

FOOTHILL-DE ANZA RETIREES ASSOCIATION
Board Meeting Minutes
May 2, 2017

President Mike Paccioretti called the meeting to order at 10:41am in the Toyon Room at Foothill College.

Attendance: Mike Paccioretti, Ed Burling, Bill Lewis, Maureen Gates, Bob Hubbs, Cindy Castillo, Claudette Penner, and Tom Roza

Absent: Janice Carr, Lescher Dowling

Guests: None

Meeting Minutes

March meeting minutes approved

Treasurer's Report - Ed Burling

- Provided Copy of Treasurer's Report
 - Old Balance:.....\$ 3,433
 - Income:\$ 1,315
 - Dues.....\$ 310
 - Scholarship.....\$ 1,005
 - Expenditures:.....\$ 0
- 2017 Ending Balance: ...\$ 4,748
- Overpayment for 2016 Holiday Lunch
 - Patrick Gannon advised he used an incorrect amount for determining the cost for the 2016 Holiday Lunch that was charged to FODARA
 - Reached agreement with Ed Burling to credit the 2017 Holiday Lunch cost with the amount of the overpayment: \$315

Summary:

- Ending Balance for May 2015 was \$5,622
- Ending Balance for May 2016 was \$5,756

Treasurer's Report approved

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REPORTS OF COMMITTEES:

District Benefits – Faith Milonas & Tom Strand

Summary of March 16 JLMBC meeting from Faith Milonas

1. Rate Stabilization Fund Balance Report

- Ann Lazzarino and Raquel Puentes-Griffith, Executive Director, District Fiscal Services, presented new and improved balance sheet for the Rate Stabilization Fund (RSF); this is the new name for Fund 61
- Current RSF balance is \$8,537,749; this fund will be updated from plan-year to plan-year rather than fiscal-year to fiscal-year like all other District funds.
- The new balance sheet now has a separate line for Voluntary Employee Beneficiary Trust (VEBA); showed Lockton's projected costs, the actuals and the variances for Plan years 2013-2017.
- The overall increase in health benefits costs over the past four years is 11%, less than 3% increase per year; definitely below industry projections.
- Cadillac/ACA: Will either go completely away or not take effect until 2025

2. Whole Life Insurance Update

- Part-time faculty eligible for voluntary Whole Life Insurance program.

3. Hearing Aid Benefit

- The constituents of JLMBC members were not interested in participating in the non-voluntary hearing aid program.

Summary of April 13 JLMBC meeting from Faith Milonas

1. Benefit Renewal Overview (Lockton)

- Some insurers are pulling out of ACA due to the uncertainty in D.C; it's unclear how this will impact CalPERS
- Lockton said CalPERS is going to encourage members to use Castlight, the cost estimator; members can save money by shopping around
- Lockton advised CalPERS is making a big distinction between having a procedure (e.g., colonoscopy) at a Surgery Center vs. at a Hospital; Surgery Centers will cost members significantly less
- Plan Renewal Schedule

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- Lockton reviewed renewal schedule for Medical, Dental, Vision, Life, AD&D, Supplemental Life, LTD Plans, Employee Assistance Plan and FSA/Commuter Benefits Administration
- Renewal date is January 1, 2018 for all plans but the estimated date of release of final numbers differs

2. Renewal History (Lockton)

- Lockton provided spread sheet that compared Lockton's projected costs vs. the actual costs of the Medical Plans at FHDA; spreadsheet showed that the majority of FHDA employees and retirees enroll in Choice, Select and Kaiser.
- Lockton's projections have been higher than actuals in every year except 2015
- Lockton recommending FHDA use 7% as the projected increase for 2018 even though the highest increase FHDA has experienced in the past 4 years in 5.05%
- The Committee questioned the rationale for using 7%

3. Contribution Modeling (Lockton)

- Significant change from previous years: Lockton uses an interactive model.
- The model was based on a 7% rate increase for 2018 but the Committee could ask to see the numbers if the rate only increased by 5% or if each plan was increased by \$5 etc.
- Lockton believes that Keenan's projected numbers for cost of Dental and Vision Plans was too high; instead of costing the District \$141 per member per month for the Dental Plan, Lockton believes that the number was closer to \$115-\$120
- Lockton placed new numbers into interactive model to see what effect this would have on the overall cost to the District; Lockton has been using 3% annual rate of cost increase to District for reimbursement of Medicare Part B
- Some committee member thought this may be too high and suggested using a different method to project this rate increase; may be tweaking the models until JLMBC and Lockton think the numbers are as close as we can get
- It appears that the hit to the Rate Stabilization Fund (formerly known as Fund 61) will be significantly less than it first appeared.

After-Words-Linda Lane

- Submission date for May 2017 Newsletter:May 7
- Final draft for edits/suggestions within 2 days; Proofread: May 9-11
- Change In Newsletter Format (Linda Lane/Cindy Castillo)

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After-Words-(Cont)

- Previously, there was a requirement for even number of pages for folding & mailing via USPS; now, most retirees receive the newsletter electronically
- Current formatting requires Linda to either cut articles or have to stretch them to keep the even page format with one page for folding to be mailed
- Board approved eliminating even-number page requirement

Scholarships

No Report

E-mail & Distribution

- Cindy Castillo contains to maintain email service with address changes

Social Events-2016-17

Pizza Party:..... Completed

St Valentine's Luncheon..Completed

Holiday Party:..... Completed

Summer Picnic:Jun 15 300pm-500pm at Cuesta Park, Mtn View

- Mike Paccioretti and Obie Coordinators; Theme & Menu: Mexican
- Food pre-cooked/delivered by Third-Party vendor; Obie searching for vendor
- Attendance Fee: Per person Cost: \$21
- Article and Reservation form to be included in the May edition of *After-Words*

SJ Giants Baseball BBQ Event:.....Date TBD

- Bill Lewis is event coordinator
- Date: Saturday Aug 26 5:00pm; San Jose Giants vs. Stockton Ports
- Contract signed/reservation made with San Jose Giants to hold the date
- Article and Reservation form to be included in the May edition of *After-Words*
- Fees: Game+BBQ: \$27; Game+BBQ+Alcohol:\$29; Game+BBQ/Senior/Kids: \$16; Parking Fee: Pre-paid: \$9; Day of Event: \$10
- Menu: Various sandwich items, side dishes & beverages; includes Vegetarian

Note1: 2017 Holiday Party reserved for Friday Dec 15

Note2: Proposal: Cancel 2018 St Valentine's Day Luncheon or replace with another event; To Be Determined

UNFINISHED BUSINESS:

None

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NEW BUSINESS:

New Format for After-Word (*see Committee Reports/After-Words update*)

ANNOUNCEMENTS:

The next meeting will be on **September 12, 2017** at **10:30am** in the Toyon Room
(*Note: Meeting moved from Sept 5 because/day after the Labor Day Holiday*)

FODARA 2017-18 Board Meeting Dates: Sept 12, Nov 7, Jan 9 (off campus location), Mar 6, and May 1

There being no further business, the meeting was adjourned at 11:45am

Respectfully Submitted,
Tom Roza, Secretary