

APRIL
2022

QUARTERLY NEWSLETTER
of the
RETIRED PEACE OFFICERS
ASSOCIATION of CALIFORNIA

RPOAC



SERVING THOSE WHO SERVED OTHERS

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[AB-655 CA Law Enforcement
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[AB-2229 Peace Officer – Bias
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**PEACE OFFICERS
MEMORIAL DAY
MAY 15, 2022**



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Can Retirees Get Some Respect? by Alex Bernard

Can retirees get some respect? They seem to be the red-headed stepchildren /Rodney Dangerfields of law enforcement associations. A number of associations today appear to be trying to take advantage of their retirees. They are offering associate memberships that offer benefits retirees may already have and/or may not qualify for. It appears that they are trying to make money off of these retirees. Some departments are also having respect issues with retirees. They make it difficult for retirees to qualify and/or get their retired CCW ID. Some of them have used the pandemic to make changes to their policies. I must make it clear that there are a lot of associations and departments that do respect their retirees, and I thank them for that. This article will focus on some of the issues I see with some associations and departments.

A number of associations are offering associate memberships to retirees. In my opinion, I think that is wrong. Retirees were once active members of these associations. They are the ones who moved these organizations forward when they

were working. Many of these associations don't understand that these individuals have historical knowledge that would be valuable to the current leadership. But the biggest issue as I see it is, you are paying dues without representation. If retirees are paying dues, they should have a voice in how they are used. It appears that these associations want their retirees' money, but they want them to keep their mouths shut. That is unacceptable to me. RPOAC on the other hand is run by retirees, for retirees and members have a right to vote. I am also happy to tell you that both National FOP and California FOP respect retirees. They are treated as equals. In fact, the National President and the State President are retirees.

I recently heard of an association wanting to charge retirees \$750 a year to be an associate member. Those dues are outrageous in my opinion. They are offering services to the retirees that are offered by other organizations.

(Continued on Pg 3)

Benefits Available to RPOAC Members



Protect yourself while protecting others. Enroll in CCW Safe!



Don't let hearing loss keep you from joining the conversation.



Bring simplicity to healthcare.



Talk to an attorney on personal legal matters without worrying about high hourly costs.



Worried about loved ones, get notified when an incident happens.



Your trusted mortgage professional.

Find more info [HERE!](#)



What Do Raising Interest Rates Mean for Your Money?

On March 16, 2022, the Federal Open Market Committee (FOMC) of the Federal Reserve raised the benchmark federal funds rate by 0.25% to a target range of 0.25% to 0.50%. This is the beginning of a series of increases that the FOMC expects to carry out over the next two years to combat high inflation.

Along with announcing the current increase, the FOMC released economic projections that suggest the equivalent of six additional 0.25% increases in 2022, followed by three or four more increases in 2023. Keep in mind that these are only projections, based on current conditions, and may not come to pass. However, they provide a helpful picture of the potential direction of U.S. interest rates.

What is the federal funds rate?

The federal funds rate is the interest rate at which banks lend funds to each other overnight to maintain legally required reserves within the Federal Reserve System. The FOMC sets a target range, usually a 0.25% spread, and then sets two specific rates that act as a floor and a ceiling to push the funds rate into that target range. The rate may vary slightly from day to day, but it generally stays within the target range.

Although the federal funds rate is an internal rate within the Federal Reserve System, it serves as a benchmark for many short-term rates set by banks and can influence longer-term rates as well.

Why does the Fed adjust the federal funds rate?

The Federal Reserve and the FOMC operate under a dual mandate to conduct monetary policies that foster maximum employment and price stability. Adjusting the federal funds rate is the Fed's primary tool to influence economic growth and inflation.

The FOMC lowers the federal funds rate to stimulate the economy by making it easier for businesses and consumers to borrow and raises the rate to combat inflation by making borrowing more expensive. In March 2020, when the U.S. economy was devastated by the pandemic, the Committee quickly dropped the

rate to combat inflation by making borrowing more expensive. In March 2020, when the U.S. economy was devastated by the pandemic, the Committee quickly dropped the rate to its rock-bottom level of 0.00%–0.25% and has kept it there for two years as the economy recovered.

The FOMC has set a 2% annual inflation goal as consistent with healthy economic growth. The Committee considered it appropriate for inflation to run above 2% for some time in order to balance the extended period when it ran below 2% and give the economy more time to grow in a low-rate environment. However, the steadily increasing inflation levels over the last year — with no sign of easing — have forced the Fed to change course and tighten monetary policy.

How will consumer interest rates be affected?

The prime rate, which commercial banks charge their best customers, is tied directly to the federal funds rate and generally runs about 3% above it. Though actual rates can vary widely, small-business loans, adjustable-rate mortgages, home-equity lines of credit, auto loans, credit cards, and other forms of consumer credit are often linked to the prime rate, so the rates on these types of loans typically increase with the federal funds rate. Fed rate hikes might also put upward pressure on interest rates for new fixed-rate home mortgages, but these rates are not tied directly to the federal funds rate or the prime rate.

Although rising interest rates make it more expensive for consumers and businesses to borrow, retirees and others who seek income could eventually benefit from higher yields on savings accounts and certificates of deposit (CDs). Banks typically raise rates charged on loans more quickly than they raise rates paid on deposits, but an extended series of rate increases should filter down to savers over time.

What about bond investments?

Interest-rate changes can have a broad effect on investments, but the impact tends to be more pronounced in the short term as markets adjust

Rising Interest Rates (Continued)

to the new level.

When interest rates rise, the value of existing bonds typically falls. Put simply, investors would prefer a newer bond paying a higher interest rate than an existing bond paying a lower rate.

Longer-term bonds tend to fluctuate more than those with shorter maturities because investors may be reluctant to tie up their money for an extended period if they anticipate higher yields in the future.

Bonds redeemed prior to maturity may be worth more or less than their original value, but when a bond is held to maturity, the bond owner would receive the face value

and interest, unless the issuer defaults. Thus, rising interest rates should not affect the return on a bond you hold to maturity but may affect the price of a bond you want to sell on the secondary market before it reaches maturity.

Although the rising-rate environment may have a negative impact on bonds you currently hold and want to sell, it might also offer more appealing rates for future bond purchases.

Bond funds are subject to the same inflation, interest rate, and credit risks associated with their underlying bonds. Thus, falling bond values due to rising rates can adversely affect a bond fund's

performance. However, as underlying bonds mature and are replaced by higher-yielding bonds within a rising interest-rate environment, the fund's yield and/or share value could potentially increase over the long term.

How will the stock market react?

Equities may also be affected by rising rates, though not as directly as bonds. Stock prices are closely tied to earnings growth, so many corporations stand to benefit from a more robust economy, even with higher interest rates. On the other hand, companies that rely on heavy borrowing will likely face higher costs going forward, which could affect their bottom lines.

The stock market reacted positively to the initial rate hike and the projected path forward, but investors will be watching closely to see how the economy performs as interest rates adjust — and whether the increases are working to tame inflation.

The market may continue to react, positively or negatively, to the government's inflation reports or the Fed's interest-rate decisions, but any reaction is typically temporary. As always, it's important to maintain a long-term perspective and make sound investment decisions based on your own financial goals, time horizon, and risk tolerance.

Can Retirees Get Some Respect?

President's Article (cont. from page 1)

I have to believe that most retirees use these services at a much lower cost currently. What is interesting about the CCW coverage they are offering is the retirees from their department wouldn't qualify for the coverage because of the firearms qualification policy of the department. It appears that this association is trying to take advantage of their retirees. It is sad because it shows a lack of respect for the retirees. I am aware of some other associations that charge a more reasonable fee for associate membership, but it is the lack of voting rights that still bothers me.

Some departments appear to have a respect issue with retirees concerning qualifications and/or CCW IDs. During the pandemic a number of departments changed their qualification policies so retirees couldn't use their department's range to qualify. They said that they were trying to protect retirees from Covid exposure. The retirees were directed to go to private ranges to qualify. Of course, there would be a possible Covid exposure issue at the private ranges. I have observed over the last few years that some departments don't want to be bothered with



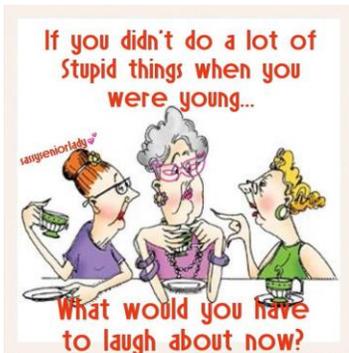
retirees' qualification needs. It would appear that they don't want to take the time to qualify retirees for unknown reasons. Retiree CCW IDs is the other issue coming up with some departments. They are requiring retirees to qualify and get a new CCW ID every year. It doesn't make sense because the Penal Code says CCWs are issued for five years. If you want HR 218 coverage, then you must qualify every year. I went through this with my department a few years ago. They went back to the five-year CCW because every year got too complicated. I don't see a legislative fix at this time because of the anti-police sentiments in the Legislature. Hopefully, time will fix these issues.

Should you have questions about HR 218, here is a link to frequently ask questions:

<https://files.fop.net/wp-content/uploads/2021/03/leosa-faq.pdf>

Stay safe.

Just for Laughs



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Beautiful young people are acts of nature, but beautiful old people are works of art.



Tips to Save Money at the Gas Pumps

If you're just looking at the price from the street, you're leaving money on the table. There are things you can do to keep your gas expenses down.

Use a gas station app or website.

Smartphone apps, such as those from GasBuddy, AAA, and Gas Guru, are particularly convenient when you're traveling and away from your computer. They're available for Apple and Android devices. Many are free. You can filter results by fuel grade and sort by distance and price, as well as get GPS-guided directions to the station you choose.

GasBuddy and Fuel Finder also let you check stations for amenities such as ATMs, restaurants, and car washes. GasBuddy has station reviews, which might tell you, for instance, which restrooms to avoid. And Gas Guru lets you save your favorite stations, so you can remember where to stop on your way back.

The Google Maps and Waze apps, which many people use for real-time traffic alerts and driving directions, also offer gas-price info. You're likely to find that you may be able to get a better deal at stations that are not located on major highways.

Of course, making a big detour to pay less might not make sense.

Think about how best to pay.

Some stations offer a lower price if you pay with cash instead of a credit card. The difference between the cash and credit price usually ranges from around 10 to 15 cents per gallon but it can be as much as a dollar.

Another option is to pay with a cash-back credit card. While the credit card price may be higher than the cash price, the reward you receive could make using the credit card a better deal.

Check your tire pressure.

Making sure your car's tires are properly inflated to the pressure indicated on the sticker inside the driver's door will make it run more efficiently.

Slow down.

It may sound silly, but with prices being as high as they are, it's a good idea to keep your foot off of the gas pedal. Reducing your speed to 65 on the highway can increase fuel economy by as much as 15 to 20 percent.

MEETINGS

RPOAC

Our Bi-Annual Board meeting has been scheduled for Tuesday, May 17.

We will meet at the Peppermill Resort in Reno, Nevada. All members are welcome to attend.

Our General Membership meeting will be held in the last quarter of the year. Keep an eye on our website for updates regarding the members meeting.

WEBSITE

Updates



Be sure to check out our social media sites on Facebook and LinkedIn. Direct links are available from the Home page of the RPOAC website.

Visit RPOAC.ORG





Briefing Board

Legislative actions and articles of interest for RPOAC members.

Just because you're retired doesn't mean you shouldn't know about what's going on at the federal, state and local levels of government that could affect your pension or retirement benefits.

As part of our commitment to you, our members, we provide these links to keep you aware of the ever-changing political and legislative activities.



Click on the links!

THE BRIEFING BOARD

- [Notices of Election Released for 3 CalPERS Board Seats](#) - 3/14/22
- [Teachers, school employees may be paying thousands in extra fees on retirement accounts](#) - 3/12/22
- [California lawmakers push pension funds to divest of Russian assets](#) - 3/7/22
- [LAPD officers will now have to explain reasons behind traffic stops](#) - 3/2/22
- [California city approves 1st US insurance law for gun owners](#) - 1/26/22
- [California politicians now talking tough on crime](#) - 1/19/22
- [Who should pay for pension mistakes? New California law puts employers on the hook](#) - 12/30/21
- [Democrats, Employee Groups Rally Around Social Security Reform Bill](#) - 12/10/21
- [CalPERS says these 5 retirees broke pension rules with part-time jobs. What did they do wrong?](#) - 12/2/21
- [Borenstein: Biden, like Obama, aims to weaken California pension reform](#) - 11/21/21
- [CalPERS Board Selects New Asset Allocation for Investment Portfolio, Keeps Discount Rate at 6.8%](#) - 11/16/21
- [Biden administration blocks billions in California transit money, citing pension law](#) - 11/11/21
- [Issue 24-Citizen Review Board, Cleveland passes, Minneapolis defeats Public Safety proposal](#) - 11/3/21
- [Minneapolis voters to decide on scrapping police department after George Floyd murder](#) - 11/1/21
- [Private Equity Firms Want to Gobble Up California's Pensions](#) - 11/1/21
- [California Democrats defer proposal to ban contributions from law enforcement, fossil fuel groups](#) - 10/25/21
- [U.S. Supreme Court sides with police in qualified immunity cases](#) - 10/24/21
- [Final FOP vs Brown out of Oregon](#) - 10/9/21
- [Criminal justice reform panel scores legislative wins](#) - 10/2/21
- [Fired: New law lets California decertify police for serious misconduct](#) - 10/1/21
- [Company Pitches Liability Insurance For Colorado Cops, Following Passage Of Police Reform Law](#) - 9/16/21
- [CalPERS Health Benefits Open Enrollment Starts September 20](#) - 9/16/21
- [Bill to weed out bad cops heads to California governor](#) - 9/9/21
- [California Lawmakers Advance Bill To Strip Badges From Bad Officers](#) - 9/4/21
- [California lawmakers approve more police records access](#) - 9/3/21
- [Community groups rally in support of two bills focused on police and campaign reform](#) - 8/19/21
- [New Ballot Measure Proposed to Prohibit Public Employee Unions](#) - 8/13/21
- [Former Assistant Sheriff Cecil Rhambo wants the top job in 2022](#) - 8/10/21
- [San Diego re-opening its pension system in wake of courts nullifying Proposition B](#) - 7/19/21
- [4 wealthy donors fuel overhaul of California's criminal justice system](#) - 7/19/21
- [Bill To Decertify Police Officers With Multiple Misconduct Incidents Passes Assembly Committee](#) - 7/15/21
- [California pension fund agrees to \\$2.7 billion lawsuit deal](#) - 7/14/21
- [CalPERS Announces Health Plan Premiums for 2022](#) - 7/13/21
- [CalPERS Reports Preliminary 21.3% Investment Returns for Fiscal Year 2020-21; Strong Returns Trigger Reduction in Discount Rate to 6.8%](#) - 7/12/21
- [San Jose Attempts to Trample the Rights of Law-Abiding Gun Owners](#) - 7/2/21

