



April 6, 2016

To: Members of the Retirees Committee

From: Liz Koppenhaver, Chair, Retired Trustee

**Subject: Summary of the April 6, 2016 Retirees Committee Meeting**

Committee Chair Liz Koppenhaver called the April 6, 2016 meeting to order at 10:35 a.m. Committee members present were Liz Koppenhaver, Tarrell Gamble, Dale Amaral, and Annette Cain-Darnes. Also present were Keith Carson and Elizabeth Rogers, and alternate members David Safer and Darryl Walker. Staff present were Kathy Foster, Interim Chief Executive Officer; Joseph Fletcher, Chief Counsel; Margo Allen, Fiscal Services Officer; Sandra Dueñas-Cuevas, Benefits Manager; and Harsh Jadhav, Chief of Internal Audit.

### **ACTION ITEMS**

There were no action items for discussion.

### **INFORMATION ITEMS**

#### **1. Supplemental Retiree Benefit Reserve (SRBR) Financial Status**

Staff presented a 10-year history of the Supplemental Retiree Benefit Reserve (SRBR) activity through December 31, 2015. The total interest credited to the SRBR for 2015 was approximately \$106.5 million, using a total interest rate of 3.8% of regular earnings. Total deductions were approximately \$43.6 million. The December 31, 2015 ending balance was approximately \$853.8 million.

#### **2. Report on Annual Health Care Planning Meeting with Retiree Groups**

Staff provided a report on the participants, topics, and follow-up items from the Annual Health Care Planning meeting, which was held on March 2, 2016. Trustees directed Staff to provide additional information regarding a comparison of the dental plan benefits provided by the County of Alameda to its active members and ACERA related to the benefit levels for the PPO and Premier dentists.

#### **3. Miscellaneous Updates**

Staff provided information requested by the Trustees at the March Retirees Committee meeting regarding the possible Cadillac Tax impact to retirees who have medical coverage through the health exchange, and the status of a case challenging the Affordable Care Act that was before the U.S. Supreme Court.

### **TRUSTEE/PUBLIC/STAFF INPUT**

Steve Sheinman announced that as of March 31, 2016, he was no longer on the Retired Employees of Alameda County's (REAC) Board of Directors as President. Jon Orellana, REAC Vice-President, will be Acting President until a full time president is elected. Due to a scheduling conflict however, Jon is not able to attend the Retirees Committee meetings, so Richard Karlsson will represent REAC at the meetings until a new president is elected.

Steve stated that it has been a pleasure working with the Trustees of the Board of Retirement and ACERA Staff, and expressed his appreciation for the positive working relationships between all involved.

The Trustees and Staff stated that it has been a pleasure working with Steve and would miss him. Staff also expressed their appreciation to him for his acknowledgement of Staff's work and workload, and his willingness to discuss and resolve issues collaboratively.

### **FUTURE DISCUSSION ITEMS**

- 401(h) Account Resolution Request to ACERA Participating Employers
- Approval of Payment for Implicit Subsidy Cost for 2015
- Possible Declaration of Intent to Fund Implicit Subsidy Program for 2017

### **ESTABLISHMENT OF NEXT MEETING DATE**

The next meeting is scheduled for May 4, 2016 at 10:30 a.m.

### **MEETING ADJOURNED**

The meeting adjourned at 11:05 a.m.