

Retired Peace Officers Association of California



Newsletter

January 2017

Upcoming Dates

Jan 9, 2017
National Law Enforcement
Appreciation Day

May 15, 2017
Peace Officers Memorial Day

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President's Annual Report - 2016



Recruitment has been a big focus of RPOAC over the last few years. RPOAC has benefit programs designed with the retiree in mind. We have asked our leadership to go out and personally recruit new members. Many of them have attended retiree meetings and active association meetings to get the word out on what we have to offer retirees. We are reaching out to potential members through links on various Websites. We are also working with other organizations to promote recruitment for RPOAC. This year we started utilizing social media to help with recruitment. So far, we have had moderate results in our efforts. We have engaged a social media expert to help us with our social media use. Through these efforts we believe that our membership will grow in the next year. I would like to encourage the membership to help us recruit new members by telling retirees about the benefits of belonging to RPOAC. There is strength in numbers.

Benefits for members have always been a focus for RPOAC. In the past few years, many different insurance programs and other programs have been added for our members. This year we added CCW Safe as benefit for our members. CCW Safe is a legal defense plan to protect members in self defense incidents. It not only protects in

firearms use incidents, it would cover you if you used some other kind of force to protect yourself. Also, it comes with \$250,000 bail bond coverage. It is a program I would encourage you to look into. We are constantly exploring what new benefits we can make available to our members. A number of additional programs are on the horizon for the near future. Some of the insurance programs we currently have include group dental insurance, group vision insurance, group AD & D, term life insurance, long term care insurance, and supplemental insurance programs. For more information on these programs, go to:

<http://www.rpoac.org>.

As you know, RPOAC publishes the RPOAC Newsletter. It is an e-newsletter that is published quarterly. It will be sent to the email address we have on record for you. Please make sure RPOAC has your correct email address. It will contain information on what RPOAC is doing, pension news, available insurance products, and etc. RPOAC wants to pass on information that is important to the membership.

Let's all work together to move RPOAC forward in the coming year.

Respectfully submitted,

Alex Bernard

2016 EXECUTIVE DIRECTORS ANNUAL REPORT by Dennis Wright



Recruitment is still the most challenging aspect of our continued quest to remain a viable organization. Our newly implemented credit card payment program has been a success.

I know that some of you have been actively recruiting new members. Having said that, we still will always need to be very active in the recruitment area. So keep up the good work! Our membership count is static at this time. Between November 2015 and October 1st, 2016 we lost some members during the year, which was well below the normal amount. We have picked up new members during the year but the growth is still fairly slow.

Our insurance programs are going strong with more members taking advantage of the excellent programs available through Pacific Financial Designs. Our newest program, CCW SAFE is up and running and appears to be very excellent not to mention competitive program. After reviewing this program I don't think there is another program that offers as much for the money. Check it out on our web site www.rpoac.org.

So, until the next meeting, stay well and enjoy your retirement.

Fraternally,

Dennis Wright, Executive Director RPOAC

Three Things to Watch in 2017 by Alex Bernard

Three things you need to watch in 2017 are the impact of Proposition 63 and the similar legislation, the Loylton PERS pension cut and the Marin decision. It is important to stay informed on these issues as they may directly or indirectly affect you as a retiree.



Proposition 63 and the similar legislation passed earlier this year have an adverse effect on law enforcement retirees. There was no exemption provision in the proposition and legislation for law enforcement retirees. The areas of this proposition and legislation I will highlight cover the possession of high capacity magazines and the purchase of ammunition as I believe this will affect retirees the most. There are other provisions in the proposition and legislation that may affect you. For more information you can go to: <http://voterguide.sos.ca.gov/en/propositions/63/analysis.htm>.

As of July 2017 it will be illegal to possess a high capacity magazine, even if you possess magazines that were exempted in 2000. A high capacity magazine is defined as a magazine that holds more than ten rounds. This presents problems for retired law enforcement as most of us carried high capacity magazines when we were active. The law requires us to dispose of these magazines

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Pass the
Word!

RPOAC is the only association dedicated to serving the needs of retired first responders. Our primary concern is for you, the retiree. Unlike other organizations who also represent active-duty personnel, we focus our attention to the issues that could affect retirements and the benefits associated with retiring. Pass the word! Tell your friends to join RPOAC today!

Three Things to Watch in 2017

Continued from page 2

before July 2017. Possession will be an infraction. It appears that there will be litigation on this in the future. I will cover this later on in this article.

As of July 2019 you will have go through a background check to purchase ammunition. As of January 2018 it will be illegal to purchase out of state or online without going through a licensed dealer in California. The details of how the background checks will work are not available yet. Again, it appears that this will be litigated in the future as to its constitutionality.

The National Rifle Association and the California Rifle and Pistol Association have announced that they will initiate litigation challenging the constitutionality of Proposition 63 and the similar legislation. They are prepared to take this all the way to the United States Supreme Court. I don't have the details of what specific things they are going to do. I would urge you to support these organizations in their efforts to find these provisions unconstitutional.

The PERS Board cut the pensions of four employees of the town of Loyalton by about 60

%. To make a long story short, Loyalton voluntarily terminated its contract with PERS without paying off the 1.7 million debt they owed. PERS felt that they had a fiduciary duty to protect the fund, so they took the action to cut the retirees' pensions. PERS took the action they did to send a message that cities and counties can't leave PERS with pension debt and expect no consequences. Unfortunately, it was the employees who suffered the consequences. Could this happen in other jurisdictions? Yes, but it appears highly unlikely. However, it shows that pensions are not "bullet proof". Retirees need to be aware that things like this could happen, but it is extremely rare.

The California Rule basically says that whatever benefits you were promised when you were hired are vested and due to you when you retire. That has been the law for over 60 years. The County of Marin challenged that rule, and the First District Court of Appeal found that benefits could be changed for current employees because of financial constraints as long as they receive a reasonable pension. There was no definition of a reasonable pension. The California Supreme Court has agreed to hear the appeal of this decision. A decision on the appeal is more than a year away. As retirees this case won't affect us, but we need to be aware of what is going on with active employees as they will be retirees one day.

Annual Dues Notices Lost In The Mail!

A problem has occurred with the mailing of the annual dues notices which has resulted in hundreds of our notices being lost. While we work to correct this problem we would ask all members to not wait to receive their notice but go ahead and process their 2017 dues payment through our on-line payment system at www.rpoac.org or to mail in their dues prior to the January 1, 2017 deadline.

Rest assured that you will receive a paper dues notice in the mail once we resolve the current issue but we do have obligations that must be paid in a timely manner and therefore ask that you send in your dues renewal prior to

receiving the actual notice. Your Board thanks you for your prompt response and continued support of the Retired Peace Officers Association of California.

Dues renewal rates are:

Regular Membership

1 year—\$60, 2 years—\$110, 3 years—\$160

Associate Membership

1 year—\$36, 2 years—\$60, 3 years—\$90

FOP Dues

1 year—\$30



What Will You Pay for Medicare in 2017?

The Centers for Medicare & Medicaid Services (CMS) has announced that in 2017, most Medicare beneficiaries (about 70%) will pay \$109 per month on average for Medicare Part B. This is up from the \$104.90 monthly Part B premium that has been in effect since 2013.

If you fall into this group, you face only a modest Part B premium increase in 2017 because your Part B premium is deducted from your Social Security benefit, and you will be receiving only a small Social Security cost-of-living increase next year (0.3%). Due to a provision in the Social Security Act called the "hold harmless" rule, Medicare premiums for existing beneficiaries can't increase faster than their Social Security benefits. Because your Medicare premium increase is based on your actual Social Security benefit, you may pay more or less than the \$109 average premium. The Social Security Administration (SSA) will tell you the exact amount of your Part B premium in 2017.

Approximately 30% of Medicare beneficiaries are not subject to this provision, and may pay substantially more for Medicare Part B. You fall into this group if:

You enroll in Part B for the first time in 2017.

You don't get Social Security benefits.

You have Medicare and Medicaid, and Medicaid pays your premiums.

Your modified adjusted gross income as reported on your federal income tax return from two years ago is above a certain amount.*



The table below shows the Part B premium you'll pay next year if you're in this group.

Beneficiaries who file an individual income tax return with income that is:	Beneficiaries who file a joint income tax return with income that is:	Beneficiaries who file an income tax return as married filing separately with income that is:	Monthly premium in 2016:	Monthly premium in 2017:
\$85,000 or less	\$170,000 or less	\$85,000 or less	\$121.80	\$134
Above \$85,000 up to \$107,000	Above \$170,000 up to \$214,000	N/A	\$170.50	\$187.50
Above \$107,000 up to \$160,000	Above \$214,000 up to \$320,000	N/A	\$243.60	\$267.90
Above \$160,000 up to \$214,000	Above \$320,000 up to \$428,000	Above \$85,000 up to \$129,000	\$316.70	\$348.30
Above \$214,000	Above \$428,000	Above \$129,000	\$389.80	\$428.60

Benefits Corner (continued from page 4)

*Beneficiaries with higher incomes have paid higher Medicare Part B premiums since 2007. To determine if you're subject to income-related premiums, the SSA uses the most recent federal tax return provided by the IRS. Generally, the tax return you filed in 2016 (based on 2015 income) will be used to determine if you will pay an income-related premium in 2017. You can contact the SSA at (800) 772-1213 if you have new information to report that might change the determination and lower your premium (you lost your job and your income has gone down or you've filed an amended income tax return, for example).

Changes to other Medicare costs

Other Medicare Part A and Part B costs will change in 2017, including the following:

The annual Medicare Part B deductible for Original Medicare will be \$183, up from \$166 in 2016.

The monthly Medicare Part A (Hospital Insurance) premium for those who need to buy coverage will cost up to \$413, up from \$411 in 2016. However, most people don't pay a premium for Medicare Part A.

The Medicare Part A deductible for inpatient hospitalization will be \$1,316, up from \$1,288 in 2016. Beneficiaries will pay an additional daily co-insurance amount of \$329 for days 61 through 90, up from \$322 in 2016, and \$658 for stays beyond 90 days, up from \$644 in 2016.

Beneficiaries in skilled nursing facilities will pay a daily co-insurance amount of \$164.50 for days 21 through 100 in a benefit period, up from \$161 in 2016.

To view the Medicare fact sheet announcing these and other figures, visit Medicare.gov.

Article Links

These are links to articles and legislative actions that could be of interest to retirees and affect their financial futures. These links can be found on the RPOAC website (www.rpoac.org) and we suggest you log in often as these links are updated regularly and the information contained in them can be time sensitive.

[Trump high court could threaten public employee unions' cash flow](#) - 11/26/16

[Court says Palo Alto illegally looked to end binding arbitration](#) - 11/25/16

[State high court to review curbs on public pension 'spikings'](#) - 11/24/16

[CalPERS eyes higher contribution rates. What does that mean for workers?](#) 11/22/16

[CalPERS, CalSTRS considering more rate increases](#) - 11/21/16

[CalPERS cuts tiny town's pensions by 60 percent](#) - 11/17/16

[CalPERS says town defaulted on pension debt. What's next for tiny Loyalton?](#) - 11/17/16

[LAPD union blasts department's response to Trump protests](#) - 11/15/16

[Opponents fight California gun measure, count on Trump](#) - 11/13/16

[Why Fresno avoided bankruptcy, unlike Stockton](#) - 11/7/16