



July 2, 2014

To: Members of the Operations Committee  
From: Dale Amaral, Chair  
Subject: Summary of the July 2, 2014 Operations Committee Meeting

Operations Committee Chair Dale Amaral called the July 2, 2014 Operations Committee Meeting to order at 9:37 a.m. Committee members present were Dale Amaral, Chair, Ophelia Basgal, Keith Carson, and Elizabeth Rogers. The other Board members present were George Wood, and alternate members David Safer and Darryl Walker. Staff present were Vince Brown, Chief Executive Officer; Marguerite Malloy, Associate Counsel; Kathy Foster, Assistant Chief Executive Officer; Margo Allen, Fiscal Services Officer; Rose Kwong, Benefits Manager; Latrena Walker, Project and Information Services Manager; Victoria Arruda, Human Resources Director; and Harsh Jadhav, Chief of Internal Audit.

#### **ACTION ITEM**

**1. Discussion and possible motion on an appeal of ACERA's decision to deny a member's request to re-establish reciprocity between ACERA and San Francisco City and County Employees' Retirement System**

Rose Kwong, Benefits Manager, presented the matter of Ms. Patty Hubble's appeal of staff's decision to deny her request to re-establish reciprocity between ACERA and San Francisco City and County Employees' Retirement Association. Ms. Hubble and her attorney Ms. Denise Eaton-May were present. Ms. Eaton-May gave the Trustees a handout with additional information including benefit calculations. Ms. Eaton-May then presented her argument in favor of re-establishing Ms. Hubble's reciprocity.

Following a discussion, Dale Amaral, Committee Chair, stated that no action should be taken until such time as the Trustees and staff had an opportunity to review the information contained in Ms. Eaton-May's handout. Vince Brown, CEO, stated that this agenda item and the information in the handout will be taken back for further discussion and brought to the Board meeting. Kathy Foster, Assistant CEO, suggested to Ms. Hubble that Ms. Hubble and her attorney ask the San Francisco City and County Employees' Retirement System to conduct another review of Ms. Hubble's situation to determine if that system has a remedy. No action was taken.

#### **INFORMATION ITEMS**

**1. Operating Expenses – Budget vs Actual as of May 31, 2014**

Margo Allen, Fiscal Services Officer, presented the year-to-date operating expenses – budget vs. actual. As of May 31, 2014 actual expenses are \$845,196 under budget.

**2. Sustaining Public Defined Benefit Plans**

Vince Brown, CEO, presented SACRS Executive Director Robert Palmer's memo, "Sustaining Public Defined Benefit Plans", which outlines a proposed action plan for the SACRS Board to consider if it decides to retain a public relations firm to assist SACRS in developing an educational campaign about the positive aspects of defined benefit plans.

**3. Impact of the Final Ruling in the DSA Lawsuit (re: AB 340 and AB 197) on Legacy Members**

Kathy Foster, Assistant CEO, presented a synopsis of the impact to legacy members of the final judgment in the DSA v. ACERA lawsuit with respect to implementing AB 340 and AB 197.

**4. ACERA Website Report**

Michael Fara, Communications Manager, provided a comprehensive update on ACERA's redesigned website.

**5. Report on the Call Center's Request for Caller's Social Security Number**

Sharen Stanek-Lowe, Assistant Benefits Manager, provided a report on why ACERA asks for the last four digits of a member's social security number when the member speaks with the Call Center. Ms. Basgal stated that collecting the last four digits of a member's social security number raises privacy issues, and suggested that consideration be given to using another identifier.

**6. Human Resources Staffing Report**

Victoria Arruda, Human Resources Director reported on the 2<sup>nd</sup> quarter position vacancies that are approved in the 2014 budget.

**TRUSTEE/PUBLIC INPUT**

**ESTABLISHMENT OF NEXT MEETING DATE**

The next meeting is scheduled for August 6, 2014 at 9:30 a.m.

**MEETING ADJOURNED**

The meeting adjourned at 11:08 a.m.