

Dear Retiree,

Your medical benefits are under attack! On July 1, 2005, the college district broke its promise to you.

The district unilaterally changed your medical benefits to increase your out-of-pockets costs. They changed them again July 1, 2006 to increase costs for retired supervisors, classified staff and managers. The district will increase your costs every year from now on, unless we take legal action to stop them.

We are fighting back!!!

The Retirees Association has hired an attorney to represent us in court if a compromise with the district cannot be achieved. We need all retirees to contribute to our legal fund. Many retirees responded to our first request for \$200 to get a legal fund started.

We are asking each retiree to contribute \$500 more to the legal fund. If you can afford to contribute more, please do so. If you are cannot afford that amount, please contribute as much as you can on a monthly basis. We need as much money (or pledges) as possible as soon as possible.

**Retirees' Association Membership Meeting
Wednesday, September 27, 4 p.m. to 6 p.m.,
Courtyard by Marriott, Oxnard (off
Vineyard in the Financial Plaza)**

PLEASE READ THIS LETTER AND THE NEXT EDITION OF THE MONITOR VERY CAREFULLY!

More than 400 retirees (out of about 500) have asked to have their names listed as supporting the "claim" the Retiree's Association has filed against the District. The "claim" argues forcefully that the District has broken promises it made to those whose combined 10,000 years of service earned them lifetime District paid medical benefits. (A summary of the "claim" will appear in the next Monitor you receive).

The District – unilaterally – and significantly altered retiree health benefits last year. The Chancellor's letter to us in May, 2005 said "We (the District) are exploring some **modest** plan design changes."

Our calculations indicate that the "modest changes" – higher deductibles and increased prescription costs – the District has imposed have cost us collectively in the first year between \$800,000 and \$1,100,000 dollars more than we were paying under the plan we had when we retired. This amounts to an average of \$ 995.00 per year for each retiree and each dependent. 70% of the increase is due to higher prescription costs.

Worse yet, after only one year, more changes have been imposed. The District has changed the vision care provider for retired managers and classified employees. Also, retired managers and classified employees have had a co pay modification imposed on them. The District has also imposed a cap on the amount it will pay for their benefits, which means that each year when Blue Cross raises premiums, either coverage will be cut further, or more out of pocket charges will be required to maintain coverage. These changes will likely be imposed on retired faculty after contract negotiations next year.

(Please read the above paragraphs again and think seriously about the deterioration in medical benefits that has already

taken place and will continue in the future and consider how it has and will continue to affect you personally.)

After receiving the "claim", the District asked to meet with retiree representatives and our attorney to explore settlement of our differences. As of now, the District has rejected the "claim" – which was not unexpected - and has postponed the scheduled meeting from August 30 to September 25.

We on the Retirees Benefits Committee are not optimistic that the District will be willing to backtrack and make significant adjustments in the benefit plan we are now living with.

Therefore, Committee members unanimously agree that while we negotiate in good faith with the District, we must now proceed with preparations to file a lawsuit against the District to prevent erosion of our promised benefits. The filing deadline is February 17, 2006.

That's where you come in. Preparing a lawsuit takes money, and we estimate that we need upwards of \$ 240,000. It's a large figure, but a figure that pales in comparison to the fact that we have already collectively paid out more than three times that much in just the first year of the reduced benefit medical plan the District has imposed on us, and every year it will get worse.

We appreciate that most of you have responded to our request for \$200 to create a legal fund. That money enabled us to start the process and demonstrate to our attorneys and the District that we are serious. But, we must be prepared to follow the process through to completion.

So we are asking each retiree to contribute \$500 more to the legal fund. If you can afford to contribute more, we urge you to do so. We understand that we did not all retire with the same pension incomes and that this level of contribution may well be a hardship on many retirees. If this amount is very difficult, we ask you to make a monthly contribution. We need as much of the money (or pledges for monthly contributions) as possible by October 15th. Rest assured that any

money left in the legal fund at the end will be refunded on a pro rata basis.

We must be unified and show steadfast resolve in confronting the leaders of the District or they will be allowed, at our expense, to get away with decisions that are very detrimental to us and, we believe, illegal.

As retirees, we are in various stages of health and financial condition in our aging process, and many of you have shared various sad stories with us. If you are currently healthy and have limited medical expenses, count yourself fortunate, but please empathize with those less fortunate, and understand that as we get older, we will all increasingly need the medical benefits the District promised us.

If we don't act or contribute now, those benefits will not be there when we need them. That is a certainty. Please fill out the enclosed form and send your contribution to the VCCCD Retiree's Association Fund in the enclosed envelope.

We believe in the case we have against the District and are optimistic about the outcome of the lawsuit. If we did not, and were not, we would have just accepted what the District has done and we would not be asking you for more money to make a lawsuit possible. Please join us in supporting our cause. Without each other, we are at the mercy of the District's whim, whether we believe we have a contract that says otherwise or not. We must challenge the District belief that they can ignore their original promises to us and we must set a precedent for the future that stops them from changing our benefits whenever it suits their purpose.

We are calling an all membership meeting for Wednesday, September 27th:

Retirees Association All Membership Meeting
Wednesday, September 27 4 PM to 6 PM
Courtyard by Marriott, Oxnard (off Vineyard Blvd at 101 Fwy)

Please bring whatever questions you have. If you cannot attend, please phone or email if you have questions.