



Let's hope to sing in the rain (sometime soon)

January – February

Tim Knudsen, Editor



FRIENDSHIP • UNITY • STRENGTH • GROWTH

# THE CONNECTION

## AMCRE: Annual General Meeting

**Date:** Monday February 9, 2015

**Time:** 12:00 Noon to 1:15 p.m.

**Place:** Slam Dunk Pizza, 720 North State St.  
Ukiah, California

See information inside this newsletter

## PRESIDENT'S MESSAGE

Dearest AMCRE Family,

Happy New Year to each and every one of you. I hope 2015 holds good health, happiness, prosperity and blessed memories.

The board of directors had their first planning meeting in January and feel a sense of excitement for this year. Beginning with the upcoming general meeting to be held February 9<sup>th</sup> at 12:00 noon at Slam Dunk Pizza, 720 North State Street in Ukiah. AMCRE will be buying the pizza, salad and soft drinks.

Tom Liberator has made arrangements for a representative from Calstar Emergency Flight Services to be our first speaker of the year. We hope to negotiate the best rates possible from both Calstar and Reach for our organization. We hope, in coming months to have a representative from the senior center, District Attorney Dave Eyster and several other interesting speakers. We will also be planning the summer picnic and Christmas party which were both very well attended this past year.

In other exciting news the board voted to add a third \$500.00 scholarship for retirees children and/or grandchildren. Two scholarships are available for high school graduates and one will be available to returning students who are continuing their education. The students need not reside in Mendocino County and those planning to attend a trade school are also eligible to apply. Please see the application requirements and conditions for proof of enrollment elsewhere in this copy of the Connection.

We are also adding some new features to the newsletter in the months ahead. One of which is, if any retirees are aware of any Mendocino County retirees that are of special interest, we would love to include an article about them.

Stay tuned for other news in the months ahead and if you have suggestions or questions for the board please contact me or one of the other board members for discussion.

Thank you all for your service to Mendocino County and make 2015 the year you get involved with AMCRE. The article on page six of the newsletter was provided by CRCEA, the parent organization of all 20 retiree's associations in California.

Sue Thornhill, President

Tom Liberatore, President  
Cyndi Montesonti, Secretary  
Tim Knudsen, Connection Editor/C.R.C.E.A. Delegate

Sue Thornhill, Vice President  
Vernlyn Farnsworth, Treasurer

3 yrs. Directors: Doug Sawyer/Tom Desroches  
2 yr. Directors: Marilyn Heath/Pat Vetzmadian  
1 yr. Directors: Shirley Christensen/Ned Walsh

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**ASSOCIATION OF MENDOCINO COUNTY RETIRED EMPLOYEES'**  
**MINUTES OF THE REGULAR BOARD OF DIRECTORS MEETING,**  
**November 10, 2014**  
**SLAM DUNK PIZZA, 720 N. State Street, Ukiah**

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1. **CALL TO ORDER** Vice -President Sue Thornhill called the meeting to order at 1:05 pm.

2. **ROLL CALL** was conducted with the following Board members present: Sue Thornhill, Cyndi Montesonti, Vernlyn Farnsworth, Doug Sawyers, Tom Desroches, and Pat Vetzmadia . Absent: Tom Liberatore, Tim Knudsen, Marilyn Heath, Shirley Christensen and Ned Walsh . Visitors in attendance: Angie Lowe our Sunrise Committee Chairperson, Raylene Lucchesi (future Treasurer to be elected), Richard Stenbeck (future delegate to be elected) and Dawn Long. Chuck Thornhill arrived later to help with the newsletter.

3. **APPROVAL OF MINUTES:** Motion was made by Pat Vetzmadian, seconded by Doug Sawyers to approve the minutes of the Special General Membership meeting held October 13, 2014. Motion carried unanimously.

4. **COMMITTEE REPORTS**

**TREASURER'S REPORT:** Treasurer Vernlyn Farnsworth reported the balance in the treasury as of November 5, 2014 was \$7,945.53. Check received and deposited from the County for \$862.10. Sue Thornhill was go to the bank and close out the Scholarship Account and move the balance into the general account. In the future, all scholarships will be paid out of the general account.

- **MEMBERSHIP REPORT:** Vice-President Sue Thornhill reported that we currently have 880 members. Seven or 8 are self pay.
- **PROGRAM COORDINATORS' REPORT:** Sue Thornhill and Tom Liberatore will begin looking for guest speakers for the meetings sometime after the first of the year. She plans to ask Dave Eyster to speak in the fall and maybe somebody from the Senior Center. Any ideas or suggestions for speakers, let Sue and Tom know.
- **RETIREMENT:** Tim Knudsen was absent. However, Cyndi Montesonti discussed attending the CRCEA Conference in Tim's place in Sacramento. The report will be included in the next newsletter that comes out in 2015. Cyndi discussed the new tier of retirement created for new employees in the County's Retirement System.
- **HEALTH INSURANCE:** Nothing to report
- **SCHOLARSHIP REPORT** – Discussion moved to next Board meeting in 2015.

5. **OLD BUSINESS**

**SCHOLARSHIP:** Discussion tabled to the next Board meeting in 2015 as to who can apply for future Scholarships through AMCRE.

**RAFFLE PRIZES FOR HOLIDAY PARTY:** Discussion of amounts to be raffled off at the December 8, 2014 Holiday Party. Doug Sawyer moved to award the following raffle prizes:

- 5 - \$20.00 prizes
- 2 - \$50.00 prizes
- 1 - \$100.00 prize

Tom Desroches **seconded. PASSED.** Vernlyn will come with the cash and envelopes all ready for the prizes.

**ASSOCIATION OF MENDOCINO COUNTY RETIRED EMPLOYEES'**  
**MINUTES OF THE REGULAR BOARD OF DIRECTORS MEETING,**  
**(Continued)**

**ELECTIONS:** No further discussion. Slate of Officers to be elected at the December 8, 2014 Holiday Party are as follows:

President:	Sue Thornhill
Vice-President:	Tom Liberatore
Secretary:	Cyndi Montesonti
Treasurer:	Raylene Lucchesi
Connection Editor/ CRCEA Delegate:	Tim Knudsen
3 year Directors:	Tom Desroches/Dorinda Miller
2 year Directors:	Marilyn Heath/Pat Vetzmandian
1 year Directors:	Shirley Christensen/Richard Stenbeck

**6. NEW BUSINESS:**

**GENERAL MEETING/HOLIDAY PARTY:** Discussion regarding "The Connection" preparation. Tom Liberatore picked up the newsletters so the people in attendance could get them out as soon as possible due to the needed RSVP's for the December 8, 2014 Holiday Party at Dora's Gourmet Café (formerly North State Street Café). Cyndi Montesonti noted that the updated flyer she had sent to Tim Knudsen was not used and the information on this one was not completely accurate. The updated flyer had the money for the holiday party to go to Cyndi Montesonti at her home. The old flyer was used with Sue Thornhill's home address. She will get the information to Cyndi. Cyndi wants to encourage everyone to attend the holiday party, RSVP and mail their check before Nov. 24. The party will be fun, elections are held, and we get to ride the MTA Trolley from the parking lot of Slam Dunk Pizza to the restaurant. Everyone is encouraged to show up by 11:45 a.m. on Monday, December 8, 2014 to park in the back lot of Slam Dunk Pizza and ride the trolley. It will take people twice there and will pick up around 1:30 p.m. and probably circle back to take one more load. You can park downtown if you can find parking, but we are encouraging using the Trolley. Please tip the driver \$1.00 per person. Raylene, Cyndi, Sue and a few others will show up around 11:00 a.m. to decorate tables. Call Cyndi with questions. Vernlynn will bring plenty of copies of holiday songs to sing along with the raffle prize money already in envelopes.

- Next General Meeting will be held Monday, December 8, 2014 at Noon at Dora's Gourmet Café. It will be the holiday party and elections.
- Cyndi reminded everyone to get agenda items to her in a timely fashion.
- Sue reminded everyone that if they know of someone who is ill or passed away to advise Angie Lowe. She will send a card.
- Future speakers: Again let Sue and Tom know of any suggestions.
- Below are the listed months that the Board of Directors and the General Membership will meet. Meetings are usually held the 2<sup>nd</sup> Monday of the month. Four meetings a year.

BOARD MEETINGS: January, April, July, October will be a special meeting for nominations and November.

GENERAL MEETINGS: February, May, August and December.

There being no further business Vice-President Sue Thornhill called the meeting adjourned at 2:00 PM.

Respectfully Submitted,  
CYNDI MONTESONTI  
Secretary

**AMCRE GENERAL MEETING 2/9/2015  
SLAM DUNK PIZZA  
720 NORTH STATE ST., UKIAH  
BETWEEN 12:00 AND 1:15 P.M.**

It's time for the general meeting of AMCREA to begin the new year. This meeting will be held at Slam Dunk Pizza at the address shown above. AMCRE will provide pizza, salads and soft drinks.

Past President and current Vice-President Tom Liberatore has arranged for a representative from the Calstar Emergency Flight Service to make a presentation at this meeting. We hope to have a representative from Reach Emergency Flight Service in the near future. AMCRE is hoping to arrange for continued reduced rates for both services so that families can be enrolled in both. It is essential to enroll in both since you cannot be sure which will be available if the need for this service arrives.

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**SCHOLARSHIP ANNOUNCEMENT**

The members of the Association of Mendocino County Retired Employees (A.M.C.R.E.) are proud to announce we are now offering three \$500.00 scholarships for the children or grandchildren of Mendocino County Retirees who are members in good standing with A.M.C.R.E. Each scholarship will be paid in two installments, one at the beginning of each semester, with proof of enrollment.

Applicants for the two scholarships available to high school students must be graduating seniors who are planning to further their education through an accredited college or trade school. Applicants for the newly added scholarship must be students who have or are currently attending college and are either going on to a higher college or trade school or are advancing in their field of study.

To apply write a one page essay, which should include the name of their parent or grandparent who is a member of A.M.C.R.E. and the department from which they are retired, and information about the students interests and which school and field they plan to work toward. Application should also include a copy of their high school transcript (to date) and two letters of recommendation from high school teachers or administrators. Mail packets to 2721 Road E, Redwood Valley, Ca. 95470.

Applications must be received by **April 15, 2015**. Successful applicants will be invited to attend the general membership meeting on May 11, 2015. If winners do not live in the immediate area they will be invited to attend either by phone or telecommunication.

# Differences Between Private & Public Pension Movements

By Mike DeBord, Co-Chair CRCEA Retirement Security Committee

The 1987 movie “Wall Street” demonstrated how the corporate “Greed is Good!” philosophy helped destroy defined benefit pensions in the private sector. Through corporate mergers and acquisitions, the prize was often looting employee pension plans, especially the over-funded plans. Unfortunately, the **real life scenario that occurred over the last 30 years in corporate America has in fact eliminated most private sector defined benefit pension plans**. They were most often replaced with 401(k) savings plans. But when you ask U.S. workers which plan they would prefer for retirement security, they respond with a preference for a guaranteed stream of pension payments provided through defined benefit plans vs. the do-it-yourself 401(k) plans that are subject to volatility, leakage through loans, high fees and often grossly underfunded.

**So why did private sector workers let this happen to them? And what are the differences in what happened in the private sector and the pension reform movement in the public sector?**

In the **private sector**, the elimination of worker pensions came not only through mergers, acquisitions and bankruptcies but from CEO’s simply imposing the changes on their workers. Examples show a pattern of CEO’s announcing that there was a problem with the pension fund (which in many cases there wasn’t) and advising employees of a new and better pension replacement plan, such as a “cash balance pension plan” or “pension equity plan” and later, the infamous “401(k) savings plan”. **Comparisons of the differences between the old and new plan were often not provided to employees or masked** so employees didn’t know the full effect of the change until they were ready to retire. Private sector unions that had previously represented worker interests were mostly gone by this time. And for corporate CEO’s, it must have been like “taking candy from a baby” and they were richly rewarded through pay-for-performance measures for their actions. The average annual compensation for Fortune 500 CEO’s is now \$10.8 million or **257 times average worker pay** (who no longer has a pension).

In the **public sector**, changes to pensions are being attempted through voter initiatives, either to close public pension systems or to eliminate legal protections for pensions. But public sector unions are still in place representing employee interests. And top executive pay in government is closer to **6 times average worker pay** and they are not financially rewarded for duping their employees out of their pensions. But probably the most important difference is that we now have evidence that the 401(k) savings plans that were never designed to replace pensions are becoming a real financial disaster for private sector retirees. The question is: **Why would anyone want to follow a failed private sector strategy (or more appropriately, a gimmick) that is currently producing such devastating financial results for our American workers?** The answer is: **We shouldn’t follow; we should fight to protect our defined benefit plans!**

**CRCEA Fall Conference Report**  
**Sacramento, CA**  
**October 20-22, 2014**  
**by Cyndi Montesonti, Secretary, AMCRE**

I had the privilege of attending the California Retired County Employees Association (CRCEA) Fall Conference in Sacramento on October 20-22, 2014 for our Delegate, Tim Knudsen, who was unable to attend. Although I have an understanding of the 1937 Retirement Act, I walked away from this conference realizing how lucky all of us, as retirees, retired when we did. The Sacramento County Employees' Retirement CEO Richard Stensrud and the Co-Chair of this conference, Mike DeBord, presented an hour long interview with questions and answers on the 1937 Act. It was quite informative. I believe we were all very lucky to have chosen the career paths we took that employed us for a very long time with County government. Many of you may have heard how the Counties added a new tier to the Retirement System. This new tier gives newly hired County employees many benefits. The retirement benefits of newly hired and future County employees' are far less than what we, the current retirees left with. However, according to Mr. Stensrud, the speaker, he said you won't see 21 year olds looking to move into County employment and make it their career at that age. He said, even with all the reductions of benefits that people will look to be hired into County government at the average age of 30, realizing they will need to save for retirement. The new tier of benefits added to the 1937 Act, will force the individuals to work well past the age of 57, late into their 60's or longer, and they will have to save more money or get a second job to make up for the loss of benefits that an employee left with from County government before the tier change. He said that people will realize that they need to trade off salary for future retirement packages and stability within a retirement program. Employees in this tier will have to enhance deferred comp or add into savings plans that are for retirement purposes.

He also answered a question "Can a County in the 1937 Act ever opt to get out of it or are we one big happy crime family?" He said you are in for life. Once a County signs up for the 37 Act System, they cannot leave it. Maybe the 37 Act could be amended to be unwound in the future if there was a big interest to do that. There isn't now. Legislature would have to do that. Basically we are bonded for life he said, but not as a crime family.

The next speaker was Robert Palmer of SACRS, who talked in depth about Retirement Security. This was a very interesting program as well. He explained how all counties of the 1937 Act interpreted the new change in PEPRA the same, however, Marin did not. Five unions filed lawsuits in Marin County because the County of Marin interpreted that the new changes that went into effect for newly hired County employees also took effect on existing employees' future earnings. This will be battled in Court and will be a very interesting case to follow. He said they were the only County to interpret all the changes that way. Also funding retirement plans and Pension Obligation Funds were covered.

The next panel was a big discussion on Legislative Reports. The panel featured a CRCEA Legislative Consultant, the Chief Consultant to the Assembly Committee on Public Employees, Retirement and Social Security; and the Executive Staff Director from the Senate Committee on Public Employment and Retirement. These women were very knowledgeable in their areas they discussed. The Public Employees Pension Reform Act, the newest change made to the tier was covered in detail. To understand this, it was explained that the lower benefit formulas are applied for new members in the system. It puts a cap on the annual dollars to be credited. The employees in this tier will never get retiree COLA's in the future. What they retire with, is their amount for life.

There were many other presentations touching on topics such as the Ventura initiative on the ballot; an excellent presentation on the Class Action Lawsuit Against CalPERS regarding Long-Term Care presented by Michael J. Bidart (of the law firm: Shernoff Bidart Echeverria Bently) Trial Attorney for Plaintiffs; a panel discussing Legislative Reports and Issues, an excellent presentation by a Detective from Sacramento County's High Tech Crime Division talking on Cyber Crimes Against the Elderly and the finale speaker was "Are You Good to Go?" That is ways to prepare yourself for the end of life. Fitting topic for the retirees and its final conference presentation.

I felt fortunate to take part in this conference with this wonderful group, and hope to attend again in the future and become involved with the California Retired County Employees Association. We were given a schedule of future conferences, and it looks like Sonoma and Mendocino County Co-host CRCEA Conference in Fall of 2019 (that is not a typo). I hope to be involved with the Conference Planning. It would be fun to host it in Mendocino County. I understand Mendocino usually helps Sonoma County and it is held there, because of the airport convenience and wine tours so I was told by someone from Sonoma County. I said wine tours?? I can arrange that in Mendocino County along with a Skunk Train ride and lots of other exciting events. Who knows what 2019 will bring? Conference planning is right up my alley.



Tom Liberatore, President  
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**ASSOCIATION OF MENDOCINO COUNTY RETIRED EMPLOYEES'  
MINUTES OF THE GENERAL MEMBERSHIP MEETING**

**DECEMBER 8, 2014**

Dora's Gourmet Café  
263 N. State Street  
Ukiah, CA 95482

- 1. CALL TO ORDER:** President Tom Liberatore called the meeting to order at 12:10 p.m. welcoming Retirees and guests to the General Membership holiday luncheon at Dora's Gourmet Café on North State Street (formerly North State Café). Director Doug Sawyer led us in a prayer.
- 2. INTRODUCTION OF GUESTS PRESENT:** President Tom asked for introductions of the retirees and their guests. 70 people attended the holiday luncheon. Tom introduced the chartered Trolley driver, Jim. Everyone enjoyed riding the trolley to the restaurant. Thank you Slam Dunk Pizza for allowing the cars to be parked there. The musicians were introduced as well, Francis and her husband.
3. Tom Liberatore led us in the Pledge of Allegiance. All business dispensed with.
4. President Tom Liberatore thanked Vernlyn Farnsworth for her years of service as the Association's Treasurer. Sue Thornhill thanked Tom Liberatore for his years of service as the Association's President.
- 5. INSTALLATION:** Sue Thornhill introduced Marsha Wharff to swear in the Slate of Officers for 2015. The following Officers and Delegates were approved by the General Membership and sworn in:

<b>President:</b>	<b>Sue Thornhill</b>
<b>Vice-President:</b>	<b>Tom Liberatore</b>
<b>Secretary:</b>	<b>Cyndi Montesonti</b>
<b>Treasurer:</b>	<b>Raylene Lucchesi</b>
<b>Connection Editor and C.R.C.E.A. Delegate:</b>	<b>Tim Knudsen</b>

**Directors:**  
**3 Year:** Tom Desroches/Dorinder Miller  
**2 Year:** Marilyn Health/Pat Vetzmadian  
**1 Year:** Shirley Christensen/Richard Stenbeck

Everyone was congratulated and welcomed.

- 6. LUNCH SERVED:** For \$16.00 per person we had salad, bread, drinks, tri tip, meat and a vegetarian lasagna, vegetables and desserts. The food was absolutely delicious.
7. Francis and her husband led the group in holiday songs. We called Irene Lange to sing "We Wish You A Merry Christmas."
- 8. DRAWINGS:** Raffle winners are as followed: \$20.00 winners: Leonard Swope, Marsha Wharff, Deb Stenbeck, Tom Desroches and Sue Thornhill. \$50.00 winners: Raylene Lucchesi and Angie Lowe. \$100 winner: Tim Knudsen. Congratulations everyone!  
The following people donated their winnings back to the Scholarship fund: \$20.00 from Sue Thornhill, \$20.00 from Tom Desroches, \$20.00 from Deb Stenbeck and \$100 from Tim Knudsen.
9. **COMMENTS:** The next Board meeting will be January 12, 2015 at Slam Dunk Pizza at 1:00 p.m.
- 10. ADJOURN:** Meeting and lunch was adjourned at 1:30 p.m.

Respectfully submitted, CYNDI MONTESONTI