ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
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MINUTES OF JULY 1, 2026 RETIREES COMMITTEE MEETING

To: Members of the Retirees Committee

From: Kellie Simon, Vice Chair

Subject: Summary of the July 1, 2026 Retirees Committee Meeting

Committee Chair Kellie Simon called the July 1, 2026 Committee meeting to order at 9:32 a.m.

ACERA TRUSTEES, SENIOR MANAGERS AND PRESENTING STAFF IN ATTENDANCE

Committee members present were Kellie Simon (as Committee Chair), and Keith Carson. Also present were Scott Ford and alternate member Kathy Foster. Committee member Ophelia Basgal, Steven Wilkinson, and Board member Henry Levy, Tarrell Gamble joined the meeting after roll call.

Staff present were Victoria Arruda, Human Resources Officer; Carlos Barrios, Assistant Chief Executive Officer; Sandra Dueñas-Cuevas, Benefits Manager; Mike Fara, Communications Manager; Jessica Huffman, Benefits Manager; Harsh Jadhav, Chief of Internal Audit; Vijay Jagar, Chief Technology Officer; J. David Puente, Fiscal Services Officer; Betty Tse, Chief Investment Officer; and Susan Weiss, Investment Counsel.

PUBLIC INPUT

Alicia Baptista, President of the Retired Employees of Alameda County, Inc. (REAC) supported the recommendation for the MMA increase for Plan Year 2027.

INFORMATION ITEMS

Chair Simon moved the following information item to the top of the agenda at the request of Staff to provide for more complete background before considering the action item:

2. Discussion of Monthly Medical Allowance for 2027

Staff presented Group and Individual plan enrollment Monthly Medical Allowance (MMA) cost comparisons for the 2026 and 2027 Plan Years.

In response to Trustee Basgal's questions, Staff will research how uncharged premiums or reimbursements that were allocated to the Health Reimbursement Account are returned to the SRBR and will bring this information to a later meeting.

ACTION ITEMS

1. Adoption of 2026 Monthly Medical Allowance for Group Plans

Staff presented the group plans' Monthly Medical Allowance (MMA) cost comparisons for the 2026 and 2027 Plan Years. Staff recommended increasing the 2027 Group Plan, Early Retiree Individual Plan and Medicare Eligible Retiree Individual Plan MMA in accordance with the substantive plan definition adopted under GASB 43 equal to 50% of the rate of health care inflation assumptions provided by ACERA's actuary, which results in an MMA maximum of $712.98 for the Plan Year 2027.

It was moved by Ophelia Basgal, and seconded by Kathy Foster that the Retirees Committee recommend to the Board of Retirement (Board) a motion to increase the 2027 Group Plan Monthly Medical Allowance (MMA) by 3.75% for eligible retirees in the Group Plans, eligible qualified early (non-Medicare) retirees enrolled in the Individual Plans through the Health Exchange, and qualified Medicare eligible retirees enrolled in the Individual Plans through the Medicare Exchange, in accordance with the substantive plan definition adopted under GASB 43 equal to 50% of the rate of health care inflation assumptions provided by ACERA's actuary, which results in a MMA maximum of $712.98 for the Plan Year 2027. The MMA contribution is a non-vested benefit subject to possible reduction or elimination if Board policies change or funds are unavailable. This benefit is funded by contributions from ACERA employers to the 401(h) account. After contributions are made, in accordance with the County Employees Retirement Law, ACERA treats an equal amount of Supplemental Retiree Benefit Reserve assets as employer contributions for pensions.

The motion carried 8 yes (*Basgal, Carson, Ford, Foster, Gamble, Levy, Simon, Wilkinson*), 0 no, 0 abstentions.

INFORMATION ITEMS

1. Report on Dental and Vision Plans Experience and Utilization

Segal, ACERA's Benefits Consultant, provided information on ACERA's dental and vision plans experience, utilization, dental annual maximums by network, and VSP's loss ratio by plan.

In response to Trustee Basgal's questions, Segal will look at ACERA's dental services usage under its plan as compared to other employers' dental usage under their respective plans and provide this information at a later time.

3. Utilization Implementation of Revised Direct Deposit Forms and Trust Procedures for Legislative Compliance

Staff provided a report on the implementation of redesigned direct deposit forms, updated service retirement applications, and new standalone trust forms developed to ensure compliance with recent California legislative changes regarding pension disbursements into trust accounts.

4. Retirement Estimate Optimization

Staff provided a report on the final design of the optimized benefit estimate, which standardizes a new letter format across MemberDirect (member-facing) and PensionGold (internal-facing) for direct mailing and incorporates advanced calculation scenarios. Staff outlined next steps for system implementation with pension software vendor LRS.

Staff received feedback from Trustees and will provide a 60-day review time frame period for feedback before going through with the implementation.

TRUSTEE REMARKS

None.

FUTURE DISCUSSION ITEMS

- Deferred Action Item: Proposal to Offer Individual Plans for Early Retirees Living in the Service Area
- Adoption of Dental Plan Contributions for 2027
- Adoption of Vision Plan Contributions for 2027

ESTABLISHMENT OF NEXT MEETING DATE

The next meeting is scheduled for August 5, 2026, at 9:30 a.m.

MEETING ADJOURNED

The meeting adjourned at 10:50 a.m.