



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

---

**Thursday, June 21, 2012**

Chair George Dewey called the meeting to order at 2:00 p.m.

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

Trustees Excused: Ophelia Basgal  
Donald White

Staff Present: Victoria Arruda, Human Resources Officer  
Vincent Brown, Chief Executive Officer  
Kathy Foster, Assistant Chief Executive Officer  
Robert Gaumer, Chief Counsel  
Harsh Jadhav, Internal Auditor  
Martha Richardson, Executive Secretary  
Betty Tse, Chief Investment Officer

Staff Excused: Rose Kwong, Benefits Manager  
Catherine Walker, Assistant Chief Executive Officer  
Latrena Walker, Project and Information Services Manager

**12-56**

**The minutes of the regular meeting of May 17, 2012 were accepted on a motion by Liz Koppenhaver, seconded by George Wood and approved by a vote of 7 yes (Amaral recused; Walker voted), 0 no, and 0 abstentions.**

**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**

**It was moved by Annette Cain-Darnes, seconded by Elizabeth Rogers, and approved by a vote of 7 yes, (Amaral recused; Walker voted), 0 no, 0 abstentions, that the following resolution is adopted:**

**12-57**

**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, detailed copies of the Committee meeting minutes were available for attendees. All **June** Committee meeting minutes are posted on the ACERA website ([www.acera.org](http://www.acera.org)) after approval at the **June 21, 2012** Board meeting. This month's Committee reports were presented in the following order:*

***Operations:***

Elizabeth Rogers reported that the Operations Committee met on June 6, 2012 at 9 a.m., and highlighted the following:

Kathy Foster, Assistant CEO, requested approval from the Committee to renew the annual contract with Keenan and Associates for benefits and communications consulting services.

**12-58**

**It was moved by Elizabeth Rogers and seconded by Liz Koppenhaver that the Board authorize Staff to enter into an annual contract with Keenan and Associates, ACERA's Benefits and Communications consultant. The motion carried 7 yes, 0 no, and 0 abstentions.**

Vince Brown, CEO, presented the year-to-date operating expenses – budget vs actual. As of April 30, 2012 actual expenses are under budget \$244,942.

Latrena Walker, Project and Information Services Manager, provided an update on the Website Redesign Project and noted that the Project Steering Committee convened in April.

Latrena Walker informed the Committee that her department will be exploring the option of distributing Committee and Board materials electronically using eReaders. A cost-benefits analysis, pros and cons of electronic distribution, and a draft policy on the use of eReaders will be discussed at the August Committee meeting.

Victoria Arruda, Human Resources Director, reported that she is working with the County's Labor Relations to determine whether or not members of the Board of Retirement will be required to participate in the new DMV Pull Notice Program, which is part of the County's revised Vehicle Use Policy.

**12-59**

**It was moved by Elizabeth Rogers and seconded by George Wood that the Board approve the June 6, 2012 Operations Committee Minutes. The motion carried 7 yes, 0 no, and 0 abstentions.**

***Retirees:***

Liz Koppenhaver reported that the Retirees Committee met on June 6, 2012 at 10 a.m., and highlighted the following:

Kathy Foster, Assistant Chief Executive Officer, presented additional information and responded to questions that were raised about options available to provide medical coverage for non-Medicare eligible dependents and the total number of dependents affected when discontinuing the UnitedHealthcare Medicare group coverage and offering a Medicare Exchange service.

At the Board meeting, Ms. Foster presented her memo dated June, 19, 2012, discussing the change in Medicare Health Benefit Coverage from Group Plan to Individual Plans – Dependent Coverage. After much discussion addressing the issues raised by the Board and retirees, such as customer service and cost savings, Staff recommended that the Board move forward using the Medicare Exchange to provide services to retirees.

**12-60**

**It was moved by Liz Koppenhaver and seconded by George Wood that the Board approve the discontinuation of ACERA's UnitedHealthcare's Medicare group coverage and instead offer retirees individual coverage through a Medicare Exchange service, subject to the resolution of the issue of whether non-Medicare dependents can retain medical coverage. The motion carried 7 yes, 0 no, and 0 abstentions.**

**12-61**

**It was moved by Liz Koppenhaver and seconded by George Wood that the Board authorize Staff to enter into a contract with Extend Health, Inc., the finalist of the Medicare Exchange service vendor Request for Proposal process. The motion carried 7 yes, 0 no, and 0 abstentions.**

Kathy Foster reported on healthcare inflation factors for 2012 and 2013 based on the information provided by The Segal Company, ACERA's Actuary, and Keenan and Associates, ACERA's Benefits Consultant.

Kathy Foster presented Monthly Medical Allowance cost comparisons for the 2012 and 2013 plan year.

Kathy Foster provided draft revised language for the Active Death Equity Benefit (ADEB) section of the Supplemental Retiree Benefit Reserve (SRBR) policy; along with the number of ADEB payments made and cost to the SRBR over the last five years.

Sharen Stanek-Lowe, Assistant Benefits Manager, reported on the timeline of plan year 2013 Open Enrollment activities, and the Retirees Health Fair & Wellness Center to take place on November 2, 2012.

Sharen Stanek-Lowe reported that based on the information UnitedHealthcare provided, the total cost of large claims for ACERA in 2011 resulted in a loss ratio of 148%; and the cost of large claims for the second quarter of 2011 through the first quarter of 2012 resulted in a loss ratio of 149%.

**12-62**

**It was moved by Liz Koppenhaver and seconded by Elizabeth Rogers that the Board approve the June 6, 2012 Retirees Committee minutes. The motion carried 7 yes, 0 no, and 0 abstentions.**

***Actuarial:***

George Wood reported that the Actuarial Committee met on June 11, 2012 at 12:03 p.m., and highlighted the following:

Vince Brown, CEO, reviewed the 2012 Actuarial Work Plan and added that a joint meeting of the Board of Retirement and Board of Supervisors will be scheduled for the fall.

Marc Gesell and Patrick Thomas of Strategic Investment Solutions, Inc. (SIS) presented their Asset Liability Study – Part III. SIS noted that they reset ACERA's blended expected investment rate of return to 7.5%, which is down from 7.8% in January. SIS's Asset Liability Study – Parts I and II were presented at previous Investment Committee meetings and Part IV will be presented in July.

Paul Angelo and Andy Yeung of The Segal Company presented the Actuarial Valuation and Review as of December 31, 2011. No action was taken at this meeting. It was noted that Segal will be discussing the Actuarial Funding Policy in September and October.

**12-63**

**It was moved by George Wood and seconded by Annette Cain-Darnes that the Board approve the June 11, 2012 Actuarial Committee minutes. The motion carried 7 yes, 0 no, and 0 abstentions.**

***Investment:***

Annette Cain-Darnes noted that the Investment Committee met on June 13, 2012 at 9:03 a.m., and highlighted the following information items:

- Review of Baird Advisors
- Report on ACERA's PEARLS Investment – Venture Capital
- Quarterly Performance Review for the First Quarter of 2012 – Equities, Fixed Income, and Real Return Pool
- Semi-Annual Performance Review for the Period Ending December 31, 2011 – PEARLS
- Quarterly Performance Review for the First Quarter of 2012- Real Estate

**12-64**

**It was moved by Annette Cain-Darnes and seconded by Dale Amaral that the Board approve the June 13, 2012 Investment Committee minutes. The motion carried 7 yes, 0 no, and 0 abstentions.**

**NEW BUSINESS**

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

The CEO reported on the following items:

- Pension Reform Update
- ACERA Board Offsite, October 25, Alameda County Conference Center
- Media PRA Requests and Media Responses
- Alameda County Grand Jury Participation, July 12, Lakeside Drive, Oakland
- Research in Motion (RIM) Blackberry
- CALAPRS Administrators' Roundtable, Friday, June 22, San Jose

**CONFERENCE REPORTS / ANNOUNCEMENTS / PUBLIC /BOARD INPUT**

None.

**ESTABLISHMENT OF THE NEXT MEETING**

Thursday, July 19, 2012 at 2:00 p.m.

**ADJOURNMENT INTO CLOSED EXECUTIVE SESSION**

Pursuant to Government Code Sections 54957 – Public Employee Discipline/Dismissal/Release.

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

The Board met with the Staff and discussed employee Discipline /Dismissal/Release. The Board reconvened and took no action.

**ADJOURNMENT**

The meeting adjourned at 3:30 p.m.

Respectfully Submitted,

\_\_\_\_\_  
Vincent P. Brown  
Chief Executive Officer

\_\_\_\_\_  
Date Adopted

---

**APENDIX A  
APPLICATION FOR SERVICE RETIREMENT**

---

ADAMS, Denny L.  
Effective: 11/12/2011  
Sheriff's Office

HERRERA, Eddy O.  
Effective: 3/31/2012  
Health care services

BARACEROS, Rey D.  
Effective: 2/4/2012  
Social Services Agency

HIDALGO, Janice Kazuye  
Effective: 3/7/2012  
Superior Court

BROCK, JoAnn F.  
Effective: 5/4/2012  
Sheriff's Office - DEF

LAMBERT, Larry B  
Effective: 3/15/2012  
Alameda County Medical Center

CARTER, Delores F.  
Effective: 3/3/2012  
Social Services Agency

LAUIGAN, Teresita M.  
Effective: 3/31/2012  
Treasurer Tax-Collector

CRUTTENDEN, Peter L.  
Effective: 2/4/2012  
Zone 7

LE, Than-Van  
Effective: 3/31/2012  
Public Health

EVANS, Michael  
Effective: 2/18/2012  
Auditor-Controller

LENZEN, Barbara A.  
Effective: 3/31/2012  
District Attorney

FINCH, Ronald  
Effective: 12/31/2011  
Alameda County Medical Center

LOPEZ, Maria T.  
Effective: 3/31/2012  
General Services Agency

GARCIA, Martha A.  
Effective: 3/31/2012  
Sheriff's Office

MC KASSON, Debra Kay  
Effective: 3/30/2012  
Superior Court

GEORGE, Carolyn A.  
Effective: 3/31/2012  
Public Defender

MONTEMAYOR, Zenaida G.  
Effective: 2/18/2012  
Treasurer Tax-Collector

GESSLER, Gary J.  
Effective: 3/31/2012  
General Services Agency

NORCUP, Lynette  
Effective: 3/30/2012  
Superior Court

HAFEY, Ann M.  
Effective: 3/31/2012  
Alameda County Medical Center

NUTTING, Calvin L.  
Effective: 3/31/2012  
District Attorney

HERNANDEZ, Lydia  
Effective: 3/31/2012  
Social Services Agency

PANDYA, Lourdes  
Effective: 12/28/2011  
Alameda County Medical Center

---

**APENDIX A**  
**APPLICATION FOR SERVICE RETIREMENT**

---

PONCE, Demetrio M.  
Effective: 12/13/2011  
Social Services Agency

SUTHERLAND, Carol D.  
Effective: 3/12/2012  
Mental Health Services - DEF

RAMIREZ, Victoria L.  
Effective: 1/21/2012  
Child Support Services

VANDERVEEN, Loretta M.  
Effective: 2/4/2012  
Alameda County Medical Center

RICHMAN, Rachel  
Effective: 12/30/2011  
Board of Supervisors - DEF

VINSON, Bonita E.  
Effective: 2/4/2012  
Probation

RINGOT, Thomas L.  
Effective: 3/24/2012  
Public Works Agency - DEF

WATKINS, Fred J.  
Effective: 3/7/2012  
Assessor

ROYAUTE, Jean-Claude  
Effective: 1/7/2012  
Alameda County Medical Center

YANG, Angela M.  
Effective: 5/1/2012  
Library - DEF

RYALS, Rosilyn  
Effective: 2/18/2012  
Public Health

SANTOS, Felicitas T.  
Effective: 12/28/2011  
Alameda County Medical Center

SNOWDEN, Blanche  
Effective: 12/28/2011  
Alameda County Medical Center

SOBAJE, Robert J.  
Effective: 3/31/2012  
Social Services Agency

STEWART, Christopher O.  
Effective: 12/31/2011  
Sheriff's Office

STONE, Dale  
Effective: 12/31/2011  
Livermore Area Recreation & Park District  
- DEF



---

**APPENDIX D  
LIST OF DECEASED MEMBERS**

---

BOCK, Ione V.  
9/29/2011  
Alameda County Medical Center

MILLER, Shirley M.  
5/29/2012  
Sheriff's Office

CHARLES, Irma M.  
5/20/2012  
Alameda County Medical Center

MONTGOMERY, Robert A.  
4/28/2012  
Assessor

COIT, Mary R.  
5/10/2012  
Survivor of Alfred Coit

MORGAN, Rodney  
4/23/2012  
Alameda County Medical Center

CURTIS, Vandelia  
5/29/2012  
Superior Court

MUNOZ, John  
11/30/2011  
Alameda County Medical Center

DUNCAN, Hyo  
4/24/2012  
Survivor of Leslie J. Duncan

PETCH, Ralph F.  
5/8/2012  
Social Services Agency

ELLEFSEN, John E.  
5/12/2012  
Social Services Agency

PRICCO, Rita M.  
5/2/2012  
Probation – DEF

GREEN, Rosemary  
5/3/2012  
Probation

ROBINSON, Lenore E.  
5/15/2012  
Registrar of Voters

HANZEL, Joan M.  
4/23/2012  
Survivor of Robert L. Hanzel

SNEDDEN, Suzanne T.  
5/13/2012  
Survivor of Tom W. Snedden

HINMAN, Chandra M.  
5/12/2012  
Social Services Agency - DEF

TURNER, Doris F.  
5/8/2012  
Alameda County Medical Center

KIEHNLE, Elma  
5/15/2012  
Social Services Agency

TWEEDIE, Metta W.  
5/4/2012  
Survivor of Wilden H. Tweedie

LUNDTOFT, Arlene M.  
11/25/2011  
Survivor of Hans G. Lundtoft

WALDRIP, Geraldine L.  
5/23/2012  
Registrar of Voters

MALONEY, Lura J.  
5/7/2012  
Social Services Agency

WITT, Hildene  
5/9/2012  
Alameda County Medical Center

---

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

---

**Name:** **Edora, Jewelyn**  
Type of Claim: Annual Review for NSCD (Granted on 5/19/2011)

Staff's Recommendation:

Approve the recommendation contained in Dr. Wagner's report, to continue the allowance for non-service connected disability and to not require future annual medical examinations and questionnaires at this time.

---

**Name:** **Rocha, Kerrie**  
Type of Claim: Service Connected

Staff's Recommendation:

Approve the recommendation contained in Dr. Wagner's report to grant Ms. Rocha a service connected disability and to require future annual medical examinations and questionnaires.

Based on Dr. Wagner's review and determination of Ms. Rocha's knowledge of permanency, to deny Ms. Rocha's request for an earlier effective application date.

---