

PRO Board, October 5, 2005
PFT Conference Room

Present: Jerry Herman, President; Bruce Jacobs, Vice-President; Shirley Timm, Treasurer;
Juanita Peterson, Secretary
Board: Remo Arancio, Patricia England, George Herring, Phyllis Jones, Shirley Nedham,
Sondra Neiman
Absent: Alex Pappas
Guests: Jennifer Seibert, District Benefits Coordinator; Michael Mills, PFT President

The meeting was called to order at 12:40 pm by President Herman.

Jennifer Seibert: The President introduced Ms. Seibert who came to address the Board on several health benefits issues pertaining to Peralta retirees. Open enrollment and Medicare B were Ms. Seibert's two main topics. Each member of the Board was provided with a copy of PCCD Benefits Open Enrollment 2005. Open enrollment period begins on October 17 and ends on November 18. Dates, times, and locations are provided for Vista, Merritt, Alameda, Laney, and for District and Retirees. Invited to each session to provide information are representatives of Social Security, unions, credit union, PERS and STRS. Ms. Seibert said that during open enrollment a second publication pertaining to active employees will be provided.

Jerry asked whether or not the Board wanted to have a representative at the open enrollment retiree session on October 21st. Discussion followed. The Board will provide PRO membership information at the October 21st location to encourage new and old retirees to join.

MSU(George, Pat) to not have a representative at the October 21st Benefits Fair, but to arrange for PRO member forms to be available.

The PCCD Benefits Open Enrollment brochure also has information on medical plan and dental plan comparisons. New for 2007 is the Pacific Union Dental (PUD) plan added to the District's dental plan options. A primary feature of PUD is the adult orthodontia benefit. Re-enrollment or change of enrollments Between October 17 and November 18 become effective January 1, 2006.

Ms. Seibert was asked to clarify a concern brought at an earlier Board meeting, namely, whether retirees are required to be enrolled in the Kaiser Permanente Senior Advantage program as well as being a member of Medicare Parts A and B. According to Ms. Seibert, the District has no authority to determine membership or not in Senior Advantage. Michael Mills said that Kaiser Senior Advantage with Medicare gives a savings to the District. Further, Kaiser Senior Advantage comes with a dental benefit. However, during open enrollment attention should be drawn to the Kaiser-Senior Advantage-Medicare program, since there are some retirees on the Kaiser plan who are not in Senior Advantage.

Ms. Seibert will prepare a notice to employees becoming 65 urging them to apply for Medicare A and B. She reminded others to review the FAQ notice concerning Medicare Part B she sent out last April. Bruce said that employee members of PERS have Part B without the District paying; STRS will pay for Medicare Part A for those who do not qualify. He asked Ms. Seibert to contact Representative Lee about Social Security Organization not waiving back payment for Part A for those who qualify. According to Alex Pappas who worked on the problem of waivers, if PCCD is covering Part A, no penalty should be assessed. Ms. Seibert said she will contact Social Security about the six retirees for whom she has letter of verification of waiver of penalty.

Also announced was that Medicare Part B checks for the third quarter were sent out from Pension Dynamics last week. Retirees should check their banks for direct deposits, if direct deposit is requested.

Medicare Part D: the advice given for Medicare Part D was to not sign up for it. Part D gives a 25% co-pay on prescription drugs. Kaiser has a co-pay of \$1 to \$15. The District's prescription plan is more favorable. The District should alert all retirees to not sign up for Part D. It is not clear whether Kaiser will require members to sign up for Part D. The District is applying to Social Security for reimbursement for Part D. Bruce asked: if a spouse is getting PCCD benefits and the retiree dies, then will the spouse lose PCCD prescription benefit and be subject to a late fee? Ms. Seibert said the spouse must show previous coverage to have the late fee waived. Shirley Nedham advised that the District should provide information about what to do when a spouse dies. Ms. Seibert will do a write-up for such an event and will include information about Social Security Part D. Bruce will send an email to retirees about Part D and will paraphrase the notice that Ms. Seibert sends out.

According to Ms. Seibert, Richard Johnson has been hired as the new Risk Management officer to start on October 10th.

Michael Mills: Michael reported on his trip to New York with Chancellor Elihu Harris, CFO Thomas Smith, and investment bankers Dale Scott, and Mark Harris, who will assist the District with the bond sales. The group visited investment houses Goldman Sachs, Bear & Stearns, and Lehman Brothers. Lehman Brothers will handle the sale of the bonds. It is not clear who will handle investment of the bonds, but it is anticipated that PERS and STRS will invest in them. The District must invest the revenue and the amount received will pay for the 2005 and 2006 medical benefits increase. Revenue from the sale of the bonds will go into a trust fund for retiree benefits. It should be noted that investment in the bonds is free of California tax but not federal tax.

Michael related that the investment houses seem to think the PCCD bond is a great idea, being a medical benefit bond and the first of that kind.

Michael asked for support in defeating Propositions 74, 75, and 76. He was encouraged to make a statement concerning these propositions after November 3rd, or possibly make an announcement at the Luncheon..

Secretary's Report: Minutes of the September 7, 2005 meeting were distributed. Shirley Nedham requested correction in the Election Planning section to read: "The **four** nominees receiving the most votes will each have a **two**-year appointment, the next **three** nominees receiving the most votes will have a **one**-year appointment."

MSU(Remo, Pat) that the minutes of the August and September meetings be approved.

Treasurer's Report: Shirley Timm said the current balance is \$3,539.97.

MSU(George, Pat) that the Treasurer's Report be approved.

It was agreed that Jerry will collect the RSVPs for the November 3rd luncheon.

Newsletter/Website: Bruce reported that the Website has been updated. The form for reimbursement for Kaiser prescriptions can now be found on the Website as a PDF file. Bruce was lauded for putting

this form on the Website and for his work on the Website. As soon as nominees for election are known, their names and candidate statements will be on the Website.

The October-December Newsletter was processed for mailing. Jerry regretted the absence of a masthead for the Newsletter and suggested increasing it to eight pages. Bruce said that cost is a consideration, and he will determine the cost to increase from 4 to 8 pages. Remo's feeling is that the Newsletter should be sent to all members, paid or not paid. However, if the cost becomes too great, an extra \$5 annually could be charged for those members who want to receive a hard copy.

Luncheon Plans: Jerry has reserved the PCCD Board Meeting Room for November 3rd until 3 p.m., and parking in the District parking lot has been cleared for that day. A shuttle driver was needed for those members who need that service. George Herring volunteered to shuttle members from the District Office to Laney.

Beginner's Inn is preparing Cajun-Creole including gumbo, chicken, or vegetarian entrees for lunch. Luncheon will consist of entrée, beverage, and dessert. It is not clear whether or not luncheon will be served or be buffet style. The amount of a gratuity for the servers was discussed.

MSU(Bruce, Remo) that a gratuity of \$150, in cash; be provided for the servers.

Jerry said that there will be announcements, but no entertainment. The business meeting will begin at 1:30 p.m. in the PCCD Board Meeting Room.

At Beginner's Inn, Shirley Timm will have a table for membership renewal. Jerry will prepare a list of luncheon guests, Shirley T. will prepare name tags, and Bruce and Shirley Nedham will serve as greeters.

Membership Committee: George Herring, Chair, has a list of the new retirees from Jennifer Seibert and from Laney, Merritt, Alameda, and Vista colleges. He requested telephone numbers for his telephone tree members. Juanita will send this information to George.

Service Committee: The next meeting of the Service Committee will be October 24th. Sondra, the Chair, said their big project is donations of books for Peralta libraries. Donations are to be brought on November 3rd to the District Office where a table and boxes will be there to receive them. Current magazines, books, novels, and non-fiction are wanted. Laney and Merritt are especially in need of current works. The Peralta Warehouse will deliver the books to the colleges. A donation should be accompanied with the name and address of the donor, and the number of books so that a letter of recognition can be sent the donor.

A notice by the Service Committee concerning book donations and the call for tutors can be found in the Oct.-Dec. 2005 Peralta Retiree Newsletter.

Benefits Committee: Remo Arancio, Interim Chair, said that there have been no meetings of the Committee. Jerry and Bruce, ex-officio members of the Committee, offered the following information: When retirees travel outside of the United States, Medicare does not cover any medical expenses, but CoreSource does. Therefore, the retiree should pay the required bills, keep the receipts, and determine the conversion to US dollars. Then, a form must be obtained from Jennifer Seibert and submitted to her office. Kaiser has a similar procedure.

Shirley N. suggested that the Benefits Committee provide information about what to do concerning PCCD, PERS, and STRS when a retiree dies.

Bruce said that information on Medicare Part D will be included when the ballot is mailed to all members of PRO.

Board Election. Jerry confirmed that each Board member on the slate of nominees submitted by the Nominating Committee is willing to run for election. Seven board members will be elected; the five nominees receiving the most votes will be elected for 2 years, the 2 receiving the next most votes will be elected for 1 year. The Board members agreed that nominations will close at the adjournment of the meeting on November 3rd and agreed to the dates as set forth in the motion below.

MSU(Bruce, Pat) that candidate statements will be received by Jerry by November 10th. Ballots will be mailed by November 20th. Ballots must be returned by close of day on December 15th.

The results of the election will be posted on the Website by December 30th.

Incorporation Status: Shirley Timm said that PRO's incorporation number is 2802581. The required forms and Bylaws must be received by the Franchise Tax Board by a date in December.

At 3:15 p.m. and due to another meeting needing the use of the PFT Conference Room, it was suggested that an ex-officio meeting be held to work on the Bylaws.

MSC(Bruce, Sondra) that an ex-officio meeting of the four officers be held specifically for working on the Bylaws, and that any problems to be reconciled be submitted to the full Board by November 3rd. [7 in favor, 1 opposed]

MSU(Shirley T., Pat) that the officers, and any other Board members who wish, meet to work on the Bylaws on October 24th at 1:30 pm in the PFT Conference Room.

The meeting adjourned at 3:25 pm.

Respectfully submitted,
Juanita Peterson, Secretary