



RETIRED PUBLIC EMPLOYEES' ASSOCIATION OF CALIFORNIA



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President's Report



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RPEA NEWSLETTER

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By RPEA President Al Darby

As we embark into March 2020, we find that we are faced with the nasty coronavirus and no defense against it. Fortunately, medical science is more advanced today than H1N1 eleven years ago so hopefully the scientists can find a cure or vaccine in even less time which will reduce infections and the death rate and restore financial markets that keep our pensions secure. This can be a very disruptive event so we hope to see an end or, at least, improvement in the situation in the near future that allows people to get back to their normal daily lives without fear of contact or congregating with other humans.

The sharp decline in stock prices that occurred in the last week of February will hopefully subside when a better understanding of the behavior of this virus (COVID-19) and other coronaviruses (common cold viruses). The sell-off in late February probably dropped the funded status of CalPERS' pension fund to around 70% again. With a decline in infection rate (China reports) and the warmer weather of spring an improvement can be expected. It could come roaring back in the fall unless measures to combat COVID-19 are developed that can reduce its ability to readily infect people through airborne particles (typical of the common cold).

On a brighter note, RPEA has introduced two bills to the 2020 legislative session that are designed to improve CalPERS benefits. Assemblyman Jim Cooper is carrying those bills for us in the legislature. AB 2378 would introduce a method of increasing the CalPERS death benefit over time by applying the California Urban CPI (Consumer Price Index) to the existing death benefit amount. AB 2394 would substitute the California Urban CPI for the national Urban CPI as the determine of annual COLA's. These proposals would interject a more realistic CPI for California retirees' due to the higher cost of living in the Golden State. These are very reasonable measures that are long overdue for California retirees.

At the recent CalPERS committee and

Board meetings in February, several important matters were decided. One of the most important issues was that of CalPERS Board elections in which the three modes of voting has been retained despite that fact voter turnout did not increase in any of the three elections which was primary intent of adding costly electronic voting (an extra \$3 million). There are questions about vote secrecy around internet and telephone voting and the voter must use a PIN number that adds cost and can be confusing to the voter. Paper ballots are the norm in all other elections; they provide a certain audit trail if an election challenge is in order. In public comment, I spoke in favor of returning to paper ballots only to save \$3 million, add ballot secrecy, and add back security in the election count and recount if necessary. They spend an extra \$3 million on a failed voting but, to save \$1 million, no longer send retirees' advice notices about your monthly pension payment and the deductions you have authorized. You must go to MyCalpers.ca.gov to see if your deductions are still correct; a practice that is not in the best interest of retirees'.

At the CalPERS Board meeting in February, the most important issue was that of legislation needed by CalPERS regarding private debt disclosure related to the proposed new investment category. Mr. JJ Jelencic, a member of the RPEA CalPERS Experts Committee, spoke on this topic and related that proprietary information about the borrower (mainly corporations) should be confidential, the contract or loan agreement should not be confidential. With secret loan agreements, sweetheart deals could be made that are not in the best interest of CalPERS members. The Board thoroughly discussed this matter and instructed the authors of this legislation to reflect these concerns; the legislation submitted to the legislature ignores the Board direction and allows secrecy throughout the transactions. Legislative hearings must have the misgivings about this approach presented and the CalPERS Board must revisit this matter to correct the language in the bill in the legislature.

In other arenas, the RPEA Board has

Continued on page 3

Vice President's Report



By Rosemary Knox, Vice President

Highlights from the February 2020 CalPERS Board Meeting's

The February 18th, CalPERS Finance and Administration Committee meeting first order of business started off with the election of a committee Chair and vice Chair. Theresa Taylor was nominated as Chair of the committee by David Miller and Theresa Taylor nominated David Miller as Vice Chair.... Both were elected to their respective positions.

So, you ask how important is this committee! The purpose of the Finance and Administration Committee is to ensure financial soundness through oversight of financial statements and reporting all budget matter. The committee also oversees the organizations Strategic and Business Plans. At the February 18th meeting, the board voted to approve changes to the Delegation Resolution and signed by Henry Jones, President, Board of Administration. This resolution is effective immediately upon adoption and supersedes all previous delegation of authority to this, or any predecessor, Committee. (Agenda item 7a)

The following CalPERS 2019 Retired Member Election Results and Review of Board Election Program was discussed. The Committee was presented with a statistical report on how retired members voted, the number of eligible Retired voters stated was 604,192. The percentage of votes received via mail-in was 77.84%, vote by online 17.41%, and vote by telephone 4.74%. CalPERS staff shared with the board the total cost to conduct the 2019 Retired Member Election was \$1,354,782.76 and the cost per voter approximately \$11.38. Staff also suggested a change to the election process in order to reduce complexity and improve the voter experience for the next election cycle. The major change suggested was to eliminate the candidate statements- there was vigorous opposition regarding this suggestion, the majority of the Board felt it was important to retain the candidate's statement with a suggested change to the booklet by adding the inclusion on a separate sheet for candidates' statements. I am happy to report that the majority of the Board shared their concern that outreach to member needed to be improved and that the voting procedure would remain the same. The Committee choose to keep all three voting

methods while acknowledging that a mail only ballot would be more secure and cost less. "President Al Darby spoke during the comment on the CalPERS Board election options and recommended returning to Option 2 (paper ballots only) due to the cost of offering internet and telephone voting, the ballot secrecy issue related to those voting methods, and the almost \$3 million added cost to offer those electronic voting options."

CalPERS Board of Administration Meeting for February 19th highlights. In the January/February Newsletter, President Al Darby wrote about the diversification of investments by CalPERS, he shared with readers that this is a disturbing proposal that was being considered, investing in private debt. The CalPERS Board has recommended to sponsor legislation to establish disclosure limits within the California Public Records ACT (PRA) regarding information related to private-debt investments by public pensions systems. (agenda item 9e,2/19/20).

History background to Private Debt as an Investment Strategy; CalPERS and the University of California sponsored earlier legislation, Senate Bill (SB) 439 (Chapter 258, Statutes of 2006), to clarify the disclosure requirements regarding information related to alternative investments. Disclosure of certain investment data, particularly company level information, that is regarded as proprietary or trade secret.

Several Board members voice a concern regarding this proposal, and inquired as to what specific information would not be disclosed! The Board was unable to get a clear answer, and some Board members felt that this could be construed as an attempt to weaken the Public Records Act. The Board voiced a concern that staff was not sharing the specific proposed language of the bill the Board was being asked to sponsor. Never the less, this proposal to sponsor legislation was voted in.

All information disclosed within this article can be found on the CalPERS web page, Board Meetings-Agenda.

Resource

AB2473 Section 1.6254.32 © Records related to a public investment fund's indirect funding of a private loan via a fund or other type of externally managed investment vehicle shall remain subject to Sections 6254.26 and 7514.7 of the Government Code.

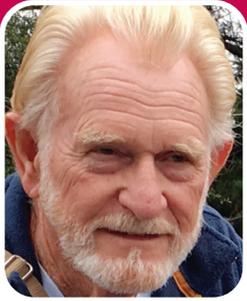
Continued from page 2

approved the three-story version of the five-unit apartment building on our vacant lot at 314 T Street. Many steps must be taken before construction can begin. The next hurdle is Planning Department approval by the City of Sacramento. The sewer project on T Street and 3rd Street continues and seems to have no end. We have been using Tomato Alley behind our building to access 4th Street which is often the only way out. Hopefully, that sewer project won't hold up our project too long. Housing in the downtown area is becoming a prized possession

to cut commuting time and cost so our building should be very valuable addition to RPEA assets.

Our website contains a lot of news and other worthwhile information for our members and potential new members. We often get new members through the internet and other social media platforms. I urge members to visit the RPEA.COM website to view the various bits of information on the site and the benefits page that can save members some money on travel.

Membership Update



By Bill Wallace, Director of Membership

I give a special thanks to Susan Tamboury, Donna Fujino, and Sharon Moore, who staffed the recent CALPERS BENEFITS EDUCATION EVENT (CBEE) in Rohnert Park and Sharon Dios, Lorraine Kraker, Kent Cope, and Joe Perez, who staffed the San Luis Obispo event. I appreciate your dedication to RPEA and your resolve to bring RPEA's message to public employees. I hope to renew our friendship at the General Assembly in September.

*** UPDATE ***

There has been some discussion at a CalPERS Stake Holders meeting on the Coronavirus and CBEE events. At this point CalPERS has canceled the first of three remaining events for 2020. Due to the large number of participants, the exposure risk can be high. Because of this exposure risk, I would not want you to participate, if you felt you would be at risk. Your health is more important to RPEA than your participation in these CBEE events.

As I mature in the position of Membership Director, I keep learning more from the Chapter members at each meeting I attend. They are truthful with me regarding past efforts that did not work, while being creative in their search for solutions. The bottom line is they do want the chapter to be a vital link in their retirement security.

Chapter 053 (Southern Alameda County) had recently been evaluating dissolution, but decided to investigate methods of reaching out to its existing members. A special meeting was held and decisions were made on future efforts.

They will begin by calling members based on zip code. Starting with the zip code closest to the meeting location, they will gradually reach out further. Questions to be asked are: What has kept the member away from the meetings and what will get them to attend. What topics or information would be of interest? Does the member have a hobby and are they involved in volunteering for any group? If the lack of transportation is the reason for not attending, the chapter will work out a solution to get them to the meeting. The goal of these efforts is to increase the participation of current members.

When I interact with a chapter, I encourage them to send two members to the General Assembly and I would urge all chapters to do the same. The involvement and discussion with other chapters could be of help to those chapters that are struggling and

provide new ideas to those chapters that are doing well. Headquarters will reimburse expenses for at least one per chapter. Most chapters can afford to send an additional member and the return to the chapter in new ideas and new friends, will certainly justify the added expense. I look forward to meeting you and discussing recruitment efforts.

Columnist Dan Walters of the Bay Area News Group, hangs his hat and financial success on the denigration of public employee pensions. In his eyes, he sees no inherent value in an employees' retirement security. Mr. Walters argues that public pension obligations are on the same legal ground as municipal bond debts. This is a bogus argument, because it does not bring into the equation the "True Value" a secure retirement adds to the public agency, the employee and most important, to the public served by that agency.

A defined benefit pension is certainly not a financial burden to public employers. On the contrary, it is an essential cost for the efficient operation of the agency. We don't always think about the longevity of an employee's tenure, but it is an important factor in the efficient operation of any public agency. The added value of a defined benefit pension is the longevity of employment, the dedication to the job and the value that is imparted to the agency. Longevity accounts for the increased employee knowledge that citizens depend upon for solutions to problems. A defined benefit pension is the key to the longevity of public employees, because the individual employee has a personal financial stake in their employment. So not only did you pay for your pension, you are the key element in the superior service provided to the public.

Studies illustrate the fact that a 401(k) would be bad for both the employee and the employer. The unspoken truth we don't hear is that investors receive greater returns from individual 401(k) plans. This happens because, individual investors lack the clout necessary to bring accountability to large investment corporations. This leads to large management fees and to less accountable for malfeasance in managing the account. CalPERS has the necessary clout, and must use it.

The role of RPEA in protecting retirement security is to bring truth to our members, the public and be a strong oversight of CalPERS investment strategies. We must be constantly vigilant to ensure that the CalPERS fiduciary policy remains sound.

Bill Wallace
Membership Director

Health Benefits Update



By Harvey Robinson, Director of Health Benefits

Reporting from my COVID-19 free bunker for the time being.

DON'T PANIC! Those were the words of science fiction writer Douglas Adams on the cover of his book "The Hitchhikers Guide to the Galaxy." By now you have survived the panic buying at COSTCO or your favorite store.

When washing your hands for 20 seconds in hot water think of yourself as Lady Macbeth washing the blood off of her hands. By now you mastered the six foot distance dance symbolically touching elbows. I have two borders one who is a caregiver and her son who is an EMT. We each have our own COVID-19 challenges.

There will be orphans! During the 1918 Spanish Flu epidemic my father's mother passed. He was age 9 and the event had a significant impact on him for the rest of his life. As a society we must be willing to embrace those who have been orphaned by COVID-19.

You maybe experiencing cabin fever. Assuming you are self-isolating, here are some things to consider. The following are suggestions from UC San Francisco's Nina Nai : (1) limit media exposure and stick with reliable sources; (2) reduce anxiety by reducing your risk.

CalPERS has advised in a March 24, 2020 memo that; "Costs and fees for testing of COVID-19 are waived for all CalPERS health members." Also, the 2021 CalPERS health insurance premiums are in a bit of flux due to the need to factor in COVID-19 cost.

For up to date information, the CDC website at www.cdc.gov is good place to check out. CalPERS corona virus information can be accessed at www.calpers.ca.gov/page/coronavirus.

The CDC says that 40% of Americans are fat. Somehow as I have aged, I've shrunk from 5 ft 10 in to 5ft 8 in. and now qualify as being obese. Whether one is obese is determined by the Body Mass Index (BMI) by dividing ones weight by one's height You are underweight if your score is under 18.5, normal if you are 18.5 to 24.9, overweight if are between 25.0 to 29.9 and obese if you 30.0 and above. Happy dieting.

If you like a music change of pace, I recommend the following which can be found on a Google YouTube search: (1) Patrick Sebastian – French; (2) Sabrina Musiani – Italian; (3) SPARX Latina; and (4) "the Mavericks" – country.

You are getting a COLA in your May 1, 2020 allowance payment. Based on your employer, here are the COLA increases.

COLA 2020

On May 1, you will see an increase in your pension allowance due to the annual Cost Of Living Allowance (COLA). See the chart below to determine your increase.

Year of Retirement	% COLA Increase Effective May 1, 2020		
2004 & earlier	2%	Retired before 1980 with a 3% COLA max.	1.81%
2005-2015	1.81%	Retired before 1970 with 4% COLA max.	1.81%
2016-2017	2%	Retired with 5% COLA maximum	1.81%
2018	1.81%	These higher COLA allowances are variable.	
2019	Not Eligible	They pay their max if Natl. Urban CPI exceeds their limit.	

Know your CalPERS Board Members

By Rosemary Knox, Vice President

In the May/June 2019 Newsletter I wrote an article titled "Know your CalPERS Board Members." In follow up to the article I took the opportunity to invite the CalPERS Board members to be featured in our quarterly Newsletters. The intent of this article is to have our membership get to know who is entrusted with the fiduciary responsibility of the CalPERS \$400 billion-dollar trust fund, and the following questions were prepared and sent to each Board Member.

I take this opportunity to present to you David Miller, Vice Chair of the CalPERS Finance and Administration Committee, Chair of the Risk and Audit Committee, member of the Investment Committee, and Pension and Health benefits Committee.

How did you become a CalPERS Board Member?

I was elected as a Member-at-large starting in January 16, 2018.

What makes you uniquely qualified for this position? Describe the key points of your background, experience or skillset that makes you an asset to the association?

I have been a rank-and-file scientist at CalEPA since 1990. I hold a BS in Biochemistry and an MBA with an emphasis in international finance. I am on the Board of Examiners for the California Awards for Performance Excellence and a Master Examiner for the AHCA/National Center for Assisted Living Quality Awards.

I am a Director-at-Large with California Association of Professional scientists (CAPS-Unit10). I've been active in CAPS over 25 years, as a worksite rep, Director, and executive officer, including terms as Treasurer, Vice President and President. I've been fighting for PERS members since Pete Wilson's pension "Raid," I was there when we passed the Pension Protectionact, and I continue to be there for the month the CalPERS Board.

What makes CalPERS mission meaningful to you?

My candidacy was predicted on an unwavering commitment to hard work, public service and reasonable rewards in support thereof. I believe that a lifetime of work should result in a livable pension and access to affordable, high-quality, healthcare for our members and beneficiaries. CalPERS Mission is perfectly aligned with my values. I am highly motivated to defend and strengthen CalPERS, at a time when it is underattack by those who would reduce or eliminate the promised benefits that our members have earned.

What are the investment strategies you are trying to implement to secure and grow the RPEA pension fund?

While there are many strategies and tactics that CalPERS investment staff are pursuing, as a fiduciary, I remain laser-focused on a few overarching principles to guide me in my role.

First and foremost is that every decision must be made, in the interest of our members, to ensure that the health of the fund (its ability to fully pay benefits in the immediate future and the long run) is the primary objective. Second, is that CalPERS is a long-term investor, and must resist the temptation to react to short term markets dynamics. Third, we must remain acutely aware of the risks inherent to different investments, ensure that our portfolio is sufficiently diversified, and allocate our resources with the goal of achieving an appropriate risk-adjusted return. Finally, I believe that CalPERS must invest in a disciplined manner that takes full account of our strategic advantages in scale, reputation, commitment to long-term investments and capacity for innovation. In practical terms, this requires us to successfully deploy more funds to meet our allocations to private equity. If we are to achieve our ambitious 7% rate of return/discount rate, we will need both skill and luck, so we must use optimum skill to ensure we employ our inherent advantages to maximum effect, giving us the best possible chance for success.



Why do you believe these strategies will meet our goals for investment returns?

Private equity has been, and will most-likely continue to be, our best performing asset class. Therefore, it is imperative that we fully deploy the funds we've allocated to it, if we are to achieve the 7%. I am confident that our investment team, under the exceptional

leadership of CIO Ben Meng, is fully capable of efficiently and effectively implementing the direction of the CalPERS Board. I firmly believe that CalPERS is on the right course to weather any storms on the immediate horizon and reach our long-term destination in good trim.

Do you have any worries or concerns about California retirees' pensions or health benefits?

I do not have any concerns about CalPERS retiree's pensions from the standpoint of the health and sustainability of our funds. I do, however, have serious concerns about the political risks posed as detractors of public servants, across the nation, have increased their attacks and driven the public discourse toward slashing benefits and renegeing on promises made to hard working-employees.

As for healthcare, I have serious concerns about access to affordable, high-quality care, including drugs, especially in rural and other high-cost settings.

Beyond CalPERS what other activities do you participate in?

Beyond CalPERS, I am active in my union (CAPS), State and National Quality Award programs, the Norcal Science, Engineering, and Mathematics Education Foundation, California Council for Excellence, and the Sacramento Mediation Center.

AMBIA Is Still Working For You

New Annuitant Work Hours Policy During State of Emergency

By declaration of the Governor, CalPERS has announced that the 960 annual hours restriction is waived during the Coronavirus emergency period. Annuitant workers can exceed the annual restriction on hours. The 180 day waiting period, after retirement, to begin annuitant work is also waived during the emergency period.

No Advice Notices - CalPERS advice notices will not be mailed this month by the Controller due to staff shortages related to the pandemic. This notice is the explanation of deductions from your total pay amount. When the program can resume is anybody's guess.

A message to All RPEA members from our friends at AMBIA,

We are certainly in unprecedented times. Our partner, AMBIA is busy working from home and are calling as many members as they can to offer policy reviews and benefit reviews to everyone.

If you have never learned about the many benefits that are available to you this may be a great time to check it out. The AMBIA agents could call you, email you, teleconference with you and explain those great benefits to you!

Look for their phone call or if you want someone to call you this week please reach out to our California Regional Vice President Jack Danielson.

You can email him at jack.danielson@amba.info or call him at (530) 864-3793. He will have someone reach out to you today! This is a great time to learn more about what your RPEA benefits can bring to you!

Thank you and stay well,

Al Darby



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Current Price (as of February 1, 2018): \$18.25 each by mail

Legislative Update



By Aaron Read and Pat Moran of Aaron Read & Associates

LEGISLATIVE UPDATE

Friday, February 21, was the deadline for new bills to be introduced. As of this writing, 2,327 bills were introduced – 1,616 Assembly Bills and 711 Senate Bills. This brings the total number of bills introduced this two-year legislative session to 5,360 – 3,697 Assembly Bills and 1,663 Senate Bills. These are in addition to the two-year bills from 2019 that are still alive.

Below is a list and status update on some of the major bills RPEA is tracking. Additional bills and positions will be added at the next board meeting. Please see the next update for more information.

Sponsor

AB 2378 (Cooper, D-Elk Grove) – This is our sponsored bill that would authorize the Board of Administration of the Public Employees' Retirement System, beginning on or after January 1, 2021, to adjust the death benefit amounts following each actuarial valuation to reflect changes in the All Urban California Consumer Price Index. The bill is currently in the Assembly Public Employment and Retirement Committee awaiting a hearing.

AB 2394 (Cooper) – This is another sponsored bill related to the Consumer Price Index. The Public Employees' Retirement Law establishes the Public Employees' Retirement System, which provides a Defined Benefit to members of the system, based on final compensation, credited service, and age at retirement, subject to certain variations. Existing law generally provides that retirement allowances are adjusted annually to reflect increases in the cost of living in relation to the consumer price index. This bill would change the definition of "consumer price index,"

effective January 1, 2021, to instead refer to the California Consumer Price Index for All Urban Consumers for all items, as determined by the Department of Industrial Relations. The bill is currently awaiting a hearing in the Assembly Public Employment and Retirement Committee.

Support

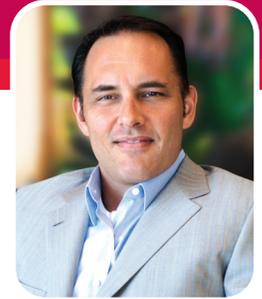
AB 447 (Patterson, R-Fresno) – The Department of Social Services is required to investigate the criminal record of certain individuals who provide services to the residents and clients of a community care facility, a residential care facility for persons with chronic life-threatening illness, a residential care facility for the elderly, or a child daycare facility. Violations of the licensing requirements for these different types of care facilities are crimes. This bill would expand who is required to comply with the requirement for obtaining a criminal record clearance by including individuals



who are otherwise associated at the facility and would expand a requirement for the department to maintain criminal record clearances of individuals in its active files. This bill is currently in the Senate Appropriations Committee. RPEA is in support.

SB 364 (Stone, R-La Quinta) – The California Constitution generally limits ad valorem taxes on real property to 1% of the full cash value, as defined, of that property, and provides that the full cash value base may be adjusted each year by the inflationary rate not to exceed 2% for any given year. Current property tax law implementing this constitutional authority provides that the taxable value of real property is the lesser of its base year value compounded annually by an inflation factor not to exceed 2%, as provided, or its full cash value. Current property tax law also provides that the taxable value

Legislative Update



of a manufactured home is the lesser of its base year value compounded annually by an inflation factor not to exceed 2% or its full cash value. This bill, for any assessment year commencing on or after January 1, 2020, and before January 1, 2030, would provide that the inflation factor shall not apply to the principal place of residence, including a manufactured home, of a qualified veteran, as defined, who is 65 years of age or older on the lien date, was honorably discharged from military service, and meets specified requirements. Senator Stone was appointed by President Trump to the US Department of Labor and resigned from his Senate Seat on November 1, 2019. The bills he was authoring will need to be picked up by another Member of the Legislature or they die. SB 364 will likely be picked up by an Assembly member or Senator Mike Morell, R-Rancho Cucamonga. The bill is currently in the Assembly Revenue and Taxation Committee. RPEA is in support.

establish the California Long-Term Services and Supports Benefits Board (LTSS Board), to be composed of 9 specified members, including, among others, the Treasurer as chair, the Secretary of California Health and Human Services as vice chair, and 3 members to be appointed by the Governor. The bill would require the LTSS Board to manage and invest revenue deposited in the California Long-Term Services and Supports Benefits Trust Fund (LTSS Trust), which the bill would create in the State Treasury, to, upon appropriation, finance long-term services and supports for eligible individuals. The bill would also create, until January 1, 2025, the Long-Term Services and Supports Advisory Committee for the purpose of providing ongoing advice and recommendations to the LTSS Board. SB 512 is currently in the Assembly Appropriations Committee. RPEA is in support.

SB 512 (Pan, D-Sacramento) – This bill would



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RPEA Legislative Update



By Randall Cheek, Director of Legislation

The 2020 legislative season is now in full swing as you can see by Aaron and Pat's information. We are sponsoring two bill being authored by our good friend Assemblyman Jim Cooper of Elk Grove. AB 2378 which would authorize the CalPERS board to increase the death benefit for members. It now stands at \$2,000 for most members. AB 2394 would change the formula for future COLAs to be calculated by the Consumer Price Index for All Urban Consumers which is determined by the Department of Industrial Relations. As you know PERS did authorize colas lower than the average of past COLAs.

The RPEA Legislative Committee will be meeting (mostly by video and teleconference because of the Coronavirus) on a regular basis to evaluate current legislation and recommend to the board endorsements for the November election. The committee will not recommend an endorsement for president but will consider state candidates of all parties who support public employees' pensions. In the primary all the candidates we supported won their races which bodes well for us.

Besides the virus and the November election, the next big issue facing all Californians is the 2020 Census which will be the first in history to be completed largely online. One can still fill out a form by mail or by phone.

The United States Constitution requires an accurate count of every person living in the United States every 10 years. The 2020 census asks questions that provide a snapshot of the nation and will determine how more than \$675 billion in federal funding is distributed to states and communities each year.

The 2020 Census decides how billions of federal dollars are distributed in California. An undercount could impact funding for our schools, health services for all Californians including seniors, child care, emergency services and many other programs.

The census will also decide the number of California's Congressional members and Electoral College votes.

A complete count means more people in power who truly represent and advocate for all our communities.

The state has recognized that this will be a difficult task and the Secretary of State's Office created a list of the top 25 Hard-to-Count (HTC) counties by using a variety sources and data. Sources include data published by the Public Policy Institute of California (PPIC), and the California Census Office's HTC index. In addition, the Secretary of State's office observed low voter registration rates in these regions, which were taken into consideration when determining the top 25 HTC counties. The Secretary of State's office has developed fact sheets for these 25 counties, with county specific data relating to both the census and participation in elections. This information can be found on the Secretary of State website under census.

The following communities are the hardest-to-count (HTC) by the census:

Latinos, African Americans, Native Americans and Tribal Communities, Asian American and Pacific Islanders (AAPI), Middle-Eastern North Africans (MENA), immigrants and refugees, farm-workers, people with disabilities, LGBTQ, senior/older adults, homeless individuals and families, children under 5 years,

veterans, areas with low broadband subscription rates and limited or no access, households with limited English proficiency.

Many communities and residents still face barriers to connectivity, particularly residents with no broadband internet subscription. This can pose a challenge to rural areas with low internet connectivity and people with lower incomes who are less likely to have a smart phone or internet service at home.

In addition, housing conditions such as rentals, multiple family homes, and mobile homes make it difficult to get an accurate count.

Because the 2020 Census will be the first in history to be completed largely online, it is imperative that we and our family and friends participate. If you have any questions you can go to the Secretary of State website which is sos.ca.gov or go to 2020census.gov. Remember you count.



Borenstein Panics Over a Manageable Scenario

By Al Darby, RPEA President

Daniel Borenstein, anti-public pension columnist, hadn't been getting much work lately until the U.S. coronavirus stock market crash in March. Now he's back telling us that CalPERS is in real trouble unless the stock market substantially recovers by June 30. He describes the doomsday scenario that could occur if CalPERS' investment portfolio falls to 50% in funded status. He explains that overly-generous pension payouts to 'classic retirees' (hired before 01/01/2013) that were granted after 2001 could overwhelm the system. This is because the \$24 billion annual retirement payout would devour the investment fund's ability to buy new stock or other investments and, over time, cause a 'death spiral,' a doomsday scenario that ignores many facts. He fails to mention that it's possible to manage this scenario.

If the legislature or a court determined that CalPERS must temporarily reduce pension payments to current retirees, the state budget could partially pay these benefits (approximately \$4 billion for state employees) out of current funds. Other government agencies that contract with CalPERS for pensions could partially pay pension benefits to their current retirees from their current budget and pay for some of these benefits and higher 'normal costs' with local, minor tax increases. You must remember that these local government agencies are in much better financial shape than they were in 2008/9 when they had to invoke four-day weeks, employee layoffs, pay reductions, and severe service reductions. Also, remember that the economy never fully stops in a recession or depression. Seventy-five percent of employees continued working through the 1930's depression. What this means is: during the period of reduced payouts, CalPERS would be working to restore the system to financial health and an improving economy would make that possible.

With the inevitable economic recovery, prudent investing by CalPERS, and sound management overall, public pension funds can survive this temporary downturn and become healthy again without too much stress on public agencies. Borenstein and other critics of public pensions make it sound as if public pension costs are a giant strain on California's economy - a giant misrepresentation; it contributes \$29 billion to the California economy.

Among the critics of public pensions, CalPERS tends to be the favorite public pension whipping boy in California. They don't mention the other city and country public pension systems in California that are the pension providers to the other half of public employees in California. Some of these pension systems have similar problems to CalPERS; why

doesn't Borenstein give us a thorough evaluation of their health? Borenstein also doesn't mention that the state legislature determines pension benefits for state employees and individual public agencies (2,500 of them) create their own benefit schedule and there by burden themselves - CalPERS doesn't place any burden on them, it simply pays the bill.

Another factor that is important here is the pension reform act (PEPRA), enacted in 2012, that reduces California public pension benefits and adds several years to normal retirement age. Borenstein doesn't appear to recognize the importance of this element in the big picture. By 2026, the effects of this pension reform act will begin to pay for itself and public agencies will witness pension cost reduction to levels found prior to 2001. Borenstein deserves credit for one point he made: current retirees should not suffer reductions in their pensions.

Finally, Borenstein says these pensions are overly generous - not when you've worked 20 or 30 years at low pay compared to private sector people in similar jobs. In the recent bailout bill enacted by congress, the employees of certain private employers: United Airlines, Boeing, and others, had their wages or salaries protected by our federal government because they were too important to our economy to fail. So, one class of employee is considered 'special' but public employees who risk their lives to save coronavirus victims by rescuing them from the homes and treating them at public hospitals or other public facilities are not special and don't deserve their pensions. Now that the federal government is back in the business of bailouts of the "too big to fail corporations," maybe congress could find it possible to add public pensions to the Government Pension Guarantee Act. This would provide a new dimension of security to public pensions that would seldom be used - far less than the number of times private companies that have tapped this system over the past fifty years.

In these uncertain and challenging times, fighting a pandemic and trying to hold our lives together, RPEA is working as best it can to conduct its business. Chapters are always concerned about recruiting and headquarters is just as concerned. AMBIA is our best resource for new members right now and they searching for the right approach during these difficult times. They have some plans in operation right now so something is being done at this time. RPEA chapters are free to do whatever they can within the cost limits but the prospect lists we have now for chapters are not as fresh with new prospects as we'd like. We are working to get a better prospect list developed to assist you in recruiting in the future.

Right now, first and foremost, is your own personal well-being. Follow the guidelines for reducing the spread of this nasty virus and keep yourself as safe as possible from this scourge.

Volunteer Hours and the Bonus Generated to the State



By Loran Vetter

In a previous newsletter sent out from Sacramento, we included information about a local chapter project that placed a value on volunteer hours. The number of hours generated resulted in a significant dollar value that our Chapter is contributing back to the State. I don't know about everyone else, but I'm tired of being referred to as a drain on public resources. Everywhere I look I see retired members volunteering in everything from Meals on Wheels to law enforcement agencies. I have talked with managers of those agencies and was told that some of the services would not exist without the support of our volunteers. Additionally in a report recently published by AARP, The Longevity Economy Outlook, it highlights the value of all volunteer/unpaid work across the country. The value placed on unpaid contributions was 745 billion dollars across the country. That contribution makes a significant impact on the Economy, as a whole.

We are currently in a Public Health Crisis due to COVID-19. There has been an urgent appeal for masks as the number of people infected has risen. I am proud to say that masks are being made by Susan Tamboury and Marie Reed. Both of these enterprising members have found ways to fabricate the masks and shared instructions for others to assist. Our volunteer and unpaid contributions make a substantial impact on the economy of the State of California and

we respond to identified critical needs. Please make sure that you highlight any specific response to COVID-19 on your volunteer forms. We want to calculate all contributions and highlight our efforts to assist in time of crisis.

We are aware that launching a program like this may cause some confusion and anxiety among the Chapters. We are working to keep this program as uncomplicated as possible. I am available to answer questions you may have. I will also, at your invitation, attend Chapter Meetings in person or by Zoom whenever possible. Please remember that this program was developed for the Yolo County Chapter and we are not as big as many of you. The Flyer you received was a draft to hand out and you should feel free to design one that reflects your Chapter. On pages 13 and 14 you will find a Trifold for your use. Our goal is to collect the number of volunteer hours, the variety of places that benefit from those hours, and attach an hourly value based on a grid developed by Independent Sector.org. We need to fight back against the media and the politicians who are referring to us as a burden to society.



Message from the Editor

By Lorenzo Rios, Director of Public Relations

As we enter the month of March our country is going through a crisis with the outbreak of the Coronavirus as states and cities try to control the virus from spreading and this affecting business, travel and the stock market. This week the stock market loses were the worst since 2008/9 which means CalPERS return on their investments will be worse making the unfunded liabilities even higher for the state, schools, cities and other agencies in CalPERS. With these conditions in-place again, it won't be long before we will see, hear, and read demands for cuts in our defined benefit pensions on TV, radio and in newspaper articles. Public employee pensions always become a big target in difficult economic times.

We must redouble our efforts to preserve our pensions in the legislature, the governor's office, and the courts. This

means a renewed and more intensive recruiting effort to gain more members to strengthen RPEA's ability to support our defensive measures. With added recruiting capabilities at AMBIA and its PR arm, we should be able to get this message out to more prospective members and impress upon them the urgency of joining the fight to preserve our pensions and health care in their present form. Remember, we have defeated almost all efforts to reduce the pensions of CalPERS recipients since the 2005 anti-pension ballot initiatives were defeated by a coalition of RPEA and other retiree associations. We must rally to fight any new pension cut efforts by those who would gladly cut your pension while shipping more of your money to billionaires.

RPEA IS HERE FOR YOU TO PROTECT WHAT YOU EARNED THROUGH YOUR LONG YEARS OF SERVICE.

Volunteer Hours and the Bonus Generated to the Community

As many of you are aware, we have been looking for a way to counter the negative publicity that public employees get in the press, other media, and from some politicians.

RPEA has developed a form that will allow our Chapter members to list the hours they volunteer. Utilizing a grid found at www.independentsector.org, we based an hourly value of \$29.95 per hour for volunteering in CA.

This is a bonus to your community because those volunteer hours stimulate employment, assist agencies in applying for grants, generate new services and support existing services. We will calculate the value that our members are giving back to their communities and the state.

The RPEA Gives Back form is easy to fill out. It requires your Name, Chapter Number, Area, the State you reside in, the places you volunteer and a notation of whether your hours are monthly or quarterly. It is not necessary to fill out a new sheet unless something changes or your hours are not consistent each month or quarter. This information can then be used to trigger positive changes in public and political opinion.

Thank you,

Loran Vetter
Chair, ad hoc Chapter Community Involvement Committee

PLACE
FIRST CLASS
STAMP HERE

Retired Public Employees' Association of CA
300 T Street
Sacramento, CA 95811



RPEA



RPEA Members Give Back to their Communities

Fueling California's Economy by Volunteering

Roll Fold
Up Here.
Second Fold

Roll Fold
Up Here.
First Fold

RPEA Gives Back



Five Simple Steps to Filling Out the Form

1. Enter your name, date, Chapter information, and the state of your residence.
2. List the places you volunteer at and the number of hours you donate.
3. If you donate a consistent amount of hours either monthly or quarterly, check the quarterly or monthly box.
4. If your volunteer hours are sporadic, just list the hours. The next meeting you attend, you can always fill out another form with updated hours. There is also a fillable PDF to use instead of the hard copy paper form that can be found online at www.rpea.com in the **Members Only** login portal under **Member Resources**.
5. Return this pre-addressed form to RPEA Headquarters by mail or through your Chapter President or Representative.

** If you have any questions regarding this program, please contact us at givesback@rpea.com.*
** If you need help logging in to rpea.com, contact rpeahq@rpea.com.*



RPEA-CA Gives Back

Volunteer organizations include (but not limited to): Hospitals, Law Enforcement, Churches, Unpaid Caregiving, Community Services, Meals on Wheels, Elks, etc.

Name of Volunteer: _____ **Date:** _____

Chapter: _____ **Area:** _____

State Residing: _____

Name of Organization Volunteered: _____

Hours Donated: _____

Frequency:

- Monthly
- Quarterly



Cut here, fill out, fold with the address out ward, tape shut, stamp and mail.

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 MM / DD / YYYY
 M F

Spouse Name: _____ M F Date of Birth MM / DD / YYYY
 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: MM / YY 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





Retired Public Employees' Association of California (RPEA)
300 T Street, Sacramento, CA 95811-6912
Toll Free: (800) 443-7732 Phone: (916) 441-7732 Fax: (916) 441-7413
Website: www.rpea.com

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Rosemary Knox ANYTIME	Vice President	2215 Ladymuir Court San Jose, CA 95131	408 926 6664	NONE	rpeahq@rpea.com
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Al Fillon 8AM – 5PM (M-F)	Area Director IV	2300 El Portal Dr., Unit 43 Bakersfield, CA 93309	661 619-6181	NONE	rpeahq@rpea.com
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Larry Sullivan ANYTIME	Area Director IX	1602 Sunset Gardens Rd. Albuquerque, NM 87105	505 242 4981	SAME (CALL FIRST)	rpeahq@rpea.com

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