



MINUTES
REAO Board of Directors' Meeting
OCERS Hearing Room
2223 Wellington Avenue, Santa Ana
Wednesday, June 11, 2014
9:30 AM

I. Called to Order at 9:30 AM by REAO Co-President,

Present: Doug Storm, Linda Robinson, Gaylan Harris, Faye Watanabe, Larry Leaman, Bill Castro, Sara Ruckle Harms, Tom Beckett and John LaRoche. Also in attendance is Lou Scarpino and Ilene Bárcenas, Office Manager. There is a quorum.

Absent: John Iagjian, Bob Griffith

II. Approval of Minutes

A. Regular minutes of May 14, 2014

A motion was made by Larry Leaman and seconded by Faye Watanabe to approve the May 2014 Board meeting minutes as written. Motion carried.

B. Executive Session minutes of May 14, 2014

A motion was made by Doug Storm and seconded by Larry Leaman to approve the minutes from the May 14, 2014 Executive Session as written. Motion carried.

III. Treasurer's Reports

A. Review and approval of REAO May Monthly Operating Report.

Motion by John LaRoche and seconded by Larry Leaman to approve the May Monthly Operating Report as presented. Motion carried.

B. Review and approval of CRCEA 2014 Spring Conference Monthly Operating Report- May 2014 (Final)

Motion by John LaRoche and seconded by Larry Leaman to approve the CRCEA 2014 Spring Conference Monthly Operating Report for May 2014 as presented. Motion carried.

C. Review and approval of the CRCEA 2014 Spring Conference Cumulative Income Statement (Final)

A discussion ensued regarding sending thank-you letters to all of the sponsors who made cash contributions.

Action Item: Faye Watanabe will draft wording and send it to Ilene Bárcenas. Ilene Bárcenas will then formalize the letter and send it to Linda Robinson and Doug Storm for approval prior to sending out the letters to the sponsors.

Motion by Sara Ruckle Harms and seconded by Faye Watanabe to approve the final CRCEA 2014 Spring Conference Cumulative Income Statement as presented. Motion carried.

IV. Committee Reports

A. Membership

Ilene Bárcenas presented the membership report as of May 31, 2014. The membership numbers continue to increase. The impact from the first quarter retirees seems to have settled down.

B. Board Watch

Ilene Bárcenas reported that there were no topics discussed at the Board of Supervisors' meetings this past month related to retirees. The budget hearing this year was held on only Tuesday, June 11, 2014 and there was not a second day of budget hearings as is the norm.

C. Scholarship & the Process for 2015

Faye Watanabe discussed issues that were briefly discussed at the last REAOC Board meeting. Last year, the Board approved the two lifetime limit system related to the awards. This year, there were only 15 technically complete applications submitted. Of the four awards, three went to college students and one to a high school senior. Also of the four awards, three of the recipients were second time awardees.

Faye Watanabe discussed a possibility of changing the guidelines to allow for two of the awards to be granted to high school seniors. She also suggests posting on the REAOC website guidelines to assist in the preparation of the scholarship applications. Sara Ruckle Harms also suggested that we provide the applicants with checklists so that they are aware of the requirements and complete all phases of the applicants. John LaRoche suggested that we consider having a one-time limit of winning the scholarship without consideration of whether the applicant is a high school or college student. Gaylan Harris suggested having preference points for certain categories such as for high school applicants.

Action Item: Faye Watanabe will review the desk procedure for scholarship and she and her committee will draft suggested changes to the policy and submit those recommendations to the Board for discussion.

D. Legislation

Lou Scarpino reported that the County seems to be in good health with a 2% growth; 343 new positions were approved in the budget. This trend seems to be the same within the university system, the State, etc. Progress has been made with the CalSTRS system; tenure track for educators has been overruled at the State court. Pension initiatives are still being tracked.

V. Meeting Reports

A. OCERS

In advance of the meeting, Sara Ruckle Harms sent out a summary of the May 19, 2014 OCERS meeting. The trailing on-year return was 8.17%; the total OCERS fund is more than \$11.6 billion. Again, Sara Ruckle Harms and Tom Beckett reported that there was significant discussion regarding the cash out assumption as well as the alternate appointed OCERS Board member (even though the bill did not get out of committee and was dead at the time of the meeting). There was a discussion regarding the latest Segal report and the strength of the OCERS investments and funding.

B. CRCEA

Lou Scarpino stated that he has been pushing the RSC chairperson to make a blueprint action plan. This plan may help people react to the blueprint so that some of the goals of the committee can be acted upon. The committee has been broken out into teams with individual team assignments. There has also been discussion on obtaining financial institutions to be affiliates of CRCEA. Linda Robinson stated that the latest PRJ that was distributed to the REAOC Board members has a statement that “it’s time to get irate” regarding the attacks on pensions.

VI. Luncheon

Our next luncheon is scheduled for September 24, 2014. Julie Schoen, from the Office on Aging will be our feature speaker (we will be allowing 45 minutes for her presentation). There will be no entertainment to allow significant time for the speaker.

Action Item: Ilene Bárcenas will contact the Office on Aging to give the speaker details regarding the luncheon, number of attendees, time allowed for her presentation, etc.

VII. The *Informer*

Articles for the next edition are due July 30, 2014. This edition will be mailed September 3rd. CRCEA sent an article that will be included in this edition as well as an article written by Larry Leaman. The scholarship article will also be included. There will also be a

CRCEA conference overview included in the Informer including highlighting the volunteer recognition.

Action Item: Ilene Bárcenas will send a listing of the volunteers to John LaRoche so that the names of the volunteers can be recognized.

VIII. Presidents' Message

A. Litigation Update

No news on the class action lawsuit.

B. Other

The OCEA Health Fair will be held on Tuesday, September 9, 2014 and they once again invited REAOC to participate. John LaRoche, John Iagjian and Faye Watanabe will participate and represent REAOC.

Action Item: Ilene Bárcenas will make Associate Member applications to be distributed at the Health Fair.

There will be a meeting with Employee Benefits to discuss health care rates on June 23, 2014. Linda Robinson, Doug Storm, Sara Ruckle Harms and Gaylan Harris will attend this meeting.

Suzanne Jenicke, the new Assistant CEO from OCERS attended the Hemet luncheon and will return in the fall to provide a presentation regarding OCERS.

Tom Sacco sent an e-mail and wants to volunteer with REAOC. Sara Ruckle Harms also suggested that Carol Mitchell, an executive retiree from SSA, may also be interested. Ben de Mayo may also be interested in getting involved with REAOC.

On the 18th of June, Doug Storm is going to go to the CRCEA meeting. Doug Storm stated that Mike Sloan wants to update the current conference manual.

Action Item: Ilene Bárcenas will send an electronic copy of the conference manual to Sara Ruckle Harms, Faye Watanabe and Linda Robinson. On Sunday, Doug Storm will contact these Board members and Ilene Bárcenas for comments regarding changes needed for the manual.

Sara Ruckle Harms discussed the need to change the software for our website to an easier format.

Action Item: Sara Ruckle Harms will reach out to Lori Vandermeir to determine if she would be willing to assist with this conversion.

IX. Adjournment

A motion was made by Sara Ruckle Harms and seconded by Tom Beckett to adjourn the meeting at 11:57 AM. Motion carried.