

ACSA Retirement Committee recap

Wednesday, November 6, 2019/Hyatt Regency San Francisco

Chair- Kathleen McCreery

Vice Chair Cheryl Lynn de Wert

STRS report via phone with Joycelyn Martinez-Wade & Diane Stranton

STRS is meeting today for 3 days to decide what is going to be presented to the legislature in 2020.

Review of 2019

1. CSTRS traditional & Roth IRA are offered to current employees and spouses. There are administrative fees for these programs.
2. Plan to bring more fund management in house; want best returns at lowest cost. But, also want best managers. STRS board has authority to hire best managers with legislative approval. There are 11 states where state employees can't travel to because they aren't open to all groups of people. Approval is needed to travel to those states because our particular fund manager or investment is in that state. Housekeeping issues to be discussed. Retirement incentives have to be OKed by STRS. Going to review incentive options. STRS is working to be sensitive to the environment or Anti U.S. forces. Possible action that charter teachers will have to join STRS. Death benefit, survivor benefit, and SBMA to older retirees may appear on the May agenda.

CALPERS report via phone with David Teykaerts

50% of their portfolio is in public funds. Every STRS employees are CALPERS members.

Legislative report/Ivan Carrillo

Derrick Lennox is replacing Ivan on the retirement committee. Derrick stated that he wants to interact with all ACSA members.

Government Relations report- Governor Newsom seems favor local control. His budget approach is similar to Governor Brown; he favors large reserves as well as a pay-down of retirement payments and liabilities to help local districts. Current legislation, 1037 bills went to the governor, 72 were vetoed. Governor wants to be more budget conservative next year. ACSA will inform governor as to k-12 needs. AB 218- child sexual assault/abuse; school employees are still liable and must report if you think something is happening. ACSA is working with the governor as to how to handle blackout problems for schools. Charter schools and facilities, a bill was passed to address problems. Non classroom charter schools and homeschooling issues are coming up in the legislature. A new school facility bill is coming. School Start time bill, it's all politics, governor signed. [It is felt that governor will run for president at some point.] Now, how will this bill be implemented is the question, ACSA working on that. There is a

potential bill to increase funding for K-12. ACSA and CTA favor. ACSA favors full and fair funding for K-12 schools. With a possible recession coming, governor wants to increase reserves; less revenue expected. Funding may only cover COLA.

Retirement committee goals:

Goal 1 – continue to pursue funding for Windfall provision, advise our state board reps., and seek region monies to support this goal.

Continue efforts to increase death benefits with STRS

Continue efforts on Supplemental Benefit Maintenance Account [SBMA] Note: this fund can

Be used to supplement death benefits or increase benefits to members.

Increase grass roots advocacy on issues related to protecting and improving benefits for current and future members.

Build coalitions that have mutual interest.

Protect STRS benefits.

Goal 2 – School employees, for the most part, have no idea that the WEP exists for California educators [need to publicize more]. Also, they aren't aware of out-pocket medical costs that they will face in retirement.

Goal 3 – have an open session for retirees to meet and share concerns at the Leadership Summit. Question, is there a way we can be at STRS retirement sessions to advise of Emeritus membership?

ACSA update

It is important to bring up Emeritus membership at any retirement get-togethers. Leadership conference is free to Emeritus members. ACSA is always looking at federal issues that affect retirees.

Legislative Action- This Committee deals with all new proposed bills. [Sheldon Yip]

CALRTA update- it is the official position on SBMA funds [supplemental benefit maintenance account] is that all retirees should receive an increase, but many members feel it should only go to retirees who retired in 1997 and before. [Rick Light gave report]

ACSA Region 6- the retiree charter is working to decrease gun violence in schools; as well as greater mental health awareness and programs. Region recommends that other retired charters work on this cause as well.

Possible speaker on identity theft; Ervinder Ginda [Vinney] of the FBI in the Sacramento office is contact for this topic.

For the next meeting, one needs to send agenda items to Chairperson Kathleen McCreery.

Recap submitted by Frank Chapman, Region 2 Retirement committee member