



Association of Retired Employees of Orange County
A California Nonprofit Public Benefit Corporation
OCERS, 2223 Wellington Avenue, Santa Ana CA

Regular Board Meeting
Tuesday, May 15, 2012

I. The AREOC meeting was called to order at 10:03 AM by the President, Sara Ruckle Harms

Sara Ruckle Harms, Linda Robinson, Doug Storm, Larry Leaman, Bob Griffith, Chuck Hulse, Lou Scarpino, John LaRoche and Gaylan Harris. Also present is Ilene Bárcenas, Office Manager. There is a quorum.

Absent: Nicole Macias

II. Approval of Minutes April 20, 2012

A motion was made by Linda Robinson and seconded by Chuck Hulse to accept the minutes of the April 20, 2012 AREOC Board Meeting as amended. Motion approved unanimously.

III. Treasurer's Reports

Sara Ruckle Harms presented the Treasurer's Report for April 2012.

A motion was made by Linda Robinson and seconded by Larry Leaman to accept the April 2012 Treasurer's Report. Motion carried.

Sara Ruckle Harms discussed the tax report that was completed by the CPA. There are still some issues that need to be corrected.

A motion was made by Doug Storm and seconded by Lou Scarpino that the AREOC taxes will be approved based on a final review by Sara Ruckle Harms. Motion carried.

IV. Executive Session convened at 10:07 AM.

Executive Session adjourned at 10:42 AM.

No formal action taken during Executive Session.

V. Train Wreck Presentation at REAOC Luncheon

The 5 X 8 "train wreck" cards have been printed and will be distributed at the next REAOC luncheon. Lou Scarpino gave a brief overview of the presentation that will be done at the lunch meeting. Larry Leaman will also speak to discuss the volunteer opportunities for REAOC members. There will be sign up forms on each table for volunteers who would like to be spokespersons/ambassadors to carry the message regarding our public pensions.

Action Item: Ilene Bárcenas will prepare and place a volunteer signup sheet for each table at the May 23, 2012 luncheon for those members who are willing to be volunteers/ambassadors.

VI. Discussion of SB 1231 Conference Committee Meeting

Sara Ruckle Harms led a discussion regarding SB 1231 (Walters), stripping the retirement board authority to grant the STAR COLA. The pending legislation has been very active this past week. CRCEA sent a letter opposing this legislation. Doug Storm also authored an opposition letter that was sent to the legislation regarding this pending bill. This bill died in the conference committee. AB 1542 (Mansoor) will also need to be monitored. This bill states that new OCERS retirees on or after January 1, 2012, shall not be eligible to receive an annual cost-of-living increase, as specified, until at least 12 months from the date of that member's retirement and the member is only eligible to receive an adjustment based on the preceding 12 months.

Sara Ruckle Harms discussed obtaining the OCEA Legislation Report when it is published as another resource for the AREOC Board.

Motion made by Larry Leaman and seconded by John LaRoche that authorizes Sara Ruckle Harms to contact OCEA to obtain their legislative report. Motion carried.

Action Item: A copy of the SB 1231 opposition letter will be posted on our website by Ilene Bárcenas.

VII. Legislative Report

Lou Scarpino reported on the various updates in the legislative arena. SB 1231 and AB 1542 as discussed above both failed in committee. SB 1382 CRCEA mailings bill is alive and well. SB 1234, that would create the California Secure Choice Retirement Savings Trust, is being supported and is moving forward. AB 1648 is still sitting in the Appropriations suspense and is scheduled for a hearing on May 18th. A new constitutional initiative 12-008 contains much of what is in the Governor's 12 point plan, but does not have benefit of refinements that can be expected from the hearings held by the Joint Senate / Assembly Conference Committee. Further, it would put the entire plan into the constitution rather than statute - locking in both workable and unworkable elements. We should remind retirees to avoid signing these kinds of initiatives.

Action Item: Lou Scarpino will obtain a copy of the Governor's plan and share it with the AREOC Board members.

The Stanislaus case - Gaylan Harris wrote a letter to the Supreme Court asking that the Stanislaus opinion be published. Doug Storm stated that it would also be appropriate to have a similar letter written by the REAOC Board.

Action Item: Doug Storm will draft the letter regarding the Stanislaus case and send it to Michael Brown for his comments. The letter must be sent to the court by the 20th of May.

VIII. Invite for AREOC/REAOC to have a seat on the Voice of OC Community Editorial Board.

Larry Leaman and Sara Ruckle Harms have had several discussions regarding articles written by the OC Community Editorial Board. Individuals on this Board sometimes write editorials

for the local newspapers. Sara Ruckle Harms had a discussion with Norberto Santana, Jr. who is the lead of the Voice of OC Community and he said that they would be willing to have a retiree on the Board to represent OC retirees. Gene Howard, formerly an SSA Executive and Rusty Kennedy, former Director of the Human Relations Commission are both members of this Editorial Board.

A motion was made by John LaRoche and seconded by Linda Robinson to authorize Sara Ruckle Harms and Larry Leaman to meet with Norberto Santana to learn more information about the Editorial Board. Motion carried.

IX. Discussion of Sukee Kang campaign for Congress and Todd Spitzer for County Board of Supervisor.

Action Item: Larry Leaman will send a copy of the train wreck material to Sukee King to educate him about the truth regarding 401(K) plans. Larry Leaman and Sara Ruckle Harms will also meeting with Todd Spitzer to educate him about pensions/401(K) plans (the train wreck report).

X. Select next meeting date

A decision was made after discussion that the next AREOC meeting will be held along with the REAOC meeting on the 18th of July rather than the 11th of July (the normal meeting date).

Action Item: Ilene Bárcenas will contact OCERS to determine if the Hearing Room is available for the 18th of July.

XI. Adjournment

A motion was made by Doug Storm and seconded by John LaRoche to adjourn the meeting at 12:24 PM. Motion carried.