



MINUTES
REAO Board of Directors' Meeting
OCERS Hearing Room
2223 Wellington Avenue, Santa Ana
Monday, February 10, 2014
9:30 AM

I. Called to Order at 9:30 AM by REAO Co-President, Doug Storm

Present: Doug Storm, Linda Robinson, Tom Beckett, Faye Watanabe, Gaylan Harris, Larry Leaman, John LaRoche, Bill Castro, John Iagjian and Sara Ruckle Harms. Also present was Jan Stephenson, Rebecca Guider and Ilene Bárcenas, Office Manager. There is a quorum.

Absent: Bob Griffith

II. Approval of Minutes

A. January REAO Board Meeting

A motion was made by Larry Leaman and seconded by Faye Watanabe to approve the January regular Board meeting minutes as amended. Motion carried.

B. January Executive Session Meeting Minutes

A motion was made by Linda Robinson and seconded by John LaRoche to approve the January Executive Session meeting minutes as written. Motion carried.

III. Treasurer's Report for January

Bill Castro presented the details of the January Treasurer's Report. The annual invoice for the NCPERS has not yet been received. Bill Castro will follow-up on this with Chuck Hulse.

Motion made by Linda Robinson and seconded by John LaRoche to approve the January Treasurer's Report as presented. Motion carried.

IV. Committee Reports

A. Membership

Ilene Bárcenas presented the membership report as of January 2014. The membership continues to increase and we continue to see an impact due to the Pacific Group Agencies' open enrollment for supplemental benefits.

B. Board Watch

Ilene Bárcenas reported the one area of discussion that may relate to retirees is regarding individuals who are covered by both Medicare and Medi-Cal (these are very low income and/or disabled seniors). The One Care Program for these individuals is shutting down and will transition into the Cal MediConnect Program. CalOptima, who administers the

One Care Program, is asking for a one year over-lap for gradual transition to Cal-MediConnect Program. It is not known if any of our retirees fall into this category and will be impacted.

C. Scholarship

Faye Watanabe reported that her committee is in the process of getting organized for the scholarship review. The same committee members from the 2013 process have volunteered to review the applications for 2014. To date there have been 23 requests for applications and 3 students have returned their scholarship applications.

C. Legislation

Lou Scarpino reported that it is too early to discuss bills; the last date of introduction is February 21st. After this date, he will provide an initial report of the bills that we need to follow. He is also watching some of the initiatives that are being distributed. Lou Scarpino also shared a copy and summarized his analysis and highlights of the 2014-15 Governor's Budget Proposal.

V. Meeting Reports

A. OCERS

In advance of the meeting, Sara Ruckle Harms sent a summary of the OCERS Regular Board and Investment Board meetings. Tom Beckett was seated at the OCERS meetings. Frank Eley is the new Chair and he efficiently ran his first meeting as the chair. Tom Beckett also shared his overview of the major topics of the meeting. There was a very long discussion of the topic of cash out assumptions (members taking a cash out of their vacation or other leave time).

B. CRCEA

Jorge Gonzalez will replace Ed Morris (who passed away) as the new Treasurer. CRCEA is also soliciting agenda items for their next meeting. If there are any suggested items, they should be given to Lou Scarpino.

VI. Luncheon

Our next luncheon will be on March 26, 2014. We will have a Barbershop Quartet as the entertainment at this luncheon. We will honor the volunteers at the March luncheon and they will receive a free lunch. The luncheon cost for 2014 was held by Mile Square Park catering to the same rate as 2013.

Action Item: Ilene Bárcenas will notify the BOS committee of this recognition; Faye Watanabe will notify the Scholarship Committee and John LaRoche will notify the luncheon committee of this plan. Dana Cardi will also be recognized for her work with the retirement seminars.

VII. The *Informer*

The next edition is the March/April edition that will be mailed out on March 5, 2014. We have an OCERS update, the scholarship article, "In the News" from Helen Lotos,

information about the Progressive Drawing, and an article about the CRCEA Spring Conference. John LaRoche will be sharing the “In the News” and the CRCEA article with Sandy Teague for the CRCEA newsletter.

VIII. Presidents' Message

A. Litigation Update

Doug Storm thanked those Board members who attended the hearing. The panel was very knowledgeable about the issues in the lawsuit. Michael Brown presented the case very well and was able to answer all the questions directed to him from the panel.

B. Elect New REAOC Director

Linda Robinson made a motion to elect Tom Beckett to the vacant position on the REAOC Board; motion seconded by Larry Leaman. Motion carried.

Sara Ruckle Harms led a discussion regarding the AREOC Board and if it would be appropriate to have Tom Beckett on the AREOC Board. As Bob Griffith is on the AREOC Board, the number of directors required continues to be met. At this time Tom Beckett will not need to be elected to the AREOC Board.

C. Other

Earlier we received a request from Ventura County’s retirement group requesting information regarding Orange County’s benefits for retirees. This survey will be completed by Doug Storm.

The Health Care Forecast Conference is coming up on February 20 and 21st at UCI. There will be major discussion regarding the ACA and its impact. In the past, Sara Ruckle Harms and Gaylan Harris attended this conference. Rebecca Guider stated that she would be interested in attending the conference as a representative of REAOC. Rebecca Guider will fax the conference registration today so that she may attend.

A motion was made by Bill Castro and seconded by Linda Robinson to reimburse Rebecca Guider for the cost of attending this conference. Motion carried.

Walt de Vries sent an e-mail regarding the luncheons. He made a suggestion to have the REAOC Board sit at the regular tables rather than at a head table. Logistically this may present a problem for the Board due to the larger attendance at the meeting. Linda Robinson will discuss this with him.

The annual letter to the CEO will be sent regarding the medical insurance for the retirees. Vicki Gray is working on the attachments to this letter and will provide those to Doug Storm.

A website was developed by OCEA and their attorneys called “The Real OC Supervisors”. On this website there are many articles that have been very critical of the Board of Supervisors.

IX. Adjournment

A motion was made by John LaRoche and seconded by Faye Watanabe to adjourn the meeting at 11:15 AM. Motion carried.