



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

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Thursday, February 16, 2012

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

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

Trustees Excused: Keith Carson

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

Staff Excused: Catherine Walker, Assistant Chief Executive Officer

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

**12-11**

**It was moved by Annette Cain-Darnes, seconded by Dale Amaral to elect George Dewey as Chair of the Board of Retirement.**

There were no further nominations. The nominations were closed.

George Dewey was elected as Board Chair by a vote of 6 yes, 0 no, and 0 abstentions.

**12-12**

The minutes of the regular meeting of January 19, 2012 were accepted on a motion by Annette Cain-Darnes, seconded by George Wood 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**

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

**12-13**

**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**

Arnette Hayes  
Vickey McMillin

**COMMITTEE REPORTS, RECOMMENDATIONS AND MOTIONS**

*Note: Per Committee Chairs, detailed copies of the Committee meeting minutes were available for attendees. All **February** Committee meeting minutes are posted on the ACERA website ([www.acera.org](http://www.acera.org)) after approval at the **February 16, 2012** Board meeting. This month's Committee reports were presented in the following order:*

***Operations:***

Elizabeth Rogers noted that the Operations Committee met on February 1, 2012 at 9 a.m., and reported the following:

JP Singh, Chief Financial Officer, presented the unaudited financial statements and noted that the report was preliminary because it contained certain estimates. For the period ending December 31, 2011 the preliminary amount for the net assets held in trust for pension benefits total \$5,060,008,081.

Mr. Singh presented the unaudited year-to-date operating expenses – budget vs actual. As of December 31, 2011 actual expenses are under budget \$1,161,695.

Vince Brown, CEO, presented the Board Member Conference Attendance Report for the 4<sup>th</sup> quarter.

Sharen Stanek-Lowe, Assistant Benefits Manager, presented the quarterly update on the Call Center.

**12-14**

**It was moved by Elizabeth Rogers and seconded by Ophelia Basgal that the Board approve the February 1, 2012 Operations Committee minutes. The motion carried 8 yes, 0 no, and 0 abstentions.**

***Retirees:***

Liz Koppenhaver noted that the Retirees Committee met on February 1, 2012 at 10 a.m., and reported the following:

Rose Kwong, Benefits Manager, provided information regarding the Supplemental Cost of Living Adjustment (COLA) benefit. For 2011, there were approximately 600 retirees/payees receiving this benefit at a cost of \$2,556,221.48. This annual supplemental benefit is non-vested and is funded by the Supplemental Retiree Benefits Reserve (SRBR).

**12-15**

**It was moved by Liz Koppenhaver and seconded by George Wood that the Board adopt the Supplemental COLA increase for Tier 1 members who retired on or before April 1, 1981 and Tier II members who retired on or before April 1, 1991 effective with the April 1, 2012 monthly retirement allowance. The motion carried 8 yes, 0 no, and 0 abstentions.**

Ms. Kwong reported that based on information provided by The Segal Company, ACERA's actuaries, the Cost of Living Adjustment (COLA) effective April 1, 2012 results in an increase of 3% for Tier 1 and Tier 3 retirees/payees and 2% for Tier 2 retirees/payees.

Sharen Stanek-Lowe, Assistant Benefits Manager, discussed the purpose and plans for ACERA's annual health plan meeting scheduled for March 7, 2012.

Kathy Foster, Assistant Chief Executive Officer, and Keenan & Associates, ACERA's Benefits and Communications Consultant, provided information on the potential benefits to proceed with conducting a Request for Proposal (RFP) for Medicare Advisory services. In addition, a timeline of the RFP process and a list of firms to whom an RFP would be distributed were provided. Staff will provide its analysis of the RFP responses to the Committee at the May 2012 meeting.

Ms. Foster provided applicable Code Sections of the '37 Act, descriptions of the benefits funded by the Supplemental Retiree Benefit Reserve (SRBR), and reciprocity impacts to eligibility for benefits.

Ms. Stanek-Lowe provided information on: 1) the upcoming Wells Fargo Bank's check/advice printing changes; 2) the cancellation and reinstatement of Kaiser contracts for Georgia and Colorado; 3) reminder of UnitedHealthcare Group Medicare Advantage Plan prescription co-pay increase; 4) potential impact to Kaiser healthcare premiums for the 2013 plan year as a result of the custodial care coverage for autism, effective July 1, 2012 (SB 946); and 5) issues raised by a few Operating Engineers members regarding healthcare premium increase.

**12-16**

**It was moved by Liz Koppenhaver and seconded by Annette Cain-Darnes that the Board approve the February 1, 2012 Retirees Committee minutes. The motion carried 8 yes, 0 no, and 0 abstentions.**

***Investment:***

Annette Cain-Darnes noted that the Investment Committee met on February 8, 2011 at 9:04 a.m. and reported the following:

Townsend and Staff presented to the Committee their reviews of ACERA's Investment in RREEF America REIT II. Representatives from RREEF America REIT II discussed the Deutsche Bank's strategic review of RREEF, its organizational changes, recent performance, and fund outlook.

**12-17**

**It was moved by Annette Cain-Darnes and seconded by Liz Koppenhaver that the Board redeem fully ACERA's investment in RREEF America REIT II. The motion carried 7 yes, 0 no, and 1 abstention (*Amaral*).**

Pursuant to the ACERA Service Provider Policy, Staff recommended a proposed fee schedule for the custody services of State Street Bank and Trust Company. Staff and the representative from State Street Bank responded to questions from the Committee members.

**12-18**

**It was moved by Annette Cain-Darnes and seconded by George Wood that the Board authorize staff to execute a fee schedule amendment to the current custody agreement (dated August 8, 2007) between ACERA and State Street Bank and Trust Company. The motion carried 7 yes, 0 no, and 1 abstention (*Amaral*).**

Information items included:

- Review of ACERA's Investment in RREEF Managed Separate Account
- Report of ACERA's PEARLS Investment – Venture Capital
- Review of ACERA's Investment in JPMorgan Strategic Property Fund (SPF)
- Review of ACERA's Investment in JPMorgan Alternative Property Fund (APF)

**12-19**

**It was moved by Annette Cain-Darnes and seconded by George Wood that the Board approve the February 8, 2012 Investment Committee minutes. The motion carried 8 yes, 0 no, and 0 abstentions.**

***Audit:***

Donald White noted that the Audit Committee met on February 8, 2012 at 1:30 pm, and reported the following:

The Committee briefly discussed the external audit scope of work and timeline.

**12-20**

**It was moved by Donald White and seconded by Liz Koppenhaver that the Board approve the External Audit Scope of Work and Timeline of Services to be performed by Williams Adley & Co., LLP. The motion carried 8 yes, 0 no, and 0 abstentions.**

Robert Griffin and Audrey Elbert, Williams Adley & Co. LLP, presented the Audit and Communications Plan for the year ended December 31, 2011.

The Committee expressed no concerns with respect to the Financial Audit.

JP Singh, Chief Financial Officer, presented the proposed 2012 Audit Committee Work Plan.

Harsh Jadhav, Internal Auditor, presented the Internal Audit's quarterly update and reported that the risk assessment and the Audit Operation Manual are complete. Mr. Jadhav also introduced the proposed Internal Audit Work Plan for 2012.

**12-21**

**It was moved by Donald White and seconded by Annette Cain-Darnes that the Board approve the February 8, 2012 Audit Committee minutes. The motion carried 8 yes, 0 no, and 0 abstentions.**

**NEW BUSINESS**

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

The CEO reported on the following items:

- Governor Brown's Pension Reform Proposal
- Board 2012 Off-Site Location
- County 401-h Contribution Update
- Zone 7 Separation Status
- News Article Update
- ACERA Phone System Upgrade
- CALAPRS Administrators/CEO Roundtable
- SACRS Spring/Fall Conferences

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

None.

**ESTABLISHMENT OF THE NEXT MEETING**

Thursday, March 15, 2012 at 2:00 p.m.

**ADJOURNMENT INTO CLOSED EXECUTIVE SESSION**

Pursuant to Government Code Sections 54957.1 and 54956.9 to discuss and make recommendations regarding disability applications:

1) Discussion and possible motion regarding application for an earlier effective date for:

- ***Arnette Hayes***

2) Discussion and possible motion regarding application for service-connected disability retirement for:

- ***Vickey McMillin***

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

The Board reconvene and reported the following:

**12-22**

**It was moved by Ophelia Basgal and seconded by Annette Cain-Darnes that the Board adopt the Hearing Officer’s recommendation to deny Ms. Hayes an Earlier Effective Application Date. The motion carried 8 yes, 0 no and 0 abstentions.**

**12-23**

**It was moved by Liz Koppenhaver and seconded by George Wood that the Board adopt the Hearing Officer’s recommendation to deny Ms. McMillin a Service Connected Disability benefit. The motion carried 7 yes, 0 no, and 1 abstention (*Amaral*).**

**ADJOURNMENT**

The meeting adjourned at 3:30 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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ANDERSON, Vanessa R.  
Effective: 11/2/2011  
Social Services Agency

HAMILTON, Willie T.  
Effective: 9/3/2011  
Probation

BARNES, Robert A.  
Effective: 11/28/2011  
DRO - DEF

HARRIS, Linda Marie  
Effective: 10/1/2011  
Superior Court - DEF

BROWN, Larry M.  
Effective: 3/5/2011  
Sheriff's Office

HERZOG, Timothy L.  
Effective: 11/15/2011  
General Services Agency

CADEMARTORI, Frances G.  
Effective: 11/1/2011  
Housing Authority

JULIEN, Harold A.  
Effective: 7/23/2011  
Assessor

CHEN, Lin L.  
Effective: 3/5/2011  
Social Services Agency

LOCKS, Velma L  
Effective: 7/9/2011  
Social Services Agency

COMIER, Margaret A.  
Effective: 11/11/2011  
Public Defender

LONERGAN, Daniel S.  
Effective: 10/15/2011  
Sheriff's Office

CROGHAN, William A.  
Effective: 10/3/2011  
Sheriff's Office

MASRI, Ayman A.  
Effective: 7/9/2011  
Sheriff's Office

EDWARDS, Patricia D.  
Effective: 9/3/2011  
Alameda County Medical Center

MC CUAN, David N.  
Effective: 12/9/2011  
District Attorney - DEF

FERGUSON, Cecilia A.  
Effective: 9/16/2011  
Housing Authority

MONTES, Dwaine M.  
Effective: 9/28/2011  
Sheriff's Office

FLECHERO, Anna M.  
Effective: 10/15/2011  
Social Services Agency

NARO, Emelda  
Effective: 10/27/2011  
Alameda County Medical Center - DEF

GONZALEZ, Sara  
Effective: 11/15/2011  
General Services Agency

NG, Shirley M.  
Effective: 10/1/2011  
Public Health

GRIFFIN, Bobbie R.  
Effective: 3/28/2011  
General Services Agency

NGUYEN, Cozett B.  
Effective: 10/19/2011  
Social Services Agency



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**APPENDIX A  
APPLICATION FOR SERVICE RETIREMENT**

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PUTMAN, Charles D.  
Effective: 10/29/2011  
General Services Agency

ROSENBERG, Sandra S.  
Effective: 10/29/2011  
Child Support Services

SMITH, Phillip S.  
Effective: 10/21/2011  
Alameda County Medical Center

WALSH, Susan A.  
Effective: 11/5/2011  
Public Defender

WATKINS, Thomas K.  
Effective: 9/28/2007  
Alameda County Medical Center - DEF

WERTS, Ernest  
Effective: 11/14/2011  
Sheriff's Office

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**APPENDIX D  
LIST OF DECEASED MEMBERS**

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BATES JR., Harold J.  
1/21/2012  
Social Services Agency - DEF

KIRKWOOD, George A.  
1/3/2012  
Alameda County Medical Center

COMAJIS, Ruby E.  
1/6/2012  
Social Services Agency

LADONI, Wanda L.  
1/23/2012  
Probation - DEF

CONLON, Hazel D.  
12/23/2011  
Superior Court

MAGPAYO, Mariano E.  
1/8/2012  
Social Services Agency

COVINGTON, Ernest L.  
1/22/2012  
Superior Court

MANNING, Vreda  
1/5/2012  
Alameda County Medical Center

FOGERTY, James R.  
1/7/2012  
Auditor-Controller

RIVAS, Joanne G.  
1/11/2012  
Child Support Services

FROST, William K.  
12/3/2011  
Behavioral Health Care Services - DEF

ROBLES, John F.  
1/1/2012  
General Services Agency

FURRER JR., Robert W.  
1/20/2012  
Public Works Agency

SQUIRES, Dean W.  
1/1/2012  
General Services Agency

HOLCOMB, Barbara A.  
1/5/2012  
Alameda County Medical Center

STOUT, Carrie P.  
1/4/2012  
Alameda County Medical Center

HOULE, Margaret G.  
12/28/2011  
Information Technology Department

WAGNER, Robert J.  
1/6/2012  
Sheriff's Office

JONES, Clarence L.  
12/26/2011  
Alameda County Medical Center

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

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**Name:**                   **Bryant, Cynthia**  
Type of Claim:        Service Connected

Staff's Recommendation:

Approve the recommendation contained in Dr. Wagner's report to grant a 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. Bryant's knowledge of permanency, to deny Ms. Bryant's request for an earlier effective application date.

**Name:**                   **Cash, Althea**  
Type of Claim:        Service Connected

Staff's Recommendation:

Approve the recommendation contained in Dr. Wagner's report to grant a 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. Cash's knowledge of permanency, to grant Ms. Cash's request for an earlier effective application date.

**Name:**                   **Galzignato, Tina**  
Type of Claim:        Annual Review for NSCD (Granted on 1/20/2011)

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

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**Name:** Pelayo, Kathleen  
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. Since Ms. Pelayo is over 55 years old, future annual medical examinations and questionnaires will not be required.

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

**Name:** Prescott, Ta-Tanisha  
Type of Claim: Service Connected

Staff's Recommendation:

Approve the recommendation contained in Dr. Wagner's report to grant a service connected disability and to require future annual medical examinations and questionnaires.

**Name:** Rashid, Suraya  
Type of Claim: Annual Review for NSCD (Granted on 11/30/2010)

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.