



Approved

AFICS/NY GB 454

Summary of the Minutes of the 454th meeting (45th virtual, 14th hybrid) of the Governing Board (virtually by Microsoft Teams & in-person) on Tuesday, 17 September 2024, at 11:00 am.

Agenda

1. The President opened the meeting at 11:00 am. The proposed Agenda was as follows:
 - Adoption of the agenda
 - Approval of the Minutes of the Governing Board meeting of 18 June 2024
 - President's report
 - Debrief of FAFICS 54
 - Review of the Rules of Procedure
 - Selection of AFICS/NY rep on UNSPC/Disability cases
 - Acknowledgement of candidates
 - Procedure
 - Appointment to Working Group for review of criteria for honorary members
 - Committee reports
 - AOB

Adoption of the Agenda [1]

2. The Agenda was adopted as presented with the addition of the document prepared by the Health Insurance Committee (HIC) entitled "*Criteria for Membership in the Health Insurance Committee (HIC)*" that was sent out on 16 September 2024 to be considered under AOB.

Approval of the Minutes of the Governing Board Meeting held 18 June 2024 [2]

3. The draft Minutes of the 18 June 2024 meeting were adopted with some minor editorial comments that had been received concerning paras. 15, 50, 28 c and 33.

Decision: It was decided that comments to be made to the draft minutes should be communicated on a shared document using track changes.



President's Report [3]

4. Darshak Shah made the following points in his report:
 - He informed that he, Nancy Hurtz-Soyka and Jay Pozenel have met several times since the election and that the Bureau had its most recent meeting on 16 September 2024 to go over issues. He also stated at the outset that it was a great team with Jay Pozenel and Pilar Fuentes Conte being the new additions to the Bureau. The team is ready to support the Association and the members in all the work that we do.
 - He provided a quick recap of the FAFICS Council meeting that took place between 22 through 25 July 2024 in Bangkok, Thailand. He informed that the AFICS/NY delegation consisted of himself, Nancy Hurtz-Soyka, and Jay Pozenel and that he and Nancy Hurtz-Soyka were physically in Bangkok while Jay Pozenel participated virtually. Deborah Landey and Suzanne Bishopric were present in their FAFICS capacities and Andres Castellanos in his capacity as President Emeritus participated virtually and his participation was very active despite the time difference. Jay Karia also participated virtually for certain sessions. As in the past, it was wonderful to see AFICS/NY playing a vital role in many key functions in FAFICS.
 - He added that the meeting was very well organized and gave kudos to President of FAFICS, Jerry Barton and the Presiding Officer, Adriana Gomez for ensuring a well-run meeting with active participation from all delegations and clear decisions.
 - The FAFICS President and Presiding Officer appreciated that the AFICS/NY's comments on Pension and ASHI were succinct but encompassed the key issues. Darshak Shah acknowledged that Suzanne Bishopric had put in a lot of work in compiling some complex FAFICS documents regarding the UNJSPF. He informed that some brochures and bookmarks prepared by the FAFICS Committee on Communications were on the conference room table for viewing.
 - There was strong vote of thanks for Deborah Landey as the outgoing FAFICS VP. Nancy Hurtz-Soyka was elected as a new VP as well as Marashetty Seenappa (AFUNPI) and Tony Casas (AFICS-Panama). He extended warm congratulations to Nancy on her election as VP.
 - He informed that the FAFICS 50th Anniversary celebrations would take place next year, with the location yet to be confirmed. AFICS/NY, like other Associations, had been asked for volunteers. He also stated that if anyone was interested in volunteering, to please let Pilar Fuentes Conte know, especially if you played a key role in AFICS/NY 50th celebrations.
 - With respect to replacing one of the two retiree representatives on the UNSPC group which reviews disability cases he informed that three candidates had expressed interest in serving on the Committee and that this matter would be discussed later in the meeting as per one of the items on the agenda.



- He announced his intention to establish a Working Group to consider criteria for Honorary Membership to the AFICS/NY Governing Board to ensure transparency. This process should recognize outstanding service and achievements of past members but also reflect good governance practices.
- The President also took the opportunity to thank Veronique Whalen and Velimir Kovacevic who under Mac Chiulli's leadership followed up on outstanding dues, encouraging members to convert to life membership and updating contact information. They have also benefited from Dr. Narula's expert advice. A big dent had been made in updating the Association's membership database, but that effort was not yet complete despite the fact that they had contacted more than 500 members and to date there were more than eighty new members.
- He mentioned that due to the absence of the Treasurer, Mac Chiulli, the financials of AFICS/NY would be presented during the October 2024 Governing Board Meeting.
- Following normal practice, the leadership team of AFICS/NY would be visiting in October the office of the PGA and other senior UN officials.
- Lastly, he informed that one of our AFICS/NY members Fidel Keymolen passed away in August. He had played a key role in many ways in AFICS and under AOB a few minutes will be spent in his memory led by Andres Castellanos del Corral.

Debrief of FAFICS 54 [4]

5. President Darshak Shah informed that the FAFICS' Council session was a well-organized meeting with a tremendous amount of participation. There was a sense that this was a team that was coming together, and people were very objectively commenting on all the different agenda items. He was skeptical as to how many Associations would participate as the session was in Bangkok and the time difference in the Americas and Europe to Asia was not helpful but noted that many Associations had traveled to Bangkok or were able to participate online. There were a number of things that were discussed which related to the celebrations for the 50th anniversary, and obviously FAFICS wanted to make sure that the celebrations were done in style and wanted to make sure that there was input from all different parts of the Federation. It had been acknowledged that AFICS/NY's celebrations were well done and that much could be learned from their experience. He stated that anyone who would like to participate and volunteer to work in preparation for the celebration was welcome to do so. In addition, there was a good discussion on the Pension Fund with the CEPA, Rosemarie McClean of the UNJSPF as she was present in Bangkok and the RSG, Pedro Guazo who participated virtually. He also noted that there were good discussions about trying to encourage new Associations to join FAFICS so that the membership base grew ensuring that the influence of FAFICS also grew. It was clear that a number of the new Associations that had recently joined did not have the capacity to do what was done by AFICS/NY. So, if one wanted to look at the expectations of its members, FAFICS would have to change the way in which it operated because it would have to provide much more guidance to many of the smaller Associations.



Pension Board

6. Co-Chair Suzanne Bishopric explained that during a complicated Pension Board meeting, FAFICS held its ground and actually was the shining star at the meeting.
- There had been a presentation from Rosemarie McClean about the work that was being done on the updating of systems because investments or payment software were normally upgraded on a regular basis, so after ten years, the Pension Fund's enterprise management systems needed to be updated. She also announced that the Pension Fund would include a parallel run of the new system before a full switch over and would not try to do everything without proper backup as was done in 2015.
 - The Board also had a good discussion about the situation of small pensions as FAFICS was the one who brought this issue to the table. She noted that Ms. McClean responded positively to that issue before the Board, that the Board had agreed to make changes proposed by FAFICS to the small pensions, and that a report was going to the ACABQ in which it was proposed that for small pensions a onetime adjustment upwards of 35 per cent was to be approved. She noted that it had been recognized that the last adjustment was in 2016 and that small pensions, in real terms, had dropped 35 per cent. There was also the issue of rationalizing the linkage between small pensions and minimum pensions that would be taken up next year.
 - In response to a question about this one-time adjustment and whether for the future there could be an automatic adjustment, Suzanne Bishopric replied that that was up for debate and most likely because of the actuarial situation it would be subject to an actuarial surplus which was what all the other GA resolutions have conditioned changes to benefits for the last twenty years. This is something that Rosemarie McClean and her team were working on along with the assistance if needed of FAFICS.
 - As regards the FAFICS's delegations' travel to the Pension Board, she reminded the Board that there was no travel budget and the FAFICS delegation was the only delegation that did not get 100 per cent travel funding. There was only funding for two people and not as in the past for all four representatives.
 - As concerned the RSG's presentation, she said that FAFICS thought that he was doing well in improving transparency. The website was one good improvement, and he was providing everything except for a consistent set of benchmarks. In February, the RSG changed the benchmarks again having changed them in September 2022 and before that in June 2022. So, there was no continuity and that was highlighted by FAFICS, and others, and it was included in the Board's report.
 - As for the two-track system, seven more countries were eliminated from the two-track listing as of the 1st of November, and it seemed that every other month there are another handful of countries getting moved off of the list. However, what the Pension Fund was now saying was that there would be a review with the possible restoration of some countries by the end of the



year to add some countries back that had been previously removed from the listing because these countries had restored normal inflationary status.

- Also, on transparency and clarity, the FSALM Committee which monitors the assets and liabilities of the Fund would engage an advisor to confirm best practices for information on investments and actuarial work. However, funding for this appointment still has to go through the ACABQ and the GA, but it was a very important objective supported by FAFICS and the other members of the Pension Board.
- As for the actuarial situation of the UNJSPF, there was enough money in the Fund to pay benefits for the next 50 years, but the actuarial surplus did drop from 2.3 per cent to 0.68 per cent of pensionable remuneration, and the actuaries were actually a bit disturbed by how much the surplus had dropped, This meant that the issue of restoring the 0.5 per cent inflation adjustment, which had been under discussion since 2002 could not happen at this session.
- Finally, she noted that the investments and asset value of the Fund was doing better now, as it was soon going to reach \$95 billion, but it had not kept up with inflation over the last 3 years. If it were to keep up with inflation, it would be over \$100 billion now.

7. Co-Chair Jay Pozenel stated that he was not at all shocked that the Pension Fund's surplus went from 2.3 to 0.68 per cent of pensionable remuneration after having dropped the actuarial assumption on the real rate of return on the Fund's investments from 3.5 to 3.4 per cent. He noted that he was a member of the FAFICS Working Group on Review of Governance Reforms and that there was a survey on a review of the reforms that had been distributed to all three groups of Board members, as well as the FAFICS delegation, and the secretaries of the various member Organization's pension committees. Survey questions included frequency of board meetings, composition of the Board, and the Board's fiduciary duties. The results would be reviewed in early November with proposals prepared for the upcoming Board sessions in April and July next year. The FAFICS Standing Committee, or the core group, whose terms of reference were agreed to at the FAFICS' Council' session and would be meeting regularly and determining approaches to issues with both the CEPA and RSG.

Decision:

The President suggested, and it was agreed, that this matter be further taken up at the next meeting of the AFICS/NY Pension Committee. Any proposals could then be brought back to the Board.

ASHIL

8. Nancy Hurtz-Soyka made some general observations on the FAFICS Council session and its operation. She stated that there were now 65 member Associations of FAFICS. It was noted that AFICS-Paraguay had disbanded, and two new Associations were welcomed into FAFICS, namely ARPUPU, the retiree Association of UPU in Berne along with the retiree Association of Cote d'Ivoire. So, the total number of Associations was now sixty-five. In addition, the FAFICS



Council approved two new standing committees. With the two new ones approved by the Council there are now four: Jay Karia is the Chair of the Standing Committee on ASHIL and Suzanne Bishopric and Jay Pozenel are the Co-Chairs for Pension Issues. The Chairs of the two new Committees are Juan Casas of Panama as Chair of the Communications Committee and Marashetty Seenappa of AFUNPI (India) as Chair of the Standing Committee on Membership.

9. As for ASHIL, Chair Jay Karia did a great job in introducing the Standing Committee's report on ASHIL which was very well received as it provided in a concise and clear manner information on the work of the Standing Committee over the year. The eight recommendations requiring the Council's agreement were presented and adopted by the FAFICS Council. However, there was one particular recommendation that talked about harmonization of insurance plans and Member associations were concerned that the word 'harmonization' would bring down the standard of benefits. So, the Council requested that this one recommendation be made clearer and was changed to 'harmonization of best practices'.
10. Other points discussed at the FAFICS' Council concerning ASHIL concerned the following:
 - The JIU which had issued a very extensive report on all the insurance plans, and included in its very first recommendation was the fact that retirees and staff outside of headquarters were not represented on the advisory insurance management committees. The JIU stated that it was very important for those two groups to be included.
 - Another point with extensive discussions, was the situation with **Cigna International** and the problems that people have because they are not getting reimbursed on time or are not getting reimbursed the amount that they should be. President, Jerry Barton, said perhaps FAFICS could find someone in Cigna who could appropriately handle and deal with these questions and a meeting could be arranged during the next Council session. Jay Karia made a point of saying that each and every organization had to deal with their Cigna representatives.
 - The FAFICS Council was very happy to see that **the MIP** was being brought up and being discussed. Jay Karia stated that there was now a working group at Headquarters that is reviewing the MIP.
 - **Long-Term Care** was a big discussion item as some member Associations have long term care and some do not. It was understood that the FAFICS Standing Committee on ASHIL was going to make a review such programmes as part of their work-plan for this year.
 - As reported in some countries, the **UN insurance schemes were not accepted** by relevant government departments, even if they are more comprehensive than nationally approved schemes. This has led to situations where a retiree may have to hold two more insurance schemes. Both Thailand and Australia reported problems of this nature. As for now, it is on record and the HLIS was aware of the problem and HLIS was going to continue to work with the new Director of Administration in ESCAP.



- Michael Zilberg stated that he was a member of the HLIC for 20 years and Chair of the Committee for some 2 years and provided some historical background on two issues. One was on the issue of representation on insurance advisory committees as per the JIU report. The other issue regarded the idea of centrally contracting Cigna International which would be a challenge.

FAFICS Communications Committee

11. Nancy Hurtz-Soyka stated that it was another good discussion at the FAFICS Council meeting and Juan Casas from Panama presented the brochure that was produced by the Communications Committee. It is available in three languages, but the idea was that it was not to be printed in one place but to be sent out to all Associations for local printing as it was a digital document. The Communications Committee also presented FAFICS' new website which was also well received. It follows the pillars of work that FAFICS' Bureau follows, that is Membership, Pension, ASHIL and Communications.
12. Andres Castellanos asked about the brochure as there were some Spanish language errors. He added that there was at times much emphasis on countries which should be avoided. He noted that some members Associations were very nationalistic and did not consider themselves international but national associations. On the other hand, he asked when was this brochure actually printed? Nancy Hurtz-Soyka replied that it was printed right before the Council session in July and noted that the brochure before them was a work in progress. Concerning the unfortunate withdrawal of Paraguay, Andres Castellanos questioned the reason for their disbanding.
13. Deborah Landey made a few points on the FAFICS Council from her perspective as Vice-President:
 - Jerry Barton was providing outstanding leadership to the Federation both on the substantive issues, but also on the leadership management side as well.
 - Our representatives at the FAFICS Council meeting - Darshak Shah, Nancy Hurtz-Soyka and Jay Pozenel - delivered the talking points that this Governing Board had agreed on every single issue well and faithfully.
 - She referred to the President's report on succession planning which reported on all the positions that were coming up on the Pension Board delegation, on the Pension Board subsidiary bodies and were being looked at a year ahead of time. This was the first time in FAFICS' history that this was being done and was an important piece of transparency and due process. This emphasis was really important for the health and the future of the Federation.
 - Next year would be the 80th anniversary of the end of the Second World War and the 80th anniversary of the founding of the United Nations which came out of the ashes of the Second World War. She stated that these are two incredibly important commemorations. She thought that AFICS/NY should approach the SG and President of the GA to speak at next year's Annual Assembly in light of this historic occasion. So, she tabled this as a very strong recommendation to ensure that AFICS/NY remembers in some way these two events and the relationship between them.



Decision:

Darshak Shah stated that Gail Bindley-Taylor as AFICS/NY's representative on the FAFICS' Communications Committee should take back to the Committee the concerns of AFICS/NY regarding the translation and incorrect dates included currently in the Brochure.

14. Michelle Rockcliffe made an observation that when FAFICS sent out the information for attendance at the meeting there were some Associations where there were many people attending virtually that she suspected were not part of an Association's Bureau and she wondered if next year, AFICS/NY could be afforded that same courtesy. Darshak Shah replied that it is the Board that designates the representatives. The discussion continued until the President determined that the meeting had to move on to the next agenda item.

Review of the Rules of Procedure [5]

15. Jay Pozenel recalled that in May 2024, the AFICS/NY Assembly had adopted changes that were proposed to the By-Laws of AFICS/NY. Among the amendments to those By-Laws was the provision, required under the New York law, which requires conflict of interest procedures and protocols. To that effect, a draft would be prepared and then a meeting of the Working Group that worked on the By-Laws would undertake that review. In addition, he noted, that the Rules of Procedure have not addressed several other elements, therefore a Working Group on criteria for awarding Honorary Membership would be proposed which would also review terms for other positions.

Decision:

The Governing Board took note of the fact that work would commence on including all missing elements under AFICS/NY's Rules of Procedure.

Selection of AFICS/NY representative on UNSPC/Disability cases [6]

- Acknowledgement of candidates
- Procedure

16. With respect to determining a replacement for one of the two open positions of retiree representatives on the UN Staff Pension Committee, which, among other things, reviews disability cases, Darshak Shah reported that three AFICS/NY Governing Board members had expressed interest in serving on the Committee. John Dietz wanted to make certain that everyone was aware that the selection process that resulted in Robin DellaRocca and Steve Avedon being appointed as the AFICS/NY representatives on the UNSPC was an open one. The whole Governing Board had been invited to indicate whether or not they had any interest and only two persons expressed their interest at that time. So, it was an open process and there was nothing secretive about it. Jay Pozenel stated that it was not a question of the selection not being open but the fact that it was not written down and that AFICS/NY should have a written process.



17. The President then stated that there would be a panel who would review the documents and then come back to the President with a recommendation. He announced the panel consisted of Sandra Haji-Ahmed, John Dietz and Nicholas Alipui. A question was asked whether it was the President's prerogative to choose the panel members, Jay Pozenel reported that, in accordance with the AFICS/NY By-Laws, the Board must establish the working group, and the President must designate who are its members. In this case it is the panel who would review the applications for membership in the UNSPC. John Dietz stated that the President could choose to establish a panel or a working group. Jay Pozenel noted that based on the rules as they exist today, the ultimate decision as to who is on the UNSPC is within the prerogative of the President. He may propose a process which of course the Board could consider and approve but as of right now the decision itself is up to the President. In this regard, Darshak Shah stated that he had decided clearly not to make an appointment on his own and hence he has brought this to the Board for a panel to be created to review the interest in the applications and documents that had been provided. With respect to the panel members, he recalled that a communication must be sent to the UNSPC Secretariat by early November so the work of the Panel must be completed by mid-October at the latest.

Appointment to Working Group for review of criteria for honorary members [7]

18. Darshak Shah again indicated that he was proposing the creation of this Working Group to the Board. He added that this proposal has been based on the fact that there had been some requests about appointing honorary members and he felt that much clearer criteria on the appointment of honorary members would contribute to the effective running of the Board in the best interests of the retirees. So first and foremost, he asked if there were any comments on the establishment of the working group. Jay Pozenel pointed out that Article 5 (3) of the By-Laws, provides that on the nomination of the President of the Governing Board, the Governing Board may also elect honorary members of the Governing Board. A candidate for election as an honorary member of the Governing Board must have previously served two terms as an elected member of the Governing Board and must have made an outstanding contribution to the association. Honorary members of the Board shall have all the rights of elected or appointed members except the right to vote. Based on what the By-Laws say about honorary members, he thought that a working group could elaborate on the criteria and the process as established by Article 5 of the By-Laws for electing honorary members and a draft of changes or additions to the Rules of Procedure concerning the criteria and process could be prepared and reported back to the Governing Board. Based on the above the Board agreed to establish the Working Group. Darshak Shah then informed that the Board members for this Working Group were Andres Castellanos, Deborah Landey, Pozenel, Glden Turkoz-Cosslett and Michael Zilberg.

Decision:

the Board approved the establishment of a Working Group for Review of Criteria for Honorary Members with Andres Castellanos, Jay Pozenel, Glden Turkoz-Cosslett and Michael Zilberg as members.



Committee reports [8]

Health Insurance Committee

19. Jay Karia informed at the most recent meeting of the Health and Life Insurance Committee (HLIC) of issues that were discussed as follows:
 - Concerning **Anthem's change of pharmacies**, HLIS confirmed that they have reviewed this transfer and talked to Anthem, and they would revert to this issue at their next meeting with Anthem. During the discussion a couple of other HILC members also brought up their own issues with the new provider - Carelon.
 - The **contracts of some third-party providers were expiring** with some NY hospitals in December and the HIS was very aware of the situation and hoped that these contracts would be renewed shortly.
20. As for AFICS/NY's Health and Insurance issues, Jay Karia introduced the paper before the Board on the criteria for membership in the HIC Committee drafted by Michelle Rockcliffe and Robin DellaRocca. Responding to a question on the need to approve this document at this meeting, Jay Karia replied that the HIC wanted to start working on this issue as the criteria, besides appointing new members was also about possibly introducing open meetings of the committee from time to time. In this way, the Committee might be able to resolve these issues right away. Michelle Rockcliffe stated that it was her impression that what the Committee had done in preparing the criteria for membership in the HIC was just to inform the Board about the operating procedures of the Committee which were in line with the rules and thus she questioned the need for the Governing Board to review the paper and give its approval thereon.

Decision:

In order to give the Board members enough time to read the paper put forward by the HIC, the President asked if there was general agreement to put the item on the agenda for the October meeting. It was so agreed.

Communications Committee:

21. Darshak Shah informed that he recently attended a meeting of the Communications Group, and that the Committee was putting together a presentation for the Governing Board. With four new members including Andrew Nye and Judith Karl who has agreed to in charge of looking at the question of the newsletter. She wanted to underscore this very clearly. This was a temporary measure because the members of this Committee were not necessarily the people who are going to put together a newsletter twice a year. But the Committee was willing at this point to do it as an exercise because it was the Committee's role to be more of an oversight group. There was more that needed to be done on the website and the Committee has asked for support as AFICS/NY must follow the rules and regulations of the UN and that means that there were constraints and therefore anything done to the website has to be done in conjunction with the UN.



Membership Committee

22. Dr. Narula was pleased to inform that 62 new members had joined so far this year and in addition 17 annual members have either converted to life membership or have reactivated their membership. A Membership Committee meeting was held on Tuesday, 10 September and the agenda items were mostly the remaining activities to be undertaken before the end of the year as per the Committee's 2024 Work plan.
23. She indicated that they had a very good discussion, especially on the options for updating, publishing and distributing the Director of Members and possibly organizing a wine and cheese mix and mingle and it was decided that the Committee would review these proposals, including any budgetary requirements for both these items, and present them to the Board for discussion during the November GB meeting. Also, some additional activities were suggested, such as an open house at the AFICS/NY office and to possibly joining UNFCU during one of their seminars to talk briefly to attendees about the value-added of joining AFICS/NY. These two activities would be added to the Committee's Workplan for 2025.
24. Finally, on organizational matters, she informed that she had been designated a Co-Chair of the Membership Committee along with Nancy Raphael by John Dietz when he was President. Since Nancy Raphael stepped down from the Governing Board of AFICS/NY a while back, the Membership Committee has been without a Co-Chair. In her capacity as Vice-President and then President, Deborah Landey provided great support to her and the work of the Committee and was very familiar with the Committee's work. The Committee decided that Deborah Landey would take on the role of Co-Chair.
25. The Governing Board was informed that 17 September was the birthday of three of its members, ie., Dr. Sudershan Narula, Michelle Rockcliffe and Michael Zilberg. A toast was raised in their honor.

AOB

26. In the absence of Barbara Linardo, Nancy reported that arrangements were being made for the AFICS Fall luncheon/cruise to take place on Thursday 24 October 2024. Further details would be forthcoming.
27. With respect to the newsletter/bulletin, Edward Omotoso stated that it was very important to tell people what you are doing. It was also mentioned that in order to have a newsletter/bulletin prepared for December, work would have start very soon.
28. A minute of silence was observed for the passing of one of AFICS/NY members Fidel Keymolen who passed away in August.
29. The Governing Board decided to hold its next meeting on Tuesday, 15 October 2024. The President closed the meeting at 1:28 pm.
