



**THIS MEETING WAS CONDUCTED VIA TELECONFERENCE WITH VIDEO**

August 5, 2020

To: Members of the Retirees Committee

From: Liz Koppenhaver, Chair, Retired Trustee

**Subject: Summary of the August 5, 2020 Retirees Committee Meeting**

Committee Chair Liz Koppenhaver called the August 5, 2020 meeting to order at 10:30 a.m. Committee members present were Liz Koppenhaver, Jamie Godfrey, Dale Amaral, Keith Carson and George Wood. Also present were Ophelia Basgal, Tarrell Gamble, Henry Levy, and Elizabeth Rogers, and alternate members Nancy Reilly and Darryl Walker. Staff present were David Nelsen, Chief Executive Officer; Kathy Foster, Assistant Chief Executive Officer; Margo Allen, Fiscal Services Officer; Jeff Rieger, Chief Counsel; Sandra Dueñas-Cuevas, Benefits Manager; Jessica Huffman, Benefits Manager; Victoria Arruda, Human Resources Officer; Vijay Jagar, Chief Technology Officer; and Harsh Jadhav, Chief of Internal Audit.

**PUBLIC INPUT**

Jerry Jacobs, ACERA retiree, thanked Mike Fara and the Staff for the outstanding job on the enhancements made to the ACERA website.

**INFORMATION ITEMS**

Chair Koppenhaver moved the following information item to the top of the agenda at the request of Staff to provide for more complete background before considering the action items:

**1. Review of Dental and Vision Plans Premiums for 2021**

Staff and Segal provided information on the ACERA-sponsored dental and vision plans renewal premiums for Plan Year 2021.

**ACTION ITEMS**

**1. Adoption of Dental Plan Contributions for 2021**

Staff and Segal reported that for Plan Year 2021, based on the single retiree premium rates, which include a 5.0 % increase for the PPO plan billed rates and no rate increase for the DeltaCare USA plan, the projected annual cost to provide this non-vested benefit for 2021 is \$4,390,502.

It was moved by Ophelia Basgal and seconded by Elizabeth Rogers that the Committee recommend to the Board of Retirement a motion to continue the dental plan contributions for Plan Year 2021, which provides a monthly subsidy equal to the single-party dental plan coverage premium of \$44.15 for the PPO plan and \$22.18 for the DeltaCare USA plan for retirees who are receiving ACERA allowances with ten or more years of ACERA service, are service connected disability retirees, or are non-service connected disability retirees as of January 31, 2014. This is a non-vested benefit funded by contributions from the ACERA employers to the 401(h) account. After contributions are made in accordance with the County Employees Retirement Law, ACERA treats an equal amount of Supplemental Retiree Benefit Reserve assets as employer contributions for pensions.

The motion carried 9 yes (*Amaral, Basgal, Carson, Gamble, Godfrey, Koppenhaver, Levy, Rogers, Wood*), 0 no, 0 abstentions.

## **2. Adoption of Vision Plan Contributions for 2021**

Staff and Segal reported that based on the single retiree premium rate for Plan Year 2021, which includes a 6.4% decrease, the projected annual cost to provide this non-vested benefit for 2021 is \$397,079.

It was moved by Jamie Godfrey and seconded by Dale Amaral that the Committee recommend to the Board of Retirement a motion to continue the vision plan contributions for Plan Year 2021, which provides a monthly subsidy equal to the single-party vision plan coverage premium of \$3.97 for retirees who are receiving ACERA allowances with ten or more years of ACERA service, are service connected disability retirees, or are non-service connected disability retirees as of January 31, 2014. This is a non-vested benefit funded by contributions from the ACERA employers to the 401(h) account. After contributions are made in accordance with the County Employees Retirement Law, ACERA treats an equal amount of Supplemental Retiree Benefit Reserve assets as employer contributions for pensions.

The motion carried 9 yes (*Amaral, Basgal, Carson, Gamble, Godfrey, Koppenhaver, Levy, Rogers, Wood*), 0 no, 0 abstentions.

## **INFORMATION ITEMS**

### **2. Miscellaneous Updates**

Staff provided an update regarding the planning of a virtual health and wellness fair for the end of October. In addition, Staff reported that currently, Via Benefits does not have the capability of using debit cards for processing Health Reimbursement Account reimbursement requests, and will update the Committee if this option becomes available.

**TRUSTEE REMARKS**

Trustee Koppenhaver expressed her appreciation to David Nelsen and Mike Fara for attending the retiree associations meetings, and most recently to provide the latest information regarding the DSA lawsuit.

**FUTURE DISCUSSION ITEMS**

- Presentation and Acceptance of Supplemental Retiree Benefit Reserve Funding Report/Valuation

**ESTABLISHMENT OF NEXT MEETING DATE**

The next meeting is scheduled for October 7, 2020 at 10:30 a.m.

**MEETING ADJOURNED**

The meeting adjourned at 10:57 a.m.