

We Are The Greatest Generation



Retired Public Employees Association of California - Chapter 25

**EL DORADO PARK SENIOR CENTER
2800 Studebaker Road • Long Beach CA 90808**

**Chapter 25 meeting will be on
Tuesday, July 31, 2018 at 10:30 a.m.
at El Dorado Park Senior Center
2800 Studebaker Road, Long Beach, California**

Our guest speaker will be

**ERIC CALDERON
District Manager for AMBIA
Association Member Benefits and Insurance Agency**

R P E A's membership growth is AMBIA'S # 1 priority.

R P E A partners with AMBIA to provide comprehensive and exceptional member benefits for you. These benefits compliment your health insurance plans before and after retirement. When you join R P R A, you become eligible for discounts on a wide variety of insurance—vision, dental, hearing aids, travel discounts, medical emergency air services and much more.

This meeting will be an opportunity to become knowledgeable about what is available.

Retired Public Employees Association of California Chapter 25



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Jim Spaulding
562-595-8405
President

Jan Christiansen
Secretary

Bob Tomlin
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Jan Christiansen
Secretary

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RETIRED PUBLIC EMPLOYEES ASSOCIATION CHAPTER 25 • GENERAL MEETING • January 30, 2018

The meeting was called to order at 10:30 a.m. by Chapter President Jim Spaulding at the El Dorado Park Senior Center, 2800 Studebaker Road, Long Beach, CA 90808.

The Pledge of Allegiance was led by President Jim Spaulding.

Over 6400 copies of the Chapter 25 Newsletter have been mailed within three months. Chapter 25 officers represent the chapter at nine or more events has each year.

To avoid paying newly instituted Farmer's & Merchant's monthly fee, Chapter 25 transferred the bank account to Long Beach Credit Union.

Kathleen Collins, Area VIII Director, spoke on efforts by others to reduce both the death benefit and the COLA. There are approximately 66,000 prospective new members now available to join RPEA. Letters are sent to these prospective members telling them who we are and what we do. Kathleen addressed everyone's questions and encouraged all member's to regularly read Jim Anderson's reports on pending legislation that appear in the RPEA newsletter.

President Jim Spaulding assured everyone that we have already paid for our COLA and are not losing it. Our retirement is secure.

Our first speaker was Rosa Phillips, Supervisor of Marketing Projects for HealthCare Partners. She informed us of their various programs and upcoming class.

Rose introduced Christina Garcia, Education and Outreach Manager - Center for Health Care Rights (CHCR). Ms. Garcia gave a thorough presentation on Medicare updates and provided many updated Medicare handouts. She urged all who file claims to review their "Explanation of Benefits" booklet and make sure you actually received the services noted. The new Medicare cards, minus the SSA number, will begin mailing mid-April. If you have not received your card by June 30 then do call to inquire. Also, show your doctor your new card.

Our second speaker was Chapter 25 member Jonathan Obest, Financial Representative with Modern Woodman of America. His expert advice on financial planning benefits everyone. He was thanked by President Jim Spaulding for providing the chapter with 380 member lunches.

The next meeting will be held on Tuesday, July 31, beginning at 10:30 a.m., at the El Dorado Park Senior Center, 2800 Studebaker Road, Long Beach, CA.

Meeting adjourned at 11:50. A free lunch followed, served by Huff's Restaurant.

resident Jim Spaulding held the \$2.00 bill raffle and a free lunch followed. Lunch was provided by Huffs Restaurant.

Respectfully submitted,

Secretary, Chapter 25

Retired Public Employees Association of California Chapter 25

13 California legislators are getting two government checks a month
By PATRICK MCGREEVY

The state Capitol in Sacramento. (Rich Pedroncelli / Associated Press)

Amid ongoing warnings about underfunded public employee pension funds, **more than a dozen California state lawmakers** are augmenting their \$107,242 salaries by collecting retirement payments from previous government jobs, a practice that taxpayer activists condemn as “double dipping.”

A string of reports in recent weeks have predicted greater financial challenges for state and local governments in meeting the financial obligations of public pension systems. At the same time, taxpayer advocates are critical of policies that allow public officials to receive a government pension check while taking a salary from a different agency.

“The public never envisioned that kind of thing can be done, where you pile one check on top of another,” said Jack Dean, vice president of the group California Pension Reform.

Most lawmakers receive an annual salary of \$107,242 in addition to tax-free per diem payments that averaged about \$39,000 last year. But they don’t earn a pension for legislative service — voters approved a ballot measure in 1990 that stripped that benefit while also imposing legislative term limits.

Still, some lawmakers have retired from positions with cities, counties or the U.S. military that pay them a pension.

Annual public pension for previous job:\$85,000

Sen. John Moorlach:(R-Costa Mesa)

Annual public pension from previous job: \$83,827

Prior government service: Former Orange County treasurer and member of the Orange County Board of Supervisors with a total of about 19 years of county service.

Total annual compensation (minus per diem): \$191,000

Sen. John Moorlach (R-Costa Mesa) supplements his legislative pay with \$83,827 in yearly retirement payments from his time as Orange County treasurer and member of

the county Board of Supervisors. He began drawing retirement at 59.

Moorlach said he took pay cuts when he left a private sector accounting job to be county treasurer, and again when he was elected to the Legislature in 2015. He could have made much more going back into the private sector but decided to serve the state as a lawmaker, he said.

“I don’t think I would have come up here [to Sacramento] if I didn’t have the benefit of the retirement check,” he said.

Cost-of-living adjustments for California state worker pensions are safe, for now

Future state workers, your pension cost-of-living adjustments are safe, and you won't get to choose between a CalPERS pension and a 401(k) plan anytime soon.

Both proposals were shot down on Monday by a Senate committee that rejected a pack of bills aimed at reducing the risk taxpayers face if an economic crisis cripples the state's public pension funds.

Most of the bills came from Republican Sen. John Moorlach of Costa Mesa and Democratic Sen. Steve Glazer of Orinda, who argue that the rising cost of public pensions could drive local governments into bankruptcy when the next recession hits.

"We need to right-size the system. We need to restore public trust, because we're going off a fiscal cliff," said Glazer, the former Orinda mayor who sponsored the bill that would have allowed state workers to choose to participate in defined contribution 401(k) plan instead of the defined benefit plan offered by the California Public Employees' Retirement System.

California's two largest public pension funds, CalPERS and the California State Teachers' Retirement System, each have about 71 percent of the assets they'd need to pay all of the benefits they owe to public workers and retirees.

They've been trying to close the gap between what they have and what they owe by raising the amount of money they charge to public employers and employees, prompting some local governments and school districts to complain that pension costs are "crowding out" resources for other services.

But Glazer and Moorlach could not convince the Senate Public Employee and Retirement Committee that the looming crisis they see is dangerous enough to tinker with pension commitments made by the state and local agencies to millions of people.

Sen. Connie Leyva, D-Chino, countered that she wanted to find ways to encourage more people to join pension programs instead of 401(k) plans. "I just think we need to do everything we can to get our young people into defined-benefit plans," she said.

Cost-of-Living Adjustment (COLA)

The Cost-of-Living Adjustment (COLA) is a benefit to ensure your value of money at retirement keeps up with the rate of inflation. Typically, this benefit begins the second calendar year of retirement, although the annual rate of inflation and retirement law could affect the onset of your COLA. Under existing retirement law, retirees receive an annual COLA paid in the May 1 warrant each year.

COLA is dependent on three factors:

The Consumer Price Index for All Urban Consumers (CPI, 1967), published by the Bureau of Labor Statistics (BLS)

Your employer contracted COLA provision

- **The “year” you retired**

Consumer Price Index (CPI)

CPI determines the rate of inflation, and is compared annually. We use the CPI at the time of retirement to calculate what your value of money should be when we adjust for COLA. CPI is determined by the BLS and, by law, it is the official measure used by CalPERS to calculate COLA.

- The 2018 annual CPI is 734.269 and the rate of inflation is 2.13%.

THE CALIFORNIA RULE

In the State of California Supreme Court (right now) the California Rule is being attacked by our employer, Governor Brown . What is the California Rule? Here is a very brief explanation.

The California Rule was created in 1955 in *Allen v. City of Long Beach*, and is based on the Contract Clauses of both the federal and California constitutions. The Contract Clauses limit the government’s ability to impair the obligations of contracts—and public-employee pensions are considered contractual in California. The government may modify the contract in reasonable ways—but, as the California Supreme Court held in *Allen v. City of Long Beach*: **“To be sustained as reasonable, alterations of employees’ pension rights must bear some material relation to the theory of a pension system and its successful operation, and changes in a pension plan which result in disadvantage to employees should be accompanied by comparable new advantages.”**

Medicare: New Medicare cards are coming

By Greg Dill

Starting in April 2018, Medicare mailed new Medicare cards to all people with Medicare, to help protect you from identity fraud.

Fraudsters are always looking for ways to get your Social Security number, so the organization is removing those numbers from Medicare cards to make them safer.

New cards will have a new Medicare number that's unique to individuals. The new card will help protect identity and keep personal information more secure.

Individuals can start using the new card as soon as it arrives. Medicare coverage and benefits won't change at all.

Medicare will automatically mail new cards — at no cost — to the address you have on file with Social Security. It is important to double-check that mailing addresses are up to date. If an address needs to be corrected, contact Social Security at ssa.gov/myaccount or call 1 (800) 772-1213. TTY users can call 1 (800) 325-0778.

If Social Security has the individual's current mailing address, there's nothing else needed to do to receive a new card.

Mailing everyone a new card will take time. Your card might arrive at a different time than your friend's or neighbor's.

Next Steps

Once you get your new Medicare card, take these three steps to make it harder for someone to steal your information and identity:

1. Destroy your old Medicare card right away.
2. Doctors, other health care providers, and health plans approved by Medicare know Medicare is replacing the old cards. They are ready to accept your new card when you need care.

3. Beware of anyone who contacts you and asks for your new Medicare number, personal information, or to pay a fee for your new card. There are no charges whatsoever for the new cards.

Guard your card

Treat your new Medicare number like you treat your Social Security or credit card numbers. Only give your new Medicare number to doctors, pharmacists, insurers, or other people you trust to work with Medicare on your behalf. Medicare will never call you uninvited and ask you to give us personal or private information to get your new Medicare card.

Scam artists may try to get personal information (like your current Medicare number) by contacting you about your new card. If someone asks you for your information, or for money, or threatens to cancel your health benefits if you don't share your personal information, hang up and call us at 1 (800) 633-4227.

Your new Medicare card will be paper. Paper cards are easier for many providers to use and copy, and they save taxpayers a lot of money. Plus, you can print your own replacement card if you need one.

Carry your new card and show it to your health care providers. Doctors, other providers, and health care facilities will ask for your new Medicare card when you need care.

If you forget your new card, you, your doctor, or other health care provider may be able to look up your new Medicare number online.

If you're in a Medicare Advantage plan (like an HMO or PPO), your Medicare Advantage plan ID card is your main card for Medicare — you should still keep and use it whenever you need care.

However, you also may be asked to show your new Medicare card, so you should carry this card with you, too.

If you don't get your new Medicare card by April 2019, call 1 (800) 633-4227. TTY users can call 1 (877) 486-2048.

Greg Dill is Medicare's regional administrator for Arizona, California, Nevada, Hawaii and the Pacific Territories. You can always get answers to your Medicare questions by calling 1-800-MEDICARE (1-800-633-4227).

The Retired Public Employees Association of California

Is hosting a "MEET and GREET" on Tuesday evening July 31, 2018 at 6:00 P. M. The event will be held at 2800 Studebaker Road, Long Beach, CA. 90808, in the senior citizens center.

This meeting will be for all public agency members, both presently employed and all retirees.

CalPERS Notice of Election

Meet Jason Perez the candidate RPEA endorsed for Public Agency Seat of CalPERS.

"We cannot allow CalPERS to go broke and cut retirements. Promises made need to be kept. We have to change things now, before it's too late."

Jason Perez has spent 24 ears as an employee of the City of Corona. He's been active and vocal member of his union. For the last 9 yeas, Jason has served on the Board of Directors of the Corona Police Officers Association. He is currently the Association's President.

Since 2004, Jason and his team have been actively engaged in fighting to protect employee retirement and stop bad decisions being made by CalPERS.

Jason has a plan to get CalPERS back on track.....

Please join us in our recommendation celebration of Jason Perez



Pensioners of California have recently been experiencing a tumultuous journey through the shifting sands of pension politics. We have learned that it is vital that the right people are in the correct positions. With the upcoming CalPERS election happening later this year, the Retired Public Employees' Association knows it is more important than ever for innovative and influential individuals to be on the CalPERS Board.

RPEA is proud to endorse Jason Perez for CalPERS Board. Perez is the President of the Corona Police Officers' Association and has been actively involved in promoting the rights of pensioners. He has a passion for pension security and has spoken eloquently at CalPERS board meetings to address the fiduciary responsibility and duty of the board. As a long-time police officer, Perez has been in the business of protecting people. This new job responsibility would be a natural extension of who he already is and what he already does. Perez is the right person for the job.

If RPEA's presence and support in past CalPERS board elections is any indication, Perez is in an excellent position to be able to join a team that is shaping the future in California.

The CalPERS board—composed of thirteen individuals—helps to set policy and oversees the administration of retirement and health benefits to its members, including the administration of the pension fund's investments.

Ballots for this election will be sent out on August 31st and all voting must take place by October 1st. The results of the election will occur the following day, where CalPERS will announce the winners. Voting can be done via online, phone or mail to all eligible active members.

RPEA remains steadfast not only at the legislative level, but continues to cultivate its involvement and relationship with CalPERS to ensure that the pensions of active employees and retirees are secure.

Since the beginning, RPEA has been actively involved in enhancing the lives of retirees. We are the only statewide association representing all PERS retirees. RPEA works tirelessly to safeguard and promote the retiree benefits of California's public employees. For more information regarding retiree pensions and health benefits or to learn more about the Retired Public Employees' Association of California, check out our website www.rpea.com.

CALPers Election Notice

For the Public Agency Board of Administration seat, R P E A is supporting JASON PEREZ. Mr Perez is a police officer for the City of Corona.

Chapter 25 is asking you to vote for Jason Perez. Your ballot should be mailed to you on or about August 31, 2018

Please support JASON PEREZ.