



The Official
Monthly Publication of the
Retired Employees of Alameda County, Inc.
P.O. Box 302, Oakland, CA 94604

REAC NEWS

VOLUME 40 NUMBER 5

MAY 2018

DIRECTORS' COMMENTS BY MARY MILLER, TREASURER AND ACTING PRESIDENT

Your REAC Board of Directors held their regular meeting on April 9, 2018 and heard updates from ACERA staff as well as board members who attended ACERA Board committee meetings. The ACERA Board members were especially appreciative of having REAC Board members participate in their Health Care Planning Meeting on March 15th where they reviewed responses to the Request for Proposal to manage the Retiree Individual Medical Plan Marketplace. The Committee members will make a recommendation to the full ACERA Board regarding selection of a vendor to administer this benefit. The report on the status of the Supplemental Retirees Benefit Reserve (SRBR) was welcome news. As of December 31, 2017 the ending balance of the SRBR account was \$893.8 million. This figure is net of having received \$66.7 million in interest and covering \$47.3 million in deductions and transfers during the year. In addition to the Health Care Committee, REAC Board members attended the ACERA Investment Committee. At that meeting, discussion of investments in various funds

were held with performance reviewed. Information was conveyed that ACERA continued to do well in the fourth quarter of 2017 due to its allocation between US and international investments as well as growth versus value. Net returns for 2017 were 19.2%.

The REAC Board also accepted the resignation of membership chair Jerry Jacobs whose contributions will be missed. While other board members will pick up the tasks previously done by Jerry, we will need to fill this position. Please be reminded that members are invited to attend the REAC board meetings even if not considering joining the board. All are welcome.

ACERA Investment Report

ACERA reported in its March Performance Report that the fund has lost \$81,139,113. The total fund returned -.77%. The total market value of the fund at the end of March was \$8,116,687,768.

REAC BOARD MEETINGS

May 14, 2018

(Monday) 9:30 AM
Ala. Cty. Health Care #242
1000 San Leandro Blvd.
San Leandro

June 11, 2018

(Monday) 9:30 AM
Ala. Cty. Health Care #242
1000 San Leandro Blvd.
San Leandro

<http://reacsite.org>
reacwebsite@gmail.com

ACERA TRUSTEES MEETINGS

May 17, 2018

(Thursday) 2:00 PM
475 14th Street, Oakland

June 14, 2018

(Thursday) 2:00 PM
475 14th Street, Oakland

www.acera.org

WELCOME NEW MEMBERS

Jacquelyn Alberto
Melanie Bruno
Joan Callahan
Lenetta Champion
Kathleen Famulener
Albert Garrett
Juan B. Hernandez
Cheryl Jack
Donald Madsen
Carmen Magallanes-Ordaz
Rock Medeiros
Charlotte Triggs
David Walton

Save The Date for the Fall Luncheon

October 8, 2018

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS, RETIRED EMPLOYEES OF ALAMEDA COUNTY, MONDAY, APRIL 9, 2018

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

Mary Miller, Treasurer and acting President of the Board, called the meeting to order at 9:30 a.m.

ROLL CALL: Mary Miller, Marian Breitbart, Paul Reeves, Renaye Johnson, Mike Smart, Jerry Jacobs, and Rosalie Masuda were present. Michael Fara, ACERA staff member, Nancy Reilly, member and ACERA alternate retired board member, and REAC members Jerry Jacobs, and Connie Land were also present.

MINUTES: Minutes of the March 12, 2018 meeting were reviewed. A few typos were noted in the minutes. Paul will make the corrections and have the corrected minutes added to the website. A motion was made by Marian and seconded by Mike that the minutes be approved as corrected. The motion was passed with one abstention.

ANNOUNCEMENTS: Jerry reported that he received a few calls from older retirees who wanted to cancel their REAC membership. According to Jerry, the retirees wanted to cancel their membership because they no longer knew any of the individuals who were being referenced in the Newsletter.

Jerry explained that the value of REAC membership, in addition to

the monthly Newsletter, is having an advocate and a collective voice that represents retirees. All retirees could, if they had the time, attend the many meetings held daily, weekly, and monthly at ACERA. They could participate in those discussions, and give voice to their issues and concerns. Unfortunately that is not a practical option for many retirees.

REAC Board members attend those meetings. They participate in those discussions, they review and track pending state and federal legislation, legislation that often seeks to eliminate, or to significantly reduce Defined Benefit Plans. Further, REAC Board members also review and monitor ACERA expenditures and provide a host of other services all of which are designed to assist and benefit retirees.

REAC closely monitors, and seeks to protect, the Supplemental Retiree Benefit Reserve (SRBR) against attempts to divert the fund from its legal purpose of providing cost of living increases, medical, dental and other benefits to retirees and beneficiaries. REAC also assists retirees and beneficiaries with any problems they might have in obtaining medical benefits or reimbursement. REAC assists survivors in the transfer of benefits to them after the death of a spouse or relative.

The Board then discussed how best to recruit new retirees by ensuring they are advised of the role REAC plays in the maintenance of their retirement benefits.

Reports

ACERA: Michael Fara reported on the April 4, 2018, Retirees Committee meeting. There was one Action item and three Information items. The action item concerned the Retiree Individual Medical Plan Marketplace Request for Proposal Results and Recommendation. ACERA Staff recommended that the Retirees Committee recommend to the Board of Retirement that they approve Staff's recommendation to award a contract for Retiree Individual Medical Plan Marketplace services to the selected firm with the highest rating as a result of the Request for Proposal process for Plan Year 2019. The select firm will not be made public until the Board of Retirement Meeting.

The first information item was the Supplemental Retiree Benefit Reserve Financial Status report. For the six-month period ending December 31, 2017, the total interest credited to the SRBR was approximately \$33.5 million. The net deductions from the SRBR were approximately \$21.0

million. For the twelve-month period from January 1, 2017 to December 31, 2017, the total interest credited to the SRBR amounted to \$66.7 million and the net transfers and deductions from the SRBR were approximately \$47.3 million.

The second information item was a report on the Annual Health Care Planning Meeting with Retiree Groups. ACERA Staff provided a report on its annual meeting with retirees regarding ACERA-Sponsored health plan issues.

The third information item concerned reminder notices which were sent by Via Benefits (formerly OneExchange) to members who still have a balance in the Health Reimbursement Accounts for plan Year 2017. Via Benefits also provided ACERA's Health Care Unit WebEx training on its new Gateway Portal. The Portal is a secured way of submitting member's issues or concerns to Via Benefits.

TREASURER'S REPORT: Mary distributed copies of REAC's March 31, 2018 Treasurer's Report. Receipts were \$6,464.55 and Disbursements were \$6,449.39. The only unusual expense was a \$2,335.01 payment to Fairview Metropolitan Golf Course for the REAC Spring luncheon. The check book balance stands at \$6,526.83. Mary also distributed copies of REAC's January-March 2018 1st Quarterly Report. Total Receipts for the quarter were \$64,515.00 and total Disbursements for the quarter were \$69,193.00.

Renaye motioned that the March 31, 2018 Treasurer's report be approved as submitted. Rosalie seconded the motion and the motion was approved. Rosalie then motioned that the REAC January-March 2018 1st Quarterly Report be approved as submitted. Mike seconded the motion and the motion was approved.

Mary reported that Douglas Taylor, the CPA which REAC has used in the past for our fiscal reviews, has agreed to perform the 2017 fiscal review, including the 2017 tax review. His charges will be the same as last year which was \$1,350.00. Paul motioned that REAC use Mr. Taylor's services to conduct our annual review, including taxes, for an amount not to exceed \$1,350.00. Marian seconded the motion and the motion was approved. Mary will send Paul a copy of Mr. Taylor's Engagement Letter, for his signature as Board Secretary.

CRCEA: Rosalie reminded the Board that she and Jerry Jacobs will be attending the CRCEA conference which is being held at the Fess Parker Double Tree in Santa Barbra from April 16-18, 2018.

SACRS: Nancy reminded the Board that both she and Liz would be attending the SACRS Spring conference which is being held at the Anaheim Marriott in Anaheim from May 15-18, 2018.

RETIREMENT BOARD: Nancy took a moment to thank the REAC Board for its participation in ACERA's

Annual Health Care Planning meeting which was held on March 5, 2018.

INVESTMENT COMMITTEE: Marian previously sent the Board a detailed report on the March 14, 2018 Investment Committee meeting. There were 3 Action items and 3 Information items. The first action item was a discussion of and possible motion to recommend to the Retirement Board that it make an additional investment of \$20 million in the Clarion LIT Fund as part of ACERA's Real Estate Portfolio Core. The second action item was a discussion of and possible motion to recommend to the Retirement Board that it make an additional investment of \$20 million in the Heitman Value Partners IV, LP Fund as part of ACERA's Real Estate Portfolio-Value Added. The third action item was a discussion of and possible motion to recommend to the Retirement Board to adopt a combined total investment of up to \$10 million in Khosla Ventures VI, L.P. and Khosla Ventures Seed D L.P. as part of ACERA's Private Equities Portfolio-Venture Capital.

The Information Items included a review of State Street Bank and Trust, and a Quarterly Performance Review for the fourth quarter of 2017-Equities and Fixed Income.

HEALTH CARE: Rosalie reported that the ACERA's Annual Health Care Planning meeting, which was held

on March 5, 2018, was well attended and provided a great deal of useful information.

ACTIVITIES: Rosalie gave a brief report on the results of the REAC Spring Luncheon and Annual Board meeting. The guest speaker was Kathy Mount, Chief Legal Counsel for ACERA. Rosalie reported that 140 individuals registered for the luncheon and 121 individuals attended. The total amount paid to Fairview Metropolitan Golf Course was \$3,960.00.

MEMBERSHIP AND RECRUITMENT: Jerry reported that there are currently 4126 members. Jerry then took a moment to explain the current process he uses as the Membership Chair. He felt the amount of work required, to do the reconciliation, produce membership cards, change addresses, etc., really required the support of a staff person and he recommended the Board consider hiring such a person.

He also agreed to cover the Membership responsibility for the current month.

REAC News: Mary will include information on the April 4, 2018 Retiree Committee meeting in the Newsletter as well as reminding our members of the need for additional Board members.

OLD BUSINESS: The review of the current job descriptions was carried over to the next Board meeting.

NEW BUSINESS: Election of Officers: The existing officers were nominated to serve another year in their current positions. Mary was nominated to serve as Treasurer, Marian was nominated to serve as Vice President, and Paul was nominated to serve as Secretary. Mike moved that the three incumbents be elected for another year, Rosalie seconded the motion, and the motion was approved.

Rosalie reminded the Board that the November 2018 Board meeting, originally scheduled for November 12, 2018, needed to be changed because that date is a County holiday. She informed the Board that she has already reserved the room for November 13, 2018 beginning at 9:30 a.m.

FOR THE GOOD OF THE ORDER: There are no additional items to report. Meeting adjourned at 11:59 a.m.

*Respectfully submitted by
Paul Reeves, Board Secretary*

Next Meeting

May 14, 2018, 9:30 a.m.

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

Share the 1st United Love, Earn \$50!

Refer your friends, family, co-workers—Anyone.
You both get \$50!



For more information, visit 1stunitedcu.org/referral.

Offer ends June 30, 2018. Federally insured by NCUA.

United
CREDIT UNION

CONGRATULATIONS ON YOUR RETIREMENT

ADAMIC, Jonathan
Assessor

ALEXANDER, Sue
Superior Court

BACALTOS, Racquel M.
General Services Agency

BAKER, Randy C.
Sheriff's Office – DEF

BROOK, Janette
Risk Management

CUMMINGS, Barbara
Health Care Services Agency

ENGLAND, Stephanie B.
District Attorney

HOM, Jean S.
Community Development Agency -
DEF

MAND, Malwinder S.
Health Care Services Agency

MORGAN, Wanda
Alameda Health System

MUIR, Ellen J.
Health Care Services Agency

ROOSHAN, Gertrude I.
Library

TURSI, Maria T.
Social Services Agency

WILSON, Ruth E.
Social Services Agency

WRIGHT, Thomas E.
Sheriff's Office

IN MEMORIAM

In deepest sympathy to the family and friends of the following retirees:

ALLYN, Phyllis
Social Services Agency
03/06/2018

BALOLONG, Efigenia
Alameda Health System
02/23/2018

BARFIELD, Gregory
J. General Services Agency
02/25/2018

BRASS-KING, Deborah
Social Services Agency
12/20/2017

DALESSI, Virginia M.
Social Services Agency
03/25/2018

DAVIS, Robert
Non-Member Survivor of June Davis
02/23/2018

HENRY, Aaron M.
Social Services Agency
03/17/2018

LEACH, Rosemary
Social Services Agency
02/17/2018

NEYAMA, Kiyoko
Non-Member Survivor of
Masaki Yamashita
03/05/2018

ROWNTREE, David T.
Information Technology
03/12/2018

SANTUCCI, Louis N.
Sheriff's Office
03/10/2018

SIMS, Nettie E.
Health Care Services Agency
12/08/2017

SMITH, Sylvia L.
Social Services Agency
03/02/2018

SWEENEY, Robert W.
Health Care Services Agency
02/14/2018

The surviving spouse of a member is eligible for REAC membership. To enroll, call Jerry Jacobs, membership chair, at (510) 835-5493.



REAC NEWS

Retired Employees of Alameda County
P.O. Box 302–Oakland, CA 94604
May 2018

ADDRESS SERVICE REQUESTED

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Oakland, CA

<p>REAC'S Mission</p> <p>The purpose of the Retired Employees of Alameda County (REAC) is to promote the common good and general welfare of Alameda County retired employees, subject to the County Employees Retirement Act of 1937, by promoting the interests of its members throughout the community by means of social, political, and educational activities that advance the social welfare of such retirees.</p> <p>Moving? Please fill out and mail this notice to the following address: REAC, P.O. Box 302, Oakland, CA 94604 or e-mail jmyjacobs@comcast.net</p> <p>Name: ----- New Address: ----- City/State: ----- Zip Code: ----- Date of Move: ----- Telephone: ----- Old Address: ----- 1/2018</p> <p>Also send change of address to ACERA: Alameda County Employees' Retirement Association (ACERA) 475 14th St., Ste. 1000, Oakland, CA 94612 Phone: 800-838-1932 or 510-628-3000</p> <p><i>Select Option 1 for the Retiree Benefits Unit (health, vision, dental, etc.)</i></p>	<p>REAC Officers and Directors</p> <ul style="list-style-type: none"> • Acting President: Mary Miller mmiller1948@gmail.com • Vice President: Marian Breitbart (510) 769-1604 • Secretary: Paul Reeves bongsaw@gmail.com • Treasurer: Mary Miller mmiller1948@gmail.com • Directors: <ul style="list-style-type: none"> Jerry Jacobs (510) 835-5493 Renaye Johnson (925) 286-0716 Liz Koppenhaver (510) 582-8550 Rosalie Masuda (510) 339-1307 Mike Smart mgsmart@comcast.net • Directors Emeriti: <ul style="list-style-type: none"> Barbara Jean Hallisey James J. Hartnett, Jr. Emily Shea Janet Waring Ken Moresi Jon Orellana
<p>Editor: Gina Palmer; Membership: Jerry Jacobs, (510) 835-5493; Printing and Mailing: Red Arrow Printing</p>	