

REMCO Board Meeting
3199 M Street
Merced, CA
February 22, 2012

President Lola Barnett called meeting to order at 1:10 PM

Present: Marie McDonagh, Ron Kinchloe, Scott Johnston, David Baker, John Carlisle, Lola Barnett, Sandy Teague, Kaye Greeley, and LaVon Justice. Absent: Linc Clendenin, Mike Sofranek and Vivian Stierwalt.

Lola announced that Mike Sofranek would not be attending as his mother had recently died. The Secretary reported that Vivian's son had recently died and would not be attending.

New Business

David Baker relayed that he was informed that postage had gone up, and that a check was required to send out the newsletters. After discussion, a motion was made by Ron Kinchloe to raise the amount in the Post Office account to \$600 and seconded by Kaye Greeley. Motion passed.

David reported that the Treasury account was \$44,938.80 with a deposit of \$3027 as of February 12th. Currently, there are 1009 members.

Lola relayed that one member had recently paid by check for the year rather than have it deducted from their retirement allotment. There was discussion regarding a small number of members that choose to pay by check rather than deduction, and have to be contacted/billed when their pre-paid amount is exhausted.

A question arose on whether the Treasurer report should be posted on the website. John Carlisle motioned that it should not, based on practice of other agencies, which was seconded and motion passed. After discussion, Lola requested the Secretary to send Mike Sofranek the Secretary's Report to be posted on the website, and that the Secretary make an announcement at the next luncheon that it was available there for members to view, and to have a few hard copies for any members that might wish to review.

Discussion was held on REMCO dropping CRCEA membership. Sandy stated he would need to know before the next meeting (4/12/12 in Visalia) to give them notice that he would no longer be able to serve as their secretary if REMCO was not a member. David reported the membership is based on amount of members and is currently \$455. Board members agreed that membership amount was worth the benefits received from maintaining membership. It was reported that Skip Murphy, President of CRCEA, is willing to come to a luncheon meeting to provide members with a short overview of CRCEA. Discussion on members attending the upcoming CRCEA meetings in April and October was held.

Sandy reported that he would be retiring as Secretary for CRCEA in about 180 days (October 2012). He reported that CRCEA holds Spring nominations for their Fall elections.

Lola reported that the MCERA membership letter would be posted on the REMCO website by Mike Sofranek.

There was discussion regarding Castle selling bricks with up to three lines of text at \$50 each that could honor a County employee/retiree or all County employees/retirees. No text was decided. Lola suggested that the availability of ten tickets for Castle Air Museum be posted on the website and included in the newsletter, noting that REMCO will receive ten a year. Lola suggested giving one ticket to each of the first ten people who ask, and all future tickets given out as determined by the President.

John Carlisle reported on the recent Retirement Board Meeting where retiree health care premium issues were discussed. The amortization of the money owed to REMCO was voted by the Retirement Board members to be extended one more year to "smooth out" the repayment.

Issues of current employees voting on a retirement issue being a conflict (voting in favor of the extension of the County's minimizing or delaying their required payment to allow additional revenue for County operating expenditures) was discussed. The Retirement Board's primary role is to the Trust, and secondary to the County. \$4.5 million in unfunded liability that the County isn't paying equals a fund that is approximately 54% funded, a percentage that can create an unstable trust fund, especially if the practice of extending the length of the repayment continues. John reported that the ratio of retirees was 2 to 3 active employees. Currently, it is one retiree to one employee.

John reported that Interim CEO Jim Brown reminded John that the Excess Earnings Fund contributes \$85 per retiree for their health care premiums. This Fund will be defunct in about a year. John reported there will be negotiations with the County.

Sandy Teague suggested that the term of the Board of Directors also be included on the newsletter so that it would be easy to note when a term is coming to an end, and when elections would need to be held.

Lola requested help with the raffle ticket sales. Scott Johnston volunteered to help. Discussion on 50/50 prizes and to wait to see if there are any donated items available.

Lola commended David Baker on his article in the Newsletter. Discussion was held on the possibility of having a logo contest for REMCO.

Discussion on 501 status: REMCO not required to be a 501; is under the umbrella of the County's Federal Tax ID number. It was reported that Karen Adams, County Tax Collector/Treasurer had moved REMCO's account from bank to another using the County Tax ID number. Scott Johnston reported that Bill Gnass might be able to assist us if required. Fernanda Saude was also mentioned that could provide us legal counsel and Sandy said he could contact her if necessary.

Old Business

Ron Kinchloe reported the audit is complete. David Baker has done a great job. Areas of information required for the audit are organization ID information; year formed, why it was created, the goals of the organization. There was discussion on the possibility of the original By Laws containing some or all of the required information. Ron recommended that REMCO have a budget and a reserve fund. Ron believed the 501.c(4) designation appropriate.

Ron reported that the Stanislaus County retirement organization has one training session a year; the last one he believed was on Medicare.

No further items to be discussed, President Lola Barnett adjourned the meeting at 2:40 PM.