

**Minutes of the Meeting of the Board of Directors
Retired Employees of Alameda County
Monday June 14, 2021, 9:30 A.M.**

Zoom Video Conferencing Board Meeting

Marian Breitbart, President of the Board, called the meeting to order at 9:32 A.M.

Roll Call: Marian Breitbart, Suman Sharma, Connie Land, Renaye Johnson, Liz Koppenhaver, and Alicia Baptista were present. Charo Panesi-Guerra, REAC Member and Administrative Assistant, Mike Fara ACERA Representative and Pete Albert ACRE Board President, were also present.

Minutes: Minutes of the May 10, 2021, meeting were reviewed. Renaye moved that the Minutes from the May 10, 2021. Board meeting be approved as submitted. Suman seconded the motion and the motion was approved.

Announcements & Communications: Alicia suggested including a step-by-step instruction for members to access the REAC Website and the On-line Newsletter. Marian will include this in her president's message.

ACERA: Mike Fara provided a summary of the June 2, 2021, Retirees Committee meeting. There were two Action Items on the agenda for a vote. There were also Informational Items presented.

The first action item was the approval needed to pay for the Implicit Subsidy Cost for those members under 65 for the year 2020. This payment from ACERA to Alameda County was approved for 2020.

The second action item was a vote for the Statement of Intent, to continue the Implicit Subsidy Program for Health Plan Year 2022, following a determination by ACERA at the end of Plan Year 2022, that the amount is not greater than the actual retiree Implicit Subsidy. This action item was approved.

The first informational item was a report from Segal, ACERA's benefit consultant, regarding the Supplemental Retiree Benefit, health care inflation and monthly medical allowance increases. The report stated that inflation of medical benefits has increased by 6.25 percent. In the past the recommendation has been to increase the allowance by half of the inflation rate. This would mean that the increase to be voted on, would be a 3.125 percent increase to the monthly medical allowance for those individual retirees under the age of 65.

The vote would be to not increase the MMA for 2022 or to increase by 3.125% for 2022. The REAC Board of Directors voted to recommend to ACERA, the increase of 3.125%.

Also, the Segal projection for the SRBR was a life span from 2020 to 2038, an 18-year span. Segal also stated that the SRBR is sustainable if the projection is over 15 years.

Mike also clarified the negotiations regarding premiums for 2022 would be occurring in August. Also, that the MMA allowance increases only apply to retirees.

The ACERA Retiree Committee will meet again on July 7th, 2021.

Mike also let us know that the Health Fair for 2021 will be in late October and will be virtual again for safety reasons.

Mike let us know that the ACERA offices are slowly reopening. In phase one of the reopening, meetings will be individual and by appointment only, as of June 15th. They will be scheduled on Tuesdays and Thursdays between 10:30 AM and 3:00 PM. Retirement Planning Meetings will continue to be scheduled on ZOOM and individual meetings will be scheduled if resolution can not be made during the ZOOM Meeting.

Mike is also following up on a request for e-mail addresses for REAC members and a request regarding a meeting alert or calendar scheduler on the ACERA Website. Mike will also contact Kathy Foster regarding an approval for REAC to include an invitation letter to join REAC in the open enrollment packet.

Treasurer's Report: Suman presented the May 2021 Treasurer's report. For May 2021, Receipts totaled \$8,316.10 and total Disbursements totaled \$4,450.57. He reported that Officer stipends totaled \$650.00. There was an in and out adjustment of \$5.00 by 1st United Credit Union to correct an underpayment that was corrected for the \$500.00 received monthly for advertising. Connie moved to accept the report as submitted. Marian seconded the motion and the motion was approved.

CRCEA: Connie updated us on CRCEAs report regarding Cal Pers Long Term Care. Apparently, to sustain this program, there would have to be a 52 percent increase no earlier than November 2021. A second increase of up to 25 percent may be necessary in the fall of 2022. Participants in this program have been sent letters in May 2021 regarding what is being considered. Participants will have options of several changes they can make in August 2021 to be implemented by November 2021 to avoid the 52% increase. Some of the options being discussed are, 1. Reduced duration of benefit, 2. Reduced daily benefit, 3. Reduced inflation protection. The new premiums will be included in the letter sent to participants in August. There will be no refunds with cancelation of the program. There has been some exploration of another carrier, however this may not be an option.

SACRS: Pete Albert, SEIU Retirement Board President gave us an update on the PEPRA changes. Alameda County has complied with the PEPRA ruling as of 2014. However, there is still the concern of "straddling" that may be eliminated. Alameda County is the only county using this. There is a good indication that the county will not seek reimbursement, if this change is included with the PEPRA rulings. Also, the fall meeting will be held in person, in Southern California.

Retirement Board: Liz reported that the Public Employees' Pension Reform Act of 2013 (PEPRA) lawsuit was nearing the end and that she thought some of the decisions the Court might make, might limit the amount of vacation employees can sell back prior to their retirement. At this point, no final decisions have been made. The retirement board will be meeting this Thursday and there will be more information then. Apparently, Alameda County is the only county that uses "straddling" when determining a retiree's benefit. This is where a potential retiree can "sell back" vacation days that straddle benefit years to count toward calculation of the final compensation.

Investment Committee: Marian gave a brief update on the Investment Committee meeting. She stated that there was a slight increase in assets.

Health Care: There was no Health Care report.

Activities: There was a brief discussion regarding a Fall Luncheon for 2021. It was decided that we would wait until 2022 to have an in-person Luncheon. This is out of consideration for our members health and safety.

Membership and Recruitment: Charo reported that as of May 2021, membership stood at 3,899 members. There was a discussion regarding updating forms to move members to on-line viewing of the REAC News. This form would include an opt out of on-line viewing, to receive a hard copy. Charo will be updating the REAC forms to include this language. Charo also let us now that she had a request to increase the number of newsletters for ACERA to distribute.

Administrative Staff Updates: Mike Fara mentioned that ACERA can now collect email addresses for all new REAC members. He continues to work out a process which will allow REAC to obtain email addresses for current members. Charo and Mike have been working on an invitation to join REAC letter.

REAC News: The next REAC Newsletter will include information about the California Public Employees' Retirement System (CalPERS), Information regarding the Monthly Medical Allowance, and a Step-by-step on how to access the REAC News On-line.

New Business:

Revisions to the REAC Bylaws - No longer having in-person meetings, made it more difficult for individuals to gather signatures to run for a position on the Board. With that in mind, the Board discussed the idea, at our May meeting, of modifying Article VII, Section 1 Election of Directors, (b) Duties of Nominating Committee, by eliminating the need for 10 signatures. One suggestion was to require the individual to provide a list of 3 regular members who support their candidacy, including their phone number and/or their email address. In addition, in order to run for a position on the Board, the individual must have attended 2 Board meetings in-person, or participated in 2 Board meetings when those meets are held via a Video Conferencing type platform. Paul agreed to make the suggested changes and bring it back for review at the June 14th Board meeting. In Paul's absence this has been moved to the July 12th Board Meeting.

Election of REAC Officers – The Vice President positions remains open.

Old Business: There was no old business to report.

For the Good of the Order: There was nothing new to report.

Meeting adjourned at 11:20 A.M.

Respectfully submitted by Renaye Johnson for Paul Reeves, Board Secretary

Next Meeting: July 12, 2021, 9:30 a.m. (Monday)
Zoom Video Conferencing