

# Minutes of the Meeting of the Board of Directors Retired Employees of Alameda County

Monday, November 13, 2017

Health Care Services Agency Building, Room 242, 1000 San Leandro Blvd., San Leandro, CA

Mary Miller, board treasurer and acting president of the board, called the meeting to order at 9:30 AM.

**Roll Call:** Mary Miller, Marian Breitbart, Jerry Jacobs, Rosalie Masuda, Liz Koppenhaver, and Mike Smart were present. Also, Jon Orellana, director emeritus; Nancy Reilly, member and ACERA alternate retired board member; Renaye Johnson, member; Grant Hughes and Michael Fara, ACERA staff members; and Pete Albert, ACRE president, were present.

**Minutes:** The minutes of the October 9, 2017, board meeting were reviewed. It was moved by Liz and seconded by Mike that the minutes be approved as submitted. The motion was approved.

**Announcements and Communications:** Paul is out with shoulder surgery and will be unable to attend the SACRS conference. Liz will be attending the conference in her roll as ACERA board member. This conference is in Burlingame, so any board member wishing to attend can still register and do so. Liz also cautioned us that our minutes sometimes quote the ACERA minutes and we should make the distinction clear. Pete Albert reported that he will be attending. He also announced that ACRE is holding their holiday luncheon on December 8, 2017, at HS Lordships; and REAC board members are invited. He will send an e-mail with details.

## Reports

**ACERA:** Grant Hughes provided an investment update. As of June 30, the market value of investments was nearly \$7.6 billion and currently exceeds \$7.8 billion. Performance of the fund over the last year was 16.295% on a gross basis, ranking us at second out of 100 comparable public funds tracked by InvestorForce Universe and compares to a median of 12.85%. Over the ten-year period, which still includes the 2008 financial crisis, however, returns were 5.74% ranking us at twenty-four out of 100. Over the twenty-five-year term, ACERA gross returns were 8.85% and again ranked second out of 100. The industry magazine recognized Betty Tse as one of the top thirty investment officers.

Mike Fara reported that the SRBR is forecast to last another twenty-two years based on interest earnings only. ACERA now has access to a “wellness” consultant to help increase wellness offerings. ACERA has 1,200 on its e-mail subscription list and communicates through ACERA’s *Your Wellness* web site, e-mail blasts, newsletters, and payroll staffers.

The health fair was a success with attendance reported to be about 100 more than last year’s attendance of 400.

ACERA’s contract with Extend Health/OneExchange, to provide retiree assistance to find and enroll in individual medical coverage through the health exchange, is up for renewal January 2019; and ACERA will be conducting an RFP.

OneExchange will not be offering the Cigna Prescription Drug Plan next year due to a substantial increase in premiums. Those currently enrolled have been notified, and retirees should contact OneExchange for alternatives.

Liz reminded us that the ACERA actuarial committee meeting is on December 21, 2017. A primary matter of concern is the interest rate assumption going forward.

**Treasurer's Report:** Mary distributed copies of REAC's October 31, 2017, Treasurer's Report. The checkbook balance stands at \$18,460.51 and total assets at \$93,292.18. Transfers will be made between the operating account and the account established for the CRCEA conference after a final reconciliation.

Mary has been advised that REAC's director's and officer's insurance will not be renewed, but the insurance broker is looking for a replacement policy.

Liz moved that the October 2017 treasurer's report be approved as submitted. Mike seconded the motion, and the motion was approved.

**CRCEA:** Jerry reported that there were sixty-five paid attendees at the CRCEA 2017 Fall Conference, and nineteen of the twenty counties were represented.

**SACRS:** There was no new information to report.

**Retirement Board:** There was no additional information to report.

**Health Care:** Flu season is once again upon us. Kaiser is automatically providing the stronger version of the vaccine to individuals age sixty-five and older.

**Activities:** Feedback on the fall luncheon was generally favorable although there was some concern about members with mobility issues navigating the buffet. One possibility is to recruit volunteers to help these individuals. The buffet is considerably cheaper than a full service luncheon.

**Membership and Recruitment:** Membership at the end of October 2017 stood at 4,129.

**REAC News:** Mary will include information on the health of the system, the See's Candy program, CRCEA, and a call to the annual meeting and interest in serving on the board in the next newsletter.

**Investment Committee:** There was no additional information to report.

**New Business:** Steve reported that he spoke with a retiree who expressed interest in joining the REAC board and that she was considering attending next month's board meeting.

**Other Reports:** There was no additional information to report.

**Old Business:** It was agreed that the first topic of discussion at the December 11 board meeting will be the board's 2017-18 goals and objectives and to begin the meeting at 9:00 AM.

**New Business:** The Nominating Committee will be comprised of Marian Breitbart, Liz Koppenhaver, and Paul Reeves. There are currently two vacancies on the board, and terms expire in March for Rosalie Masuda, Mary Miller, and Mike Smart.

**For the Good of the Order:** No additional items to report

Mary adjourned the meeting at 11:05 AM.

Respectfully submitted by Marian Breitbart

## **Next Meeting**

Monday, December 11, 2017, 9:00 AM

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