




The Informer

RETIRED EMPLOYEES ASSOCIATION OF ORANGE COUNTY, INC.

Holiday Luncheon Set for Wednesday, December 6th

 Join your REAO friends and guests for our holiday luncheon at the Mile Square Park Golf Course Clubhouse in Fountain Valley.

Thirty-two members of the Aliso Niguel High School Choir, directed by Choir Master Jason Harney will be entertaining us with acoustical choral music. These students recently performed in Prague as part of a tour to learn about and celebrate the 500-year anniversary of The Reformation.

Remember, at each Holiday Luncheon, member names are drawn until someone who is present wins the Progressive Drawing. This time it is \$500, so be sure to reserve your seat by sending the form on page 7 and your check to arrive at the REAO office no later than Wednesday, November 29th. Check-in starts at 11:00 a.m. and lunch is served at noon.

Presidents' Message

Holiday Greetings of Thanksgiving, Peace and Joy to All

On behalf of the entire REAO and AREOC Board of Directors we wish everyone a healthy, joyful and magical winter season. May memories of holidays-past bring you happiness and may you create wonderful, new memories to enjoy in the future. Despite varying demands of the season, we sincerely recommend you take a few deep breaths and personal time-outs for relaxation and fun. Enjoy your well-earned retirement. CHEERS AND BEST WISHES TO ALL!!

A Word of Appreciation 2018 is right around the corner and we truly thank each and every one of you for your membership in REAO. Your support and participation throughout 2017 is greatly appreciated—and certainly needed—given the times in which we live. The ever-changing political and economic landscape requires retiree unity and vigilance. Remaining active and informed allows retirees a voice in discussions that can greatly affect our financial and personal well-being so THANK YOU for being the most important

part of your REAO organization.

Current Activities As you read this issue of *The Informer* daylight savings will have ended but not so for activities engaged in by your REAO Board and volunteers. REAO and the County co-sponsored a November 8th Health Insurance Workshop for eligible retirees (NOTE: Open Enrollment dates October 27th through November 17th), the country honored and celebrated Veterans Day and many retirees will be planning, or at least contemplating, upcoming holiday festivities and get-togethers. Board members and volunteers participated in the annual statewide Fall CRCEA Conference (CA Retired County Employees Assn.), attended Orange County Employees Retirement System regular monthly meetings, monitored Board of Supervisors activities, made presentations at OCERS' Pre-Retirement Seminars, recruited regular and

Progressive Drawing \$500.00

Rick Morton of Laguna Hills would have won \$400 at the September luncheon if he had been present at the luncheon. Remember—you must be present at the time of the drawing to win! See you on Wednesday, December 6, 2017 at Mile Square Park for the final Progressive Drawing this year worth \$500.

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Operation Santa Claus and Senior Santa and Friends



Since 1962, Operation Santa Claus has been providing gifts to children who are abandoned, neglected, abused, needy, or placed in foster care in Orange County. In 1992 a Board was formed to reach out to more children and to needy seniors and disabled adults, who may be isolated from family and friends, through Senior Santa and Friends.

Gift suggestions for toddlers are items that make noise and books with buttons that produce sounds when pressed. Teens appreciate gift cards, electronics, colognes and lotions. Gift cards to Target, Walmart and chain grocery stores are welcomed gifts for seniors and disabled adults.

Cash donations and gift cards payable to Operation Santa Claus or Senior Santa and Friends can be mailed to: Social Services Agency, P.O. Box 22006, Santa Ana, CA, 92702-2006. During the month of December, gifts can be delivered to the Holiday Store at: 1505 E. Warner Ave., Santa Ana, CA 92705 or to County libraries, most courts and many County facilities. Please call 714 679-2438 for hours of operation. To receive a tax deductible letter, please include a legible name and address with your donation. You may also donate online to Operation Santa Claus at OperationSantaClaus@ssa.ocgov.com and to Senior Santa and Friends at Senior.Santa@ssa.ocgov.com. To receive more information, please call 714-679-2438 or for Senior Santa and Friends call 714-825-3111. To volunteer, please contact Jane Dawson at JaneDawson@ocgov.com.

Presidents' Message

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associate members at the OCEA Health Fair, attended the National Conference on Public Employees Retirement Systems, tracked legislation, monitored ACA Repeal and Replace efforts and potential effects for retirees, and planned for 2018 efforts on behalf of REAOC membership.

Litigation Update As noted in previous newsletters, the Harris, Jahn, McConnell vs County of Orange Class Action Lawsuit continues to proceed through the federal court system. No ruling has been made by the 9th Circuit Court panel who heard the case on February 6, 2014; this despite Status Requests and several Notice of Additional Authority documents filed with the court by Attorney Michael Brown citing recent court decisions that support retiree arguments. Research is now in progress to identify any additional steps that can be taken in this case. We will keep you updated as we receive further information.

In closing, we hope to see you at the Wednesday, December 6th Holiday Luncheon and Annual Business Meeting. The agenda will include election of Officers and Directors, exceptional music entertainment and fantastic camaraderie. Please plan to attend and share the magic of the season!! Take care, be well and stay united, retirees.

– Linda Robinson and Doug Storm



REAOC

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OFFICERS

Linda Robinson	Co President
Doug Storm	Co President
Jan Grimes	Secretary
Bill Castro	Treasurer

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Frank Eley
Rebecca Guider
Gaylan Harris
John Iagjian
Larry Leaman
Sara Ruckle-Harms

APPOINTED STAFF

Ilene Barcenas	Executive Director
John Iagjian	Membership Committee
Robin Mattocks	<i>The Informer</i> Editor
Vacant	Luncheon Committee
Norma Roberts	Board Watch
Linda Robinson	CRCEA Delegate
Lou Scarpino	Legislation
Rebecca Guider	Scholarship Committee

The Informer is published 5 times a year. Readers are encouraged to write *The Informer* expressing their views and comments on the subjects of interest to them.

The mission of REAOC is to promote and maintain fellowship and camaraderie of OCERS retirees and their spouses by sponsoring social and recreational activities and by maintaining contacts via the newsletter, the REAOC website, e-mail, or other means of communication. A secondary purpose is tracking and dissemination of information relating to pension and legislative actions, financial matters, physical and mental health care, volunteer and employment opportunities and other concerns that may be of interest to our members.

OCERS retirees and their spouses are eligible for regular association membership. Dues are \$3.00 per month, payable through payroll deduction. Active employees, who will receive their retirement through OCERS, are eligible for Associate Membership. Dues for associate members are \$1.00 per month payable for the year each January.

Luncheons are held at Mile Square Golf Course in Fountain Valley on the fourth Wednesday of January, March, May and September, and on the first Wednesday of December. A local chapter of REAOC is active in Hemet.

A New Chapter May Be Developing NCPERS 2017 Public Pension Funding Forum

by Lou Scarpino

Protecting public sector employees' hard earned current and future benefits has been a major challenge since the disastrous, near depression-level 2008 Recession. The excruciating slow, nearly imperceptible, eight-year recovery provided competing interests a unique opportunity to mount a full court press to gain market share and control of the nation's multitrillion dollar pension fund market. Networks, funded by vested interests pitching 401k Defined Contribution plans as replacements for public sector favored Defined Benefit (DB) plans, have fueled an intense, sometimes vicious, national debate.

Finding they could take advantage of the massive loss of individual wealth, various campaigns were developed and pitched to pit public sector employees with solid DB pensions against those in the private sector without similar secure retirements. Yet championed 401k plans have left the nation's employees and retirees ill-prepared for retirement, with far too many without any plan. The irony is that the same interests that helped create this problem are running ad campaigns to push more and earlier voluntary contributions to 401k plans, essentially illuminating their structural weakness. Over-reliance on 401k plans does not work.

However, progress in the form of serious research on the pros and cons of DB, DC and various hybrid systems has moved the policy needle. DB Plan implementation flaws and abuses have come to light, and solutions developed and implement-

ed, though more remains to be done. While those seeking to exploit flaws to gain market share and profit worked to demonize public sector employees, others like the National Coalition of Public Employee Retirement Systems (NCPERS) and member organizations, including CRCEA and REAOC, have worked to develop needed policy. Though only in its 5th year, the NCPERS Public Pensions Funding Forum is proving to be a rapidly evolving, important element of the policy development work intrinsic to NCPERS's mission.

Sponsored by REAOC, my attendance at this year's event provided an encouraging view of a vastly improved economic and political landscape that may result in a new, positive direction in the pension debate.

As a member serving on the Funding Forum's Research Advisory Group, headed by economist Dr. Michael Kahn, I was excited to hear that NCPERS has decided to expand its Funding Forum's research capacity by funding research through academic institutions. This is necessary to counter well developed and funded opposition networks operating in high gear. It will also allow acceleration of activities to gain a more objective, longer economic outlook by modeling impacts of various pension plan scenarios on the long-term, US economy. This could prove especially valuable if it includes adequate consideration for demographic trend realities, such as the shrinking cadre of active workers—now at 1.3 workers to 1 retiree—down from 2.0 and still shrinking.

No one research study can be expected to win or lose a debate of this magnitude, especially when advocates and opponents tend to dismiss each other's work as lacking or self-serving. However, this year's Funding Forum provided the first indications that the tide may be turning, in part due to widespread acceptance of valid, disciplined research that is correctly mirroring economic realities.

The fact is, many research studies do point the way to economic realities and are debunking the "forgone conclusion" that 401k's are the one size fits all solution to retirement security. Studies show that the key flaw causing DB underfunding is failure of employers to practice the discipline needed to make their annual payments. Data also shows that the trend in the public sector to move away from DB plans to DC plans is reversing. On the retirement plan investment front, research presented demonstrated that the high cost, hedge fund trend produced 25 uber-rich billionaires, but none met fund diversification objectives nor the promise of extraordinary returns. In fact, hedge funds by and large simply mirrored the market. Further, research and the 401k industry itself have clearly demonstrated the failure of their concepts to provide sufficient retirement security.

The list of past research topics put out to support the pension policy debate over the last eight years is very long. The arguments are becoming repetitive, circular, and have taken on the "he said, she said" feel. Where

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What Have You Been Doing?

Tony (A.J.) Coco

Inspired by previous stories of our retirees, Tony Coco has honored us with his. Long ago in a land far, far away, Tony and his family left his hometown of Rochester, New York for Tucson, Arizona halfway through his high school senior year. After graduating, he completed two years of coursework, majoring in Electrical Engineering at the University of Arizona.

As a young man in his twenties, Tony decided to see the world prior to completing his college degree, so he enlisted in the United States Navy Reserve and was assigned aboard the battleship, U.S.S. Iowa based in Norfolk, Virginia. Today that ship serves as a San Pedro, California museum. Tony's dream to see the world was granted as he travelled to Europe, Africa, the Middle East, China, Australia, New Zealand and South America. He plans to see the Cook Islands someday soon.

After active duty, he bought his first motorcycle and traversed 2,300 miles to return to Tucson. Still in his twenties, Tony completed his Bachelor of Science in Electrical Engineering. He subsequently married, moved to Burbank and then earned his commission as a Naval Intelligence Officer, rising to and retiring as a Lieutenant Commander. Post military, Tony spent several years employed by Collins Radio and Hughes Aircraft.

He moved to Tustin, where his daughter and son were born. The following year, he was elected to the Tustin City Council while still in his mid-twenties. He served eight years on the City Council, with four years

as Mayor. In 1976 Tony was selected as the "Tustin Area Man of the Year." He created and arranged for the signs, "Work Where You Must, But Live and Shop in Tustin." Fifty years later, these signs remain in very good condition.

Tony's County of Orange career began when then-Marshal Corona requested he join the Marshal's Department, later transferring to the Orange County Sheriff's Department. During that time, he also earned his Real Estate Broker's license and Master's Degree in Business Administration from California State University, Fullerton. He passed the California Bar Exam and the Federal Patent Attorney exam both on the first try! Tony has been awarded an Outstanding Alumnus honor by the University of Arizona and is a lifetime member of MENSA. Tony retired from the County of Orange in 2007.

Post retirement, he operated a patent law practice retiring, on doctor's orders, to enjoy his community service as a board member and/or officer of several Tustin organizations including the Tustin Area Historical Society, the Tustin Host Lion's Club, the Tustin Jay Cees and the Order of Sons of Italy in America.

Tony was subsequently blessed with an additional two step-daughters and has seven grandchildren from his four children. His son lives in Germany, working as an officer for the Bayer Pharmaceutical Company. His daughter owns a popular chocolate-making company in Boulder, Colorado. He frequently travels to spend time with family.

In his spare time, Tony now

enjoys crossword puzzles, growing tomatoes, avocados and figs and enriching his life with courses in Hebrew, bagpipes, music history, computers, Tai Chi and others to keep his mind active. He appreciates REAOC for his County of Orange friendships.

On Tony's business card, he claims to be the Founding President of the Tustin Area "Not Working Group" with no clients, no address, no insurance, no assets, no FAX, only a phone number and email address. Thank you, Tony, for sharing your life activities and accomplishments with us.

Welcome, New Members

City of San Juan Capistrano: Juan Camacho

HCA: Jacqueline Bernard, David Glavas, laneta Ueligitone

JWA: Aniko Sherry

OCCR: Lydia Gan

OC Fire Authority: Joseph Enfield

OC Public Works: Chris Rutlan

OCSD: Marvin Wilson, Robert Osborne, Glenn Pedersen, Yvette Brown

OC Waste & Recycling: Maxine Jackson, Alan Yuki

Probation: Elizabeth Villa, Ezequiel Marron, Valerie Amezcua, Gerardo Saldivar

SSA: Nathan Nishimoto, Mary Lou Gomez

Superior Court: Robert Becking

Not Stated: John Rajaratnam, M.D., Kimberly Christensen

Disenrollment from County Retiree Health Plans

by Barbara Voelkel

Retirees may disenroll from County retiree health plan coverage at any time during the year. However, if you are considering doing so, you should be aware of the impacts both to your insurance and to your Retiree Medical Grant.

- Disenrollment from County retiree health coverage is permanent. You will not be allowed to re-enroll in a County retiree health plan in the future.
- If you disenroll before you are eligible for Medicare, you are permanently forfeiting your Retiree Medical

Grant (if applicable). Your Grant will not be reinstated even when you become eligible for Medicare.

- If you disenroll and you are eligible for Medicare, you will remain eligible for the Retiree Medical Grant (if applicable), but it can only be applied to reimburse you for your Medicare Part B monthly premium.

¹ You are responsible for paying your Part B premium directly to Medicare; and will receive reimbursement for your Part B Medicare premium (if applicable) on your OCERS pension.

² Any Retiree Medical Grant

amount in excess of the Medicare Part B premium will be forfeited.

To disenroll you may call the Employee Benefits Information Line at 1-714-834-6282 and leave a message requesting the Retiree Medical Disenrollment Form be mailed to you.

You may also call the County of Orange Benefits Center at 1-800-858-7266 and speak with a Benefits Representative to complete the disenrollment process.

Serve on the Orange County Grand Jury!

Apply now to be one of the 19 members of the Orange County Grand Jury and make a positive impact on your community.

The major functions of The Orange County Grand Jury include deciding on criminal indictments and conducting civil investigations to improve Orange County for all residents. Civil Investigation requires the most time. This is a full-time position for one year and includes a \$50 per day stipend, mileage reimbursement and secure parking.

The Court seeks a diversified panel in age and ethnic background to properly represent Orange County citizens. If you are thinking about taking a gap year from college, are looking for an internship, or just want to be involved in making your community a better place, the Grand Jury is an excellent opportunity. More information and an application are available online at www.ocgrandjury.org or you may call (657) 622-6747.

What Have You Been Doing?

Clifford (Cliff) Hard

We are pleased to report that more retirees are choosing to share their pre and post retirement stories with us.

Cliff was raised in Southern California and continues to live in Orange County. His 31-year criminal justice career began in high school with an internship with the San Diego Police Department followed by three years with the Federal Correctional Institution, Terminal Island and culminating with retirement from the Orange County Probation Department in 2003.

Immediately following retirement, Cliff and his wife traveled 8,000 miles in their motorhome with destinations throughout the United States and Canada. However, like so many of us, Cliff returned to work as an Extra Help retiree for the County from 2004 to 2008 as a substitute

Court Probation Officer.

Since working Extra Help, Cliff has stayed busy remodeling his kitchen and bathrooms and building a room addition. In fact, Cliff's retirement has included many activities very different from his Probation Officer work with the County. For example, just last year, he published his first novel, "Jame the Orphan" and is working on several others. In addition to writing, Cliff enjoys woodworking, fishing, camping, church activities, babysitting grandchildren, visiting with family and friends, exercising at the gym, and is now working part-time at Home Depot.

Thank you, Cliff, for sharing your story with your fellow REAOC retirees.



Public Pension

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do we go from here, especially knowing that DB opposition has momentum?

My own thoughts revolve around the concept that retirement security is derived from multiple sources, and one size does not have to, nor can it ever, fit all. We are not all experienced in the financial management skills needed to run our own pension plans. We really don't want our surgeon or pilot to have to stop what they are doing or be preoccupied with researching and making stock trade choices. With all this in mind, once we have systems fielded, there comes a time when their track record and the data trail they leave really do speak for themselves.

Enough data exists now to answer a question I raised at last year's forum for a possible research study. Specifically, what is the long-range impact on the U.S. economy of moving away from DB plans? The question has been answered in NCPERS latest study released in May of this year entitled, Economic Loss: The Hidden Cost of Prevailing Pension Reforms. This study demonstrated that the trend will result in an estimated \$3.4 Trillion reduction in the rate of economic growth and size of the economy in 2025. This gets my attention even though methodology and assumptions are always subject to further testing and validation. That said, this is a key question and one of the right questions at the right time.

Why? Because the researched response gets to the essence of the pension policy debate and explains, to some extent, recent movement away from 401k based DC plans, as

well as the 401k industry's own ad campaign that effectively touts the dismal retirement security readiness track record that overreliance on 401k plans has produced.

Looking beyond just the impacts question, Nobel Laureate Economics Professor Dr. Michael Spence, who works directly with countries around the world, provided his assessment that the world economy is improving with near synchronized gain across major nations. This comes at a time when pension fund funding levels continue to improve, the private sector is growing, individual wealth lost in 2008 has largely been recovered, and major industry workplace restructuring, spurred by the lack of resources during the long recession, has occurred throughout the economy. This includes integration of more robotics, automation, information flow, and internet shopping. The issue of the new roles for humans and deployment of financial capital is still evolving, but in a thriving, healthy way. In short, the environment may no longer be conducive for pension opponents to feed pension envy, demonize public sector workers, or pitch pension products that don't produce.

Moving one step further, this author believes that the current environment and research to date paves the way for further targeted research and an initiative to explore ways to potentially reintroduce DB plans back into the private sector. This could prove a major plus in the battle to protect public sector retirement security.

Many of us also believe the research to date points to DB plans

as a critical structural contributor to a continuing healthy US economy and sustainable Gross Domestic Product. Further, contrary to the predominant current corporate culture, focused research is possible that can help bring DB plans back to the private sector. Research can demonstrate clearly that modified DB plans based in modified federal and state policy that include newly designed support structures, can be developed, modeled and tested. Making this a reality, using strategically selected, concept development participants, holds great promise to helping convince the corporate world and small business to add or expand current DB offerings that have provided such reliable retirement security in the public sector.

Finally, helping to bring retirement security to the private sector helps protect public sector workers. Doing so has the added benefit that it is consistent with our public service role. And, in the simplest of terms, it is the right thing to do.

Celebration Drawing



Regina Garcia of Fullerton won \$250

In celebration of attaining our 6,000th REAOC member, a random drawing was made that included all REAOC members. A \$250 raffle prize was announced at the September 27, 2017 luncheon and awarded to Regina Garcia! Congratulations to all of our REAOC members for this achievement.

In Memoriam

We extend our deepest sympathy to the families and loved ones of those who meant so much to so many.

May 2017 – September 2017

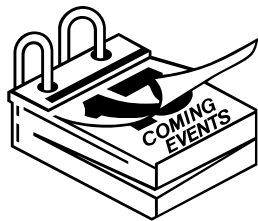
James Alfano, Public Defender
Shawn Barton, Assessor
Donald Chaney, OCSD
Qui T. Dang, OCSD
William Faerber, OC Public Works
Paul Guth, MD, UCI
Barbara Hanes, OCCR
Gerald Hoover, II, OC Public Works
Ralph Huffman, OCSD
Linda Kharitonoff, SSA
Michael Kondas, HCA (1-2017)
Edmund Ponce, Probation
Linda Post-Minko, HCA
Darlene Raat, HCA
Ruth Resnick, SSA
Donna Stewart, OCTA
Jonathan Thomsic, OC Public Works
Blanche Wilson

Surviving Spouse: Rosemary Billings

Note: County Employee Benefits employee, Tracy Vonada, wasn't yet retired, but has unexpectedly left us. She was a friend to REAOC and her contributions to our members has made a genuine difference.

Hold These Dates

The following dates have been reserved for our 2018 luncheons:



January 24
March 28
May 23
September 26
December 5

Hemet Chapter Holiday Luncheon



When: Tuesday, December 19, 2017 at 11:30 a.m.

Where: The First Presbyterian Church, 515 E. Kimball, Hemet

Price: Only \$9.50 per person

Menu: Chicken Marsala, Rice Pilaf, Green Salad, Bread with Butter and Chocolate Éclair

The Hemet Chapter invites new members and all REAOC members who live in the area or within driving distance to join them for the luncheons. Call Mary Little at (951) 485-7738 or Jane Pabitzky at (951) 237-3240 by Thursday, December 7, 2017 to reserve your seat.

OSHER Lifelong Learning Institute

UCI OSHER classes begin again in January. REAOC members are encouraged to review their catalog at the website below. Courses provide:

- Intellectual stimulation and camaraderie for active seniors.
- Arts and Humanities, Social Science, Science, Technology, Engineering, Math and Theater courses
- Large classrooms with "state of the art" visual and sound systems at the Irvine Train Station (15207 Barranca Pkwy.) and free parking.

For a catalogue: go to www.ce.uc.edu/OLLI or phone 949-451-1403

Holiday Luncheon Menu for December 6

*Roasted Tri-tip with Teriyaki Sauce
Whipped Potatoes
Garden Vegetables*

House Salad with Italian or Ranch Dressing

Fresh Rolls

Dessert

Coffee and Iced Tea



Directions to Luncheon at Mile Square Park, Fountain Valley

Mile Square Golf Course is located in Mile Square Park, 10401 Warner Ave., Fountain Valley. From the San Diego Freeway (405), take the Warner Ave. exit and proceed East on Warner. Turn into Mile Square Park Golf Course Clubhouse entrance at Ward St. and park (parking is free). Mile Square Park is bounded north by Edinger Ave., south by Warner Ave., east by Euclid Ave. and west by Brookhurst.

Luncheon Reservations Due Wednesday, Nov. 29, 2017

Print Name: _____

New/Changed E-mail Address: _____

of lunches at \$17.00 each: _____

of Vegetarian lunches: _____

Enclosed is my check for \$ _____

Check-in begins at 11:00 a.m. and lunch is served at noon. Please make your check payable to REAOC and mail to: REAOC, P.O. Box 11787, Santa Ana, CA 92711-1787

PLEASE CAR-POOL!

The Informer

RETIREE EMPLOYEES ASSOCIATION OF ORANGE COUNTY, INC.
P.O. Box 11787, Santa Ana, CA 92711-1787

INSIDE THE INFORMER

Holiday Entertainment

What Have You Been Doing? – Cliff Hard and Tony (A.J.) Coco

Impact of Disenrollment from County Health Plans

CRCEA Funding Forum

Dated Material – Please Deliver Immediately

