



THE INTERCOM

Newsletter of the California Retired
County Employees Association (CRCEA)
April 2017

www.crcea.org

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PRESIDENT'S MESSAGE

Another year is upon us. A new set of politicians is in place. What will the future bring?

Each of us can only speculate the good, the bad, and the ugly of what might be in front of us. We probably have widely differing opinions on any given aspect of the politics from Washington DC to Sacramento. But, the one thing that unites us is the continuing need for a unified front in the area of protecting our current retirees and those retirees about to join us in the future.

So what is out there? At this point in time, we really don't know. Lots of chatter and speculation on more "pension reform" and the doomsday reporting of our pension systems.

Senator John Moorlach from Orange County has submitted several bills in the legislature to make more restrictions in the retirement laws and/or "spot bills" to be used for some future grand idea.

We are breathlessly awaiting some word from the Reed/DeMaio group on their intentions for the 2018 ballot box.

As a result, each of us should keep our eyes and ears open to what is, or is not, going on. The earlier we know about something, the sooner we can research it to see its impact and what (if anything) we should be doing.

But, let us not dwell on the negative.

What about the conference we had in the fall in Contra Costa County? CCCREA did a great job in setting up the program. Great information and interaction among the delegates. A full two and a half days of learning and training.

That leads us to the upcoming Spring Conference in

Ventura County. Conference information has been sent out and it again looks like good information and worth our time to participate. Our networking time is always worthwhile, and we can share ideas, along with problems and solutions.

One of our key topics will be the status of the ongoing action against CalPERS regarding its Long-Term Care program. We will get a major update and status report by one of the attorneys actively working the case. Many of our members have a direct attachment to this matter and are looking for some resolution. What better source of information.

CRCEA continues to reach out for affiliates. Those are businesses that provide services to retirees or otherwise support public employees and retirees that we can approach to be affiliates of CRCEA. All of our affiliates believe they have something of benefit for your members, and the local associations will be looking at each of them to evaluate at the local level. You can check on the

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basic information on each at our website under the Affiliate tab. If you have a question on their service/product, do not hesitate to give them a call in order to see if that affiliate can be of benefit to your association. As always, if anyone has any idea of potential affiliate that would be of benefit to CRCEA and its members, give Bill de la Garza, or any Executive Committee member, the information and we will follow up.

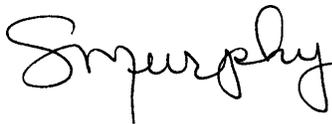
CRCEA is the only organization looking out for the retirees of '37 Act counties on the state level. The past few months are generally high retirement months in our counties. If any of you know any retirees who are retiring and are not signed up to be members of your local retiree association, talk with them and encourage them to join. Only through numbers do we have strength and only through our strength can we obtain success.

Let me take a bit of personal privilege here to ask a favor. The month of May is when groups regularly schedule ceremonies to honor those law enforcement officers who have been killed in the line of duty. Nationally there have been 135 law enforcement personnel killed, 10 in California. On Monday, May

8, California will hold its California Peace Officers' Memorial Ceremony in Sacramento. On Monday, May 15, the National Law Enforcement Memorial Ceremony will be held in Washington DC. My simple request is that on one, or both of these dates, you take just a moment to remember. These officers gave of themselves to protect the citizens of their communities from the evil that is out there.

We can feel safe in our homes and on our streets due to the efforts and sacrifices of our first responders. All of these people deserve our respect, and our gratitude for the noble cause they have taken on, no matter where they "work".

Until next time.....



SKIP MURPHY, President

The Pencil

The Pencil Maker took the pencil aside, just before putting him into the box. There are five things you need to know, he told the pencil, before I send you out into the world. Always remember them, and never forget, and you will become the best pencil you can be:

- * You will be able to do many great things, but only if you allow yourself to be held in someone's hand.
- * You will experience a painful sharpening from time to time, but you will need it to become a better pencil.
- * You will be able to correct any mistakes you might make.
- * The most important part of you will be what is inside.
- * On every surface you are used, you must leave your mark. No matter what the condition, you must continue to write.

The pencil understood, promised to remember, and went into the box with purpose in its heart.

Apply the five lessons learned from the pencil, and become the best you can be:

- * You will be able to do many great things, but only if you allow others to walk beside you, and access the great many gifts you possess.
- * You may experience pain and hurt from time to time, but you will become stronger for doing so.
- * You may be able to correct mistakes you might make.
- * The most important part of you will always be what is on the inside.
- * Over life's journey, you will leave marks. No matter the situation, make sure they are good ones, and always move forward.

~ Author Unknown

**“CALIFORNIA RULE” AT RISK?
by Art Goulet, REAVC**

The Courts have not been kind to current public employees recently! In two recent cases brought by employee unions, the Courts have held that pension benefits can be reduced for service not yet rendered; i.e., for prospective service. A third case is pending.

The “California Rule” is a legal doctrine that pension benefits in effect the day a government employee is hired must be honored throughout the employee’s entire career, and cannot be reduced without an offsetting benefit, not even on a prospective basis (although benefits could be increased, even retroactively). This doctrine is based on a 1955 California Supreme Court decision that stated “changes in a pension plan which result in disadvantage to employees should be accompanied by comparable new advantages.” (underline added). In some subsequent cases, “should” became “shall.” However, in the recent cases that have been decided, the appeals court opined there was a big difference between “should” and “shall” or “must.”

The first case, Marin Association of Public Employees et al v. Marin County Employees’ Retirement Association et al, which was decided in Division Two of the First District Court of Appeal (August 17, 2016, A139610, the “MAPE decision”), upheld the constitutionality of provisions of PEPR that applied to legacy members eliminating certain pay items from compensation earnable, which had previously been included. Importantly, inclusion of these pay items was always optional with 1937 Act retirement boards.

In reaching its decision, the Court found there was no evidence of legislative intent to create a hard and fast rule, such as the “California Rule” and that the legislature had the implied authority to make reasonable alterations, changes and modifications in retirement plans that reduce or eliminate certain aspects of a retirement benefit, so long as the resulting pension is “reasonable”, and the changes do not apply to already retired employees.

The second case, Cal Fire Local 2881 et al v. California Public Employees Retirement System et al, which was decided in Division Three of the First District Court of Appeal (December 30, 2016, A142793, the

“Airtime decision”), upheld a provision of PEPR that repealed a 2003 law that allowed employees to buy up to five years of non-qualified service credit, known as “airtime”, to increase the amount of service used in calculating their pension benefit. The Court found there was no evidence that the 2003 legislation was intended to create a permanent benefit and relied heavily on the MAPE decision.

The MAPE decision has been appealed to the California Supreme Court, which has agreed to hear it. As of this writing, the Airtime decision has not been appealed.

The third case, known as the “Consolidated Cases,” was assigned to Division Four of the First District Court of Appeal. It has been fully briefed, and is waiting for oral argument to be set. It involves many of the same issues as the MAPE decision so it will be very interesting if the court comes to a different decision. If they do, the Supreme Court will decide which Division was correct. If they don’t, the Supreme Court will decide whether or not to uphold the MAPE decision.

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Thus far, there haven't been any cases addressing what a "reasonable" pension is. If the MAPE decision is upheld, there most certainly will be, as agencies attempt to reduce their pension obligations.

CRCEA Conferences

Spring 2017
Ventura (REAVC)

Fall 2017
Alameda (REAC)

Spring 2017
Santa Barbara (RESBC)

Fall 2018
Marin (MCARE)

Spring 2019
San Diego (RESDC)

Fall 2019
Sonoma/Mendocino
(SCARE/AMCRE)

Spring 2020
Tulare (TCREA)

Fall 2020
Stanislaus/Merced
(RESCO/REMCO)

**WE HOPE YOU WILL BE
ABLE TO JOIN US FOR
GREAT INFORMATION,
NETWORKING, AND, OR
COURSE, FUN!**

CARAMEL-NUT POPCORN

3 quarts freshly popped popcorn (about 1/2 cup unpopped)
1 cup unsalted roasted cashews
1 cup salted roasted macadamia nuts
1 cup whole almonds or pecan halves
1 cup firmly packed dark brown sugar
1/2 cup light corn syrup
1/2 cup butter
1 tbs finely grated orange zest
1/2 tsp salt
1 tsp vanilla extract
1/2 tsp baking soda



Preheat oven to 250° . Butter a large roasting pan. Combine the popped corn and nuts in the pan, mixing well. Place in the heated oven while preparing the glaze. Any mix of nuts may be used as long as there are 3 cups total. In a large heavy saucepan over medium heat, combine the brown sugar, corn syrup, butter, orange zest, and salt. Bring to a boil, stirring constantly until the sugar dissolves. Boil for 4 minutes without stirring. Remove from heat and mix in the vanilla and baking soda.

Gradually pour the glaze over the warm popped corn and nut mixture, stirring to coat well. Return to oven. Bake until dry, about 1 hour, stirring occasionally.

Remove from the oven. Using a metal spatula, free the popcorn from the bottom of the pan. Let cool completely in the pan. Break into clumps. Store in an airtight container at room temperature for up to a week - if it lasts that long!

DID YOU KNOW?

- Melons, bananas, and other tough skinned fruits, should be washed even though one does not eat the outside. This helps remove bacteria and pesticides that could get into the fruit when cut.
- Plastic bar soap holders for travel make wonderful cases for most small digital cameras.
- A plastic cereal canister makes a perfect trash container for your car.
- If you break the glass container for your blender, most can be replaced by a Mason jar. Simply screw the base with blade onto the top of the jar. Size, of course, must be a match.

**CRCEA
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