

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

**Monday, February 11, 2019**

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

Paul Reeves, Secretary of the Board, called the meeting to order at 9:40 A.M.

**Roll Call:** Paul Reeves, Rosalie Masuda, Renaye Johnson, Mike Smart, Mary Miller, and Connie Land were present. Nancy Reilly, REAC member and ACERA alternate retired board member, Michael Fara, ACERA staff member, and Pete Albert, ACRE President were also present.

**Minutes:** Minutes of the January 14, 2019 Board meeting were reviewed. A motion was made by Mike and seconded by Rosalie that the minutes be approved as submitted. The motion was approved.

**Announcements:** Paul reported on the results of last month's special Board of Directors election. Paul was pleased to report that Connie Land had been unanimously appointed as the newest REAC Board member. She will be filling the vacancy created by the retirement of Jerry Jacobs. Paul also reminded the Board that we still have one remaining Board vacancy and he encouraged the Board members to continue to reach out to other retirees who might be interested in being on the Board.

Rosalie reported that she received a call from a retiree who was unable to purchase See's candy at the See's location in San Leandro. It was unclear as to why she was not allowed to purchase the candy. Mary agreed to contact that See's location to determine what the issue might have been.

Mary reported that George Wood, Board of Retirement Chair, and Phil Wogsberg, ACERA Staff member, will be attending the March 11, 2019 REAC Board meeting.

**Reports**

**ACERA:** Michael Fara gave his report on the February 6, 2019 Retirees Committee meeting. There was one action item and five information items. The action item was a motion to recommend to the Board of Retirement, that it adopt the annual Supplemental Cost of Living Adjustment increase for Tier 1 members who retired on or before April 1, 1981 and Tier 2 members who retired on or before April 1, 1999, effective with the April 1, 2019 monthly retirement allowance. This supplemental benefit is non-vested and is funded by the Supplemental Retire Benefit Reserve (SRBR). The motion was approved.

The first information item was a report on the annual COLA for 2019. All Tier 1 and Tier 3 retirees/payees will receive a COLA increase of 3%. Tiers 2 and 4 retirees/payees will receive a COLA increase of 2%. The Consumer Price Index calculation results in a change of 4.50%, which is rounded to the nearest one-half percent, which is 4.50%. The COLA increases are in accordance with Government Code Sections 31870 (Tiers 2 and 4, 2% maximum) and 31870.1 (Tiers 1 and 3, 3% maximum). Tiers 1 and 3 will have 1.50% added to their bank, and Tiers 2 and 4 will have 2.50% added to their bank.

The second information item was a report on the 2019 Annual Retirees Committee Work Plan Review.

The following changes have been made from last year's work plan: The Annual Retirees Health Care Planning Meeting has been scheduled for April rather than March, A semi-annual report on Via Benefits Health Reimbursement Arrangement Balances has been removed from August, resulting in one annual year-end report in May, and the first Wellness presentation will be in April.

The third information item was a report on the upcoming Annual Health Care Planning Meeting with Retiree Representatives. ACERA Staff will host the annual Health Care Planning meeting with Trustees, ACRE and REAC Board Members, ACERA's Benefits Consultant, and the County Benefits Management team. The meeting is usually held in March; however, due to scheduling conflicts, this year's meeting has been tentatively set at ACERA for April 3, 2019. Mike and Rosalie will attend.

The fourth information item was a report on the 1099-R processing. The 1099-R form is provided to all ACERA payees in January of each year. The 1099-R form is used by ACERA to report pension and annuity distributions paid to retirees and beneficiaries. The printing of the 1099-R forms began the week of January 14<sup>th</sup>. All forms were mailed the week of January 21<sup>st</sup>, which was prior to the IRS issuance deadline of January 31<sup>st</sup>. A total of 10,956 1099-Rs were processed.

The last information item was a report on the results of the Retiree Health and Wellness Fair and Open Enrollment Activity. For ACERA interaction, 97% felt ACERA met or exceeded customer service expectations. For Wellness questions, 22% of respondents visited ACERA's wellness website and 61% of respondents heard about ACERA's Wellness Walk. Approximately 68% of respondents do not belong to a gym. For Health and Wellness Fair questions, 64% of respondents said they were Likely or Very Likely to attend an ACERA sponsored wellness event if within 10 miles. For Open Enrollment, 206 Enrollment Forms were received consisting of: 45 Medical; 58 Dental; 103 Vision. 51 members signed up for the VSP Premium Voluntary Buy Up Plan and 13 members switched back to the standard VSP.

Michael also reported that Segal Consulting has replaced Keenan & Associates as ACERAs Benefits consultant.

**Treasurer's Report:** Mary distributed a draft copy of the January 2019 Treasurer's report. Receipts total \$4,683.09 and Disbursements were \$8,362.98. The only unusual disbursements items were \$2,401.15 for the CRCEA 2019 dues, and \$3,000.00 for the US Postmaster Permit Postage payments. Mary will finalize the January 2019 report and make it available for Board review at the March 2019 meeting. Renaye moved that the draft January 2019 Treasurer's report be approved as submitted. Rosalie seconded the motion and the motion was approved.

**CRCEA:** Rosalie reported that the CRCEA (California Retired County Employees Association) 2019 Spring Conference will be held April 14-17, 2019 in San Diego. Mike moved that Rosalie be authorized to attend the conference as the REAC representative and be reimbursed for her expenses. Paul seconded the motion and the motion was approved.

**SACRS:** Paul reported that the SACRS (State Association of County Retirement Systems) 2019 Spring Conference will be held May 7-10, 2019 in Lake Tahoe. Rosalie moved that Paul be authorized to attend the conference as the REAC representative and be reimbursed for his expenses. Renaye seconded the motion and the motion was approved.

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

**Investment Committee:** Marian provided the Board with a link to the Investment Committee's January 9, 2019 Committee meeting. After reviewing proposals from several investment management companies, the Investment Committee voted to recommend to the Board of Retirement, William Blair as ACERA's U.S. Small Cap Growth Manager-Domestic Equities.

**Health Care:** As noted earlier, Rosalie and Mike will be attending the April 3<sup>rd</sup> Annual Health Care Planning Meeting. Rosalie also reported that the CDC is still recommending everyone get their Flu shots.

**Activities:** Rosalie reported that 37 individuals have thus far signed up to attend REAC's March 11<sup>th</sup> Spring luncheon. Rosalie also reported that Henry "Hank" Levy, Alameda County Treasurer-Tax Collector, will be the guest speaker at the luncheon. Rosalie suggested that we continue our past practice of having a raffle, using See's candy vouchers as the prize. Mary moved that we use See's candy vouchers as our raffle prize and authorize Rosalie to purchase the vouchers. Paul seconded the motion and the motion was approved.

**Membership and Recruitment:** As of January 31, 2019 membership stood at 4106 members

**REAC News:** The REAC Newsletter will also include information on the Annual Cost of Living Adjustment (COLA), the Annual Meeting and Spring Luncheon, the election of members to fill the Board vacancies, and the See's candy discount.

**Old Business:** Membership and possible dues increase. Paul submitted a draft letter to be sent to all retirees, regarding the possible need for a dues increase. He requested that the Board review the proposed letter, and be prepared to discuss the issue at the March 11<sup>th</sup> Board meeting.

Paul reported that both Marian and Liz have agreed to serve another term as a REAC Board of Director. He will call for a member voted at the March 11<sup>th</sup> Annual Meeting.

REAC 2019 Goals & Objectives include: Potential dues increase; Hiring a part time admin assistant; and Evaluating various cost reduction strategies.

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

**For the Good of the Order:** Pete took a moment to remind the Board that the California Primary elections were moved from June 2010 to March 2020.

Meeting adjourned at 11:40 a.m.

Respectfully submitted by Paul Reeves, Board Secretary

### **Next Meeting**

March 11, 2019, 9:30 a.m. (Monday)  
Fairview Metropolitan Golf Course  
10051 Doolittle Drive, Oakland