



ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

475 14th Street, Suite 1000, Oakland, CA 94612 (800) 838-1932 (510) 628-3000 fax: (510) 268-9574 www.acera.org

Date: January 10, 2018
To: Members of the Operations Committee
From: Elizabeth Rogers, Chair
Subject: Summary of the January 10, 2018, Operations Committee Meeting

Operations Committee Chair Elizabeth Rogers called the January 10, 2018, Operations Committee Meeting to order at 1:44 p.m. Committee members present were Elizabeth Rogers, Chair; Tarrell Gamble, Vice-Chair; Annette Cain-Darnes; Liz Koppenhaver; and George Wood. Other Board members present were Ophelia Basgal; Henry Levy; and Alternates Nancy Reilly and Darryl Walker. Staff present were David Nelsen, Chief Executive Officer; Margo Allen, Fiscal Services Officer; Kathy Foster, Assistant Chief Executive Officer; Kathy Mount, Chief Counsel; Harsh Jadhav, Chief of Internal Audit; Sandra Dueñas-Cuevas, Benefits Manager; Betty Tse, Chief Investment Officer; and Victoria Arruda, Human Resource Officer.

ACTION ITEMS

1. Adoption of New Pay Item – Pay Code 220, 221, and 222 for Alameda Health System

Staff presented a proposal to the Operations Committee to recommend to the Board of Retirement that the Board adopt Pay Code 220, 221, and 222 for Alameda Health System.

It was moved by George Wood and seconded by Liz Koppenhaver, that the Operations Committee recommend to the Board of Retirement that the Board designate Pay Item 220 – Training Pay Group 1, Pay Item 221 – Training Pay Group 2, and Pay Item 222 – Training Pay Group 3, as compensation earnable and pensionable compensation for members (PEPRA) with entry date on or after January 1, 2013, based on Government Code Section 7522.34, and approve the inclusion of this pay item as compensation earnable for a member (legacy) with an entry date prior to January 1, 2013, based on Government Code Section 31461.

The motion carried 8 yes (*Basgal, Cain-Darnes, Gamble, Koppenhaver, Levy, Rogers, Walker, Wood*), 0 no, 0 abstentions.

2. Adoption of New Pay Item – Pay Code 41X for County

Staff presented a proposal to the Operations Committee to recommend to the Board of Retirement that the Board adopt Pay Code 41X for Alameda County.

It was moved by Tarrell Gamble and seconded by Annette Cain-Darnes, that the Operations Committee recommend to the Board of Retirement that the Board designate Pay Item 41X Care Connect/Whole PersCare Proj. as not pensionable compensation for a member (PEPRA) with an entry date on or after January 1, 2013, based on Government Code Section 7522.34, and approve the

inclusion of this pay item as compensation earnable for a member (legacy) with an entry date prior to January 1, 2013, based on Government Code Section 31461.

The motion carried 8 yes (*Basgal, Cain-Darnes, Gamble, Koppenhaver, Levy, Rogers, Walker, Wood*), 0 no, 0 abstentions.

3. Adoption of New Pay Item – Pay Code 41Y for County

Staff presented a proposal to the Operations Committee to recommend to the Board of Retirement that the Board adopt Pay Code 41Y for Alameda County.

It was moved by Tarrell Gamble and seconded by George Wood, that the Operations Committee recommend to the Board of Retirement that the Board designate Pay Item 41Y Senior Project Manager GSA as not pensionable compensation for a member (PEPRA) with an entry date on or after January 1, 2013, based on Government Code Section 7522.34, and approve the inclusion of this pay item as compensation earnable for a member (legacy) with an entry date prior to January 1, 2013, based on Government Code Section 31461.

The motion carried 8 yes (*Basgal, Cain-Darnes, Gamble, Koppenhaver, Levy, Rogers, Walker, Wood*), 0 no, 0 abstentions.

4. Discussion and possible motion to approve the addendum to the Keenan & Associates', ACERA's Benefits Consultant, annual contract related to work on ACERA's wellness program project

After discussion, it was moved by Liz Koppenhaver and seconded by Annette Cain-Darnes, that the Operations Committee recommend to the Board of Retirement that the Board approve the addendum to the Keenan & Associates' annual contract, effective January 1, 2018, for work related to ACERA's wellness program project at a cost of up to \$6,500.

The motion carried 8 yes (*Basgal, Cain-Darnes, Gamble, Koppenhaver, Levy, Rogers, Walker, Wood*), 0 no, 0 abstentions.

5. Discussion and possible motion to approve the addendum to the Keenan & Associates', ACERA's Benefits Consultant, annual contract related to work on the Individual Plan Marketplace request for proposal project

After discussion, it was moved by George Wood and seconded by Liz Koppenhaver, that the Operations Committee recommend to the Board of Retirement that the Board approve the addendum to the Keenan & Associates' annual contract, effective January 1, 2018, for work related to the Individual Plan Marketplace Request for Proposal project at a cost of up to \$32,500.

The motion carried 8 yes (*Basgal, Cain-Darnes, Gamble, Koppenhaver, Levy, Rogers, Walker, Wood*), 0 no, 0 abstentions.

INFORMATION ITEMS

1. Operating Expenses

Staff presented the year-to-date Budget vs. Actual Operating Expense Report. As of November 30, 2018, actual expenses were \$2,855,240 under budget. Budget surpluses noted were Staffing (\$1,353K under budget) with 12 unfilled positions, Staff Development (\$364K under budget), Professional Fees (\$395K under budget), Office Expense (\$140K under budget), Insurance (\$119K under budget), Member Services (\$137K under budget), Systems (\$205K under budget), and Board Expenses (\$134K under budget).

2. Proposed 2018 Operations Committee Work Plan

Staff presented the proposed 2018 Operations Committee work plan.

3. Quarterly Report on Member Underpayments and Overpayments

Staff presented and discussed the quarterly reports on overpayments due to retiree deaths, staff errors, and active member under and overpayments. Trustees provided recommendations to staff regarding a current year audit and ensuring system checks and balances for the Medicare Part B Reimbursement benefits.

TRUSTEE/PUBLIC INPUT

On Information Item #3, trustees provided recommendations to staff regarding a current year audit and ensuring system checks and balances for the Medicare Part B Reimbursement benefits.

RECOMMENDATIONS

The Committee recommends, and I move, that the Board of Retirement designate Pay Item 220 – Training Pay Group 1, Pay Item 221 – Training Pay Group 2, and Pay Item 222 – Training Pay Group 3, as compensation earnable and pensionable compensation for members (PEPRA) with entry date on or after January 1, 2013, based on Government Code Section 7522.34, and approve the inclusion of this pay item as compensation earnable for a member (legacy) with an entry date prior to January 1, 2013, based on Government Code Section 31461.

The Committee recommends, and I move, that the Board of Retirement designate Pay Item 41X Care Connect/Whle PersCare Proj. as not pensionable compensation for a member (PEPRA) with an entry date on or after January 1, 2013, based on Government Code Section 7522.34, and approve the inclusion of this pay item as compensation earnable for a member (legacy) with an entry date prior to January 1, 2013, based on Government Code Section 31461.

The Committee recommends, and I move, that the Board of Retirement designate Pay Item 41Y Senior Project Manager GSA as not pensionable compensation for a member (PEPRA) with an entry date on or after January 1, 2013, based on Government Code Section 7522.34, and approve the inclusion of this pay item as compensation earnable for a member (legacy) with an entry date prior to January 1, 2013, based on Government Code Section 31461.

The Committee recommends, and I move, that the Board of Retirement approve the addendum to the Keenan & Associates' annual contract, effective January 1, 2018, for work related to ACERA's wellness program project at a cost of up to \$6,500.

The Committee recommends, and I move, that the Board of Retirement approve the addendum to the Keenan & Associates' annual contract, effective January 1, 2018, for work related to the Individual Plan Marketplace Request for Proposal project at a cost of up to \$32,500.

ESTABLISHMENT OF NEXT MEETING DATE

The next meeting is scheduled for February 7, 2018, at 9:30 a.m.

MEETING ADJOURNED

The meeting adjourned at 2:12 p.m.