

PRO meeting March 10, 2010

PRESENT: Jerry Herman, Bruce Jacobs, Ned Pearlstein, Alex Pappas, Pat England, Shirley Timm, Linda Japzon, Jay Quesada, Sondra Neiman, Ann Whitehead

ABSENT: Remo Arancio

Jerry called the meeting to order at 1:05PM

Secretary's Report

Jerry moved to accept, seconded by Ned.
MSU

Treasurer's Report

Shirley shared that the current balance in PRO's account is \$20,469.07.

Newsletter

Bruce reported that there is no particular updated information on the website. Bruce will cover the following items in the upcoming newsletter:

- Change in bylaws per Shirley's editing
- An update regarding the scholarship fund per Sondra
- An announcement regarding T-shirts per Jay's investigation
- Identification of a social event planned for a time in May per Linda
- Reproduction of Jerry's address to the PCCD Board
- Reproduction of Bezemek's statement-of-triumph in Fresno

Bruce emphasized that material for inclusion in the upcoming newsletter should meet a deadline date of March 25, 2010.

President's Report

Jerry announced that a meeting between some PFT Officers, some PRO Officers and Tom Smith will take place on Tuesday March 17, 2010. The purpose of the meeting will be to clarify/explore all questions relevant to the Pension Obligation Bonds originally purchased to protect retiree medical benefits. It was noted that the funds generated by the bonds should never have been comingled with the District's general fund. Rumors are circulating that the funds were comingled according to Tom Smith and that this was one of the issues that led the PCCD Board to remove him from his CFO position. Jerry distributed copies of an article that appeared in the FRESNO/BEE regarding the Fresno Court Hearing outcome.

Social Committee

Linda and Jay reported that T-shirts are available for an order by the dozen at approximately \$15.00 per shirt. Linda and Jay had to locate a different

firm for the purchase of a banner. Such a banner will cost \$150.00. Jay distributed a photo image of the T-shirt design and a lengthy discussion took place regarding the selection of information/images that may be applied to the banner. Linda will gather information regarding a social event—a mixer—in Alameda for some Saturday or Sunday in May. Linda will report details about this social in the next newsletter.

Service Committee

Sondra reported that a total of \$1,800.00 was contributed to the scholarship fund in memory of Lee Spenza. As agreed in February the COA scholarship award ceremony at COA's next graduation will identify the memory of Lee and Linda Japzon will present the annual award there this year.

Membership Committee

Jay reported that Don Arnold and Tom Smith have joined PRO.

Benefits

After Jerry requested Alex to share his report regarding benefits the discussion ranged broadly across the following three topics:

Alex's comments concentrated on the issue of **extra taxable income**. Alex shared a conversation he had conducted with Rita Haberlin, a retiree and member of PRO. She had earned through her post-retirement teaching a salary in excess of \$30,580.00. STRS maintains a strict limit on the amount a retiree may earn when working in a Community College District. Each year STRS identifies that limit and it is correlated to their fiscal year, July 1 through June 30. Alex explained that the situation he raises refers to Peralta retirees who have a DOMESTIC PARTNER exercising access to medical benefits per PCCD agreement AND the retiree's earnings exceed the STRS limit

The STRS limit for the fiscal year 2009-2010 is prescribed by STRS and currently is \$30,580.00. The cost to PCCD for a domestic partner's medical benefits is \$7,000.00. Thus Alex is asking if the \$7,000.00 reduces the so-called limit to e.g. \$23,580.00.

The second topic focused on the announced **Kaiser and Coresource rate increases** predicted for next year. Ned questioned exactly what charges does PCCD pay per retiree to Kaiser and Coresource. Jerry shared a document he received at the most recent District Benefits committee meeting where Peter Wantuch, the District's broker was present. The document illustrated a trend analysis of medical costs.

The third topic concentrated on PRO's possible application for **Non-Profit Status labeled 501(c)4**. Bruce advanced the following reasons for pursuing this:

- It would give PRO the option to support ballot measures
- It would provide PRO some protections from legal suits
- It would allow PRO to seek additional assessments if needed without generating tax liability

Ned moved to apply for 501(c)4 status, seconded by Alex. Following much discussion Jay moved to table the motion until the next meeting, seconded by Pat. Shirley Timm agreed to do research between now and then concerning the advantages/disadvantages of non-profit status. Motion tabled, MSU

Jerry adjourned the meeting at 3:05PM.