



TelCo Retirees Association, Inc
United for a Secure Future



Dear Members,

Happy New Year to all of you! May 2024 bring us joy, prosperity, and most importantly at this stage of our lives, good health.

TelCo begins the year with big changes in our officer structure, as our President is stepping down to a Director role (see page 2) and our Vice President is, for the time being, President Pro tempore. That leaves the Vice President slot vacant. None of our existing Board members are in a position to assume that role, so we are reaching out to you, our members. Can any of you step up to the plate? If you can or have any questions about the position, please contact Jane Banfield, 908-268-5088. Jane has agreed to stay on as President if we can find a replacement for her previous role. All officers must be approved at the 2024 Annual Meeting.

Carole Hansen, Director
760-510-0105, chansen41@gmail.com

In This Issue

President's Farewell Message

Monte Baggs.....2

President Pro tempore's Message & Reports

Jane Banfield.....4-7

Healthcare Update

Ted Mazzella & John Tucciarone.....8

Treasurer's Report

Judi Morris.....9

Help!

**We are urgently in need of someone
to fulfill the role of our Vice President.**

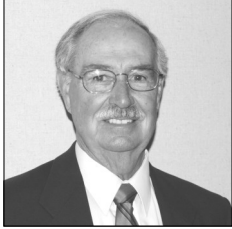
Can you help?

**Please contact Jane Banfield
908-268-5088.**

Annual Meeting Notification

The 2024 Annual Meeting will be held on March 28, 2024 at 11:00AM PDT. It will be held via ZOOM, and instructions on how to join the meeting will be mailed and also emailed prior to that date.

At the January 11, 2024 Board meeting the by-laws were modified to allow the Annual Meeting to occur in the first quarter of each year. This is a change from the by-laws requiring February as the designated timeframe.



Former President's Message

By Monte Baggs, President and CEO

This President's Final Message

I'm sitting here at my desk on Christmas morning thinking of all the many Christmases I've spent wishing our members, and especially our Board members, a very Merry Christmas and Happy New Year...more than twenty, I think. Well, this will be the last as your President. It was with a heavy heart that I submitted my resignation to the Board at our last meeting on December 14th. Due to some unexpected events in my personal affairs (not health related), I will not be able to expend the time necessary to carry on the duties of President. Your Vice President, Jane Banfield will assume these responsibilities on an interim basis until the Board elects a new President. I want to give you my heartfelt thanks for allowing me the privilege of serving you throughout these years. As you all know, if you have been members for any length of time, it can be a bittersweet task to deal with our former employer. While we had many successes in dealing with individual cases, it was much more difficult to win major ones. Although the best one I can recall was the "claw back" issue. We called AT&T on this one and they eventually backed away from collecting funds they themselves mistakenly paid retirees. And then there was the "Life Insurance take away" we challenged, and lost, even though we embarrassed them by exposing their callused attitude toward retirees through a major Wall Street Journal article.

I could spend the rest of Christmas day expounding on the wins and losses over these past twenty years, but to no end. There's more battles and wars to deal with in the coming years and I will continue to be involved in and in support of TelCo, as I will remain on the Board. As one Board member, Lee Brown reminded me..."it's been quite a ride." What an honor it has been to serve with past Presidents S.K. Emery and Chuck Gilbert. Not to mention all the notable Board members.

In closing...it has been a lifetime pleasure to be able to serve you!

Sincerely,

Monte

Monte Baggs
Former President TelCo Retirees Association

Acting President's Message

By Jane Banfield, President Pro tempore



President Pro tempore's Message

My first act as the new Acting President is to wishing us a Happy, Healthy, Prosperous 2024.

Unfortunately, my new position comes with losing a dynamic former president, Monte Baggs. Monte Baggs resigned as President in December, for personal reasons but will continue as a Board member. Monte has led the "Retiree Charge" for quite some time facing some major changes to our benefits. One of his best moments was diplomatically appealing to AT&T to leave our Life Insurance and Death Benefits as is. He gained support from the Wall Street Journal which had a full spread on the change in corporate life and the affect it had on many of its retirees, especially those that were operators or technicians when AT&T was "Ma Bell." I admire him and every other retiree that put themselves out there to be interviewed and written about in the national press. Unfortunately, we know it did not change their minds. However, many Grandfathered retirees owe added gratitude for the reminder to AT&T that they are not included in any loss or downgrade.

In 2022, Telco supported a Shareholder proxy suggesting a reduced payment to AT&T executives due to the poor stock performance. Even though it received over 55%, the only answer we repeatedly received from the Board of Directors was that they would take it under advisement. Shareholders proposals are non-binding as per the SEC.

Monte mentioned the Claw back arrangement that he was able to negotiate with AT&T. Telco did not stop there and continued to work with NRLN to develop permanent legislation.

Our next change was the end of the Health Reimbursement Account (HRA). This had been clearly stated by AT&T any years ago. Since Healthcare benefits are not guaranteed, we did not know what direction they would take. AT&T transitioned to the AT&T Medicare Advantage Plan as the only subsidized healthcare AT&T will support. This transition went very smoothly with Monte and the Telco Board helping as needed. Please see John's article on Healthcare.

In May, Monte and the Board were notified of a new potential problem: the selling (transition) of some of our pension funds to Athene, an insurance, annuity company. When AT&T notified us, the deal was done! Monte continued with the other retiree groups and NRLN to develop a legislative safety net. Please see the article about pension de-risking. This is of interest to everyone whether you were in the first wave or not.

While Telco Retirees was unable to stop any of these benefit transitions, under Monte's direction, we made every effort to make it easy as possible, answering questions and providing clarification.

Continued on Page 4.....

...continued from Page 3

Thanks to Monte for his leadership over the years and I know his continued direction will aid us in the future.

Sam Moriana, Board Communications Member, also resigned for family health reasons. Sam was a willing, generous member and his presence and assistance will be sorely missed. We wish Sam and his family all the best.

I will continue as Acting President until a new president can be elected. If any of our members would like to serve on the Board, please let us know. Helping fellow retirees is a rewarding position. Navigating AT&T is not as easy as it once was.

2023 had numerous surprises for all of us. While we had some healthcare challenges, we look forward to continuing to serve you in 2024 to the best of our ability

Tax Information for Retirees' Pensions Transitioned to Athene

Under The Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA), retirement plans are required to provide benefit recipients an opportunity to update their federal income tax withholding for benefit payments. This notice was automatically sent to all individuals who received annuity payments from Fidelity during 2023.

While no action is required with respect to the payments you already received in 2023 from Fidelity, it is a good reminder that if you'd like to change your tax withholding from your ongoing payments issued through Athene, you can contact them directly at 1-877-813-4240 or visit them at www.lifeatworkportal.com/Athene.

Website

Our Website was offline for several weeks due to a server upgrade for our hosting site. We also had to upgrade some software and applications. Please be patient as we repopulate our information.

TelCo Retirees Association
is a member of the



Welcome New Members

**Carol Baker, Helen Fasset
Joan Kennedy, Michelle Massing
Michael Shepard, George Zagaatta**

Pension Plan De-risking

AT&T Moved 96,000 Retirees to Athene

By Jane Banfield, President Pro tempore

What Happened?

On Wednesday, May 3 Julianne Galloway, AT&T Vice President Global Benefits, during a call said a deal worth approximately \$7.7 billion had just closed to move 96,000 AT&T pension plan participants, from the AT&T pension plan to annuities from Athene Life & Annuity Company and Athene Annuity & Life Assurance Company.

The AT&T pension plan participants to be impacted by this transfer to annuities were single payment annuities with no survivor benefits--those with payments less than \$2,200 per month. The payment will be the same from the annuity as it was from AT&T.. The dollar amount of the pension was the only criteria; whether you were management, union, non-management or grandfathered made no difference.

Transition for annuities was effective starting in August, 2023, with the first payouts beginning September, 2023.

What is Pension Plan De-risking?

Pension plan “de-risking” is the removal of participants of a pension plan through the purchase of an insurance company annuity. While de-risking causes pension plan participants to lose the protection of the Employee Retirement Income Security Act (ERISA) and the Pension Benefit Guaranty Corporation, it is currently allowed under ERISA.

Why do companies do it? Simply put, to reduce debt on the balance sheet and/or to rid themselves of PBGC insurance premiums. PBGC which is the government insurance for pensions, charges a per person amount vs a \$ amount. Low pension payment amounts may fall into a category of higher administrative expense. It is just business! Little or no concern is given to the downside for pensioners

TelCo’s Questions of Concern!

Whether the AT&T Pension Trust Fund would be funded at the same level it was at prior to its action with the annuity companies?

Did the deal include purchase of reinsurance that is sufficient to provide a replacement annuity of equal value from a third-party insurer that is independent of the annuity provider and financially capable?

The good news is that Ms. Galloway said that the AT&T Pension Trust Fund is funded at the same level following the transaction.

The bad news is that reinsurance was not included in the agreement. This leaves the entire risk on the backs of the retirees. The annuity company has no obligation to continue management and could resell it to someone else with even less requirements.

Continued on Page 6.....

.....continued from Page 5

Our group was told details of the transition plan would be provided soon to the 96,000 impacted and a call center will be established for the transitioning retirees. Athene is expected to send a welcoming kit to all affected retirees by July and AT&T will have a website available to assist and answer questions.

What is the Current Fall-Back Plan?

Ms. Galloway's response was that the states have financial oversight of the insurance company that would mitigate the risks. The States do not oversee Athene but are to provide payment in case of failure.

Should an insurer that provides annuities fail and there is no reinsurance, the maximum coverage by the State Guaranty Associations varies widely by state. But the big question is how do you apply for it—is it up to each individual person, in their home state or home of the corporation? None of these questions are answered. Most of us have learned to never say “That will never happen.” Most states guarantee up to \$250,000 per person per lifetime, but that amount may vary by State.

Plainly stated there is no established fallback plan.

What is TelCo Retirees doing?

ERISA is over 50 years old, and it does allow pension de-risking with minimal restrictions. It has been tested by Verizon in the courts and found valid. It appeared the main requirement was that the annuity company was responsible and solvent, at the time of transition.

NRLN had been developing a legislative remedy for many years. Pension de-risking gained high exposure when the Secure Act passed by Congress charged the Dept of Labor with evaluating the procedure and testing the pension security for those sold to an annuity company.

With our legislative partner, an amendment to ERISA is proposed. Also, Telco is proposing procedural changes that would make the transition smoother and consistent. For example, verification of all personal data must be verified 90 days prior to transition. This is part of regulatory operations, not legislation.

What Happened to our Retirees?

This time there were several retirees that received their check but it was not the same and there was no explanation as to why it was different or how to proceed. Part B reimbursements had been included in the pension checks previously and now they were not. There was no verification of personal data, withholding or bank accounts. Several retirees asked for assistance. As one of them said, “That \$350 may not mean much to them but it does to me”.

Another problem was for children helping to manage their parents' funds. The information was so minimal it left them with questions and nowhere to turn for answers.

Retirees who had selected survivor benefits were inaccurately transitioned. The data sent to Athene was incorrect and needed to be changed. Luckily retirees noticed this and contacted us. What would happen if they had not?

.....continued from Page 6

What can we do and Why Should I be concerned?

An Amendment to ERISA is critical. There is active lobbying in the Senate Congressional HELP committee to review and consider this amendment.

Unless we force standardization, there will be none. It is a challenge we are willing to take on with your assistance. If any of you had problems, please let me know. Jane Banfield 908-268-5088, janebanfield@aol.com.

Other companies did their pension transition in waves. This may be the only one that AT&T does. Do you want to bet your pension on it?

If you want to read the Dept of Labor presentation, ERISA amendment and accompanying background go to NRLN.org.

In Memoriam

We are one again attempting to list those of our members who have passed these past few years. While we are not always notified of a member's demise, we do our best to bring this information to you. This list is likely not 100% accurate, but it contains the names of all those of whose passing we have been made aware, some of them going back a few years..

Michael Benko, Florence Bilderback, Betty Byrd, Chuck Cavanaugh, Donald R. Clark
Free Clarke, Kirk T. Combs, Janet Elliot, Ted Grumkoski, James Haug, Michael J. Kelly
Eleanor V. Leoni, Ann B. Lindstrom, Rod Middleworth, Martin S. Miller, Harold Moffett,
Masayuki W. Nagata, Billie Mae O'Donnell, Charles D. Oldfield, Michael Packer
Fred N. Quadros, Jeri Richmond, Harry Sampson, Mark Serrano, William E. Stovall,
Bob Strong, Larry Telles, Marilyn Turner, Chryst Van Eckhardt, Lincoln Ward
Kenneth Wilson, Marilynn Zuercher

TelCo Retirees Association

President (Pro Tempore) Jane Banfield

Vice-President: VACANT

Secretary: Norma Comsa

Treasurer: Judi Morris

Directors

**Monte Baggs, Lee Brown, Anne Burkhart, Carole Hansen,
Ted Mazzella, John Tucciarone**



Healthcare Update

*By Ted Mazzella & John Tucciarone
Directors*



2024 Renew Rewards

There is a surprise perk after enrolling in the AT&T/United Health Care Advantage Plan. It is a cash reward simply for being proactive in maintaining your health and is given in the form of a VISA REWARD CARD. It is a stealth benefit for either new non-grandfathered retirees; or previously missed last year by some grandfathered retirees. Too good to be true, it isn't, and many retirees have already signed up.

The enrollment link and detailed information is on your individual United Health Care "Home Page" on the right - once you have signed in.

The 2024 Rewards program has changed for this year, and depending on your specific plan certain activities may or may no longer be covered.

Three (3) rewardable activities that are available for AT&T Retirees are:

- Complete (and only after) your annual physical or wellness visit. = (\$50)
- Sign-up for paperless delivery of plan documents. – (\$5)
- Sign-up for text messaging with United Health Care. – (\$5)

It appears that house calls, breast & colon cancer screening are no longer covered, but that may change, so please check for updates or new activities.

SPECIAL NOTE:

For new non-grandfathered retirees to UHC that can still see their old MEDIGAP Provider on their UHC "Home Page" :

- You must call that company to disenroll, i.e. Plan G, F, etc.
- It is illegal to subscribe to both.
- Also, by disenrolling you stop monthly billing by your previous provider.

Live Long & Prosper,
Ted Mazzella
John Tucciarone
1/13/2024

Financial Report

By Judi Morris, Treasurer



TelCo Retires Association Financial Report End Of Year 2023

REVENUE

Memberships	\$11,565.03
Contributions	\$1,349.96
Investment Transfers	
Total	\$12,914.99

EXPENSES

Business	\$4,157.73
Operations	\$1,596.39
NRLN	\$2,805.00
Payroll	\$8,564.82
Total	\$17,123.94

ASSETS

Edward Jones @ 12/2/23 \$56,637.24
(includes \$3,075.23 Money Market)

Checking account \$2,683.16 ending balance @ 12/31/23

*More information may be requested of the Treasurer at
TelCo Retirees, P O Box 669 Spring Valley, CA 91977-0669.*

How to Join TelCo Retirees

All retired, former, and active (pre-retirement) employees of Pacific Bell, SBC, AT&T and any other former Bell System company are eligible to join TelCo Retirees Association. Suggested membership fee is \$34 per year.

Membership applications can be downloaded from the TelCo website

www.telcoretirees.org

or by writing to:

TelCo Retirees Association, Inc.

PO Box 669

Spring Valley, CA 91976

Question or Comment?

For telephone inquiries on non-healthcare issues, please call

831-484-1514

For telephone inquiries on healthcare issues, please call

908-745-1651

You can use these numbers to leave a message with your question or comments. Your call will be returned ASAP, and everything possible will be done to get you a timely, comprehensive answer.

TelCo Retirees Association, Inc.
PO Box 669
Spring Valley, CA 91976