

**RETIREE SUPPORT GROUP OF CONTRA COSTA COUNTY
MINUTES**

December 7, 2017

Pacheco Community Center, Martinez, Ca.

1. Opening –

The meeting was called to order at 10:10 AM by Vice-Chair Douglas Pipes. A quorum was present. Chair Pat Patterson was ill and remained in a back room, but was able to listen to the meeting. Secretary Elaine Grothmann was also absent. Four new members were welcomed, all of them from the Public Works Department. One new member mentioned not being aware of the Retiree Support Group at the time of his retirement. Another attendee was here on behalf of his retiree wife. A County physician, Dr. Sharon Hiner Funk gave a presentation on the importance of health care for seniors and explained a summary of screening, prevention, and counseling recommendations for adults age 65+ years.

2. Minutes –

A motion was made and seconded to accept the minutes from the October 5, 2017, meeting; the motion passed unanimously.

3. Treasurer's Report –

Terry Mann gave the Treasurer's report. All bills have been paid to date and all checks have been deposited. Seventy-two new members have joined RSG in response to a membership recruitment letter was sent by RSG to all County retirees. The cost of the recruitment mailing was \$6,000.

Doug discussed the issue of monthly dues being reduced after the Retiree Support Group reaches \$500,000 in its legal fund. It is anticipated that this goal will be reached in a couple of years. A question was raised whether Doug anticipates any future attacks on our pensions. His answer was "yes". He mentioned that there are currently three lawsuits pending about public employee pensions. It is important for us to remain prepared to defend against possible and probable attacks on public employee pensions.

4. Status Reports –

Glenda Edwards: In the minutes from our last meeting it was brought up that the person making coffee for the minutes could no longer do it. Glenda said she could bring the Starbucks coffee, but a new volunteer is needed to make the coffee.

Louie Kroll: Louie was absent from today's meeting. At the February 2018 meeting we Nathan Johnson from the County Veteran Services Office will speak about veterans' benefits.

Doug Pipes: The DSA lawsuit against CCCERA that is pending in the Court of Appeal is scheduled for oral argument on December 12th. This lawsuit arose from the decision by the CCCERA Board of Retirement to apply the Public Employee Pension Reform Act (called PEPRA) to all County employee members of CCCERA who had not yet retired prior to January 1, 2013. PEPRA greatly restricted the types of compensation that can be counted by a public employee in computing that employee's final compensation for purposes of establishing the employee's retirement allowance. Litigation over CCCERA's decision to apply PEPRA's restricted compensation formula to existing employees has resulted in a five-year legal fight.

Steve Ojena: Contra Costa County implemented increased health insurance premium charges from retiree allowance checks one month too early. An e-mail was sent out to CCCERA members requesting that they look at their November pension check to see an error was made in their retirement check computation. Any errors in overcharging for health insurance premiums in the December 1st retirement checks will be corrected and refunded by a separate check if the amount is over \$200. If the error resulted in a deduction overcharge that was less than \$200.00, that amount will be corrected in the January 1st retirement checks.

Mike Sloan (CCCREA President): Mike provided an update on the CalPers long-term disability insurance lawsuit. The plaintiffs' attorneys handling that case are continuing to do pre-trial preparation and collection of evidence necessary to litigate the case at trial. It is expected that a motion to decertify the class will be made by CalPERS by April 19, 2018. The trial is currently set for November of 2018, but the trial could be delayed into early 2019. The class action lawsuit against CalPERS was precipitated by a massive increase in the premiums for long-term disability insurance provided by CalPERS, an increase caused by CalPers' failure to utilize accurate actuarial figures on longevity. Deceased members of the lawsuit will continue to be involved in the suit.

Glenda Edwards: A special election had been proposed by Pat Patterson because of Glenda's statement that she was going to resign her position on the RSG Board of Directors. Glenda informed the members in the meeting that she has reconsidered her

indicated resignation and plans to continue on the RSG Board. No election will be required.

Jack Funk: Jack updated members about the CCCERA Clawback program. A group of 15 retirees had been set for administrative hearings regarding proposed reductions in their retirement allowances. The hearings are not going to take place because the Retirement Board has apparently decided to terminate the Clawback program. There are two schools of thought on why the Retirement Board has made this decision. One school of thought is that the Board has decided to terminate the program out of a desire to not pursue it further. The other school of thought is that the Board has decided to wait for a final resolution in the DSA v. CCCERA lawsuit before deciding whether to pursue clawback against retirees. It is important for RSG members to know that the DSA v. CCCERA lawsuit does not involve an effort to change retirement allowances for persons who have retired prior to January 1, 2013.

5. Guest Speaker –

Jack Funk introduced his wife, retired County physician Dr. Sharon Hiner Funk, to speak on elder wellness, diet, nutrition, exercise, and current developments in cancer screening and treatment. She discussed approaches to geriatric care, staying healthy and active in old age and preventative care. Three core issues are diet, exercise, and sleep. Dr. Hiner distributed a handout entitled Summary of Screening, Prevention, and Counseling Recommendations for Adults Age 65+. At that age, about 80% of people have a chronic disease. Dr. Hiner also stressed the importance of having an Advance Directive. Doug Pipes thanked Dr. Hiner for her very informative presentation.

6. Group Information Sharing –

Steve Salveras: He spoke on the availability of names, addresses, and phone numbers of recent retirees who retired on or after January 1, 2016, and who are therefore not covered by RSG's health insurance benefits settlement agreement with the County. Steve explained that he feels that Contra Costa County did not effectively communicate to active employees that if they wanted to be covered by the health insurance lawsuit, they had to retire prior to January 1, 2016. He stated that County contributions toward health care premiums have been reduced without notifying employees in advance

Doug Pipes: Doug explained the history regarding caps on contributions toward health care. After mediation, Contra Costa County agreed to a minimum level of County contributions to retirees' health insurance premiums. The County insisted that the agreement apply only to persons who had retired prior to January 1, 2016. There will be increasing numbers of RSG members who are in a different class because of retiring after

January 1, 2016. Doug asked Mr. Salveras to speak with him later to discuss this issue further.

A member asked a question about the RSG general fund, which is increasing in size. Terry Mann will check into this. Another member asked how cost-of-living increases for retiree pensions are determined and when the 2018 cost-of-living increase will be announced. Doug advised that the COLA for 2018 will be determined based on changes to the Bay Area Consumer Price Index as calculated by the Bureau of Labor Statistics (BLS) in early January of 2018. We will advise RSG members of the expected COLA as soon as BLS releases its CPI report on January 12, 2018.

The meeting was adjourned at 12:10 PM.

Respectfully submitted,
Linda Wallgren for Elaine Grothmann, Secretary