



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

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**Thursday, July 19, 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  
Donald White  
George Wood  
David Safer (*Alternate*)  
Darryl Walker (*Alternate*)

Trustees Excused: Ophelia Basgal

Staff Present: Vincent Brown, Chief Executive Officer  
Kathy Foster, Assistant Chief Executive Officer  
Robert Gaumer, Chief Counsel  
Rose Kwong, Benefits Manager  
Harsh Jadhav, Internal Auditor  
Martha Richardson, Executive Secretary  
Betty Tse, Chief Investment Officer  
Latrena Walker, Project and Information Services Manager

Staff Excused: Victoria Arruda, Human Resources Officer  
Catherine Walker, Assistant Chief Executive Officer

12-65

**The minutes of the regular meeting of June 21, 2012 were accepted on a motion by Elizabeth Rogers, seconded by George Wood and approved by a vote of 6 yes, 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 Liz Koppenhaver, and approved by a vote of 5 yes, (Amaral; Walker recused), 0 no, 0 abstentions, that the following resolution is adopted:

**12-66**

**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 July Committee meeting minutes are posted on the ACERA website ([www.acera.org](http://www.acera.org)) after approval at the July 19, 2012 Board meeting. This month's Committee reports were presented in the following order:*

***Operations:***

Elizabeth Rogers reported that the Operations Committee met on July 3, 2012 at 9:02 a.m., and highlighted the following:

Vince Brown, CEO, presented the year-to-date operating expenses – budget vs actual. As of May 31, 2012 actual expenses are under budget \$233,169.

Mr. Brown reported that a Board election will be conducted for the Second Member to represent the General Members on the Board of Retirement. The Notice of Election will be posted on July 30<sup>th</sup>. The election will begin on November 21<sup>st</sup> and end on December 19<sup>th</sup>.

Mr. Brown presented the draft October 25, 2012 Board Offsite agenda. The Committee suggested additional topics for consideration. Mr. Brown will submit a revised agenda to the Committee.

Victoria Arruda, Human Resources Director, reported on the 2<sup>nd</sup> quarter position vacancies that are approved in the 2012 budget.

Robert Gaumer, Chief Counsel, presented a legislative update to the Committee noting proposed statutory amendments that impact ACERA.

**ADJOURNMENT INTO CLOSED EXECUTIVE SESSION**

Pursuant to Government Code §54956.9(a) the meeting adjourned at 9:34 a.m. into Closed Executive Session to confer with legal counsel regarding pending litigation in the matter of:

Lehman Brothers Holdings In, Case No. 08 Civ. 5523; and  
Alameda County Employees' Retirement Association v. BP PLC, Case No. 4:12-CV-1256

**RETURN TO OPEN SESSION**

The Committee reconvened into open session at 9:55 a.m. and reported that no action was taken.

12-67

**It was moved by Elizabeth Rogers and seconded by Liz Koppenhaver that the Board approve the July 3, 2012 Operations Committee Minutes. The motion carried 6 yes, 0 no, and 0 abstentions.**

***Retirees:***

Liz Koppenhaver reported that the Retirees Committee met on July 3, 2012 at 10 a.m., and highlighted the following:

Kathy Foster, Assistant Chief Executive Officer, presented revised Monthly Medical Allowance (MMA) cost comparisons for the 2012 and 2013 plan year reflecting the decision made at last month's Retiree Committee meeting to eliminate the UnitedHealthcare (UHC) Medicare group plans.

12-68

**It was moved by Liz Koppenhaver and seconded by Elizabeth Rogers that the Board adopt a 2013 Group Plan Monthly Medical Allowance (MMA) equal to the 2012 MMA for eligible retirees in the group plans, thereby maintaining the current MMA maximum of \$522.16 for plan year 2013. 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 Employee Retirement Law (CERL), ACERA treats an equal amount of Supplemental Retiree Benefits Reserve (SRBR) assets as employer contributions for pensions. The motion carried 6 yes, 0 no, and 0 abstentions.**

Kathy Foster, Assistant Chief Executive Officer, presented Individual Plans Monthly Medical Allowance (MMA) contribution scenarios for the 2013 plan year. The MMA will be provided to eligible retirees enrolled in Individual Plans through the Medicare Exchange for medical cost reimbursement through Health Reimbursement Accounts (HRAs).

There were two motions made and seconded; one to adopt a MMA maximum contribution of \$340 per month (Scenario # 2), and the other a maximum of \$400 per month (Scenario #3). Since there was not a majority vote on either motion, this item will be presented as an action item at the July 19 Board meeting. The Trustees directed Staff to provide additional information to the Board regarding out-of-pocket costs to retirees and projected savings.

Since no decision was made on the amount of the Individual Plans Monthly Medical Allowance (MMA) at this meeting, and the topic will be discussed at the July 19 Board meeting, the Trustees directed Staff to include this item for discussion at the August Retirees Committee meeting.

Keenan & Associates, ACERA's Benefits Consultant, provided information regarding the Affordable Care Act (ACA) milestones, Cadillac Tax, other impacts of health care reform, the California Health Benefit Exchange (HBEX), proposed Federal legislation, and a briefing of the recent U.S. Supreme Court decision.

Keenan & Associates, ACERA's Benefits Consultant, provided a summary of ACERA's recent experience and utilization statistics for Delta Dental and Vision Service Plan.

Sharen Stanek-Lowe, Assistant Benefits Manager, presented plan design options for which 2013 premium quotes were requested from the vision and dental plan carriers.

Ms. Stanek-Lowe reported on the number of ACRE and REAC members enrolled in the UnitedHealthcare Senior Supplement+PDP and Group Medicare Advantage Plan; the UnitedHealthcare EGWP+WRAP reimbursement, Vision Service Plan's new TruHearing MemberPlus Program; and the postponement of the second quarter report on ACERA's Wellness & Disease Management Program.

**12-69**

**It was moved by Liz Koppenhaver and seconded by Elizabeth Rogers that the Board approve the July 3, 2012 Retirees Committee minutes. The motion carried 6 yes, 0 no, and 0 abstentions.**

***Investment:***

Annette Cain-Darnes noted that the Investment Committee met on July 11, 2012 at 9:04 a.m., and highlighted the following:

Representatives from Jamestown Premiere GP, L.P., outlined its organization, investment approach, strategy, process, performance objectives, and other key characteristics. They also addressed the Committee's other comments and questions.

**12-70**

**It was moved by Annette Cain-Darnes and seconded by George Wood that the Board adopt the recommendation of a \$20.0 million commitment to Jamestown Premiere Property Fund, L.P., pending completion of legal due diligence and successful contract negotiation. The motion carried 6 yes, 0 no, and 1 abstention (Rogers).**

Representatives from Clarion Partners, who is the Investment Manger of Lion Industrial Trust, outlined its organization, investment philosophy, strategy, process, performance objectives, and other key characteristics. They also addressed the Committee's other comments and questions.

**12-71**

**It was moved by Annette Cain-Darnes and seconded by Dale Amaral that the Board adopt the recommendation of a \$10.0 million commitment to Lion Industrial Trust, pending completion of legal due diligence and successful contract negotiation. The motion carried 6 yes, 0 no, and 1 abstention (Rogers).**

Information items included:

- Review of AEW Capital Management
- Review of Capital Guardian Trust Company
- Asset Liability Study – Part IV – Initial Asset Allocation Results

**12-72**

**It was moved by Annette Cain-Darnes and seconded by Dale Amaral that the Board approve the July 11, 2012 Investment Committee minutes. The motion carried 7 yes, 0 no, and 0 abstentions.**

**Actuarial:**

George Wood reported that the Actuarial Committee met on July 19, 2012 at 11:01 a.m., and highlighted the following:

Robert McCrory and Graham Schmidt of EFI Actuaries presented their report on EFI's independent actuarial review of the Actuarial Valuation as of December 31, 2011 performed by The Segal Company.

**12-73**

**It was moved by George Wood and seconded by Annette Cain-Darnes that the Board accept and file EFI's audit report of the Actuarial Valuation and Review as of December 31, 2011. The motion carried 6 yes, 1 no (Koppenhaver), and 0 abstentions.**

Paul Angelo and Andy Yeung of The Segal Company discussed the Actuarial Valuation and Review as of December 31, 2011. This report was presented at the Actuarial Committee meeting in June.

**12-74**

**It was moved by George Wood and seconded by Annette Cain-Darnes that the Board adopt the Actuarial Valuation and Review as of December 31, 2011 including the employer and employee contribution rates. The motion carried 7 yes, 0 no, and 0 abstentions.**

**12-75**

**It was moved by George Wood and seconded by Liz Koppenhaver that the Board approve the July 19, 2012 Actuarial Committee minutes. The motion carried 7 yes, 0 no, and 0 abstentions.**

**NEW BUSINESS**

Based on the Trustees' request at the July 3 Retirees Committee meeting, Kathy Foster, Assistant CEO, presented her memo dated July 19 providing additional information about the Monthly Medical Allowance (MMA) for Individual Plans. After much discussion regarding benefits coverage, potential cost savings, out-of-pocket costs, and other issues regarding enrollment in the new plan, the Board took the following action:

**12-76**

**It was moved by Annette Cain-Darnes and seconded by Keith Carson that the Board that the Board of Retirement (Board) adopt a Monthly Medical Allowance (MMA) to be provided to eligible retirees enrolled in Individual Plans through the Medicare Exchange and reimbursed for medical costs through a Health Reimbursement Account (HRA). The maximum contribution will be set at \$400 per month for plan year 2013. 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 Employee Retirement Law (CERL), ACERA treats an equal amount of Supplemental Retiree Benefits Reserve (SRBR) assets as employer contributions for pensions. The motion carried 4 yes (Amaral, Carson, Dewey and White) 3 nos (Koppenhaver, Rogers, and Wood), 1 abstention (Cain-Darnes).**

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

The CEO reported on the following items:

- Alameda County Grand Jury Orientation – Provided a high level overview of ACERA's purpose, governance structure, staffing/budget., benefits, investments, and funding.
- Pension Reform – No agreement reached on the Governor's 12-point pension reform plan before the Legislature recessed on July 6.
- GASB Statements 25 and 27 Changes – Training conducted by Segal on July 18, 2012 at ACERA.

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

None.

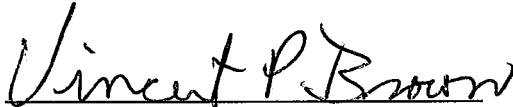
**ESTABLISHMENT OF THE NEXT MEETING**

Thursday, August 16, 2012 at 2:00 p.m.

**ADJOURNMENT**

The meeting adjourned at 3:30 p.m.

Respectfully Submitted,



Vincent P. Brown  
Chief Executive Officer



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Date Adopted

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

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ALLEN, Gaila M.  
Effective: 3/31/2012  
Social Services Agency

ANDERSON, Douglas S.  
Effective: 2/15/2012  
Sheriff's Office

BALABANIAN, Doris R.  
Effective: 3/31/2012  
Probation

BARBARO, Linda I.  
Effective: 3/31/2012  
Social Services Agency

BARNI, Thomas J.  
Effective: 3/31/2012  
District Attorney

BAZZELL, Alice Yvonne  
Effective: 3/10/2012  
Superior Court

BORMAN, Janette O.  
Effective: 3/17/2012  
Social Services Agency

BOWMAN, Gordon P.  
Effective: 2/18/2012  
Sheriff's Office

BROCKETT, John H.  
Effective: 3/31/2012  
Information Technology Department

CAMARILLO, Laura L.  
Effective: 3/31/2012  
Public Health

CAVALIERI, Angela N.  
Effective: 3/31/2012  
Social Services Agency

CESSNA, Jack A.  
Effective: 2/26/2012  
Sheriff's Office

CROSS, Brian C.  
Effective: 6/5/2012  
Behavioral Health Care Services - DEF

D'AMBROSIO, Janice L.  
Effective: 3/31/2012  
Child Support Services

DE COSTE, Genevieve R.  
Effective: 3/31/2012  
Public Defender

DE LOS REYES, Moses P.  
Effective: 3/31/2012  
Public Works Agency

DIERS, Jenifer L.  
Effective: 3/31/2012  
Social Services Agency

ENRIQUEZ, Antonio M.  
Effective: 3/31/2012  
Sheriff's Office

FIELDS, Glenn  
Effective: 3/31/2012  
General Services Agency

FONG, Betty W.  
Effective: 4/18/2012  
Social Services Agency

FONG, Fon Y.  
Effective: 10/1/2011  
Environmental Health

FROYLAND, Barbara E.  
Effective: 3/31/2012  
Probation

GARDINER, Martha A.  
Effective: 3/30/2012  
Superior Court

GHEBRE, Mehret G.  
Effective: 3/4/2012  
Alameda County Medical Center



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

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GLASS, Patricia  
Effective: 12:00:00 AM  
Social Services Agency

GRAFF, Crystal H.  
Effective: 3/31/2012  
County Administrator

GUPTA, Archana  
Effective: 3/31/2012  
Information Technology Department

HAFEY, Patrick D.  
Effective: 3/31/2012  
Public Works Agency

HARVEY, Jean A.  
Effective: 3/31/2012  
Alameda County Medical Center

HEILIGER, Maxine  
Effective: 3/31/2012  
Behavioral Health Care Services

HINTZEN, Joan A.  
Effective: 3/31/2012  
Social Services Agency

HIPOLITO, Sarah C.  
Effective: 3/31/2012  
Social Services Agency

HUANG, Ping D.  
Effective: 3/31/2012  
Social Services Agency

INFANTE, Wilfredo Q.  
Effective: 3/29/2012  
Sheriff's Office

INGOLS, Deborah A.  
Effective: 3/31/2012  
Sheriff's Office

JACKSON, Mary L.  
Effective: 3/31/2012  
Social Services Agency

KEEVER, Sue M.  
Effective: 3/30/2012  
Superior Court

KITTELSON, Kathy L.  
Effective: 4/9/2012  
Alameda County Medical Center - DEF

LA ROSA, Debra  
Effective: 3/28/2012  
Sheriff's Office

LAND, Connie F.  
Effective: 3/31/2012  
Auditor-Controller

LOWE, Patricia A.  
Effective: 3/2/2012  
Probation

LOZZA, Daniel C.  
Effective: 3/31/2012  
Assessor

LUA, Isela  
Effective: 11/22/2011  
Alameda County Medical Center

MAE, Jillian A.  
Effective: 3/31/2012  
Auditor-Controller

MC COY, John H.  
Effective: 3/31/2012  
Sheriff's Office

MEDEIROS, Mary A.  
Effective: 7/1/2010  
Housing Authority

MERCADO, Manuel M.  
Effective: 4/1/2012  
Sherriff's Office

METZ, Howard L.  
Effective: 3/31/2012  
Sheriff's Office

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

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MORENO, Albert E.  
Effective: 3/31/2012  
Social Services Agency

MORENO, Cynthia Ann  
Effective: 3/30/2012  
Superior Court

OKORODUDU, Kathryn  
Effective: 3/17/2012  
Social Services Agency

OMIQUE, Josef S.  
Effective: 1/21/2012  
Alameda County Medical Center

SIMPSON, Christina R.  
Effective: 1/7/2012  
Social Services Agency

THOMPSON, Lenora  
Effective: 3/31/2012  
Social Services Agency

TRAN, John T.  
Effective: 3/17/2012  
Social Services Agency

TURNQUIST, Lindy  
Effective: 3/6/2012  
Sheriff's Office - DEF

VICENTE, Ana R.  
Effective: 3/31/2012  
Social Services Agency

WAGNER, Marianne C.  
Effective: 3/31/2012  
Behavioral Health Care Services

WALKER, Earl P.  
Effective: 3/31/2012  
Social Services Agency

WALSH, Tobin E.  
Effective: 3/31/2012  
General Services Agency

WALTON, Dora M.  
Effective: 3/31/2012  
Treasurer-Tax Collector

WILLIAMS, Claudia M.  
Effective: 4/14/2012  
Social Services Agency

WILLIAMS, Mattie L.  
Effective: 3/31/2012  
Probation

WILLIAMS, Nelson  
Effective: 3/31/2012  
General Services Agency

YAN, Goether  
Effective: 3/31/2012  
Alameda County Medical Center

ZAMORA, Lilia N.  
Effective: 3/31/2012  
Social Services Agency

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

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BARENO, Michael  
Sheriff's Office  
Effective: 04/24/11

FEHRMANN, Lynn A.  
Alameda County Medical Center  
Effective: 05/06/11

RIVERA, Robyn J.  
Sheriff's Office  
Effective: 05/17/11

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

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GRAGASIN, Lennie A.  
Social Services Agency  
Effective: 01/07/2011

MATTHEWS, Tracy L.  
Social Services Agency  
Effective: 02/05/2010

HELIE, John R.  
Superior Court  
Effective: 04/01/2011

NAGY, Jeanne Marie  
Superior Court  
Effective: 09/30/2011

HIPPS, Amy L  
Social Services Agency  
Effective: 12/17/2010

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**APPENDIX C**  
**APPLICATION FOR DEFERRED TRANSFER**

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BOWLES, Christy M.  
District Attorney  
Effective: 05/13/2011

MENDEZ, Micah L.  
Sheriff's Office  
Effective: 12/10/2011

CHEUNG, Celia  
Alameda County Employees' Retirement  
Association  
Effective: 03/25/2011

ZHU, Bin-Bin B.  
Alameda County Employees' Retirement  
Association  
Effective: 05/20/2011

DAHLBERG, Bo B.  
Sheriff's Office  
Effective: 03/23/2011

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

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ARUCAN, Amelia C. 5/31/2012 Auditor-Controller	MEGINO, Marcela 6/5/2012 Survivor of Felino S. Megino
BURNETT, Lois I. 5/30/2012 Alameda County Medical Center	MEI, Eva L. 6/2/2012 Survivor of Lincoln Mei
COLEMAN, Dellaneo 6/1/2012 Sheriff's Office	MELODY, Robert L. 6/14/2012 Social Services Agency - DEF
COLLINS, Cleopatria 4/27/2012 Alameda County Medical Center	OWENS, Sandra R. 6/25/2012 Probation
COX, Marie G. 6/3/2012 Mental Health Services	RIVERS, Patricia A. 5/29/2012 Social Services Agency
FRANCO, Carolyn H. 6/17/2012 Survivor of Antonio M. Franco	ROLSTAD, Mildred H. 6/21/2012 Social Services Agency
GOODS, Marveline H. 6/24/2012 Alameda County Medical Center	SAYRE, Audrey L. 6/1/2012 Superior Court
GUICE, Lew J. 5/29/2012 Health Care Services Agency	SMOLKIN, Stephen W. 5/15/2012 Information Technology Department
HILLIARD, Mary D. 5/12/2012 Survivor of Edward R. Hilliard	SNYDER, Robert B. 6/5/2012 Superior Court
KAL M.D., Edmund F. 5/9/2012 Health Care Services Agency - DEF	STEELE, Pearl E. 6/3/2012 Treasurer-Tax Collector
LAURENZO, Barbara 6/22/2012 Superintendent of Schools - DEF	TAYLOR, Jewel 5/20/2012 Survivor of Waymon T. Taylor Jr.
LEVY, Harvey C. 3/26/2012 Social Services Agency	WALDEN, Sven E. 3/6/2012 Probation

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**APPENDIX D  
LIST OF DECEASED MEMBERS**

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WATSON, Rosalie M.  
5/31/2012  
Social Services Agency

WHITE, Louise S.  
5/26/2012  
Alameda County Medical Center

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**APPENDIX F  
APPLICATION FOR DISABILITY RETIREMENT**

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**Name:** Christopulos, Jesse  
**Type of Claim:** Earlier Effective Date (NSCD Granted on 5/17/12)

Staff's Recommendation:

Approve the recommendation contained in Dr. Wagner's report to deny Mr. Christopulos a service connected disability.

Based on Dr. Wagner's review and determination of Mr. Christopulos's knowledge of permanency, to grant Mr. Christopulos's request for an earlier effective application date.

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**Name:** Hamilton, Rene  
**Type of Claim:** Non-Service Connected

Staff's Recommendation:

Approve the recommendation contained in Dr. Wagner's report to grant Ms. Hamilton a non-service connected disability. Since Ms. Hamilton is over 55 years old, future annual medical examinations and questionnaires will not be required.

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

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

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**Name:**                    **Schwartz, Michael**  
**Type of Claim:**        **Service Connected**

**Staff's Recommendation:**

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