

Peralta Retirees Organization (PRO)  
Board Meeting, January 4, 2006  
PFT Conference Room

**Board Officers:** Jerry Herman, President, Bruce Jacobs, Vice-President, Shirley Timm, Treasurer  
**Absent:** Juanita Peterson, Secretary

**Board Members:** Remo Arancio, George Herring, Pat England, Ned Pearlstein  
**Absent:** Phyllis Jones, Sondra Neiman, Alex Pappas

**Visitors:** Michael Mills, Jennifer Seibert, Karen Ulrich (Director of Employee Relations PCCD)

Jerry began the meeting at 12:35 pm by welcoming Ned Pearlstein as a newly elected member of the Board.

Michael Mills updated the Board on the status of the bond issue that the District has issued to help fund its unfunded liability for retiree medical benefits. The district has issued the bonds and they completely sold out on December 19, 2005. Lehman Brothers conducted the sale. Deutsche Bank is the custodian of the resulting \$153 million. Funds can only be used for retiree medical benefits or for paying off the bond. Jerry remarked that this shows that the District has found a way to finance its commitment and commended all concerned with this achievement. Jerry agreed to talk with Tom Smith and then to write something for the January-March 2006 newsletter to explain to PRO members the significance of the bond issue.

Jennifer Seibert then discussed with the Board the possibility of a \$25 co-pay for routine physical exams for pre-1992 retirees. Apparently CoreSource raised this with the District after an audit. Jerry and Remo produced previous Blue Cross SPDs which explicitly stated that there is no co-pay for a routine physical and explained that the Benefits Summary that says there is a \$25 co-pay was in error. Remo speculated that the \$25 co-pay language got picked up by mistake from the language for members who use a Preventive Care Center exam. Preventive Care Centers are hospitals that contracted with Blue Cross to provide an extensive multiphasic type physical. Remo also said that he had indicated to Michael Lamperd that there was an error in the benefits summary but that a correction to the summary apparently fell through the cracks. Jerry reiterated the importance of the district conferring with PRO prior to making any changes in the retiree benefits. Jennifer indicated that although the co-pay issue was not entirely resolved for her, she now had much more information which pointed to the \$25 co-pay not being consistent with the past coverage.

Jennifer then brought the Board up-to-date on reimbursement issues and the District's effort to get Medicare to waive penalties for people who signed up after 65. So far Medicare is refusing to waive the penalties.

The minutes were reviewed and Shirley Timm offered a minor correction which she will refer to Juanita for the final version.

Shirley also reported that PRO now has \$7370.72 in the bank with one \$10 check outstanding. There are currently 208 paid members for 2006. George Herring will send a letter written by Jerry to all retirees who have not joined PRO. Jerry is determined to contact every member from 2005 who has not renewed. Board members agreed to help.

Jerry reported the election results. The following were elected for two-year terms: Alex Pappas, Phyllis Jones, Sondra Neiman, Remo Arancio, and George Herring. The following were elected for one-year terms: Pat England, Ned Pearlstein. An exact count of the number of voters has not been done, but Jerry and Shirley estimate about 150 people turned in valid ballots.

Jerry also informed the Board that Audrey Elwood and George Sheldon had both passed away in December.

There was some discussion of proposed content for the January-March Newsletter.

The meeting then adjourned at 2:30 PM.

Respectfully submitted,

Bruce Jacobs (for Juanita Peterson, Secretary)