



MINUTES
REAO Board of Directors' Meeting
OCERS Hearing Room
2223 Wellington Avenue, Santa Ana
Wednesday, March 12, 2014
9:30 AM

I. Called to Order at 9:36 AM by REAO Co-President

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

Absent: Gaylan Harris

II. Approval of Minutes from February meeting

A motion was made by Larry Leaman and seconded by John LaRoche approve the February Board meeting minutes as written. Motion carried.

III. Treasurer's Reports

A. Monthly Operating Report for February 2014

Bill Castro presented the February Treasurer's Report. He also stated that he received the first draft of the audit. He will review and ask the auditor for changes if necessary and then share with the Board. The audit is due May 15th and it will be reviewed at a future REAO Board meeting.

Motion made by John LaRoche and seconded by Larry Leaman to approve the February Treasurer's Report as presented. Motion carried.

B. Approve (retroactively) reimbursement to Lou Scarpino for attendance at the PRJ Seminar on February 27, 2014

Motion made by Doug Storm and seconded by Sara Ruckle Harms to approve the reimbursement for attendance at the PRJ Seminar by Lou Scarpino. Motion carried.

C. Acknowledge that any CRCEA conference-related time work by Ilene Bárcenas will be paid from the REAO Operating Fund and not from Conference monies.

The Board agreed that Ilene Bárcenas' time spent on the CRCEA Conference will be paid from the REAO Operating Fund.

IV. Presentation re: Medicare & the Impact of the ACA

This presentation will be held at a future meeting.

V. Committee Reports

A. Membership

John Iagjian shared an updated membership report for REAOC as of the end of February. The numbers of attendees at the seminars has declined. Rebecca Guider discussed an issue of a company that has discussed wanting to obtain the retirement amounts for all OCERS retirees.

B. Board Watch

Ilene Bárcenas reported that the March 11, 2014 meeting of the Board of Supervisors lasted only 30 minutes! No topics related to retirees were discussed. At the February 25 meeting, there was a discussion on Assembly Bill (AB 2628) carried by Mansoor called the Orange County Retirement Law Alternate Appointments. This bill would give the BOS authority to appoint an alternate for the appointed board members.

C. Scholarship

Faye Watanabe reported that the committee is all set up for the review of the scholarship applications. The same Department of Education member who reviewed the 2013 applications will review the 2014 applications. Only four applications have been received to date but there have been about 25 requests for applications.

D. Legislation

AB 2628 will be on the watch list. The legislative group including Amy and Karen will start working on the bills that impact retirees. The numbers of bills pertaining to retirees seems to have decreased from the last session.

VI. Meeting Reports

A. OCERS

In advance of the meeting, Sara Ruckle Harms sent a summary of the OCERS Regular and Investment Board meetings. Sara Ruckle Harms addressed the OCERS Board on behalf of the REAOC members and encouraged them to approve our general retiree COLA as well as emphasizing the Star COLA for our older retirees. Tom Beckett stated that the OCERS Board continues to search for where to invest to obtain the returns that are needed. Currently there seems to be issues with PIMCO investments and there may be internal issues within their company. OCERS has over a billion dollars invested in PIMCO. At the meeting, Lindholm asked if OCERS had to give the retirees a COLA. He also asked about the STAR COLA and he was told that it had to be approved by OCERS. This topic will be heard by the OCERS Board on Monday, March 17, 2014.

B. CRCEA

In advance of the meeting, Lou Scarpino sent out a copy of a draft of the report that was created by the Ad Hoc Retirement Security Committee that he proposes will be shared at the business meeting of the CRCEA Conference regarding this committee. This document will be shared with Skip Murphy in advance of the conference. George Shoemaker and Mike Sloan have both reviewed and commented on this document.

VII. Luncheon

John LaRoche shared a draft agenda for the March 26, 2014 luncheon. We will be saluting the volunteers at this luncheon. The committee chairs will introduce their members. All of the volunteers will be treated to a free lunch. Entertainment will be provided by a barber shop quartet.

VIII. The *Informer*

John LaRoche shared the deadlines for the May/June *Informer* as well as a listing of the articles that will be in the newsletter.

IX. Presidents' Message

A. Litigation Update

All of the Board was sent a copy of the re-hearing document. This document will be sent to all judges of the Ninth Circuit Court. Michael Brown stated that there would be no reason not to submit this document. We should hear a response from the Court within 21 days regarding a rehearing of the case. Linda Robinson and Doug Storm will discuss the updates regarding the litigation at the March luncheon.

Adjourned to Executive Session at 11:50 AM

Returned from Executive Session at 12:17 PM

B. CRCEA 2014 Spring Conference Planning

Doug Storm met with the Audio Visual staff at the Hilton Hotel. The amount to be paid is \$3,500 for the three days of the conference.

The Legislative portion of the conference will include a video tape of information from the Sacramento legislative group and then there will be a hook-up with the legislative staff in Sacramento for a question and answer session. Art Goulet will lead the legislative discussion.

The backpack screening of the logo has been completed and a sample was shared. In the backpack there will be a bag of goodies from PGA, brochures, pens, keychain, sunscreen lotion, items from the health service providers, a water bottle, etc. There is a volunteer group who will meet at June Marcott's house to stuff the bags.

The Segerstrom tour will be on Tuesday, April 8th at 10:00. Lou Scarpino suggested that we have two tours if possible. A poster to advertise this tour will be near the registration desk.

A reminder e-mail regarding the registration deadline was sent by Dorothy Lueking to the Delegates and others within the Act 37 Counties. Additional reminders should be sent.

Action Item: Ilene Bárcenas will send out an e-mail regarding the conference to our REAOC members with e-mail addresses. Sara Ruckle Harms will provide the wording for the e-mail.

In advance of the meeting, June Marcott shared an updated regarding the volunteer activities.

Linda Robinson received an e-mail confirmation from the Pulcini Brothers, the entertainers for the conference. Requests for music to be played should be sent to Linda Robinson.

It may be helpful to have an announcement bulletin board at the conference. Doug Storm stated that his daughter will provide the bulletin board.

A motion was made by Sara Ruckle Harms to authorize REAOC to directly pay the \$35 fee for conference registration for the REAOC and AREOC Board members, and the CRCEA Conference committee; motion seconded by Doug Storm. Motion carried.

June Marcott stated that Sharon Sedgwick has made about 30 gift baskets for the banquet to be given out during the conference. Additionally, she has created the centerpieces for the tables. These same centerpieces will be used for our May REAOC luncheon.

For the volunteers who work during the conference, their parking will be free according to the contract with the Hilton. Several of the Board members met with Jack and Marianne Luster who will be in charge of setting up and purchasing the food for the hospitality banquet. Sara Ruckle Harms and June Marcott will discuss the volunteers who will work with the Lusters.

The first draft of the conference program was shared with the REAOC/AREOC Boards. Final comments are due to Dorothy Lueking on March 13, 2014 at 5:00 PM. Doug Storm will ask for an extension on this deadline.

Michael Brown is not available to speak at the conference. Sara Ruckle Harms is working to see if the Insurance Commissioner, Dave Jones, or the Deputy Commissioner, Janice Rocco, can speak at the conference.

Each speaker will need to have a short biography, handouts, disks, etc. in advance of the conference. Helen Lotos previously volunteered to create the handout that will include all the bios.

Action Item: Each of the contacts for the speaker will be responsible for obtaining these items for each of the speakers.

The number of conference rooms has been adjusted to meet the needs of the conference attendance. An addendum to the conference was made and we now have reserved 49 rooms for Sunday, 64 rooms for Monday and 59 rooms for Tuesday.

There was a discussion about the fees for the conference. Ilene Bárcenas will be reimbursed for all fees including the conference registration, the banquet and the hotel.

A motion was made by Sara Ruckle Harms that REAOC will reimburse Ilene Bárcenas for all conference expenses including hotel, conference fees, banquet fee, etc.; the motion was seconded by Tom Beckett. Motion carried.

X. Adjournment

A motion was made by Sara Ruckle Harms and seconded by Larry Leaman to adjourn the meeting at 12:17 PM. Motion carried.