



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

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**Thursday, March 21, 2013**

Chair Dale Amaral called the meeting to order at 2:05 p.m.

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

Trustees Excused: Donald White

Staff Present: Margo Allen, Fiscal Services Officer  
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  
Latrena Walker, Project and Information Services Manager

Staff Excused: Betty Tse, Chief Investment Officer  
Catherine Walker, Assistant Chief Executive Officer

**13-23**

**The minutes of the regular meeting of February 21, 2013 were accepted on a motion by Ophelia Basgal, seconded by Elizabeth Rogers and approved by a vote of 7 yes, 0 no, and 1 abstention (Koppenhaver).**

**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**

*None*

It was moved by George Dewey, seconded by Elizabeth Rogers and approved by a vote of 8 yes, (Amaral recused, Walker voted), 0 no, 0 abstentions, that the following resolution is adopted:

**13-24**

**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**

None.

**COMMITTEE REPORTS, RECOMMENDATIONS AND MOTIONS**

*Note: Per Committee Chairs, 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 **March 21, 2013** Board meeting. This month's Committee reports were presented in the following order:*

***Operations:***

Elizabeth Rogers noted that the Operations Committee met on March 6, 2013 at 9:03 a.m., and highlighted the following:

Vince Brown, CEO, requested that authority be delegated to the CEO with respect to casting votes on behalf of ACERA for Council of Institutional Investors (CII) administrative matters similar to the CEO's delegation of authority for SACRS voting activities.

**13-25**

**It was moved by Elizabeth Rogers and seconded by Ophelia Basgal that the Board delegate authority to the CEO regarding the CII voting activities. The motion carried 7 yes, 0 no, and 0 abstentions.**

Margo Allen, Fiscal Services Officer, presented the year-to-date operating expenses – budget vs. actual. As of January 31, 2013 actual expenses are under budget \$87,679.

Margo Allen, Fiscal Services Officer, presented the revised 2013 Operations Committee Work Plan and noted that the enterprise-wide projects were included in the work plan.

Margo Allen, Fiscal Services Officer, presented the Statement of Reserves as of December 31, 2013. The semi-annual interest crediting rate used was 1.1710%. The ending balance of the Market Stabilization Reserve was \$124.9 million. This represents accumulated earnings that have yet to be recognized.

Robert Gaumer, Chief Counsel, gave the Committee an oral update on pension reform. Mr. Gaumer explained that the pension reform implementation related to new members (those entering the system after January 1, 2013), is transitioning from an implementation phase to an operations and maintenance phase. Mr. Gaumer described the communications that ACERA is having with its Participating Employers to facilitate this transition in a timely and efficient manner.

**13-26**

**It was moved by Elizabeth Rogers and seconded by Liz Koppenhaver that the Board approve the March 6, 2013 Operations Committee minutes. The motion carried 8 yes, 0 no, and 0 abstentions.**

***Retirees:***

Liz Koppenhaver noted that the Retirees Committee met on March 6, 2013 at 11 a.m., and highlighted the following:

Margo Allen, Fiscal Services Officer, presented a 10-year history of the Supplemental Retiree Benefit Reserve (SRBR) activity through December 31, 2012. Approximately \$6.8 million of interest was credited to the SRBR fund for the second half of 2012, using a semi-annual interest crediting rate of 1.1710%. The total interest credited to the SRBR for 2012 was approximately \$9.3 million. The December 31, 2012 ending balance was approximately \$570.9 million.

Kathy Foster, Assistant Chief Executive Officer, provided information on recent activities and an updated timeline related to the California Health Exchange project.

Sharen Stanek-Lowe, Assistant Benefits Manager, provided an overview of the Administrative Agreement meeting with the County of Alameda's benefits staff, and an update on enrollment status of the remaining members losing UnitedHealthcare Medicare medical and prescription coverage effective February 1, 2013.

**13-27**

**It was moved by Liz Koppenhaver and seconded by George Wood that the Board approve the March 6, 2013 Retirees Committee minutes. The motion carried 8 yes, 0 no, and 0 abstentions.**

***Investment:***

Annette Cain-Darnes reported that the Investment Committee met on March 13, 2013 at 9:04 a.m., and highlighted the following:

**13-28**

**It was moved by Annette Cain-Darnes and seconded by George Dewey that the Board approve the March 13, 2013 Investment Committee minutes. The motion carried 8 yes, 0 no, and 0 abstentions.**

***Governance:***

George Wood reported that the Governance Committee met on March 21, 2013 at 1p.m., and made the following motions:

**13-29**

**It was moved by George Wood and seconded by Liz Koppenhaver that the Board adopt the Amendments, if any, and renew the ACERA Membership Policy. The motion carried 8 yes, 0 no and 0 abstentions.**

**13-30**

**It was moved by George Wood and seconded by Ophelia Basgal that the Board adopt the Amendments, if any, and renew the Board Elections Policy. The motion carried 8 yes, 0 no and 0 abstentions.**

**13-31**

**It was moved by George Wood and seconded by Elizabeth Rogers that the Board adopt the Amendments, if any, and renew the Media Policy. The motion carried 8 yes, 0 no and 0 abstentions.**

**13-32**

**It was moved by George Wood and seconded by Liz Koppenhaver that the Board adopt the Amendments, if any, and renew the Service Provider Policy. The motion carried 6 yes, 2 nos (Cain-Darnes, Dewey) and 0 abstentions.**

The Governance Committee minutes will be included on April 18, 2013 Board Consent Calendar for approval.

**OLD BUSINESS**

**Motion Regarding Staff's Recommendations to Board to Adopt ACERA's Administrative Procedures**

At the February Board Meeting, Staff recommended adoption of ACERA's Administrative Procedures for its due diligence process for member disputes related to calculations of compensation earnable and pensionable compensation. Before adopting the procedures, the Board sought amendments and clarifying language. Staff noted that the requested amendments had been made at pages 1, 9, 11 and 14 of the Administrative Procedures.

**13-33**

**It was moved by George Wood and seconded by Ophelia Basgal that the Board adopt the Board-related Administrative Appeals Process Required by AB 197. The motion carried 8 yes, 0 no and 0 abstentions.**

**Pension Reform Update**

Chief Counsel Robert Gaumer gave an oral update on the court cases involving the pension reform.

## **NEW BUSINESS**

### **Motion to Approve New Pay Code Submitted by First 5. Description of Board Approval Process.**

Staff presented a memo regarding its proposed New Pay Code Process which outlined implementation of a repeatable procedure that permits Staff to receive Participating Employers' requests, opine on their pension ability and provide a mechanism for Board adoption.

Staff also presented a memo regarding the Adoption of Two New Pay Codes for First 5 Alameda County. The pay codes are for Comp Time and Comp Time Payout. Based on Staff's evaluation and determination of compensation earnable and pensionable compensation, Staff recommends that the Board approve the inclusion of the newly created pay code, Comp Time. Staff recommended that the pay code Comp Time Payout not be pensionable as this is a cash payment made at termination.

### **13-34**

**It was moved by George Wood and seconded by Ophelia Basgal that the Board approve adoption of First 5 Alameda County's new pay code, Comp Time, as a pensionable pay code and the adoption of the new pay code Comp Time Payout as a non-pensionable pay code. The motion carried 8 yes, 0 no and 0 abstentions.**

### **Motion to Adopt Tier IV Benefit Structure**

Staff presented a memo regarding the Adoption of Tier IV Benefit Structure. Staff noted that to date, the Board has not formally adopted non-safety and safety Tier IV benefit structures. Staff recommends that the Board formally adopt the PEPRA tiers for all new members, safety, and non-safety, where members are defined as those that entered ACERA after January 1, 2013.

### **13-35**

**It was moved by Liz Koppenhaver and seconded by Annette Cain-Darnes that the Board adopt the PEPRA benefit structure for non-safety members provided in Government Code Section 7522.20 and for safety members provided in Government Code Section 7522.25(d). The motion carried 8 yes, 0 no and 0 abstentions.**

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

The CEO reported on the following items:

- Board Offsite
- Zone 7 Separation
- Staff Training
- Conferences

CEO Brown acknowledged Trustee Ophelia Basgal's induction into the Alameda County Women's Hall of Fame.

## **CONFERENCE REPORT**

None.

**ESTABLISHMENT OF THE NEXT MEETING**

Thursday, April 18, 2013 at 2 p.m.

**ADJOURNMENT INTO CLOSED EXECUTIVE SESSION**

Conference with Legal Counsel-Existing Litigation: The Board will convene into Closed Session pursuant to Government Code §54956.9(a) to confer with legal counsel regarding pending litigation in matter of:

- 1) DSA v. ACERA, Case No.: RG12658890
- 2) Macaulay v. ACERA, Case No.: RG11583736

Conference with Legal Counsel—Anticipated Litigation—Significant exposure to litigation pursuant to subdivision Government Code §54956.9(b) (1 case).

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

The Board reconvened into Open Session and announced the following:

The Board met with counsel and discussed the identified litigation matter. No action was taken.

The Board consulted with Counsel regarding a potential litigation matter. No action was taken.

**ADJOURNMENT**

The meeting adjourned at 3:15 p.m.

Respectfully Submitted,

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Vincent P. Brown  
Chief Executive Officer

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Date Adopted

**APPENDIX A**  
**APPLICATION FOR SERVICE RETIREMENT**

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ALEVIZOS, Peter N.  
Effective: 12/22/2012  
Behavioral Health Care Services

PARMS, Carolyn  
Effective: 10/27/2012  
Child Support Services

ASIFOA-LIUPAOGO, Enereta  
Effective: 11/10/2012  
Social Services Agency

REYNOLDS, Barbara D.  
Effective: 10/27/2012  
Social Services Agency

BLOCKUS, Thomas P.  
Effective: 12/22/2012  
Social Services Agency

ROBINSON, Fannie D.  
Effective: 10/27/2012  
Public Health

GOODWIN, Vinson E.  
Effective: 9/15/2012  
Social Services Agency

SANTILLAN, Catalina P.  
Effective: 6/3/2009  
Alameda County Medical Center

GREGORY, Spencer  
Effective: 11/27/2012  
Sheriff's Office -DEF

SCARBOROUGH, Connie Z.  
Effective: 12/29/2012  
Superior Court

HILL, Henry K.  
Effective: 6/21/2012  
Probation

SIEGEL, Anita L.  
Effective: 12/8/2012  
Public Health

HUEN, Floyd  
Effective: 12/28/2012  
Alameda County Medical Center - DEF

SMITH, Rocio D.  
Effective: 12/31/2012  
Public Health - DEF

LEVIN, Ruth E.  
Effective: 9/1/2012  
Social Services Agency

TERZIAN, Thomas  
Effective: 11/20/2012  
Alameda County Medical Center - DEF

LUCERO, Raymond  
Effective: 11/24/2012  
Alameda County Medical Center - DEF

UHLER-ALEXANDER, Donna I.  
Effective: 3/28/2012  
Human Resource Services- DEF

MARTIN, Scott D.  
Effective: 8/24/2012  
Sheriff's Office - DEF

WALKER, Dorothy  
Effective: 11/27/2012  
Alameda County Medical Center - DEF

MC CLARIN, Hershel L.  
Effective: 6/9/2012  
Probation

WILLEY, Kenneth D.  
Effective: 12/6/2012  
Sheriff's Office - DEF

MC GEE, Thomas A.  
Effective: 11/10/2012  
Public Health

WILLIAMS, Lindnell  
Effective: 12/27/2012  
Superior Court

MORRISSEY, Janice I.  
Effective: 12/11/2012  
Assessor - DEF



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**APPENDIX B**  
**APPLICATION FOR DEFERRED RETIREMENT**

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BROOKS, Sherri R.  
Social Services Agency  
Effective: 03/02/2011

DA COSTA, Emmanuel G.  
Public Works Agency  
Effective: 08/12/2011

DALTON, Matthew J.  
Public Defender  
Effective: 08/26/2011

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**APPENDIX B**  
**APPLICATION FOR DEFERRED RETIREMENT**

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LEW, Marvin T.  
Public Defender  
Effective: 08/26/2011

MEDINA, David H.  
Health Care Services Agency  
Effective: 10/14/2011

RODRIGUEZ, Patricia A.  
Superior Courts  
Effective: 09/30/2011

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**APPENDIX B-1**  
**APPLICATION FOR NON-VESTED DEFERRED**

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BOYD, Terrence  
ACERA  
Effective: 03/24/2010

BROWN, Oliver A.  
Sheriff's Office  
Effective: 03/13/2010

DHESI, Neelam  
Alameda County Medical Center  
Effective: 12/15/2010

GUENTHER, Sarah V.  
Superior Court  
Effective: 11/18/2011

GUTMAN, Anya E.  
Health Care Services Agency  
Effective: 07/24/2009

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**APPENDIX B-1  
APPLICATION FOR NON-VESTED DEFERRED**

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LOUIE DER, Jack Tong  
ACERA  
Effective: 06/19/2009

MACAULAY, Anthony O.  
ACERA  
Effective: 08/23/2011

MARTINEZ, Manuel F.  
County Counsel  
Effective: 10/31/2011

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**APPENDIX B-1  
APPLICATION FOR NON-VESTED DEFERRED**

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MOORE, Silas B.  
General Services Agency  
Effective: 08/05/2011

WENDELL, Megan W.  
Superior Courts  
Effective: 09/02/2011

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**APPENDIX D  
LIST OF DECEASED MEMBERS**

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CHILIMIDOS, Lynn  
2/8/2013  
Probation

MAC CREADY, Clara  
2/9/2013  
Alameda County Medical Center

CLAYTON, Elsie  
2/18/2013  
Social Services Agency

MARSH, Patricia  
2/17/2013  
Social Services Agency

GATES, Lucrecia  
2/21/2013  
Public Health

MARSHALL, Betty  
2/6/2013  
Non-Mbr Survivor of Albert Marshall

HOLDENER, Trudy  
2/24/2013  
Superior Court

MC CARTHY, Cora  
2/16/2013  
Social Services Agency

KEARN, Charles  
2/13/2013  
Public Works Agency

MONTALVO, Ysabel  
2/11/2013  
Public Works Agency

LA JONE, Lucille  
2/25/2013  
General Services Agency

NICOLAI, Anna  
2/11/2013  
Social Services Agency

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**APPENDIX D**  
**LIST OF DECEASED MEMBERS**

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O'TEY, Minnie  
1/6/2013  
Alameda County Medical Center

PECK, Nicola  
2/1/2013  
Alameda County Medical Center

QUIROZ, Alberto  
2/7/2013  
Non-Mbr Survivor of Elma Quiroz

ROBINS, Winifred  
1/19/2013  
Library

ROBINSON, Robert  
2/20/2013  
Public Works Agency

THOMAS, Albertine  
2/20/2013  
Public Health

WATKINS, Monnie  
2/14/2013  
Community Development Agency

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**APPENDIX E**  
**REQUEST FOR 130 BI-WEEKLY PAYMENTS TO**  
**RE-DEPOSIT CONTRIBUTIONS AND GAIN CREDIT**

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BRANNON, Michael P.  
Government Code § 31652 Redeposit

HENDRICKS, Ola  
Government Code § Aquilino

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

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**Name:** **Livings, Cynthia**  
Type of Claim: Non-Service Connected

Staff's Recommendation:

Approve the recommendation contained in Dr. Wagner's report to grant Ms. Livings a non-service connected disability and to not require future annual medical examinations at this time.