

AFSCME LOCAL 4041 RETIREES
BOARD MEETING
CARSON CITY AND LAS VEGAS
NOVEMBER 27, 2018

MEETING CALLED TO ORDER

President Charlie Muller called the meeting to order at 10:10 a.m. with the pledge to the flag. Also present were Vice President Roger Bremner, Director North Steve Suwe, Director South Laura Leavitt, Treasurer Patty Maschal, Secretary Sandra Hudgens, Trustee Fred Suwe, Member Ray Leavitt, Hugo and guest Gail Dietrich.

ADDITIONS TO THE AGENDA

Laura added the name badges and Roger added membership.

REVIEW AND APPROVAL OF MINUTES

Charlie passed out the minutes of the October 9, 2018. Steve requested that Sandra e-mail him the minutes. Roger made the motion that we authorize the secretary to make any additions or corrections that may arise and that we approve the minutes as presented. Patty seconded the motion and it was approved.

REPORT OF OFFICERS

PRESIDENT'S REPORT

Charlie made known his intention of asking Joanie Papaiani to take over Frank's position as Director-in-Charge. We have an election coming up this coming spring. Charlie mentioned that we did a fantastic job in the elections. He commended AFSCME International for putting so much time and money into Nevada. Discussion ensued on the election. Charlie wished to focus on a memorial to Frank in the next Senior Moment. Discussion ensued on the content of the enior Moment and publication to be sent out by the 7th of next month.

Steve mentioned he is taking advantage of the free university education offered by AFSCME. Discussion ensued on how to apply on line.

Charlie continued his report my announcing that we received our official Charter from AFSCME this morning. Steve made the motion to have the Charter professionally framed so we can hang it in our office. Roger seconded the motion and it passed.

VICE PRESIDENT'S REPORT

Roger said that we are all aware of the huge success we won in the elections in November; we lost a couple, but we won the vast majority. We won Jackie Rosen in the U.S. Senate, Steve Sisolak for Governor, Aaron Ford, Kate Marshall, etc.

Roger stated that he did not use all the money allotted to him for the candidates. He required a bill in order to give them money for events. We did have a dinner for

Democratic Chairs and we paid for 15,000 cards with the people that we supported and that got out our name. Additionally, Roger said we should be proud of the effort AFSCME international put out moneywise and personnel wise. They were everywhere. They certainly got the name of AFSCME out there.

Roger would like the list of names that international sent in order for us to look over the names of individuals so we can send out applications for them to join AFSCME.

Patty mentioned that some of the addresses are different from those on PEBP and PERS list, and she will look into it. Charlie mentioned international will be doing another mass mailing next year.

TREASURER'S REPORT

Patty said there was \$149,951.35 in checking and \$12,012.16 in the savings account. She would like to put the savings in another account because they charged \$6.00 for a cashier's check even though we have almost \$150,000 in there. Steve made the motion to allow Patty to move the money to where it is most beneficial and Roger seconded it. The motion carried.

DIRECTOR SOUTH'S REPORT

Laura reported that they had Deferred Compensation financial wellness day attended by mostly newly retirees. At the end of the meeting most of the questions were directed to Laura as having already been retired. She also attended the County Commission debate. She attended the October 16, 2018 Steven Horstford event with NARA and AFSCME at the AFSCME office. Laura attended the AFL/CIO office with Dina Titus at the IEUW. The secretary/treasurer of the AFL/CIO was there and it was a great event. Shee also did phone banking. Then she attended the Convention. Steve reminded Laura that she is authorized to add pictures on Face Book. Laura mentioned that the workshops at convention were great.

DIRECTOR NORTH'S REPORT

Steve had nothing more to add.

LOBBYIST'S REPORT

Priscilla has the notes she took on the endorsement process saying who won and who lost and overall; we did great. She said she would simplify those notes that she kept concerning the endorsement. She mentioned about an article about the rural/urban gap. That is going to be a big issue going forward. It is a terrible policy to think we could ignore this issue. The article goes into the issue of why that is. Going forward and increasing membership, we have to be responsible. It is important to know that we represent all of Nevada; the article did have some good points about what is happening in rurals across the country. The young people are not necessarily moving into the rural counties. There is a big difference between Douglas County and Nye County. She thinks Douglas County will get more retirees.

Priscilla went on to say that Jason Hanel came up to organize and we did it; we won!

We won the Governor's race; we not only kept the Senate, but have a super majority in the Assembly. We won the house races except for Marc Amadei and we won the U.S. Senate. The Phone banking was an organizing force because we talked to our members. We have 29 Democrats in the Assembly, thirteen Republicans in the Assembly; that makes it a super majority. We have thirteen Democrats in the Senate and eight Republicans in the Senate. That is where those numbers break out. The main thing about organizing is that we met our goal. Priscilla said that she was our labor union coordinator. She said she doesn't know what labor is doing going forward; but she will make herself available for their meetings at the central labor committee up here.

Priscilla announced she had 2 things on PERS. No one knows what Ron Knecht has in his BDRs. But Priscilla will keep tracking them. Roger mentioned that he believes no Republican wants to be connected with Ron Knecht who has been a failure for four years.

The second thing that Priscilla has on PERS is the press release issued on October 19, 2018 on the Supreme Court case. PERS is still sorting out what they will do, what their policy will be and how they will handle public record's requests. The big news in the November 15th meeting, based on their constitutional actuarial, came up with what they believe should be the contribution rate for the actives. This is like a political hot potato, unlike a bargaining situation between the employer and the employee; it protects us. We have this constitutional protection. The Police and Fire contribution rate is going to go up 1.215 percent and the actives regular members are going to go up .795 effective July 1, 2019. This is from collective bargaining from the last session,

We are still wondering if there is going to be any change to the consumer price index-based statutes that affect PERS anytime soon. Roger stated his Social Security increased 2.8 percent. How many years has it not increased? Patty could not talk about how PERS could handle it except to say it was a complicated issue on how they calculate it. Priscilla said one of the things she does as our lobbyist is to track statutes and that is what she will do.

Priscilla met with Dr. Kent Irving with the Faculty Alliance at the PEBP meeting yesterday. He is talking with Carter because they may want to be a part of collective bargaining with us.

The PEBP meeting was to go over the budget that was already submitted to the Governor. On January 15, 2019, the governor's response will become public. There are three things on the agenda. We will save item number 9 for the end; it is the same thing that has been going on since November of last year between St. Mary's and Hometown Health. Item number 10 is a proposal by PEBP (the Department of Human Resources already does some of this) to offer voluntary products. It's kind of like Union Plus with supplemental vision plan. Priscilla told them we did not have a "dog in the fight" other than it competes with what AFSCME International offers. If

they offer these things without an impact on the budget, we are neutral on this. Glen Shippee, formerly with the Department of Insurance, went into what this meant to their Attorney General. Priscilla said, for the record, it cannot generate any cost to PEBP, or to their budget or impact any cost to the members. They also offer counseling and financial advice. To sign up for this benefit, the cost would come out of their paycheck. Patty mentioned dental is totally separate. Most good dental plans take a year before you are covered; in case you have a claim when you apply. They are still trying to find a dental offering. The final item is 11 and this is where it gets ugly for us. Item number 11 is plan design changes that are proposed in response to the budget. Keep in mind the Governors budget in 2017 will be active, they are getting 1 percent per biennium and they found more money in the last 20 minutes of the session. This is a new ball game; this is a Democratic Governor that we helped put in office and Priscilla said that if you think you are going to put something in your budget that is going to have a negative impact on our members, well, guess what! We are in a position that we have not been in for ten years. In March of 2017, they picked up out of excess 'reserve the retirees' administrative cost on the HRA and life insurance premium. And this was their budget presentation. In 2017. It wasn't a huge amount of money, but he said he built his budget conservatively with other factors. Some increases in his budget, the Medicare retirees would get \$12 a month per year service now. You haven't gotten any kind of change in four years. This time instead of going to reserves or doing a bill draft, he is just building it into the budget for fiscal year 2020 for a \$1 increase per month per year which is \$14 per month per year. He says the Medicare state life insurance premium and HRA administrative fees are now going to go to the retirees. So instead of saying, "We are going to give you a benefit, and pick up these costs " like he did in 2017, he is doing the opposite. We are going to be opposed. He said there are three possibilities for these costs later: pay out of the reserves again, pay for by the retirees, or built into the PEBP budget amendment during the session next year. Priscilla told him to do that, to adjust it through the amendment to the budget. That is what she is going to the table with. So basically, they are giving us a dollar raise and taking out a dollar and a half!

Roger stated that he had talked to Marlene and was told that PEBP wanted all retirees and actives to pay an additional \$8 for life insurance that we are not paying now. They won't answer our questions on how much they get for us, how much they give to us, how much they pay for life insurance, how much they pay Towers Watson to administer the plan for us. They pay them for doing it instead of doing it themselves. We don't know how much money and where it goes.

Laura brought up a good point about talking to the transition committee about some of these issues. This was their budget presentation on how the employer contribution subsidy portion of the overall rate is handled. We need to get a position, get it out early and find the appropriate place.

The State wants to get into the health care business is the third item. They have this fight going on with St. Mary's and Hometown Health they both don't want to share

the piece of the pie. Hometown Health has had the market in the North exclusively. Hometown Health is going to tell the board they need an RFQ (a request for qualification) as opposed to a regular RFT. An RFP (proposal) process would be fine and would not offend anybody and we are going to put that on the record. Let all the players, including the state of Nevada, come with a proposal for these three things and then discuss them. We need the biggest provider base as possible.

Priscilla went on to discuss her conversation with the LCB on the party issues. The main thing she wanted us to know was the portal for her to sign up, as our lobbyist, is December 3rd. Bill tracking has gotten expensive. A maximum of 100 bills is \$275. Option 2 is unlimited BDRs and Bills is \$650. Laura made the motion to cover the cost for unlimited BDRs and Bills. Sandra seconded the motion and it carried. Priscilla will generate reports to let us know if we need to fight a bill and will let us know if we need to keep it "in house".

This is a year labor is going to get back everything they lost in 2015. Twenty-five of their 41 bills are going to be prevailing wage, etc. Priscilla expects them to be there for us at the table. Roger asked if those bills were brought up again after the veto session without having to go through the process of reintroducing a bill and having to go through the process again? Priscilla said she didn't know and needs to know tomorrow at 3:00 when she has been asked to meet with Kathy Cortez Masto's staff person. He wants to know what our priorities are. She doesn't know if labor is going to draft new bills. They have 5 days to get them to Sissolak.

Laura mentioned her concern about timing, getting our priorities in and if we are going to meet with AFL/CIO.

Discussion ensued about some organizations wanting to pull out of PERS, like the Teachers Union. That is not likely to happen if members have a say in it. PERS is the best retirement system we have.

Priscilla went over the statute that would allow us to give a dinner for the newly elected legislators when they convene for orientation. Senate Bill 307 is the financial disclosure statute for all public officials.Under the definition of expenditure a lobbyist can provide food and beverages and invite everyone in the legislature only if every legislature is invited to the event. She was also told by the LCP that the legislators invited before the legislature starts, they will have to report unless everyone is invited, since everyone will be invited they will not have to report. At this time we have not been told the dates. Discussion ensued regarding the dinner

Laura brought up the possibility of us having input in suggesting people for any of the positions that the Governor would be electing.. Roger suggested Laura get a list of the boards and commissions and who he would be appointing because he will be wanting to replace some of them.

Priscilla just announced phase 3 of their training of the academy is January 14, 15 and 16, 2019. Now we can make the plans for the dinner.

Laura mentioned a Face Book page named Nevada PERS, it has 2,074 members, it appears to be people with RPEN or familiar with RPEB but are not familiar with AFSCME. Someone receiving an application to AFSCME responded on this FB page asking if it was legitimate and threw it in the trashcan. Patty responded by saying we are still waiting for an opportune time to have our information sent out in the same manner as RPEN. Patty also mentioned that it would be easier for PERS to have new members put the last four numbers of their Social Security on the applications since PERS is Social Security oriented.

Laura made a motion to have name badges made for the board members to identify us during events. Roger seconded the motion and it carried.

Steve said the mass mailing was done by international over a month ago. Today we have received 117 new members with a total of 1, 297 members.

It was decided that the next meeting would be December 6, to discuss the dinner.

Carlos called to discuss some of the things that were done preceding the election such as knocking on doors and phone banking. He also mentioned having a round table discussion with other organizations. Roger asked Carlos to send him the list international used to generate the mass mailing. Patty explained to Carlos the reason to have membership cards request the last four numbers of the Social Security number. In ending, Carlos was invited to the dinner we are planning for the legislators.

The meeting was adjourned at 12:10 p.m.

Respectfully submitted,

Sandra Hudgens, Secretary

