

CUCEA/CUCRA MEETING – OCTOBER 25, 2007 at UC DAVIS

CUCEA Attendees-Joint Session:

Charles Berst, Derick Brinkerhoff, Jim Chalfant, Janice Corriden, John Craig, Barbara Hamkalo, Charles Hess, Ursula Mahlendorf, Errol Mauchlan, Alex McCalla, Robert B. Miller, Patricia Pelfrey, Lyman Porter, Dorothy Rice, Paul Sheats, David Sprecher, Louise Taylor

CUCRA Attendees-Joint Session: Tom Beales (LBNL), Janice Dairiki (LBNL), Anita Diaz (UCSC), Richard Drake (UCSF), Lee Duffus, (UCSC), Bob Eernisse (UCD), Bob Fulton (LBNL), Marian Gade (UCB/CUCRA), Jeff Garberson (LLNL), Barbara Gerber (UCOP), Adrian Harris (UCLA), Dick Jensen (UCSB/UCSC), Jim Mackie (UCSF), Joe Mariner (LANL), Mary Mariner (LANL), Sal Martino (UCR), Donn Miller (UCSB), Barbara J. Nichols (UCD), Rosemary Norling (UCSD), Hugh Pates (UCSD), John Pitts (LLNL), Deanna Falge Pritchard (UCD/CUCRA), Anne Gray Raventos (UCD), Marianne Schnaubelt (UCI), Antonia Sweet (UCB/CUCRA), Cheryl Tyler (UCLA), Clifford Wurfel (UCR) Guests; Gloria Parra (UCB), Anne Wolf (UCOP)

Welcome – UC Davis Host Bob Halferty welcomed us and gave a status report on the new retirees' center, budget and parking at UC Davis. The UCD Retirees Association has 1000 paid members. Chancellor Larry Vanderhoef reported that UCD is preparing for its centennial in 2008. He gave an overview of the campus.

Comments by Treasurer on Investments - Marie Berggren could not attend. Judy Boyette reported for her that UC has investments of almost \$48 billion dollars in market value and performance is above the benchmark in every case. The Treasurer's Office monitors each UC plan.

Comments on Activities at UCOP - Judy Boyette reported that the Regents have hired a consultant to look at UCOP operations. The report is on the web. It states that HR/Benefits lacks the infrastructure to do its job. It seems to compare everything to corporate structure. The group that prepared the report didn't ask retirees about HR services because they didn't believe it was part of the job/mission. It may be a good time for another letter from CUCEA/CUCRA because they need to be made aware of us and our place within the UCOP structure. The LANS retirement work is finished. UC has had a very different culture regarding retirees from that of the LANS Corporation. UCOP staff will be going to Los Alamos on a quarterly basis to hear concerns. The nurses' union has stated that it won't accept the same benefits as other UC employees. UCOP may have to carve out certain groups of people who will be treated separately. That would make it impossible to have open enrollment all together. Twenty five percent of HR/Benefits time is spent on labor relations. While seventeen percent of the general funds are designated for benefits, different campuses get different percents of state funds for benefits. We must put aside the money for retirees. We need to weigh in NOW!

Comments on Health and Welfare – Randy Scott stated that because of market consolidation and the continual increases in the cost of health care UCOP went out to bid on all plans this year. It should happen every five years and had not taken place since 1999. The Faculty Welfare Committee was a great partner in interviewing the plan providers. Since no plan can do everything well, UC chose specialty options. It was decided not to carve out a specialty vendor for prescription drugs. Mental health benefits must be there for all UC people. Co-payments for the first three visits will be waived to provide easy access for everyone. This was a qualitative decision. This year member engagement for wellness was started as a pilot program at Berkeley and UCOP. It was successful, Staywell will be the company providing this service. The focus for this year is on everyone completing a personal health assessment. An award was presented to Lester Breslau for his work in this area. Disease management programs will be assessed this year. UC has approximately 45,000 people in health care plans. Next year 3% of \$1 billion dollars will be saved as a result of the open bid process which Mark Esteban managed. Anne

Wolfe stated that all open enrollment information has been mailed. It is also on the web. Nothing will stop inflation in the health care industry, continuing increases in cost are a fact of life. Beginning in July 2008 the UC Vision plan will be available, but it will be necessary to pay for it. The open enrollment packet will have its rates. To help UC publicize how much it provides Randy Scott suggests letters to the editors, and partnering with the public relations staff at your campus.

Comments on Restarting Contributions to the Retirement Plan - UC had to negotiate with the unions and with the State on this matter. The Regents will receive the annual actuarial report at their November meeting and they will continue to look at all the factors. At some point in the near future contributions will have to begin again. Employee contributions ultimately will be approximately 5% to 6%. UC will pay a larger portion. Dick Jensen stated that CUCEA/CURCA wrote a letter last year regarding this. Regents make AD HOC adjustments that are not mandated, if the fund gets below 100% future adjustments may be in jeopardy.

Comments on UC Academic Senate Faculty Welfare Committee Report - Jim Chalfant stated that the report on UCRP reflects the UC Faculty Welfare Committee's concerns regarding the organization of UCOP, the trend towards privatization of UC, salary scales, the presidential search, parking and the necessity to continue to emphasize the importance of restarting contributions to UCRP. Other issues include benefits being extended to include adoption. Compensation must be measured by weighing UC's against the competition. There is a need for positive messages to all UC employees regarding benefits. The UC Faculty Welfare Committee is privy to confidential information because they are not part of a bargaining union. In summary the committee pays attention, is consulted and gives advice rather than taking a lobbying position.

Joints Benefits Committee Report- Adrian Harris had no report but had commented previously on the fact that he doesn't receive information. As a result Louise Taylor and Dick Jensen wrote to Katy Lapp listing the successes of the two organizations. The scene is changing rapidly. Annuitants must be more active in managing their money. The work of the Joint Benefits Committee and the Retirement Centers are more important than ever. A second letter offering to help was sent. Louise Taylor said it is important to work together because CUCEA and CUCRA have a historical perspective. She asked Randy Scott what we can do to help. He stated that the Governor's report coming out in January will have to be seen first. Then he and Judy Boyette will be happy to meet with any groups that we establish. The discussion with the State of California will continue.

The following letter was included in each member's agenda packet:

REPORT FROM THE CHAIR OF JBC TO JOINT MEETING - 10/25/2007

The Chair of the JBC has been effectively isolated from information that would aid the analysis necessary in order to impact OP deliberations. The questions asked a year ago, and again six months ago have not had any response. There are signs that actions taken in forming the Open Enrollment packets this year have taken into account the issues raised by the unanswered questions, but again full particulars have not been provided, and that conjecture can not be confirmed.

Our request for a brainstorming session that might result in improvements for those who retired many years ago, and who are living near or below the poverty level, has been completely disregarded, even though this matter was raised with Judy Boyette seven years ago, and recognized as a matter that should be explored.

OP has continued to include the Chairs of CUCEA and CUCRA in deliberations, but with the admonition that information provided cannot be shared with anyone! The latest action reported---the expected inclusion of the Chairs as ex-officio members of the UCRS Advisory Committee, continues this policy, although when we requested such membership 12 years ago, and our request was denied, our conclusion was that membership really was unnecessary, and probably undesirable, as long as we had the

ability to attend all Board meetings, with privileges of the floor. Of course that was at a time when the Board actually officially voted on actions, rather than simply proposing specific actions to the President of the University, to whom they are advisory. The only difference in the future will be the placement of the two individuals in the room at meetings---at the table, rather than on the side of the room---and the ability to attend “executive sessions,” which have here-to-for been a mystery to those not allowed to attend them, although the topics discussed in those sessions were supposed to be disclosed as a part of the minutes of the Board.

While one may consider these comments from the Chair as the result of paranoia, I remind you that even paranoids have enemies!! The Chair may very well be viewed by OP like they view Professor Charles Schwartz, who is considered a gad-fly, who should be ignored. If changes are not forthcoming, we will have to work through other individuals, who bear the recognition and support of the OP staff. I can happily report that the JBC membership has been significantly strengthened by the addition of Errol Mauchlan, Louise Taylor, Jack Fisher and Larry Pitts, at least one of whom has been deeply involved in a variety of formal consultative bodies of the University.

If CUCEA and CUCRA are satisfied with the current arrangement, than I believe the JBC should essentially be closeted, or shut down completely. Or, one of the two Chairs should be named Chair of the JBC, since they would have the information necessary to raise issues for JBC consideration. However, the problem with this arrangement is the temporary nature of these individual’s appointments, which for CUCEA is only one year, and for CUCRA, generally two or four year. Continuity has been an essential element for the success of the JBC in the past, but OP has rendered that useless at this point.

Adrian Harris
Chair, JBC
10/25/2007

Dick Jensen stated that UC gets about 25% of its money from the State, JBC asked why PERS Kaiser doesn’t have the same rates as UCRS? The question was asked as to how we determine rates and it wasn’t answered. Dick Jensen and others will work with UCOP to get answers. He thanked Judy Boyette and said her staff is to be lauded for their efforts to communicate.

Travel Report - Rosemary Norling asked representatives to take pamphlets regarding current travel plans back to their associations for dissemination. We need to advertise on each campus in our newsletters. Rosemary thanked Anne Wolf for the coverage that the programs are receiving in New Dimensions. UC makes a commission from the travel that is then donated to CUCRA.

CUCRA MEETING – OCTOBER 25, 2007 at UC DAVIS

Attendees: Tom Beales (LBNL), Janice Dairiki (LBNL), Anita Diaz (UCSC), Richard Drake (UCSF), Lee Duffus, (UCSC), Bob Eernisse (UCD), Bob Fulton (LBNL), Marian Gade (UCB/CUCRA), Jeff Garberson (LLNL), Barbara Gerber (UCOP), Dick Jensen (UCSB/UCSC), Jim Mackie (UCSF), Joe Mariner (LANL), Mary Mariner (LANL), Sal Martino (UCR), Donn Miller (UCSB), Barbara J. Nichols (UCD), Rosemary Norling (UCSD), Hugh Pates (UCSD), John Pitts (LLNL), Deanna Falge Pritchard (UCD/CUCRA), Anne Gray Raventos (UCD), Marianne Schnaubelt (UCI), Antonia Sweet (UCB/CUCRA), Cheryl Tyler (UCLA), Clifford Wurfel (UCR) Guests; Gloria Parra (UCB), Anne Wolf (UCOP)

The meeting was called to order by Chairman Dick Jensen. The March 22, 2007 minutes were approved unanimously as corrected. The last sentence under Treasurer's Report was removed.

The Spring Meeting for CUCRA is to be held on March 27, 2008 in Southern California. It was suggested that we change our meeting to April 23-24, 2008 at Riverside as a joint meeting with CUCEA. The committees would meet on the afternoon of the 23rd. Dick Jensen will consult with CUCEA and let Sal Martino know when the final decision is made. CUCRA's decision was made by a unanimous vote.

Treasurer's Report – Bob Eernisse

Rosemary submitted a check for \$2,782.20. The CD seed money belongs to "travel" while the money she sends to the Treasurer goes into CUCRA's general fund and may be placed in CUCRA's CD if not immediately needed. The Bank of America checking account doesn't earn interest. The CD is with Edward Jones. CUCRA assets, without the CD, are \$13,284.05 as of October 2007 with 5115 members. Dick Jensen raised the question of the labs' interest in continuing to belong to CUCRA. Tom Beales and Jeff Garberson both think there is value to belonging to CUCRA. There is no need at this time to make assumptions that they would no longer be paying dues. It was suggested that we could lower rates for dues. Because we do almost everything by email we are saving money. The surplus could be used to pay for the brochure. It was also suggested that we not do anything at this time. The new officers may be asked to look at the question but nothing should be done about it in the near future. A mass mailing was suggested for all members with a glossy travel page to promote the travel program. The motion to adopt the proposed budget passed unanimously. Dorothy Webster will be asked to audit the books as they pass to the new treasurer.

Information Officer's Report - Deana Falge Pritchard

Each member was asked to correct the information on the address sheet. Only eight people received snail mail for this meeting, all others were contacted by email. The brochure needs three changes, Suzan Cioffi will make those changes. She will then pass the brochure to the new Information Officer who will distribute it to each campus.

Historian's Report - Donn Miller

If you are interested in the history of the organization it will be mailed to you.

Nominating Committee's Report – Jim Mackie reported in Don Wilkie's absence.

The election slate is as follows: Chair-Marian Gade, Chair Elect-Lee Dufffus, Information Officer-Antonia Sweet, Secretary-Suzan Cioffi, Treasurer-Anne Gray Raventos. Each candidate made a statement and the vote was called. The slate was approved unanimously.

Marian Gade, Chair Elect, presented Dick Jensen with a gift certificate to Boucheron Restaurant in Santa Barbara as a sign of appreciation for all his hard work on our behalf as Chair of CUCRA.

Dick Jensen reported that there are changes in the Joint Benefits Committee membership. Louise Taylor, Jack Fisher and John Pitts will be added while Gene Lee and Moe Greenfield will step down.

Anne Wolf reported there will be no changes in New Dimensions. They are looking for more personal interaction. It was suggested that we take this back to our associations asking for articles to be submitted. New Dimensions is the only regular communication with retirees. As such, should it be sent only by email? Anne Wolf also stated that UCOP is putting together a guide for retirees outlining everything that a person needs to know in retirement. We will be asked for feedback. The handbook will then be put in a packet for everyone beginning the retirement process. Email with suggestions may be sent to HYPERLINK "mailto:Anne.wolf@ucop.edu" anne.wolf@ucop.edu.

Discussion of Judy Boyette's comments resulted in the decision to write another letter from Dick Jensen and Louise Taylor to the Regents regarding exactly what services HR/Benefits provides for retirees and expressing appreciation for the continuing support HR/Benefits gives us. There are 45,000 active retirees and 30,000 inactive. The motion passed unanimously. A draft of the letter will be circulated for comments.

Regarding the LLNL conversion, Jeff Garberson stated that at LLNL there is much anger over the change and lack of communication to retirees. The retirees association is discussing how to include retirees from the new LLNL who will not be part of UC into its retirees association.

Dick Jensen announced that the chairs of CUCEA and CUCRA are now ex-officio members of the UCRS Advisory Board. Dick Jensen and Marian Gade will work to make JBC more significant. Dick explained the different responsibilities of the Joint Benefits Committee and the Faculty Welfare Committee. A committee of Dick Jensen, Marian Gade, Lee Duffus and Louise Taylor will look into the issues. Richard Drake, Dick Jensen and Jim Mackie will look into the issue of library access. Emeriti have access but staff do not. The new officers were installed, thanks were expressed to UC Davis and the meeting adjourned at 2:55 p.m.

Motions

Minutes for March 27, 2007 meeting were approved as corrected.

A joint meeting with CUCEA in the Spring was approved unanimously.

The slate of officers was unanimously approved. The slate includes: Marian Gade, Chair; Lee Duffus, Vice Chair; Anne Gray Raventos, Treasurer; Suzan Cioffi, Secretary; Toni Sweet, Information Officer. A letter from Dick Jensen and Louise Taylor to the Regents regarding exactly what services HR/Benefits provides for retirees and expressing our appreciation for the continuing support they give us was unanimously approved.

Action Items

Dick Jensen will write a letter with Louise Taylor to the Regents regarding the role of the Office of the President's Human Resources in support of retirees.

Dick Jensen, Marian Gade, Lee Duffus, Louise Taylor will look into issues for the JBC.

Dick Jensen, Richard Drake and Jim Mackie will look into library access.

Dick Jensen will check with CUCEA regarding a joint meeting for March/April 2008.

Submitted by Toni Sweet