

PRO meeting March 4, 2009

PRESENT: Jerry Herman, Bruce Jacobs, Alex Pappas, Ann Whitehead, Sondra Neiman, Linda Japzon, Remo Arancio, Ned Pearlstein

ABSENT: Shirley Timm, Pat England, Odell Johnson.

GUESTS: Jay Quesada, Jennifer Siebert, Tom Smith, Don Hongisto

Jerry called the meeting to order at 1:08PM.

SECRETARY'S REPORT

Ned advanced a motion to accept the minutes, Alex seconded.

MSP U

Jennifer and Tom arrived by 1:09PM

Jennifer announced that there will be a "Health Appreciation" formal program presented on March 25, 2009 9:30AM until 2:00PM at the District Office. She distributed an attractive flyer titled "PCCD Employee and Retiree Appreciation" supported by STAPLES. Included in this program with times identified are the following educational workshops:.

Tax-deferred investing

Trust and estate planning

Managing health—Jennifer noted that March is "colorectal cancer month"

Go green.

Financial planners meet and greet.

Jennifer also distributed a two page flyer titled "Benefits Spotlight Checklist and Checkup" designed for retirees as well as incipient retirees.

Tom Smith discussed the status of the Pension Obligation Bonds wherein PCCD invested \$153,000,000.00 in 2004 for the purpose of protecting negotiated medical benefits for retirees. Tom explained that one half of the bonds were invested at a fixed rate and the other half, at variable rates. Those bonds

established at a variable rate can also be referred to as "Auction Rate Securities". Within the auction rate securities there exist six different tranches. A tranche is a grouping of selected bonds, each maturing at a different time and rate.....the purpose being to minimize the risk for a given "managed.group". Tom also explained that the original investment stretched out to 39 years when the last bond/bonds matured. Tom indicated that the original allocation of investment funds had mimicked the PERS allocation although it had not included some of the riskier aspects. Last year the District had changed the allocation to an even more conservative investment strategy. The result was that the District's portfolio from the bond funds is down about 18% compared to PERS being down close to 40%. Tom additionally shared that the PERS' management of their portfolio was a clear signal to him of "how NOT to pursue financial management of funds." Tom departed at 2:00PM. His report to PRO was enthusiastically applauded.

### PRESIDENT'S REPORT

Jerry clarified that he had invited Tom and Jennifer to come to PRO meeting.

### NEWSLETTER

Bruce shared that three former members of faculty had died: Edna Froehlich, Don Dennison and Luther Harris Sr. During Bruce's presentation it was announced that the next meeting will be on April 1, 2009.

### SOCIAL COMMITTEE REPORT

Linda reported that the Yoshi event had been spectacularly successful and that there are pictures to include about this event to be published in the next issue of the newsletter due in April. Linda shared that the Casino event previously advertised had been cancelled due to lack of sufficient interest among potential attendees.

Regarding upcoming events the following items were mentioned:

The Brigadoon show at Woodminster in September

The annual picnic

Other events under consideration for May-June time period include

The Smuin ballet at Leshor OR Yorba Buena

The Lesher musicals, EVITA and CABERET

The Napa Valley Wine tour

The plays at Altarena

Golden Gate Fields

Cal Performances

New Fox Oakland

The Paramount theatre

Any upcoming social event will be decided after email consultation in the next week. PRO's next meeting is scheduled for April 1, 2009 at 1PM in the PFT Office.

### SERVICE COMMITTEE

Sondra reported that she had discussed with Socorro Taylor at the District Office the upcoming scholarship awards and the events wherein those awards are delivered. Sondra shared that the original applications from the winners will be distributed to PRO for the purpose of correctly characterizing the awardees at the time of the scholarship ceremony. Both Sondra and Linda shall participate in two of the graduation ceremonies for these awards. Two other people will need to volunteer so all four award ceremonies are covered.

### BENEFITS

Alex reported that both he and Jerry attended the Benefits Committee meeting in which Tom Smith discussed the status of the PENSION OBLIGATION BONDS. Additionally Alex stated that he had NOT heard from any member of the retiree group concerned with any problem regarding medical coverage during the past month.

### MEMBERSHIP

Odell was not present and thus there is no membership report this month.

During Jennifer's presentation the question regarding acquisition to NAMES ONLY of the past five years' retirees be delivered to PRO. Jennifer agreed to supply those names. Ned suggested that to enhance the membership of PRO someone representing PRO attend some of the PFT and FACULTY SENATE meetings to make a pitch to incipient retirees for enrolling in a PRO membership.

With reference to the membership cards---this discussion has been tabled until PRO meets the next time---scheduled for April 1, 2009.

The meeting adjourned at 3:14PM..