



January 6, 2016

To: Members of the Operations Committee
From: Dale Amaral, Chair
Subject: Summary of the January 6, 2016 Operations Committee Meeting

Operations Committee Chair Dale Amaral called the January 6, 2016 Operations Committee Meeting to order at 9:35 a.m. Committee members present were Dale Amaral, Chair, Ophelia Basgal, Keith Carson, Tarrell Gamble, and Liz Koppenhaver. The other Board members present were Annette Cain-Darnes, Elizabeth Rogers and George Wood; and alternate member Darryl Walker. Staff present were Kathy Foster, Interim Chief Executive Officer; Margo Allen, Fiscal Services Officer; Joseph Fletcher, Chief Counsel; Betty Tse, Chief Investment Officer; Harsh Jadhav, Chief of Internal Audit; Latrena Walker, Project and Information Services Manager; Victoria Arruda, Human Resources Director; and Sandra Duenas-Cuevas, Benefits Manager.

ACTION ITEMS

1. Discussion and possible motion to approve a New Pay Item – Pay Code 109 for Alameda Health System

Staff presented a request from Alameda Health System to review a new pay item, Pay Code 109 – Sitter Pay.

After staff's evaluation it was determined since Pay Code 109 applies to more than one member in this classification, it will be considered pensionable compensation for members (PEPRA members) with entry dates on or after January 1, 2013 based on Government Code Section 7522.34, and compensation earnable for members (legacy members) with entry dates prior to January 1, 2013 based on Government Code Section 31461.

It was moved by Elizabeth Rogers, and seconded by Keith Carson, that the Operations Committee recommend to the Board of Retirement that the Board approve the inclusion of Pay Code 109 – Sitter Pay as compensation earnable and pensionable compensation for members with entry dates before, on or after January 1, 2013, based on Government Code Sections 31461 and 7522.34.

The motion carried 6 yes (*Amaral, Cain-Darnes, Carson, Gamble, Koppenhaver, Rogers*), 0 no, 0 abstentions.

2. Discussion and possible motion to approve a New Pay Item – Pay Code 140 for Alameda Health System

Staff presented a request from Alameda Health System to review a new pay item, Pay Code 140 – Orientation Pay.

After staff's evaluation it was determined since Pay Code 140 applies to more than one member in this classification, it will be considered pensionable compensation for members (PEPRA members) with entry dates on or after January 1, 2013 based on Government Code Section 7522.34, and compensation earnable for members (legacy members) with entry dates prior to January 1, 2013 based on Government Code Section 31461.

It was moved by Elizabeth Rogers, and seconded by Liz Koppenhaver, that the Operations Committee recommend to the Board of Retirement that the Board approve the inclusion of Pay Code 140 – Orientation Pay as compensation earnable and pensionable compensation for members with entry dates before, on or after January 1, 2013, based on Government Code Sections 31461 and 7522.34.

The motion carried 6 yes (*Amaral, Cain-Darnes, Carson, Gamble, Koppenhaver, Rogers*), 0 no, 0 abstentions.

3. Discussion and possible motion to approve a New Pay Item – Pay Code 111 for Alameda Health System

Staff presented a request from Alameda Health System to review a new pay item, Pay Code 111 – Meeting Pay.

After staff's evaluation it was determined since Pay Code 111 applies to more than one member in this classification, it will be considered pensionable compensation for members (PEPRA members) with entry dates on or after January 1, 2013 based on Government Code Section 7522.34, and compensation earnable for members (legacy members) with entry dates prior to January 1, 2013 based on Government Code Section 31461.

It was moved by Liz Koppenhaver, and seconded by Elizabeth Rogers, that the Operations Committee recommend to the Board of Retirement that the Board approve the inclusion of Pay Code 111 – Meeting Pay as compensation earnable and pensionable compensation for members with entry dates before, on or after January 1, 2013, based on Government Code Sections 31461 and 7522.34.

The motion carried 7 yes (*Amaral, Cain-Darnes, Carson, Gamble, Koppenhaver, Rogers, Wood*), 0 no, 0 abstentions.

4. Discussion and possible motion to approve a New Pay Item – Pay Code 41K for Alameda County

Staff presented a request from Alameda County to review a new pay item, Pay Code 41K – Manage/Coord. Work Assignment.

After staff's evaluation it was determined since Pay Code 41K applies to one member in this classification, it will be not be considered pensionable compensation for members (PEPRA members) with an entry date on or after January 1, 2013 based on Government Code Section 7522.34. However, it will be considered compensation earnable for members (legacy members) with entry dates prior to January 1, 2013 based on Government Code Section 31461.

It was moved by Keith Carson, and seconded by Liz Koppenhaver, that the Operations Committee recommend to the Board of Retirement that the Board approve the non-inclusion of Pay Code 41K – Manage/Coord. Work Assignment as pensionable compensation for a member (PEPRA) with an entry date on or after January 1, 2013 based on Government Code Section 7522.34, and approve the inclusion of Pay Code 41K – Manage/Coord. Work Assignment as compensation earnable for a member (legacy) with an entry date prior to January 1, 2013 based on Government Code Section 31461.

The motion carried 7 yes (Amaral, Cain-Darnes, Carson, Gamble, Koppenhaver, Rogers, Wood), 0 no, 0 abstentions.

5. Discussion and possible motion to approve a New Pay Item – Pay Code 41L for Alameda County

Staff presented a request from Alameda County to review a new pay item, Pay Code 41L – Sup/Coord. Wrk-SSA Pub Info Off.

After staff's evaluation it was determined since Pay Code 41L applies to one member in this classification, it will be not be considered pensionable compensation for members (PEPRA members) with an entry date on or after January 1, 2013 based on Government Code Section 7522.34. However, it will be considered compensation earnable for members (legacy members) with entry dates prior to January 1, 2013 based on Government Code Section 31461.

It was moved by Keith Carson, and seconded by Tarrell Gamble, that the Operations Committee recommend to the Board of Retirement that the Board approve the non-inclusion of Pay Code 41L – Sup/Coord. Wrk-SSA Pub Info Off as pensionable compensation for a member (PEPRA) with an entry date on or after January 1, 2013 based on Government Code Section 7522.34, and approve the inclusion of Pay Code 41L – Sup/Coord. Wrk-SSA Pub Info Off as compensation earnable for a member (legacy) with an entry date prior to January 1, 2013 based on Government Code Section 31461.

The motion carried 7 yes (Amaral, Cain-Darnes, Carson, Gamble, Koppenhaver, Rogers, Wood), 0 no, 0 abstentions.

6. Discussion and possible motion to approve a New Pay Item – Pay Code 41M for Alameda County

Staff presented a request from Alameda County to review a new pay item, Pay Code 41M – MR Tech Lead Duties in PHCCS.

After staff's evaluation it was determined since Pay Code 41M applies to one member in this classification, it will be not be considered pensionable compensation for members (PEPRA members) with an entry date on or after January 1, 2013 based on Government Code Section 7522.34. However, it will be considered compensation earnable for members (legacy members) with entry dates prior to January 1, 2013 based on Government Code Section 31461.

It was moved by Keith Carson, and seconded by Tarrell Gamble, that the Operations Committee recommend to the Board of Retirement that the Board approve the non-inclusion of Pay Code 41M – MR Tech Lead Duties in PHCCS as pensionable compensation for a member (PEPRA) with an entry date on or after January 1, 2013 based on Government Code Section 7522.34, and approve the inclusion of Pay Code 41M – MR Tech Lead Duties in PHCCS as compensation earnable for a member (legacy) with an entry date prior to January 1, 2013 based on Government Code Section 31461.

The motion carried 7 yes (Amaral, Cain-Darnes, Carson, Gamble, Koppenhaver, Rogers, Wood), 0 no, 0 abstentions.

INFORMATION ITEMS

1. Operating Expenses – Budget vs Actual as of November 30, 2015

Staff presented the year-to-date operating expenses – budget vs. actual. As of November 30, 2015 actual expenses are \$2,292,683 under budget.

2. Proposed 2016 Operations Committee Work Plan

Staff presented the proposed 2016 Operations Committee work plan.

3. Semi-annual Report on Member Under and Overpayments

Staff presented reports on member under and overpayments of benefits or contributions that occurred during 2015. The reports included overpayments and underpayments of member contributions, overpayments of retirement allowance due to death, and Benefit Staff errors/overpayments. Following an extensive discussion, Trustees requested additional information on these reports, such as employer identification, the number of days between when the error occurred and when the error was identified, and how much Staff time it takes to correct the error. Dale Amaral directed Staff to be as thorough as possible in the documentation. Trustees also expressed a concern about the administrative costs to ACERA for the time and resources spent correcting the under and overpayments. Supervisor Carson urged Staff to reach out to Alameda Health System's new CEO, Delvecchio Finley.

4. 2015 Business Continuity Exercise

Staff reported on the results of the annual business continuity exercise conducted on October 9, 2015. For the first time, staff received notification of the unannounced exercise from ACERA's automated call system. Also for the first time, each department participating in the exercise worked through pre-defined post-disaster scenarios. Overall, the exercise was considered a success as a result of staff's ability to recover ACERA's computing environment and test access to critical business applications. The next exercise will be scheduled in the fall of 2016. Ophelia Basgal suggested that staff's contact information be verified during the year through ACERA's automated call system. Staff agreed to utilize the automated system mid-year to keep the contact information current. Dale Amaral informed staff that the Alameda County Sheriff's Department has a program called Mass Notification. This program may be able to assist ACERA in maintaining its notifications.

RECOMMENDATIONS

1. The Committee recommends, and I move, that the Board of Retirement approve the inclusion of Pay Code 109 – Sitter Pay as compensation earnable and pensionable compensation for members with entry dates before, on or after January 1, 2013, based on Government Code Sections 31461 and 7522.34.
2. The Committee recommends, and I move, that the Board of Retirement approve the inclusion of Pay Code 140 – Orientation Pay as compensation earnable and pensionable compensation for members with entry dates before, on or after January 1, 2013, based on Government Code Sections 31461 and 7522.34.
3. The Committee recommends, and I move, that the Board of Retirement approve the inclusion of Pay Code 111 – Meeting Pay as compensation earnable and pensionable compensation for members with entry dates before, on or after January 1, 2013, based on Government Code Sections 31461 and 7522.34.
4. The Committee recommends, and I move, that the Board of Retirement approve the non-inclusion of Pay Code 41K – Manage/Coord. Work Assignment as pensionable compensation for a member (PEPRA) with an entry date on or after January 1, 2013 based on Government Code Section 7522.34, and approve the inclusion of Pay Code 41K – Manage/Coord. Work Assignment as compensation

earnable for a member (legacy) with an entry date prior to January 1, 2013 based on Government Code Section 31461.

5. The Committee recommends, and I move, that the Board of Retirement approve the non-inclusion of Pay Code 41L – Sup/Coord. Wrk-SSA Pub Info Off as pensionable compensation for a member (PEPRA) with an entry date on or after January 1, 2013 based on Government Code Section 7522.34, and approve the inclusion of Pay Code 41L – Sup/Coord. Wrk-SSA Pub Info Off as compensation earnable for a member (legacy) with an entry date prior to January 1, 2013 based on Government Code Section 31461.
6. The Committee recommends, and I move, that the Board of Retirement approve the non-inclusion of Pay Code 41M – MR Tech Lead Duties in PHCCS as pensionable compensation for a member (PEPRA) with an entry date on or after January 1, 2013 based on Government Code Section 7522.34, and approve the inclusion of Pay Code 41M – MR Tech Lead Duties in PHCCS as compensation earnable for a member (legacy) with an entry date prior to January 1, 2013 based on Government Code Section 31461.

TRUSTEE/PUBLIC INPUT

ESTABLISHMENT OF NEXT MEETING DATE

The next meeting is scheduled for February 3, 2016 at 9:30 a.m.

MEETING ADJOURNED

The meeting adjourned at 10:33 a.m.