

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

Monday, April 8, 2019

Health Care Services Agency Building, Room 135, 1000 San Leandro Blvd., San Leandro, CA

Mary Miller, President of the Board, called the meeting to order at 9:30 A.M.

Roll Call: Mary Miller, Marian Breitbart, Paul Reeves, Rosalie Masuda, Renaye Johnson, Mike Smart, Liz Koppenhaver and Connie Land were present. Nancy Reilly, REAC member and ACERA alternate retired board member, Michael Fara, ACERA staff member, and Suman Sharma, member, were also present.

Minutes: Minutes of the March 11, 2019 Board meeting were reviewed. A motion was made by Renaye and seconded by Connie that the minutes be approved as submitted. The motion was approved.

Announcements: Liz reported that she received a call from a member, who did not want to be listed in REAC's "In Memoriam" section of the REAC News when she passes away. After some discussion, the Board agreed to figure out how to set a tickler in order to honor her request.

Reports

ACERA: Michael Fara gave his report on the April 3, 2019 Retirees Committee meeting. There were no action items and seven information items.

The first information item was a review of the Revised Annual Retirees Committee Work Plan. The revised Annual Retirees Committee Work Plan mirrors the Operations Committee work plan in scheduling both Committee meetings on the same day, except for the July meetings. There is a need to hold the July Retirees Committee meeting to take action on recommendations for the Monthly Medical Allowance, and review dental and vision plans renewal options. The July Retirees Committee meeting will be scheduled for the same day as the Board meeting.

The second information item was a report on the Supplemental Retiree Benefit Reserve (SRBR) financial status for the period ending December 31, 2018. For the six-month period ending December 31, 2018, approximately \$269.5 million of total interest was credited to all the valuation reserve accounts, including the 401(h) account and the SRBR. For 2018, the beginning balance for the SRBR was \$893,770,614, total deductions totaled \$50,909,161 and total additions totaled \$76,627,164 with an ending balance of \$919,488,617.

The third information item was a discussion regarding the Active Death Equity Benefit (ADEB). Under our existing law, the surviving eligible spouse of an ACERA vested member who dies while an active member can elect to receive a lifetime continuance of 60% of the amount payable as a non-service connected disability based on the unmodified allowance. A member suffering from a potentially fatal illness can apply for retirement and select Option 2, which provides for a 100% continuance of a reduced allowance. The ADEB was established so the members who suffer accidental or untimely deaths would also be able to provide such coverage for their surviving spouses.

Based on the Supplemental Retiree Benefit Reserve (SRBR) policy, this benefit was discontinued in late 2012 at the discretion of the Board of Retirement due to decreasing SRBR sufficiency. It was to be reviewed again for consideration at such time that the SRBR was believed to be sufficiently funded. At the time the benefit was discontinued, the balance in the SRBR was approximately \$571 million. The SRBR is currently over \$900 million and therefore the ADEB benefit is being brought to the Retirees Committee for discussion. Over the last five years in which the benefit was provided, the annual cost ranged from \$107,544 to \$936,133.

Liz reported that ACERA will be conducting a new survey, similar to the last one, regarding what retirees and active employees wanted as their benefit priorities.

The fourth information item was a discussion regarding the Retiree Member (Lump Sum) Death Benefit. ACERA currently provide a one-time payment of \$1,000 to be paid upon the death of an ACERA retired member if that member retired from ACERA as their last employer. If a reciprocal agency was the last employer and that agency pays less than a \$1,000 death benefit, ACERA will supplement that benefit at a level which ensures the reciprocal retired member will receive at least a \$1,000 death benefit. On January 1, 2013, this benefit was reduced from \$5,000 to its current level of \$1,000. This benefit, like the ADEB, is also being brought to the Retirees Committee for discussion.

The fifth information item was a Semi-Annual report on ACERA's Wellness Program. Looking at Retiree Chronic Conditions, supplied by Kaiser, 73% of screened adults are either Overweight or Obese, 38% are Pre-Diabetic, 22% are Diabetic, 35% have borderline High Cholesterol levels and 17% have High Blood pressure. In addition, 73% did not meet the minimum exercise recommendations and 57% were classified as sedentary.

In 2019, there will be two Wellness Walks at Lake Merritt (Friday, April 26th from 10:00AM to 12:00PM and Friday, August 23rd from 10:00AM to 12:00PM). On Friday, June 7th, there will be a Wellness Open House from 10:00AM to 3:00PM at ACERA, focusing on Physical Health. On Friday, July 12th, there will be a Financial Wellness Open House from 10:00AM to 3:00PM at ACERA, and there will be an Annual Health and Wellness Fair. (Venue and date has yet to be determined.)

The sixth information item was a 2018 Year End Via Benefit report. Looking first at Call statistics for 2018, for Medicare Age-in Enrollment and 2019 Enrollment Plan Changes, there were 4,930 Inbound calls, and 2,414 Outbound calls. The average Handle time was 23 minutes and 52 seconds. The average speed to answer was 42 seconds. Looking at the Call statistics for the 2018 Individual and Family Plan/IFP (Pre-65) there were 700 Inbound calls and 1,103 Outbound calls. The average Handle time was 27 minutes and 20 seconds. The average speed to answer was 51 seconds.

The last information item consisted of two reports. Effective March 29, 2019, the HRA administration was transitioned from VIA Benefits' third party administrator, PayFlex, to its own in-house system. Lastly, Via Benefits will be hosting live information seminars to provide additional hands-on support to participants who are aging into Medicare.

Treasurer's Report: Mary distributed copies of the March 2019 Treasurer's report. Receipts totaled \$3,131.10 and Disbursements were \$7,138.39. ACERA's March payment was not posted until April 1st,

so it is not reflected in the March 2019 Treasurer's report. The only unusual disbursements item was the \$3,525.01 payment to Fairview Metro for the Spring Luncheon.

Mary also distributed copies of the January – March 2019 REAC Quarterly Report. REAC's Income and Expenses are within budget targets. Mary reminded the Board that the Journal, which ceased publication, is no longer an expense for REAC. She recommended moving the \$195 which has been previously budgeted for the Journal, to the amount budgeted for conference expenses.

Renaye moved that the March 2019 Treasurer's report be approved as submitted and that the January – March 2019 REAC Quarterly Report, be accepted as modified, Connie seconded the motion and the motion was approved.

CRCEA: Rosalie reminded the Board that she will be attending the California Retired County Employees Association (CRCEA) 2019 Spring Conference, held on April 14-17, 2019, in San Diego.

SACRS: Paul reported that the State Association of County Retirement Systems (SACRS) has moved their office location. The new address is 1225 8th Street, Suite 550, Sacramento, CA 95814.

Retirement Board: There was no additional information to report.

Investment Committee: Marian reported that the March Investment Committee meeting was cancelled. As a result there is no new information to report.

Health Care: Rosalie and Nancy, who both attended the April 3rd Annual Health Care Planning meeting, reported that it was well attended. They mentioned that no new information was discussed during the meeting, but that several individuals expressed concerns about the formatting of the Enrollment Booklet. Aside from that, the meeting was as anticipated.

Activities: Rosalie reminded the Board about ACERA's Wellness Walk which will take place on Friday, April 26th, from 10:00AM to 12:00PM, at Lake Merritt. The walk is slightly over 3 miles, but shorter walks will also be available and will be led by the ACERA team.

Rosalie also reported that 150 individuals registered for the REAC Spring Luncheon and 143 individuals actually attended the luncheon.

Membership and Recruitment: Connie reported that as of March 31, 2019 membership stood at 4,096 members

REAC News: The REAC Newsletter will include information on the ACERA Health Fair, information on the SRBR, the MMA, and the ACERA Survey.

Old Business: Membership and possible dues increase. Paul reminded the Board that the next REAC News needs to have a specific item, or a specific announcement, regarding the May 13th Board meeting, where a vote will be taken on whether or not the Board should move forward with a membership dues increase. The Board will also need to approve funds for member notification if the Board votes to approve a dues increase.

New Business: Paul reported that Marian has agreed to serve another term as Board Vice President, Mary has agreed to serve another term as Treasurer and Acting President, and that he has agreed to serve

another term as Board Secretary. Paul then asked the Board if anyone else on the Board would like to also run for one of those officer positions or for the vacant Board President position. No one volunteered. Paul called for a vote, Renaye moved that Mary, Marian, and Paul be elected to serve another term in the officer positions they currently hold. Connie seconded the motion and the motion was approved.

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

Meeting adjourned at 11:45 a.m.

Respectfully submitted by Paul Reeves, Board Secretary

Next Meeting

May 13, 2019, 9:30 a.m. (Monday)
Health Care Services Agency Building, Room 135,
1000 San Leandro Blvd, San Leandro