

CALIF^{OR}NIA STATE RETIREES

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CSR BOARD OF DIRECTORS' MEETING

**June 25, 2015
9:00 a.m. – 4:00 p.m.**

DoubleTree by Hilton San Diego – Mission Valley
7450 Hazard Center Drive
San Diego, CA 92108
(619) 297-5466

BOARD AGENDA

1 Call to order by President Tim Behrens at 9:00 a.m.

2 Salute to the Flag

3 Roll Call:

Tim Behrens, President, Chapter 35, District F

Fritz Walgenbach, Executive Vice President, Chapter 02, District E

Gus Lease, Vice President, Chapter 23, District C

Cynthia Frison, Chapter 4, District A

Jerry Evans, Chapter 10, District B

Susan Sears, Chapter 14, District D

Gene Waggoner II, Chapter 06, District G

Harold Rose, Chapter 21, Chief Financial Officer

Roger Marxen, Immediate Past President, Chapter 02, District E

Jerilyn Johnson, Board of Directors' Meeting Secretary

**Headquarters Staff—Bob Hendricks, Trinda Lundholm, Terrence Conklin,
Renee Texeira, Theresa Michael and Addison Skov**

~This Meeting Will Be Recorded~

4	Introductions, Agenda Changes/Corrections and Unscheduled Items	Oral
5	Approval of the February 26, 2015 Board Meeting Minutes	Oral
6	Presidents Report of Activities	Oral
7	Board Member Activity Reports	FJ
8	CalPERS Board of Administration—Henry Jones	Oral
9	Chief Financial Officer Report—Harold Rose	Oral
10	CalPERS Stakeholder Relations—Rita Gallardo	Oral
11	CSEA President’s Oral Report—Information—Marilyn F. Hamilton	Oral
12	Blanning & Baker—Ted Toppin/Legislative Report	Oral
13	Installation of new Chapter Officers	Oral
14	Committee Reports	
	a. Health Benefits Committee—Stephanie Hueg	Oral
	b. Finance Committee—Harold Rose	Oral
	c. Grant Committee—Fritz Walgenbach	Oral
	d. Membership Committee—Bobbi Estrada	Oral
	e. Political Action Committee—Dick Mesa	Oral
	f. Bylaws and Governing Rules Committee—Skip Hulet	Oral
15	Headquarters Report—Bob Hendricks	Oral
16	New Business	
	a. Presidents’ Forum —Christy Christensen-Fountain	Oral
	i. Presidents’ Forum Agenda	Oral
	ii. Presidents’ Forum February 2015 Minutes	Oral
	b. Proposed Amendments to Governing Rules—Action—Skip Hulet	Oral
	c. Unscheduled Items	Oral
17	What’s On Your Mind?	Oral

CALIFORNIA STATE RETIREES (CSR)

Embassy Suites – San Francisco Airport, Burlingame

Board Meeting
February 26, 2015

MINUTES

1. Call to order

2. Salute to the Flag

The pledge of allegiance to the flag was led by Fritz Walgenbach.

3. Roll Call

Members present were:

Tim Behrens, President, Chapter 35, District F
Fritz Walgenbach, Executive Vice President, Chapter 2, District E
Gus Lease, Vice President, Chapter 23, District C
Cynthia Frison, Chapter 4, District A
Jerry Evans, Chapter 10, District B
Susan Sears, Chapter 14, District D
Gene Waggoner II, Chapter 6, District G
Harold Rose, Chief Financial Officer, Chapter 21
Roger Marxen, Immediate Past President, Chapter 2 (excused)

Headquarters was represented by Bob Hendricks, Trinda Lundholm, Terrence Conklin, Renee Texeira, Corinne Wogksch, Theresa Michael and Addison Skov.

4. Installation of District D and E Directors

President Behrens installed Susan Sears as District D Director, and Fritz Walgenbach as District E Director.

4A. Certificates of Recognition for CSR

Dee Stoddard reported that Chapter 6 and Sharon Huddleston received certificates of recognition and thanks from Senator Jeff Stone and Riverside County Supervisor Benoit, who attended Chapter 6's health fair. They presented the certificates to President Behrens, who received them on behalf of CSR. Ms. Huddleston reported that the Caliente Springs Resort in Desert Hot Springs, where they live, provides the facility without charge. No one was charged for anything, and 30 vendors and participants presented information on subjects including Alzheimer's, stroke recovery, senior first-aid, how to avoid financial scams and other forms of elder abuse. Over 350 people attended the health fair last year and this year, and the goal for 2016 is to double that.

5. Introductions, Agenda Changes, Corrections and/or Unscheduled Items

President Behrens introduced Elnora Fretwell, ACSS Vice President, Henry Jones and J. J. Jelincic, members of the CalPERS Board of Administration, and Marilyn Hamilton, CSEA President. There was a moment of silence in memory of Dick Latimer, Chapter 2, who passed away the week before the meeting.

CSR 1/15/1 MOTION: Waggoner, second by Lease – that the CSR Board of Directors accept the agenda as printed with the addition of agenda item 4A – Certificates of Recognition for CSR. CARRIED.

6. Approval of the Minutes of the October 30, 2014 Meeting

CSR 2/15/1 MOTION: Sears, second by Lease – that the CSR Board of Directors approve the minutes of the October 30, 2014 meeting as printed. CARRIED.

7. President's Report of Activities

The President's printed report was included in the agenda material. President Behrens added that a number of significant things have happened at CalPERS. The first item that CSR spoke against was the concept of farming our people on Medicare out to a third-party independent insurance company. We would pay more and receive less if a for-profit company took over our supplemental health benefits. After a telephone conference call which included himself, Stephanie Hueg and Bob Hendricks, PERS staff told us they were not planning to make any changes. It pays to have representatives from CSR at PERS meetings – they do recognize our blue shirts and who we represent. Susan Sears and Stephanie Hueg are on a first-name basis with PERS staff involved in our health benefits, and we continue to foster relationships with PERS board members, even those who don't agree with us.

8. Board Member Reports

The backup material contained printed activity reports from Fritz Walgenbach, Gus Lease, Cynthia Frison, Jerry Evans, Susan Sears and Gene Waggoner. Fritz Walgenbach added that he coordinates with the Senior Coalition, SCORE, and other groups to make sure they know who we are and what we stand for. Gus Lease added that the subjects of membership, the Ambassador program, mock Delegate Assembly and General Council, and chapter of the year award, were discussed at a District C meeting in San Francisco. All chapters completed their nominations procedures with enough candidates for officers and delegates. Jerry Evans added that District B participated in a PERS educational event on February 6 and 7, sharing a table with RPEA and C Schools. Ninety-three people came to our table for information, and he thanked Henry Jones for arranging for us to be at that event.

Susan Sears reported that there have been ID thefts in addition to the Anthem Blue Cross hack, with people having mail stolen from their mail boxes. Recently someone asked the post office to hold their mail while they were on vacation. When they returned, two pieces of mail were missing – their CalPERS statement regarding automatic deposits and their bank statement – and their bank account had been cleaned out. She explained the problem to Betty Yee, and it turned out that it was not an isolated incident. She reminded members that PERS statements have their bank routing number in the corner, and members can contact PERS to change their preference to receiving statements by e-mail rather than through the postal service.

9. CalPERS Board of Administration – Henry Jones

President Behrens noted that CSR is supporting Henry Jones for reelection to his seat representing retirees on the CalPERS Board, and urged members to get his name out to their members. Henry Jones extended his thanks to Tim Behrens, Fritz Walgenbach and CSR members at large for the endorsement. He reported on some changes in committee assignments and positions on the board. Former Controller, now State Treasurer, John Chiang is still on the board, with Betty Yee serving on the board as State Controller. Richard Costigan is the board member designated by the State Personnel Board, and the governor reappointed Bill Slaton, who represents local governments. He is honored to be elected Vice President of the Board to serve with Rob Feckner, President, and he will continue to serve as Chair of the Investment Committee. The Pension and Health Benefits Committee elected Priya Mathur Chair. Richard Costigan is Chair of the Finance and Administration Committee and Vice Chair of the Board Governance Committee, which is chaired by Bill Slaton. Two committees will be meeting in March and will elect their chairs and vice chairs.

Regarding the move to divest investments in fossil fuel, the Board believes that active engagement with those companies is a better approach – as a shareholder we can engage them to make changes. Members may hear a lot of debate, but should remember that PERS has a fiduciary responsibility to get the best possible rates of return. There may be legislation concerning investment policies, and there is also a provision in the law concerning small investments that would have no adverse effect on the fund.

Judge Kline, who oversaw the Stockton bankruptcy case, issued his long-awaited opinion in October, continuing to say that pension funds can be impaired even though the Stockton plan he approved did not impair pensions, and calling PERS a bully. There is no new information concerning San Bernardino, where the city continues to make its payments, including those amounts that were in arrears. Bankruptcy plan approval is not expected until this summer, and the judge has ruled that it cannot be discussed in public anyway.

On the subject of prefunding retiree health benefits to eliminate “pay as you go” for retiree health care, PERS created a trust fund for health benefits a few years ago -- 439 agencies are contributing to that fund, which PERS can invest to help pay retirees health benefits in the future. The governor wants to change the requirements to provide that employees must work 15 years to receive a 50% health benefit and 25 years for

100%.

PERS had a workshop concerning “funding level risk,” looking at ways to de-risk the portfolio with the ratio of retirees to active employees growing wider. PERS has taken minor actions already, to smooth employer make-up contributions from 15 years to five years, to reflect that people are living longer, and to de-risk the portfolio slightly by moving investments from stocks to bonds. PERS must apply flexible de-risking, so that when the fund has a good year of returns, rather than lowering employers’ contribution rates, that money is used in de-risking the portfolio.

The COLA increase for 2015 will be in retirees’ May checks, which will also include the Purchasing Power Protection allowance. Members don’t come under PPPA until they have been retired about 30 years – it kicks in when their allowance drops below 80% of their purchasing power at retirement. The COLA is up to 2%, depending on when members retired. The adjustment carries forward, so if the cost of living goes up 1.5%, members still get 2% based on prior years. The difference would be if their bargaining unit had negotiated a specific percentage.

In response to a question, Mr. Jones reported that the long-term care program is currently 113% funded, and the pension fund is about 77% funded.

J. J. Jelincic thanked CSR members for their support over the years, noting that he brought a large supply of the new pension bucks to be shared. He urged members to keep an eye on two specific issues coming up: discussion on high-deductible health plans originally called catastrophic plans, and de-risking.

10. CalPERS Legal Counsel – Matthew Jacobs presenting “Public Pensions and California Municipal Bankruptcies”

Matthew Jacobs gave a comprehensive power point presentation on public pensions and California municipal bankruptcies, noting that since becoming CalPERS General Counsel in July 2014 he has taken a crash course in municipal bankruptcies. He discussed CalPERS’ goals in such municipal bankruptcies and how termination works for the California pension system. As to the question of why does CalPERS pay attention, he noted that it affects only municipalities within the PERS system, such as Stockton and San Bernardino, because they have an obligation to pay PERS. PERS is a creditor, and pays attention to protect the integrity and soundness of the system and the benefits of employees and retirees. That integrity is threatened when agencies do not make their contributions to PERS and PERS has fiduciary duty to enforce those obligations. PERS does have a red flag system in place to identify potential problems with municipalities before they declare bankruptcy and has been paying more attention since those bankruptcies. PERS monitors when a participating agency is delinquent, and how delinquent they are, and is cognizant of the situation in Kern County. He reviewed key provisions of the 800-page Public Employees’ Retirement Law (PERL) contained in the California Government Code and how termination works in the PERS

system. Critical to PERS is the provision regarding bankruptcy. About half of the states do not permit bankruptcy filings by municipalities. In California, bankruptcy law allows agencies to stop paying under contracts, but there is an exception applying to PERS. PERS does allow agencies to voluntarily terminate their participation and there is also a provision that the CalPERS Board can choose to terminate a contract, for example, if the agency does not pay its contributions. When there is a termination, the assets are merged into a terminated agency pool for the exclusive use of paying benefits for members transferred into that pool. PERS' actuary determines the amount needed to pay benefits for all employees under that plan. Once an agency goes into terminated agency pool, CalPERS must get all the funds that will be needed to pay those benefits into the future, then PERS pays the benefits and it is no longer up to the agency. When an agency terminates, it is liable to PERS for any deficit and PERS has a lien on the agency's assets for that amount.

Stockton's account was unfunded by about \$400 million. When PERS calculated the actuarial amount needed to bring the account up to 100% funded, its termination liability was \$1.6 billion – if Stockton could pay that amount, it would go into the terminated agency pool; if it couldn't pay, PERS would have a lien of \$1.6 billion against city assets and benefits would be reduced proportionately. If Stockton's plan were 50% funded, all Stockton retirees would have benefits cut 50%. However, the judge said Stockton could avoid the lien in bankruptcy -- the lien would no longer apply once it filed for bankruptcy. He found that federal law, not state law, applied – that if California is going to permit municipalities to file bankruptcy, it must follow the whole federal bankruptcy law without exceptions. While Stockton filed for bankruptcy in June 2012, it continued to make all its contributions to PERS.

Before filing for bankruptcy, a municipality is required to meet with its creditors to work out a plan to reconfigure its debts through a neutral arbitration process. PERS' fight was never with Stockton, which continued to make its contributions before and after its bankruptcy filing, but with bondholders who challenged the city's ability to file for bankruptcy at all. The city had reached agreement with all creditors except bondholder Franklin-Templeton and there had been a decision in the suit filed by Stockton retirees after Stockton adopted a budget in July 2012 containing a unilateral reduction in retiree health care benefits. In that case, the judge denied retirees' claim that health benefits were vested, saying that the court was precluded from ruling on that issue, which would be determined in the bankruptcy proceedings. Stockton filed its first proposed plan of adjustment to reorganize its debts in October 2013, reflecting the negotiated settlement reached with all creditors except Franklin-Templeton. The city passed an increase of $\frac{3}{4}\%$ in its sales tax in November 2013, and there were no pension cuts in its reorganization plan.

In arguments before the court, PERS argued that the issue of impairing pensions need not be addressed because Stockton had not proposed impairing pensions. Stockton retirees argued that the bankruptcy had already imposed a hardship on them with the loss of their health benefits and the fact that they do not receive Social Security benefits. It was also argued that all creditors but Franklin-Templeton agreed with the settlement. Judge Kline ultimately ruled that Stockton's plan of adjustment was confirmed, over the objection of Franklin-Templeton, which has appealed. He ruled that the city could void its contract with PERS, but agreed not to. He talked about the triangular relationship between the city, PERS, and employees, and acknowledged that

if the contract between the city and PERS were cancelled, the contract between the city and its employees promising retirement benefits was a separate contract.

One common misconception regarding the ruling was that cities would rush to the bankruptcy courthouse to reduce pensions. That has not been the case. There are many reasons cities do not want to file for bankruptcy -- it does great harm to a city's reputation, employees leave, public services are reduced tremendously, legal fees are astronomical, and a city is in for quite a fight if it signals to employees that it intends to reduce pensions. Standard and Poor's has stated that it expects bankruptcy filings by municipalities to remain low.

Another misconception is that cities are required under the ruling to reduce pensions. While Judge Kline's ruling may allow municipalities to reduce pensions, it must be through negotiations. Stockton agreed that PERS was the market standard for pensions and it would cost the city more to move its pensions to another provider.

Another misconception is that if pensions are impaired, PERS loses. It has been acknowledged that under California law, if a municipality is unable to pay its full liability, the city's employees would be the real victims. A further misconception that current and future pensions under PERS are in jeopardy is also not true.

The situation with San Bernardino is a complex mix – PERS is the only creditor it has settled with. San Bernardino had stopped paying its contributions, then ultimately agreed to start paying again and to pay its in-arrears with interest. The court has ordered San Bernardino to file a reorganization plan by May 30.

11. Chief Financial Officer Report

The CSR Board Finance Subcommittee, consisting of Jerry Evans, Fritz Walgenbach and Harold Rose, met earlier and made adjustments to present to the board with a balanced 2015 budget. CSR is projected to have \$112,000 surplus at the end of this year.

CSR 3/15/1 MOTON: Walgenbach, second by Evans – that the CSR Board of Directors adopt the proposed budget changes as submitted by the Finance Committee for 2015. CARRIED.

Harold Rose reported that he and members of the Finance Committee are working on the upcoming treasurers training. He asked that anyone who is running unopposed and knows what they need in training please let the Finance Committee know, and Kenton Jones from CSEA Accounting will be there to talk directly with them. Because CSR has so much money in Wells Fargo now, it charges no fees for chapter checking accounts, and he has been working through CSEA to see about all chapters getting Wells Fargo checking accounts. During subsequent discussion, there was considerable opposition to the concept of Wells Fargo checking accounts for all, and that idea will not be pursued. Lastly, Mr. Rose reminded members that CSR spends \$4.36 per member per month, 75 cents of which is for the *State Retiree* – please keep in mind that associate members pay \$1 a month.

In response to a request for clarification on the issue of CSEA's finance director having trouble accessing individual chapters' accounts, he explained that headquarters has access to the account of only one chapter, which said Kent Jones could have access.

12. Headquarters Report

Copies of the printed headquarters report were on the information table, including information on the Anthem data breach, CSR elections, Lobby Day activities, the new online process for membership applications, CalPERS benefits education events, CSR staffing and assignments, office safety and security improvements at headquarters, expanding CSR communications channels, and the savings realized from cutting costs at headquarters. Bob Hendricks reported that in addition to the identity and credit protection services offered to Anthem customers through AllClear Pro, benefits available to members in the Legal Club sponsored by CSEA includes ID theft insurance.

Concerning the new online process for membership applications, he assured members that CSR's website address, which starts with "http," creates a secure connection with encrypted dialog, the same kind of security used by banks. A handout on the information table illustrated the process. While rollover membership should move quickly, membership applications are collected over a 30-day period due to CalPERS' once-a-month processing, meaning that the process can take up to 90 days.

In response to a question, he agreed that CSR should be able to have a counter on its website. To a question on using talk radio to expand communications, he suggested that members find the most-listed-to FM or AM station in their area. Because CSR is a 501(c) organization, we can have a public service announcement. Although most organizations treat a 501(c)5, such as CSR, differently than a 501(c)3), which is a non-profit for the purpose of helping charity events.

13. CSEA President's Report

President Marilyn Hamilton extended greetings from CSEA, the organization that is not going away, saying that she wants to keep members informed about what's going on. She emphasized that there are obligations that CSEA must carry over, and Local 1000 will be an affiliate of CSEA no matter what they say -- they are not going to go away; they have obligations for employees and retirees and are not giving CSEA any money except for their obligations. She asked members to please understand that Local 1000 will always have a position on the CSEA board -- they are an affiliate and they own part of CSEA's headquarters building. The CSEA Board is talking about possibly selling the building and buying or leasing another building. The building is old and falling apart. There are two fair share fees cases going to the Supreme Court, and if fair share fees are discontinued, we must get rid of our building. We can't rent out space without the building being updated and upgraded.

B&P 1 is coming back to General Council. The four affiliates can take care of their own business, and she goes to Sacramento to approve expenditures over a certain amount or to meet with Lee King on certain things. B&P 1 will not get rid of CSEA because of pension obligations. The CSEA officers have agreed to a proposal for a new general manager, and there will be a significant savings because we will have a CFO rather than a GM -- it will be one position.

CSR Committee Reports

14A. Report of the Finance Committee

Harold Rose reported that the Finance Committee received considerable input and good ideas for review at its February 24 meeting.

CSR 4/15/1 MOTION: Rose, second by Sears – that the dues revenue amounts for 2016, 2017 and 2018 equal the dues revenue for 2015 of \$2,592,000. CARRIED.

CSR 5/15/1 MOTION: Rose, second by Lease – that the CSR Board of Directors waive the 40-mile radius rule for 2015 General Council and Delegate Assembly. CARRIED.

It was noted that the 40-mile radius rule had not been not imposed in 2012. All delegates will be paid for every night.

CSR 6/15/1 MOTION: Rose, second by Sears – that the distinguished chapter award of the year will not affect the chapter's cap. CARRIED.

The treasurers' workshop will be held on May 1 at the Arden West Hilton in Sacramento. The Finance Committee will develop the agenda and each committee member has agreed to take on a section of the training – they will do the training as a team, with no one hired from the outside. General Council and Delegate Assembly will also be discussed.

14B. Report of the Grant Committee

Fritz Walgenbach reported that the Grant Committee had received no grant requests so far this year and the budget contains only \$5,000 for grants in 2015. There are four grants pending which will be concluded this year. All other previous grants have been cleared.

14C. Report of the Health Benefits Committee

Stephanie Hueg reported that the Health Benefits Committee met on February 24 from 10:30 a.m. to noon. Due to time constraints, the committee was not able to cover as much information as they had hoped, but did cover a lot of ground. She noted that two members were unable to attend, and as the committee has only two meetings this year due to budget cuts, one of which they have already missed, she suggested those two members not be included on the committee.

A speaker from CalPERS, Gray Scott, was very helpful and informative in addressing long-term care options and the deadline for members to change plans to avoid upcoming substantial increases. Chapter presidents had been asked to inform their members that the topic would be addressed and that Mr. Scott had requested that members bring their documentation so he could address each individual situation

outside of the meeting. Any member with questions that could not be answered during the meeting will receive a response directly from CalPERS.

Ms. Hueg reported on the CalPERS meetings she had attended since October, noting that meetings of the Pension and Health Benefits Committee are a priority. That committee has recently discussed Medicare options, the dependent eligibility project, a legislative change in the definition of dependents more in line with the IRS definition, the long-term care options letters, the wellness program, and more on grandfathering some conditions and medications in the generic step therapy program. The item that J. J. Jelincic brought up regarding high deductible and life savings plans is one we must keep an eye on because it lowers our benefits. She urged chapters who want to send members to CalPERS meetings, to send them to Pension and Health Benefits meetings. PERS will be announcing health premiums in June, and having members in the audience at the CalPERS Board meeting in May, wearing CSR blue shirts, will be very helpful. If possible, it is good for members to also attend the 7 a.m. meeting in the CalPERS cafeteria. She reminded members that when they decide to speak before a CalPERS meeting, they must speak on their own behalf.

She also attended the CalPERS offsite meeting for health in Monterey, where they discussed the wellness program, suggesting that members could lower their rates if they participated in a stop-smoking program and were successful. CalPERS stakeholder meetings, which are usually held on the Thursday before the board meeting, include us, health insurance companies, and other groups. Round table meetings are directed more toward retirees but also include RPEA, CHP, and other related organizations.

She noted that Blue Shield of California e-mailed a notice to its members for the upcoming tax season for “minimum essential coverage,” and suggested that members download a copy to give to their tax advisor. President Behrens suggested that members get on Ms. Hueg’s e-mail list if they want to receive information from her.

She thanked everyone who contributed to the Health Benefits Committee, especially Al Darby – with his help and that of President Behrens we were able to get the ball rolling again on improving our vision and dental plans. He was also able to find a contact person at the Long Beach office of CSUEU. She thanked Jenny Hayden for her work on the wellness program and Theresa Michael and Terrence Conklin for helping with the huge agenda. In addition, Theresa provided a document regarding the CSEA Final Expense Insurance Plan – it is available through CSEA Benefits.

14D. Report of the Membership Committee

Bobbi Estrada commended the Membership Committee for their efforts and work on membership and the Ambassador Program. A total of \$8,781 has been expended between January 1, 2014 and February 6, 2015. Noting there have been questions on the number of members recruited, she reported that CSR gained 369 new members between October 31, 2014 and January 31, 2015. Because we lost 56 beneficiary and 36 associate members, the net is 277 added members.

There is continuous ongoing work to get Ambassadors trained and up and running, and to get them the materials they need. In the last few days she has been given eight new Ambassador applications, and we are now close to 85 Ambassadors. Ambassadors receive an ID badge with their picture, a CSR bag, lapel pin and new pen with a laser light on top. She will give packets to the Ambassadors who sign up, with a supply of “*So You’re Going to Retire*” and the black booklet for Ambassadors. A pdf file will be re-sent to Ambassadors with the expense claim and mileage that they will be able to use and print.

The Ambassador program is moving to phase two, with a listing of all 1800 worksite locations in the state of California. Ambassadors will receive a list of their assigned locations, with copies to the district rep, chapter president and the committee person.

Staff was able to put together the ID card for Ambassadors, and Mary McDonnell will take photos of those who have not sent in their pictures for their IDs. Ms. Estrada reported that she and Mary McDonnell recruit as a team. Their two chapters working together were able to get post-it notes with the 916 phone number and website at chapter expense. The post-it notes cost 30 cents and bags were 90 cents. She suggested chapters partner with another chapter near them. In the upcoming phase three, we will try to make inroads into the Department of Corrections and state hospitals, whose employees are mostly represented by other bargaining units. Lastly, she thanked chapters who are starting to send their Ambassadors to board meetings and other meetings around the state.

Members who are receiving \$50 in the recruiters drawing: Nadie Savage, Linda Roberts, Johnnie Young-Craig, Merilee Colton and Caryl Cole.

14E. Report of the Political Action Committee

Dick Mesa reported that the PAC Committee had an excellent meeting on February 26, with a full committee except Joyce Finch who was ill. Harold rose reported on the status of PAC funds. There was a big chart of our legislature contact program, and Lobby Day participation was discussed. Mr. Mesa noted that Don Lehnhoff has always been invited to come to his legislator’s office on Lobby Day.

The committee’s focus is to continue to make contacts with legislators and recruit PAC contributors, and a talking sheet has been developed. We got through the election process and have all current legislators listed. In the Target Smart Program, where we pair our chapter people with our local legislators, Target Smart has obtained information from the last election and will help in putting together material. There were three vacancies caused by legislative musical chairs, and now there are two people from the Assembly running for one Senate seat. Ted Toppin led the discussion on legislative vacancies and it was decided to take no action at this time and consider action after the primary. The committee passed one motion, requesting action by the CSR Board.

CSR 7/15/1 MOTION: Evans, second by Lease – that the CSR Board of

Directors direct the CSR PAC Committee to emphasize the Legislative Contact program and report progress back to the June CSR Board of Directors meeting. CARRIED.

Mr. Mesa thanked everyone who attended the PAC meeting for their input and gave special recognition to Corinne Wogksch for all her help. In recruiting new PAC contributors, now that there are elections going on for delegates, he urged that all delegates be encouraged to become members of the PAC, and asked chapter presidents to urge all their members to become PAC members.

The California Senior Legislature's Senior Lobby Day is May 6 at the State Capitol and information will be in the next issue of the *State Retiree*. President Behrens added that the Senior Legislature will be featured in that issue, which will also have an ad for their Senior Lobby Day. All the particulars will also be on the website.

15. Legislative Report – Ted Toppin, Blanning & Baker

Ted Toppin noted that this is the time of year when legislative focus is on the state budget, and there are a few of positive things – the governor's budget of \$113 billion in general fund expenditures includes money for retiree health care and no mention of pension reform. While there may be proposals to push pension reforms outside of the state capital, the budget does not reflect that -- the governor proposes no additional reforms, acknowledging that steps have been taken. The governor's plan for state employees and retirees' health care got a lot of attention. It proposes that state employees hired after January 1, 2016 would have to work 20 years to receive full health benefits at retirement – that is not threatened for current employees and retirees. The 100/90 formula for retirees' health contributions is in state statute, and it is positive that the governor has not proposed changing it. There would be a long legal battle had the governor tried to change the current formula and vestment period. This administration is interested in cutting long-term liabilities and reducing costs for the state, and the governor says that current employees should contribute equally to funding for retiree health care, but that this should be done at the bargaining table. For the history of the state of California, retiree health care has been provided, paid by the employer. Employees' collective bargaining position is that if they are going to pay, that should be reflected in their salaries. The current liability for retiree health care is \$1.8 billion – the governor is using the figure of \$72 billion over 30 years, saying it is unfunded, but that is a little disingenuous. California gives \$68 billion a year to schools – using the same criteria of projecting over 30 years, it would approach a trillion dollars. We will get a taste of the prefunding of retiree health, as several bargaining units and 400 local government units have agreed to the concept of prefunding retiree health care liabilities.

The governor has also proposed high deductible plans and health savings accounts. Health savings accounts are a George Bush concept. High deductible plans are a concept that private employers have moved to in recent years -- the opposite of being proactive in health care with preventive care. If all younger employees took a high deductible plan which costs less per month, other plans would become more expensive without younger participants, so those premiums would go up. Remember that the state's contribution is based on the average of the four most used plans. PERS

investigated high deductible plans in 2009 and found they reduced costs slightly, but not enough to have people migrate to those plans. The governor also wants to see PERS implement a plan to emphasize healthy behavior -- rewards for those who participate with healthy behavior and penalties for those who don't. The administration wants to move spouses of active employee off the state plan to use their own plan if they have access to one. They also want to be sure that people eligible for Medicare move into the supplemental plans. The deadline to introduce legislation is February 27 -- 600 bills have been introduced and another 600 are expected. We haven't yet set positions as all bills have not been introduced. He does a bill report every two weeks, which is on the CSR web page, and reminded members that he is our voice in Sacramento.

Mr. Toppin further reported on changes in legislative retirement committees: Dr. Richard Pan, chair of the Senate Public Employment and Retirement Committee, will be a good advocate. New chair of the Assembly Public Employees, Retirement and Social Security Committee is Rob Banta, who is also chair of the Assembly Health Committee. He has talked with both Senator Pan and Assemblyman Banta about the governor's desire for active employees' health care -- that it is the subject of bargaining and should not be included in the budget. Dr. Pan has been invited to be the speaker at CSR's Lobby Day dinner.

In response to a question on money in the governor's budget for health care, he explained that it is a line item which goes to pay all retiree health care. Funds for active employees is operated through bargaining units and supervisors, separate throughout the budget for every state agency to provide for their employees' health care benefits. To a question on how we influence bargaining units to keep the 100/90 formula, he noted that bargaining units are driven by people who want pay raises now and the history is that active groups trade pay raises over future health care. J. J. Jelincic suggested that we influence rank and file by talking to them. He also noted that there had been a standing agreement with all CSEA affiliates that one would not negotiate anything that would reduce benefits for retirees.

In response to a question regarding increasing our death benefit and making it tax free, President Behrens noted that there is no money available now, and it is an issue that has been set aside to protect our other benefits.

Mr. Toppin's presentation was provided to headquarters for posting on the CSR website.

16. New Business

16A. Presidents' Forum

Forum Chair Christy Christensen-Fountain distributed copies of her printed report, noting that a survey was conducted to provide an update on progress of the chapter priorities identified earlier. Chapter presidents identified nine priorities as important for all chapters to complete. In addition to the survey, there were suggestions for future training for CSR chapter leaders. The results of the survey will be compiled and reported at the next Presidents Forum. At the beginning of the Forum meeting, the issue of a chapter member representing the chapter in the absence of the chapter

president arose. CSR Governing Rules indicate a “designated representative” may vote on motions, while past practice has required a written authorization signed by the chapter president to allow the designee to vote. She believes written authorization is a necessary requirement to ensure the chapter’s representation is valid and suggested the Governing Rules be amended to state that requirement. Skip Hulet said he would make sure that the Bylaws and Governing Rules Committee develops something on the issue and will present it in June.

16B. Proposed Amendments to Governing Rules

Skip Hulet, Chair of the Bylaws and Governing Rules Committee, presented the committee’s recommendations for amendments to the Governing Rules.

CSR 8/15/1 MOTION: Evans, second by Waggoner – that the CSR Board of Directors approve in Governing Rule Section 6.03(f) Submission of Candidate Consent Statement, the addition of subsection (2) to read as follows:

If the candidate wishes the corporation to send additional material to the electorate, cost of labor and postage will be at candidate expense. All additional material must be ready to mail and will be sent in a separate mailing.

and in Section 17.06 Candidate Statement, the addition of subsection (a)(3) to read as follows:

If the candidate wishes the corporation to send additional material to the electorate, the cost of labor and postage of mailing will be at candidate expense. Any additional material shall be ready to mail and will be sent in a separate mailing. CARRIED.

Mr. Hulet requested that the proposed amendments concerning the PAC Committee be referred back to the Bylaws and Governing Rules Committee for revisions regarding the new Issues PAC.

CSR 9/15/1 MOTION: Evans, second by Sears – that the proposed changes and additions to Governing Rule Section 14.00 be referred back to the Bylaws and Governing Rules Committee. CARRIED.

16C. Proposed Motions

The proposed motions were taken care of earlier in the meeting.

16D. Federal Activities (CalPERS Federal Lobbyist’s Written Report)

Copies of the most recent report from CalPERS’ federal lobbyist were distributed and available on the information table. Susan Sears noted that CalPERS has a new lobbyist, so the next report will be in a different form.

16E. Unscheduled Items

There were no unscheduled items.

17. What's On Your Mind?

Stephanie Hueg requested that the Health Benefits Committee meeting in June be scheduled for two hours.

Willis Huddleston, Chapter 6, questioned the choice of such an expensive hotel. President Behrens explained that contracts with hotels were already signed for 2015, noting that CSR will be going to Sacramento twice in 2015-16.

Diane Wharton, Chapter 17, asked whether B&P 1 will be coming out in draft form. President Behrens reported that B&P 1 has not basically changed, and he will be asking Marilyn Hamilton to send updated copies to all chapters, adding that he hopes all chapters will be holding mock General Councils with discussions to give delegates more information. Jenny Hayden, Chapter 34, asked if CSR had mock General Councils scheduled for any districts. President Behrens noted that some had been scheduled, and Fritz Walgenbach reported that Chapter 2's mock General Council will be held on the second Monday in September, with Chapters 165 and 15 joining if they choose to. At that time, delegates will have their packets for discussion.

Sharon Huddleston, associate member of chapter 6, related that at the end of their health fair, a gentleman came in who was having problems getting information for his wife's insurance. She thanked Stephanie Hueg, whom she contacted on his behalf --

Stephanie worked with him, and he reported back that he had received the information he needed.

Bob Rice, Chapter 6, thanked all committee chairs for their work, particularly the PAC Committee and Dick Mesa.

The meeting was adjourned at 2:55 p.m.

Tim Behrens
President

jj

CALIFORNIA STATE RETIREES

Date: June 25, 2015

Agenda Item: 7

Title: **Board Member Activity Report**

Information Presented by: Tim Behrens, District F

Background: The following is a summary of my activities from February 17, 2015 through June 25, 2015.

Feb 17	S.C.O.R.E. Meeting	Sacramento
Feb 18	CalPERS Meeting	Sacramento
Feb 19	CalPERS Meeting	Sacramento
Feb 20	CalPERS Meeting	Sacramento
Feb 24, 25 & 26	CSR Committee and Board Meetings	Burlingame
Mar 3	Chapter 5 Meeting	Sonora
Mar 4	Chapter 11 Meeting	Fresno
Mar 9	Chapter 5 Meeting	Jackson
Mar 10	Chapter 35 Meeting	Porterville
Mar 16	S.C.O.R.E. Meeting	Sacramento
Mar 17	CalPERS Meeting	Sacramento
Mar 18	CalPERS Meeting	Sacramento
Apr 7	CSR Lobby Day 2015 Training & Dinner w/Sen. Pan	Sacramento
Apr 8	CSR Lobby Day 2015	Sacramento
Apr 30	CSR Bylaws & Governing Rules Workshop	Sacramento
May 1	CSR Finance Workshop	Sacramento

May 1	CalPERS Stakeholders Meeting	Sacramento
May 2	CSR Board Workshop	Sacramento
May 14	Chapter 15 Meeting	Porterville
Jun 3	Chapter 11 Meeting	Fresno
Jun 11	Chapter 32 Meeting	Porterville
Jun 23, 24 & 25	CSR Committee and Board Meetings	San Diego

CALIFORNIA STATE RETIREES

Date: June 25, 2015

Agenda Item: 7

Title: **Board Member Activity Report**

Information Presented by: Fritz Walgenbach, District E

Background: The following is a summary of my activities from February 27, 2015 through June 25, 2015.

Feb 24, 25 & 26	CSR Committee & Board Meetings	Burlingame
Mar 2	Chapter 2 Meeting	Sacramento
Mar 7	CSEA Board Meeting	Sacramento
Mar 12	Chapter 2 Executive Committee Meeting	Sacramento
Mar 17	CalPERS Health Committee	Sacramento
Mar 17	Chapter 15 Meeting	Rocklin
Mar 24	Senior Coalition Meeting	Sacramento
Mar 24	CalPERS Round Table Meeting	Sacramento
Apr 1	Chapter 165 Meeting	Sacramento
Apr 6	Chapter 2 Meeting	Sacramento
Apr 7	CSR Lobby Day 2015 Training & Dinner w/Sen. Pan	Sacramento
Apr 8	CSR Lobby Day 2015	Sacramento
Apr 9	CalPERS Stakeholders Meeting	Sacramento
Apr 13	S.C.O.R.E. Meeting	Sacramento
Apr 14	CalPERS Health Committee	Sacramento

Apr 24	Meeting with CSR CFO	Sacramento
Apr 25	CSEA Board Meeting	Sacramento
Apr 29	Pol Action – Meeting with Senator Pan	Sacramento
Apr 30	CSR Bylaws & Governing Rules Workshop	Sacramento
May 1	CalPERS Stakeholders Meeting	Sacramento
May 1	CSR Finance Workshop	Sacramento
May 2	CSR Board Workshop	Sacramento
May 4	Chapter 2 Meeting	Sacramento
May 6	Pol Action – Meeting with Tony Mendoza	Sacramento
May 6	Senior Legislator Rally	Sacramento
May 7	CalPERS Stakeholders Meeting	Sacramento
May 14	CSR Delegate Assembly Planning Meeting	Sacramento
May 18	S.C.O.R.E. Meeting	Sacramento
May 19	PERS Health Care Committee Meeting	Sacramento
May 19	Chapter 15 Meeting	Rocklin
May 26	Pol Action - Dinner	Sacramento
Jun 1	Chapter 2 Meeting	Sacramento
Jun 3	Chapter 165 Meeting	Sacramento
Jun 11	CalPERS Stakeholders Meeting	Sacramento
Jun 13	CSEA Board Meeting	Sacramento
Jun 15	S.C.O.R.E. Meeting	Sacramento
Jun 16	Chapter 15 Meeting	Rocklin
Jun 23, 24 & 25	CSR Committee and Board Meetings	San Diego

CALIFORNIA STATE RETIREES

Date: June 25, 2015

Agenda Item: 7

Title: **Board Member Activity Report**

Information

Presented by: Gus Lease, District Director, District C

Background: The following is a summary of my activities from February 27, 2015 through June 25, 2015.

Mar 13	Chapter 3 Meeting	San Francisco
Mar 18	Chapter 23 Meeting	San Jose
Mar 19	Chapter 1 Meeting	Oakland
Mar 20-22	CSUEU Meeting	Sacramento
Apr 7	CSR Lobby Day 2015 Training Dinner w/Sen. Pan	Sacramento
Apr 8	CSR Lobby Day 2015	Sacramento
Apr 21	Chapter 21 Meeting	Napa
May 1	CalPERS Stakeholders Meeting	Sacramento
May 1	CSR Finance Workshop	Sacramento
May 2	CSR Board Workshop	Sacramento
May 14	CSUEU-SISU Recruitment	San Jose
May 18-20	CalPERS Health and Board Meeting	Sacramento
May 29	State Building San Jose	San Jose
Jun 12-13	CSEA Board Meeting	Sacramento
Jun 18	Chapter 1 Meeting	Oakland
Jun 23, 24 & 25	CSR Committee and Board Meetings	San Diego

CALIFORNIA STATE RETIREES

Date: June 25, 2015

Agenda Item: 7

Title: Board Member Activity Report

Information Presented by: Susan Sears, District D

Background: The following is a summary of my activities from February 27, 2015 through June 25, 2015.

Feb 24-26	CSR Committee and Board Meetings	Burlingame
Mar 3	Chapter 8 Meeting	Eureka
Mar 4	Chapter 8 Subchapter Meeting	Crescent City
Mar 18	Chapter 14 Meeting	Chico
Mar 24	CalPERS Retiree Roundtable	Sacramento
Apr 6	Meeting at CalHR	Sacramento
Apr 7	CSR Lobby Day 2015 Training & Dinner w/Sen. Pan	Sacramento
Apr 8	CSR Lobby Day	Sacramento
Apr 9	CalPERS Stakeholder Meeting	Sacramento
Apr 13	Chapter 19 Subchapter Meeting	Upper Lake
Apr 14	Chapter 19 Meeting	Ukiah
Apr 15	Chapter 14 Meeting	Chico
Apr 20	Chapter 13 Meeting	Redding
May 1	CSR Finance Workshop	Sacramento
May 1	CalPERS Meeting Re: United HealthCare	Sacramento
May 2	CSR Board Workshop	Sacramento
May 5	Meeting at CalHR	Sacramento

May 14	CalPERS Stakeholder Meeting	Sacramento
May 18	Chapter 13 Meeting	Redding
May 20	Chapter 14 Meeting	Chico
Jun 9	Chapter 19 Meeting	Ukiah
Jun 11	CalPERS Stakeholder Meeting	Sacramento
Jun 15	Chapter 13 Meeting	Redding
Jun 20	Chapter 14 Picnic	Paradise
Jun 23, 24 & 25	CSR Committee and Board Meetings	San Diego

CALIFORNIA STATE RETIREES

Date June 25, 2015

Agenda Item: 7

Title: **Board Member Activity Report**

**Information
Presented by:** Jerry G. Evans, District B

Background: The following is a summary of my activities from February 27, 2015 through June 25, 2015.

Feb 24, 25 & 26	CSR Committee & Board Meetings	Burlingame
Apr 7	CSR Lobby Day 2015 Training & Dinner w/Sen. Pan	Sacramento
Apr 8	CSR Lobby Day 2015	Sacramento
Apr 23	Chapter 10 Meeting	San Luis Obispo
Apr 25	CSEA Board Meeting	Sacramento
Apr 28	CSR Board Conference Call	
May 1	CSR Finance Workshop	Sacramento
May 2	CSR Board Workshop	Sacramento
May 13	Chapter 36 Meeting	Salinas
Jun 23, 24 & 25	CSR Committee & Board Meetings	San Diego

CALIFORNIA STATE RETIREES

Date: June 25, 2015

Agenda Item: 7

Title: **Board Member Activity Report**

Information Presented by: Gene Waggoner, District G

Background: The following is a summary of my activities from February 27, 2015 through June 25, 2015.

Apr 7	CSR Lobby Day 2015 Training & Dinner w/Sen. Pan	Sacramento
Apr 8	CSR Lobby Day 2015	Sacramento
Apr 8	Assemblyman Tom Lackey	Phelan
Apr 15	Chapter 12 Meeting	Lancaster
Apr 16	California Federation of Labor Meeting	Los Angeles
Apr 20	Conference Call for Clean Money Campaign AB 700	
Apr 25	Labor United Meeting for Universal Health Care	Los Angeles
Apr 27	Conference Call for Clean Money Campaign AB 700	
Apr 30	CSR Bylaws & Governing Rules Workshop	Sacramento
May 1	CSR Finance Workshop	Sacramento
May 2	CSR Board Workshop	Sacramento
May 13	Chapter 34 Meeting	Santa Ana
May 18	Conference Call for AB 700	
May 20 & 21	California Lobby Day	Sacramento
May 28	Swearing in of Congresswoman	Pomona

Jun 4	Chapter 17 Meeting	San Diego
Jun 10	Chapter 34 Meeting	Santa Ana
Jun 18	Chapter 6 Meeting	Fontana
Jun 23, 24 & 25	CSR Committee & Board Meetings	San Diego

CALIFORNIA STATE RETIREES

Date: June 25, 2015

Agenda Item: 7

Title: **Board Member Activity Report**

**Information
Presented by:** Cynthia L. Frison, District A

Background: The following is a summary of my activities from January 21, 2015 to June 25, 2015.

Jan 21	Chapter 20 Meeting	San Fernando Valley
Feb 11	Chapter 9 Meeting	La Mirada
Feb 18	Chapter 20 Meeting	San Fernando Valley
Feb 19	Chapter 4 Meeting	Los Angeles
Feb 24, 25, & 26	CSR Committee & Board Meetings	Burlingame
Mar 11	Chapter 9 Meeting	La Mirada
Mar 12	Sub Chapter 4 Meeting	Hawthorne
Apr 7	CSR Lobby Day 2015 Training & Dinner w/Sen. Pan	Sacramento
Apr 8	CSR Lobby Day 2015	Sacramento
May 1	CSR Finance Workshop	Sacramento
May 2	CSR Board Workshop	Sacramento
June 23, 24 & 25	CSR Committee & Board Meetings	San Diego

CALIFORNIA STATE RETIREES

1108 O Street, Suite 300 • Sacramento, CA 95814 • (916) 326-4292 • (888) 808-7197 • www.csearetirees.org

California State Retirees Presidents' Forum

Wednesday, June 24, 2015
1:00 – 4:00 p.m.

DoubleTree by Hilton San Diego – Mission Valley

AGENDA

1. Call to order by Chair, Christy Christensen at 1:00 p.m.
2. Salute to the flag by Vice Chair, Caryl Cole
3. Roll call of chapter presidents or designee present:

Chapter 1	Carol Bowen
Chapter 2	Louis Espinoza
Chapter 3	Mary McDonnell
Chapter 4	Marta Zaragoza
Chapter 5	Barbara Powers
Chapter 6	J. Dee Stoddard
Chapter 8	James Moranda
Chapter 9	Raelene Allard
Chapter 10	Vic Martinez
Chapter 11	Christy Christensen-Fountain
Chapter 12	Caryl Cole
Chapter 13	Warren Schlatter on behalf of Edward Huey
Chapter 14	Doris Lithgow
Chapter 15	Cynthia Garey
Chapter 16	Connie Lira
Chapter 17	Diane Whorton
Chapter 19	Richard "Skip" Hulet
Chapter 20	Sharon Stoltzman
Chapter 21	Donald Lehnhoff
Chapter 23	Barbara (Bobbi) Estrada
Chapter 26	Gary Ivey
Chapter 31	V. Raylene Laverentz
Chapter 34	Jenny Hayden
Chapter 35	Loyd Winner
Chapter 36	Allan Lee
Chapter 165	Beverly Greening

~This Meeting Will Be Recorded~

4. Acknowledge Special Guest
5. Approval of Minutes for February 25, 2015
6. CSR President, Tim Behrens
7. Harold Rose, CSR Chief Financial Officer, Chapter Caps
8. Chapter reports received, will be handed out to Chapter Presidents, no Chapter reports will be given at microphone. Also, the Presidents were asked to share in writing their top three activities or events that they feel were successful that other chapters might be able to try.
9. Terrence Conklin, NDA (Non-Disclosure Agreements)
10. Skip Hulet, Chair of CSR Bylaws and Governing Rules Committee
11. Special Presentation, Michele Miranda, Pre- Planning Solutions
12. Bobbi Estrada, Delegate Assembly – Sergeant at Arms, Informational only
13. Mary McDonnell – Resources from DMV

CALIFORNIA STATE RETIREES (CSR)

PRESIDENTS' FORUM MINUTES

Embassy Suites, San Francisco Airport, Burlingame
February 25, 2015

1. The meeting was called to order at 1:30 p.m. by Chair Christy Christensen-Fountain.

2. The Pledge of Allegiance was led by Caryl Cole.

3. Roll Call: Chapter presidents or designees present were: **(1)** Carol Bowen (designee), **(2)** Louis Espinoza, **(3)** Mary McDonnell, **(4)** Marta Zaragoza, **(5)** Barbara Powers, **(6)** Bob Rice (designee), **(8)** Bill Erwin (designate), **(9)** Jan Christiansen, **(10)** Vic Martinez, **(11)** Christy Christensen-Fountain, **(12)** Caryl Cole, **(13)** Warren Schlatter (designee), **(14)** Doris Lithgow, **(15)** Marhsall Conner (designee), **(16)** Connie Lira (designee), **(17)** Diane Whorton, **(19)** Richard "Skip" Hulet, **(20)** Sharon Stoltzman, **(21)** Donald Lehnhoff, **(23)** Bobbi Estrada, **(26)** Gary Ivey, **(31)** V. Raylene Laverentz, **(34)** Jenny Hayden, **(35)** Harold Pope (designee), **(36)** Allen Lee, **(165)** Beverley Greening.

As to whether authorizations to allow designated representatives to vote must be in writing, past practice has required written authorization signed by the chapter president. As the issue is not addressed in the Governing Rules, it was agreed that designees without signed authorization would be allowed to vote at this meeting, and Skip Hulet indicated that the Bylaws and Governing Rules Committee would develop something to be presented in June.

4. Acknowledgement of Special Guests – Ms. Christensen-Fountain introduced Elnora Fretwell, ACSS Executive Vice President, and Marilyn Hamilton, CSEA President.

5. Approval of Minutes for October 29, 2014

MOTION: Lehnhoff, second by Estrada – that the minutes of October 29, 2014, be accepted as printed. CARRIED.

6. CSR President Tim Behrens – President Behrens noted that Bob Hendricks would be recording video for CSR's web page and social media and reminded members of the importance of good decorum and respect.

CSR's attorney, Rocco Paternoster, noted that there had been many questions raised about chapter elections. He reviewed the election procedures and deadlines contained in CSR's Governing rules, noting that officers are installed after completion of chapter elections on May 30 and prior to July 31. When there is only one candidate for a chapter office, such as chapter president, a motion is made at the close of nominations

and that person becomes “chapter president-elect,” but is not installed until after May 30. Chapter officers serve a three-year term. If there is a vacancy in the meantime, there is a different procedures for filling vacancies. Fritz Walgenbach reported that the officers in all three chapters in District E were elected by acclamation, but there was no official motion. They will need to make a motion at their next chapter meeting and show it in their chapter minutes to clarify that those unopposed were duly elected. On confusion about where consent forms are sent, it was noted that they must be given to the chapter president. Mailing the consent form to headquarters does not comply with the Governing Rules, but it is fine for headquarters to be the intermediary as long as the form gets to the chapter president prior to the deadline.

6A. Harold Rose, Chief Financial Officer – Mr. Rose reported that there were 11 chapters that kept their checkbooks but turned the accounting over to headquarters. He will gladly give an extension of time to any chapter that has difficulty turning in their paperwork – just send him an e-mail and he will let CSEA Accounting know. Chapters were asked to turn in a three-year budget and everyone did it. He noted that a budget is a guideline and it is nice to have all chapters use the same forms. Chapters who need help with accounting can call Caryl Cole or Diane Whorton in Southern California and Fritz Walgenbach in Northern California.

He has a list of items for the treasurers’ training and has discussed them with members of the Finance Committee. At the Finance Committee meeting, there were motions that the dues revenue for 2016, 2017 and 2018 equal the dues revenue for 2015; that the 40-mile radius rule be waived for General Council and Delegate Assembly; and that the distinguished chapter-of-the year award not affect the chapter’s cap. He has been advised of the number of out-of-state members by chapter and what states -- it is lot of people; the list is 665 lines.

Asked to explain the chapter audit when officers change, he reported that the audit is for the safety and assurance of the outgoing and incoming chapter officers. He urged chapters to make sure that the last bank statement agrees with the quarterly report and that the outgoing officer sees what was left and the incoming officer agrees. The main thing is to check the current bank statement with the quarterly report.

President Behrens asked him to explain General Accounting Principles (GAP), and Mr. Rose noted that the fiduciary responsibility of chapters carries on to the board. If a chapter absconds with funds, that can come down on the corporation. The CSR corporation is not a business, but it needs to be operated in the business-like way. With our bookkeeping system, CSEA Accounting and auditors does not see chapter expenses. With the Issues PAC, anything over \$500 must have the actual receipt.

7. Mary McDonnell – Raffle Permit – Mary McDonnell reported that she and Bobbi Estrada had done research on the raffle permit. The application to obtain a permit is available on the State Attorney General’s website under charitable organization. Organizations cannot have a raffle where they collect money or sell tickets without a permit, or they could lose their tax-free status. If you collect money and raffle off prizes, it is a raffle – you cannot call it a donation. There was additional concern expressed

that if a chapter violates the rules, it isn't just the chapter that will lose its status, but all of CSR. The application process is handled by mail. The fee is \$20 for a year, which begins on September 1 and expires September 30 of the following year. The AG's office suggests applying by June because sometimes they get backed up. Every chapter has different IRS and Franchise Tax Board numbers, which are available from Harold Rose. Mr. Rose reported that he will print a list of those chapter numbers again. Bobbi Estrada reported that Chapter 23 has the Quicken program, and they assigned a number and a line item for raffles. She urged chapters to be sure they label raffle income as separate from dues income so it is not included in the chapter's cap. Ms. McDonnell noted that at the end of the year chapters must report to the AG's office where they donated their raffle money.

8. Discussion of "Union" vs "Association" – Ms. Christensen-Fountain noted that sometimes when she is sitting in the audience she hears people say "our union." On CSR's website, it says "association." Sometimes "union" is not a friendly word, when some unions have worked to reduce benefits for current employees. To reach out to everyone, make sure to stress that we are an association.

To a question whether CSR could mail copies of the *State Retiree* to state agencies, Bobbi Estrada asked that she be given the name of a contact person and she will add them to the list to receive copies of the paper. Each Ambassador receives 30 to 50 copies of the paper to distribute and is asked to provide contact information for each agency. There are currently 76 Ambassadors statewide who go out and give information by way of the *State Retiree*. She urged presidents to work on getting more Ambassadors. Ms. Christensen-Fountain related that she has quite a few Ambassadors in her chapter, but suggested that we must develop a sensitivity to the abilities of our members who may have health or mobility issues and can't do everything we planned on doing.

In response to a question on being able to recruit people who left state service and retired from another organization or company, Mr. Walgenbach reported that CSR is looking at drafting policy changes to allow expansion of membership to former state employees who did not retire from the state but do receive a check from PERS because they retired from a county.

9. Special Presentation from Dru Coleman, National Sales and Marketing, EPIC Hearing – Carol Bowen, who is a member of CSEA's Member Benefits Committee and was an audiologist before retiring, arranged for the presentation with the help of Lisa Fong and Renee Texeira. Dru Coleman reported that the EPIC hearing service plan, which is available through CSEA to all members, provides savings on big brand hearing aids and service. It is supported by the National Association of Audiologists and has coverage in all 50 states. The Plan gives members access to hearing aid technology with savings of 30% to 60%. Pricing starts as low as \$495 and is usually about 35% below traditional prices. EPIC can be contacted toll free, and there were handouts on the information table with the number. When you call EPIC, identify yourself as a CSR retiree and they will let you know the providers in your area and mail you a booklet showing what is available in your area. The plan includes extended warranties, extended guarantees, and free batteries.

As hearing tests are traditionally covered by Medicare, members should have that done before they are referred to an audiologist. EPIC has a reduced fee of about \$25 for members without Medicare coverage. If you contact EPIC for more information or to pursue referral, a counselor will take down information to provide you with information and will coordinate your referral with the local provider you chose. EPIC will e-mail and mail you the completed form and also notifies the provider so they will be expecting you to contact them. Referrals are good for 60 days. After the initial appointment, the audiologist sends the results and hearing aid recommendations to EPIC, which will then contact you to go over costs of the hearing aid, and collect the payment, and the hearing aid is ordered. There is a 45-day trial period to see if you are satisfied with the hearing aid. After completion of the trial period, you sign off if you are satisfied. EPIC will extend the warranty to three years for repair or loss or damages and a one-year supply of batteries. There are four primary levels of technology, with a basic hearing aid costing \$495 up to \$2599 as the cap for premium level. Coverage includes spouses and dependents.

To a question whether EPIC provides a VA discount, Ms. Coleman suggested that members contact the VA. Regarding people who are totally disabled, EPIC has another program for those below the poverty level. To a question on whether EPIC matches prices, she explained that their fixed fee schedule represents savings but they don't do price matching. To a question whether EPIC coordinates benefits with Medicare, she said they will work with members to coordinate, or will submit claim forms for them.

10. Written Reports Submitted by Chapter Presidents – Ms. Christensen-Fountain explained that each “hand” contained copies of the presidents’ reports and a form to provide suggestions for chapter officer training. She asked presidents to give her their suggestions and she will submit them to the board.

11. Follow-up with Bob Liley’s Challenge -- Ms. Christensen-Fountain noted that at the October 2014 meeting, Bob Liley challenged everyone in the audience to bring a completed membership application for a new member to the next meeting, and asked him to address his challenge. Mr. Liley reported that he went out and beat the woods and found only one person to sign up. That new member does not yet appear on the chapter roster, and he asked whether there had been a surge in membership. The *State Retiree* has a list of new members, but it takes a while for names to appear. Caryl Cole suggested that when you give someone an application to fill out and they do, ask them to hand it back to you so you can send it in, then wait about six weeks to see if it was entered by headquarters.

Bob Hendricks reported that headquarters knows of the challenges in the application process and prepared a graphic handout illustrating that process. There is a new on-line membership application that can be completed and submitted straight to Membership, and he thanked Terrence Conklin and others who made it happen. It was just put on-line, and we already have one application – staff will contact them to ask how they heard about CSR. Ms. Christensen-Fountain asked for a link from Facebook to CSR’s website and application. Mr. Hendricks introduced new staff member Addison Skov, who is helping CSR while Corinne Wogksch is on maternity leave.

There was a question on how to get a list of members who have passed away put in the *State Retiree*, and it was noted that chapters do receive a list of their deceased members and many chapters send cards to the members' relatives.

12. Open Discussion on “What Works for Your Chapter” – Diane Whorton provided a handout that Chapter 17 uses when they do recruitment and visit legislative offices and the CalPERS office in San Diego. The handout has CSR's mission statement, who we are and what we do, with information on the back including chapter officers and meetings. Chapter 17 is establishing its own website in San Diego and also has a chapter e-mail address. The website and e-mail address are on everything the chapter puts out to the public or to members. There is also a 2015 calendar showing meetings and other events. When they decided to put them in the PERS office, they stapled applications to them and added a place for new members to indicate the agency they retired from. The CalPERS office also has copies of the *State Retiree* and other CSR information. She wanted to make sure chapter presidents received a copy of the handout to use for their chapters.

Sharon Stoltzman reported that Chapter 20 created a welcome letter to new members, enclosing a coupon for a free meal, and got three new people coming to their meeting. They also printed name tags. Phyllis Johnson, Chapter 2, reported that at a Martin Luther King Day march, she invited people to come to a meeting and said she would buy their lunch.

President Behrens noted that he goes to a lot of chapter meetings, and PERS also has speakers who will come to chapter meetings. He related that, after listening to committee meetings discuss how to increase membership, he asked how chapters would feel about having someone hired to conduct marketing for CSR around the state, or someone the chapter would pay the per diem for, come to their area for set-ups. His chapter had Bobbi Estrada come for Ambassador training and paid her per diem. He asked for feedback from chapter presidents on those two items, and on a third thing, how they would feel about the board sending out specific topics of discussion for chapter agendas -- three items to be added to the agenda for discussion two or three times a year, just something new to discuss at their meetings. Topics would be related to the direction of CSR and the direction we are going for the coming year, and chapter presidents could then provide feedback on those topics when they come to board meetings.

Other suggestions included sending postcards to people who are retired, inviting them to come to a meeting to hear a presentation on CSR. One chapter did that and also offered a \$50 drawing from those who join. CSR gets a list of retirees from PERS, but not addresses. Phyllis Johnson related that she read the names of rollovers at a Chapter 2 meeting, asking people who knew them to contact them, and got 18 out of 40.

RPEA hired a firm in Texas, and ACSS hired a marketing firm but ended with only 20 new members after two years. CSR is gaining members, so something we are doing is working. Carol Bowen suggested limiting the special agenda topics to one that all chapters will be talking about at the same time, and having the board member address that agenda item. On listing deceased members, she suggested that only the first initial

be used because of identity theft. President Behrens agreed that ID theft is real -- he has Life Lock, which protects him up to \$2 million. CSEA Member Benefits still sponsors the Legal Club of America, which provides fraud protection. Members in the Legal Club pay for the first three years, then don't have to pay any more. Gary Ivey suggested coming up with a new logo for CSR. Bobbi Estrada reported that she will have packets for new Ambassadors at the board meeting.

Ms. Christensen-Fountain reported that she and her husband were in the Los Angeles area in January and went over to the desert to attend Chapter 6's health fair, which was absolutely awesome. Bob Rice reported that the health fair was held at the clubhouse of Desert Edge, where the Huddleston's live, near Palm Springs. The fair was attended by over 300 people. They had booths from the CHP, Cal Fire and Kaiser, among others. They worked with their county supervisor, and State Senator Jeff Stone was excited to be there and is a supporter -- he is a pharmacist who owns several pharmacies. The Fire Chief of Riverside County also attended. Chapter 6 was able to recruit a couple of people who didn't know CSR existed. Sharon and Willis Huddleston worked very hard putting the fair together. Chapter 6 will do it again next year and would be glad to see people from other chapters come by.

Ms. Christensen-Fountain passed out a "recipe for happiness," and asked for the surveys she distributed to be returned for a gift drawing. Winner of the drawing was Chapter 17.

The meeting was adjourned at 4 p.m.

Jerilyn Johnson
Acting Secretary

BGR AGENDA ITEM

ACTION ITEM: **Date: 6/25/15**

SUBJECT: **Governing Rules 4.08**

SOURCE OF PROPONENT: **Bylaws and Governing Rules Committee**

PRESENTATION BY: **Mary McDonnell**

ASSIGNED TO: **Mary McDonnell**

BACKGROUND: The Corporate Chapter Grant Fund is established to assist chapters that require additional funding. The current procedure requires the chapters to have a vote of the membership to request a chapter grant. Many chapters meet once each quarter. Sometime the need for a grant is necessary before the next chapter meeting. The Chapters Executive Committee is elected by the chapter members. The members trust their officers to serve the chapter. An executive committee should be able to meet and request a grant. They can report the request for a grant at the first available meeting.

RECOMMENDED ACTION: That the Chapters Executive Committee may request a chapter grant.

4.08 Chapter Grants

(c) Procedure for Requesting a Grant

The request for a corporate grant is sent to the CSR Office for staff review marked Grant Request. This request must:

- (1) Be submitted on the proper form;
- (2) Set forth the details of the program, including the time frame;
- (3) List the goals and the estimated costs (documentation of expense)
- (4) Accompany a complete chapter budget to include current revenue, expenditures, a statement of receipts and disbursements for the current year, and additional amount needed to fund the program for which the grant is been requested. The request must also include the total net worth of the chapter including all savings accounts, CDs, etc.; and
- (5) Copy of minutes from the last chapter meeting where members present agrees to the request of a chapter grant or copy of minutes

from the chapters executive committee meeting where members present agree to the request of a chapter grant.

(6) Time frame

- a. Any request must be received at least three weeks prior to the next scheduled board meeting;
- b. Emergency request may be requested outside the time frame above with the permission of the President of CSR.

BOARD AGENDA ITEM:

ACTION ITEM:

DATE: 2/26/15

SUBJECT:

GOVERNING RULES 14.00 – Political Action Committee

SOURCE OF PROPONENT:

Bylaws and Governing Rules Committee

PRESENTATION BY:

Skip Hulet, Chair

ASSIGNED TO:

Raelene Allard

BACKGROUND:

The Governing Rules need to include the new PAC Issues section to 14.00.

RECOMMENDED ACTION: That the Board of Directors approves the changes and additions to the governing rules as follows:

14.00 POLITICAL ACTION COMMITTEE

The Political Action Committee (PAC) makes recommendations for two separate funding sources: one for issues and one for candidates supporting California State Retirees issues, herein referred to as the Candidate PAC and the Issues PAC.

(a) The ~~California State Retirees~~ Candidate PAC is ~~established~~ to advise the CSR Board of Directors on political activities and to make recommendations on expenditure of political action funds and political endorsements. The President shall take recommendations from the Board members and chair of the PAC for appointments to the committee.

The committee members shall:

~~(a)-(1)~~ (1) Assist the President with candidate interviews.

~~(b)-(2)~~ (2) Attempt to find a consultant from the legislator's district to participate in candidate interviews.

~~(c)-(3)~~ (3) Work with the district Board member and chapter presidents to secure a legislative contact representative from each legislative district

~~(d)-(4)~~ (4) Make recommendations on political endorsements to the Board of Directors.

~~(e)~~ (5) Coordinate activities with CSEA, CSEA Affiliates and other retiree organizations. However, approval from the other entities is not necessary for the PAC to proceed with its endorsements.

~~(f)~~ (6) Request the President to hire the services of a lobbyist when deemed necessary and appropriate.

(b) The Issues PAC is to raise and distribute funds to support issues important to California State Retirees. The contributions used to conduct political activities important to accomplishing the mission of the CSR and cannot be given to candidates. The funds are also available in training members for activities related of education of elected officials and the general public.

The collected funds shall be used to:

(1) Participate in sponsoring and supporting legislation that improves and protects the pensions and benefits of state retirees without take-a-ways.

(2) Rally against legislation and propositions that are not in the best interest of our members.

(3) Finance CSR Lobby Day.

(4) Provide support for the district board member and chapter presidents to secure a legislative contact.

(5) Support Chapter Representative from each legislative district.

(6) Promote the auctions above; however, expenditure of all such funds and endorsements are subject to approval by the CSR Board of Directors.

14.01 Meetings

The ~~PAC~~ committee shall meet at the call of the President. In order to be able to respond to emergency situations, the ~~PAC~~ committee may meet by telephone or other electronic means.

14.02 Contributions

Members are encouraged to join both the Issues PAC and the Candidate PAC.

(a) The Issues PAC has no maximum limit on what a member can contribute. Contributions can be authorized by a monthly deduction from the retirement pay warrant.

~~(a)~~ (b) The Candidate PAC is restricted to an annual contribution of \$186.00. ~~Members are encouraged to join the California State Retirees' PAC by authorizing monthly deduction from their retirement warrant in an amount ranging from \$1.00 to a maximum of \$15.0. An annual Retirees' PAC contribution can also be made in an amount from \$10.00 up to a maximum of \$186.00.~~

~~(b)~~ (c) Chapters may make a contribution to the ~~California State Retirees~~ PAC as long as the following guidelines are followed:

Edit remaining numbers as necessary.

ESTIMATED COST/SAVINGS: None

FUNDING SOURCE: N/A

BOARD ACTION:

BGR AGENDA ITEM:

ACTION ITEM: April 30, 2015

SUBJECT: Governing Rules 17.15 Installation of Officers

SOURCE OF PROPONENT: Bylaws and Governing Rules Committee

ASSIGNED TO: Raelene Allard

BACKGROUND: Section 17.15 is ambiguous in its present interpretation. It needs to be clarified so that there will be no problem in the election instructions for our next elections

RECOMMENDED ACTION: That the board approves the addition of language in Section 17.15 Installation of Officers.

17.15 **Installation of Officers**

Chapter's officers-elect shall be installed prior to July 31 or at the first regularly schedule chapter meeting following the completion of the statewide elections. The chapter Delegate Assembly and General Council delegates-elect shall be recognized at the installation.

ESTIMATED COSYT/SAVINGS: None

FUNDING SOURCE: N/A

BOARD ACTION:

SUBJECT: Chief Financial Officer/Secretary

SUBMITTED BY: CSR Board of Directors

REFERENCE: CSR Bylaws Article VI Representatives to CSEA Board

WHEREAS: The CSR Board should have some flexibility to decide who shall be the CSR representatives to the CSEA Board of Directors, and

WHEREAS: With the passage of BP 1 the number of representatives to the Board will be reduced to two per affiliate so the language would have to be changed, and

WHEREAS: It would be easier to have the flexibility to change the language if this section were in the governing rules, now therefore be it

RESOLVED: CSR Bylaws Article VI be entirely removed, and be it further

RESOLVED: The remaining Bylaws Articles be renumbered

PRINCIPLE PROPONENT: Tim Behrens

BGR AGENDA ITEM

ACTION ITEM:

SUBJECT: Governing Rules Section 17.00 – Chapter Elections

SOURCE OF PROPONENT: Marilyn Hamilton

ASSIGNED TO: Marilyn Hamilton

BACKGROUND: The consent to run form must be complete when sent to Headquarters. If not, Headquarters may not know for what office the person is seeking. It should be the responsibility of the chair of the chapter nominating committee and the chapter president to make sure the form is complete. However a candidate can sign a form and mail it directly to Headquarters incomplete. 17.05 should be amended as follows to make sure the candidate understands that the form must have complete information.

RECOMMENDED ACTION: That the Board approves the new language to 17.05 as follows:

17.05 Candidate Consent Form

A completed and signed consent statement must be submitted to the chapter president, the chairperson of the Nominating Committee, or the presiding officer at the meeting convened for nominations of chapter officers, Delegate Assembly and General Council delegates prior to the closing of nominations.

CONSENT STATEMENT

The written statement of consent must be in ~~substantially~~ the following form and must be completed and personally signed by the candidate. Failure to complete all required information on the form may shall make you ineligible to be a candidate.

"I _____,

(Print Name)

(Chapter)

hereby consent to be a candidate for the chapter office(s)

of _____, and if my eligibility is verified, I hereby affirm my willingness to be a candidate and to serve if elected; and I affirm my willingness to serve by (1) Attending Chapter and Chapter Executive Board meetings unless excused by the chapter president, (2) Abiding by the Bylaws and Governing Rules of California State Retirees (CSR) as well as the CSEA Bylaws and Policies, and (3) Attending sessions of the Delegate Assembly and General Council

unless excused by the Corporate President. I understand failure to abide by these provisions will result in my removal from office.

Dated _____ Signed _____

Phone _____ Address _____

(Last 4 Social Security No.) (City) (State) (Zip)

E-mail

SOURCE OF PROPONENT: Gene W. Waggoner II

RECOMMENDED ACTION: All CSR chapters books will be done by CSEA accounting.

WHEREAS:

- (1) A number of chapters have a difficult time filling the position of treasurer, because of the amount of book keeping involved.
- (2) Chapter treasurers must spend a great deal of time completing financial reports in a timely manner and sending to CSEA's accounting.
- (3) Being a chapter treasurer requires a certain amount book keeping knowledge, the most members do not have.

BE IT RESOLVED:

- (1) All chapters will be required to have their chapter books done by CSEA's accounting.
- (2) All chapters will retain their chapter check book and pay their bills as they become due.
- (3) Any financial statements paid by the chapter, after making copies, will be sent to CSEA accounting.
- (4) The quarterly reports and the annual audit will be completed by CSEA accounting.
- (5) All chapter will be responsible for submitting their annual three year budget by February of each year.

16.09 Chapter Activities

(d) **Financial Reporting**

The operating year of a chapter is from January 1 through December 31. Each chapter shall submit ~~periodic reports to the President of the Corporation on forms provided by the Corporation subject to the following conditions:~~ all their financial paper work to CSR's administrators assistant on a monthly basis, who log in and make a copy of the cover sheet, before taking the financial packet to CSEA's accounting for processing.

- (1) ~~A quarterly report of its income, expenditures and reserves shall be submitted by the chapter by the end of~~ All quarterly chapter reports will be completed by CSEA accounting, and will be completed by the 30th day following the end of each quarter.
- (2) ~~A copy of its approved~~ the annual three year budget shall be submitted by the chapter by the last working day of February.

ESTIMATED COST:

BGR AGENDA ITEM

ACTION ITEM

SUBJECT: Governing Rules 4.03 Vice President 4.04 Chief Financial Officer/Secretary

SOURCE OF PROPONENT: BGR Committee

ASSIGNED TO: Marilyn Hamilton

BACKGROUND: When the Board approves the language for the representatives to the CSEA Board the duties of the Vice President and the Chief Financial Officer change in respect to the duties as a representative. The recommended Action if adopted will make those changes.

RECOMMENDED ACTION:

That Governing Rules Section 4.02 (c) be amended as follows: Represent the Corporation on the ~~Association~~ CSEA Board of Directors and/or at the ~~Association~~ CSEA Executive Committee meetings. ~~of the association board of directors in the absence of the President.~~

That Governing Rules Section 4.03 (c) be amended as follows: Represent the Corporation on the ~~Association~~ CSEA Board of Directors and/or at ~~Association~~ CSEA Executive Committee meetings of the ~~Association~~ CSEA Board of Directors as the Alternate Representative when requested in the absence of the by the President.

Governing Rules 4.04 Chief Financial Officer/Secretary (e) be amended a follows: ~~Attend all CSEA Board of Directors meetings including executive sessions.~~ Represent the Corporation on the CSEA Board of Directors ~~if the President, Executive Vice President or Vice President is unable to attend.~~

BGR AGENDA ITEM:

ACTION ITEM:

SUBJECT: Governing Rules 4.05 Representatives and Alternate Representatives to the CSEA BOARD

PROPONENT: BGR COMMITTEE

ASSIGNED TO: Marilyn Hamilton

BACKGROUND: With the passage of the resolution deleting the CSEA Board language from the Bylaws, the Governing Rules 4.05 needs to be amended to allow the Board to have some flexibility to the appointments of the representatives to the CSEA Board. With the passage of BP 1, the number of representatives will change from 3 to 2 so further changes may be needed which will be easier if the language is in the Governing Rules

RECOMMENDED ACTION: That Governing Rules section 4.05 be amended as follows:

4.05 Representatives and Alternate Representatives to the CSEA Board

The Representatives to the CSEA Board shall be the President, Chief Financial Officer/Secretary and the Executive Vice President and the Vice President shall be the alternate. ~~And alternate Representative on the CSEA board when sitting for the representative represent the interest of the corporation as~~ As a member of the CSEA board they shall represent the interest of the Corporation in consultation with the President and the Corporate Board of Directors

BGR AGENDA ITEM

ACTION ITEM

SUBJECT GOVERNING RULES SECTION 4.06 AND 5.02 (D)

ASSIGNED TO: Marilyn Hamilton

BACKGROUND: The resolution to remove the Immediate Past President from the Board of Directors which passed Delegate Assembly makes it necessary to delete Section 4.06 of the Governing Rules and to amend Section 5.02 (d) of the Governing Rules as follows:

Delete entire section 4.06 Immediate Past President and renumber remaining sections.

Amend 5.02 Absences ~~(d) Immediate Past President An Immediate Past President shall not appoint any member to sit on the Board on his/her behalf.~~

RECOMMENDED ACTION

BGR AGENDA ITEM:

ACTION ITEM:

SUBJECT: Governing Rules 7.04 Resolutions Section (a) Drafting a Resolution

SOURCE OF PROPONENT: BGR Committee

ASSIGNED TO: Marilyn Hamilton

BACKGROUND: The language in the Bylaws has been changed as to who can submit resolutions to Delegate Assembly so the Governing Rules must be changed to agree with the Bylaws.

RECOMMENDED ACTION: That Governing Rules Section 7.04 (a) be amended as follows: A resolution begins with an idea addressing an issue that a person feels needs to be improved, amended, replaced or rescinded. A resolution can be submitted by; 1. ~~Active members of the corporation~~ The Board of Directors, 2.any delegate, 3. any delegate elect, 4. ~~Proposed by a standing committee of the delegate assembly~~, 5. any chapter. ~~For the purpose of drawing attention to the subject.~~

Remainder of the section remains the same.

SUBJECT: Immediate Past President

SUBMITTED BY: BGR Committee

REFERENCE: Bylaws Article IV, Section 2

WHEREAS: 1. The Immediate Past President has been a member of the CSR Board of Directors, and

WHEREAS: 2. The participation as been lacking, and

WHEREAS: 3. The CSR President has the ability to seek advice from the Past President at any time. Now therefore be it

RESOLVED: A. That Bylaws Article IV, Section 2 be amended as follows:

Section 2 Number and Qualifications of Directors. The Board shall consist of ~~nine~~ ~~(9)~~ eight (8) Directors, seven elected for three year terms by the members of District they represent- and the Chief Financial Officer/Secretary, ~~and the Immediate Past President.~~

Principle Proponent: Marilyn Hamilton

SUBJECT: Delegate Membership Roll

SUBMITTED BY: BGR Committee

REFERENCE; Bylaws Article IX Delegate Assembly Section 5 A. Membership Roll

WHEREAS: 1. Article IX Section 5 A. lists who are the are the membership roll for delegate assembly and

WHEREAS 2. The past presidents of CSEA who are members of CSR are delegates, and

WHEREAS: 3. At the time of writing these bylaws there were no past CSR Presidents, now therefore be it

RESOLVED A. That Bylaws Article IX, Section 5 be amended to add

D. Past CSR Presidents

PRINCIPLE PROPONENT: Marilyn Hamilton

BGR _____

SUBJECT: DELEGATE ASSEMBLY RESOLUTIONS

SUBMITTED BY: BOARD OF DIRECTORS

REFERENCE: ARTICLE IX, DELEGATE ASSEMBLY, SECTION 11 RESOLUTIONS

WHEREAS (1) Currently, there are restrictions in the Bylaws as to who can submit resolutions to delegate assembly, and

WHEREAS: (2) The Governing Rules are more liberal for the submission of resolutions, and

WHEREAS (3) The Governing Rules are in conflict with the Bylaws and needs correction, now therefore be it

RESOLVED, (a) That Bylaws Article IX, Delegate Assembly Section 11 Resolutions A. Persons Authorized to Submit Resolutions. Resolutions for the Delegate Assembly may be proposed in advance of Delegate Assembly sessions by ~~may be proposed by the~~ 1. The Board of Directors;; 2. any delegate who may make motions on the floor of the delegate assembly- 3. any delegate- elect; 4. a standing committee; or 5. The president of any chapter or any group of 10 or more active members in good standing.

PRINCIPAL PROPONENT

BGR AGENDA ITEM

ACTION ITEM: June 23, 2015

SUBJECT: Bylaws Article III Membership

SOURCE OF PROPONENT:

ASSIGNED TO: Mary McDonnell

WHEREAS, (1) Membership is the most important factor of the organization, and

WHEREAS, (2) the organization is limited to a very narrow group of people, and

WHEREAS, (3) in the course of holding events it has been noticed there are many more persons interested in belonging to the organization, and

WHEREAS, (4) a very large membership would further the goals that have been set forth, and

RESOLVED: That the Bylaws Article III set the procedure to include more members.

Section 1 Classes of Membership. The Corporation shall have ~~three~~two mutually exclusive classes of membership: active and associate. ~~and beneficiary~~ No person may hold membership in more than one class.

Section 2 Qualification for Membership. Any adult individual dedicated to the purpose of this Corporation and qualified for membership in one of the following classes may be admitted to membership in such class on compliance with the procedures set forth in this Article. The qualifications for the respective classes of membership shall be as follows:

- A. Active Members. Active members are persons who retired from state service under provisions of ~~a~~ the California Public Employees Retirement System and who continue to be retired from state service and who are receiving a monthly warrant from PERS (or from STRS if the retiree was considered a state employee ~~and was covered under one of CSEA bargaining units~~ and was given a choice between taking a PERS or a STRS pension).
- ~~B. Beneficiary Members Beneficiary members are spouses of deceased members who were active members or eligible for retirement, at the time of death who are receiving a monthly PERS (STRS) warrant.~~
- C. Associate Members. Associate members are those persons who are dedicated to the purposes of the Corporation but not qualified for active membership, ~~and who are either (1) spouses, significant others or registered domestic partners of active members; or (2) persons who have separated from state service, were members in state service, and~~ anyone who wishes to join.

D. Rights and Benefits.

1. Active Members

Active members have the right to take all actions ~~and to be taken by~~ enjoy all benefits provided for the members of the Corporation, including the right to vote, ~~and~~ run for, ~~and hold~~ elected office in the Corporation and the Association. They also have those additional rights and benefits as established by these Bylaws or in the Governing Rules of ~~the this~~ Corporation. Notwithstanding anything to the contrary only persons who are classified as active members above shall be deemed members of the corporation for purposes of voting under California Corporation Code ("CCC") Section 5056(a)

2. Associate Members and Beneficiary Members.

The rights and benefits of ~~these two classes~~ this class of members shall be established in the Governing Rules of ~~this the~~ Corporation. Persons who are classified as associate members ~~or beneficiary~~ are not members of the Corporation for purposes of CCC Section 5056(a), ~~and associate members and beneficiary members~~ Associate members shall not have any voting rights including but not limited to, any right to vote as a class under CCC Section 7150. ~~Beneficiary members may petition the Board of directors to become active members and hold chapter office with the exception of Chapter President or Vice President. These beneficiary members cannot hold any Association office.~~

3. Eligibility

A person who is eligible for membership in the Corporation shall be eligible for membership in the Chapter where the person now resides or any chapter to which the member chooses to belong. Each members shall be a member of a Chapter as well as a member of the Corporation and shall be entitled to any of the rights in the class of membership to which they belong. ~~A person who is eligible for membership in the Corporation shall be eligible for membership to the Chapter where the person now resides or any chapter to which the member chooses to belong. A person who does not reside in the territory of any chapter may choose to belong to any Chapter. No member may hold membership in more than one Chapter.~~

4. Dues.

The Membership dues for the, which may, from time to time, be adjusted by the Board of Directors Delegate Assembly and shall be set forth in the Governing Rules. ~~to meet Corporate financial obligation and~~

BGR AGENDA ITEM

SUBJECT Bylaws Article III Membership Dues

SOURCE OF PROPONENT Harold Rose

ASSIGNED TO Mary McDonnell

WHEREAS, (1) The cost per member to the corporation is \$5.00, and

WHEREAS, (2) Delegate Assembly meets every three years, and

WHEREAS, (3) the cost of goods and services may increase every year, and

WHEREAS, (4) an extremely large expense may occur and money is needed, and

WHEREAS, (5) the dues may only increase every three years at Delegate Assembly, and

WHEREAS, (6) The Board of Directors has the best interest of the Corporation in mind, and

RESOLVED, The dues for members to be set by the Board of Directors.

4. Dues

The dues for the members, which may from time to time be adjusted by the ~~Delegate Assembly~~
Board of Directors, shall be set forth in the Governing Rules.

BGR AGENDA ITEM:

ACTION ITEM:

SUBJECT: Governing Rule 16.01(K)(3) Sub Chapters

SOURCE OF PROPONENT: Bylaws and Governing Rules Committee

PRESENTED BY: Skip Hulet, Chair

ASSIGNED TO:

BACKGROUND: The CSR Board of Directors has determined that, because of a wide geographical area for some chapters, that establishing sub-chapters is a desirable component for some chapters. Currently the person designated to represent the sub chapter is called an "Area Vice President or Chair of the Sub chapter". This designation is causing some concern in some chapters. Namely, the area vice president title is generally shortened to Vice President. While this position is appointed by the Chapter President, the Chapter Vice President is an elected position in the chapter. Having two or more persons designated as "Vice President" causes some confusion and diminishes the position of the person who is elected Vice President. Therefore, it is recommended that Governing Rule 16.01(K)(3) be amended by deleting the option of calling the Sub Chapter Chair a Vice President.

RECOMMENDED ACTION: that the Board of Directors approves the amendment to Section 16.01(k)(3) of the Governing Rules.

Governing Rule 16.01(k)(3)

(3) The chapter president shall appoint ~~an area vice president or~~ chair of the subchapter, subject to ~~disaffirmation~~ approval of the Chapter Executive Committee, who shall be responsible for the activities of the subchapter. The ~~area vice president or~~ chair of the subchapter must at all times keep the chapter president apprised of its activities.

ESTIMATED CONST/SAVINGS: None

FUNDING SOURCE: N/A

BOARD ACTION:

SUBJECT: MEMBERSHIP

SUBMITTED BY: Fritz Walgenbach, Board Member

REFERENCE: CSR Bylaws Article III, Membership
Sections 1 and 2

WHEREAS (1) with the passage of General Council Resolution B&P 1-15, the CSEA Bylaws no longer restrict CSR membership requirements. And

WHEREAS (2) CSR leadership feels that all former state employees who are retired and have a stake in PERS Health and Pension Benefits should be eligible for membership in CSR. And

WHEREAS (3) CSR needs to expand its membership in order to remain viable. And

WHEREAS (4) CSR currently represents all state retirees. And

WHEREAS (5) those former state employees who are receiving PERS warrants and representation by CSR should be asked to help fund that representation. And

WHEREAS (6) beneficiary members are literally a subset of Associate Members that having two distinct classes seems redundant, and

WHEREAS (7) current state employees have a real interest in their future benefits as championed by CSR and could add to the discussion and planning for future benefits and the retention of existing benefits. And:

WHEREAS (8) the dues income for the association is critical to the operation of the CSR and may need to be adjusted from time to time between the various Delegate Assemblies.

Now therefore:

RESOLVE, that Article III Membership , Section 2 be amended as follows:

Section_2. Qualification for Membership. Any adult individual dedicated to the purpose of this Corporation and qualified for membership in one of the following classes may be admitted to membership in such class on compliance with the procedures set forth in this Article. The qualifications for the respective classes of membership shall be as follows:

- ~~A.~~ Active Members. Active members are persons who are retired, were at one time employees of the state, are vested in the state retirement system, ~~retired from state service~~ under provisions of a public retirement system, ~~and~~ who continue to be retired from state service and who are receiving a monthly warrant from PERS (or from STRS if the retiree was considered a state employee, and was covered under

one of CSEA's bargaining units, and was given a choice between taking a PERS or a STRS pension).

~~B. Beneficiary Members. Beneficiary members are spouses of deceased members who were active members, or eligible for retirement, at the time of death who are receiving a monthly PERS warrant.~~

~~B.C. Associate Members. Associate members are those persons who are dedicated to the purposes of the Corporation but not qualified for active membership, and who are either: (1) spouses, significant others or registered domestic partners of active members; or (2) spouses of deceased members who were active members, or eligible for retirement, at the time of death who are receiving a monthly PERS warrant, or (3) currently employed state CSEA affiliate members who wish to participate in CSR activities. ~~persons who have separated from state service, were members while in state service, and who are recommended by a chapter for membership.~~~~

~~D.C.~~ Rights and Benefits.

1. Active Members

Active members have the right to ~~take~~ all actions to be taken by and enjoy all benefits provided for the members of the Corporation, including the rights to vote and to run for elected office in the Corporation and the Association. They also have those additional rights and benefits as established by these Bylaws or in the Governing Rules of this Corporation. Notwithstanding anything to the contrary only persons who are classified as active members above shall be deemed members of the Corporation for purposes of voting under California Corporation Code ("CCC") Section 5056(a).

2. Associate Members ~~and Beneficiary Members~~

The rights and benefits of this ~~these two~~ classes of members shall be established in the Governing Rules of this Corporation. Persons who are classified as associate members or beneficiary members are not members of the Corporation for purposes of CCC Section 5056(a) and associate members and beneficiary members shall not have any voting rights, including but not limited to, any right to vote as a class under CCC Section 7150. Beneficiary members may petition the Board of Directors to become active members and hold chapter office with the exception of Chapter President or Vice President. These beneficiary members cannot hold any Association office.

3. Eligibility.

Each member shall be a member of a Chapter as well as a member of the Corporation and shall be entitled to any of the rights of membership. A person who is eligible for membership in the Corporation shall be eligible for membership in the Chapter where the person now resides or any Chapter to which the member chooses to belong. A person who does not reside in the

territory of any chapter may choose to belong to any Chapter. No member may hold membership in more than one Chapter.

4. Dues.

The dues for the members, which may from time to time be adjusted by the ~~Delegate Assembly~~ Board of Directors, shall be set forth in the Governing Rules.

SUBJECT: BOARD of DIRECTORS

SUBMITTED BY: Fritz Walgenbach, Board Member

REFERENCE: CSR Bylaws Article IV, Board of Directors, Article V, Officers and Article VI, Representative to the CSEA Board

WHEREAS (1) Corporate law and the CSR Bylaws places the responsibility for the operation of the Corporation (CSR) in CSR Board of Directors. and

WHEREAS (2) CSR Delegate Assembly is scheduled to meet only one every three years. And

WHEREAS (3) CSR issues, concerns and detailed governance changes more frequently and sometimes more urgently. And

WHEREAS (4) CSR Board needs to be able to respond to continuing changes. And

WHEREAS (5) the CSR Board structure needs to be modified to meet the continuing challenges.

Now therefore:

RESOLVE, that article IV, Board of Directors be amended as follows:

Section 1. The CSR Board of Directors shall consists of two components: the first component shall be known as the CSR Officers and shall consist of a President, an Executive Vice President, a Vice President for Membership, a Vice President for Health, and a Chief Financial Officer/Secretary, the responsibilities of which shall be statewide.
The second component shall be seven District Directors each elected by geographical area representing members. The seven geographical districts and their accompanying assigned chapters shall be established by the Board of Directors as detailed in the Governing Rules of the Corporation.

~~Section 1. Powers of the Board of Directors. Subject to the provisions and limitation of applicable law, and subject to any limitations in the Articles of Incorporation, the activities and affairs of the Corporation shall be managed, and all corporate power shall be exercised by or under the direction of a~~

~~Board of Directors. A member of the Board of Directors is referred to as a "District Director."~~

~~Electoral Districts~~

~~The state shall be divided into seven Districts and one member shall be elected from each District.~~

~~(a) Electoral District A includes the following county:~~

~~Los Angeles (Chapters 4, 9 and 20).~~

~~(b) Electoral District B includes the following counties:~~

~~San Luis Obispo, Santa Barbara, and Ventura (Chapters 10 and 31)~~

~~(c) Electoral District C includes the following counties:~~

~~Alameda, Contra Costa, Marin, Monterey, Napa, San Benito, San Francisco, San Mateo, Santa Clara, Santa Cruz, Solano, and Sonoma (Chapters 1, 3, 21, 23 and 36).~~

~~(d) Electoral District D includes the following counties:~~

~~Butte, Del Norte, Glenn, Humboldt, Lake, Lassen, Mendocino, Modoc, Plumas, Shasta, Siskiyou, Tehama, Trinity (Chapters 8, 13, 14 and 19).~~

~~(e) Electoral District E includes the following counties:~~

~~Alpine, Colusa, El Dorado, Nevada, Placer, Sacramento, Sierra, Sutter, Yolo, Yuba (Chapters 2, 15 and 165).~~

~~(f) Electoral District F includes the following counties:~~

~~Amador, Calaveras, Fresno, Kings, Madera, Mariposa, Merced, San Joaquin, Stanislaus, Tulare, Tuolumne, Kern—western side of Tehachapi mountains (Chapters 5, 11, 16 and 35).~~

~~(g) Electoral District G includes the following counties:~~

~~Imperial, Inyo, Mono, Orange, Riverside, San Bernardino, San Diego, Kern—eastern side of Tehachapi mountains, and that portion of Los Angeles County on the eastern side of the Tehachapi mountains (Chapters 6, 12, 17 and 34).~~

~~Section 2. Number and Qualification of Directors. The Board shall consist of nine (9) Directors, seven elected for three year terms by the members of the District they represent, the Chief Financial Officer/Secretary, and the Immediate Past President.~~

~~Section 32. Executive Committee. The Committee consists of the President, Executive Vice President, Vice President Vice President for Membership, Vice President for Health and Chief Financial Officer/Secretary.~~

~~Section 3 4. Election Procedures for Board Officers and Directors. The procedures for electing Board Officers and Directors shall be established by the Board of Directors and as set forth in the Governing Rules.~~

~~Section 5 4. Prohibited Use of Corporate Funds. Corporate funds shall not be expended to support nominees for any elective or appointed office.~~

~~Section 6 5. Secret Ballot. Election of board members, officers and alternates shall be taken by secret ballot.~~

~~Section 7. 6 Installation of Officers and Directors. The Directors and officers shall be sworn into office at the first meeting of the year following their election to office.~~

~~Section 8. 7. Meetings of the Board of Directors.~~

- A. Place of Meeting. Meetings of the Board shall be held at such places as the Board determines.
- B. Quorum. ~~Six (6)~~ a total of eight (8) Officers and Directors shall constitute a quorum for the transaction of business.

And Future Resolve that Article V be amended as follows:

Section 1. Officers. The officers of the Corporation ("officers") shall be the President, Executive Vice President, ~~Vice President~~, Vice President for Membership, Vice President for Health, and Chief Financial Officer/Secretary. The corporate Officers shall be any member of the corporation in good standing. ~~Only the seven Directors who are elected by their respective districts shall be eligible to run for President, Executive Vice President and Vice President.~~

Section 2. Election of Officers. The procedures for election of officers shall be established by the Board of Directors and are set forth in the Governing Rules.

Section 3. Resignation. Any Officer or Director may resign from office, ~~with or without resigning as a Director~~, by giving written notice to the President, or in the case of the President, to the Executive Vice President. Such resignation will be effective when received unless it specifies a later date, in which case it shall take effect on that later date. A new officer shall be elected by provisions set forth in the Governing Rules.

And future Resolve that Article VI be amended as follows:

Article VI Representatives to CSEA Board

Section 1. Representatives on CSEA Board. The President, with the concurrence of the CSR Board shall select the CSR representatives to the CSEA Board. ~~Executive Vice President, and Vice President shall serve as the representatives of the Corporation on the CSEA board of directors.~~

~~Section 2. Alternate Representative to the CSEA Board. If the President, Executive Vice President or Vice President cannot attend the CSEA Board of Directors meeting, the Chief Financial Officer/Secretary shall serve for that meeting. Any other vacancies may be filled by the President.~~



CSR Member Expense Claim Instructions

- General:**
- 1) **Expense claims must be submitted no later than the calendar month following the time the expenses were incurred.**
 - 2) Any expense paid by another claimant shall be noted on the expense claim.
 - 3) Each claimant must sign the certification statement at the right of the claim form.
 - 4) Expense claims which are not accompanied by the required receipts, authorization and details will not be paid.
 - 5) The most economical use of Association/Affiliates funds, consistent with the convenience of the claimant and the schedule of the meeting, shall control.
 - 6) Do not tape or use highlighter on receipts as it affects the ability to Xerox or scan the document.
 - 7) Please note your phone number and e-mail information on your claim to receive processing updates and so you can be contacted if there are any questions concerning your claim.

Date: Indicate each date on which expenses were incurred.

Location: Show the location at which expenses were incurred.

Depart: Show the hour at which you departed for a meeting or other activity.

Return: Show the hour at which you returned from a meeting or other activity.

Activity: Describe the purpose of the expenditures.

- Lodging:**
- 1) The regular allowance is based on the negotiated rate. Lodging other than General Council lodging shall not be allowed if residence is within 40 miles/40 minutes from meeting location. Only actual expense within the above limits is reimbursed, and original receipts are required.
 - 2) A maximum of the following amounts may be claimed for incidental expenses incurred during any 24-hour period involving a lodging claim.

California State Retirees.....\$12.00

Meals: 1) Meal expenses may be allowed up to the following rates:

	<u>Breakfast</u>	<u>Lunch</u>	<u>Dinner</u>
California State Retirees.....	\$12.00	\$13.00	\$20.00

- 2) Breakfast may not be claimed if departure is after or return is prior to 8:00 a.m. Lunch may not be claimed if departure is after or return is prior to 12:00 noon. Dinner may not be claimed if departure is after or return is prior to 7:00 p.m.
- 3) When meals are purchased for other persons authorized to claim meal expense, such persons must be listed on the expense claim with receipt attached.

Travel: 1) Indicate the mode of transportation and cost. Common carrier (plane, bus, etc.) is the authorized method of transportation but private automobiles or privately owned or rented aircraft may be authorized if a common carrier is not available, is more costly, or would be unreasonably inconvenient.

- 2) If private automobile is **authorized** and used, indicate the number of miles traveled (in the comment space at bottom of claim) and use the allowance of **\$0.575** cents per mile. **(These rates are subject to change.** If private automobile is NOT authorized, but used, claim the common carrier fare. If travel is made in another claimant's automobile, travel expense will be allowed only to one claimant.
- 3) Transportation receipts, when applicable, must be submitted with claim.

Misc.: 1) Taxi fares are authorized only when no other transportation is practical or available, or when the fare for several riders is not more than the common carrier fee.

2) Long distance telephone charges must identify the date, place and party called. If the call is in excess of \$1.00, receipts are required.

3) Parking expenses are reimbursed, but receipts are required for amounts in excess of \$5.00 per day.

4) Bridge tolls are reimbursed, and no receipts are required.

5) Other actual and necessary expenses of an unusual nature, upon approval of the Secretary-Treasurer/Division Financial Officer, may be reimbursed when appropriately recorded and adequately explained.



ACCOUNTING USE ONLY

I hereby certify that this is a true statement of travel expenses incurred by me in accordance with the current travel expense policy of the Association during the period of this claim, that all items shown were for official business of the Association, and that no expenses herein were received or paid from any other source.

Signature
Title

Total expense this page

Total attached pages.....

Grand total expenses

Less - Travel advances

Member

CSEA.....

APPROVED

RED-004b Rev. 11/08



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Signature
Title

Total expense this page	
Total attached pages	
Grand total expenses	
Less - Travel advances	
Balance Due	Member
	CSEA.....

APPROVED

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Title

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Grand total expenses	_____
Less - Travel advances	_____
Balance Due	Member
	CSEA

APPROVED

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	CSEA

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Total attached pages.....	
Grand total expenses.....	
Less - Travel advances	
Balance	Member
Due	CSEA.....

APPROVED

RED-004b Rev. 11/08

