

MINUTES
REAOC Board of Directors' Meeting
OCERS Hearing Room
2223 Wellington Avenue, Santa Ana
Wednesday, August 10, 2011
9:30 AM

I. Call to Order at AM by Co-Presidents Linda Robinson and Doug Storm

Present: Doug Storm, Bob Griffith, Sara Ruckle Harm, John Iagjian, Gaylan Harris and John LaRoche. Also present is Larry Leaman, Lou Scarpino and Ilene Bárcenas, Office Manager. There is a quorum.

Absent: Linda Robinson, Chuck Hulse, Bill Castro, June Marcott

II. Pacific Group Agency Update

Stephen Pettee presented the proposed updates for the 2011 Insurance Benefits. He also shared data regarding REAOC members' usage of the various insurance plans.

Motion made by Sara Ruckle Harms to accept the recommendation made by Pacific Group Agencies to accept the DPPO rate changes of \$1,500 for in network services and of \$1,000 for out of network services. The motion was seconded by John LaRoche. Motion carried.

Action Item: Ilene Bárcenas will notify Stephen of the motion.

III. Approval of Minutes from July 2011 meeting

A motion was made by John LaRoche and seconded by Gaylan Harris to accept the July 2011 minutes as written. Motion passed.

IV. Treasurer's Report

In advance of the meeting, Chuck Hulse sent the Treasurer's Report for July 2011 to the REAOC Board members.

Sara Ruckle Harms made a motion to receive and file the July 2011 Treasurer's Report; the motion was seconded by John Iagjian. The motion was unanimously approved.

V. Committee Reports

A. Membership

John Iagjian shared the current report of the active membership totals and also discussed the associate membership (now 9 members). John Iagjian recently shared information regarding associate membership with the Orange County Managers Association (OCMA). He also stated that attendance at preretirement seminars has been high and much interest has been expressed in the associate membership.

B. Board Watch: 8/2 Dark, 8/9 Meet

Sara Ruckle Harms attended the Board meeting for the agenda items regarding the new retiree insurance rates. She summarized the action taken for these items. The rates for the retirees' insurance were all approved as proposed.

Action Item: Ilene Bárcenas will post the new rates on the website. We will also need to let retirees know that this will be a three month selection process for choosing medical plans. Retirees will need to stay in close touch with the information coming from the County. The County will be sharing more information with retirees regarding the new rates and benefits for medical insurance.

C. New Board Web Page

Sara Ruckle Harms led a discussion about the new Board website pages. The content of the pages will be discussed at the next meeting. A desk guide will be made to indicate how to use these new pages. Board members expressed a desire to have individual sign-ins onto the Board pages. With individual passwords for current Board members there is more security for the system.

Action Item: Ilene Bárcenas will contact Lori Vandermeir to see how we can create individual passwords for each Board member.

D. Legislation

Legislation was discussed at the AREOC meeting.

VI. Meeting Reports

A. OCERS

The OCERS update was discussed by Sara Ruckle Harms and reports were sent in advance of the meeting. Sara Ruckle Harms and Bob Griffith discussed the changes in the OCERS Board representatives due to the resignation of the current chair of OCERS.

B. Financial Update/Plan Sponsor Meetings

Sara Ruckle Harms led a follow-up discussion as to who would be attending the newly added OCERS meetings. She currently attends the OCERS Regular monthly meeting and often the Plan Sponsor meeting. The Plan Sponsor meeting has evolved into a regular monthly meeting. Additionally there is a monthly Investment Committee meeting that should be attended by a REAOC Board member. REAOC Board members should consider who can attend these meetings. This will be discussed again in the September Board meeting.

C. CRCEA

Lou Scarpino reported the following CRCEA updates:

CRCEA Conference – although the estimates received regarding the conference costs are rough, it is clear that costs have risen and even with best efforts at fund raising, there is still a shortfall average of 8% revenue needed to break even. Proposed solutions in work will be brought to the upcoming October 2011 Fall Conference and include raising the Attendance Fee from \$35 to \$50 per person and the Association Fee from \$75 to \$100.

The New Ad Hoc Committee on Retirement Security, formation of which was advocated by REAOC and of which Lou is now a member, received CRCEA Executive

Committee approval for its goals and work plan. Specifically, White Papers are now being developed that will refute myths and challenge negative pension policy direction. Additional papers are planned. In addition development of a resource data base and dissemination strategic and operational plans are in work. The committee is meeting bi-weekly in an attempt to have first documents ready for presentation at the October CRCEA conference in Santa Rosa. CRCEA has agreed to pick up the telephone costs for these meetings that are being incurred at the OCERS facility.

Action Item: Ilene Bárcenas will call CRCEA to ask if there is a schedule for the future conferences so that Orange County can determine when REAOC is scheduled to host the conference in the future.

VII. Luncheon

John LaRoche reported that we will be having chicken at the next luncheon on September 28, 2011. There will be no entertainment but we will be having a presentation from Great Western, an OCERS update and then the Presidents' update.

VIII. The Informer

The next edition will be mailed early September. Included in the next newsletter will be highlights regarding the legal updates, information and pictures of the scholarship winners, an update regarding the CRCEA spring conference, an abbreviated version of Helen Lotos' "In the News" report, and an article about the departure of Frank Madrigal as a Board member and Bill Castro as a new Board member.

IX. In The News

In advance of the meeting, Helen Lotos sent to the REAOC Board members the latest version of the "In the News" report. It has been posted on the REAOC web site.

X. Presidents' Message

The President's Message with the Lawsuit Update was given to John LaRoche for publication in the next edition of the *Informer*.

XI. Executive Session

The REAOC Board adjourned to an Executive Session at 1:10 PM. Executive session ended at 1:33 PM.

XII. Adjournment

A motion was made by John LaRoche and seconded by John Iagjian to adjourn the meeting at 1:34 PM. Motion carried.