



Sagebrush 99

**The Newsletter of
Las Vegas Valley, Nevada
Retired Public Employees Association of California**

Announces:

**Membership Meeting and Luncheon
Thursday, November 15, 2018
11:30 AM to 2:00 PM
Los Prados Golf Community and Country Club
5150 Los Prados Circle
Las Vegas, NV 89130**

**Our Speaker: Barbara Duckett,
Public Affairs Specialist,
Social Security Administration**

**RSVP to Marlene Baker (702) 269-1304
or mbaker7400@aol.com by -11/10/18
Board meeting at 10:30 a.m.**

President's Message By Marlene Baker

Hi Everyone! Now that fall is finally here we are ready for our November meeting. Our next meeting is Thursday, November 15, 2018. Lunch is provided at a cost to our member guests of \$10. The difference in actual cost is paid by the chapter. **It is imperative that you RSVP to me by November 10.** We will be ordering off the menu this month.

Our speaker will be Barbara Duckett, Public Affairs Specialist with the Social Security Administration. She should have some interesting information to report as well as thoughts as a result of the elections.

We definitely could use better attendance at our meetings. We need to be informed and proactive about issues facing our pensions, Social Security and Medicare. Any COLA increases are eaten up nowadays by higher insurance deductions. We need more people on the Board too. If you are interested in being an active part of the

chapter, please let me know. It doesn't take much time, only a few hours every few months, as we usually have a short meeting prior to our lunch meeting and we only meet a few times a year. There will be no March meeting this year as I will be out of town then.

At the end of this newsletter are my notes from the bi-annual General Assembly held in September this past year. While I used these notes for the September meeting, I thought it might interest those of you not in attendance.

UPCOMING MEETING DATES

Please mark your calendars now for our future meeting dates:

January 17, 2019

May 16, 2019

TREASURER'S REPORT

The balance in our Chapter 99 Bank Account on September 30, 2018 is \$1,452.48. The October deposit from RPEA dues was \$165.30 and the balance on October 19 was \$1603.78, after deducting a service fee of \$14.00. However, the cost of mailing and supplies for this newsletter has not been included.

WHAT IS RPEA

RPEA is a non-profit association of retirees and active employees who are members of the California Public Employees Retirement System (CalPERS). Our mission is important:

- RPEA represents all public employees - classified schools, public agencies, and state.
- RPEA is liaison between retirees and CalPERS.
- RPEA is a mutual protective association for all beneficiaries of CalPERS.
- RPEA fights to maintain our current pension and health care benefits and improve these benefits every year.
- RPEA has local chapters in your area - attend meetings to stay informed and hear interesting speakers.

RPEA protects the interests of retirees at the state level to ensure your retirement remains secure. We retain a professional lobbyist who represents our interests before the Governor,

Legislators and CalPERS Board. We also have access to a federal lobbyist who keeps us informed on federal retiree issues.

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

While we encourage participation in one of our many chapters, most of our members participate by reading RPEA's bi-monthly newsletter, giving us feedback on their needs, and enrolling in one or more of our "members only" insurance programs.

At \$5.00 per month, RPEA is a bargain hard to resist. We need you and you need us — to support our fight to protect our pensions and benefits.

MISSION STATEMENT

We are active and retired California Public Employees working together to maintain and improve the quality of the lives of our members by protecting and improving retirement, medical and other benefits.

WHO'S WHO SAGEBRUSH CHAPTER 99

President and Newsletter Editor: Marlene Baker, Home: (702) 269-1304; Cell: (702) 845-3465 mbaker7400@aol.com

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Secretary & Membership Chair: Jean Putney, Home: (725) 202-3197; jeanputney@cox.net

Treasurer: Joe Beck, Home: (702) 562-6907; dixielasvegas@yahoo.com

Director: Chuck Logan, (no contact info)

Director: Ross Parker, Home: (702) 579-7249; Cell: (530) 908-3473 roglo3@cox.net

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Please notify RPEA headquarters of any changes to address or status

RIDES

There are many members in the area who would like to carpool to our meetings. Please let us know if you need a ride or if you can offer transportation. Call Marlene at (702) 269-1304.

FUTURE SPEAKERS

If anyone has suggestions for future speakers, please let one of our board members know so that we can try to accommodate your suggestion. Also, we are always looking for persons interested in serving on the Board.

I would like to mention that if you discard our newsletter in the trash, please shred it as there are email addresses and telephone numbers listed in it. Our directors are volunteers and we don't want unnecessary solicitations coming our way because of publication of those numbers.

NOTES:

RPEA GENERAL ASSEMBLY Sept. 9-12, 2018, Doubletree Hotel, Anaheim, CA

General Session, Sunday 2pm. – Special Guest, J. J. Jelencic; from Ambia, Jeannie Coffey and Omar Guerra. Special recognition and a memorial video were presented on the late President George Linn.

The First Panel presentation was from CalPERS. Marcy Frost, CEO, and Board members Richard Costigan and Margaret Brown. Marcy Frost gave a presentation entitled “A Solid Foundation for the Future.” Highlights include:

- 1.9 million members (38% school, 31% public agency, 31% state employees)
- 3,000 public employers
- \$2,876 average allowance
- 64% receive less than \$3,000
- 3% receive greater than \$100,000
- 21.4 billion paid in pension benefits annually
- Fund is 71% funded status at 7% discount rate as of 6/30/18 (2017 was 68.3%)

Goals are (1) tackle financial challenges, (2) operating efficiently, and (3) sound investing. Financial decisions over the last 2 years have been (1) lower discount rate from 7.5% to 7%, (2) new asset allocation to be reviewed every 2

years, (3) shorter amortization (30 years to 20 years).

There are 2800 employees at CalPERS and benefits are safe. 61% of benefit is from investment return, 26% from employers and 13% from members. \$359 billion in assets as of 9-15-18.

The next panel was the Legislative Panel which included Aaron Reed, Pat Moran, Randy Cheek (taking over from Jim Anderson at RPEA), Michael Boltin, and Ernie Powell of Social Security Works Advocacy Group.

They discussed the San Gabriel decision to dissolve the JPA and the retirement benefits were reduced 63% to their current retirees. Aaron Reed is trying to resolve this type of situation by legislation. Our lobbyists are trying to kill all bills in the legislature that aim to minimize or dissolve our benefits. Michael Boltin said some of the same bills get introduced every year and he has no idea what a new Governor will do about pensions.

There are 3 cases on the “California Rule” pending in the California Supreme Court. This rule pertains to benefits promised when you are hired should not change when you retire. It prohibits changing benefits. If it is overruled, it will definitely reduce benefits. We are defending this rule. Ernie Powell spoke on Social Security works. \$2.8 million surplus. It is not perfect and it is not broken. It can pay 75% of its promised benefits until 2034, even with 1% growth. The Fed cut its budget, its disability benefits, etc. There are dozens of staffers in D.C. working on a grass roots program to preventing further cuts and keeping the fund alive.

The final Panel of the day included the CalPERS panel of Henry Jones, Margaret Brown, Richard Miller and Richard Costigan. They spoke of the new program called CalPERS Direct which is a new form of investing while trying to maximize return and minimize risk. Margaret Brown has an issue with the private equity part with the governance model not having oversight. She feels there needs to be transparency and there needs to be more data and analysis of the program. The program had 1.2 active employees support every 1.0 retiree. This has been reduced over the past few years. CalPERS could not protect the JPA retirees from San Gabriel. There was no mechanism for them to help. They could not get funds from the other agencies to cover them. They tried to get the 4 cities of Covina, West Covina, Glendora and San Gabriel to pay the fund as a “moral obligation.” They are

supporting a bill to remedy this and make agencies liable, but the bill is not retroactive. In some cases, pensions were cut 63% and CalPERS had no legal mechanism to remedy this. There is one board seat up for election and it is the public position.

Our Sagebrush Chapter 099 was given a certificate of appreciation for our chapter newsletter. Our Area IX (comprised of Nevada, Arizona, and New Mexico) was the only area that all chapters were recognized for their newsletters.

Monday's Sessions were all workshops to discuss various resolutions being brought to the General Assembly, and to discuss topics such as how to increase memberships, new technology, new financial reporting requirements, and a workshop of Area IX members.

One Workshop, conducted by Marie Reed, Secretary-Treasurer of RPEA, was on new forms of financial reporting requirements. This also would be a Resolution at General Assembly.

The IRS is auditing RPEA and its chapters and it is imperative that accurate records be kept. This includes providing RPEA headquarters with copies of the chapters' April and October bank statements, and the annual financial report which must be submitted prior to December 15th of each year based on a fiscal year ending October 31st. The resolution to be discussed later would be to penalize a chapter who doesn't submit such documentation on time.

Another workshop I attended was on the resolution to eliminate the position of Director of Membership and transfer the duties to the Vice President. This was discussed at length and after input from the workshops, the proposer decided to withdraw the proposed resolution.

Tuesday's Sessions were the General Assembly discussions of the Resolutions and the nominations for officers. Only two offices had more than one person nominated. For President, Al Darby, the current incumbent President, and Donna Snodgrass were nominated for the position of President. Also, for the position of Director of Membership, Bill Wallace of Santa Clara, and C. T. Weber, the current Director of Public Relations were nominated. The other officers who were elected by acclamation were Rosemary Knox, Vice President, Harvey Robinson, Director of Health Benefits, Randall Cheek, Director of Legislation, and Lorenzo Rios, Director of Public Relations. (On Wednesday, Al Darby was elected President and Bill Wallace was elected Director of Membership.)

With respect to the Resolutions, the proposer, Donna Snodgrass, after deliberation at the workshops, withdrew **Resolutions 1, 2 and 3**. Number one was to eliminate the position of Director of Membership and transfer the duties to the Vice President. Number two was to add the position of Executive Vice President, eliminate the position of Director of Legislation, and transfer the duties to the Executive Vice President. This new position would also fill the vacant position of President. Number three was to change the General Assembly meeting to every 4 years instead of the current two-year interval.

Resolution 4 about financial reporting requirements of chapters was passed with an addendum to notify Area Director and Chapter Officers 60 days prior to the withholding of funds for that chapter if the chapters annual financial statement has not been submitted by the deadline date of December 15th. This resolution has become necessary because the IRS will penalize the entire organization if financial reporting requirements are not met.

Resolution 5 to increase dues allocation to chapters from 19% to 25% was defeated.

Resolutions 6 and 7 about the use of teleconferencing and videoconferencing at meetings were referred back to the Board for further analysis and the possible appointment of an ad hoc committee to consider the situation.

Resolution 8 about setting up websites or links to chapter websites by the Association was passed. However, it was stated by the President that AMBIA had said they would set up the basic pages and links for us and the Association would see that this is done, and, if not, the Association would assume the responsibility. It would be easy to set up page from the original website. The Association would not pay for training or to maintain those chapter websites, but the pages set up would list the current chapter, its meeting schedule and location, and the persons in the chapter to contact. This could be obtained yearly from the report.

Resolution 9 about Discrimination and Harassment Policy was referred back to the Board and to the appropriate Committee, adopted as policy before the next GA, and then have it read into record at the next GA. The Wednesday morning GA Session was to formalize the vote of officers, to thank the organizers of the event, and to wish everyone a safe return home.