

REMCO

NEWSLETTER



Retired Employees of Merced County-June 2011



The quarterly luncheon will be held on **Tuesday, June 14, 2011**, at the *Merced Elks Lodge*, 19th & "M" Streets, Merced. The doors will be open at 11:30 AM. The program will begin at 12 Noon and lunch will be served at 12:30 PM. Reservations are a must so the proper amount of food can be prepared. REMCO is required to pay for the number of meals ordered so unpaid reservations come from our treasury. The following people will accept your reservation:

Shirley Winton 725-3151
Delores White 723-4002

Officers & Board of Directors

President: Lola Barnett 658-5109
niftyld@aol.com
Vice President: Kay Greeley 394-9091
Secretary: Lavon Justice 722-8202
Treasurer: David Baker 722-1494
Director: Michael Sofranek 374-3465
Director: Marie McDonagh 723-0917
Director: Vivian Stierwalt 723-7065
Director: Linc Clendenin 722-1306
Director: Scott Johnston 617-2126
Director: Ron Kinchloe 409-8394
Past President: John Carlisle 722-9249
Retirement Bd Rep: Sandy Teague 722-2007
Retirement Bd Alt: Ron Kinchloe 409-8394
Appointed Staff

CRCEA Delegate: David Baker
CRCEA Delegate: Sandy Teague
Newsletter Editor: John Carlisle 722-9249
ibc76@sbcglobal.net

PRESIDENT'S CORNER

By Lola Barnett



Hello! Since this is my first newsletter as your REMCO President, I wish to thank the membership for electing me your president for the next two years. I consider it an honor and a privilege to serve.

Your Past Presidents have accomplished several benefits for you as REMCO members: Vision coverage, starting up a web page and many more. My goal as your president is to finalize the web page for your members to see that you as members are kept informed as to current legislative actions that may possibly affect your retirement benefits.

My first act was to hold a Board of Directors meeting on May 10, 2011. The main goal of this meeting was to introduce the newly elected Board Members: Ron Kinchloe, Scott Johnston and Linc Clendenin and to establish committees and the chair for each committee. Here are the committees I appointed:

HEALTH COMMITTEE

Linc Clendenin, Chair
Members: Scott Johnston, Mike Tanner, Sandy Teague and Walt Lopes.

AUDIT COMMITTEE

Ron Kinchloe, Chair
Members: Marie McDonagh, Scott Johnston

BY-LAWS COMMITTEE

Sandy Teague, Chair
Member: Frank Muratore

SCHOLARSHIP COMMITTEE

Lola Barnett, Chair
Members: Sandy Teague, Scott Johnston, Kaye Greeley, Linc Clendenin, David Baker

WEB PAGE

Mike Sofranek, Chair

ELECTION/NOMINATION COMMITTEE

Kaye Greeley, Chair
Member: John Carlisle

RECRUITMENT/NEW MEMBERS COMMITTEE

Kaye Greeley, Chair
Members (As selected by Kaye)



We must be ever vigilant and not take our retirement benefits for granted as there are forces out there who are trying to erode not only our benefits but also future retirees' benefits as well.

If any member has an idea or would like to make any suggestions that will make our organization better or wishes to serve on any committee, please do not hesitate to contact any board member or me. Your suggestions and ideas are always welcome.



CRCEA CONFERENCE

By David Baker

This years 2011 C.R.C.E.A. spring conference was hosted by the Retired Employees of San Diego, (R.E.S.D.C.), on April 18-20th. As your voting delegate for REMCO I was honored to be in attendance. C.R.C.E.A. is an association composed of the 20 "1937 Act" counties that stay on top of the latest information on retirement benefits, and bills being considered by the California legislature, which could affect all '37 Act Retirees.

This conference included informative information on several issues. The first day of the conference included presentations on; financial scams, identify theft prevention, personal safety, and a standing committee breakout. The second day included presentations on Pension Views, Theirs and Ours, and the Legislative Report on the Sacramento Scene.

Bob Palmer the Executive Director of S.A.C.R.S moderated a four panel discussion of "Pension Views". Two people gave their views on the positives of defined benefit plans, and likewise, two others gave their perceived problems on the same plan. The defined benefit plan isn't the "kick the can down the road" process. Fund estimated earning projections (assumption rates) have been forced to be lowered for some pension systems, including M.C.E.R.A. The median return for 8% has historically met it return, and over a 25 year period was higher than 8%. Obviously, returns are lower in a declining market, over a shorter time. Markets will see losses and gains.

The Sacramento scene presentation given by Art Goulet, the chair of the C.R.C.E.A. Legislative Committee and Amy Brown, the C.R.C.E.A. legislative consultant was extremely informative. There's a lot going on and the Governor has made suggestions on pension plans and the Governor want-

ing pension reform has courted some Republican lawmakers. Some at the top of the list that lawmakers are discussing, but are not yet in legislative form, are 1. Prohibit pension holidays. 2. Prohibit employers from making employee contributions. 3. Prohibit pension spiking-three year final compensation and 4. Imposing benefit caps. The complete list can be found on "The Alert" at brown@lawpolicy.com.

At the round table session, different counties gave updates on litigation problems that are presently affecting their retirement systems. Orange County is still in court on the issue of their county splitting their health care pool separating the retirees from the active employees, which increased retiree health care premiums significantly. In conclusion, by knowing what is happening in other '37 Act counties, we are able to make ourselves aware of possible threats that might be raised in our own county.

INITIATIVE ALERT!

By John Carlisle



Currently in the process of being qualified to collect signatures is a plan to reduce all defined benefit public pensions in the future. It would also limit disability and death benefits for public agency employees and their families. The initiative, by former Assemblyman Roger Niello, would, if passed, would provide that public agencies would retain exclusive authority to modify any terms of pension, retiree health or other benefits provided to employees and they could not give that authority away in employee contracts or collective bargaining and could not provide any retroactive increases in benefits. It would also prohibit any full retirement for anyone less than 62 years who had not worked at least 5 years and benefits would be limited to a maximum of 60% of average pay over a 3-year period. It would also require the employee to have paid at least as much as the employer had paid into the plan and it also contains anti-spiking measures. It would not include those who have already retired. If the Attorney General approves the language, signatures could be gathered to place it on the ballot. This is just one of several measures being proposed. REMCO will keep an eye on this initiative and legislation aimed at retiree benefits. As we go to press, Merced County is now trying to "negotiate" a 3rd tier for new employees also!

SCHOLARSHIP AWARDS



Scholarship Committee Chair Lola Barnett reported there were more scholarship applications this year than ever before. There were applicants and many were outstanding candidates with scoring very close for the top contenders. Each winner will receive a \$500.00 REMCO scholarship check upon proof of enrollment next semester.

CONGRATULATIONS to all winners!

Graduating Seniors Category Winners

Samantha Smith

*(REMCO Member Rosemary Bailey
Parents Jerry & Tara O'Hagen)*

Jordan Kaiser

*(REMCO Member William Leslie
Parents Jack & Denise Kaiser)*

Continuing Education Category Winners

Gabrielle Nord

*(REMCO Member Rita Nord
Parents Mark & Rita Nord)*

Nolan Flores

*(REMCO Member Linda Martinelli
Parents Victorio Flores & Lisa Martinelli)*



WELCOME

*Those who have joined the
ranks of the retired:*



**BROWNIE BORRINK
HEIDI CECCARELLI
DARRELL WESTOVER
SHARLENE ARMAS
AL SHABANDI
JANICE WILKERSON**



REMCO
Retired Employees of Merced County
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Merced CA 95344-3605

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