



ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION  
*BOARD OF RETIREMENT*  
MINUTES

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Thursday, January 19, 2012

Chair George Wood called the meeting to order at 2:00 p.m.

Trustees Present: Dale Amaral  
Ophelia Basgal  
Annette Cain-Darnes  
Elizabeth Rogers  
David Safer (*Alternate*)  
Darryl Walker (*Alternate*)  
Donald White  
George Wood

Trustees Excused: Keith Carson  
George Dewey  
Liz Koppenhaver

Staff Present: Victoria Arruda, Human Resources Officer  
Vincent Brown, Chief Executive Officer  
Kathy Foster, Assistant Chief Executive Officer  
Robert Gaumer, Chief Counsel  
Harsh Jadhav, Internal Auditor  
Rose Kwong, Benefits Manager  
Martha Richardson, Executive Secretary  
J.P. Singh, Chief Financial Officer  
Betty Tse, Chief Investment Officer  
Latrena Walker, Project and Information Services Manager  
Catherine Walker, Assistant Chief Executive Officer

Chair George Wood opened the meeting with the annual election of Board Officers for 2012.

The election of the Board Chair was deferred to the February 16, 2012 Board meeting.

**12-01**

**It was moved by Elizabeth Rogers, seconded by Annette Cain-Darnes to elect Dale Amaral as First Vice Chair of the Board of Retirement.**

There were no further nominations. The nominations were closed.

Dale Amaral was elected as Board First Vice Chair by a vote of 7 yes, 0 no, and 0 abstentions.

**12-02**

**It was moved by Annette Cain-Darnes, seconded by Dale Amaral to elect Keith Carson as Second Vice Chair of the Board of Retirement.**

There were no further nominations. The nominations were closed.

Keith Carson was elected as Board Second Vice Chair by a vote of 7 yes, 0 no, and 0 abstentions.

**12-03**

**The minutes of the regular meeting of December 15, 2011 were accepted on a motion by Dale Amaral seconded by Annette Cain-Darnes and approved by a vote of 7 yes, 0 no, and 0 abstention.**

**CONSENT CALENDAR  
REPORTS AND ACTION ITEMS**

**APPLICATION FOR SERVICE RETIREMENT**

*Appendix A*

**APPLICATION FOR RETIREMENT, DEFERRED**

*Appendix B  
Appendix B-1*

**APPLICATION FOR DEFERRED TRANSFER**

*Appendix C*

**LIST OF DECEASED MEMBERS**

*Appendix D*

**REQUESTS FOR 130 BI-WEEKLY PAYMENTS TO RE-DEPOSIT  
CONTRIBUTIONS AND GAIN CREDIT**

*Appendix E*

**APPLICATION FOR DISABILITY RETIREMENT – NON CONTESTED ITEMS:**

*Appendix F*

**APPLICATION FOR DISABILITY RETIREMENT – HEARING OFFICER  
RECOMMENDATIONS**

*Appendix G*

**DISABILITIES STATUS REPORT**

**APPROVAL OF COMMITTEE MINUTES**

*December 15, 2011 Governance Committee Minutes*

It was moved by Elizabeth Rogers, seconded by Annette Cain-Darnes, and approved by a vote of 7 yes (*Amaral recused; Walker votes*), 0 no, 0 abstentions, that the following resolution is adopted:

**12-04**

**BE IT RESOLVED BY THIS BOARD that the Consent Calendar is approved as presented.**

**REGULAR CALENDAR - REPORTS AND ACTION ITEMS**

**DISABILITIES, CURRENT AND CONTINUING RECOMMENDATIONS AND MOTIONS**

None.

**COMMITTEE REPORTS, RECOMMENDATIONS AND MOTIONS**

*Note: Per Committee Chairs, detailed copies of the Committee meeting minutes were available for attendees. All **January** Committee meeting minutes are posted on the ACERA website ([www.acera.org](http://www.acera.org)) after approval at the **January 19, 2012** Board meeting. This month's Committee reports were presented in the following order:*

***Operations:***

Elizabeth Rogers noted that the Operations Committee met on January 4, 2012 at 9 a.m., and reported the following:

Vince Brown, CEO, presented a proposal to change the reporting cycle of the Financial Statements and Operating Expenses – Budget vs. Actual statements from monthly to quarterly beginning with the 2012 reports. After discussion, Mr. Brown agreed to provide additional information on staffing and workload at the January Board Meeting. David Safer requested an account on the frequency that other '37 Act retirement system boards are provided with financial and budget information. No action was taken.

This item was deferred to the January 19, 2012 Board meeting for action under New Business.

**12-05**

**It was moved by Elizabeth Rogers and seconded by Ophelia Basgal that the Board approve the amendments to the Disability Retirement Procedures. The motion carried 7 yes, 0 no, and 0 abstentions.**

Robert Gaumer, Chief Counsel, presented the proposed amendments to the ACERA Disability Retirement Procedures. Ms. Rogers requested that language about the limitation on disability allowances be expanded in the Disability Retirement Handbook and counseling materials to include member contributions.

Mr. Brown presented the monthly financial statements. For the period ending November 30, 2011 net assets held in trust for pension benefits total \$5,075,420,712.

Mr. Brown presented the year-to-date operating expenses – budget vs. actual. As of November 30, 2011 actual expenses are under budget \$1,509,545.

Mr. Brown presented the 2012 Operations Committee work plan.

Victoria Arruda, Human Resources Director, presented a report on the status of ACERA's vacancies.

Pursuant to Government Code §54956.9(a) the meeting adjourned at 9:32 a.m. into Closed Executive Session to confer with legal counsel regarding pending litigation in the matter of:

- 1) Lehman Brothers Holdings In, Case No. 08 Civ. 5523; and
- 2) In re Wells Fargo Mortgage-Backed Securities, Case No. 09-CV-1376.

The Committee reconvened into open session at 9:42 a.m. and reported that no action was taken.

#### **12-06**

**It was moved by Elizabeth Rogers and seconded by Ophelia Basgal that the Board accept the January 4, 2012 Operations Committee minutes. The motion carried 7 yes, 0 no, and 0 abstentions.**

#### ***Retirees:***

David Safer noted that the Retirees Committee met on January 4, 2012 at 10:30 a.m., and reported the following:

Kathy Foster, Assistant Chief Executive Officer, presented the proposed 2012 Retirees Committee Work Plan highlighting the most notable changes to include: issuing a Request for Proposal to Medicare Advisory Firms; reporting on reciprocity and the impacts to the Supplemental Retiree Benefit Reserve benefits; and beneficiary eligibility of the lump sum death benefits.

Keenan & Associates, ACERA's Benefits and Communications Consultant, presented information regarding the Patient Protection and Affordable Care Act (PPACA) from 2011 to 2014; the financing of the California Health Care Exchange (HBEX); further information on Individual Mandates; and premium tax credit and subsidies.

Rose Kwong, Benefits Manager, reported that the 2011 Form 1099-R is scheduled to be mailed to retirees on January 23, prior to the IRS deadline of January 31.

Sharen Stanek-Lowe, Assistant Benefits Manager, provided information on the Open Enrollment trends and summarized the healthcare plans forms received for the five-year period 2008 through 2012.

Ms. Stanek-Lowe provided the 2012 Retiree Seminar schedule, which includes presentations on the Medicare Transition process and topics covering prevention and health.

Ms. Stanek-Lowe gave a presentation on ACERA's Wellness Program, which included a summary of the fourth quarter 2011 activities, 2011 accomplishments, and ACERA's goals and objectives for 2012.

Ms. Stanek-Lowe provided information on unauthorized changes to ACERA's retiree remittance advices being produced by Wells Fargo Bank's new check printer for the November 2011 payroll. Appropriate changes were made in time for the December payroll. The other formatting issues will be resolved by the February payroll.

**12-07**

**It was moved by David Safer and seconded by Annette Cain-Darnes that the Board approve the January 4, 2012 Retirees Committee minutes. The motion carried 7 yes, 0 no, and 0 abstentions.**

***Investment:***

Dale Amaral noted that the Investment Committee met on January 11, 2011 at 9:06 a.m. and reported the following:

Representatives from BlackRock Granite Property Fund, Inc. presented the current status of the fund, amended strategy and goals, fund performances and other changes made in the last year.

**12-08**

**It was moved by Dale Amaral and seconded by Elizabeth Rogers that the Board to adopt Staff's recommendation to redeem fully ACERA's investment in BlackRock Granite Property Fund, Inc. The motion carried 7 yes, 0 no, and 0 abstentions.**

Information items included:

- Review and Discussion of Capital Market Conditions and ACERA's Portfolio Asset Allocation
- Review of Heitman Capital Management
- Status Update on RREEF's Organizational Change
- Proposed Investment Committee Workplan for 2012
- Report on ACERA's Rebalancing Activities – December 2011

**12-09**

**It was moved by Dale Amaral and seconded by Elizabeth Rogers that the Board approve the January 11, 2012 Investment Committee minutes. The motion carried 7 yes, 0 no, and 0 abstentions.**

**NEW BUSINESS**

***Motion to Change the Reporting Cycle of the Financial Statements from Monthly to Quarterly***

At the request of the Operations Committee, CEO Vince Brown presented memo dated January 19, 2012 which provided additional information on the Accounting Department's staffing and workload, and financial reporting practices of the other '37 Act County funds.

Based on feedback, Staff recommends that the Board approve a change in the reporting cycle of the Financial Statements.

**12-10**

**It was moved by Elizabeth Rogers and seconded by Ophelia Basgal that the Board approve a change in the reporting cycle of the Financial Statements from monthly to quarterly and that staff continue providing the Total Operating Expense Budget vs. Actual on a monthly basis to the Operations Committee. The motion carried 7 yes, 0 no, and 0 abstentions.**

Ophelia Basgal asked that this item be revisited in one year after a re-evaluation of the Accounting Department's workload.

***Vince Brown, Chief Executive Officer Report***

The CEO reported on the following items:

- 2012 Project Planning Kick-off meetings – 2012 Board Off-site, EDMS Efficiency Analysis, Website Redesign project, and Internal Audit's Cash Management Audit.
- Staff planning for the 2013 Budget, 2011 Audit and CAFR and the 2011 Actuarial Valuation and Audit.
- Attendance at the CALAPRS Administrators Roundtable, January 27 in Burbank.
- Panelist at the Public Retirement Journal Seminar, February 22 in Lakewood.

**CONFERENCE REPORTS / ANNOUNCEMENTS / PUBLIC /BOARD INPUT**

None.

**ESTABLISHMENT OF THE NEXT MEETING**

Thursday, February 16, 2012 at 2:00 p.m.

**ADJOURNMENT INTO CLOSED EXECUTIVE SESSION**

A) Conference with Legal Counsel – Anticipated Litigation

Significant exposure to litigation pursuant to subdivision Government Code §54956.9(b)  
(1 case)

**RECONVENE INTO OPEN SESSION TO ANNOUNCE ANY ACTION TAKEN IN CLOSED EXECUTIVE SESSION**

The Board reported no action taken on the above-mentioned item.

**ADJOURNMENT**

The meeting adjourned at 2:40 p.m.

Respectfully Submitted,

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Vincent P. Brown  
Chief Executive Officer

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Date Adopted

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**APPENDIX A  
APPLICATION FOR SERVICE RETIREMENT**

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BAKER, Denise Q.  
Effective: 9/20/2011  
Library

KIM, Hee J.  
Effective: 10/1/2011  
Alameda County Medical Center

BLUNT-WILLIAMS, Linda A.  
Effective: 12/6/2010  
Alameda County Medical Center

LEON, Glenda J.  
Effective: 10/1/2011  
Sheriff's Office - DEF

BRICKER, Joseph F.  
Effective: 9/14/2011  
Sheriff's Office

LIN, Vita  
Effective: 5/14/2011  
Social Services Agency

BROWN, Annette  
Effective: 9/20/2011  
Social Services Agency

LLOYD, Donna M  
Effective: 7/2/2011  
Alameda County Medical Center

BROWN, Regina  
Effective: 11/15/2011  
DRO - DEF

LLOYD, Gwendolyn M.  
Effective: 10/4/2011  
Social Services Agency

CIRELLI, Vincent F.  
Effective: 9/17/2011  
Zone 7

LOPEZ, Maria E.  
Effective: 10/1/2011  
Social Services Agency

CRUZ, Arturo M.  
Effective: 7/10/2011  
Public Works Agency

LUNA, Ronald F.  
Effective: 10/14/2011  
District Attorney

DA SILVA, Lucia H.  
Effective: 9/29/2011  
Alameda County Medical Center

LUNDBERG, Betty J.  
Effective: 9/28/2011  
Library

DEBORD, Amalia  
Effective: 9/29/2011  
Social Services Agency - DEF

MARKS, Stephen J  
Effective: 10/10/2011  
Alameda County Medical Center - DEF

HACKETT, Donald  
Effective: 10/1/2011  
Behaviorial Health Care Services

MARQUEZ, Sandra L  
Effective: 8/27/2011  
Public Health

HUBBLE, Patty L.  
Effective: 10/1/2011  
Superior Court - DEF

MC ANDREWS, Donald B.  
Effective: 10/1/2011  
Alameda County Medical Center

KILEN, Steve M.  
Effective: 10/8/2011  
Alameda County Medical Center

OAKLEY, Carol A.  
Effective: 9/3/2011  
Alameda County Medical Center

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**APPENDIX A**  
**APPLICATION FOR SERVICE RETIREMENT**

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PEDRO, Deonora R.  
Effective: 7/11/2011  
Assessor

STARR, Karen S.  
Effective: 9/17/2011  
Social Services Agency

PERA, Tasha B.  
Effective: 9/17/2011  
Social Services Agency

THOMPSON, Schurniece M.  
Effective: 8/24/2011  
Behaviorial Health Care Services

REALPH, James D.  
Effective: 7/1/2011  
Sheriff's Office

WARDE, Cynthia A.  
Effective: 11/7/2011  
DRO - DEF

REGAS, Nancy A.  
Effective: 11/1/2011  
Superior Court

WILSON, Lorraine  
Effective: 9/20/2011  
Social Services Agency

REYES, Vincent B.  
Effective: 3/10/2011  
Social Services Agency

WYNN, Harry E.  
Effective: 9/28/2011  
Sheriff's Office

RICHARD, Loretta T.  
Effective: 10/15/2011  
Assessor

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**APPENDIX B**  
**APPLICATION FOR DEFERRED RETIREMENT**

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PANDYA-OROZCO, Bernadette P.  
Public Health  
Effective: 08/07/10

YOUNG, Marvin L.  
Superior Court  
Effective: 10/04/10

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**APPENDIX B-1**  
**APPLICATION FOR NON-VESTED DEFERRED**

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MILLER, Paula L.  
Social Services Agency  
Effective: 06/25/2010



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**APPENDIX D**  
**LIST OF DECEASED MEMBERS**

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ALEXANDER, Cecile M.  
12/20/2011  
Alameda County Medical Center

HYDE, Betty M.  
12/11/2011  
Survivor of Everett B. Hyde

BENEKE, Margaret E.  
12/23/2011  
Public Health

JACOBS, James D.  
12/24/2011  
Probation

BLOSSER, Elizabeth  
12/16/2011  
Survivor of John A. Blossser MD

KELLY, Cary E.  
12/26/2011  
DRO

BOARDMAN, George R.  
11/28/2011  
Social Services Agency

MURAMOTO, Roy N.  
12/17/2011  
General Services Agency

ELLIOTT, Arthur E.  
11/26/2011  
Sheriff's Office

RYLAN, Mae C.  
11/10/2011  
Social Services Agency

ELMORE, Grace M.  
12/7/2011  
Information Technology Department

TARTE, Robert W.  
12/6/2011  
Sheriff's Office

GUILLOT, Soni S.  
11/28/2011  
Public Health

VINCENT, Yvonne M.  
12/19/2011  
Survivor of Carl Vincent

HARRIS, Sallie M.  
11/17/2011  
Alameda County Medical Center

WALKER, Fletcher L.  
11/20/2011  
Alameda County Medical Center

HEIER, Joan E.  
12/19/2011  
Human Resource Services

WHITE, Emma L.  
12/12/2011  
Alameda County Medical Center

HOPKINS, William R.  
12/1/2011  
Probation

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**APPENDIX F**  
**APPLICATION FOR DISABILITY RETIREMENT**

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**Name:** Knittel, Bryan  
**Type of Claim:** Service Connected

Staff's Recommendation:

Approve the recommendation contained in Dr. Wagner's report to grant Mr. Knittel a service connected disability and to not require future annual medical examinations and questionnaires at this time.

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**Name:** Kosmicky, Joseph  
**Type of Claim:** Service Connected – Reciprocal Member

Staff's Recommendation:

Approve staff's recommendation to grant Mr. Kosmicky a service connected disability retirement in conjunction with reciprocal agency, Contra Costa County Employees' Retirement Association (CCCERA) and in accordance with Section 31838.5.

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**Name:** Sneddon, Timothy  
**Type of Claim:** Annual Review for NSCD (Granted on 10/16/2008)

Staff's Recommendation:

Approve the recommendation contained in Dr. Wagner's report, to continue the allowance for non-service connected disability and to not require future annual medical examinations and questionnaires at this time.

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**Name:** Widger, Sylvie  
**Type of Claim:** Non-Service Connected

Staff's Recommendation:

Approve the recommendation contained in Dr. Wagner's report to grant a non-service connected disability and to not require future annual medical examinations and questionnaires at this time.

Based on Dr. Wagner's review and determination of Ms. Widger's knowledge of permanency, to deny Ms. Widger's request for an earlier effective application date.