



**MINUTES**  
**REAO Board of Directors' Meeting**  
**OCERS Hearing Room**  
**2223 Wellington Avenue, Santa Ana**  
**Wednesday, March 9, 2016**  
**9:30 AM**

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

Present: Linda Robinson, Doug Storm, Bill Castro, Jan Grimes, Tom Beckett, Rebecca Guider, Sara Ruckle Harms, Larry Leaman, and John Iagjian. Also in attendance are Lou Scarpino, Steve Delaney, Suzanne Jenicke and Ilene Bárcenas, Office Manager. There is a quorum.

Absent: Gaylan Harris

**II. Approval of Minutes from February 2016**

*A motion was made by Sara Ruckle Harms and seconded by Rebecca Guider to approve the February 10, 2016 REAO Board meeting minutes as amended. Motion carried.*

**III. Treasurer's Report for February 2016**

Bill Castro presented the March 2016 Monthly Operating Report. Bill Castro said he would be sending a copy of the REAO audit for review. This topic will be on the agenda for the April meeting.

*Motion made by Sara Ruckle Harms and seconded by Linda Robinson to approve the Monthly Operating Report for February 2016. Motion carried.*

**IV. Website Update**

Receive and file.

**V. Meeting Reports**

**A. OCERS**

In advance of the meeting, Sara Ruckle Harms sent a report pertaining to the last OCERS Board meeting. Currently the year-to-date return is -2.78%. The retiree COLA was also approved at 1% with some adjustments for people with credit in their COLA bank. The STAR COLA will be on the March OCERS meeting. Sara Ruckle Harms discussed the computation formula for retirement but there was a decision not to use the new portal and to use the old system to formulate the benefit. The OCERS Board also discussed an item regarding treating part-time employees the same as full-time employees when

determining their final average salary calculation. This item passed 7-1. Tom Beckett discussed the Investment Committee meeting. The NEPC projections would indicate that it is very unlikely that the fund would earn the rate of return in ten years but at 30 years, we would most likely meet the 7 ¼ assumed rate of return.

Steve Delaney and Suzanne Jenicke attended the REAOC Board meeting. Steve Delaney stated that Mr. David Ball from the OCERS Board and he stated he would be curious to obtain feedback from REAOC regarding our satisfaction with OCERS. Steve Delaney asked that REAOC Board members attend the April 20 REAOC Board meeting to share our comments regarding our satisfaction with OCERS. Steve Delaney said that they are beginning to meet with all the Board of Supervisors (beginning with Nelson) in addition to their monthly meetings with the EAs of the BOS. Larry Leaman asked if OCERS had establish a mission statement. Steve Delaney reported that the mission statement is:

*“We provide secure retirement and disability benefits with the highest standard of excellence.”*

Steve Delaney reported that they have joined two new retirement associations including National Association of State Retirement Administrators (NASRA) and the National Council on Teacher Retirement (NCTR). He will share their white papers as well as their newsletters if possible.

Steve Delaney then discussed the security issue that happened this month. In the past few weeks, OCERS detected that there were three breaches where unknown parties tried to impersonate members. They worked very closely with those three members to notify them of the issue and to fix the problem. They also contacted anyone who had changed their bank deposit information in this year. They will now call when a member changes their address or changes their bank account information. For other changes, a letter will be sent. Steve Delaney stated that it is imperative that all retirees set up their account in myOCERS. Those who have not yet signed-up for the new system are more vulnerable to hacking. This was not a hack of the system; those three members that were affected were breached by an unknown person who knew their birth date and social security number.

Larry Leaman shared issues he has found for his own account. He will share an e-mail detailing the problems he has encountered. REAOC continued to discuss the need to provide all retirees a resource to be able to register on myOCERS with the assistance of OCERS if they do not have computer access. Doug Storm will discussed this with OCERS.

*Action Item: Larry Leaman will share his experiences with Steve Delaney and Suzanne Jenicke regarding setting up his myOCERS account.*

## B. CRCEA

Mike Sloan attended a UC conference where Reed attended and spoke. Lou Scarpino will share the material he received from Mike Sloan from this conference. John Michaelson is working on health care issues. RPEA – Skip Murphy will be working with the head of RPEA. That person will probably attend the CRCEA conference. The CalPERS issue has become a class action lawsuit. There will be a hearing March 24, 2016 regarding the lawsuit. There will be no meeting next month as it is a conference month.

*A motion was made by Sara Ruckle Harms and seconded by Larry Leaman to send four REAOC Board members as well as the Office Manager to the CRCEA conference with all reasonable expenses reimbursed. Motion carried.*

The next REAOC meeting conflicts with the CRCEA conference. Due to this issue, we will change the REAOC meeting to April 20, 2016

*Action Item: Ilene Bárcenas will contact OCERS to determine if the Hearing Room is available on that date. (The hearing room is available for 4-20-16 and has been booked.)*

## VI. Committee Reports

### A. Membership

In advance of the meeting, the membership report was sent to the REAOC Board and was presented by John Iagjian. John Iagjian stated that the last group at the pre-retirement seminar was very animated about the retirement information. Sara Ruckle Harms discussed methods of increasing the membership including providing incentives. One of the possibilities would include providing a free lunch to the member who referred the new member.

*Sara Ruckle Harms moved that we reward our members by giving them a free lunch if they recruit a new member; seconded by Linda Robinson. Motion carried.*

*Action Item: Ilene Bárcenas will add a line on our membership application to add a field “referred by” and then track when a current member refers a new member. A luncheon ticket will be sent to the current member who referred the new member.*

### B. Board Watch

Linda Robinson reported that the BOS is now only meeting twice a month. There have been no topics related to retirees at the last meetings.

### C. Scholarships

Ilene Bárcenas reported that we have had 17 requests for scholarship applications and one electronic application received to date.

*Action Item: Ilene Bárcenas will send an e-mail to remind our members about the scholarship application process.*

### D. Legislation

In advance of the meeting, Lou Scarpino sent a copy of the legislative report and he reviewed the highlights of the report. On the initiatives, the Reed initiative failed but the other two initiatives related to retirees are still alive and they could obtain the needed signatures although this is unlikely. California Secure Choices is back on the radar.

## VII. Luncheon

### A. Progressive drawing

As discussed at the last meeting, we will increase the amount of the progressive drawing prize by \$100 each luncheon.

*Action Item: at the next luncheon, we will announce that the progressive drawing will now increase \$100 each luncheon (so will be \$200 for the March luncheon).*

### B. Entertainment for the March luncheon

Ilene Bárcenas reported that she was contact by the Good Cop/Bad Cop performers and they would like us to keep them in mind for a future luncheon. Linda Robinson contacted the Pulcini Brothers and they will performer. She has arranged for them to entertain at the March luncheon. Sara Ruckle Harms found an R&B group that might be good for entertainment.

*Action Items: Ilene Bárcenas will contact Ken at the Good Cop/Bad Cop to see if he can perform at the May luncheon.*

*Robin Mattocks will contact the school of the performing arts to see if they would have a group able to entertain at the December luncheon.*

## VIII. The Informer

Robin Mattocks will add an article to remind members to provide us with their current addresses, phone numbers and e-mails. The next articles are due on March 28, 2016. Rebecca Guider and Gaylan Harris attending the UCI conference. Rebecca Guider will write an article about the conference. Sara Ruckle Harms stated that she is also looking into funded programs for advanced learning for our members' children or grandchildren. Robin

Mattocks will solicit articles for consideration from our members regarding their county experiences similar to what Larry Leaman wrote for the last Informer.

**IX. Presidents' Message**

A. Litigation Update

No update.

B. Health Insurance Issues

Gaylan Harris created a RFP regarding soliciting assistance from a Benefit Consultant to help the REAOC Board with the health care issues. Doug Storm also did research to determine how much experts may cost. It is important that we identify a scope of work so we know what we actually need. Sara Ruckle Harms suggested that OCEA may have someone they use who could do this work for us. Rebecca Guider also has a licensed financial advisor who may be a possible resource and she stated that perhaps HICAP may have a resource. John Iagjian also stated that he had someone in mind that could help us. Doug Storm reminded the Board that Stephen Pettee is also interested in this and he may be a resource for providing some of the finances for this project.

*Action Items: Sara Ruckle Harms, John Iagjian and Rebecca Guider will follow-up with their contacts. Ilene Bárcenas will send out a copy of the draft RFP to the REAOC Board.*

**X. Executive Session called at 12:45 PM**

*Action Item: Tom Beckett will write an article for the next Informer to solicit interest for this position on the OCERS Board. Resumes will be due June 15 and interviews will be done on July 13<sup>th</sup>.*

**XI. Executive Session adjourned at 12:58 PM**

**XII. Other**

Larry Leaman earlier talked about a team of Executives who could coach REAOC towards succession planning. After further investigation this group may not be able to provide that type of assistance. Linda Robinson suggested Forrest Story who could lead us in success planning and Sara Ruckle Harms suggested Anita Johnson who does succession plan for school districts. Robin Mattocks suggested Julie Musche may be someone who would be interested in this project.

Linda Robinson and Doug Storm also met with Jennifer Muir at OCEA. Their meeting was very successful and they discussed items of mutual interest. They discussed editorials and responses to editorials. Jennifer Muir said she would like to continue to have contact with REAOC on a regular basis.

*Action Item: Ilene Bárcenas will contact Jennifer Muir's assistant before July 29<sup>th</sup> to remind them of the September luncheon to determine if she could attend and also share a bio for our newsletter.*

The NCPERS conference will be in held in San Diego from May 16 through May 18. Lou Scarpino and Sara Ruckle Harms have stated that they would be interested in attending. There are some very good presentations scheduled for this conference. The cost of the conference is \$800 but with the hotel and meals, the cost would be approximately \$2,200 per attendee. Skip Murphy will be attending as will other CRCEA Board members.

*A motion was made by Larry Leaman to authorize the attendance at the NCPERS conference for two REAOC or AREOC Board members on behalf of REAOC and REAOC will cover the appropriate conference expenses including hotel for Sunday, Monday and Tuesday nights with Wednesday night optional; motion seconded by John Iagjian. Motion carried.*

Doug Storm also discussed the recruitment brochures. Robin Mattocks sent comments and Sara Ruckle Harms sent photos that could be used. This tri-fold will be on legal paper and will include our REAOC membership application. Stephen Pettee will be given the draft at the conference. He will also give us suggestions for the brochure.

*Action Items: Tom Cooney will update the brochure based upon suggestions made. He will also add the application information. Ilene Bárcenas will send Tom Cooney an abbreviated membership application.*

The county will be holding a Wellness Event on May 4, 2016. Linda Robinson, Doug Storm, Sara Ruckle Harm, Rebecca Guider and Jan Grimes will meet with the County to discuss this event.

### **XIII. Adjournment**

*A motion was made by Sara Ruckle Harms and seconded by Rebecca Guider to adjourn the meeting at 1:45 PM. Motion carried.*