



MINUTES
REAO Board of Directors' Meeting
OCERS Hearing Room
2223 Wellington Avenue, Santa Ana
Wednesday, July 8, 2015
9:30 AM

I. Called to Order at 9:34 AM by REAO Co-President, Doug Storm

Present: Doug Storm, Linda Robinson, Sara Ruckle Harms, Bill Castro, Rebecca Guider, Larry Leaman, Gaylan Harris and John Iagjian. Also in attendance are Robin Mattocks, Tom Cooney and Ilene Bárcenas, Office Manager. There is a quorum.

Absent: Tom Beckett, Jan Grimes, Bob Griffith

II. Approval of Minutes of June 2015 Regular Board meeting

A motion was made by Larry Leaman and seconded by Sara Ruckle Harms to approve the June 13, 2015 Board Meeting minutes as written. Motion carried.

III. Treasurer's Reports

- A. Bill Castro presented the monthly operating report for June 2015. Bill Castro will transfer additional money from the checking account into the Money Market account in the near future.

Motion made by Sara Ruckle Harms and seconded by Rebecca Guider to approve the Monthly Operating Report for June 2015. Motion carried.

- B. Bill Castro presented the budget report for the QE 6/30/2015.

Motion made by Sara Ruckle Harms and seconded by Linda Robinson to approve the Quarterly Operating Report for the quarter ending June 30, 2015. Motion carried.

Sara Ruckle Harms commented that it might be a good idea to consider moving some of the REAO dollars to AREOC for future expenses.

Action Item: this will be discussed at the next REAO Board meeting.

- C. Health Care RFP Stipend

The RFP process has been completed. It is important that we remain involved in this process and future years' process regarding health care. By law, the County only has to advise us of the process and outcome. This may lend an opportunity to create and support legislation that would make the counties have retirement groups at the table. As a part of the succession

planning, Rebecca Guider stated that we need to keep in mind that we will need future REAOC Board members with expertise in the employee benefits/health plan area as well as in other critical skill areas. Sara Ruckle Harms stated that it would be helpful to have a specific time during a Board meeting so that this issue can be thoroughly discussed. We will set time in the November meeting for this discussion. We will hold this meeting on Tuesday, November 17, 2015.

A motion was made by Linda Robinson and seconded by Sara Ruckle Harms to distribute the stipend of \$1,500 as previously approved in our March meeting for the RFP Health Insurance process to Gaylan Harris. Motion carried.

Action Item: Ilene Bárcenas will arrange for the Hearing Room for the 17th of November as well as a place where we can have lunch. She will also print out copies of the new member lists for the past four Informers.

IV. Website Update

Ilene Bárcenas stated that Lori Vandemeir added a counter to the website. It cannot be seen by the users but can be used by Ilene Bárcenas to provide information regarding the use of the website. Sara Ruckle Harms stated that many of the organizations now have Facebook pages in addition to or rather than a webpage. This is something we should consider to develop in the future.

Larry Leaman responded to an OC Register op editorial regarding pension stability.

Action Item: add article and Larry's response to the website. (Note: after discussion with Larry Leaman, it was decided not to post the article or his response.)

V. Meeting Reports

A. OCERS

In advance of the meeting, Sara Ruckle Harms sent out her summary of the June 15, 2015 OCERS Board meeting. A vote was taken at the OCERS meeting to approve the three-year phase in of increases for the Safety Group. There was also a significant discussion at the meeting regarding the Segal Company and Paul Angelo. Harvey Leiderman also spoke on the REED Initiative and shared the major points regarding this initiative.

B. CRCEA

Larry Leaman stated that Mike Sloan and Ron Piorek have asked Larry Leaman to strategize with them regarding the REED Initiative. The CRCEA representatives have already scheduled/attending meetings with the Attorney General. Linda Robinson shared a study done by NCPERS that shows the negative impact on the economy if there would be a switch from DB to DC plans.

VI. Committee Reports

A. Membership

John Iagjian reported on the membership numbers as of June 1, 2015. We are slightly down in members. The seminars have had about 25-30 in attendance. He is sharing information with the attendees about the REED Initiative.

B. Board Watch

There have been a number of BOS meetings but nothing specific to retirees. They did hold a special meeting regarding litigation and the Xerox issues. Not clear if these topics may impact retirees.

C. Legislation

In advance of the meeting, Lou Scarpino shared a matrix of the pending legislation that he is monitoring. We also received the report from CRCEA. Sara Ruckle Harms stated that we should read and watch SB546 (increased transparency and control of health care costs). Lou Scarpino is also tracking this bill; the Board would like him to delete the remarks related to the bill.

Action Item: Sara Ruckle Harms will send a copy of the full legislation of SB546 to the Board.

VII. Luncheon

Ilene Bárcenas reported that the next luncheon will be on September 23, 2015. We will be having fettuccini alfredo with chicken.

Action Item: Ilene Bárcenas will contact Helen Lotos to make sure that all is set for Dr. Mark Patracca from UCI to be our guest speaker. We will ask if his presentation can be recorded.

The next Hemet luncheon is October 13, 2015. This date has been posted on our website.

VIII. The Informer

Robin Mattocks has two articles; one on chocolate from Lou Scarpino and one from Larry Leaman regarding the signature gathering process. There was a discussion regarding having a regular column highlighting what REAOC is doing and how the retirees can protect their pensions. The first message will be to ask retirees not to sign petitions. The deadline for our regular articles is July 29, 2015 but submission earlier would be great if possible. There is an article in the RPEA regarding what to do when someone passes that would be great to use in our Informer.

IX. Presidents' Message

A. Litigation Update

There has been no change in the status of the lawsuit.

B. Other

- At last month's meeting we talked about how to get the word out to retirees regarding the REED Initiative and urging them not to sign any petitions related to this initiative. Larry Leaman drafted a notice that he has shared and has also developed a shorter approach. We will need to reduce the content even more so that it can go out on a postcard. We cannot do this until the initiative has the final title. The heading could be "Retirement Security for All". This postcard will be sent out to all retirees. We will finalize this at the meeting in August.
- OCEA Health Fair - This will be held September 21, 2015. We will once again hand out the See's suckers. Sara Ruckle Harms will contact Kathy at OCEA to determine how many they expect will be in attendance.
- We also discussed the future health care open enrollment meetings for retirees. The county is aware that we would like to have at least two meetings for retirees.
- There will be a Senior Health Fair in South County. Sara Ruckle Harms will obtain the information so that we can post this on our website.

X. Adjournment

A motion was made by Linda Robinson, seconded by John Iagjian to adjourn the meeting at 12:45 PM. Motion carried.