

**Minutes of the Meeting of the Board of Directors
Retired Employees of Alameda County
Monday, June 8, 2026, 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, Paul Reeves, Connie Land, Liz Koppenhaver, Cynthia Baron, Linda Slater, and Kathy Foster were present. Mike Fara, ACERA Communications Manager, Charo Panesi-Guerra, REAC Member and Administrative Assistant, and Pete Albert, ACRE President, were also present.

Minutes: The Minutes of the May 11, 2026, REAC Board meeting were reviewed. Connie moved to approve the May 11, 2026, REAC Board Minutes as submitted. Liz seconded the motion, and the motion was approved.

Announcements & Communications: Alicia began by informing the Board that Darlene Smith, the former director of the General Services Agency, and REAC Member, has passed away.

Alicia reported that she was contacted by a member who was having some difficulties with VIA benefits. She asked Mario Martinez at ACERA to assist. He agreed to do so. Liz heard from a deputy, who was having problems getting reimbursed by VIA benefits. She was able to refer him to a VIA representative who could help him. She also received suggestions, from two of our members, regarding our request for suggestions for reducing our operating costs.

ACERA: Mike Fara, ACERA Communications Manager reported on the June 3, 2026 Retirees Committee meeting. There were two Action items and several Information items.

There were two action items on the agenda, both involving the Implicit Subsidy Program and there were several information items. The implicit subsidy is one of the benefits that is paid for out of the SRBR. It is not a super visible benefit, like the Monthly Medical Allowance, and the dental and vision care. The Implicit Subsidy Program lowers the cost of the group healthcare plans for the early retirees because healthcare premiums for these retirees are blended in with active members. ACERA members who have retired and are not yet Medicare eligible, they are not yet 65. When they enroll in our group plans, we share our group plans with the county.

The County negotiates those contracts directly with the carriers. Because the retired population is older than the active population, they tend to have a greater, what they call experience in the insurance industry. That means that since they use the plan more than the active population, they cost more to insure. That makes the cost for the actives higher. ACERA pays the difference between what it would cost for the premiums for all the active members if retirees were not blended. The County tabulates

what the difference is each year, and then they send ACERA a bill for the implicit subsidy. This year, the implicit subsidy cost, as tabulated for the plan year of 2025, is \$9.4 million.

The Committee voted to recommend to the Retirement Board paying the Implicit Subsidy to the County to keep the county cost neutral.

The second Action Item, which they do each year, is a declaration of intent to continue funding the Implicit Subsidy Program for the next year. The Committee voted to recommend to the Retirement Board to declare the intent to fund the Implicit Subsidy for 2027.

The first Information Item was a presentation of the healthcare inflation trends by Segal. They also reported on the preliminary projection of the SRBR. The board uses the inflation projection that Segal provides to determine the possible increase for the Monthly Medical Allowance (MMA) for the next plan year. The Board's policy is that whatever the lowest inflation trend that Segal reports, which this year is 7.5% for the Medicare Advantage plans, the Board will look at whether they want to increase the MMA by half of that percentage, which would be 3.75%. In July, the Board will vote on increasing the monthly medical allowance by that 3.75%.

The second Information Item is one of the data points that they look at when they are deciding whether to increase the monthly medical allowance. Segal provided a report on projected benefit costs funded through the SRBR including preliminary projection of the SRBR lifespan, also known as the sufficiency period.

The last information item is a memo for open enrollment and the Retiree Health and Wellness Fair. ACERA's plan for the Retiree Health and Wellness Fair is well underway. It will take place in the same place as last year, the DoubleTree by Hilton in Pleasanton. It will be a hybrid meeting again: An in person event, plus presentations will be broadcast over Zoom. There will be a few adjustments this year. ACERA will work some breaks into the presentations so that people have time to do everything. And then for the Zoom participants during the break times, slideshows with wellness will play.

Treasurer's Report: Liz presented REAC's May 2026 Treasurer's report. The Beginning Interest Privilege Account balance was \$31,987.51. Receipts included \$7,384.00 from membership, and \$500.00 from the 1st United Credit Union advertisement. Total receipts were \$7,884.78. There were no unusual receipts this month. There were a few unusual disbursements. There was a annual payment of \$99.99 for the Microsoft 365 program we use to do the Treasurer's report. There was also a deposit of \$600.00 for the DoubleTree by Hilton for our Fall Luncheon. Liz mentioned that we have some recent concerns regarding the billing we receive from Select Staffing. Select Staffing has been sending their invoices to the email address Alicia uses for REAC. Unfortunately, Select Staffing began sending their invoices to Alicia's regular email address. So, at this point, we are not sure if everything has been paid for. Alicia is currently working with Select Staffing to have them return to using her REAC email address and to clarify if all the invoices have been paid. Total disbursements were \$6,112.21. Liz and Alicia were able to get a 36-month Certificate of Deposit for \$55,649.38 which will mature on 02/24/2029. There was a surplus of \$1,772.57. The ending balance of the Interest Privilege Account was

\$33,760.08. Total assets were \$258,921.65. Liz moved that the May 2026 Treasurer's Report be approved as submitted. Connie seconded the motion and the motion was approved.

CRCEA: Connie presented her CRCEA report. The May 20, 2026, Executive Committee Meeting was cancelled. Connie also reported that the June 17, 2026, was also cancelled. Connie reported that the planning for the 2027 CRCEA Spring Conference, under the new structure, is underway. Division 1, which is the division that REAC is in, is responsible for the planning. The process is moving slower than expected, but progress is being made.

SACRS (State Association of County Retirement Systems): Cynthia provided her report on the recent SACRS Conference which was held at Lake Tahoe. Kathy and Connie also attended. The Keynote speaker was former Vice President Dan Quayle. He talked about geopolitical issues related to Iran and China. He mentioned that many talented individuals were moving out of California, and if that trend continued, he felt it would not bode well for California. The move out rate for Arizona is 2.5% and the move out rate for California was 13.5%. He also said the biggest threat facing the US was ourselves. Another speaker talked about AI and China. China is now ahead of Europe in the use and development of AI. In China, everyone works on the same thing at the same time. Only after a breakthrough occurs, is the work then divided.

Retirement Board: There was no additional information to report.

Investment Committee:

Health Care (Centers for Disease Control and Prevention): Linda reported that on Thursday, September 24th, the Alameda County Healthy Living Fair will be held at the Oakland Zoo. No flyers are currently available and there is nothing on Eventbrite for people who want to sign up. Last year, we did receive a few complaints because by the time the event appeared in the August newsletter it was already sold out. Linda agreed to write something for the Newsletter, and Alicia will inform people that it's too early to sign up, but here's the information on how you do that.

Activities: Alicia reported that we received an invitation to attend ACERA's Retirees Health and Wellness Fair on October 22nd. She will attend. Last year, Kathy and Dawn also attended. She would also like two additional Board members to attend with her. She does not have the time yet, but it will be held on Thursday, October 22nd.

The Fall luncheon will take place on October 12, 2026. It will be held at the DoubleTree by Hilton. The Luncheon Committee will get together in the next couple of weeks or so, to begin the planning. Connie suggested that we needed to update the Board members group photo on the website. She also suggested that we make sure our photographer attends the luncheon so that we can have photos from that event as well.

The Board discussed various options for the luncheon meals. Could the hotel include a large chicken salad, or perhaps a Mediterranean salad, or something like that as a meal option. The Luncheon committee agreed to discuss those options with the hotel.

Membership and Recruitment: Charo reported that as of May 31, 2026, our membership stood at 3,702 members, which was a decrease from the previous month. The recruitment committee will be working on a number of suggestions. Charo put our logo on the draft flyer and forwarded it to Mike. He agreed, on his own time, to review the flyer, and give us feedback. Mike will also check on how much it would cost to include that flyer in the enrollment guide information.

Administrative Staff: Alicia reported that Creative Circle has given us a new manager to work with, Hector Peralta. He would like to meet every other month, and this really makes a difference to know that there's this one person we can go to for our issues.

REAC Website: Dawn provided her report on the REAC Website. While reviewing the reacsite.org website, Dawn noticed that there is a different font for the last bullet point on the "What We Do" page. She suggested that on the "Gallery" page, for all the annual "Events", we add a link for the companies. Adding links allow members to quickly access items that interest them. They can always cut and paste, but links make that unnecessary. Dawn will submit the requests to Alicia for the website manager.

REAC News: We seem to have a recurring issue with our members falling off the mailing list. Last month, Alicia said that she knew of one person who had tried to sign up for the electronic version and is still not getting it. Now she knows two people who have desperately tried to sign up for the electronic newsletter, and it does not work. We will be focusing on that issue, and we will ask members to let us know when those issues occur.

The REAC news will include the Healthy Living Fairair at the zoo and that we're giving information early, but too early to sign up. It will also include healthy living Linda mentioned. She would also like to include something about the country's 250th Anniversary. With flags, fireworks, etc. Just to reflect our pride. The Board agreed to move forward with developing something for the REAC Newsletter which celebrates the 250th Anniversary.

Other Reports: There was no additional information to report.

Old Business: There was no additional information to report.

New Business: There was no new information to report.

For the Good of the Order: There was no additional information to report.

Meeting adjourned at 11:13 AM.

Respectfully submitted by Paul Reeves, Board Secretary

Next Board Meeting: Monday, July 13, 2026, 9:30 am
Zoom Video Conferencing Board Meeting