



**MINUTES**  
**REAO Board of Directors' Meeting**  
**OCERS Hearing Room**  
**2223 Wellington Avenue, Santa Ana**  
**Wednesday, March 11, 2015**  
**9:30 AM**

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

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

Absent: Gaylan Harris

**II. Approval of Minutes**

A. REAO February 11, 2015 regular Board meeting

*A motion was made by Sara Ruckle Harms seconded by Tom Beckett to approve the February 11, 2015 Board Meeting minutes as written. Motion carried.*

B. Executive Session February 11, 2015

*A motion was made by Sara Ruckle Harms; seconded by Larry Leaman to approve the minutes from the February 11, 2015 Executive Session as written. Motion carried.*

**III. Treasurer's Report – Operating Report for February 2015**

Bill Castro presented the Monthly Operating Report for February 2015. Bill Castro stated that he might open a new CD in the next month or so.

*Motion made by Sara Ruckle Harms and seconded by Rebecca Guider to approve the Monthly Operating Report for February 2015. Motion passed unanimously.*

**IV. Website Update**

Sara Ruckle Harms reported that our new website is now live. We had some issues with the “links” to documents and websites but it turned out to be a programming issue. Our webmaster, Lori Vandemeir with the help of her husband, Henry, were able to resolve the problem and now the links are working. We have had positive feedback from our members. Ilene Bárcenas distributed a card with sign-on instructions for the Board to use to access the Board pages of the website. Any additions to the website or changes that are needed should be shared with Ilene Bárcenas.

## V. Meeting Reports

### A. OCERS

In advance of the meeting, Sara Ruckle Harms sent a summary of the OCERS Board meeting of February 17, 2015. The one year return as of January 31, 2015 was 6.66%. The total fund is more than \$12.3 billion. At the March meeting of the OCERS Board they are scheduled to approve at the March meeting the STAR COLA. The OCERS Board approved the 2015 COLA for regular retirees in the amount of 1.5% at the February meeting. Tom Beckett provided an update of the meeting including discussion of the investments. The expected growth in the investments was also discussed. Bob Griffith stated that the OCERS retirement plan is as secure as any other retirement plan – there are sufficient funds for anyone in the system (active and retired).

### CRCEA

The next conference will be held in Ontario in April. Linda Robinson, Doug Storm, Lou Scarpino and Ilene Bárcenas will attend. Larry Leaman and Sara Ruckle Harms stated that they would attend on Tuesday. Jan Grimes may also attend. Linda Robinson summarized the planned sessions that will be held at the conference.

*A motion was made by Bob Griffith that REAOC approve the attendance of any REAOC directors and/or officers and three non-directors who want to attend the conference and be reimbursed for their fees for the conference; motion seconded by Sara Ruckle Harms. Motion carried.*

NCPERS conference will be held in May in New Orleans. NIRS conference will be held this month. Sacramento County has extra funds in their litigation fund and are determining how they can use these funds. Lou Scarpino stated that they are still working on the basic approach to cooperative partner coalition forming as well as seeding research on studies that can produce new information needed to move the public campaign for retirement security in our favor.

In February Lou Scarpino and Jan Grimes attended the Southern CA Public Retirement Seminar; they provided a summary of the conference for the REAOC/AREOC Boards. The attorneys who have been working on the pension issues seem to be swayed to some degree by Judge Cline's Stockton Bankruptcy opinion that pensions are voidable contracts. However, they neither claimed to be proficient in federal or constitutional law and waived when asked by Lou about the application of contract versus statutory constitutional based pensions. Hopefully, OCERS should not be affected directly by the opinion, but it will be used in support of the expected initiative in 2016.

## **VI. Committee Reports**

### **A. Membership**

John Iagjian reported that the total deaths of members reported in January was the largest number reported since he has been keeping records. The numbers are still strong and we have had many calls regarding impending retirements and excellent attendance at the pre-retirement seminars.

*Action Item: Ilene Bárcenas will make additional Associate Member applications for future seminar.*

### **B. Board Watch**

Linda Robinson reported that there have not been any items directly related to retirees discussed at the Board of Supervisors' meetings.

### **C. Legislation**

In advance of the meeting, Lou Scarpino provided his monthly update of the new bill tracking matrix and highlighted changes request by REAOC Directors for discussion. AB 284, that would authorize City of San Juan Capistrano to adopt a new pension formula, and SB 128 - the End of Life Option Act, have been added for tracking. The CA State Legislation will be on recess from March 26 until April 5.

## **VII. Luncheon**

Our next luncheon will be held on March 25, 2015. Doug Storm obtained an entertainer who sings and plays guitars who will provide entertainment at this meeting. Sara Ruckle Harms has also explored several options of entertainment/speakers for our future luncheons. We listed to an example of Jim Roberts' entertainment. Also a speaker regarding end of life issues and maybe a holistic presentation might be ideas of future topics. Helen Lotos will also contact UCI Mark Petracca who may be available for a future luncheon. The menu for March includes a three-meat lasagna. Rebecca Guider and Jan Grimes will be introduced to the members and will provide the attendees with short bios.

## **VIII. The Informer**

Helen Lotos reported progress regarding the upcoming Informer for May. She asked Jan Grimes and Lou Scarpino to provide a short summary of the PRJ conference. Rebecca Guider will provide a summary of the UCI conference for an article. Helen Lotos will also add information regarding the new website utilizing wording from the mass e-mail that was sent out to introduce the new site. Sara Ruckle Harms reported that there have been

publications regarding rating local hospitals and doctors. She will share these with Helen Lotos for future potential articles. Articles are due April 1, 2015.

## **IX. Presidents' Message**

### **A. Litigation Update**

No update.

### **B. Other**

Jan Grimes is making the transition to cover the assignment of Secretary of REAOC. She provided the Board with her 36-year employment background with the County. She ended her final three years as the Auditor Controller (both interim and actual).

Faye Watanabe has officially resigned as the Secretary of REAOC for personal reasons. Jan Grimes has been learning the duties and has been transitioning into this position.

*A motion made by Bob Griffith and seconded by Sara Ruckle Harms to appoint Jan Grimes as the new Secretary of REAOC to replace Faye Watanabe. Motion carried.*

Jan Grimes will take the minutes at the April REAOC Board meeting in the absence of Ilene Bárcenas.

We will need to put in an official Public Information Request for a copy of the RFI regarding the medical insurance issues. We considered having an alternate to sit in on the discussions regarding the future medical insurance issues in case Gaylan Harris is not available as he has a summons for jury duty. The County stated that they would consider an alternate. The first meeting is May 6 and the second meeting will be June 3, 2015.

Doug Storm reported that Gaylan Harris received two names back from AON as potential consultants for health care. The names are Charles Simon and a firm called Herron and Palmer (Glen Dill is the contact).

Larry Leaman reported that the letter regarding the Strategic Planning process as mentioned by Todd Spitzer in his weekly newsletter will not be sent. Several of the Board members had varying ideas about the letter and several stated maybe we should not even send a letter. Another idea would be to work with the County CFO rather than through Spitzer. Jan Grimes would be willing to meet with Frank Kim and discuss these issues and the issues discussed at the PRJ seminar about funding. Gaylan Harris and perhaps Linda Robinson and Doug Storm may also attend this meeting.

Rebecca Guider discussed the next steps with the Council on Aging and if we would have any customized services or just utilize the Roadmap to Medicare and/or individual meetings. Ilene Bárcenas still needs to schedule her one-on-one meeting. We need to determine if we would like to have a regularly/annually scheduled meeting to deliver the

Roadmap to Medicare utilizing the Medicare plans that are available as we as the comparison to the County plans. We also need to determine if it would be helpful to have a specific person at the Council as a contact person for our members.

*Action Item: Ilene Bárcenas will develop a new page for our website with the Council on Aging services.*

Sara Ruckle Harms stated that the AREOC Planning Meeting will be scheduled for March 30, 2015 at 9:30. Handouts were sent in advance; she would like to have the group develop one to three goals that are achievable for the coming year.

*Action Item: Ilene Bárcenas will obtain the hearing room for that AREOC meeting.*

**X. Executive Session called at 12:27 PM**

**Executive Session adjourned at 12:43 PM**

During the Executive Session, a motion was made and carried to pay Gaylan Harris a stipend of \$1,500 to represent REAOC during the Health Care Plan RFP process.

**XI. Adjournment**

*A motion was made by Sara Ruckle Harms, seconded by Tom Beckett, to adjourn the meeting at 12:47 PM. Motion carried.*