

CALIF ORNIA STATE RETIREES

**California State Retirees
Board of Directors Meeting**

**Wednesday, February 26, 2025
9:00 a.m. – 3:00 p.m.**

**CSR Headquarters
3000 Advantage Way
Sacramento, Ca 95834**

Minutes

1. Call to order

The meeting was called to order at 9:00 a.m. by President Joe Reynoso.

2. Salute to the Flag

The pledge of allegiance to the flag was recited.

3. Roll Call

Joe Reynoso, CSR President
Keith Umemoto, Executive Vice President
Vincent Herrera, Vice President
Geanie Hixon, Chief Financial Officer
Sharon Stoltzman, District A Director
Susanne Paradis, District B Director
Maria Aguilar, District C Director
Patrick Gantt, District D Director
Merilee Colton, District E Director
Jerry Fountain, District F Director
Jay Jimenez, District G Director

A quorum was established.

4. Introductions and Agenda Changes

President Reynoso welcomed attendees, including new and returning board members.

5. Approval of February 26, 2025, Board Meeting Agenda

CSR 25/2/6 Motion: Herrera, second by Umemoto - The CSR Board of Directors approve the February 26, 2025, Board meeting agenda. CARRIED

6. Approval of June 26, 2024, Board Meeting Minutes

CSR 25/2/7 Motion: Herrera, second by Umemoto - The CSR Board of Directors approve the June 26, 2024, Board meeting minutes. CARRIED

7. Swearing in of District F & G Directors

President Reynoso conducted the swearing in of Jerry Fountain, District F Director and Jay Jimenez District G Director. Patrick Gantt, District D Director and Merilee Colton, District E Director were also sworn in.

8. President's Report of Activities

President Reynoso reported on CSR's legislative advocacy, CalPERS collaboration, and member support efforts. He reaffirmed CSR's commitment to legislative advocacy, citing CSR's role in eliminating the Windfall Elimination Provision (WEP) and Government Pension Offset (GPO), which increased Social Security payments for affected retirees. He emphasized CSR's role in securing retiree benefits and the importance of Lobby Day (April 8-9, 2025). Reynoso also acknowledged the recent passing of past CSR President and District Director, Tim Behrens and held a moment of silence in his honor.

Executive Vice President Umemoto provided an update on CSR's membership recruitment strategies and advocacy efforts. He discussed CSR's public records request to CalPERS, which yielded a list of 700,000 retirees but without addresses. He is working with board members to identify data sources for outreach and reduce the 200,000 eligible but non-enrolled state retirees. Umemoto also emphasized retention strategies, including personalized outreach efforts and local chapter engagement.

9. Chief Financial Officer Report – Geanie Hixon

Chief Financial Officer Hixon, sworn in for a three-year term in October 2024, reported on CSR's financial status and upcoming initiatives. A mandatory financial training for Presidents and Treasurers is scheduled for June 2025, with CSR covering travel costs.

January 2025 financials show a \$39,000 net deficit largely due to an unbudgeted \$26,000 allocation to chapters and prepayments. Cash and investments total \$7 million (up from \$6.7 million in 2024). While revenues exceeded projections by more than \$30,000, expenditures were over by \$107,000. Monthly financial reports are

sent to Chapter Presidents and should be shared with Chapter Officers. No withdrawals have been made from investment accounts, and efforts are underway to improve financial oversight. Budget reallocations within approved limits do not require delegate approval.

10. Board Member Activity Reports

Board members submitted written activity reports, which were reviewed.

11. Legislative Report (deferred until later)

Ted Toppin, Blanning & Baker, presented his report during the Political Action Committee report (agenda item 12e).

12. Committee Reports

12a. Finance Committee – Diane Whorton:

Chair Whorton thanked her committee and presented recommendations to the Board from the committee – CSR Gift Card Policy in section 2.13 of the Governing Rules

2.00 MEMBERSHIP AND DUES

2.13 CSR Gift Card Policy

~~Gift cards may be awarded to chapter members for limited reasons. (For example: in recognition of a celebrated holiday, involvement in membership recruitment, retirement from CSR, or as an acknowledgement of chapter participation.)~~

~~Gift cards are liquid assets of the chapter's finances, and are to be accounted for in the same manner as cash on hand.~~

~~CSR Chapters that purchase and distribute gift cards to their members must properly account for the purchase, distribution and those gift cards not yet awarded to members in accordance with normal chapter accounting and as indicated below.~~

~~The CSR Chapter Gift Card Tracker spreadsheet shall be used to properly account for the number of gift cards purchased and the dollar amount of each gift card.~~

~~Additionally, each recipient of a gift card shall be specifically identified on the gift card tracker and required to sign (member's signature) for the gift card.~~

~~As an asset, the dollar amount of the gift cards will remain as a balance on the chapter's monthly financial report. Upon distribution of the gift cards, the required information is to be recorded on the CSR Chapter Gift Card Tracker which shall be submitted to Headquarters with their monthly financial reporting documentation.~~

~~The transactions of those gift cards distributed will then be shown as an expenditure on~~

~~the chapter's financial report.~~

~~Gift cards in the possession of the chapter at the end of the fiscal year will be~~

~~included in the calculation for purposes of defining the chapter's three-month dues allocation (Cap).~~

~~Terms and conditions:~~

~~(a) Gift cards shall not to be awarded to non-members, guest speakers, or visiting chapter members. Gift cards are only for members of the awarding chapter.~~

~~(b) A gift card is the sole responsibility of the receiving member.~~

~~This includes, but not limited to, monthly service charges and expiration dates associated with the gift card.~~

~~(c) The chapter shall not replace a gift card that is lost or stolen after distribution to the member.~~

~~As determined by the Board of Directors, based upon a recommendation from the Chief Financial Officer; a chapter in noncompliance with this Governing Rule will be subject to denial of future purchases and distribution of gift cards. A chapter that has been denied the approval of purchasing gift cards may petition the Board of Directors for approval of future gift card procurements and distributions. **(CSR Bd 10/30/19)**~~

~~Chapters shall not purchase or distribute any type of gift card or lottery ticket, for the purpose of a giveaway.~~

Any chapters that's still have gift cards in their possession will send them back to CSR Headquarters to Controller, Kenton Jones, and the chapter will receive funds in the same amount.

CSR 25/2/8 Motion: Hixon, second by Umemoto, to accept the proposed language in section 2.13 of the Governing Rules. CARRIED

12b. Health Benefits Committee (HBC) – Jose Gutierrez:

Chair Gutierrez provided an update on the Health Benefits Committee, highlighting the team's efforts despite limited preparation time. Gutierrez requested an additional 30 minutes for future presentations to allow for a more comprehensive discussion of key health-related topics impacting members. The committee received positive feedback and aims to enhance its presentations moving forward.

The committee was officially formed less than a month ago due to the selection and verification process following the October 2024 elections. Given the short timeline, all committees had minimal time to prepare, yet they successfully delivered well-researched presentations. Leadership confirmed that the committee will have a dedicated 90-minute session at the June meeting to ensure sufficient time for discussion.

A request was made for written copies of presentations to be distributed electronically and in print, allowing members to review and share information with their chapters. Leadership agreed to explore this option, emphasizing the importance of ensuring that board meeting updates are communicated to chapter members rather than retained solely by Chapter Presidents.

12c. Membership Committee – Jerry Fountain:

Russell Kilday-Hicks was announced as the new Membership Committee Chair, with Jerry Fontaine serving as liaison. The committee previously led by Diane Padilla, recognized her leadership and contributions.

The committee will focus on supporting chapter recruitment and retentions efforts by providing materials, guidance, and talking points. A survey may be sent to Chapter Presidents to assess their needs and improve support. The committee aims to strengthen membership growth through targeted resources and chapter assistance.

Executive Director, Paternoster presented the CSR Chapter Membership 2024 Year in Review which highlighted an overall membership growth of 1.9%, reaching 44,077 members by the end of the year. However, new member applications declined by 3%, with 104 applications in 2024 compared to 107 in 2023. Additionally, rollover members decreased by 9%, dropping from 2,380 to 2,144. Despite these declines, membership retention improved, as cancellations decreased by 14%, and member deaths saw a 5% reduction compared to the previous year.

Recruitment efforts remained a key focus, with a total of 161 membership applications received, including 104 new members and 32 benefit continuation applications. Online applications were the most common source of new members, followed by newspaper ads. A recruitment campaign ran from June 2024 to February 2025, resulting in 42 applications linked to recruiters, and five members were selected as recruitment winners from various CSR chapters. While the overall membership count increased, maintaining steady growth through new applications and rollovers remains a priority for CSR moving forward.

12d. BGR Committee – Michael Ellison:

The BGR Committee is reviewing seven items from Delegate Assembly, including two approved Bylaw changes requiring updates to the Governing Rules. The committee's primary focus is to resolve inconsistencies, clarify vague language, and align Governing Rules with CSR Bylaws and board-approved policies.

To enhance efficiency, the committee seeks approval to add three members and conduct quarterly work sessions, with meetings scheduled for April 18 and August 20. Chapters are encouraged to submit concerns regarding unclear or outdated rules. The committee will also work with other committees to ensure policy changes are accurately documented.

A full report with proposed rule updates will be presented at the June board meeting.

12e. Political Action Committee (PAC) – Steven Alari:

Chair Alari reported the PAC held a brief but productive meeting. Members introduced themselves and reaffirmed their commitment to strengthening CSR's advocacy efforts by working closely with local leaders, district directors, and chapter presidents. The committee discussed the 2024 election results, the upcoming CalPERS election, and strategies to enhance CSR's political influence.

Legislative Representative Ted Toppin, Blanning & Baker, provided an update on the state budget and key legislative measures impacting CSR members. He discussed the \$9 billion allocated for state pension contributions and the \$8 billion designated for healthcare funding, with \$5 billion directed toward active employees and \$3 billion for retirees. The bill introduction deadline was February 21, 2025, with 118 legislators currently in office who created 2496 new bills. Toppin also highlighted key legislative bills, including:

SB 351, which aims to restrict private equity involvement in healthcare decisions; AB 371, which expands access to dental providers for retirees; and AB 280, which ensures the accuracy of health care provider directories to prevent out-of-network billing issues.

He emphasized the importance of CSR's participation in legislative advocacy efforts, particularly during the upcoming Lobby Day.

The PAC will continue to monitor legislation impacting CSR members and provide updates on advocacy initiatives.

13. CalPERS Speaker

Marcie Frost was unable to attend due to a scheduling conflict. In her place, Don Moulds, Chief Health Director of CalPERS, addressed the Board. Moulds provided updates on healthcare plan changes, contract negotiations, and Medicare-related concerns. He also discussed ongoing efforts to streamline benefit access for CSR members. Attendees raised questions regarding long-term care premium increases and potential future policy changes within CalPERS.

January 15, 2025:

CSR 25/1/1 Motion: Paradis, seconded by Herrera- The CSR Board of Directors approves removing chapter 31 out of receivership. CARRIED. Lira-Beuer abstained.

CSR 25/1/2 Motion: Hixon, seconded by Paradis- The CSR Board of Directors approves the reversal of the boards previous decision to place chapter 13 in accounting option 1 and allow chapter 17 to transition to accounting option 2. CARRIED. Colton and Lira-Beuer abstained.

CSR 25/1/3 Motion: Reynoso, seconded by Paradis- The CSR Board of Directors approves the tentative committee appointments in toto. CARRIED

CSR 25/1/4 Motion: Jimenez, seconded by Lira-Beuer- The CSR Board of Directors approves to send \$1,000 to each chapter. CARRIED

February 19, 2025:

CSR 25/2/5 Motion: Colton, seconded by Paradis- The CSR Board of Directors approves the removal of gift card language from governing rules. CARRIED

14. Upcoming Meetings:

The next CSR Board of Directors meeting is scheduled for June 23-25, 2025, in San Francisco. The October 2025 meeting location is still to be determined, pending the finalization of hotel contract negotiations.

15. Adjourn

Meeting adjourned by President Reynoso at 2:30 p.m.