



MINUTES
REAO Board of Directors' Meeting
OCERS Hearing Room
2223 Wellington Avenue, Santa Ana
Wednesday, March 13, 2013
9:30 AM

I. Called to Order at 9: 31 by REAO Co-President Linda Robinson

Present: Linda Robinson, Sara Ruckle Harms, Gaylan Harris, Faye Watanabe, John LaRoche, Bill Castro, Bob Griffith and John Iagjian. Also present Jan Stephenson, Lou Scarpino, Victoria HeideIman (St. Joseph's Hospital) and Ilene Bárcenas, Office Manager. There is a quorum.

Absent: Doug Storm

II. Presentation from St. Joseph's Hospital Volunteer Program

A presentation by Victoria HeideIman was given to explain the volunteer opportunities at St. Joseph's Hospital and their affiliate hospitals. They are currently trying to recruit "boomer" volunteers. St. Joseph's is a non-profit, Catholic hospital. There are currently approximately 1,000 volunteers each year. Volunteer duties include messenger units who run errands, volunteers who work with patients, volunteers who work in admitting and discharge, etc. Volunteers are covered under the worker's compensation for the hospital. The commitment is for a minimum of 4 hours per week, with a minimum attendance of 75%. Training is provided and the hospital does conduct criminal background checks. Volunteers may apply on-line. An orientation regarding the hospital and the volunteer program is provided to all potential volunteers. There is valet parking for employees/volunteers and parking is free. A TB test is required initially and annually. These are done by St. Josephs. They also require and provide flu shots. If the volunteer does not wish to have a flu shot, they must wear a mask during flu season. Victoria HeideIman will prepare an article for the May Informer regarding the volunteer opportunities and will attend the March luncheon to make a presentation to the attendees. Lou Scarpino volunteered to link Victoria HeideIman up with RPEA.

III. Approval of Minutes from February 2013 meeting

A motion was made by and seconded by to approve the February minutes as written. Motion carried.

IV. Treasurer's Report for February

Bill Castro presented the February 2013 Treasurer's Report.

Motion made by Sara Ruckle Harms and seconded by John LaRoche to approve the February 2013 Treasurer's Report. Motion carried.

V. Committee Reports

A. Membership

John Iagjian presented the February 2013 Membership Report. The seminar attendees have remained steady. John Iagjian believes it might be best to obtain another volunteer to help the committee with the telephone calls to remind new retirees about joining REAOC. He will ask for volunteers at the next luncheon.

B. Board Watch

The Board meetings continue to be monitored. There have been no items that have impacted retirees this past month. Although there is an article in the current *Informer* to solicit volunteers for this committee, we have not received any volunteers.

C. Scholarship

Faye Watanabe and Ilene Bárcenas reported on the scholarship process to day. April 1st is the deadline for the applications. There have been 28 requests for the electronic scholarship applications; five completed applications have been returned to date. The Scholarship Committee will hold their next meeting prior to the luncheon. There will be a final announcement about the scholarship process at the luncheon. The OC Department of Education has agreed to once again evaluate the applications for REAOC.

D. Legislation

Lou Scarpino discussed the PRJ seminar that he attended on February 28, 2013 in Lakewood (in advance of the meeting, a summary of the conference was distributed to members of the Board). The crowd was exceptionally large and included representatives from public sector employers, unions, retiree associations and CalPERS, 1937 ACT folks, etc. Challenges discussed included implementation and impact issues associated with PEPRA (Pension Reform), ACA (Obama Care) and GASB 67 & 68 (Pension Accounting).

In the new two year legislative session, AB 340 reforms cleanup and conformity legislation - especially SB 13, continue to be the major focus in the pension arena. It is still early in the season so we are not seeing a lot of bill movement. On the budget, the State had a big influx of monies in January that now appear to be a result of taxpayers trying to maneuver through the end of the 2012 year federal "fiscal cliff" uncertainty. It appears that this windfall will not continue and may simply level out or even get absorbed into the projected 2013 revenue level.

VI. Meeting Reports

A. OCERS/Financial Update/Plan Sponsored Meetings

Sara Ruckle Harms sent a summary of the OCERS meeting in advance of the REAOC Board meeting. Bob Griffith reported that investments are going very well; as of January 31, 2013, OCERS' total fund was more than \$10.4 billion. At the OCERS meeting, Sara Ruckle Harms presented a request to add an alternate OCERS Board member to represent

retirees. The Board directed OCERS staff to follow up on this request with the Board of Supervisors who will need to pursue legislative changes to do so. The final vote on the COLA will be made at next OCERS Board meeting. The new computer system for OCERS is behind schedule and over budget. The IT manager resigned his position.

B. CRCEA

The CRCEA conference will be held April 15 through the 17; the deadline to register for the conference is April 1, 2013. Lou Scarpino will work to keep the Ad Hoc Retirement Security Committee in existence and active within CRCEA. The long-term care insurance that CalPERS provides public employees, including 1937 ACT members, is projected to increase up to 85%. CRCEA has expressed concern and will be following up on this issue.

A motion was made by Sara Ruckle Harms and seconded by John LaRoche to sponsor up to six REAOC or AREOC Board members and Office Manager for the April CRCEA conference for full reimbursement. Motion carried.

A motion was made by Sara Ruckle Harms and seconded by Gaylan Harris to fund up to five additional REAOC members to attend the Tuesday session of the CRCEA conference at a cost of \$35 for registration and any additional parking. Motion carried.

Action Item: Ilene Bárcenas will provide Linda Robinson with 25 copies of the most current Informer for the conference.

VII. Luncheon

John LaRoche shared a draft agenda for the March 27, 2012 luncheon. John LaRoche will add an item for the volunteer solicitation for both St. Joseph's Hospital and for the Membership Committee.

VIII. The Informer

Next edition is the May/June Informer and articles are due March 27, 2013.

IX. Presidents' Message

A. Litigation Update

The brief completed by Michael Brown will be submitted on March 19, 2013 and the County will then respond to REOAC's brief. REAOC will be allowed to respond to the County's brief. All of the briefs will be shared with the Board and posted on the website.

A motion was filed for reconsideration in the class action lawsuit. In this brief, our attorney stated to the court that there was a misinterpretation of the ruling of the Ninth Circuit Court of Appeals.

The Sonoma retirees' lawsuit that was filed in 2008 against Sonoma County as the County reduced medical coverage for retirees. Sonoma cited the REAOC case many times in their lawsuit. We will be following this lawsuit closely.

B. Other

Sara Ruckle Harms attended the UCI Conference regarding health care. The question of the year was how the Affordable Care Act (ACA) will be implemented. All sides believe it will be a bumpy road but believe the ACA will continue to be enacted and will remain. A major driver of the costs will be the “boomers”. Open enrollment for the exchanges will be in October 2013 and there is some concern if California will be ready even though this State is ahead of the game at the current time. With ACA there will be more of a need for general practitioners and we may see some of the specialists returning to general practice. The key for the future will be outcomes. “Welvie” is a website and is an educational database that helps a user to obtain information/answers regarding procedures/surgeries, finding a doctor, options of medical care, etc.

X. Adjournment

A motion was made by John Iagjian and seconded by Sara Ruckle Harms to adjourn the meeting at 12:59 PM. Motion carried.