

**Minutes of the Meeting of the Board of Directors  
Retired Employees of Alameda County  
Monday, May 13, 2024, 9:30 A.M.**

**Zoom Video Conferencing Board Meeting**

Alicia Baptista, President of the Board, called the meeting to order at 9:30 AM

**Roll Call:** Alicia Baptista, Dawn Stevenson, Liz Koppenhaver, Paul Reeves, Connie Land, Cynthia Baron, Kathy Foster, Marsha Rice were present. Charo Panesi-Guerra, REAC Member and Administrative Assistant, Pete Albert, ACRE President, Margaret Salimi, Member, Jose Alvarez, Member, Henry Levy, Alameda County Treasurer, ACERA Retirement Board Trustee, Deferred Compensation Plan Sponsor, and Jeff Hutson were present.

**Minutes:** Minutes of the April 8, 2024 REAC Board meeting were reviewed. Connie Land moved that the April 8, 2024, REAC Board Minutes be approved as submitted. Marsha Rice seconded the motion and the motion was approved.

**ACERA Retiree Income Replacement Analysis:** Henry Levy began his presentation by explaining that, in addition to his other roles, he is the head of the Deferred Compensation Program. In that capacity, he has become very interested in, and very concerned with, how prepared active employees are for their eventual retirement. He would like to survey REAC members to see what they did in their preparation for retirement. He wants to know what sort of planning they did and what things did they consider. Did they consider how much income they would have or how much income they would need once they retired? He wanted to know what sort of other income they may have had to offset the decrease in their income at the time of their retirement, and what percentage did the additional income represent when they retired. His goal is to help current employees be better prepared for their future retirement.

Once he knows the answers to those questions, he can then decide what sort of support to provide or what type of information they should provide to better help employees for their future retirement. On the one hand he does not want members to become worried about what financial issues they might face when they retire, but on the other hand he really wants employees to have the most accurate information available in order to be better prepared for retirement.

Several years ago, they had a study done to determine what type of funds they should have in the Deferred Compensation Plan (DCP). One of the primary functions of the County's DCP is to help active participants/employees plan for their retirement, which means to help them understand at what point are they financially prepared to retire. The DCP believes the best way to measure this is to analyze the income stream after retirement and compare it to their final salary. It is assumed that their final salary approximates their annual expense budget. This is called "Income Replacement." They hope that members who are considering retirement will have sufficient after retirement income to meet their needs in the future.

As of December 31, 2022, there were 10,764 retired members. The monthly benefit amount for 1,875 of those retired members was between \$1,001 to \$2,000 per month. The monthly benefit amount for 1,774 of those retired members was between \$2,001 to \$3,000 per month. It was interesting to note that of the 10,764 retired members, 7,219 retired members had monthly incomes which were less than \$5,000 per month and only 2,654 Retired members had monthly incomes greater than \$5,001 per month.

The study concluded that if you work for the County for a long time, you will be fine when you retire. However, it occurred to them, the study assumed that all members would work until their full retirement age, and that turned out not to be the case. By surveying REAC retirees, Hank felt the additional information they receive, would help them to better focus their efforts. Hank would like REAC to recommend to its members that they complete the survey and they would like to present the results at the REAC Fall Luncheon in October 2024. They have a draft survey now, but would like REAC's help to refine the Survey. He understands that the information they receive will not help current retirees, but it will help active employees to be better prepared for retirement. The Board agreed to recommend the survey, and encourage our retirees to complete the survey and return it. Hank will also create a small article regarding the survey for the REAC Newsletter.

**Announcements & Communications:** Alicia heard from a member who was very pleased that REAC agreed to support the continuation of the Silver&Fit program. She also heard from a member who lives abroad, who wanted to thank us for recommending that ACERA develop a way for members who live abroad to be reimbursed for their medical insurance payments. She also heard from a member who sent her a letter regarding Kaiser. She will be following up with him shortly.

Paul reported that he received a question from a member, via the website, who wanted to know what REAC's position was on AB 2200. AB 2200 is the California Guaranteed Health Care for All Act. This bill, if passed, would create the California Guaranteed Health Care for All program, which is a single-payer health care program. She was concerned about what would happen to her current health coverage if it passed. Alicia asked if CRCEA was following that legislation. Connie mentioned that she was unaware if CRCEA was tracking that bill, but she would follow up. Kathy was also unaware if this was an issue being considered by ACERA. So at this point, it would appear, as far as we know, that ACERA has not taken a position on AB 2200, and therefore neither has REAC. Paul will send a response.

Liz mentioned that a member contacted her regarding dental reimbursements. The member's dentist is not in the Network and the amount the dentist was charging was greater than what she was being reimbursed for. Cynthia was able to connect her with staff at ACERA who could provide additional information.

**ACERA:** Michael Fara was unable to attend today's Board meeting.

**Treasurer's Report:** Liz presented REAC's April 2024 Treasurer's Report. The beginning Interest Privilege Account balance was \$25,753.38. Receipts totaled \$8,022.50 and included \$500.00 from our 1<sup>st</sup> United Credit Union advertisement, and \$7,502.00 from membership dues. Disbursement totaled \$8,645.31 and included \$4,115.75 to Red Arrow for the Newsletter (a late 12/23 Red Arrow billing contributed to the deficit for April 2024 of \$622.81), \$593.09 for postage, \$850.00 for officer monthly stipends, \$1,310.20 for Select Staffing (4 payments), \$362.50 for Creative Circle, and \$400.00 for Website updates. The ending Interest Privilege Account balance was \$25,130.57 and total assets were

\$248,723.37. Connie moved that the April 2024 Treasurer's Report be approved as submitted. Marsha seconded the motion and the motion was approved.

**CRCEA (California Retired County Employees Association):** Connie provided her CRCEA report.

The CRCEA 2024 Spring Conference virtual Business Session was held on April 24, 2024. There were 18 of 20 Associations (counties) present. The President reported that, at the last Executive Committee meeting, the Vice President submitted his resignation. The Executive Committee will be looking at potential candidates for the remainder of his term of office. The Vice President position will come up for election at the CRCEA 2025 Fall Conference. There was a presentation from CRCEA's lobbyist providing updates on a myriad of legislative issues and pending legislation. There was a report from the Ad Hoc Conference Committee. The recommendations included but not limited to:

- Frequency of conferences
- In-person conferences
- Funding Options and responsibilities
  - Registration fee increase
  - Sponsors
  - New association conference fee (based on membership- \$0.12 additional per member)
- Creation of two Divisional Conference Hosting Committees
- Breakdown of association assignments
- Conference rotation schedule
- Funds will be separately accounted for by CRCEA

Several members spoke of the need to be afforded the opportunity to take the Ad Hoc Conference Committee recommendations back to their respective boards prior to acting on them. There was strong support expressed for the recommendations and appreciation for the work done by the Ad Hoc Conference Committee. There was a motion to delay a vote to provide sufficient time for delegates to present to their respective Boards and be ready to present their Boards recommendations at the CRCEA July 17, 2024 Executive Committee meeting. The motion was approved.

Connie presented the CRCEA PowerPoint presentation, which provides an opportunity for discussion and to the extent possible, would like the Board's recommendations to be able to provide our recommendation to CRCEA. The REAC Board voted to accept the Committee's recommendations.

Upcoming Conference Updates:

CRCEA 2024 Fall Conference: The host county is Contra Costa County. Conference dates are November 03 thru 06, 2024 at the Embassy Suites Hotel in Walnut Creek. Room rates are \$169. Conference flyer is posted on CRCEA website.

CRCEA 2025 Spring Conference: The host county is Ventura County. Conference dates are April 13 thru 16, 2025 at the Crown Plaza Hotel in Ventura, Ca.

CRCEA 2025 Fall Conference: The host county is Alameda County

CRCEA 2026 Spring Conference: The host county is Santa Barbara.

**REAC 2025 Fall Conference Planning Committee Update:** The Committee provided additional information to DoubleTree Hotels in Pleasanton and Newark. They are still waiting for proposals.

**SACRS (State Association of County Retirement Systems):** Kathy presented an overview of the SACRS Spring Conference which was held in Santa Barbara May 8<sup>th</sup> through the 10<sup>th</sup>. The SACRS Spring Conference was also celebrating the 70<sup>th</sup> anniversary of SACRS.

On Wednesday, the first Keynote Speaker was Frank Kelly of Fulcrum Macro Advisors. The title of the session was How Elections, Markets and Demographics are Rapidly Changing Everything. Mr. Kelly spoke on political risk regarding the 76 national elections to take place around the world this year. He shared interesting insights on China and India's changing demographics and economic changes.

The second speaker was Jeffrey Gundlach, CEO of Doubletree Capital. Mr. Gundlach was named Money Manager of the Year by Institutional Investor in 2013. He discussed his views on federal policy and inflation. He also provided insight on his major success of his strategy for investing in the bond market.

Noramay Cadena, Managing Partner of Supply Change Capital presented next on "Women in Tech Making an Impact". Ms. Cadena focused on investments in food and agriculture and how women make up 80% of the purchasers of food and why focus should be placed on companies with female presence.

Wednesday afternoon consisted of breakout sessions for specific groups

Thursday morning started with a Veteran CIO Panel with CIO's from CALSTRS, Christopher Ailman, and Jim Williams from the Getty Trust. They spoke on lessons learned from the past and reflections on the present based on their experiences over their long careers.

Next was State Controller, Malia Cohen who spoke on California's budget and economy as well as her major influences who helped inspire her to enter politics.

Following Ms. Cohen was Steven "Bucky" Butow, Director of Defense Innovation Unit Space Portfolio who presented his views on the need for the U.S. Government to fast follow the commercial industry when it comes to the most cutting-edge technology for use in national security.

During the afternoon, concurrent sessions on funding, investments, disabilities, legislation and more were held.

Friday morning, for the final session of the conference, Paul Angelo, Senior Vice President, Actuary, for Segal presented on history of SACRS.

**Retirement Board:** There was no May 2024 Retirees Committee Meeting.

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

**Health Care (Centers for Disease Control and Prevention):** There was no information to report.

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

**Membership and Recruitment:** Charo reported that as of April 30, 2024, membership stood at 3,765 members, which is slightly lower than the previous month.

**REAC Website:** Connie provided her May 13, 2024 Website Sub-Committee Report. All of the changes have been completed and the website has been updated. The ongoing review process is in place.

Website Activity: Over the past 28 days, there have been 287 unique visitors (different) people to the REAC website. This is a slight decrease from last month which was 293. The average time spent on the site was 4 minutes and 2 seconds. The most-visited section on the website was the Members Only page, followed by the Calendar page.

Alicia suggested adding Board Director's position or assignment titles to the website. For example, we could add CRCEA Delegate for Connie, SACRS Delegate for Kathy and Health Officer for Linda. The Board agreed with her suggestion and Connie will ask Lori to add the additional information to the website.

Alicia also suggested it might be a good idea to add Holidays and other notable dates to the website calendar. For example, we could add all County holidays, Mother's Day, Valentine's Day, etc. Alicia will create a list for Board review.

**REAC News:** The REAC News will contain information regarding the survey from the Deferred Compensation Plan, and the upcoming membership drive.

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

**Old Business:** The Board discussed the draft 2024 REAC Goals & Objectives. Kathy suggested that for the Goals & Objective which are currently being worked on, they should either be removed from the list or annotated to reflect they were being worked on. The Board decided to discuss each Goal & Objective. For Goal # 7, In-Person meetings, Alicia moved that we continue our current process of holding virtual Board meetings, with the exception of our Annual Membership Meeting, and when possible, at the Fall Luncheon when the luncheon and Board meeting usually fall on the same day, and the Board Holiday lunch. Paul seconded the motion and the motion was approved.

Kathy asked for clarification of Goal number 11, ACERA Board and Committee Meetings. Paul explained that item was a reminder to discuss the various ACERA committee meetings, and determine which of those meetings a Board member should attend. Some of the Committee meetings we have had members attend in the past included the Retirement Board Meeting, the Retirees Committee, the Investment Committee, and the Actuarial Committee. Paul agreed to update the 2024 Goals and Objectives for the June 10, 2024 Board Meeting.

**New Business:** There was no new business to report.

**For the Good of the Order:** Kathy informed the Board that the next several Retiree Committee meetings, June 5, 2024, July 3, 2024, and August 7, 2024 would be information packed because the Committee will be reviewing the Monthly Medical Allowance (MMA) and setting it for 2025, reviewing the Implicit Subsidy, Early Retirees remaining in the blended Health Plan, Supplemental Retiree Benefit Reserve (SRBR) projections, Vision, Dental, etc. It will be a very busy Summer.

Meeting adjourned at 12:08 pm.

Respectfully submitted by Paul Reeves, Board Secretary

**Next Board Meeting: Monday, June 10, 2024, 9:30 am**  
**Zoom Video Conferencing Board Meeting**