



The Peralta Retiree

January — March 2010

Vol. 6 No. 2

<http://www.peraltaretirees.org>

From the President...

by Jerry Herman, PRO President

Who Can Ask For Anything More?

PRO's winter theatre event on February 4 is very special. We will see Athol Fugard's play *Coming Home* at the Berkeley Repertory Theatre. Robert Hurwitz, *S.F. Chronicle* theatre critic, ranked the rise of Berkeley Rep as the top Bay Area theatre story of the decade. The *N.Y. Times* called Fugard the greatest playwright writing in English since Shakespeare. Hard to beat a combination like that. I have taught plays by Fugard, and last year saw the superb production of Fugard's *My Children, My Africa* at the Marin Theatre Company, so I can personally vouch for the fact that you will have a stimulating, thought-provoking, moving experience at *Coming Home*. The February 4 performance will be followed by a discussion of the play. See details of PRO's theatre party on page 3.

FURA Update

PRO's annual membership meeting and luncheon was addressed by attorney David Conway who, with Bob Bezemek, represents the Fresno Unified Retirees' Association in its suit against the Fresno district for raising retirees' health benefit fees. The case, which has dragged on for five years now, is coming to a head with a crucial hearing on March 5. Conway stressed the importance of FURA's case for the retirees of every California public institution who have guaranteed health benefits. Luncheon attendees individually contributed several hundred dollars at the meeting, and more checks from individuals came in afterwards. As an organization PRO has contributed \$1500 to FURA. In sum, PRO members have contributed close to \$2500 to this very important cause. Fight on, FURA! See the letter from FURA president Carole Sarkisian-Bonard on page 5.

PRO's Winter Theatre Party

Athol Fugard's

COMING HOME

at

Berkeley Rep

Thursday · February 4
8 PM

\$27/ticket

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PCCD to Conduct Health Benefits Eligibility Audit

Peralta's District Benefits Coordinator Jennifer Seibert informed the PRO Board that the District will be conducting an audit of both active and retired employee's benefits enrollment. The purpose of the audit which will verify the eligibility of everyone for whom the District provides benefits is to save money. The audit, which the District expects to do in the spring of 2010, will require submission of documents which confirm the current relationship of Peralta-covered individuals. The District will prepare a list of acceptable documentation which will meet auditing standards.

However, Seibert did indicate that a copy of a current state income tax form would probably be acceptable for verifying legal marriage or domestic partner status as well as the status of dependents. "We have no interest in income, so income-related information can and should be blacked out of any documentation submitted for the audit. Marriage certificates alone do not establish a current relationship. In many cases, employees and retirees married years

ago fail to inform us about a change (death or divorce) in a relationship and inadvertently the District pays for ex-spouses."

For retirees the District provides fully paid medical benefits for spouses, legal domestic partners and dependent children up to age 25 (including adopted children, and children of a spouse or domestic partner).

The District has engaged the services of CoreSource, the company that administers the District's PPO insurance program, to conduct the audit of both Kaiser and CoreSource plan enrollment. According to their experts benefit enrollment audits typically yield a 4% premium cost savings. Peralta hopes to achieve these costs savings as well.

Seibert indicated to the PRO Board that there will be a dedicated customer service number for this audit to field questions and every effort would be made by the District to elicit a response from non-responders before anyone is removed from the roster of those covered by health insurance.

Peralta Retirees Organization

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More Info From The Benefits Office

- A completed Medicare Claim Form must be submitted together with the statement of expense from Medicare in order for Benefit Dynamics to process reimbursements in a timely and accurate manner. Claim forms received without documentation and premium documents received without a claim form are likely to be returned to the sender. The Medicare Reimbursement Claim Form was sent to each retiree and spouse over 65 in November 2009. You can download additional copies from the Peralta website for retirees (<http://peraltaretirees.pswbenefits.net/>) or contact the benefits office at 510 587-7229.

- PCCD is planning a group trip to Hawaii (four nights in Honolulu; under \$800 double occupancy) for August 2010. Look for details in an upcoming mailing.

- Retirees are encouraged to visit the website for retirees (<http://peraltaretirees.pswbenefits.net/>) for ongoing updates and to keep in touch with District-sponsored activities.

Attend PRO's Winter Theatre Party at Berkeley Rep



The Play

Time magazine calls Athol Fugard “the greatest active playwright in the English-speaking world.” Now South Africa’s master dramatist comes back to Berkeley Rep with a new show: *Coming Home*. Ten years after running off to the city to pursue her dreams, Veronika returns in rags. Among her meager belongings, she carries a desperate secret—and determination to plant the seeds of a new life for her son. It’s a “sad, sweet, and gently moving” show, says the *New York Times*, “a beautifully acted production directed by Gordon Edelstein.” In *Coming Home*, Fugard once again confronts the hard truths of his homeland while celebrating the power of hope.

Thursday · February 4 · 8 PM

\$27/Ticket

includes post-play discussion
a \$10 savings over the box office price

Berkeley Rep Thrust Stage
2025 Addison Street
Berkeley

Ticket orders must be received by
Monday, January 25

(Order early—only a limited number of tickets are available!)

To order tickets complete the form, enclose a check made out to “PRO” and mail to:
PRO, PO Box 1951, El Cerrito CA 94530. Please print.

Name _____ # of Tickets _____ X \$27 = _____

Address _____ City _____ State ____ Zip _____

Telephone _____

Rafael Jesús González Authors New Bilingual Poetry Book

By Bruce Jacobs

Ever since I retired in 2004 I have been taking Spanish classes. As a result, I can now understand the emails that I receive from time to time from Rafael Jesús González, a retired Laney English instructor. His emails are a welcome diversion from the myriad updates on health care reform and requests for financial support that are often part of the download. They usually include a poem in both Spanish and English often marking the onset of a new astrological period or a phase of the moon. The poems, sometimes long and involved, sometimes

short and poignant, are always lovely with images that speak to *el corazón*, the heart.

The poems that take their inspiration from the moon (*la luna* in Spanish) have just been gathered in a delightful book published by Pandemonium Press in Berkeley. The Lunatic Muse (*La musa lunática*) contains 24 of these *luna* poems in both Spanish and English, some just a few lines in tanka format (thirty-one syllable poems that have been the most popular form of poetry in Japan for at least 1300

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Images From The PRO Luncheon



Chris Hadley, Ann Whitehead and Helen Bersey



Flora Isaacson and Trudie Fator



Alan Meisel



PRO President Jerry Herman and Yvonne Lewis

Speaker Tells PRO Members About Fresno Retiree Lawsuit

David Conway, an associate in Bob Bezemek's law firm, briefed the attendees at the PRO luncheon about the history and current status of the lawsuit launched by the Fresno Unified Retirees Association (FURA).

In 2005 the Fresno Unified School District notified retirees that the District was going to charge retirees for medical insurance benefits. The contract under which the District's employees had retired required the District to fully pay for those benefits.

Conway indicated that the Fresno case would probably be the definitive case that would go to the California Supreme Court to determine if school districts can change the terms of the benefits guaranteed to retirees through their union contracts. In the past the courts have recognized that retiree health insurance benefits are a form of deferred compensation and, as such, cannot be reduced or changed. Fresno Unified is challenging those past precedents.

The hearing is scheduled for March 5, 2010.

and Annual Meeting on Nov. 12



Lew Levenson



Edie Chandler demonstrating Hawaiian dancing



John Dahlquist and Tom Terman



Gloria Edgar and PRO Board Member Linda Japzon

PRO Makes \$1500 Contribution to FURA Defense Fund

At its December 2009 meeting the PRO Board voted to make a contribution of \$1500 to the Fresno Unified Retirees' Association legal defense fund. The contribution was in addition to individual contributions from PRO members at the luncheon that amounted to an additional \$1000.

PRO received the following message from FURA:

On behalf of the thousands of Fresno Unified School District retirees, thank you and the members of the Peralta Retirees' Organization for the generous \$1500 check for our legal defense fund.

PRO members have contributed generously as individuals and this contribution will greatly enhance our fund raising for this calendar year as well. The District has stalled our efforts with meritless motions over the years and we are grateful that the March 5, 2010, hearing is just ahead. Bob Bezemek and his legal team have been extraordinary. FURA members keep saying, "What would we have done if we didn't have Bob as our attorney?" Where would we be, indeed? We would continue to pay and to pay higher and higher premiums in lieu of the promised free, lifetime, retiree health benefits we earned through

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PRO Board Briefed by PCCD CFO Tom Smith

by Bruce Jacobs

Peralta's Chief Financial Officer Tom Smith met with the PRO Board in December to brief the Board about both the status of the Pension Obligation Bonds issued to fund retiree medical benefits and the current and future fiscal situation faced by the PCCD.

Pension Obligation Bonds

In 2005 Peralta sold \$152 million worth of bonds in order to fund the District's obligation to provide retirees with lifetime health benefits. The plan was to invest the proceeds from the bond sales and to use the difference between the income earned from the investments and the interest paid on the bonds to pay for the benefits. The contracts signed at the time specify that the income generated from the bond investments can only be used to fund retiree health benefits and cannot, under any circumstances, be used by the PCCD for any other purpose (except repayment of the bonds).

Like most investments, Peralta's portfolio suffered a serious setback last fall when the stock and bond markets tumbled, but the good news is that the portfolio has recovered most of its value as the markets rebounded in the last few months. In addition, the portfolio has generated sufficient income so as to provide the PCCD with \$6 million in both fiscal 2006-07 and 2007-08. The portfolio will provide another \$6.8 million for 2008-09. Those disbursements have been used by the District to cover the entire cost of retiree medical benefits.

The current value of the portfolio is \$140 million. The portfolio has been redesigned recently to reflect a more conservative investment strategy given the current volatility of the markets. \$4.6 million of the funds were recently moved and are now invested in fixed-income mutual funds.

District's Fiscal Challenges

When the District issued the Pension Obligation Bonds, it projected that there would be both growth and COLA from the state. However, the projections did not include a recession as severe as the current one whose consequences have eliminated growth and

COLA funding from the state.

Moreover, Peralta faces considerable fiscal challenges due to both the cutbacks at the state level this year and the projected deficits that the state expects for the next three years (estimated at \$21 billion for 2010-11, \$23 billion for 2011-12 and \$20 billion for 2012-13). The District enrolled 20,300 FTES for the current year, 500 over its cap. The cap for next year will be 19,050. This means that the District will be operating with a smaller allotment from the state during the next academic year and will likely have to reduce sections in order to balance its budget, even if there is demand for the classes. During the current year classes with 35 students enrolled have been cancelled because there are insufficient funds to pay for them. In addition, there is serious talk at the state level of raising fees (currently at \$26 per unit) to \$50 per unit.

As the District reduces the budget for instruction it must also reduce the non-instructional budget in order to comply with the 50% law which compels that at least 50% of the budget must be spent on instruction. This means that many of the support services vital to Peralta students' success are being significantly cut.

The one bright spot is the potential for an infusion of federal funds. The Obama administration sees community colleges as an essential part of the educational piece of rebuilding the US economy. There is a possibility that there will be a number of significant initiatives coming from Washington that may alleviate some of the fiscal problems generated by the state shortfalls. A positive note for Peralta is that Laney's President Frank Chong has recently been appointed deputy assistant secretary for community colleges at the US Department of Education.

In December, Congressional Representatives John Larson (D-CT) and Ruben Hinojosa (D-TX) introduced H.R. 4196, the Community College Emergency Stabilization Fund Act, allocating \$700 million to states for purposes of providing grants to community colleges. Colleges will be able to use funds to cover costs related to maintaining, or hiring additional faculty and staff. Reps. Larson and Hinojosa are currently working to gather co-sponsors in an effort to have this measure attached to a Congressional jobs package.

Contribute To The Pro Scholarship Fund By Honoring Or Memorializing A Friend Or Loved One

✂ **Yes, I want to support the PRO Scholarship Fund with a contribution.**
(Please print)

In honor of: **On the occasion of:** **In memory of:**

Please send acknowledgement card to:

Name: _____

Address: _____

City: _____ **State:** _____ **Zip:** _____

Contributor's Name: _____

Contributor's Address: _____

City: _____ **State:** _____ **Zip:** _____

Make check payable to: **The Peralta Foundation—PRO**

Send to: PRO, PO Box 1951, El Cerrito, CA 94530

Contributions are tax deductible to the extent allowed by federal and state law.

Contributions Received for the PRO Scholarship Fund

In Memory of	Contributor
Walter Asato	Aiko Asato
Norbert Bischof	Chris Galas
Norbert Bischof	Juanita Peterson
Bess Earp	Trudie Fator
Stanley Korich	Ken Hurst
General Contributions	
Steve Schneider	

IN MEMORIAM

The following Peralta retirees have passed away during the last months. PRO extends our deepest condolences to their families and loved ones.

**Sharon Short
Herb Stein**

If you have any information about the passing or the serious illness of a Peralta retiree, please contact Bruce Jacobs at: webmaster@peraltaretirees.org or by writing to PRO, PO Box 1951, El Cerrito CA 94530.

(PRO Makes Contribution

Continued from page 5)

our loyal work for the district for decades.

It is shameful that our former employer didn't understand or want to comprehend what we said back in the fall of 2004: a promise is a promise...a deal is a

deal...a contract is a contract.

Thank you for your solidarity and your generosity and thoughtfulness. Please share FURA's gratitude with the members of your organization.

*With kindest personal regards,
Carole Sarkisian-Bonard, Ed.D.
President, Fresno Unified Retir-*

ees' Association

PRO members who wish to make a personal contribution to FURA's legal defense funds should send a check made out to 'FURA' to:

FURA, PO Box 1717, Clovis, CA 93613-1717

(Poetry Book Continued from page 3)

years; as a form of poetry, tanka is older than haiku, and tanka poems evoke a moment or mark an occasion with concision and musicality.); others almost a free form essay. However, each of them reflects Rafael's point-of-view, expressed in the book's introduction, that "The mirror Moon gives perspective to the Earth, is intermediary (not stepping-stone) to the stars. Call the Moon touchstone of the Earth, lodestone of our humors, milestone of our circular journey. Ultimately, she is simply a rock, if you will, caught up in the orbit of the Earth which the poet in us uses as focus, as pretext to mirror and voice the contentment or disquiet of our lives."

The Lunatic Moon is available from Pandemonium Press, 1811A Woolsey Street, Berkeley, CA 94703 for \$10 + \$1.50/copy for shipping. It is also available from Amazon and some local bookstores. One of Rafael's poems appears opposite.



Rafael Jesús González

Vemos la luna plena
de muy lejanos lugares;
tal vez tú la veas
tan llena como lo sería
si la vieramos juntos.

We view the full moon
From very distant places;
Perhaps you see it
Just as full as it would be
If we saw it together.

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