



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

Regular Board Meeting
Wednesday, March 21, 2012

I. The AREOC meeting was called to order at 10:06 AM by the President, Sara Ruckle Harms

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

Absent: Nicole Macias

II. Approval of Minutes 1-11-2012 Annual Meeting

A motion was made by John LaRoche and seconded by Larry Leaman to accept the minutes of the January 11, 2012 Annual Meeting as amended. Motion unanimously approved.

III. Treasurer's Report

Sara Ruckle Harms presented the Treasurer's Report for February 2012. She will be asking Nicole Macias to add the date checks are issued to the Treasurer's Report. Additionally Sara Ruckle Harms distributed an updated AREOC budget.

Lou Scarpino made a motion to accept the February 2012 Treasurer's Report which was seconded by Chuck Hulse. Motion passed.

IV. Reporting on Conferences

A. UCI Conference

Gaylan Harris attended the UCI Health Care Forecast conference in February. Many of the attendees were physicians. Medical premiums were up 8% last year and the medical inflation was about half that at 3.9%. Affordable Health Care increased some of the costs. The deductible continues to increase in adults and the overall populations who have health insurance continues to decline. High deductible health plans are now called "Consumer Driven Health Plans" and now account for 17% of the total health plans (6% in California). Family medical costs for families are now about \$15 K per year; high deductible health plans approximately \$13 K per year. These costs are for the premiums; the other fees are above and beyond these costs. Medical exchanges continue to be developed across the country including in California. There is a change in the pay structures to paying on the outcomes. More and more information between medical professionals is being shared on computers.

Early Retiree Reinsurance Program (ERRP) was discussed and the monies have nearly all been distributed to the employers. Gaylan Harris will share his report of the conference and will also write an article for the *Informer* to share with REAOC members.

B. Public Retirement Journal Conference

Prior to the meeting, a summary of the conference was sent by Lou Scarpino to the Board members. Lou Scarpino wrote the summary which was endorsed by Larry Leaman. Larry Leaman recapitulated the conference highlights. Highlights of the conference will also be shared in the *Informer*.

Motion made by Bob Griffith and seconded by Chuck Hulse to receive and file the reports. Motion carried.

V. Liaison with County Benefits

Patti Gilbert is retiring at the end of March and it appears that Barbara Voekle will manage Employee Benefits for the present time. Employee benefits have continued to state that the EERP monies are being held; they state that the County has not been given direction from the federal government on how to use these monies.

Action Item: Sara Ruckle Harms will contact Barbara Voekle to determine when the County can meet with AREOC/REAOC representatives regarding EERP, Medicare enrollment issues and other health plan issues.

VI. Develop Strategy for dissemination of CRCEA White Papers

Lou Scarpino shared a handout regarding the message development and dissemination strategy including the goals of the CRCEA committee, the sanctioned policy/message and the target audiences. Additionally the handout references products that will be utilized and the development and dissemination structure. At the CRCEA conference, there will be discussion regarding creation of a Speakers Panel as well as a Rapid Response Resources Group.

Sara Ruckle Harms stated that AREOC needs to determine how the CRCEA White Paper information will be shared within our County. Bob Griffith stated that it may be appropriate to share this paper at the OCERS meet and greet. This could be done during the lunch time of a regular OCERS Board meeting and would be a formal part of the Board agenda and subject to the Brown Act. The OCERS training room can be used for this purpose. A summary/ten point documents with the main topic points should be created to share with the OCERS Board. It may also be a good idea to have an agenda item at the Plan Sponsors meeting to share the white paper. Sara Ruckle Harms stated that we should again review the Liaison/Coalition Building document that was previously approved by the AREOC Board and review the top priority items and determine with whom we should be sharing these papers.

VII. Discussion of Julie Wynes' presentation on March 14th

The REAOC members will most likely be asking the REAOC/AREOC Boards as to our response to the Governor's 12-point plan for pension reform. It is important that we look at

the elements of the pension reform initiative and prepare responses to the initiative wording once it is known and the plan.

Action Item: Lou Scarpino will be tasked with following both the Governor's plan and the initiative so that we have the information available for the AREOC/REAOC Boards so that the develop a future response for our REAOC members.

Action Item: Ilene Bárcenas will draft a letter to thank Julie Wyne for her presentation at the REAOC Board meeting. The letter will be addressed to Steve Delaney. Ilene Bárcenas will contact Sara Ruckle Harms to assist with this letter.

VIII. Meet and Greet with OCERS Board

This was additionally discussed under Item VI. It is important that we have a chance to informally introduce the AREOC/REAOC Board members to the OCERS Board. It is important that the entire OCERS Board to have an awareness of what the REAOC Board does for retirees. After a discussion, a suggestion was made that the first meet and greet should be without a detailed message but rather just getting to know each other and to let them know that there would be an interest to have a future meeting between the Boards to share more detailed information.

A motion was made by Lou Scarpino and seconded by John LaRoche to have Sara Ruckle Harms and Bob Griffith talk to Steve Delaney regarding planning a Meet and Greet session for both the AREOC/REAOC Boards with the OCERS Board. It may be best to plan this for the May OCERS meeting that is held on May 21, 2012. Motion carried.

IX. Board Member Issues

No specific issues to be discussed.

X. Executive Session

An Executive Session was called at 12:11 PM. No actions were taken.

Motion made by Lou Scarpino and seconded by Larry Leaman to adjourn the Executive Session at 12:16 PM. Motion carried.

XI. Adjournment

A motion was made by John LaRoche and seconded by Gaylan Harris to adjourn the meeting at 12:16 PM. Motion carried.