



CONTRA COSTA COUNTY
RETIRED EMPLOYEES ASSOCIATION, LOCAL ONE

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Spring 2016

Representing the Past, Present & Future

President's Message



In the last newsletter, I led off my column with a report of a pension reform initiative that Chuck Reed and Carl DeMaio were trying to qualify for the November 2016 ballot. I am happy to say that this poorly written and ill-conceived initiative is now dead. Although Reed is still stating he intends to resurrect it for the 2018 ballot, the word from pension experts is that it does not have any more chance of succeeding than it did this year. While we were prepared to fight this process,

it would have been an expensive and work intensive battle, and we are glad it is gone for now.

PUBLIC EMPLOYEES UNION, LOCAL ONE: According to recent reports in the Contra Costa Times, more than 1,500 Local One union members have voted to walk away from their union and join the Teamsters. The members belonged to three groups, health Services, general maintenance and licensed vocational nurse/aides. This move has caused a lot of concern for the approximately 400 remaining members, and they worry about the viability of the union's future.

Much of the dissatisfaction regarding Local One came during the tenure of the previous general manager and the subsequent loss of several members of the senior staff.

RSG (Retiree Support Group) LAWSUIT SETTLEMENT: It appears that RSG has prevailed over the county in its lawsuit to protect the health care benefits of all county workers who retired prior to December 31, 2015. During its last business meeting on February 4th, RSG members were given an overview of the tentative settlement agreement. Those members who could not attend were sent information regarding the settlement, and they must now return ballots mailed to them by February 22nd to be included in the required vote.

If approved, RSG will post the complete description of the settlement and how it will affect retiree's health care planning in the future.

NEW CCCREA WEBSITE: Our brand new website is up and fully operational. The web address is <http://www.cccrea.info>, but the easiest way to access it is to just "Google" **cccrea.info** and it should be the first choice in your results page. There are still a few updates and upgrades that are planned for the site, but now

is the time for our membership to weigh in with their opinions and suggestions. What else would you like to see on the web site?

When you open the site, you will see the background is a picture of a snow covered Mount Diablo. While I think the picture is appropriate for this time of year, we will be changing it in the spring. With this in mind, we are looking for new subject material for our site. I would like to encourage members with an interest in photography to submit your favorite photos of places around Contra Costa County that you think would be appropriate for our website background. If we choose your picture to display, we will reward you with a free lunch at one of our quarterly luncheons or a gift card of similar value. The only caveat is the photo must be at least 1,900 pixels wide and 600 pixels tall. Hopefully you photography buffs will know what this means, but in simple terms this will keep the picture from blurring when it is spread over the entire web page.

After viewing the page, I would be very appreciative if you could let me know what you think and offer any suggestions on how we can improve the site.

CalPERS LONG TERM CARE LAWSUIT UPDATE: Below is a copy of the latest update from 'our' attorney's website: (<http://www.calpersclassactionlawsuit.com>): "On February 5, 2016, Judge Jane Johnson granted class certification in a lawsuit brought by individuals who purchased CalPERS Long Term Care Insurance and were subjected to an 85% rate increase that took effect in 2015. The class certified by the court is defined as follows: "California citizens who purchased LTC 1 and LTC policies from CalPERS who were subjected to the 2012 rate increase adopted by CalPERS in October 2012." Because the class was certified, this means that the case can proceed on behalf of all class members in a single lawsuit instead of requiring each class member to pursue their case individually. This is a positive development for the plaintiffs. The next hearing is a case management conference which is set for March 28, 2016. At this conference, the parties will discuss the process of sending "notice" to the class. The notice will advise class members about the case and the fact that the class has been certified. The notice will also give class members the option of "opting out" of the class action lawsuit. "Opting out" means you exclude yourself from the lawsuit, and any relief obtained in the litigation will not apply to you. The process of opting out of the lawsuit will be explained in the class notice that is eventually approved by the court. We expect class notice will be disseminated sometime within the next 2-3 months."

(Continued on page 2)

(President's Message Continued from Page 1)

2016 COST OF LIVING ADJUSTMENT (COLA): The United States Bureau of Labor Statistics recently released the Consumer Price Index for the San Francisco Bay Area and it is good news. Read how much you can expect to receive on your May 1st benefit check in Jerry Telles' column on Page 7.

SAVE THE DATE: We have secured a confirmation for our Day at the Races at Golden Gate Fields in Albany for **May 19, 2016**. A notice for this event will be sent in the mail in early April, but now is the time to hold this date open. While you are marking your calendars, don't forget to pencil in **October 17-19** for the CRCEA conference in Walnut Creek.

As I have noted before, Contra Costa will be hosting the semi-annual CRCEA conference at the Embassy Suites Hotel in Walnut Creek. The planning for this event is going very well, and we are very close to having our program finalized.

We are still searching for sponsors to donate door prizes for the attendees. If you would like to donate to this cause, or know someone who might be willing to participate, please contact me at mesloan1@aol.com. Also, if you think you might have a couple hours you can spare during this time, please contact any of the Board members and give them your contact information.

SCHOLARSHIP DRIVE: Our scholarship program is operational, and all we need now are applicants. However, time is running short for those wishing to apply. Since we would like to have the first scholarships awarded by the beginning of the Fall 2016 semester, the applications must be received by our Scholarship Committee no later than the April 30, 2016.

To date, we have not received a single application. We are planning to award three \$1,000 scholarships, and it would be sad to think this opportunity was wasted for the lack of filling out a form, collecting a couple of documents, and writing a one page letter.

To help in your application process, the scholarship guidelines and the application form are included on the final page of this newsletter.

QUARTERLY LUNCHEON ISSUES: I hate to keep bringing up the same old subject, but it is very important that people realize that it is imperative that they make reservations for the luncheons at Zio Fraedo's in Pleasant Hill. We have to give the restaurant a guarantee for the number of people who will be attending. This guarantee is based on reservations sent in on the form included with this newsletter, or by calling Local One on a short notice basis.

If people just show up at the door without a reservation, there is a good possibility they would be turned away due to a shortage of planned lunches. At the December luncheon, we had seven people show up who were unplanned.

Luckily, there were an equal number of people who had to cancel. Please help us plan our luncheons by returning your reservation form early.

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Easter is just around the corner so don't forget that we have See's Gift Certificates for sale. The price has gone up at the store but we still sell ours for \$15.50, which is a \$3.00 a pound saving. If you wish to purchase one, or more, send your check to CCCREA, P.O.Box 2973, Martinez, Ca. 94553. The check should be made out to CCCREA for the amount of your purchase plus postage of \$1.50 for 5 certificates or less and \$3.00 for more than 5.



2016 Luncheon Dates

- March 10, 2016
- June 9, 2016
- September 8, 2016
- December 8, 2016



Remember, if you are a new member your first lunch is free. Just be sure to call in your reservation and let us know you're a new member.

The telephone number is 925-228-1600. Please feel free to invite friends who have recently retired to our luncheon!



Contra Costa County Retired Employees Association Board of Directors

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2016 Regular Meeting Dates

April 05, 2016

May 10, 2016

July 12, 2016

No Meeting in August

October 11, 2016

November 8, 2016

MEETING LOCATION:

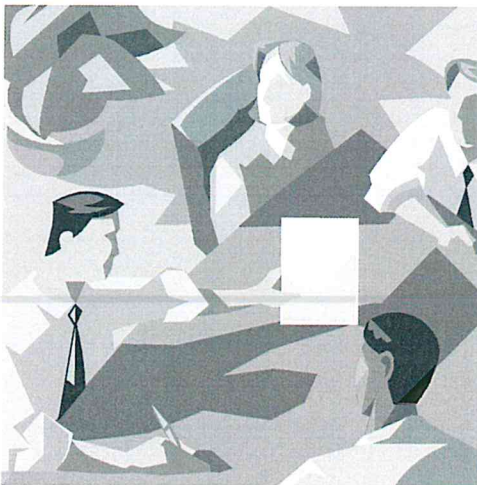
TJ's Restaurant - 3210 Pacheco Blvd. (The old Pegg's Restaurant across from the Shell refinery entrance) Martinez, CA 94553.

All are welcome to attend and share your thoughts and suggestions.

Call to let us know you are coming.

(925 - 228 -1600)

CRCEA CONFERENCE DATES



Kern County - April 11 - 13, 2016

Contra Costa - October 17 - 19, 2016

**Details Available on the
CCCREA.INFO and CRCEA.ORG Web
Sites.**



CLASS CERTIFICATION GRANTED IN CALPERS LONG TERM CARE INSURANCE LITIGATION

On February 5, 2016, Judge Jane Johnson granted class certification in a lawsuit brought by individuals who purchased CalPERS Long Term Care Insurance and were subjected to an 85% rate increase that took effect in 2015. The class certified by the court is defined as follows:

"California citizens who purchased LTC1 and LTC policies from CalPERS who were subjected to the 2012 rate increase adopted by CalPERS in October 2012."

Because the class was certified, this means that the case can proceed on behalf of all class members in a single lawsuit instead of requiring each class member to pursue their case individually. This is a positive development for the plaintiffs.

The next hearing in the case is a case management conference

that is set for March 28, 2016. At this conference, the parties will discuss the process of sending "notice" to the class. The notice will advise class members about the case and the fact that the class has been certified. The notice will also give class members the option of "opting out" of the class action lawsuit. "Opting out" means you exclude yourself from the lawsuit and any relief obtained in the litigation will not apply to you. The process of opting of the lawsuit will be explained in the class notice that is eventually approved by the court. We expect class notice will be disseminated sometime within the next 2-3 months.

A copy of the court documents can be found at the following website:

<http://www.calpersclassactionlawsuit.com/litigation-update.html>

LEGISLATIVE REPORT

By Art Goulet, CRCEA Legislative Committee Chair

As of this date, there are two pending consequential items on the legislative front.

First is a bill that SACRS (State Association of County Retirement Systems) will be sponsoring, and which will be carried by Assemblyman Jim Cooper, the Chair of the Assembly Public Employees, Retirement and Social Security Committee. The bill has been drafted by Legislative Counsel, but hasn't been introduced yet. It would amend CERL (County Employees Retirement Law) to allow retirement boards a variety of options for hiring personnel who will be employees of the retirement system, rather than county employees, as they generally are now. The options will be to adopt the provisions currently applicable to Orange, Santa Barbara, and Contra Costa County retirement systems, or to do nothing and keep all personnel as county employees.

Second is language sponsored by CRCEA, which would authorize the alternate retired member of a retirement board to vote when any two of the elected employee members of the board (there are two general members, and one safety member) are absent. We have been told that this language will be included in the annual Assembly Committee clean-up bill, which is not yet in print or introduced.

Obviously, since the bills haven't been introduced, I can't give you bill numbers.

For info, the deadline for introduction of bills is February 19 so, to the extent there will be bills pertaining to public retirement, I expect they will "flood in" over the next two weeks



U. S. SENATOR ELIZABETH WARREN PROPOSES A ONE TIME PAYMENT OF \$581 FOR SOCIAL SECURITY RECIPIENTS

By Mike Sloan

I was contacted at our December luncheon by a member asking if I was aware of a bill that was being introduced by U.S. Senator Elizabeth Warren (D-MA). This bill (SB-2251) would provide for a one-time payment of \$581 (or approximately 3.9% of the average SS benefits) in 2016 to Social Security beneficiaries, veterans and others. I had not heard of this bill, but promised to research it.

The best explanation of Warren's bill I could find was at a website called "Investopedia" in an article written by Mara Lesemann dated December 15, 2015. In her article, Ms. Lesemann noted that Senator Warren's reasoning behind the bill was to make up for the lack of a cost of living adjustment (COLA) to Social Security benefits in 2016. It is only the third time that this has happened since the annual adjustment was enacted in 1972. As we know, COLAs have been instituted because of high inflation that eats away at seniors' benefits, which reduces our ability to maintain a decent living standard.

Although the Bay Area's inflation rate was such that we will earn a COLA for our local retirement benefits, the official inflation statistic for the U.S. in 2015, also based on the Consumer Price Index, registered -0.4%, so there will be no Social Security COLA in 2016.

"Critics have long said that this index does not properly reflect the cost of goods purchased by retirees, and it should be changed or replaced. It is highly weighted toward the price of gas, which has fallen a great deal in 2015, but is relatively unimportant to seniors who don't commute to jobs. The index places relatively low weight on the skyrocketing cost of prescription drugs, which hits seniors hard. Some experts recommend that the CPI-W be replaced by the Consumer Price Index-Elderly (CPI-E), which is designed to reflect the spending needs of people age 62 and above."

"Sen. Warren has introduced the Senior and Veterans Emergency (SAVE) Act, which would provide an increase of 3.9% in Social Security and veterans' benefits; that would be an average of \$580 per recipient for the year. The 3.9% increase is the amount by which the salaries and benefits of chief executive officers (CEOs) increased in 2014, which is the most recent year for which statistics are available. She contends that benefits should be raised by the same amount, and that not to do so is a consumer rip-off."

"Sen. Warren argues that closing a major tax loophole would cover the cost of the 2016 increase, and it would also be a major step toward improving the solvency of the Social Security Trust Fund. In 1993, Congress capped the amount of corporate executives' pay that companies could deduct for tax purposes at \$1 million. However, so-

called performance-based pay is not subject to the cap. By structuring the vast majority of CEO compensation as bonuses, there is no limit on the amount of compensation that can be deducted for tax purposes."

"Taxpayers subsidize more than \$7 billion of executive compensation because executives are paid in bonuses instead of salaries. There are no restrictions on the quality of the performance of the company or the executive."

"Sen. Warren is a liberal Democrat, while both the House of Representatives and the Senate are controlled by the Republican Party. Her bill has attracted 16 co-sponsors in the Senate; all of whom are Democrats. An equivalent bill has been introduced in the House by Rep. Tammy Duckworth of Illinois, who is also a Democrat."

"No Republicans have come out in favor of the bill, and it has no chance of being passed. It has, however, picked up the support of Sen. Bernie Sanders, Democrat of Vermont and a candidate for the 2016 presidential nomination. This is likely to make the bill a subject of discussion during the campaign, which may increase its chances of being re-introduced in the future."

If you would like to read more about this proposal, you can go to: Elizabeth Warren's Solution to No COLA Increase in 2016:

[Investopedia <http://www.investopedia.com/articles/personal-finance/123015/elizabeth-warrens-solution-no-cola-increase-2016.asp#ixzz3zafJ34Pi>](http://www.investopedia.com/articles/personal-finance/123015/elizabeth-warrens-solution-no-cola-increase-2016.asp#ixzz3zafJ34Pi)





PASSAGES



Some people come into our lives and quickly go. Some people move our souls to dance. They awaken us to new understandings with the passing whisper of their wisdom. Some people make the sky more beautiful to gaze upon. They stay in our lives for awhile, leave footprints in our heart, and we are never ever the same.

~ Chicken Soup for the Soul

<i>Jennifer Ansell 1/29/16</i>	<i>Eugene Babcock 1/24/16</i>	<i>Beatrice Berumen</i>
<i>Mary Booth 11/21/15</i>	<i>Steven Christensen 10/14/15</i>	<i>Albert Colbourne 10/01/15</i>
<i>Elene Domes 11/15/15</i>	<i>Patricia Elswick</i>	<i>Jane Fugitt 10/04/15</i>
<i>James Gerard 11/09/15</i>	<i>Thelma Gianunzio</i>	<i>Eleanor Hall 9/28/15</i>
<i>James Hampton 8/13/15</i>	<i>Josephine Heruth-Nation</i>	<i>Vonlry Honey 12/24/15</i>
<i>Lily Jonaris 11/16/15</i>	<i>Harold Keck 10/08/15</i>	<i>Auris Lobb 11/02/15</i>
<i>Christell Lowery 6/29/15</i>	<i>Hedwig Malin 10/19/15</i>	<i>Patricia McCall 9/15/15</i>
<i>Chester Nelson 12/12/15</i>	<i>Henry Radcliff 1/13/16</i>	<i>Richard Robertson</i>
<i>Orma Roe 7/24/15</i>	<i>Michael Sharrar 10/23/15</i>	<i>William Shinn 10/16/15</i>
<i>Eliza Wilson 04/14/15</i>		



Welcome New Members



<i>Stuart Lord</i>	<i>Pamela Poggensee</i>	<i>William L Reynolds</i>
<i>Susan Cevasco</i>	<i>Bonnie Scott</i>	<i>Renee Capurro</i>
<i>Richard Powell</i>	<i>Elana Orr Hammond</i>	<i>Catherine Graves</i>
<i>Scott Bobrosky</i>	<i>Edward J Lemons</i>	<i>Marilyn Alford</i>
<i>Philomena Bowman</i>	<i>Chanh Songsourith</i>	<i>Jeanne Hudock</i>

Retirement Board Update and COLA For 2016

By Jerry Telles

The Question has been asked several times; "Can there be a negative COLA"? Well, the answer is in the Constitutional and Statutory Provisions from the County Employees' Retirement Law of 1937. These laws plus our policy and procedures manual govern all action taken by your Retirement Board.

Under Article 16.5 Section 31870.1 it states:

"Determination: maximum annual change of three percent in allowances;

**Limitations on reductions.*

**The board shall before April 1 of each year determine whether there has been an increase or decrease in the cost of living as provided in this section.*

Notwithstanding Section 31481 or any other provision of this chapter (commencing with Section 31450), every retirement allowance, optional death allowance, or annual death allowance payable to or on account of any member, of this system or superseded system who retires or dies or who has retired or died shall, as of April 1st of each year, be increased or decreased by a percentage of the total allowance then being received found by the board to approximate to the nearest one-half of 1 percent, the percentage of annual increase or decrease in the cost of living as of January 1st of each year as shown by the then current Bureau of Labor Statistics Consumer Price Index for All Urban Consumers for the area in which the county seat is situated, but such change shall not exceed 3 percent per year; however, the amount of any cost-of-living increase or decrease in any year which is not met by the maximum annual change of 3 percent in allowances shall be accumulated to be met by increases or decreases in allowance in future years; except that no decrease shall reduce the allowance below the amount being received by the member or his beneficiary on the effective date of the allowance or the application of this article, whichever is later."

After reading this section the answer to the question is YES there can be a negative COLA and the same rules apply as a positive COLA. So by law if there is a negative COLA the retirement board could reduce your benefit up to a maximum of 3%. As has been written in previous articles our COLA is derived from the *Consumer Price Index established for our 9 Bay Area Counties. This CPI generally is higher than the National CPI that many receive in Social Security. The reason for this is "it cost more to live here than almost anywhere else in the country"*.

In closing I would like to say that the greatest benefit we have as retirees is our COLA and should the day come when we have to defend the COLA, let us all stand and address the issue together.

SCHOLARSHIP APPLICATION GUIDELINES

The CCCREA Scholarship Fund has been developed to promote and assist in the higher education of its members and their families.

AWARDS: Beginning with the fall 2016 semester, three scholarships of \$1,000 each will be awarded annually.

ELIGIBLE APPLICANTS: The scholarships are available to all CCCREA members in good standing, as well as their children, stepchildren, grandchildren, step grandchildren, nieces, and nephews (including grand-nieces and grand-nephews).

REQUIREMENTS: Applicant must be either a high school senior with a grade point average (GPA) of 2.5 or higher and has applied to or accepted to a college, university, or trade school with a minimum two year course study, OR a student with a GPA of 2.5 or higher who is already attending an accredited educational institution.

Completed applications must include official transcripts, one letter of recommendation, and a brief essay (one page) addressing the student's academic accomplishments, extra-curricular activities, and description of any community service.

**Applications must be postmarked no later than
April 31, 2016.**

FINAL SELECTION: Applications will be screened and ranked by a independent rater from the Contra Costa County school system. Based on these recommendations to the Scholarship Committee, the Board of Directors will determine the award recipients prior to the beginning of the fall semester.

APPLICATION ON NEXT PAGE

CCCREA Scholarship Application

PART ONE - APPLICANT INFORMATION

(Please type or print clearly)

Applicant's Name: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Phone: _____ SSN#: _____

Currently Attending: _____

Date of Birth: _____

PART TWO - COLLEGE, UNIVERSITY OR VOCATIONAL SCHOOL

Accepted Applying (please attach complete list) Attending

Name: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Date you plan to start: _____ Course of Study: _____

What degree/objective will you be pursuing: _____

Desired occupation after graduation: _____

PART THREE - CCCREA SPONSORING MEMBER INFORMATION

CCCREA Member Name: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Phone: _____ Relationship to Applicant: _____

Applicant Name: _____

PART FOUR - APPLICANT INFORMATION SHEET

Please tell us a little about yourself. Include vocational and educational achievements and goals; student activities and organizations; athletics; community involvement; honors; awards, etc.

PLEASE USE AS MANY ADDITIONAL SHEETS OF PAPER AS NECESSARY
