

Santa Monica College  
**Collegewide Benefits Committee**  
**Minutes of the Meeting**  
**March 16, 2005**

Present

Pat Brown, Co-Chair  
Sandi Burnett, Co-Chair  
Lenore Banders  
Al DeSalles  
Peter Geltner  
Jeanette Goolsby  
Mitra Moassessi  
Reagan Romali

Guests

Don Pope, Keenan and Associates  
Gayle Grob, Rael & Letson Consulting & Actuaries Firm  
Ron Riley, President, CEB Business Insurance  
Michale Leon, CSEA member Benefits Coordinator  
Peggy Shannon, Labor Relations Representative

Absent

Peggy Rhoads

Committee Assistants

Letty Kilian, Staff Assistant  
Mimi Vaval, Resource Staff Assistant

Co-Chair Patricia Brown opened the meeting at 2:30 p.m. by welcoming Jeanette Goolsby to the meeting.

Approval of March 9, 2005 Minutes

Motion was made by Reagan Romali and seconded by Peter Geltner to approve the minutes.

Ayes: 7

Abstention: 1

Motion was made by Peter Geltner and seconded by Reagan Romali to move the agenda to New Business.

Ayes: 8

Noes: 0

Keenan and Associates

Keenan and Associates specializes with the public school sector, K-12. Consultant Don Pope's background is in employee benefits and is very familiar with the PERS concept.

- Kaiser and Blue shield will not give a quote until the district has withdrawn from PERS
- The cost of savings to the college will be determined by demographics
- Keenan and Associates has assisted three school districts in changing from PERS to CAPEP; prior experience has resulted in about a 10% reduction of premiums in first year
- Keenan and Associates meets GASBE standards

- Keenan and Associates has a legal staff and its own underwriting department
- It is possible that renewal with PERS may be the best option for the district
- There are no consultant fees or cost for the RFP; remuneration is through a commission, generally 2%; District must contract solely with Keenan prior to RFP process
- They will match the carriers and make a recommendation
- Keenan and Associates will not make a profit if there is no plan change
- It is recommended that the district have a mandatory face-to-face enrollment to verify marriage and dependent status of employees

#### Rael & Letson Consulting & Actuaries Firm

Rael & Letson has been in the business for 40 years and they pride themselves on providing companies with individual attention. Rael & Letson will study the district's demographics, design a benefit plan based on the information gathered, and take it to vendors best suited for the district.

- Rael & Letson will provide the district with an analysis and do a presentation which will provide the district with information to make a decision
- The cost of the RFP and consultant is included in the retainer fee (based on number of meetings required)
- The cost for services can be made on an hourly basis or a retainer

#### CEB Business Insurance

They are currently working with 16 public entities most of which are school districts. They have established relationships with all major insurance carriers and their focus is employee benefits

- CEB Business Insurance will survey and review all current policies and benefits
- CEB will not provide a Blue Shield quote until the district writes a letter of termination with PERS
- CEB will contact and meet with carriers
- CEB will identify appropriate carriers
- Provide a disruption analysis
- Provide a network analysis and benefit comparison
- Advice on the type of funding to establish in leaving CalPERS
- It is not a complicated process to leave CalPERS
- Assistance with proper funding arrangement: self funding or fully insured
- Provide reports to the Committee
- Design a strategy for communication and implementation of benefits
- CEB Business Insurance prefers a flat fee arrangement
- Their full service cost will include part-time faculty and retirees
- Approximate cost per month will be from \$4,500 to \$5,000, approximately \$60,000/year, excluding website, printed material, etc. needed for implementation of benefit plan change

#### Goals for Next Meeting

- Benefits Audit Method
- Website Update
- Budget Review
- Discuss consultants and method payment
- Development of employee survey instrument

#### Adjournment 4:10 p.m.

The next meeting of the Collegewide Benefits Committee will be held on Wednesday, March 23, 2005 Drescher Hall (301-A).