

REAOC
MINUTES – BOARD OF Directors’ Meeting
OCERS - 2223 Wellington Avenue, Santa Ana
Wednesday, February 10, 2010

I. Call to Order – at 10:03 AM by Co-Presidents Doug Storm and Linda Robinson

In attendance officers and directors: John LaRoche, Gaylan Harris, Lou Scarpino, Chuck Hulse, Bob Austin, Sara Ruckle-Harms, June Marcott, Frank Madrigal, There is a quorum. Also present were: Helen Lotos, John Iagjian, Ilene Bárcenas, Office Manager

II. Approval of Minutes

A motion was made by Sara Ruckle-Harms and seconded by June Marcott to accept the minutes as written. Motion passed.

III. The Informer

There will be a short turnaround for reviewing the latest edition of *The Informer*. It was sent to the lay-out artist who is ill but she will try to have it to John LaRoche by Friday. Information regarding the CRCEA conference was added to the newsletter. The latest *Informer* will include articles with information and tips for seniors provided by Wendy Aquin, Director of Adult Services for SSA, and Representative Jim Silva’s office. Sara Ruckle-Harms offered to write an article regarding the 211 community information system and the resources found by using this number. At the last luncheon in January, June took pictures of attendees and the pictures will be included.

The next *Informer* will be the May/June edition. The deadline for this edition is March 31, 2010 allowing ample time to decide on articles. A suggestion was made regarding a future article detailing where the money from our pensions is derived. Lou Scarpino volunteered to complete a short article. A suggestion was made to include a chart with the dollar amounts specified. John LaRoche and Linda Robinson will work on an article for the next *Informer* to summarize the litigation issues and activities.

IV. March Luncheon

Luncheon agendas were discussed. We want to share information with retirees so that they have an understanding that they may be potentially targeted in areas that could impact them. A discussion ensued regarding our interpretation of data that affects retirees and how that data should be disseminated to the retirees. Generally the REAOC Board will have a neutral political position but there may be times when advocating for our retiree constituency involves taking positions that support or oppose policies or legislation supported by one, the other or both major political

parties. Sara Ruckle-Harms stated that there should be planning to include entertainment at the meetings and specifically at the holiday luncheon. Sara Ruckle-Harms and John LaRoche will work on this.

V. In the News

Prior to the meeting, Helen Lotos sent the “In the News” report to the Board members. In the report and at the meeting Helen detailed the new local news source, the Orange County Local News Network, which is now available. It may be good for us to cultivate the editor so that we are in on the ground floor. REAOC may wish to send them news articles/press releases if appropriate. REAOC may want to discuss the “Push Back Campaign” with this entity. Helen Lotos summarized her report to the Board.

VI. Treasurer’s Report

Chuck Hulse presented the Monthly Operational Fund Report for January. In January, he paid NCPERS membership, web hosting fees, and the progressive drawing winner in addition to the regular obligations.

Sara Ruckle-Harms moved the Operational Fund Report for January, which was seconded by Linda Robinson. The motion was unanimously approved.

VII. Meeting Reports

OCERS - Sara Ruckle-Harms attended the January 10th OCERS meeting. Her summary of the meeting was distributed in a handout provided to the REAOC Board members. There was a total fund increase of 2.57% for November 2009 and an overall fund return of 17.84% for 2009. Earnings were better than anticipated by the Segal Company. By 2010 the fund is projected to be 83.8% funded. Sara Ruckle-Harms also shared a new employee retirement benefit orientation packet that is used for new hires.

CRCEA - Lou Scarpino reported that the CRCEA meeting was held when he was speaking at the luncheon on the Senate and House passed medical reform bills, so he was not able to attend the meeting. This is an election year for the CRCEA officers. The Board debated if it is a good time to introduce legislation. Lou reported that his input would have been that it is currently a good time to introduce legislation for clean-up, such as bringing 37 Act into sync with Prop 162 (i.e. the underlying logic for the dues bill we proposed), but it is not a good time to introduce bills that cost money.

A motion was made by Sara Ruckle-Harms and seconded by John LaRoche that we authorize the REAOC treasurer to pay for four individuals to attend the CRCEA

*Annual Conference (Linda Robinson, Doug Storm, Lou Scarpino and Gaylan Harris).
Motion passed unanimously.*

Other items discussed by Lou Scarpino included the Lexin decision in San Diego and a REAOC Advocacy Program. A recommendation was made to have AREOC involved. Sara Ruckle-Harms suggested that a separate sub-committee of REAOC/AREOC Board members be formed to work with Lou Scarpino on this advocacy plan. Sara Ruckle-Harms, June Marcott, Gaylan Harris and Bob Austin agreed to be on this sub-committee. Ilene Bárcenas will send out an e-mail to the volunteers to coordinate a future meeting. Progress will be discussion at the next REAOC Board meeting.

VIII. Committee Reports

Outreach & Fundraising – Ilene reported that a member of REAOC who was having a litigation contribution automatically deducted from his pension check was able to set up an ongoing contribution utilizing his on-line banking system.

Membership

John Iagjian provided handouts of membership totals, a draft dues solicitation letter and a form to change from cash pay to automatic deductions. There are 39 REAOC members who have not yet paid their dues for 2010.

A motion was made by Sara Ruckle-Harms and seconded by John LaRoche to have the dues solicitation letter sent to the 39 members who have not yet paid their dues for 2010. Motion carried unanimously.

John Iagjian reported that at the OCERS retirement seminar today, approximately 15 people attended the seminar at OCERS. Helen Lotos discussed a possibility of changing the by-laws to allow for membership of friends of REAOC so that others can join the organization. Currently the bylaws only allow for the retired employee and his/her surviving spouse to join REAOC.

Scholarship/Board Watch/Volunteer Co-Ord. – June Marcott reported on the first meeting of the Scholarship Committee. She suggested that we should fund candidates and guests for the luncheon when the winners are honored and well at OCDE guests. Chuck Hulse said there was an allowance in the Operating Fund to pay for this. Ilene Bárcenas will make presentation at the May Board meeting regarding the winning scholarship applicants. Kathleen Mattivi volunteered to take pictures at the luncheon.

Legislation & Outreach - Lou Scarpino reported that there are three initiatives in circulation that may concern retirees. These include a limit on pension payments for new public employees and two on reductions of pension and medical benefits. At the present time, bill introduction is quiet.

IX. Presidents' Message -

Dues Deductions – OCERS sent a letter to all of our members regarding the \$3.00 dues deduction that will begin with the March pension checks.

Lawsuit Update – we are still waiting for a date to go back to court. As of this meeting's date, there is no firm idea of when that will be but REAO will be notified of the hearing date at least 30 days in advance of the scheduled date.

OCERS Lawsuit—Pension Data – the Orange County Register submitted its second amended request for records on Aug. 25, 2009. The most recent request is for the names, benefit amounts, job titles, and agencies last worked for benefit recipients who receive more than \$100,000 per year and the benefit amounts, job titles, and agencies last worked for all benefit recipients who receive less than \$100,000 per year. In order to make a good faith effort to comply with the Register's public records request, OCERS supplied the paper with a list of gross annual benefits and agencies last worked for all benefit recipients. This list does not associate a benefit with any identifiable individual. A letter was sent by OCERS to the retirees who fall into the first category. Linda Robinson and Doug Storm will meet with OCERS regarding this lawsuit.

Desk Guide Procedures – June Marcott stated that the purpose of the desk guide is to record steps for processes that need to be done by Board and/or committee members. Some members wanted Board approval/adoption on all desk guides. It was decided that when new guides are written, the author will distribute the draft to all Board members for comments and incorporate the comments as appropriate. Once the guide is completed, it will require Board approval. Annually the desk guides that have changes during the year will be reviewed by the Board.

Publicity for Spring CRCEA Conference – there will be an article regarding the conference in the upcoming *Informer*.

By-Law Review – there was a discussion regarding the current REAO by-laws. A decision was made to have a committee review the current by-laws and make any recommended changes to the REAO Board. Two specific items that should be addressed include membership dues and membership eligibility. Frank Madrigal volunteered to chair this committee. Helen Lotos, June Marcott and John LaRoche volunteered to sit on this committee.

A motion was made by Doug Storm and seconded by Linda Robinson to create a by-law review committee chaired by Frank Madrigal. Motion passed unanimously.

REAO Website (Sara, Ilene, June) Update – Sara Ruckle-Harms shared a handout with recommendations from the meetings of the website committee (Sara

REAOC
February 10, 2010
Regular Board Meeting - Minutes

Ruckle-Harms, June Marcott and Ilene Bárcenas) and the rankings of the two potential vendors. The committee recommends that Lori Vandermeir be engaged by REAOC to assist in updating the website. They also recommend that REAOC contracts for a new web hosting service as well as an email management service.

Motion made by Chuck Hulse and seconded by John LaRoche to adopt the recommendations of the website committee. Motion passed.

Other – Doug and Linda went to Hemet to meet with about 30 retirees. The retirees were very concerned about the COLA and our co-presidents shared the COLA information with them.

X. Executive Session

Litigation fund report – Chuck Hulse reported that he zeroed out the REAOC litigation fund account and transferred all funds in the litigation account to AREOC. In March will start transferring a \$1 per member into the AREOC fund from the dues paid. Operating fund in the future will show the monthly dues and then the expenses for membership in AREOC.

A motion was made by Sara Ruckle-Harms and seconded by John LaRoche to move the litigation fund report. Motion passed.

After a discussion among Board members, a decision was made to start the REAOC Board meetings at 9:30 AM beginning with the March 2010 meeting.

XI. Adjournment- the meeting was adjourned at 1:22 PM.