

MINUTES
REAOC Board of Directors' Meeting
OCERS Hearing Room
2223 Wellington Avenue, Santa Ana
Wednesday, October 12, 2016
9:30 AM

I. Called to Order at 9:32 AM by REAOC Co-President Doug Storm

Present: Linda Robinson, Doug Storm, Gaylan Harris, Bill Castro, Rebecca Guider, Larry Leaman, Jan Grimes and John Iagjian. Also in attendance are Steve Delaney (for a portion of the meeting), Frank Eley, Lou Scarpino and Ilene Bárcenas, Office Manager. There is a quorum.

Absent: Sara Ruckle Harms, Tom Beckett

II. OCERS Presentation by Steve Delaney

Steve Delaney distributed the agenda for the October 17, 2016 OCERS Board meeting. The following are the highlights of his presentation:

C-5 – the Grand Jury rejected the OCERS original response and a new response will be discussed at the meeting before being resubmitted to the Grand Jury.

C-8 – summarizes the outcome of the Strategic Plan Workshop

C-9 – IRS determination letter and future compliance; it appears they will not continue to follow-up with OCERS.

C-10 – general and elected member election – no one else pulled papers to run for these positions.

C-11 – Ms. Freidenrich provided a report of a conference she attended.

I-2 – OCERS membership for extra help and other temporary employees will be discussed.

I-3 – TCA excluded workers will be discussed regarding these workers still being in the OCERS payroll. OCERS counsel states that two-years is the legal limit to keep these workers in the system.

I-4 – Harvey will be discussing the Marin County case and the impact of this case.

I-5 – Steve Delaney will present the 2017-19 Strategic Plan for OCERS

I-6 – the 2017 Business Plan will be presented

I-8 and I-9 – they expect that there will be some press due to these topics of adjusting service time for former County employees who are now convicted felons.

The Segal Consulting projection letter was also shared with the REAOC Board as well as the charts attached to the report.

III. Approval of Minutes from September 21, 2016

A motion was made by Linda Robinson and seconded by Rebecca Guider to approve the September 21, 2016 REAOC Board meeting minutes as amended. Motion carried.

Action Item: NCPERS Conference report will be posted on the website.

IV. Treasurer's Reports

A. Monthly Operating Report-August

Bill Castro shared the highlights of the August report.

Motion made by Rebecca Guider and seconded by Linda Robinson to accept the Monthly Operation report as reported. Motion carried.

B. Monthly Operating Report-September

Bill Castro shared the highlights of the September report.

Motion made by Doug Storm and seconded by John Iagjian to accept the Monthly Operation report as reported. Motion carried.

Motion made by Linda Robinson and seconded by Doug Storm for Rebecca Guider to attend the UCI conference to represent the REAOC Board on the 21st of October. Motion carried.

C. Quarterly Budget Report

Bill Castro shared the highlights of the Quarterly Budget report. We are over on the conference line item; we did not budget for the NCPERS conference and the results was that we exceeded the line item. The NCPERS conference expenses will be a part of the 2017 budget.

Motion made by Rebecca Guider and seconded by Gaylan Harris to accept the Quarterly Budget report as shared. Motion carried.

D. 2017 Budget Review

Bill shared the proposed budget for 2017. This topic will be on the November, December and January REAOC Board agendas. Board members should send any proposed changes/additions to Bill Castro.

Action Item: Ilene Bárcenas will follow up in November with Mile Square Park to obtain a contract for our 2017 luncheons.

V. Website Update

This past month Ilene Bárcenas posted a notice that was published by the Tustin Police Department regarding scams and alerts to make the public aware of these issues.

Action Item: Ilene Bárcenas will add a message regarding voting on November 8, 2016.

VI. Meeting Reports

A. OCERS

Frank Eley bid for election for the retiree board member of OCERS was uncontested. He will replace Tom Beckett on the OCERS Board.

There are \$13.5 billion currently in the OCERS coffers. They are at 6.2% earnings at this time of year.

*Motion made by Gaylan Harris and seconded by John Iagjian to purchase a gift certificate for Tom Beckett to REI for his service to REAOC in the amount of \$250.
Motion carried.*

B. CRCEA and NCPERS

Lou Scarpino reported that he will write an article for the Informer related to the NCPERS Funding Forum conference. The CRCEA meeting was held when he attended the REAOC Board meeting and he has not yet received minutes.

At the CRCEA Conference, Linda Robinson will give a verbal report regarding the proposed conference changes including having a once a year conference, holding the conference in two counties at the same hotels each year, having a webinar within a live conference, smaller counties joining together to host a conference, instead of having the large banquet, we could cancel and just do raffle gifts during the hospitality sessions, having the counties pay by their size, having an Executive Director, etc.

RSC is gearing up for changes after the election.

NCPERS – we received a request for input on the schedule A (a list of organizations who are advocating benefit reduction). Lou Scarpino has requested a copy of the advocacy model from the Connecticut teachers' group. Lou Scarpino stated he also received a listing from Connecticut of court cases related to pensions. Lou Scarpino shared this with Larry Leaman and Linda Robinson who subsequently shared with Steve Delaney and indicated will also share with our REAOC attorney.

VII. Committee Reports

A. Membership

In advance of the meeting, the membership report was sent to the REAOC Board. John Iagjian presented the details of the report. The numbers are increasing but the members who passed away were not reported by OCERS last month. Their October report will include those who passed in September and October.

B. Board Watch

No items related to retirees in the past two meetings. The last meeting was October 11, 2016 but there are no meetings as of this date.

C. Legislation

The State's two-year legislative session effectively ended on Sept 30, the last day for the Governor to sign bills. State legislation; HR 711 at the Federal level which would appeal the windfall elimination provisions being watched. SB 1234 is signed and will be effective January 1, 2017 (this bill builds on the California Secure Choice Retirement Savings Trust Act for the private sector, expresses Legislative approval of the program and its implementation on January 1, 2017 and sets related governance parameters and responsibilities.)

VIII. Luncheon

The next luncheon, our holiday luncheon, will be held on Wednesday, December 7, 2016. We plan on completing a satisfaction and new ideas survey. Robin Mattocks arranged with the Hope Center for the Arts and High Hopes to perform at the December luncheon.

We discussed future luncheon entertainment. Jan Edwards has been contacting Sara Ruckle Harms regarding a future luncheon presentation. Ms. Edwards would like to cover the topic of falls. "Unclutter Your Life" put on by the Osher Lifelong Learning Institute at California State University Fullerton," or OLLI-CSUF (Penny Lambright) is a possible presentation for January.

Action Item: Ilene Bárcenas will send a copy of the last draft of the survey to all this week for final approval at the November meeting. Linda Robinson will contact Penny Lambright to see if she is available.

IX. The Informer

Linda Robinson reported that articles for the next Informer are due today.

X. Presidents' Message

A. Litigation Update

Linda Robinson and Doug Storm will be meeting with Ernie Galvan on October 19, 2016 following the CRCEA conference to discuss the lawsuit.

B. Health Insurance Issues

We do not yet have times for the specific agenda topics for the Health Plan meeting on November 16, 2016. As soon as the County provides this information, we will post the times on our website and send out an informational e-mail. The open enrollment packets have not yet been sent out.

C. Other

Ilene Bárcenas will be on vacation the week of October 31 until November 4, 2016. She will be able to respond to e-mails but will not have the ability to answer the REAOC telephone. She will answer any messages left upon her return.

XI. Executive Session called 11:45

XII. Executive Session adjourned 12:03

A motion was made during the session to increase the compensation of the Office Manager, Ilene Bárcenas effective 1-1-2017.

XIII. Adjournment

A motion was made Linda Robinson and seconded by Larry Leaman to adjourn the meeting at 12:09 PM. Motion carried.