



Date: June 6, 2018
To: Members of the Operations Committee
From: Dale Amaral, Vice-Chair
Subject: Summary of the June 6, 2018, Operations Committee Meeting

Operations Committee Vice-Chair Dale Amaral called the June 6, 2018, Operations Committee Meeting to order at 9:32 a.m. Committee members present were Dale Amaral, Vice-Chair; Liz Koppenhaver, Elizabeth Rogers, and George Wood. Other Board members present were, Keith Carson, and Alternate Nancy Reilly. 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; Victoria Arruda, Human Resource Officer; and Vijay Jagar, Chief Technology Officer.

The CEO announced that Annette Cain-Darnes will no longer be on the ACERA Board of Retirement. Both Staff and Committee acknowledged that Ms. Cain-Darnes was a valued member, and will be greatly missed.

ACTION ITEMS

1. Review, discussion and possible motion to renew the Recovery of Overpayment of Member Benefits and Underpayment of Member Contributions Policy with or without revisions

Staff reviewed the revisions to the Recovery of Overpayment of Member Benefits and Underpayment of Member Contributions Policy. The revisions focus on ensuring ACERA collects the money it should be paid, and pay the money it owes.

It was moved by Koppenhaver and seconded by Rogers, that the Operations Committee recommend to the Board of Retirement that the Board renew the Recovery of Overpayment of Member Benefits and Underpayment of Member Contributions Policy with revisions as recommended by staff. The Committee's key revision to the staff recommendation was to delete the section authorizing ACERA to refrain from paying amounts of \$100 or less for underpaid benefits.

The motion carried 5 yes (*Amaral, Carson, Koppenhaver, Rogers, Wood*), 0 no, 0 abstentions.

2. Review, Discussion and Possible Motion to Adopt the Administrative Appeal Policy

Staff introduced the new Administrative Hearing Policy. The purpose of this policy is to provide guidance on how to handle administrative appeals on non-disability matters.

It was moved by Rogers and seconded by Koppenhaver, that the Operations Committee recommend to the Board of Retirement that the Board adopt the Administrative Appeal Policy as recommended

by staff. The Committee's key revision to the staff recommendation was to change the time for initial filing of the claim from 30 to 60 days.

The motion carried 5 yes (*Amaral, Carson, Koppenhaver, Rogers, Wood*), 0 no, 0 abstentions.

3. Review, Discussion and Possible Motion to modify the Board Travel Policy regarding travel by trustees outside the United States

This item was tabled and will be included as a new item at the June 21, 2018 Board Meeting.

INFORMATION ITEMS

1. Operating Expenses

Staff presented the year-to-date Budget vs. Actual Operating Expense Report. As of April 30, 2018, actual expenses were \$199K under budget. Budget overages noted were Systems (\$8K over budget). Budget surpluses noted were Staffing (\$9K under budget) with eleven unfilled positions, Staff Development (\$68K under budget), Professional Fees (\$11K under budget), Office Expense (\$22K under budget), Member Services (\$4K under budget), Depreciation (\$1K under budget), and Board Expenses (\$92K under budget).

2. Call Center Report

Staff reported on the call center service levels for the 1st quarter of 2018.

TRUSTEE/PUBLIC INPUT

None.

RECOMMENDATIONS

The Committee recommends, and I move, that the Board of Retirement renew the Recovery of Overpayment of Member Benefits and Underpayment of Member Contributions Policy with revisions as recommended by staff. The Committee's key revision to the staff recommendation was to delete the section authorizing ACERA to refrain from paying amounts of \$100 or less for underpaid benefits.

The Committee recommends, and I move, that the Board of Retirement adopt the Administrative Appeal Policy as recommended by staff. The Committee's key revision to the staff recommendation was to change the time for initial filing of the claim from 30 to 60 days.

ESTABLISHMENT OF NEXT MEETING DATE

The next meeting is scheduled for July 11, 2018, at 1:00 a.m.

MEETING ADJOURNED

The meeting adjourned at 10:15 a.m.