



RETIRED PUBLIC EMPLOYEES' ASSOCIATION OF CALIFORNIA



RPEA Thanks Governor Newsom for Increasing the Funded Status of CalPERS

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President's Report



Al Darby
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By RPEA President Al Darby

Happy New Year! And it is indeed a happy new year for RPEA when you consider that we are starting the new year with membership greater than 24,000. It has been several years since our ranks were at that level. With enhanced chapter-level funding for recruiting we should see even better results in 2019. In addition, our financial condition is strong, and our statewide leadership ranks are filled with very competent Officers, Directors, and Area Directors. We plan additional training for Area Directors and Assistant Area Directors early in 2019 to help chapters improve meeting attendance and recruiting efforts.

AMBIA continues to give us support in many ways including our new website, digital marketing, and internal communication systems within RPEA, including video conferencing that will enable wider participation in committee and Board meetings.

We have attempted to direct these members to the relief aid centers and help them get shelter and meet other needs from agencies that provide these services. Our sympathy and support are fully behind the victims of these tragedies. Fortunately, the Butte County RPEA members have a nearby chapter in Chico they could join and continue with RPEA. We now know that many Paradise chapter members have joined the Chico chapter and other chapters in Northern California. They still hope to reestablish the Paradise chapter when conditions permit that to happen. We reached out to the affected Southern California chapters to offer assistance to those with members who may have been affected by the fires. In mid-November,

I spoke at the Chapter 46 meeting in South San Francisco. This chapter meets at the Basque Cultural Center which turns out to be an excellent meeting facility and restaurant. There was an excellent turnout. We had a lively discussion and I answered many questions about RPEA and CalPERS. In early December, I, along with Vice President Rosemary Knox, Director of Membership William Wallace and Omarr Guerrero of AMBIA, staffed the RPEA booth at the CALPELRA Conference. This meeting of public agency human resources directors is always an important event for us because we get our brochures into the hands of new retirees as they exit their employer's facility for the last time. Many

Sadly, in early November many of our members in Butte, Ventura and Los Angeles Counties became victims of the wildfires that took many lives and destroyed a huge number of homes.

of our "internet" applications for RPEA membership come from this source.

In an earlier newsletter I stated that our Headquarters Office building and our vacant lot next door lay within the Sacramento Historic District. We later determined that this was not the case. In an inexplicable chain of events, our property was eliminated from the district in a fortuitous chronological gerrymander. In other words, it may be good that we are not in the historic district. Added restrictions sometimes come with historic district designation.

At CalPERS stakeholders and staff are dealing with a dilemma surrounding the private equity plan called CalPERS Direct. There is a high level of concern around this issue due to the lack of transparency related to the operations of the new, semi-autonomous entities that will secure and administer the investments. My public comment expressed our concern about the new private entities concept. The current CalPERS Board will not have an

Continued on page 3

Vice President's Op/Ed

By Rosemary Knox, Vice President



Happy New Year! 2018 is on the books, and it is now time to reflect on 2018 and welcome 2019. Looking back on the year, RPEA was challenged by many attempts to effect changes to public employee pensions. RPEA has been very successful in starting 2019 with an increase in new members thanks to the help of our chapters who have taken on a membership drive. For that, a big *HURRAY!* goes out to all.

In early December I attended the annual California Public Employers Labor Relations Association (CALPELRA) conference put on for the benefit of all human resource public government agencies. Also in attendance were RPEA President Al Darby, Director of Membership Bill Wallace and AMBIA representatives.

It was heart warming to hear from those who stopped by our booth to tell us, "Oh, yes we distribute these packets out at our exit interviews. Can I have more?"

The world around us, including economies, industries and societies, is changing rapidly. This will impact how we do business. With a new year comes new challenges and goals. The theme for 2019 is, "Our best year yet." This year we want to set record growth. Our Headquarters Office along with AMBIA is meeting that challenge by updating, changing and keeping up with new technologies such as video teleconferencing that will help us manage communication with our membership.



(L-R) President Al Darby, Rosemary Knox, Bill Wallace, Omarr Guerrero (AMBIA)



(L-R) Omarr Guerrero, Rosemary Knox, Bill Wallace, Al Darby

Continued from page 2

oversight role except to withhold funding for these entities if there is a dispute regarding investment policy or administrative function. Debate continues around this issue as new CalPERS Board members come aboard in 2019. The pension fund is struggling at this point to realize its seven percent annual goal on return on investment due to extreme stock market volatility. Hopefully, 2019 will see a return to positive stock market performance and continued strong returns from existing private equity investments. Real estate and infrastructure investments are showing good gains. I also spoke about the need for CalPERS to be sympathetic to public agencies crippled by the wildfires and the potential need for CalPERS to be flexible relating to employer/employee retirement contributions to CalPERS.

Our new Director of Public Relations, Lorenzo Rios, and I met with Terry McHale of Marketplace Communication to plan PR efforts for RPEA. RPEA YouTube interviews of legislators are scheduled for January along with newspaper op-ed/commentary articles related to new and more positive views of public pensions by some former harsh critics of public retirement systems.

In December, I attended the Chapter 009 – SURF CITY holiday party. This chapter has been a leader in website development and video teleconferencing. We had a productive discussion about creating a statewide video conferencing system to permit member participation in RPEA committee and Board meetings. I also attended the Chapter 004 – SACRAMENTO Holiday Party in Sacramento.

Health Benefits Update



By Harvey Robinson, Director of Health Benefits

SINGLE PAYER, MEDICARE FOR ALL OR...?

We have a new Governor, Gavin Newsom. He also signed an executive order appointing a California Surgeon General to work on reducing health-related inequality within the state. In addition, he sent a letter to President Trump and congressional leaders asking permission for California to pursue a government-funded proposal to pursue universal health care.

During the 2017/2018 California legislative session a single payer bill, SB562, was introduced. We anticipate a similar bill will be introduced in early January, and we will monitor its progress. In the past such legislation had its proponents, e.g., California Nurses Association, and also its antagonists, e.g., hospitals, pharmaceutical companies and many others.

In a January 6, 2019 article in The Hill entitled, "*US Health Care Is An Ongoing Miserable Failure*," the following statistics were cited: (1) the average life expectancy in the U.S is 78.6 years, whereas in the 28 countries in the European Union (E.U.) it is 81; (2) US health care costs are 18% of GDP while the costs is limited to 9% of GDP in Europe; and, (3) US physicians earn twice as much as their colleagues in other wealthy nations.

Governor Newsom's health care plan would restore the individual Obamacare mandate and make prescription drugs more affordable by expanding the negotiating power of the Department of Health Services for Medi-Cal recipients.

RPEA members do not all have the same health care coverage. If you worked for the State of California, you have been blessed regarding health benefits. RPEA members represent all manner of health care coverage, and we must all work toward being treated fairly and equally.

In other news, the Camp Fire caused the deaths of 85 residents of Paradise and surrounding communities as well as the destruction of some 25,000 structures. RPEA has some 371 members residing in the area. We will be asking CalPERS to work with its health plans to provide outreach and individual counseling for our members.

Avoid San Francisco General, now known as Zuckerberg San Francisco General, for emergencies, if at all possible. In an article dated January 10, 2019 the news agency VOX reported on the situation of Nina Deng (one of five similar cases) who had fallen from her bike. In addition to being transported to SF General she was x-rayed for broken arm and had a CT scan for a cost of \$24,074.50. Her insurer Premiera BlueCross said they would only pay \$3,830.79. In December when she said she couldn't pay, the hospital said they would send collections after her. This is a case where the ER is out of network and not subject to balance billing with a private health insurer.

Message from the Editor



By Lorenzo Rios, Director of Public Relations

As we start a new year with a new Governor, we don't know what are his plans or how he will handle pension and benefits issues which are being attacked by the media. It is important to stay vigilant and informed. Health care is a major issue, not just us, but for our families, friends and all seniors. We must step up to protect and fight to improve them. A healthy American is a strong American. Instead of Happy New Year, I say *Healthy New Year* to ALL.

RPEA Legislative Update



By Randall Cheek, Director of Legislation

The 2019 state legislative year has begun with Democrats holding a super majority in both houses. The Democrats have a 60 to 20 majority over Republicans in the Assembly and a 29 to 10 majority in the State Senate. One seat is vacant as Ted Gaines is now on the Board of Equalization, and his seat is up in a special election. There are nine brand new senators out of 40— (considering only 20 are elected at a time, that's a lot)—and 22 new members of the Assembly out of 80. Despite this overwhelming majority of Democrats, do not expect too much change. They will be cautious on spending and will have to deal with a new Governor in Gavin Newsom who is not a spendthrift.

The majority of the legislature is protective of pensions. As of this writing there is only one bill, AB 33 by Assembly Member Bonta, et al, that has been introduced regarding CalPERS. AB 33 calls for CalPERS and CalSTRS (the teachers' retirement system) to divest from stock in private prison companies. The bill is aimed at the Trump administration who has a policy of housing those immigrants seeking asylum in private for-profit prisons, most of which are not in California. Although the bill claims it can make a change, under the California Constitution, only the CalPERS Board can make such a decision based on fiduciary responsibilities.

This is the only bill on record. It is likely that many more bills affecting pensions will be introduced. The legislature has until January 25th to introduce some language to the office of Legislative Counsel who takes the premise and puts it in legal language. This date is usually when we see a lot of spot bills (place holders) which have minimal language until February 22nd, the official last day to introduce bills. This means a bill should have more substantial language and an author to move forward. However, some bills can be amended with new language added throughout the legislative process. Like they say, "There are two things you don't want to see being made—sausages and legislation."

Since this is the start of a two-year session a bill can take the full session to get through both houses.

There is another way to change pensions, and that is through initiatives. There are two initiatives that are on the 2020 ballot. One makes it harder for some non-violent crimes to be eligible for parole and one that taxes certain commercial and industrial real property based on fair-market value, rather than, under current law, the purchase price with limited inflation. Six other initiatives are circulating now trying to get the needed signatures for the ballot in 2020. These all are under the old requirement of 365,880 for an initiative change and 585,407 for a change to California's constitution. As of January, it will now take 997,139 signatures for a constitutional amendment and 623,212 for an initiative.

Of the six initiatives in circulation under the old numbers, none affect pensions. This does not mean that anti-pension initiatives could not be circulated in the future.

This is great news because any pension changes must come in the form of an amendment. The more signatures, the harder to qualify. However, deep pocket conservative groups like those funded by the Koch brothers can afford to pay the \$2,000 to get a ballot amendment

started and the millions it will take to get the signatures which are gathered by professionals who get paid up to \$5 per signature. Beware of signature gatherers as they will say anything to get you to sign their petition. Play it safe. Do not sign anything unless RPEA suggests you should sign it.



Legislative Update



By Aaron Read and Pat Moran of Aaron Read & Associates

California's 2019-20 State Budget Overview

Governor Newsom unveiled his first budget as Governor just three-days after being sworn in. The proposed budget is a \$209-billion, \$144 billion general fund (a 4 percent increase over the \$138 billion spending plan former Governor Brown signed in June) and predicts a \$21.4 billion surplus from robust tax collections and slower growth of state health care costs. It's the largest projected surplus since at least 2000, according to state finance officials. The budget increases funding for public schools and healthcare programs. It also includes significant, one-time spending, to combat the state's homelessness issue and prepare for future natural disasters.

The Governor kicked off his press conference by saying, ***"I know it's rote and cliché to say it's a reflection of our values, but it is a reflection of our values."*** He went on to say, ***"It is demonstrable that these dollars attach to real people and real people's lives."***

Governor Newsom seems to be taking a page from Brown's budget playbook, which targets as much new spending as possible on one-time expenditures that don't carry a long-term cost. Eighty-six percent of his spending is for one-time efforts, he said.

As we analyze the just released 2019-20 budget, we will update you on specific agency, department and program details in the coming days ahead

BUDGET OVERVIEW

The above statement coupled with his decisive victory in November seems to imply that the Governor views his victory as a clear mandate to pursue a capacious agenda that will focus efforts aimed at young children and poor families and continue to pay down debt and increase the states rainy day fund.

- Among the budget items that Newsom has already outlined are a nearly \$2 billion plan to support low-income children, with much of the money earmarked for construction of childcare facilities and kindergarten classrooms.

- The budget proposes a \$1-billion "working families' tax credit," more than double the size of the state's existing tax break for low-income workers.

- The budget would expand eligibility for the tax

break to those who earn up to \$15 an hour, estimated by the administration to add up to 400,000 additional families.

- He will ask lawmakers to increase monthly welfare assistance grants under the state's CalWORKS program.

- Efforts to help ease California's housing and homelessness crises would also be bolstered under the spending plan, with \$500 million to be set aside to help local governments build shelters and add services to help the homeless.

- \$4.8 billion in optional payments to the state's primary pension funds, CalPERS and

- CalSTRS. Both funds have significant unfunded liabilities. The additional money from the state could help them reduce the rates they charge to schools and local governments.

Tax credits for working families. Newsom wants to double California's earned-income tax credit and offer it to hundreds of thousands of more households. He'd also increase the value of Calworks grants for low-income families.

- \$1.3 billion for projects that spur housing development, including tax credits for developers building housing for low- and moderate-income families.

- Waiving state-mandated environmental reviews for housing projects that would help homeless Californians.

- He's proposing \$1.4 billion for higher education. The bulk, about \$400 million, would go to the community college system with the goal of making tuition free for two years.

- He wants to invest \$500 million in infrastructure to provide more childcare and \$750 million for kindergarten programs.

The Budget includes \$4 billion to eliminate budgetary debts and reverse the deferrals of the past decades. Specifically, the Budget proposes:

- \$2.4 billion to pay off the state's budgetary debts, including the elimination of all outstanding loans from special funds and transportation accounts. This marks the first time in over a decade that these debts have been completely paid off.

- \$1 billion to eliminate the annual payroll deferral. The one-month deferral of the June payroll provided a one-time budget savings that was used to help balance the budget nine years ago. The state

Legislative Update



has been deferring this payment ever since; this action eliminates this long-standing practice.

- \$700 million to eliminate the deferral of the fourth-quarter payment to the California Public Employees' Retirement System (CalPERS). Similar to the payroll deferral, this action reverses a one-time budget savings that was used to help balance the budget over a decade ago.

The Budget continues to build additional reserves beyond the \$13.5 billion currently set aside in the Budget Stabilization Account (commonly called the Rainy Day Fund).

A recent opinion by the Legislative Counsel concluded that supplemental payments made in prior years do not count toward calculating the 10 percent of General Fund tax revenues target set in the Constitution. Consistent with this opinion, the Budget continues to make required deposits in the Rainy Day Fund.

- The Budget assumes an additional \$1.8 billion transfer in the budget year and an additional \$4.1 billion over the remainder of the forecast period, bringing the Rainy Day Fund to \$19.4 billion by 2022-23, as shown in the figure below.

- The Budget also adds \$700 million to the Safety Net Reserve created in the 2018 Budget Act, bringing the total in this reserve to \$900 million. This reserve sets aside Funds specifically to protect safety net services during the next recession.

- Finally, the Budget reserves \$2.3 billion in the Special Fund for Economic Uncertainties to address emergencies and unforeseen events.

This proposed budget sets the stage for the next phase of the ongoing budget development cycle for the state for the 2019–20 fiscal-year that begins on July 1, 2019. This will include further discussions with the Administration, legislative hearings, meetings with legislators and their staff, updated state revenue numbers in April, a May Revision to the Governor's proposed budget, and then an intensive period of legislative activity to pass a balanced budget by the June 15 constitutional deadline.

With legislators already proposing more than \$40 billion in new spending it will be interesting to see if the new Governor continues to invoke former Governor Brown's warning to save for the economic downturn that was always right around the corner or will he succumb to the pressures from the Legislature to

increase spending on their priorities as well?

Health Care Reform

- Creates a single-purchaser system for prescription drugs by requiring the Department of Health Care Services to purchase and negotiate the pricing of all prescription drugs under Medi-Cal for all Medi-Cal beneficiaries. This requires all Medi-Cal managed care pharmacy services to be transitioned to a fee-for-service benefit.

- Strengthens the California Pharmaceutical Collaborative to obtain lower prices for drugs purchased by the state, excluding Medi-Cal.

- Creates a bulk purchasing prescription drug program to be accessed by both public and private payers.

- Expands Medi-Cal eligibility to all income-eligible young adults (ages 19-25), regardless of immigration status, estimated to include 138,000 new enrollees at an estimated cost of \$260 million (\$196.5 million General Fund).

- Increases and expands subsidies to individuals and families insured through Covered California, by increasing subsidies for people between 250 and 400 percent of the federal poverty level and by adding subsidies for people whose income falls between 400 and 600 percent of the federal poverty level. Proposes the adoption of a California individual mandate, with penalties for lack of coverage, the revenue from which will cover the subsidies.

California Public Employee Retirement System

- Includes a \$3 billion General Fund supplemental pension payment to be paid to CalPERS in 2018-19.

- Provides the statutorily required annual contribution of \$6.8 billion (\$3.9 billion General Fund) for CalPERS for state pension costs. Of this amount, \$727.5 million General Fund is for California State University retirement costs.

- Includes an additional \$390 million in Proposition 2 debt funding to pay down the General Fund share of the loan that funded the \$6 billion supplemental pension payment to CalPERS in 2017-18.

State Health Care Benefits

- Provides \$5.8 billion for health care benefits for more than 850,000 state employees, retirees, and their families. **Of this amount, \$2.3 billion is for retiree health care benefits.**

Spotlight on Chapter 026 – BURBANK



At a recent meeting, Chapter 026 – BURBANK installed new officers.

(L-R) Area Director V Ellie Knapp; 026 Chapter President Sharon Leech; 026 Chapter Vice President Mary Jo Watkins; Assistant Area Director V & 026 Treasurer Xavier Baldwin; 026 Assistant Chapter Treasurer Joel Embick; 026 Chapter Secretary Bonnie Holcomb

Spotlight on Chapter 059 – LOS PADRES



Chapter 059 – LOS PADRES held their holiday dinner on December 11, 2018 at the Radisson Hotel in Santa Maria.

(CLOCKWISE) Chapter 038 –CENRAL COAST member Ophelia Rabanal; Chapter 059 member Phyllis Tiegs; 059 Secretary, Kay Green; 059 Chapter member Bob Green, guest John Easley, 059 Chapter President Herb Bolton; 059 member Jean Bolton; 059 Vice President Sarah Cheever

Spotlight on Chapter 098 - PRESCOTT



Chapter 098 held its annual pre-holiday luncheon at the famous Palace Bar & Grill on Whiskey Row in downtown Prescott. The bar burned down in 1900. Patrons carried it across street and continued drinking while they watched entire block burn to the ground! The Palace Bar was hangout for Wyatt Earp and Doc Holliday.

(R-L) 098 Chapter Secretary Carmen Peoples; 098 Legislative Chairperson Jim Peoples; guest Kathy Sullivan; guest Bruce Michael; guest Diane Michael; 098 Chapter President Jim Swank

2019 CalPERS Benefits Education Events



Find upcoming CBEEs dates, locations and directions, schedules, printable resources, and links regarding online registration in the table below.

- A valid email address is required to register online (it will be used for business purposes only, including electronic notifications of educational events and surveys).
- Member Tip: Keep track of all your education history by signing up for events, classes and appointments through my|CalPERS instead.
- If you need special accommodations at the event, and are unable to register online, please call us at 888 CalPERS (or 888-225-7377).
- Download class presentations on the Event Classes page before attending the event.

2019 CBEEs Calendar

Date	Location	Resources	Registration
March 1 & 2, 2019	Sacramento Convention Center 1400 J Street Sacramento, CA 95814	Schedule and Flyer Coming Soon	Registration is available approximately six weeks before each event.
March 22 & 23, 2019	Red Lion Hotel Eureka 1929 4th Street Eureka, CA 95501	Schedule and Flyer Coming Soon	Registration is available approximately six weeks before each event.
June 7 & 8, 2019	San Ramon Marriott 2600 Bishop Drive San Ramon, CA 94583	Schedule and Flyer Coming Soon	Registration is available approximately six weeks before each event.



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Membership Update



By Bill Wallace, Director of Membership

I cannot believe an entire year has passed, but here we are in 2019. I hope you all had an enjoyable holiday season and that you reach the lofty goals you have set for yourselves. What new legislative challenges do we face just around the corner? In January those dedicated to destroying public employee pensions will rekindle their efforts. As the new year emerges, public employees are happily starting their retirements. We need to reach these new retirees, because they are the lifeblood of our success, and they symbolize RPEA's mission of retirement security. Can we renew our vigor and make this an outstanding year in the recruitment of retired public employees?

What is the key to the successful recruiting of new members? An important element is the involvement of all members of RPEA in the process. From the Association President to chapter officers, we all need to be committed. The geographical expanse of RPEA lends itself well to reaching out to new members, and it strengthens and energizes our organization when we are all involved.

There are ample reasons to introduce RPEA to retired public employees. Currently the economy is at an uncertain crossroads—healthcare costs are rising, public budgets in all sectors are bursting, threats to our retirement security by initiatives are real and politicians still feel justified in reneging on our contract. Regardless of this adversity, RPEA is the strength that retired public employees can rely on. It is crucial that we broadcast the strength of RPEA and the important role it plays in maintaining our retirement security.

Active and retired public employees should know that RPEA is involved in issues that affect their retirement security and healthcare needs. It is important to communicate that RPEA was instrumental in passing AB 241. This law gives protection to retired public employees, in cases of agency bankruptcy and provides retirees the legal muscle to participate in the bankruptcy proceedings. Currently, RPEA is actively involved in the defense of the "California Rule." Maintaining its integrity is fundamental to a secure retirement, and it is currently being challenged in the California Supreme Court. In discussions with friends, remind them that RPEA is aggressively alert to threats

to our retirement security. As a group, it is imperative we convey these facts to both working and retired public employees.

Healthcare is considered the single greatest need for seniors and working families. At the present time, RPEA members are in a strong healthcare position, but there is a growing need to improve our future options.

Healthcare costs per agency are rapidly increasing, and coverage for employees or retirees is getting out of reach as a negotiated item. When active employees negotiate for the increasing cost of healthcare, they are effectively foregoing future wages to cover this rising cost. The unrealized consequences are a smaller pension. Of course, the key to RPEA's involvement in any issue is whether or not it would benefit retired members. Do you feel RPEA should be in the forefront of improved healthcare?

I believe RPEA should have a presence in the discussion of comprehensive healthcare. We need to have a part in creating the solution to ensure retiree healthcare needs are fully covered. We do not want to be handed a "take it or leave it" mandate. What are your thoughts? I would love to hear from you.

We certainly have the message: *"Let's work together and dedicate ourselves to reaching out to all retired public employees."* I can feel the energy already.

Have a prosperous and productive 2019.



President's Op/Ed to the Media Regarding Public Safety Workers



By Al Darby, President

F While the California Supreme Court debates the merits of the cases before it related to public pensions, the Retired Public Employees' Association

(RPEA) feels compelled to raise the awareness of the general public about the increasing concerns about safety employees (police and firefighters) who are facing increased gun violence and wildfire peril. Hardly a day goes by without another police shooting in which a perpetrator or a policeman is shot, with many of these confrontations resulting in death. We have experienced record increases in wildfires over the past several years with unprecedented numbers of homes and other structures being destroyed. In these conflagrations, firefighters are exposed to terrible smoke and sometimes toxic vapors. Many suffer burns that can be very painful and disfiguring for life.

There is another public service job that is particularly vulnerable in relation to public pensions—teachers. They are dependent on a robust pension system because they too are exempted from social security and only have a teacher's pension to rely on in retirement. Teachers are leaving the ranks in large numbers due to shrinking school budgets, charter

school intrusion and threats to their pension system.

The public needs to be aware that safety-related public employees are increasingly difficult to find due to the dangers they face and the need for a solid pension at the end of their perilous careers. At the present time, the ranks of police forces are thin and will likely become thinner due to less risky private sector job availability. A few years ago, a major California city reduced the pension benefits of its safety employees and soon lost a large number of them to cities and counties who retained a pension system with the benefits they lost at their original employer.

To put into proper perspective the number of public retirees who receive public pensions in California, here are recent numbers from CalPERS regarding monthly pension allowances: 64% receive a pension of less than \$3,000 monthly. Safety employees can receive \$3,000 to \$7,000 monthly if they have 25 years of service—they do not receive Social Security.

Many former critics of public pensions now agree that without solid public pensions our citizens are facing greater risk due to shrinking police and fire protection and reduced public services in general. Teachers deserve a more secure retirement as well.

CalPERS Board Elects Henry Jones as President, Theresa Taylor as Vice President



January 22, 2019
Communications & Stakeholder Relations
Contact: Jeanie Esajian, Information Officer

ROHNERT PARK, Calif. – The CalPERS Board of Administration elected Henry Jones as board president and Theresa Taylor as vice president. Jones is serving

his third term on the CalPERS Board and first term as its president.

"It's an honor to serve as president of the CalPERS Board," Jones said. "Having been part of the board for 11 years, I'm proud to be the first African-American to take this leadership role as we continue to provide pension and health security to our members. I want to thank my fellow board members for the confidence they have in me in electing me president."

Jones was elected by retired members to serve on the CalPERS Board, which he joined in 2008. He currently serves on the Investment; Finance and Administration; Pension and Health Benefits; and Performance, Compensation, and Talent Management committees. He has served as chair of the Investment Committee since 2012.

Prior to his retirement in 1998, Jones was chief financial officer of the Los Angeles Unified School District, the nation's second largest school district. He currently is a personnel commissioner for the

Los Angeles Community College District and serves on the governing boards of the Robert Toigo Foundation and the Pacific Pension & Investment Institute.

The president oversees the board's business and sets meeting schedules and agendas with input from other board members and CalPERS executive staff. The president also makes appointments to board committees and represents CalPERS to outside parties.

Taylor represents state members on the CalPERS Board, which she joined in 2015. She currently serves on the board's Finance and Administration; Pension and Health Benefits; Board Governance; and Investment committees. She chairs the Finance and Administration Committee and serves as vice chair of the Pension and Health Benefits Committee.

She is a principal compliance representative for the state Franchise Tax Board and has been a state employee for 20 years. In 2015, Taylor was elected to serve as vice president/secretary-treasurer of the Service Employees International Union Local 1000, and also serves on the executive board of the California State Employees Association.

"We have important goals to accomplish and I'm pleased to contribute as vice president," said Taylor. "I look forward to continuing the work this board has done to strengthen our fund and provide the benefits that California's public servants have earned."

President's Message to Governor Gavin Newsom



RETIRED PUBLIC EMPLOYEES' ASSOCIATION OF CALIFORNIA

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January 15, 2019

Governor Gavin Newsom
c/o State Capitol, Suite 1173
Sacramento, CA 95814

Dear Governor Newsom:

The Retired Public Employees' Association of California (RPEA) wishes to express its gratitude to you for including a \$3 billion supplemental payment in the 2019/20 budget to CalPERS to strengthen the funded status of the system and reduce the unfunded liability. Our 24,000 retired state, municipality and school members who receive modest pensions from CalPERS appreciate your recognition of the need for a sound public pension system. As salaries in the private sector increasingly outpace public sector pay, public pensions become a more important factor in recruiting and retention of public employees.

You, along with Governor Brown, have shown a strong commitment to preserving CalPERS and CalSTRS and improving their funded status to healthier levels. Your continued support for public employees, in general, promotes better morale, productivity and delivery of public service by public agency personnel.

Thank you again for your gesture of appreciation for California's public employees.

Sincerely,

Al Darby,
President, RPEA

Spotlight on RPEA Chapter 001 - MID CITIES Health Benefits Chairperson, Rani Kuusto



**Soruba "Rani" Kuusto
Recognized as a woman of the
month for November 2018 by
P.O.W.E.R. (Professional
organization of Women of
Excellence Recognized)**

Buena park, CA December 06, 2018 --(PR.com)-- Soruba "Rani" Kuusto of Buena park, California has been recognized as a woman of the month for November 2018 by P.O.W.E.R. (Professional organization of Women of Excellence Recognized) for her outstanding contributions and achievements in the field of healthcare. Each month they feature women to represent their professions and industries due to their expertise and success in their chosen specialty.

About Soruba "Rani" Kuusto

Soruba "Rani" Kuusto is a recently retired nurse consultant from the state of California, Department of Corrections. She is a skilled negotiator with over 35 years experience who handled complex issues from the California Governor's office as a Chief Nurse Executive.

When not working, Soruba is a passionate volunteer. She is a member of many organizations and holds the following positions: a life member and co-chair of the Health and Wellness Council of Global Organization of People of Indian Origin (G.O.P.I.O., International) and a member of the Los Angeles Chapter of G.O.P.I.O. She is affiliated with the South Asian Helpline and Referral Agency (SAHARA) in Los Angeles and is Vice President of the Fullerton Host Lion's Club in California. Previously, She volunteered for Habitat for Humanity in Mexico, volunteered in Chennai, India, helping survivors of a tsunami, and worked with Peace Corps volunteers in the Middle East and England. Soruba helps the homeless people in her local community during the weekends by cooking and serving breakfast, and distributing clothes, shoes and socks. As a nurse educator, she volunteers her time by educating the local community, schools and prisons on subjects like diabetes, heart disease, domestic violence, bullying and other relevant issues.

Soruba earned her B.Sc. in Nursing from the S.N.D.T. College of Nursing in Mumbai, India and her M.P.H. from California State University Long Beach, USA. She

also has worked as a CAL-OSHA inspector and a nursing instructor in colleges. Her future goals include establishing an association for the nurses to provide C.E.U.'s for their RN license and to bring awareness on healthy lifestyles in the communities. Soruba states, "I am a very kind-hearted, humble person and a great listener." In her spare time, she enjoys travel, art, music theater, the stock market, ethnic cooking and photography.

Rani has been a member of RPEA since 2013 and also served as an Alternate Delegate to General Assembly 2018 last September. She also ran a recent diabetes event. RPEA sent items to support her in this effort. Rani, *RPEA congratulates you!*



Congratulations to Assistant Area Director VIII, Estela Pena, and her new husband Lorne Merkosky. Estela and Lorne made the most of the holidays by marrying on November 17th at The Rock Church in Anaheim, CA. We wish them a long and happy union!

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RPEA/October/2017

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