



RETIRED PUBLIC EMPLOYEES' ASSOCIATION OF CALIFORNIA



RPEA Bids Farewell to J. J. Jelincic RPEA Endorses Margaret Brown for CalPERS Board

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President's Report



George Linn

RPEA PRESIDENT



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RPEA NEWSLETTER

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A Message From President George Linn

Again, membership numbers show an increase. Some of the new members come from chapters, but the larger number comes from our arrangement with AMBIA. While membership continues to grow, so does the "do not renew" category on the membership reports. We need to have our Area Directors and all of our chapters work on contacting these members who have declined to renew because we need to know why so that we can re-target our approach to member retention.

There are those who are always looking for ways to attack retirees. Recently, Senator John Moorlach of Orange County asked CalPERS to analyze the cost savings that would be realized by eliminating retiree Cost of Living Allowances (COLA's). One of my goals is to seek a more representative Cost of Living Index which would then be applied to the COLA. Simply stated, a member of the legislature wants to cut our COLA, and we at RPEA are looking for ways to enhance the COLA by identifying a more representative Cost of Living Index. Additionally, this Senator wanted to take the Public Employees' Pension Reform Act of 2013 (PEPRA) rules that apply to new hires and make those rules apply to those employees hired before PEPRA. PEPRA reduces a number of things and puts a cap on pensions. So, as we see, there is always somebody who finds a new way to attempt to reduce pensions for retirees. The danger in having a Senator work on this project is that he will obviously discuss this issue with his fellow Senators; and we, RPEA, at our latest Board meeting, spoke out challenging the necessity to have these analyses completed. The CalPERS Board, in their great wisdom, listened not only to the

RPEA speakers but others, and concluded that this was not something that they wanted to do. This is just another example of how RPEA speaks up at CalPERS Board meetings to ensure that our message about pensions and health benefits are heard.

By the time this newsletter is published the unofficial results of the CalPERS election to fill two seats at their Board have been publicized. We now know that, according to these unofficial results, our candidate, Michael Flaherman, will not be seated on the Board replacing J. J. Jelincic. The contest for the other seat will be a runoff between Michael Bilbrey and Margaret Brown. Our Board will soon meet via teleconference to consider endorsing Margaret Brown. RPEA will communicate the results of this meeting to our members.

At our most recent Board meeting the Area Directors for Areas I, III, V, VII & IX were all re-elected and sworn in to another term of office.

AREA I

Paul Tamboury



AREA III

Robert "Bob" Van Etten



AREA V

Ellen Knapp



AREA VII

Dennis Cassella



AREA IX

Larry Sullivan



Vice President's Op/Ed

By Al Darby, Vice President



At this point in time, we are closely watching the California Supreme Court for its decision on the 'Marin County Case' which will be decided this fall. It could overturn the 'California Rule' and open the opportunity for employer cuts to current employee benefits – some cuts could extend to retirees. Other threats to our pensions come have in the legislature but our lobbyists have defeated these bills.

In this article, I want to turn our attention to another subject which the "Perspective" newsletter that CalPERS publishes quarterly. Each issue is usually very informative about the CalPERS system and gives us insight in to many matters related to our pension and health care benefits. CalPERS Long Term Care information can be found here as well. The Perspective that arrived in early September was particularly useful because it covered health care open enrollment that was occurring at that time. Also, it explained how CalPERS uses shareholder proxy voting to cause corporations to elect Board members and adopt policies that align with CalPERS member interests to a greater degree.

In addition, a major portion of the newsletter was devoted to the explaining investment practices that CalPERS currently engages in to maximize earnings and grow the pension fund.

The best part of this article was the detail it gave regarding asset allocation. While the article spoke at length about global equity (stocks) investing, it raised concerns about too much exposure in stocks. This is an area of much disagreement between CalPERS investment staff and some CalPERS Board and Wall Street analysts over the equity allocation. CalPERS investment staff members now concede that cutting the equity allocation was probably premature. Abandoning the long-held view that CalPERS is a long-term investor, by reducing the equity allocation, was a costly mistake in the 2016-2017 fiscal year. At the January CalPERS Board off-site meeting, the Wall Street analysts were almost unanimous in recommending more stock market participation by CalPERS. Hopefully, we'll see renewed interest in stocks and an up-tick in the public equity allocation.

The good news is that the CalPERS investment committee is seriously looking at a much larger stake in private equity. Private equity has performed better than public equity with less risk. The right private equity arrangement should be a good move for CalPERS – one that gets fees and upside gains into a fully transparent presentation mode.

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Unofficial CalPERS Member-At-Large Election Results



Miller Wins CalPERS Board Seat; Bilbrey and Brown in Runoff

SACRAMENTO, CA - David Miller was declared the unofficial winner today of one of the two Member-at-Large seats up for election to the Board of Administration of the California Public Employees' Retirement System.

In the vote for the other Member-at-Large seat, incumbent Michael Bilbrey and challenger Margaret Brown will face each other in a runoff election next month.

All results are considered unofficial until formal certification by the California Secretary of State.

The unofficial election results indicate Miller received 77,316 votes for Position A, which represents 63.71 percent of the votes cast during the voting period of September 1 through October 2, 2017. Michael Flaherman received 44,041 votes, or 36.29 percent.

The runoff between Bilbrey and Brown was triggered when none of the four candidates received a majority of votes cast. In such a case, the two candidates with the highest number of votes vie in a runoff for the Position B seat. Bilbrey received 49,801 votes, or

40.82 percent, while Brown received 43,132 votes, or 35.35 percent. A drawing for ballot position will be held at 9:00 a.m., Wednesday, October 4, at CalPERS headquarters.

Ballots for the runoff for Position B will be mailed on November 10, with voting concluding on December 11.

Miller and the winner of the runoff will each serve four-year terms beginning January 16, 2018.

Miller has served as a state regulator, labor leader, and mediator and is employed by the California Department of Toxic Substances Control. Bilbrey joined the CalPERS Board in 2011 and is completing his second term. He is employed by Citrus Community College. Brown works for the Garden Grove Unified School District.

The 13-member CalPERS Board of Administration sets policy and oversees the administration of retirement and health benefits on behalf of California public employers, and their active and retired employees. The Board also oversees administration of the pension fund's investments. Under the California Constitution, the CalPERS Board has exclusive authority to administer the CalPERS Pension Fund.



RPEA Endorses Margaret Brown for CalPERS Board

By Al Darby, Vice President

On October 13, 2017 the RPEA Board of Directors conducted a telephonic meeting to decide which candidate it would endorse in the runoff election for Seat B on the CalPERS Board of Administration.

RPEA joins California State Retirees in endorsing Margaret Brown for Seat B on the CalPERS Board.

Margaret has a long track record in finance in public schools and has demonstrated her expertise in financial analysis for diverse public administration entities. In her 30-year career in finance, she has guided Garden Grove's School District, San Ramon Valley School District and other public entities through difficult negotiations and project development with very positive results—on time and under budget.

It is RPEA's conviction that as a member of the CalPERS Board, Margaret will fill a void left by the retirement of CalPERS Board member, J. J. Jelincic, who has been a strong voice for prudent investing and transparency in all CalPERS governance matters. We expect that she will be capable of the keen analysis of financial issues that

J. J. has brought to CalPERS committee and Board meetings and will pose penetrating questions to staff members when debating critical issues around investing strategies to enhance CalPERS' funding status.

We need a strong force on the Board to initiate debate and provide analysis that questions staff assumptions that need careful examination. A collegial Board is usually the goal of most public and private enterprises, but that cannot be at the expense of vigorous and sometimes contentious dialogue. Difficult matters demand a thorough hearing. Vigorous Board oversight will sometimes change the direction of staff proposals.

There is a serious need for CalPERS Board members who will study the issues before them and create debate opportunities to express differing views and express points that staff or the Board overlooked. A thorough airing of important points related to investment practices and health care issues must occur at the appropriate times every year.

We believe Margaret will be one of the Board members who will freely and forcefully present and debate on thorny issues whenever they are placed on the agenda.

Additional CalPERS Health Plan Rate Chart



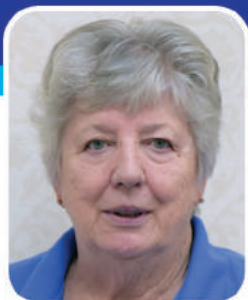
By Donna Snodgrass, Director of Health Benefits

My message for this issue is short. I give a big "Thank You!" to our Area VII Director, Dennis Cassella. He very politely pointed out to me that I missed an entire health insurance rate chart in the last issue. Until he showed me the error of my ways, I had not even noticed the omission. Here is that missing chart:

2018 Regional Health Premiums Contracting Agencies - Preferred Provider Organization Plans Only June PHBC Final Proposed Premiums

Basic	2017			2018			PA Change (+/-)
	Single	2-Party	Family	Single	2-Party	Family	
Basic Premium Rates - Bay Area							
Alameda, Amador, Contra Costa, Marin, Napa, Nevada, San Francisco, San Joaquin, San Mateo, Santa Clara, Santa Cruz, Solano, Sonoma, Sutter, and Yuba							
PERS Choice	\$830.30	\$1,660.60	\$2,158.78	\$800.27	\$1,600.54	\$2,080.70	-3.62%
PERS Select	736.27	1,472.54	1,914.30	717.50	1,435.00	1,865.50	-2.55%
PERSCare	932.39	1,864.78	2,424.21	882.45	1,764.90	2,294.37	-5.36%
Basic Premium Rates - Sacramento Area							
El Dorado, Placer, Sacramento, and Yolo							
PERS Choice	723.47	1,446.94	1,881.02	735.38	1,470.76	1,911.99	1.65%
PERS Select	641.47	1,282.94	1,667.82	684.90	1,369.80	1,780.74	6.77%
PERSCare	812.40	1,624.80	2,112.24	797.61	1,595.22	2,073.79	-1.82%
Basic Premium Rates - Los Angeles Area							
Los Angeles, San Bernardino, and Ventura							
PERS Choice	637.53	1,275.06	1,657.58	620.39	1,240.78	1,613.01	-2.69%
PERS Select	565.33	1,130.66	1,469.86	573.21	1,146.42	1,490.35	1.39%
PERSCare	715.88	1,431.76	1,861.29	673.73	1,347.46	1,751.70	-5.89%
Basic Premium Rates - Other Southern California							
Fresno, Imperial, Inyo, Kern, Kings, Madera, Riverside, Orange, San Diego, San Luis Obispo, Santa Barbara, and Tulare							
PERS Choice	714.43	1,428.86	1,857.52	698.96	1,397.92	1,817.30	-2.17%
PERS Select	633.46	1,266.92	1,647.00	654.74	1,309.48	1,702.32	3.36%
PERSCare	802.24	1,604.48	2,085.82	733.50	1,467.00	1,907.10	-8.57%
Basic Premium Rates - Other Northern California							
Alpine, Butte, Calaveras, Colusa, Del Norte, Glenn, Humboldt, Lake, Lassen, Mariposa, Mendocino, Merced, Modoc, Mono, Monterey, Plumas, San Benito, Shasta, Sierra, Siskiyou, Stanislaus, Tehama, Trinity, and Tuolumne							
Anthem EPO Del Norte	820.38	1,640.76	2,132.99	813.96	1,627.92	2,116.30	-0.78%
Anthem EPO Monterey ¹	820.38	1,640.76	2,132.99	910.90	1,821.80	2,368.34	11.03%
PERS Choice	820.38	1,640.76	2,132.99	813.96	1,627.92	2,116.30	-0.78%
PERS Select	727.45	1,454.90	1,891.37	691.78	1,383.56	1,798.63	-4.90%
PERSCare	921.24	1,842.48	2,395.22	866.93	1,733.86	2,254.02	-5.90%
Basic Premium Rates - Out of State							
PERS Choice	675.61	1,351.22	1,756.59	661.45	1,322.90	1,719.77	-2.10%
PERSCare	758.69	1,517.38	1,972.59	718.98	1,437.96	1,869.35	-5.23%
Medicare	2017			2018			PA Change (+/-)
	Single	2-Party	Family	Single	2-Party	Family	
Medicare Premium Rates - All Regions							
PERS Choice	\$353.63	\$707.26	\$1,060.89	\$345.97	\$691.94	\$1,037.91	-2.17%
PERS Select	353.63	707.26	1,060.89	345.97	691.94	1,037.91	-2.17%
PERSCare	389.76	779.52	1,169.28	382.30	764.60	1,146.90	-1.91%

Spotlight on Chapter 004 SACRAMENTO



*By Marie Reed, RPEA Secretary/Treasurer & President of
Chapter 004 – SACRAMENTO*

A good time was had by the members of Chapter 004 – SACRAMENTO who came out for our picnic on Sept. 9. We had a great luncheon catered by JR's Texas BBQ which consisted of ribs, tri-tip and chicken with sides of corn bread, potato salad, coleslaw and JR's Texas beans, and a great peach cobbler for dessert. After lunch and a drawing for door prizes, several members stayed on to play card bingo. We were sorry that more members didn't take advantage of the lovely weather—perfect for a picnic—and the beautiful setting in Land Park. We hope this might become an annual event and plan to put the decision before the members in attendance at our next general meeting.

(Head down with cap, wearing maroon shirt)
Bill Carey, RPEA Director of Public
Relations, C. T. Weber, Bobbie Smith and
Joyce McGhie



(From left, clockwise) Albert Rowe, Bill Carey, C.T. Weber, (blonde not visible) Lee Smith, Bobbie Smith, Joyce McGhie, Joy Carey, RPEA Member Services Secretary, Teena Stone. Standing is Penny Felix



(Seated from left) Doris Kirchner, Virginia Guadiana and Sheryl Zazzi. Standing with back to camera is Roxanne Woodward

Message from the Editor



By C.T. Weber, Director of Public Relations

J. J. Jelincic decided not to run for another term for the CalPERS Board of Directors. Instead he endorsed Michael Flaherman and Margaret Brown to fill the two seats that were up for election. He stopped by the RPEA Board of Directors meeting in Orange, California to say goodbye and to thank us. He said that serving on the CalPERS Board has been fun, satisfying, frustrating and aggravating. "This Board is dysfunctional and RPEA needs to hold them accountable" he explained as he pointed out that they took away the secret ballot assuming that CalPERS regulations supersede the law. Public comment was also limited.

J. J. explained that asset allocation was the most important job. He also said that the goal was for a greater than 50% funding and a contribution rate of less than 35%. We need to make our assets work

harder for us. The last allocation had less risk and less return which also increased rates. Our benefits are based on assets plus earnings plus contributions. Both state and schools are safe. The good news is that the checks will keep coming. He thanked us again for our support. I appreciate J. J.'s probing questions, openness and transparency. Thank you J. J. Jelincic.

Finally, the results of the CalPERS election are in. David Miller who received 77,316 votes (63.7%) defeated Michael Flaherman who received 44,041 votes (36.3%). Michael Bilbrey who received 49,801 votes (40.8%) will face Margaret Brown who received 43,132 votes (35.4%) in a costly runoff election. (Editor's note: Had CalPERS used instant runoff voting where voters could have ranked the candidates in order of preference, the election would be over and there would be no need to spend hundreds of thousands of dollars on a new election.)

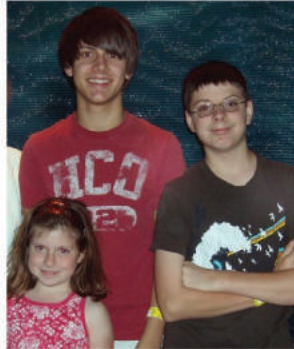
Hurricane Harvey & Me



By Marilynn Smith, Member, RPEA Chapter 015 – RIVERSIDE

It was close. On Monday morning, I realized the storm drains (which had been working perfectly through three straight days and nights of rain) had stopped draining. At 9:00 am the water was just over the curb, and I learned the same thing was happening at my daughter, Anne's home about a mile away. Anne and my three grandkids are the reasons I moved to Texas after I retired.

She insisted that my three little pals and I come and stay at their house until we knew what would happen because theirs is a 2-story house, and we could all move upstairs if we needed to. My 1-story home is more vulnerable. My "pals" are cats—a mama and two of her offspring, all of which have been with me for eleven years now. Unfortunately, by the time I was ready—about 10:00 am—the water was about 3' up



my driveway and none of our cars could make it through a couple of the intersections between here and there. So, my son-in-law, Ken, grandson and granddaughter walked/waded over to my place, and I moved to their house—also walking and wading! The current was so strong that I had to hang on to Ken's arm to stay upright! By Tuesday morning, though, all the water at my daughter's house and mine had drained away. The rain kept coming through Wednesday, and we figured that by then the water must have come almost up to my garage door. Thankfully, though, there was no flooding in my house or garage. We all know how very blessed we are.



In the 12 years I've lived here in Spring, TX, we've had Rita (2005, sideswipe), Ike (2008, direct hit), and now Harvey. I think I'm ready to move to Albuquerque or somewhere where these things don't occur!



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Legislative Update



By Aaron Read and Pat Moran of Aaron Read & Associates

September 15th is the final day of the 2017 legislative session. As of this writing, there are two days remaining in the 2017 legislative session. The

Governor has until midnight on October 15th to sign or veto bills that reach his desk. If no action is taken, it automatically becomes law without his signature.

More than 800 bills were awaiting action and we will update you in the next newsletter as to the final outcome of bills important to RPEA.

In the meantime, below is an update on each of the bills RPEA is following:

Support

AB 275 (Wood, D-Healdsburg) – Current law imposes various notice and planning requirements upon a long-term health care facility before allowing a change in the status of the license or operation of the facility that results in the inability of the facility to care for its patients or residents, including a requirement for written notification to the affected patients or their guardians at least 30 days prior to the change. Under current law, these requirements also include taking reasonable steps to medically, socially, and physically assess each affected patient or resident prior to a transfer due to the change, and, when 10 or more residents are likely to be transferred due to a change, the preparation and submission of a proposed relocation plan to the department for approval. This bill would expand the notice and planning requirements that a long-term health care facility provides before any change in the status of the license or in the operation of the facility that results in its inability to care for its residents. AB 275 was chaptered on September 1st. *RPEA was in support.*

AB 315 (Wood) – This bill would require pharmacy benefit managers, as defined, to be registered with the Department of Managed Health Care, as prescribed. The bill would require the department to develop applications for the registration, and would specify certain information to be provided in those applications. The bill would authorize the department to charge a fee for registration, as specified. The bill would authorize the director of the department to suspend the registration of a pharmacy benefit manager under specified circumstances. AB 315 has been made a two-year bill. *RPEA is in support.*

AB 444 (Ting, D-San Francisco) – The Medical Waste Management Act generally regulates the management and disposal of medical waste. This bill would authorize

the California Environmental Protection Agency to develop a statewide program for the collection, transportation, and disposal of home-generated medical waste. AB 444 has been made a two-year bill.

RPEA is in support.

ACR 98 (Kalra, D-San Jose) – This measure proclaims and acknowledges the month of June 2017 as Elder and Vulnerable Adult Abuse Awareness Month. It was chaptered on July 17th. *RPEA is in support.*

SB 17 (Hernandez, D-Azusa) – Current law requires health care service plans and health insurers to file specified rate information with DMHC or DOI, as applicable, for health care service plan contracts or health insurance policies in the individual or small group markets and for health care service plan contracts and health insurance policies in the large group market. This bill would require health care service plans or health insurers that file the above-described rate information to report to DMHC or DOI, on a date no later than the reporting of the rate information, specified cost information regarding covered prescription drugs, including generic drugs, brand name drugs, and specialty drugs, dispensed as provided. SB 17 is currently on the Senate Floor pending concurrence in Assembly amendments. *RPEA is in support.*

SB 294 (Hernandez, D-Azusa) – This bill would authorize, until January 1, 2022, a licensee under the California Hospice Licensure Act of 1990 to provide any of the authorized interdisciplinary hospice services, including palliative care, to a patient who has a serious illness. The bill would require a licensee that elects to provide palliative care pursuant to this temporary authorization to report additional specified information to the department, including the number of patients receiving palliative care. By modifying the scope of a crime for a violation of the act, this bill would impose a state-mandated local program. SB 294 is currently on the Senate Floor pending concurrence in Assembly amendments. *RPEA is in support.*

SR 41 (de Leon, D-Los Angeles) – This bill would resolve that the California State Senate calls upon the Senate of the United States to thoughtfully and carefully consider the full impact of any measures that amend, revise, or repeal provisions of the ACA to ensure there is adequate public review and input from the health care industry, consumers, and other stakeholders, to ensure that the Congressional Budget Office has provided estimates of a final version, and that it is in print and available to the public for at least 72 hours prior to any

Legislative Update



vote. The California State Senate calls upon the Senate of the United States to ensure that any legislation that is presented for a vote does not result in loss of coverage to the tens of millions of people who have benefited from the ACA, provides coverage for those with preexisting conditions, is affordable for older low-income adults, and contains adequate benefits. SR 41 was adopted on June 19th. *RPEA was in support.*

Oppose

SB 32 (Moorlach, R-Costa Mesa) – This bill would create the Citizens' Pension Oversight Committee to serve in an advisory role to the Teachers' Retirement Board and the Board of Administration of PERS. The bill would require the committee, on or before January 1, 2019, and annually thereafter, to review the actual pension costs and obligations of PERS and STRS and report on these costs and obligations to the public. SB 32 did not make it out of its first policy hearing in the Senate Public Employment and Retirement Committee and has been made a two-year bill. *RPEA is in opposition.*

SB 454 (Moorlach) – This bill would, for state employees who are first employed and become members of the retirement system on or after January 1, 2018, limit the employer contribution for annuitants to 80% of the weighted average of the health benefit plan premiums for an active employee enrolled for self alone, during the benefit year to which the formula is applied, for the 4 health benefit plans with the largest state civil service enrollment, as specified. SB 454 has been made a two-year bill. *RPEA is in opposition.*

SB 601 (Morrell, R-Rancho Cucamonga) – This bill would require the Board of Administration of the Public Employees' Retirement System to report a calculation of liabilities based on a discount rate equal to the yield on a 10-year United States Treasury note in the year prior to the report. The bill would require the Teachers' Retirement Board to provide a description of the discount rate the board uses for reporting liabilities calculations, a calculation of liabilities based on a discount rate that is 2% below the long-term rate of return assumed by the board, and a calculation of liabilities based on a discount rate equal to the yield on a 10-year United States Treasury note in the year prior to the report. SB 601 has been made a two-year bill. *RPEA is in opposition.*

SB 681 (Moorlach) – This bill would require the Board of Administration of PERS to allow a contracting agency to terminate its contract with the system in a manner that does not result in excessive costs or penalties to the

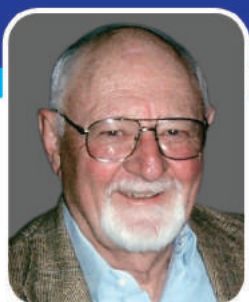
contracting agency, allows the contracting agency to withdraw its net assets paid into the system less payments made to its members and their beneficiaries, and ensures that the contracting agency remains responsible for its unfunded liabilities so that those liabilities are not shifted onto other PERS members or employers. SB 681 has been made a two-year bill. *RPEA is in opposition.*

SCA 1 – This bill would prohibit the state from incurring any liability for payment of the retirement savings benefit earned by program participants in the California Secure Choice Retirement Savings Program. The measure would also prohibit the appropriation, transfer, or encumbrance of moneys in the General Fund for the purposes of the program, including any unfunded liability that the program may incur, unless the appropriation, transfer, or encumbrance is for funding the startup and first-year administrative costs for the program. SCA 1 was heard in the Senate Public Employment and Retirement Committee and failed passage. It is now a two-year bill. *RPEA was opposed.*

SCA 8 – This bill would permit a government employer to reduce retirement benefits that are based on work not yet performed by an employee regardless of the date that the employee was first hired, notwithstanding other provisions of the California Constitution or any other law. The measure would prohibit it from being interpreted to permit the reduction of retirement benefits that a public employee has earned based on work that has been performed, as specified. The measure would define government employer and retirement benefits for the purposes of its provisions. Essentially, this bill changes an employee's retirement mid-career. As of this writing, SCA 8 is in the Senate Public Employment and Retirement Committee awaiting a hearing. *RPEA is opposed.*

SCA 10 – This bill would prohibit a government employer from providing public employees any retirement benefit increase until that increase is approved by a 2/3 vote of the electorate of the applicable jurisdiction and that vote is certified. The measure would define retirement benefit to mean any postemployment benefit and would define benefit increase as any change that increases the value of an employee's retirement benefit. The measure would define a government employer to include, among others, the state and any of its subdivisions, cities, counties, school districts, special districts, the Regents of the University of California, and the California State University. As of this writing, SCA 10 is in the Senate Public Employment and Retirement Committee awaiting a hearing. *RPEA is opposed.*

RPEA Legislative Update



By Jim Anderson, Director of Legislation

In the last couple of weeks, I have been riveted to the news of the catastrophe in Houston, Texas. The storms that have inundated that area of the United States have demonstrated that the power of nature to inflict devastation is beyond what we can imagine. So far, in California we have not had to face the wide-spread destruction caused by a hurricane, but we expect that there will be similar concerns when the predicted massive earthquake occurs. How we prepare will tell how we will survive.

I have noted that there is a significant difference in the way that California has begun to prepare. I am not concerned that there will be much difference in the way our first responders react to any catastrophic event. The way those in Texas go about rescues and how the fire and police in California accomplish their tasks are very similar. They rise to the situation and do their job tirelessly and effectively.

However, I do see some difference in the way the governance of these two states prepare for a crisis. The reports from Texas indicate that communities are allowed to build, expand, and develop generally without much long-term concern about the enormous needs should a catastrophic event occur. This is evident by the large-scale flooding due to building in the flood plains or paving over areas where water normally percolates instead of running off. In California, there is criticism about laws and regulations that are in place in anticipation of what will be needed to mitigate the impact should disaster strike.

We have seen economic development being lured to move from California to Texas and other states to get away from the "onerous regulations" and higher taxes. It is alleged that increased costs are caused by high contributions into public employee pension systems. Little is made of the fact that laws and regulations are in place to mitigate the impacts of an earthquake event, wildfires in the foothills, or flooding. The result is lower public impacts and faster and more effective rescue and recovery.

Laws and regulations are effective because of the work of public employees hired to investigate compliance and advise the public on ways needed to keep life and property safe. These public servants are not necessarily first responders, but rather those working in planning departments, building inspectors, water treatment operators, and utility crews. One particular situation in Texas was especially

interesting. A chemical company was flooded, and the storage facility was not able to keep certain toxic chemicals cool. These chemicals subsequently exploded, and toxic fumes were spread through the area. In Texas, this company was not required to disclose to the fire officials in the community of the type of chemicals that were being used and stored there. They were not required to tell the neighborhood that there was any danger from fire or toxic fumes. This would not be allowed in California, not only to protect first responders, but to keep the community safe.

The role of public employees is not being discussed by people beginning to recover from the hurricane impacts. The need for public employees to be involved to prevent and mitigate disasters should be a high priority and not forgotten until the next bad event. The efforts of California public employees in all areas of government needs to be respected as they work day to day to make our communities safer—not just the first responders (who we totally appreciate), but a myriad of others who are involved in the routine work that is so important should a catastrophe occur.

The cost of these public servants is important. We, as citizens of California, need to recognize their valuable work. We need to make sure

they receive adequate pay and are provided with deferred compensation to afford a secure retirement. At times, the costs may seem high, but they have purchased our comfortable life in this wonderful state and given us better protection should a disaster strike. It has been said, "You can pay me now, or pay me later!" Fortunately, California is paying early for laws, regulations, infrastructure; and, most importantly, the people in order to be ahead of what the Mother Nature may throw at us.

"We have seen economic development being lured to move from California to Texas and other states to get away from the "onerous regulations" and higher taxes. It is alleged that increased costs are caused by high contributions into public employee pension systems."



RPEA Legislative Position & Tracking Chart



2017 RPEA LEGISLATIVE TRACKING & POSITION State and Federal Legislation - 2017 - 2018

October 17, 2017

BILL NUMBER & AUTHOR	LEGISLATIVE INTENT	CURRENT STATUS	RPEA POSITION
AB 275 (Wood) Introduced 2-1-17 Long Term Care Notice of Lack of Care	This bill would expand the notice and planning requirements that a long-term health care facility provides before any change in the status of the license or in the operation of the facility that results in its inability to care for its patients. The bill would require a facility to provide 90 days' notice to the affected patients or their guardians and 90-day written notice to the State Long-Term Care Ombudsman. The bill would modify who may perform the required assessments of the affected residents.	Governor signed Chapt. 185 Statutes 2017	S₂
AB 315 (Wood) Introduced 2-10-17 Pharmacy Benefit Management Amended in Senate	This bill would require pharmacy benefit managers and designated pharmacy benefits manager representatives to be licensed by the California State Board of Pharmacy and would establish qualifications for the designated pharmacy benefits manager representative license. Amendments removed monetary penalties but suspends registration if a violation of this law	Senate Appropriation Committee INACTIVE FILE 2-year bill	S₃
AB 444 (Ting) Introduced 2-13-17 Medical Sharps Amended 4/18/17	This bill would require Cal/EPA to develop a statewide program, in consultation with stakeholders, for the collection, transportation, and disposal of home-generated medical waste. Requires funds in the Budget Act to allow for implementation	Passed Assembly and held in Senate Envir. Quality 2-year bill	S₃
AB 940 (Weber) Introduced 2-16-17 Long Term Care Facilities	Would require long term care facilities to notify the local ombudsman any time a resident has been notified of a transfer or discharge. Failure to notify would include penalties	Governor signed Chapt. 274 Statutes 2017	W
SB 17 (Hernandez) Introduced 12-5-16 Drug Price Increase Notice Amended in Assembly 7/5/17	This bill would require public and private purchasers of health care and health care coverage be given advance notice of price increases for the costs of prescription drugs. Minor amendments in the Assembly	Governor signed Chapt. 603 Statutes 2017	S₂
SB 294 (Hernandez) Introduced 2-9-17 Hospice and palliative Care	This bill would additionally authorize a licensed hospice to provide palliative care services for any person in need of those services as determined by the physician and surgeon in charge of the care of a patient, and would authorize these services to be provided concurrently with curative treatment to a person who does not have a terminal prognosis or who has not elected to receive hospice services only by licensed and certified hospices.	Governor signed Chapt. 294 Statutes 2017	S₂
SB 562 (Lara) Introduced 2-17-17 The Healthy California Act	It is the intent of the Legislature to establish a comprehensive universal single-payer health care coverage program and a health care cost control system for the benefit of all residents of the state. And, to establish the Healthy California (HC) program to provide universal health coverage for every Californian based on his or her ability to pay and funded by broad-based revenue. Further for the state to work to obtain waivers and other approvals relating to Medi-Cal, the state's Children's Health Insurance Program, Medicare, the PPACA, and any other federal programs so that any federal funds and other subsidies that would otherwise be paid to the State of California, and health care providers would be paid by the federal government to the State of California and deposited in the Healthy California Trust Fund.	Passed the Senate to Assembly. Held at Desk 2-year bill Assembly study committee formed	W₁
SCA 8 (Moorlach) Introduced 2-15-17 Constitutional Amendment allowing reduction in benefits for work not yet performed.	This measure would permit a government employer to reduce retirement benefits that are based on work not yet performed by an employee regardless of the date that the employee was first hired	Senate Public employment and constitutional amend. Hearing cancelled by author	O
SCA 10 (Moorlach) Introduced 2-15-17 Constitutional Amendment to require a vote to change public employee benefits	This measure would prohibit a government employer from providing public employees any retirement benefit increase until <u>that increase is approved by a 2/3 vote of the electorate</u> of the applicable jurisdiction and that vote is certified. would define a government employer to include the state and any subdivisions,	Senate Public employment and constitutional amend. Hearing cancelled by author	O

Federal Legislation

HR 1205 (Introduced 2-21-17) Rep. Rodney Davis (R. Ill) 142 cosponsors/37 frm Calif. Social Security Fairness Act 2017	Congressional bill to repeal the Windfall Elimination Provision (WEP) and the Government Pension Offset (GPO)	House Ways and Means Committee	S
S 915 (Introduced 4-24-17) Sen. Sherrod Brown (D. OH) 8 cosponsors Social Security Fairness Act 2017	Senate bill to repeal the Windfall Elimination Provision (WEP) and the Government Pension Offset (GPO)	Senate Committee on Finance	S

LEGISLATIVE SUPPORT POSITIONS: The following categories are used in your legislative summary reports:

SPONSOR – Sponsored or co-sponsored bill.

SUPPORT 1 (S1) – Highest priority support bill.

SUPPORT 2 (S2) – Moderate support.

SUPPORT 3 (S3) – Lowest level of support.

OPPOSE (O) – Judged to be detrimental.

WATCH 1 (W1) – Of more than casual interest.

WATCH 2 (W2) – Of interest or concern.

? – Will show up in our screening from time to time.

Membership Update



By Rosemary Knox, Director of Membership

Hello Members! As I travel up and down California visiting RPEA chapters helping them with recruitment and leadership challenges, I find

that even with our busy lives, you have always met the challenge of sharing the benefits of joining RPEA with your fellow retirees, co-workers, family and friends. Many of you have volunteered at the CalPERS Educational Events and were reacquainted with many of your friends and coworkers who were planning their retirement. Last year more than 12,000 CalPERS members attended these events, and this year wasn't any different. I have enjoyed meeting you and working side by side to share the benefits of membership with our colleagues who are on the cusp of retirement.

Your dedication and generosity are enormous! I can't help but feel the "Happiness Effect" when a soon-to-be retiree joins us as an active member. One of the better-known benefits of being an active member in an association like RPEA is the impact our members have on the community. It is important to stay active in your chapter. A lot of information is shared—most specifically information regarding issues that deal with pension reform.

Many of our chapters have certainly met the challenge of giving back to their community. Volunteering allows you to connect to your community and make it a better place. Even helping out with the smallest tasks can make a real difference to the lives of people. Many of you have shared that your chapter has participated in charitable projects such as the food bank, warm coat project, libraries, reading to children, and manning information booths as well as volunteering at senior centers, animal shelters, wildlife centers and after school programs. I could go on and on.

In closing, I would like to applaud you all for the good job of sharing the benefits of RPEA membership and the importance of retaining and recruiting members! Keep up the good work, and if I can help, I am only a phone call away.



RPEA President George Linn; Director of Membership, Rosemary Knox & Area Director VII, Dennis Cassella



Area Director VIII, Kathleen Collins;
Assistant Area Director VIII, Estela Pena



Chapter 030 – AUBURN delivered food donations to the Auburn Interfaith Food Closet



Chapter 015 – RIVERSIDE makes a food donation to the Goeske Senior Center food closet at each of their meetings.

The Holiday Season is Rapidly Approaching...

See's Candy certificates make great gifts! Log on to www.rpea.com and order early to ensure you receive your certificates on time!

ORDER BY: Friday, December 1, 2017 for guaranteed Christmas delivery.

\$16.00 per certificate



September 2017 Board of Directors Meeting

By Tanya Rakestraw, Headquarters Office Manager

The September 2017 Board of Directors meeting was held on 9/25 – 9/26/2017 at the Doubletree Hilton Hotel in Orange, CA. This hotel will be the site of General Assembly 2018, and the Board took a walking tour of the facility in preparation for that event. In addition to the regular agenda, newly-re-elected Area Directors I, III, V, VII and IX were sworn in for a new term of office. A dessert reception was held for outgoing CalPERS Board of Administration member, J. J. Jelincic on the evening of September 25. We're pleased that many of our Southern California members were able to join us.



(L-R) Vice President Al Darby; Chapter 070-HI DESERT member, Caryl Cole; Secretary/Treasurer Marie Reed; 033-SAN BERNARDINO member, Susan Nelson



Director of Health Benefits, Donna Snodgrass (L); Area Director VIII, Kathleen Collins (R)



J. J. Jelincic at the dessert reception



(L-R) 066-MOUNT DIABLO member, Nancy Santos; 061-MISSION CITY member, Norma Rose; RPEA Past President Ted Rose



(L-R) Lisa Amick, Doubletree Hilton Hotel Senior Services Event Manager; Area Director VI, Wes Stonebreaker; Area Director IX, Larry Sullivan; Area Director III, Bob Van Etten touring the future site of General Assembly 2018



(L-R) Jeanie Coffey, AMBIA Vice President of Association Relations; Ron Roseborough, AMBIA Vice President of Sales; Eric Calderon, AMBIA District Manager



Vice President Darby (far left) administering the Oath of Office to newly-re-elected Area Directors (L-R) Dennis Cassella, AD VII; Larry Sullivan, AD IX; Ellen Knapp, AD V; Paul Tamboury, AD I



Chapter 090 – DONALD McKNIGHT member, Betty Taylor, and 090 President, Leo Taylor



Director of Membership, Rosemary Knox; Chapter 064 – NEWPORT BEACH President, Dan Heredia



CalPERS Board of Administration Public Representative, Ron Lind, addresses the Board.



RPEA Past President, Jerry O'Keefe & wife, Jeri



General Assembly Planning Committee Chair, Julie Van Etten; Assistant Area Director V, Bob Seigler

CalPERS Retirees,

Discover the benefits and features of a UnitedHealthcare® Medicare Advantage plan.



SilverSneakers®



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Dental



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Get a simpler health care experience with a UnitedHealthcare plan.

We're excited that our UnitedHealthcare® Group Medicare Advantage (PPO) plan is one of your health care plan choices for 2018.

As you compare your options for 2018, we hope you'll consider UnitedHealthcare.

If you are interested in making a change to UnitedHealthcare, please contact CalPERS during your Open Enrollment Period (September 11 through October 6, 2017).

**If you have questions about our UnitedHealthcare plan,
please call us toll-free at:**



1-888-867-5581, TTY 711

7 a.m. – 8 p.m. local time, 7 days a week



This information is not a complete description of benefits. Contact the plan for more information. Limitations, copayments, and restrictions may apply. Benefits, premium and/or copayments/coinsurance may change on January 1 of each year. Plans are insured through UnitedHealthcare Insurance Company or one of its affiliated companies, a Medicare Advantage organization with a Medicare contract. Enrollment in the plan depends on the plan's contract renewal with Medicare.

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Joining RPEA Helps Us Support YOUR Retirement Security

RETIRED PUBLIC EMPLOYEES'

ASSOCIATION OF CALIFORNIA

Membership Application



Have a scanner app
on your smart phone?

Visit our website:
www.rpea.com

Join online!



Become a Member in Three Easy Steps!

STEP 1: Tell Us About Yourself

Your Name: _____ Date of Birth ____ / ____ / ____

☐ M ☐ F

Spouse Name: _____ ☐ M ☐ F Date of Birth ____ / ____ / ____

Is your spouse an additional applicant? ☐ Y ☐ N

Address: _____

City/State/Zip: _____

Phone: (____) ____ - ____ Email: _____

Retired From: _____ Retirement Date: _____

RPEA Chapter Number or Name if Known: _____

Referred By: _____

STEP 2: Select One Membership Type

☐ Retiree (CalPERS Annuitant)

☐ Beneficiary (Beneficiary of a CalPERS retiree)

☐ Affiliate (Still working for a Public Agency)

☐ Associate Member (Supporter of RPEA's goals)

STEP 3: Select One Payment Method

☐ **Option 1: MONTHLY CALPERS DEDUCTION:** I authorize the California Public Employees Retirement System (CalPERS) to deduct for each applicant on this form \$5.00 per month from my retirement allowance until revoked by me in writing. **Only available if one applicant is receiving a CalPERS retirement payment.**

Signature _____

Social Security Number or CalPERS ID + Last 4 of SSN _____

☐ **Option 2: CHECK OR MONEY ORDER:** As payment for the first year's dues, I have attached a check or money order for \$60.00 (\$30.00 for affiliate membership) for each applicant on this form. I will be billed annually for subsequent renewals.

☐ **Option 3: CREDIT CARD AUTHORIZATION:** As payment for the first year's dues, I authorize \$60.00 for each applicant on this form (\$30.00 for affiliate membership) to be charged on my credit card. I will be billed annually for subsequent renewals.

Card Number: _____ (MasterCard or Visa only)

Expiration Date: ____ / ____ CVV/CVC: (3 Digit code on the back of card) _____

Signature _____

RPEA/October/2017

THANK YOU for Joining RPEA!

RPEA
Headquarters Office:
(800-443-7732)

Return your completed application to:
RPEA • 300 T Street • Sacramento, CA 95811-6912



Why Join RPEA?

RPEA protects the interests of retirees at the state level to ensure your retirement remains secure. We retain a professional lobbyist who represents our interests before the Governor, Legislators and CalPERS Board. We also have access to a federal lobbyist who keeps us informed on federal retiree issues.

RPEA continues an active and ongoing relationship with CalPERS by serving on their Advisory Committee concerning CalPERS plans and proposals. We also monitor every CalPERS committee and frequently testify at these meetings on behalf of our members.

Every RPEA member receives a bi-monthly statewide newsletter with general information as well as legislative and health care updates.

Members also gain access to numerous member-only benefits including dental and vision plans and a wide array of merchant discount programs. For only \$5.00 a month you get even more back in benefit savings!



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Facebook www.facebook.com/RPEACalifornia • Twitter @rpea_ca

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ROSTER OF 2016/2018 VOLUNTEER BOARD OF DIRECTORS

NAME	TITLE	HOME ADDRESS	PHONE	FAX	E-MAIL ADDRESS
George Linn ANY TIME	President	*****	415 821 1366 (H) 415 999 3538 (C)	415 821 6539	gminn@aol.com president@rpea.com
Al Darby 8AM – 9PM	Vice President	8968 Panamint Court Elk Grove, CA 95624	925 788 6068	NONE	aldarby9@hotmail.com
Marie Reed 8AM – 7PM	Secretary/Treasurer	6796 Pocket Road Sacramento, CA 95831	916 428 2090	NONE	marie.reed@comcast.net
Ann McWherter	Immediate Past President	9325 East Boston Blvd., #207 Elk Grove, CA 95624	916 716-3343	NONE	annmcwherter@gmail.com
Donna Snodgrass ANY TIME	Dir. Health Benefits	10345 Walnut Grove Court Yucaipa, CA 92399	909 790 0133	NONE	Donnasnodgrass55@gmail.com
Rosemary Knox ANYTIME	Dir. Membership	*****	408 926 6664	NONE	rknox@sbcglobal.net
C. T. Weber 10AM – 9PM	Dir. Public Relations	1403 Las Padres Way Sacramento, CA 95831	916-422-5395 (H) 916-320-9186 (C)	NONE	ctwebervoters@att.net
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George Otterbeck 8AM – 5PM	Area Director II	4180 Meander Dr. Redding, CA 96001	530 243 5543 (H) 530 356 3602 (C)	NONE	origsnooky1@gmail.com
Bob Van Etten ANY TIME	Area Director III	4401 Clovewood Lane Pleasanton, CA 94588	925 846-6563	NONE	bobvanetten@comcast.net
Bill Houk ANY TIME	Area Director IV	1904 Devonshire Ave Modesto, CA 95355	209 578 4420 (H) 209 606 5779 (C)	NONE	sixteenthb@aol.com
Ellen Knapp ANYTIME	Area Director V	28319 N. Azurite Pl. Valencia, CA 91354	661 607 2072 (C)	NONE	eknapp@roadrunner.com
Wes Stonebreaker ANY TIME	Area Director VI	1060 Country Club Dr. Riverside, CA 92506	951 784 1060	951 781-3960	lindaandwes@aol.com
Dennis Cassella 8AM – 5PM	Area Director VII (Interim)	205 Cypress Hill Dr. Grass Valley, CA 95945	530 272 2130	SAME (CALL FIRST)	ncdennisc@aol.com
Kathleen Collins ANY TIME	Area Director VIII	*****	562-884-8891	NONE	kcespresso@hotmail.com
Larry Sullivan ANYTIME	Area Director IX	1602 Sunset Gardens Rd. Albuquerque, NM 87105	505 242 4981	SAME (CALL FIRST)	houseofspirit@earthlink.net

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 Radtana Lee
 Corey Saetern
 Teena Stone

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