



The Official
Monthly Publication of the
Retired Employees of Alameda County, Inc.
P.O. Box 302, Oakland, CA 94604

REAC NEWS

VOLUME 42 NUMBER 9

September 2020

PRESIDENT'S MESSAGE — BY MARY MILLER

My optimism about getting out and about is beginning to wane and we have scheduled the REAC Board meetings on Zoom for the balance of the year. However, the technology has allowed us to keep going even in light of cancelled conferences and the need to cancel our traditional Fall Luncheon. At our August meeting Dave Nelson, CEO of ACERA, joined us to talk about the implication of the recent California Supreme Court hearing on the Public Employees Pension Reform Act (PEPRA) suit. The decision upholds the California Rule which essentially prevents reductions in retirement benefits once a person starts working and contributing under the terms of a retirement plan. ACERA has posted a detailed explanation as well as the full court decision on their webpage at www.acera.org. This is an update to their prior webpage and ACERA staff are looking for feedback. Take a look at the site and offer your suggestions. In addition, look for information from ACERA regarding their virtual health fair. The open enrollment information will be coming to your mailbox in early October as is customary.

November 3rd is Election Day and your Board members encourage you to review the twelve ballot measures as well as the candidate running for all offices, and then cast your vote. The Governor's Executive Order N-64-20 requires that a mail in ballot be sent to all registered voters prior to the election, in order to give voters the option to use the mail or vote in person at the polls. October 19th is the deadline for re-registering if you have moved. Find details at the Secretary of State website, which for California is www.sos.ca.gov/ elections. Many updates and changes that you need to make can be done online.

ACERA Performance Report

ACERA reported in their July 2020 performance report that the fund had gained \$317,891,677. The total fund returned 4.09%. The value of the fund at the end of February was \$8,516,983,395.

REAC BOARD MEETINGS

September 14, 2020
(Monday) 9:30 AM
Zoom
ID 214-219-6949
password REAC

October 12, 2020
(Monday) 9:30 AM
Zoom
to be scheduled

<http://reacsite.org>
reacwebsite@gmail.com

ACERA TRUSTEES MEETINGS

September 1, 2020
(Thursday) 2:00 PM
see ACERA.org for
ID and password

October 15, 2020
(Thursday) 2:00 PM
see ACERA.org for
ID and password

www.acera.org

WELCOME NEW MEMBERS

Farrell Barnett
Osmundo Cabato, Jr.
Joselyn Harris
Hashim Kamau
Marvin Slavid

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS, RETIRED EMPLOYEES OF ALAMEDA COUNTY, MONDAY, AUGUST 10, 2020

Zoom Video Conferencing Board Meeting

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

ROLL CALL: Mary Miller, Marian Breitbart, Paul Reeves, Suman Sharma, Renaye Johnson, Connie Land, Mike Smart, and Liz Koppenhaver were present. Dave Nelson, ACERA Chief Executive Officer, Nancy Reilly, REAC member and ACERA alternate retired board member, and Mike Fara, ACERA Staff Representative, were also present.

MINUTES: Minutes of the July 13, 2020 were reviewed. No errors or corrections were noted. Marian motioned that the Minutes from the July 13, 2020 Board meeting be approved as submitted. Liz seconded the motion and the motion was approved with one abstention.

ACERA CEO: Dave Nelson, ACERA Chief Executive Officer, provided an update on the California Supreme Court decision in the 2012 “Vested Rights” Lawsuit. Laws that passed in 2012 (at the same time as the Public Employees’ Pension Reform Act “PEPRA” of 2013) ordered county retirement boards to stop counting certain cash received during service and at termination of employment in a legacy member’s benefit

calculation. Legacy members generally are those members who have entry dates into ACERA membership prior to January 1, 2013, which was the effective date of PEPRA.

The case was about the definition of “compensation earnable,” which is the salary component of the formula used for determining a member’s retirement allowance. In 2012, the California Legislature made changes to the definition of “compensation earnable.” Those changes, which were set to go into effect on January 1, 2013, excluded from “compensation earnable” some items of pay that ACERA had been including for many years, pursuant to a court-approved settlement agreement.

The plaintiffs in the case sued to prevent ACERA from implementing the legislative changes that were set to go into effect on January 1, 2013. The plaintiffs argued that the changes violated the settlement agreement and the “California Rule,” which generally prevents reductions to members’ benefits after they start working. ACERA took a neutral position on the “California Rule,” but the State intervened to defend the legislative change. The trial court ordered ACERA not to implement the changes until July 12, 2014, at which time

the trial court ordered ACERA to implement the changes, with some direction from the trial court regarding how to implement the changes.

The plaintiffs appealed the trial court’s decision. After an appellate decision by the First District Court of Appeals, the California Supreme Court decided to review the case. The California Supreme Court issued its opinion on July 30, 2020. The main point of the opinion is to affirm that ACERA must apply the original January 1, 2013 changes to the definition of “compensation earnable,” which is essentially how ACERA has been calculating “compensation earnable” for members who have retired since July 12, 2014.

Based in this decision, ACERA will continue its current practice regarding pay items and retirement allowance calculations. The trial court will have to settle certain remaining issues: The court-ordered treatment of how ACERA currently addresses some pay items, such as stand-by-pay, will need to be examined and ruled on as to whether it complies with the Supreme County ruling. Some Tier 1, 2, and 3 members may be due a limited refund of retirement contributions on any disallowed pay items.

ANNOUNCEMENTS: No announcements or communications were reported.

Reports

ACERA: Mike Fara reported on the August 5, 2020 Retirees Committee Meeting. There were two Action items and one Information item.

The first Action Item was a recommendation that the Retirees Committee recommend to the Board of Retirement a motion to continue the dental plan contributions for Plan Year 2021, which provides a monthly subsidy equal to the single-party dental plan coverage premium of \$44.15 for the PPO plan and \$22.18 for the DeltaCare USA plan for retirees who are receiving ACERA allowances with ten or more years of ACERA service, are service connected disability retirees, or are non-service connected disability retirees as of January 31, 2014. This represents an increase of 5.6% for PPO plans and no increase for DeltaCare USA. This is a non-vested benefit funded by contributions from the ACERA employers to the 401(h) account. After contributions are made in accordance with the County Employees Retirement Law, ACERA treats an equal amount of Supplemental Retiree Benefit Reserve (SRBR) assets as employer contributions for pensions. The Retirees Committee voted to approve the recommendation.

The second Action Item was a recommendation that the Retirees

Committee recommend to the Board of Retirement a motion to continue the vision plan contributions for Plan Year 2021, which provides a monthly subsidy equal to the single-party vision plan coverage premium of \$3.97 for retirees who are receiving ACERA allowances with ten or more years of ACERA service, are service connected disability retirees, or are non-service connected disability retirees as of January 31, 2014. This represents a decrease of -6.4% for the Standard Plan and a -3.5% decrease for the Buy-Up-Plan. This is a non-vested benefit funded by contributions from the ACERA employers to the 401(h) account. After contributions are made in accordance with the County Employees Retirement Law, ACERA treats an equal amount of Supplemental Retiree Benefit Reserve assets as employer contributions for pensions. The Retirees Committee voted to approve the recommendation.

The Information Item was an update regarding the shift from an in-person Health and Wellness Fair to a virtual Health and Wellness Fair for the end of October 2020. In order to responsibly practice social distancing and help prevent the spread of COVID-19, ACERA is working with their carriers to provide their members a virtual opportunity to hear from them and interact with them online. As with every ACERA Health Fair

Event, other vendors will also have an opportunity to provide information regarding their services and wellness resources during this virtual event.

Connie asked if there are currently any plans to change the Open Enrollment process. Mike reported that there are currently no plans to change to the current process.

TREASURER'S REPORT: Suman presented the July 2020 Treasurer's Report. Receipts totaled \$8,469.47 and Disbursements were \$3,036.68. There were no unusual receipts. The only unusual disbursement was the addition of \$14.99 for the monthly cost of the Zoom Board Meetings. Paul motioned that the July 2020 Treasurer's Report be approved as submitted. Mike seconded the motion and the motion was approved.

Suman recommended that the Board consider transferring some of the funds currently in the REAC checking account, to the REAC Certificate of Deposit. After some discussion, Mike motioned that Suman be authorized to transfer \$50,000.00 from the REAC checking account to REAC's CD. Connie seconded the motion and the motion was approved.

CRCEA: There was no additional information to report.

SACRS: Paul reported that SACRS was still considering holding a

Fall Conference. It is tentatively scheduled to take place November 10-13, 2020, at the Renaissance Esmeralda Resort & Spa, in Indian Wells, California. However, registration, event listings, etc., are currently on hold due to COVID-19 and he felt, given the logistical challenges, that it would probably be cancelled.

SACRS is continuing to offer webinars on a variety of subjects, many of which might be of interest to our Board members. The webinars dates and topics can be found on the SACRS website. Paul motioned that REAC Board members be authorized to attend SACRS webinars and be reimbursed for their expenses. Marian seconded the motion and the motion was approved.

RETIREMENT BOARD: There was no additional information to report.

INVESTMENT COMMITTEE: There was no new information to report.

HEALTH CARE: Rosalie was unable to attend today's meeting and there was no new information to report.

ACTIVITIES: Rosalie was unable to attend today's meeting and there were no updates to report. The Board discussed how to proceed with a Fall Luncheon, and a Spring Membership meeting, if COVID-19 was still a problem. Virtual meetings are certainly possible, but not ideal. Mary requested that the Board give some additional thought to various options and the item will be carried over to the September 14, 2020 Board meeting.

MEMBERSHIP AND RECRUITMENT: Connie reported that as of July 31, 2020 membership stood at 3,949 members.

REAC NEWS: The next REAC News will include information concerning the Supreme Court decision, ACERA's new website, Open Enrollment and November Voting.

ADMINISTRATIVE STAFF POSITION: Connie reported that she and Charo Panesi will be meeting on August 18, 2020 to discuss the issues related to a transfer of responsibility for Membership and Recruitment.

NEW BUSINESS: There was no new business to report.

FOR THE GOOD OF THE ORDER: There was nothing new to report.

Meeting adjourned at 10:30 a.m.

*Respectfully submitted by
Paul Reeves, Board Secretary*

Next Meeting:

September 14, 2020, 9:30 a.m.
(Monday)

Zoom Video Conferencing

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CONGRATULATIONS ON YOUR RETIREMENT

BUCHANAN, Donald
Sheriff's Office

DA SILVA, Paul
Community Development
Agency

FIRMEZA, Raymond
Sheriff's Office

LEE, Karen
Probation

NEIDIVER, Theresa
Social Services Agency

NOWAK, Stanley
Information Technology
Department

POBRE, Maria
Social Services Agency

PROCTOR, Sheila
Health Care Services Agency

RASTI, Ghulam
Social Services Agency

REVEL, Steven
District Attorney

SAIA, Josephine
Alameda Health System

SCHWEITZER, Beth
Alameda Health System

IN MEMORIAM

In deepest sympathy to the family and friends of the following retirees:

BROWN-ROGERS, Gladys
Non-Mbr Survivor of Elroy Rogers
6/24/2020

CABRAL, Jimmy
Public Works Agency
7/10/2020

CANN, Barbara
Social Services Agency
7/6/2020

CORNER, Charles
Sheriff's Office
6/17/2020

CROUTCH, Ann
Non-Mbr Survivor of Albert Crouch
7/3/2020

CVAR, Arthur
Auditor-Controller
6/20/2020

FORBES, John
Public Defender
7/6/2020

FREITAS, Ruby
District Attorney
7/19/2020

GRIFFIN, Herbert
Health Care Services Agency
7/14/2020

HANKE, Irene
Non-Member survivor of James Hanke
7/30/2020

HASTE, Martha
Health Care Services Agency
7/31/2020

HAYLES, Doris
Health Care Services Agency
7/15/2020

HEISER, Raymond
Sheriff's Office
7/4/2020

HICKS, Benetta
Non-Mbr Survivor of Ralph Hicks
7/11/2020

KELLEY, Larry
Non-Member Survivor of
Barbara Kelley
7/14/2020

MARQUART, Clyde
Social Services Agency
7/10/2020

MCINTYRE, Carleen
Superior Court
7/24/2020

MEINTASIS, David
Superior Court
7/17/2020

NICKLESS, Donald
Sheriff's Office
7/9/2020

OLIVER, Doris
Health Care Services Agency
7/1/2020

SEIFRIED, Frank
Health Care Services Agency
5/12/2020

SMITH, Sharon
Public Works Agency
7/11/2020

STEELE, Gail
Board of Supervisors
6/25/2020

STUCKEY, Rosetta
Alameda Health System
6/14/2020

TINSLEY, Kevin
Environmental Health Department
6/24/2020

VIERRA, Mitchell
Social Services Agency
7/14/2020

WILSON, Marie H.
Alameda Health System
7/8/2020

ZIMMER, Elmer
Assessor
7/14/2020

The surviving spouse of a member is eligible for REAC membership. To enroll, send an email to reacwebsite@gmail.com.



REAC NEWS

Retired Employees of Alameda County
P.O. Box 302–Oakland, CA 94604
September 2020

ADDRESS SERVICE REQUESTED

Nonprofit org.
U.S. Postage
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Oakland, CA

<p>REAC'S Mission</p> <p>The purpose of the Retired Employees of Alameda County (REAC) is to promote the common good and general welfare of Alameda County retired employees, subject to the County Employees Retirement Act of 1937, by promoting the interests of its members throughout the community by means of social, political, and educational activities that advance the social welfare of such retirees.</p> <p>Moving? Please fill out and mail this notice to the following address: REAC, P.O. Box 302, Oakland, CA 94604 or e-mail reacwebsite@gmail.com</p> <p>Name: ----- New Address: ----- City/State: ----- Zip Code: ----- Date of Move: ----- Telephone: ----- Old Address: ----- 1/2018</p> <p>Also send change of address to ACEPRA: Alameda County Employees' Retirement Association (ACEPRA) 475 14th St., Ste. 1000, Oakland, CA 94612 Phone: 800-838-1932 or 510-628-3000</p> <p><i>Select Option 1 for the Retiree Benefits Unit (health, vision, dental, etc.)</i></p>	<p>REAC Officers and Directors</p> <ul style="list-style-type: none"> • President: Mary Millermmiller1948@gmail.com • Vice President: Marian Breitbart (510) 769-1604 • Secretary: Paul Reeves bongsaaw@gmail.com • Treasurer: Suman Sharmasuman775@gmail.com • Directors: <ul style="list-style-type: none"> Renaye Johnson (925) 286-0716 Liz Koppenhaver (510) 579-3319 Connie Landlandcon@comcast.net Rosalie Masuda (510) 339-1307 Mike Smart mgsmart@comcast.net • Directors Emeriti: <ul style="list-style-type: none"> Barbara Jean Hallisey Steve Scheinman Emily Shea Ken Moresi Janet Waring Jon Orellana <p>Editor: Gina Palmer Printing and Mailing: Red Arrow Printing Membership questions: reacwebsite@gmail.com</p>
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