



**MINUTES**  
**REAO Board of Directors' Meeting**  
**OCERS Hearing Room**  
**2223 Wellington Avenue, Santa Ana**  
**Wednesday, October 14, 2015**  
**9:30 AM**

**I. Called to Order at 9:37 AM by REAO Co-President, Linda Robinson**

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

Absent: None

**II. Approval of Minutes of September 2015 Regular Board meeting**

*A motion was made by Doug Storm and seconded by John Iagjian to approve the September 9, 2015 Board Meeting minutes as written. Motion carried.*

**III. Treasurer's Report for August**

**A. Approve Monthly Operating Report for the month of September 2015.**

Bill Castro presented the September 2015 Monthly Operating Report.

*Motion made by Doug Storm and seconded by Sara Ruckle Harms to approve the Monthly Operating Report for September 2015. Motion carried.*

**B. Approve Quarterly Budget Report for the quarter ending 9/30/2015.**

Bill Castro presented the September 2015 Quarterly Operating Report. He stated that he has completed a draft of the 2016 budget. He will send a copy of the draft to the Board and will discuss this at the November meeting.

A discussion ensued regarding attendance and how to increase participation such as drafting a survey for attendees who do not attend to seek input about luncheon agenda.

*Motion made by Sara Ruckle Harms and seconded by Tom Beckett to approve the Quarterly Operating Report for the quarter ending September 30, 2015. Motion carried.*

**C. Retroactively approve expenditure of up to \$110 for the purchase of gift cards that were donated to OCEA for the raffle at the Health Fair.**

*Motion made by Sara Ruckle Harms and seconded by Rebecca Guider to approve the expenditure for the purchase of gift cards in the amount of \$110 for the OCEA Health Fair. Motion carried.*

#### **IV. Website Update**

Our website is still performing well. Ilene Bárcenas saw the draft of the CRCEA website created by Lori Vandemeir and it is extremely helpful and will have information for all of the member counties.

#### **V. Meeting Reports**

##### **A. OCERS**

There was not a formal meeting as OCERS had an offsite. In advance of the meeting, Sara Ruckle Harms sent the financial information to date for OCERS.

Tom Beckett discussed the offsite meetings at Mile Square Park that lasted two days. On Thursday, they mainly spoke about OCERS. They had a speaker from a large retirement system in Illinois; he stated that they have had an assumed rate of return of 7.5% for many years and have not lowered the rate in response to changes in the economy. Employee contributions are fixed by statute in their system. Their COLA is not compounded. The working relationship of the Board with the Plan Sponsors is excellent.

There were several actuaries who spoke at the off-site. Their presentations were basically safe and they talked about their roles as actuaries. Harvey Leiderman was well informed about the initiatives and that “they are not going away”.

##### **B. CRCEA**

Lou Scarpino reported on the conference agenda. There will be discussions about their new website. OC has nothing to present other than an emphasis on our efforts regarding the initiatives. Gaylan Harris will give an update on the class action lawsuit during the Round Table presentation. Sara Ruckle Harms asked about RPEA and CRCEA’s discussions. She believes that it would be important to share information about the Reed initiatives as RPEA has a very large membership and they could be sent flyers/postcards to continue to fight the initiatives.

*A motion was made by Sara Ruckle Harms and seconded by Tom Beckett to authorize an advance for any of the conference attendees (Ilene Bárcenas, Gaylan Harris and Lou Scarpino) of up to \$500 for the CRCEA conference for the hotel and food expenditures. Motion carried.*

## **VI. Committee Reports**

### **A. Membership**

In advance of the meeting, the membership report was sent to the REAOC Board. John Iagjian shared numbers from the report. The numbers of members who pass is still significant. He continues to have about 30 persons at each of the pre-retirement seminars.

### **B. Board Watch**

Since our last meeting, three Board meetings were not scheduled. There have only been two meetings. In those two meetings, nothing was reported that impacted retirees.

### **C. Legislation**

In advance of the meeting, Lou Scarpino shared a matrix of the pending legislation that he is monitoring. The governor has signed all of the bills that he will sign for this year. The End of Life bill was signed by the Governor. SB 185 (Public divestiture of thermal coal from CalPERS) was chaptered. SB294 (public employee contributions) was vetoed by the Governor. SB 546 (health care) was chaptered. SB331 (union introduced bill; Civic Reporting Openness in Negotiations Efficiency Act) was chaptered. SB222 (bond rating improvement concept) has been chaptered. We need to see if there is a still wording about bond holders being in the same category as pensioners during a bankruptcy. SACRS has decided to look at the issue regarding having a second retiree alternate with the ability to vote in the absence of the retiree member or safety members.

### **D. Proposed reform petition plan**

Larry Leaman stated that we need to be on our toes and carefully watch the initiative process but it appears there may not be time to obtain signatures and move the initiatives to the ballot process. The newspapers are still on a roll of criticizing public pensions.

*Doug Storm made a motion to reimburse Larry Leaman in the amount of \$50 for monies advanced to Mike Sloan to attend a Contra Costa Taxpayer Association where DeMaio will attend. Motion carried.*

## **VII. Luncheon**

The next luncheon will be held on December 2, 2015. The Harbor Singers will entertain at the meeting. We will also be giving away the \$500 Progressive money at the luncheon. We need to establish a committee to work on planning luncheon entertainment in the future.

## **VIII. The Informer**

Robin Mattocks has returned to work and was unable to attend the meeting. The draft December Informer is being finalized. Linda Robinson added an article that is more entertaining per a request from one of our members. We may need to get permission from the author to print the story. Sara Ruckle Harms will try to get an article regarding Route 66 to add to a future Informer.

*Doug Storm moved that we print the story "Two Choices"; motion seconded by Sara Ruckle Harms. Motion carried.*

## **IX. Presidents' Message**

### **A. Litigation Update**

No update.

### **B. Health Insurance Issues/Open Enrollment Workshop at Mile Square**

The open enrollment letter will be sent out on the 16<sup>th</sup> of October. The open enrollment packet will be different than in the past and will be mailed at the end of October. There was a discussion regarding the computation of the health grant. This will be followed up on to determine if the way the increase was computed is appropriate. Sara Ruckle Harms and Rebecca Guider met with County representatives and, at their level, they said there is no plan to eliminate the health grant or move to the exchanges.

The workshop will be held on November 4, 2015 at Mile Square Park. There will be two sessions of approximately two hours each; one for pre-65 (in the morning) and one for post-65 (afternoon). Sara Ruckle Harms and Rebecca Guider met with the County and they are very committed to making this a successful event. We are proposing to rent a little more space so that the providers can be in a separate room for privacy.

*Motion made by Doug Storm and seconded by Jan Grimes to pay for the additional space at Mile Square at a cost of \$100. Motion carried.*

Mile Square will provide water. Mile Square is willing to do a box lunch or we can ask for a meal. There will be 13 people who will eat including the County staff, the REAOC staff and the insurance providers.

*A motion was made by Linda Robinson that REAOC pays for the lunches for County staff, presenters and REAOC Board members. Motion seconded by Jan Grimes. Motion carried.*

*Action Item: Ilene Bárcenas will send out an e-mail to our members to remind them about the Open Enrollment sessions. She will also add information to the website.*

**C. Other**

Alameda County has two retiree associations. Steve Scheinman called Linda and wanted to discuss the issue of Co-Presidents.

Our office space in the OCERS building is needed for OCERS staff; they will find a closet for REAOC to store our files.

**X. Adjournment**

*A motion was made by Larry Leaman and seconded by Sara Ruckle Harms to adjourn the meeting at 11:45 AM. Motion carried.*