed and able to function at their best. When you start practicing the skills to foster your recognition of positive aspects of your life, not only you, but those close to you will begin to reap the benefits of your outlook.

1. <http://bit.ly/acera55> 2. <http://bit.ly/acera58> 3. <http://bit.ly/acera56> 4. <http://bit.ly/acera59>



RETIREE PAGE Ensure Your Beneficiaries & Survivors Are Prepared with a Survivor Checklist



After the death of a loved one, many people find themselves overwhelmed with the tasks to be completed.

ACERA has created this checklist to assist survivors with issues they may need to address. This checklist is not a definitive list of all matters of immediate concern upon death, so you may want to add your own items. You may also want to create a contact list of banks, insurance companies, and all other applicable institutions. Keep a copy of the contact list and the checklist below in your files to assist your beneficiary(ies). Find the checklist in digital format at www.acera.org/survivor-checklist.

Additionally, ensure your beneficiary information is up to date by reviewing your ACERA Web Member Services account at www.acera.org/wms.

When an ACERA member dies, survivors should consider the following:

- Gather all pertinent information** and identification numbers for immediate reference (full name, date of birth, place of birth, address at time of death, place of death, Social Security number, VA number, Medicare number, insurance policy numbers, etc.).
- Contact funeral home:** Contact the member's preferred funeral home to coordinate burial and/or memorial services. Request numerous copies of the original certified death certificate.
- Notify ACERA** of the death at www.acera.org/report-death or by calling 510-628-3000.
 - » The member's benefit will be paid up to the day in which the member dies. Any overpayments will need to be collected. Any benefits not yet paid will

be paid out to the member's beneficiary(ies).

- » If eligible, the beneficiary(ies) entitled to the death benefits will be mailed a letter requesting the document(s) ACERA needs prior to issuing payment. ACERA will need at least one original certified copy of the death certificate (we'll return it).
- » Upon receipt of the requested document(s), the death benefits will be paid to the beneficiary(ies). In total, the process can take approximately 2 to 3 months.

No need to notify health insurance carriers. We will notify medical, dental, and vision carriers for you.

- Notify life insurance carriers** through any employers, credit unions, or other associations of which the deceased was a member.
- Contact any other retirement plans** such as a deferred compensation (457b or 401k), IRAs or other pension systems from which the member was receiving benefits.
- Contact the nearest Social Security Administration office** to determine whether there are any benefits forthcoming.
- Contact the deceased's financial institutions and banks** regarding her/his accounts and ask about such matters as safety deposit boxes, death benefits, and outstanding loans.
- Contact the Veterans' Affairs office** if the member was a veteran to check on possible death benefits.

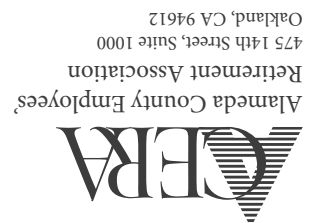
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31						
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Feb.				1	2	3
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18	19	20	21	22	23	24
25	26	27	28			

- December 21 Retirement Board Meeting | 2:00 PM
- December 29 Check & Direct Deposit Payable Date
- January 04 Pre-Retirement Seminar | 9:00 AM
- January 18 Medicare Transition Seminar | 9:30 AM
- January 18 Retirement Board Meeting | 2:00 PM
- January 31 Check & Direct Deposit Payable Date
- February 01 Pre-Retirement Seminar | 9:00 AM
- February 15 Retirement Board Meeting | 2:00 PM
- February 28 Check & Direct Deposit Payable Date

Retirement Board Meetings are usually on the third Thursday of each month. C.G. "Bud" Quist Board Room 10th Floor; 2:00 PM.
Website: www.acera.org | Telephone: 510-628-3000 | 1-800-838-1932

All seminars are held at ACERA, 475 14th Street, 11th Floor, Oakland.
 To register, visit www.acera.org and click on Retirement Planning Seminars in the Events menu. Guests welcome.

- George Wood
- Darryl L. Walker Sr., *Alternate Safety*
- Elizabeth Rogers
- Nancy Reilly, *Alternate Retiree*
- Henry C. Levy
- Liz Koppenhaver
- Tarrell V. Gamble, *1st Vice Chair*
- Keith Carson
- Annette Cain-Darnes, *2nd Vice Chair*
- Ophelia B. Basgal
- Dale E. Amaral, *Chair*
- Board of Retirement
- Dave Nelsen
- Chief Executive Officer



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