



The Informer

RETIRED EMPLOYEES ASSOCIATION OF ORANGE COUNTY, INC.

Fall Luncheon Set for Wednesday, September 23rd

 Begin the Fall Season with friends, REAO members and guests at REAO's September 23 luncheon at Mile Square Park Golf Course Clubhouse in Fountain Valley. A special menu is shared on Page 7.

We are honored to have as our guest speaker this month Professor Mark Petracca, U.C. Irvine, who will discuss the future of public employment and related topics. A biography is included on Page 3.

In addition to prizes and centerpieces, you may win the Progressive Drawing of \$450.

Reserve your seat by sending the form on page 7 and your check to arrive at the REAO office no later than Wednesday, September 16. Check-in starts at 11:00 a.m. and lunch is served at noon. Please car-pool if possible. See you on September 23.

Presidents' Message

From the Desks of Linda Robinson and Doug Storm

Welcome back from your summer pursuits, retirees! Now that summer activities are on the wane, we're looking forward to an energizing fall season; one which certainly requires our full attention and participation. A number of significant issues have been developing during the past few months,

thereby diverting your Board of Director's attention from "those lazy, hazy, crazy days of summer" to more political and personal matters such as 2016 retiree medical plans and costs, a pension reform initiative—deceptively entitled The Voter Empowerment Act of 2016 and participation in statewide strategies to protect your hard-earned, public retirement benefits. On the horizon: REAO will be participating in the annual Orange County Employees Association (OCEA) Health Fair to be held September 22nd on the OCEA property located at 830 N. Ross in Santa Ana. Your Board will staff a booth at this event and provide crucial information to future retirees as

to the importance of joining REAO, the one organization providing a voice for Orange County retirees.

2016 Health Insurance Rates

In August the Board of Supervisors adopted 2016 retiree medical insurance plans and premium rates. Rates vary by plan—some with increases—others with minimal change. While REAO was NOT included in the rate setting process, a REAO representative was provided a "seat at the table" to evaluate 2016 Requests for Proposals from various health care providers interested in delivering health care services to our retiree population. Rates are posted on the REAO website at www.reaoc.org. Please thoroughly review all health plan options before selecting the plan best suited to meet your needs taking into account your personal medical service requirements and individual financial situation.

Open Enrollment begins on October 30 and continues through November 16. Retiree Medical Plan

CONTINUED ON PAGE 2

Progressive Drawing \$450.00

Emmett Reilly of Los Angeles would have won \$400 at the May luncheon if he had been present at the luncheon. Remember—you must be present at the time of the drawing to win! See you on Wednesday, September 23, 2015 at Mile Square Park.

Presidents' Message

CONTINUED FROM PAGE 1

Packages will be mailed by the County mid to late October. We HIGHLY recommend attending one of the County-sponsored seminars this Fall to understand plan options and to ask clarifying questions to determine which plan best suits your needs. As REAOC did last year, REAOC will co-sponsor one of those seminars. To accommodate as many retirees as possible, REAOC has contracted with Mile Square Golf Park to utilize the Clubhouse Banquet facility located at 10401 Warner Avenue in Fountain Valley to provide the largest venue possible for all retirees who wish to attend. The seminar has been scheduled for **November 4th**.

PLEASE SAVE THE DATE ON YOUR CALENDAR. Detailed information will be provided as we get closer to that date via the REAOC website and through our e-mail distribution list. If we do not have your current e-mail address, please call the REAOC office and provide us with an update.

Please plan to attend one of the seminars prior to enrolling in 2016 retiree medical plans. If at all possible, please call the REAOC office at 714-840-3995 to let us know if you plan to attend the co-sponsored seminar. This will be very helpful in planning the event. Knowledge and understanding of available health plans is extremely important to your health, financial security and well-being, so we hope you can take advantage of the seminars.

Anti-Public Sector Pension Campaign Intensifying Attempts to slash defined benefit plans for public employees are continuing. The current assault comes in the form of a

proposed initiative entitled the "Voter Empowerment Act of 2016" (also known as the Reed Initiative, named after former San Jose Mayor Chuck Reed). This proposed statewide ballot measure makes changes to the California State Constitution with respect to public pensions. A similar proposal was attempted in 2013 but was derailed before the expensive and onerous process of collecting signatures began. Fast forward to 2015. This recent proposal has been submitted to the State Office of Attorney General for review and request for preparation of a circulating title and summary of the measure. A statement of fiscal impact must be prepared by the State's Legislative Analyst before any further action is taken. The initiative is complex and being analyzed by many interested parties. REAOC is working with other statewide retiree organizations to analyze the impact of the initiative on retirement systems and the financial security of retirees. A number of steps would have to be taken before the initiative could qualify for the November, 2016 ballot. Your understanding and involvement in the issues facing retirees today is of critical importance. We will keep you updated regarding developments surrounding this process.

Thank you for your continued support, participation and membership in REAOC. These are challenging social, political and economic times. Together we can make a difference. Take care and be well.

– Doug and Linda

REAOC

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OFFICERS

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Doug Storm	Co President
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John Iagjian	Membership Committee
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Bill Castro	Luncheon Committee
Norma Roberts	Board Watch
Linda Robinson	CRCEA Delegate
Lou Scarpino	Legislation
Jan Grimes	Scholarship Committee

The Informer is published 5 times a year. Readers are encouraged to write *The Informer* expressing their views and comments on the subjects of interest to them.

The mission of REAOC is to promote and maintain fellowship and camaraderie of OCERS retirees and their spouses by sponsoring social and recreational activities and by maintaining contacts via the newsletter, the REAOC website, e-mail, or other means of communication. A secondary purpose is tracking and dissemination of information relating to pension and legislative actions, financial matters, physical and mental health care, volunteer and employment opportunities and other concerns that may be of interest to our members.

OCERS retirees and their spouses are eligible for regular association membership. Dues are \$3.00 per month, payable through payroll deduction. Active employees, who will receive their retirement through OCERS, are eligible for Associate Membership. Dues for associate members are \$1.00 per month payable for the year each January.

Luncheons are held at Mile Square Golf Course in Fountain Valley on the fourth Wednesday of January, March, May and September, and on the first Wednesday of December. A local chapter of REAOC is active in Hemet.

Changing To A Defined Contribution Pension Model Is No Magic Bullet

by Larry Leaman

As you are probably aware from the media, public sector retirement plans such as ours have been attacked and aggressive efforts are being made to force government to change to a less secure Defined Contribution Plan (DC). We hope this article clarifies the reasons why we should fight to keep our current plan.

The OCERS pension plan is a Defined Benefit (DB) plan. It provides an assured income for retirees, based on such factors as age at retirement and length of service. Almost all government entities provide a DB plan. Money for this kind of plan comes from employer and

employee contributions and investment earnings. If that funding is ever found to be inadequate at any point in time, the public sector employer, via the taxpayer, is required by current law to fund that shortfall.

Because of this shortfall risk many private sector employers have abandoned DB plans and instead, provide a Defined Contribution (DC) benefit. Under this model an employer will contribute a set amount, such as a percentage of pay, into a retirement fund or program such as a 401(k). Employees are usually expected to contribute at least an equal amount. At retirement the fund

is what it is. All risk of inadequacy for the retiree falls on the retiree.

Much has been written about DB and DC plans, including which is better, which is more efficient, which provides the greatest retirement security and which is more affordable to the employer. Objective studies conclude that DB plans are better than DC plans, except for the risk borne by the employer if the total funding needed comes up short. Therefore, the DC model is appealing to an employer but not so much to the employee.

To reduce any risk to employers
CONTINUED ON PAGE 4

Mark P. Petracca

We are quite honored to have Mark P. Petracca as our guest speaker this month. We include a very brief summary of his impressive accomplishments. He is Associate Dean of Undergraduate Studies in the School of Social Sciences at UC Irvine. He has served as Chair of the Department of Political Science, Faculty Chair of the School of Social Sciences and Faculty Associate to the Dean of Social Sciences for Honors and Scholarships. He earned his Ph.D. in political science from the University of Chicago. He has taught at the University of Chicago and at Amherst College and has been a visiting Professor in the Department of International Relations at China's Beijing University. Professor Petracca has received numerous local and national teaching awards.

Professor Petracca has authored dozens of scholarly articles and edi-



torials on a wide range of topics involving American politics, political theory, constitutional reform, and public policy. He has delivered invited testimony before both the House Judiciary Committee's Subcommittee on Civil and Constitutional Rights and the Senate Judiciary Committee's Subcommittee on the Constitution. He has served as an expert witness in many high profile state and federal court cases. More recently he served as an expert witness for the University of California.

Having been a regular panelist on

KOCE's "Real Orange," he will be a regular commentator on PBS SoCal's "Inside OC" beginning in October. He has been a frequent guest on radio talk shows, has provided election commentary on regional and national television, and lectured extensively to educational, business, civic, and political organizations.

Professor Petracca has long been active in the civic life of Irvine. For example, he served on and chaired the Irvine Planning Commission. He has served on the Blue Ribbon Commission on the Housing Element/Linkage Fees, the Human Rights/Family Reunification Subcommittee, the Special Committee on Election Reform, and the Committee on Campaign Finance Reform.

We are excited that Professor Petracca is willing to share his experience and wisdom with us.

Laugh and Eat Chocolate – Make Your Actuary Proud

by Lou Scarpino

No, this is not an attempt to encourage you to become hysterical and eat yourself into an early demise—just the opposite. The April CRCEA conference held in Ontario provided valuable information on the medical and technological progress being made that can increase your life span to match the assumptions retirement fund actuaries now use.

REAOC Co-Presidents Linda Robinson and Doug Storm, AREOC President Sara Harms, Office Manager Ilene Barcenas and Directors Larry Leaman, Gaylan Harris and yours truly were present. Attendance by more than the usual number reflects our Directors' greater involvement in issues increasingly critical to retirees.

So, exactly what can be done to ensure the actuaries' longevity projections come to fruition? Measures are discussed by order of "magnitude" as follows. Using impressive computer graphic models, Sr. Curator of the San Bernardino County Museum Kathleen Springer briefed attendees about the worst case California earthquake scenario and new developments to minimize loss of life and damage. The scenario involved a high magnitude, massive event that would trigger earthquakes that literally unzip a major portion of the San Andreas Fault running north and south throughout much of California. The fault roughly follows valleys where the major transportation corridors are located. Such an event would massively eclipse the Northridge quake that extended only ten miles.

The good news is that earthquakes produce two sets of waves. The first wave precedes those that do the real damage by up to one minute, making possible an early warning system. Pre-determined responses making use of that one minute can save lives. Trains can be stopped before the tracks move, fire station doors can be opened ensuring access to fire equipment, and people can receive early warnings from mobile devices, TV and radio announcements.

Another life extension enhancement was presented by Associate Professor of Medicine/Head of the Loma Linda Medical Center Cardiology Division, Dr. Kenneth Jutzy. New procedures based on variations of common stint placement technology now allow heart repairs without invasive open heart surgery. We were amazed to hear that a new artificial heart valve can be inserted that expands into openings of existing valves and immediately begins to function. New miniature heart pumps inside heart chambers and exterior bands to isolate diseased or problematic heart sections are more examples of this new technology to increase life span. Further, because these procedures are far less invasive, they have been successfully used on more fragile patients including a 94-year-old, who otherwise might not have made it through a more invasive surgery. Finally, more powerful, cholesterol-reducing drugs are being tested.

So what about the chocolate and laughter? We hear that laughter is the best medicine and that chocolate

is not good for us. But actually both are good for our health according to the Loma Linda School of Medicine Director of Clinical Molecular Research and Psycho-neuro-immunology, Dr. Lee Berk. Note however, for chocolate to provide positive effects on the body, its ingredients must be at least 76% pure chocolate. Other ingredients such as the milk in milk chocolate give chocolate the bad name. While this writer is insufficiently qualified to convey the more technical aspects discussed by Dr. Beck, we all are qualified to follow his advice to both laugh often and hard and eat the right kind of chocolate to be healthy, live longer and make our actuary proud.

Pension

CONTINUED FROM PAGE 3

and taxpayers, an effort is under way in California to curtail or abandon DB plans and, instead, force public sector employees into a DC model. Currently there is an effort to qualify an initiative for the 2016 California ballot to force all public sector employers to offer only a DC plan. This would force public sector employees into a less advantageous DC plan. A huge concern to each of you is that it would threaten the financial stability of our OCERS plan, thus threatening our pensions. For this reason the REAOC Board recommends that retirees not sign any petitions to put a pension reform initiative on the ballot, and urge family and friends to do the same.

2015 Keith L. Concannon Scholarship Award Winners

by Jan Grimes



FROM LEFT:
Karilyn Brayall,
Zoe Hunt,
Jennifer Tran

We are pleased to announce the four winners of the REAOC's 2015 Keith L. Concannon Scholarship, named in honor of past REAOC president and long-time elected member of the Board of Retirement ('61-'82 and '87-'04). Keith's legacy is one of tireless service as an employee and retiree advocate. This is the eleventh year scholarships have been awarded to qualified students, who are relatives of REAOC members, and who are pursuing a degree at an accredited college, university, or authorized institution. Each awardee receives \$2,000 to be used for tuition, fees, books, supplies, or equipment required for courses in his or her degree program. Twenty-two applications were received from highly qualified, academically distinguished students. The Orange County Department of Education and REAOC's Scholarship Committee evaluated applications and awarded scholarships on the basis of academic performance, awards and honors.

Karilyn Brayall, related to REAOC member Gayle McQuown, is a student at the University of Hawaii at Manoa in Honolulu. She is studying Veterinary Science and wants to

work in small animal, equine and emergency medicine. She also plans to volunteer internationally at wildlife sanctuaries and rehabilitation centers. She is a member of the University Pre-Vet Club and volunteers at events organized with the Honolulu Zoo and the Humane Society. When in California, she volunteers at the Wetlands and Wildlife Care Center. Her past volunteer service has included the Orange County Animal Control Explorers, Ride Your Horse Therapy and Seal Beach and Capistrano animal rescue organizations. Karilyn works part-time as a Veterinary Technician at The Pet Doctor while attending school full time. She was recently awarded the Golden Key 2015 Study Abroad Scholarship and several University of Hawaii Manoa scholarships.

Zoe Hunt is related to REAOC members William and Patricia Hunt. Zoe graduated from San Juan Hills High School. She believes in the power of personal connections and dreams of owning her own business as an event planner. Zoe will be attending college in the Fall, as a Business Major with an Entrepreneurship emphasis and Marketing minor. As an intern, she hopes to

learn more about this field and begin networking for her own business. While in high school Zoe spent four years on the San Juan Hills Dance Production team including one year as Dance Captain. Dance production challenged Zoe to creatively express herself, which is a talent she will continue to use when developing her own company. She also worked on the school yearbook, was a member of the National Honor Society and a member of the Interact Club, which works with the San Juan Capistrano Rotary Club. She has volunteered at summer camp, school events and after-school tutoring. She is an Advanced Placement Scholar and received multiple superintendent's honor roll awards.

Kaytee Johnson, related to REAOC member James Miller, graduated from Boulder Creek High School in Anthem, Arizona. Kaytee will be attending either Utah State University or Brigham Young University in the Fall. She plans to major in Graphic Design. She is passionate about the art and its impact on people and the world. While in high school, she spent two years with the Visual Voice Club, a graphic arts club, and was an

CONTINUED ON PAGE 6

Scholarship

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officer for one year. She is also the Student Director of a youth choir. During her high school years Kaytee attended 1,600 hours of Cosmetology School each day after school to become licensed in Cosmetology. She plans to use that license to work her way through college. During high school she volunteered at her local elementary school, writing a monthly newsletter and assisting in the library.



Jennifer Tran, related to REAOC member Dong Tran, graduated from Woodbridge High School in Irvine. She will be attending UCSD in the Fall as a General Biology major.

While in college, she wants to participate in cancer research with the hope of becoming an Oncologist. Jennifer was inspired to enter medicine by her grandfather, Dong Tran, and his struggle with pancreatic cancer. From watching Oncologists and Physicians help her grandfather, Jennifer knew that she wanted to be in a career helping people. Thus, while in high school, Jennifer shadowed doctors and devoted much of her time to volunteer work, including tutoring high school students in

In Memoriam

We extend our deepest sympathy to the families and loved ones of those who meant so much to so many.

April 2015 – July 2015

George Ajimine, HCA
Magardoon Aslanian, Probation
Lawrence Bacon, OC Public Works
Doris Borsdorf, Assessor
Jean Botataro, Probation
Kathleen Brennan, Public Defender
Reggie Brown, CEO
Maurine Clayton, Probation
Robert Cowan, OC Public Works
Jean Crane, SSA
Lorraine Dallas-Jeu Devine, Assessor
Mary Denecour, OC Community Resources
Cesar Diaz, OCTA
Norma Dine, HCA
Eunice Earls, OCCR
Michael Esaak, HCA
Dolores Fragassi, HCA
Helen Gunnette, County Clerk-Recorder
Henry Humphries, CEO
Verla Irwin, SSA
Laverne Jones, HCA
Ruth Kehrberg (passed away in 2014)
La Binus Kennedy, Assessor
Ida Labrucherie, OCSD

Science and Math. Through her shadowing experience, Jennifer observed the daily routine of a physician and understands the importance of a caring, sympathetic attitude toward patients. She has found her volunteer experience to be equally rewarding. Jennifer is involved in a nonprofit organization, "Champions for the Cure," which raises awareness about lesser-known forms of cancer. She has also worked as a Tennis Coach and offered taekwondo martial arts instruction for children.

Norma Maradei, HCA
Kathleen Montoya, OCTA
Elizabeth Nash, SSA
Grace Owens, Superior Court
Walter Payton, OC Public Works
Walter Presley, OC Public Works
Paul Ravize, OC Fire Authority
Tinker Reese, HCA
Artha Ristow, OCSD
Ruth Rodriguez, SSA
Betty Rogers, Probation
Kenneth Rogers, Sheriff's Department
Leon Sauvageau, OC Public Works
Marion Sprague, County Clerk-Recorder
Robert Thomas, CEO
Ruby Torres, SSA
Thirza Wales, HCA
Margie Walton, HCA
Doris Ward, Auditor-Controller
Joanne Woestman, OC Public Works
Lurline Woodall, OCSD
Alice Wright, UCI

Surviving Spouse

Lorraine Anderson
Dozena Gale
Mary Rhoads
Muriel Rothenberg

Upon completion of medical school, Jennifer plans to volunteer for a humanitarian, nonprofit organization such as Physicians for Peace, to work with underserved populations. She hopes to make a difference in the world through medicine.

Congratulations to all of our outstanding scholarship winners! Thank you to the Scholarship Committee members for their efforts and thank you especially to all REAOC members for your generous support of the scholarship fund.

On the Calendar: REAOC Holiday Luncheon



Please mark your calendar for the REAOC Holiday Luncheon:
Wednesday, December 2

Welcome, New Members

CEO: Claire Murphy, Mitch Tevlin

Clerk of the Board: Susan Novak

County Counsel: Edgardo Basallo

District Attorney: Paul Odwald

EMA: Donald Collacott

HCA: Roger Bendinelli, Linda Brady,
Frances Miller, Anthony Giusti

Library: Anita Covey

OC Fire Authority: Dennis Grubb, Vailani
Perreira

OC Parks: Edward Malkassian, Jr.

OC Public Works: William Grieman, Wayne
Wiley, Karl Coover, Mary Fitzgerald, Debra
Lakin, Albric Ghokasian

OCSD: Mark Kowalski, Brian Keating,
Richard Uraine, Larry Stephens, Judith
Wilson, Michael Jansen

OCTA: Devin House, Mayela Razo, Audrey
Saller

Probation: Martine Kasch, Sheryld
Thompson, Lowell Smith

SSA: Denise Bell, Allyson Volkman, Sandra
Duff, Judith Gonzalez, Mary Perez, Denise
Curry, Carmen Harper, Maria C. Gonzalez,
Binh Q. Trinh

Superior Court: Cathy Harmon, Erin Rigby,
Mary Kathryn (MK) Gustinella, Aaron
Mintz, Pam Brennan, Christina O'Rourke

Not Stated: Steven McCormick, Diana
Kojima

Hemet Chapter October Luncheon

REAOC's Hemet Chapter's next lunch-
eon is on Tuesday, October 13, 11:30
a.m. at the First Presbyterian Church,
515 E. Kimball in Hemet. Call Jeri
Maupin (951) 672-4594 or Joyce
Emery (951) 658-2549 to make your
reservation.

The Hemet Chapter invites new
members and all REAOC members
who live in the area or within driv-
ing distance to join them for the
luncheons.



Luncheon Menu for September 23rd

*Fettuccini Alfredo
with Chicken, Broccoli Florets
& Julienne Carrots*

*House Salad with Italian or
Ranch Dressing*

Dessert

Coffee and Iced Tea



Directions to Luncheon at Mile Square Park, Fountain Valley

Mile Square Golf Course is located in Mile
Square Park, 10401 Warner Ave., Fountain
Valley. From the San Diego Freeway (405),
take the Warner Ave. exit and proceed East
on Warner. Turn into Mile Square Park Golf
Course Clubhouse entrance at Ward St.
and park (parking is free). Mile Square
Park is bounded north by Edinger Ave.,
south by Warner Ave., east by Euclid Ave.
and west by Brookhurst.

Luncheon Reservations Due Wednesday, Sept. 16, 2015

Print Name: _____

New/Changed E-mail Address: _____

of lunches at \$17.00 each: _____

of Vegetarian lunches: _____

Enclosed is my check for \$ _____

Check-in begins at 11:00 a.m. and lunch
is served at noon. Please make your check
payable to REAOC and mail to: REAOC,
P.O. Box 11787, Santa Ana, CA 92711-1787
PLEASE CAR-POOL!

The Informer

RETIREED EMPLOYEES ASSOCIATION OF ORANGE COUNTY, INC.
P.O. Box 11787, Santa Ana, CA 92711-1787

INSIDE THE INFORMER

September 23rd Luncheon

Fall Speaker – Mark Petracca

Laugh and Eat Chocolate

Do Not Change to Defined Contribution Pension

2015 Scholarship Winners

Dated Material – Please Deliver Immediately

Presorted
First Class Mail
U.S. Postage
PAID
Permit No. 100
Gardena, CA