



# MVMSA Newsletter

Motor Vehicle Managers & Supervisors Association  
P.O. Box 188099, Sacramento, CA 95818

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## MVMSA Executive Board



President	Cory Keaulana LOD/MAU/FR, HQs	916-657-8003
Past-President	P. Terry Fougere Retired	916-524-8604
Vice-President	Bruce Brown Retired	916-600-0556
Secretary	Irene R. Fregoso Retired	530-218-1298
Treasurer	Gary Oliver Retired	916-698-1205

## Area Representatives

Headquarters Area Rep	Agnes Holmes ROD/VIP Unit, HQs	916-657-7069
Northern Area Rep	Julie Mardilla Oroville FO	530-693-3036
Bay/Coastal Area Rep	Paul Crompton Santa Clara FO	408-277-1313
Central Area Rep	Catherine Warren Stockton FO	209-942-6144
Los Angeles Area Rep	Rosemarie Lotz Simi Valley FO	805-527-2893
Southern Area Rep	Sheila Hughes Region VIII Office	619-447-0203

## Special Assignments

Recruitment/Retirees	Terry Whittington Retired	209-403-0757
Web Master	Frank Ramirez HQs	
Consultants	Hughes Svetich Associates Larry Svetich/ Linda Sullivan	916-446-3291

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## Saint Valentine's Day

Valentine's Day, the annual commemoration of love is celebrated on February 14. Valentine's Day was created by Pope Gelasius I in 500 AD to honor the Christian martyr named Valentine. The religious observance of the day was deleted by Pope Paul VI from the Roman calendar of saints in 1969 but is still often permitted. Valentine's Day was first related to romantic love by Geoffrey Chaucer during the Middle Ages. Until the 19th century handwritten valentines were often given rather than modern mass-produced greeting cards.

*"I don't understand why Cupid was chosen to represent Valentine's Day. When I think about romance, the last thing on my mind is a short, chubby toddler coming at me with a weapon."*

*Author Unknown*

## ***MVMSA Life Insurance***

There have been a number of recent inquiries from members about the life insurance coverage provided by MVMSA, so I thought the newsletter would be an opportunity to provide information to all members regarding our insurance coverage.

Group policies are unique in that every member is automatically enrolled under the insurance policy with no other qualifications needed. The policy holder is MVMSA and individual coverage is funneled through MVMSA. In other words, any contact with the insurance company must be made by a MVMSA representative. Only a MVMSA representative can add or delete individual coverage, submit forms, etc., so if you need to make changes to your coverage, such as changing name or beneficiaries, you must contact MVMSA for assistance.

For group policies, insurance companies establish a pool funded by a number of groups such as MVMSA. This pool of policies may be sold by the insurance companies. Since I became the MVMSA Treasurer, our current insurance company is the third company to own this plan, so the best way to document the insurance information is to show MVMSA as the Insurance carrier with the contact information address of P.O. Box 188099, Sacramento, CA 95818.

If there is a death claim, family members should contact the MVMSA office for assistance. In order to complete the claim forms, MVMSA must have the beneficiary's legal name, address, Social Security Number, and contact telephone number along with a certified Death Certificate for the deceased. MVMSA staff will complete the claim forms and submit them, along with the Death Certificate, directly to the insurance company. The benefits will be paid directly to the member's designated beneficiary. If no beneficiary is designated by the MVMSA member, the beneficiary will be determined according to California State Law.

MVMSA has processed several claims over the years and found the insurance companies to be very responsive. The insurance company has to pay interest on the claim amount, so the processing is usually completed very promptly.

If you have any questions, please contact me through the MVMSA website at: [www.mvmsa.org](http://www.mvmsa.org) or email at: [mvmsaboard@mvmsa.org](mailto:mvmsaboard@mvmsa.org) and I will get back to you promptly.

*Gary Oliver*  
*Treasurer*

## ***Executive Board Meeting Highlights***

*From the January 12, 2013, board meeting.*

The board welcomed Julie Mardilla and Sheila Hughes the new board members. Both Representatives were sworn in by Irene Fregoso, secretary.

### **President - Cory**

Thanked everyone for their assistance with the 2012 annual conference. Good feedback was received from the attendees.

The Director George Valverde's retirement dinner held in November 2012 was a great success.

There is no DMV Director in place at this time.

Frank Alvarez is the new Deputy Chief of Investigations. Cory and Lela Kruger, have been alternating as the acting Branch Chief for DL Branch in LOD.

MVMSA web page has been updated and some links to CalPERS web site were added.

Encouraged everyone to visit the Gilroy Gardens Family Theme Park.

Board meeting schedule for 2013:

March 9, 2013

June 8, 2013

September 14, 2013

October 12-13, 2013 Annual Conference

January 11, 2014

**Vice President** – Bruce reported the lack of a search window on MVMSA web site. We are working with our webmaster on adding CALHR links to the online training for state employees. Bruce is trying to locate retirees using Facebook.

### **Treasurer – Gary**

Next year's annual conference to be held in the area of Buena Park or San Pedro.

**Consultants** – Larry & Linda suggested to the board to stay well-informed on Assembly Bill (AB) 340 as this bill will impact newly hired employees.

There is a summary available on CalPERS' website regarding Public Employees' Pension Reform Act of 2013. (PEPRA)

**Headquarters' Area Rep** - Agnes reported that ROD developed training modules for Motor Vehicle Technicians (MVTs) on a variety of courses in conjunction with the University Of California Davis (UCD). It will be six months of training, once a month for four hours per month.

**Northern Area Rep** - Julie reported two vacancies for office manager in the Quincy and Willows field offices. A Success Workshop was held in Redding in the month of October 2012 and in November 2012, in Daly City and Yuba City. Additional workshops will be held in the spring. Wesley Goo and Kevin Johnson were two of the speakers at this workshop. Kevin Johnson's presentation was very motivational.

Karen Moreno, from EEO has taken a position with the Department of Housing and Community Development. Carol Whitcomb is currently the acting EEO Officer. The Disabled Advisory Committee (DAC) is re-forming and recruiting volunteers to serve on their board. Congratulations to Kerry Cockran the new office manager in the Chico field office.

**Central Area Rep** - Catherine reported that the Lodi, Stockton, Glendale and Thousand Oak offices will receive a new printer for their Queuing system. License Registration Examiners (LREs) will be receiving rain gear per their union contract.

**Los Angeles Area Rep** - Rosemarie reported that on November 28, 2012, the Arleta field office conducted the Upward Mobility Training, there were over 100 applicants. Kathy Bibbs, Regional Administrator and Vito Scalia, Investigations were among the speakers that attended. Mock orals were conducted for LREs, Driver Safety, Manager I, Admin Manager, and Office Manager.

**Southern Area Rep** - Sheila reported the position of Regional Administrator in Region VII has not been filled yet and there are other openings in various DMV field offices in Southern Cal.

### **Quick Tips**

The common cold or flu is a manifestation of dehydration. To ensure you receive adequate amounts of fluids, divide your body weight in half. This is the number of ounces of fluids you require each day.

Start your morning with a glass of water with fresh lemon juice squeezed into it. Paradoxically, lemon juice helps to promote healthy alkalinity in your body. Almost instantly, you will feel calmer and better able to handle stress. Lemon juice also helps you to absorb minerals, so be sure to drink it when you take any nutritional supplements.

## **RETIREMENT CHANGES PROCEEDING**

What Will Their Affect Be On You?

Part 1 of 2 Parts

By Larry Svetich, MVMSA Representative

Through the hubbub of budget problems these past two years and the subsequent media and legislative push for pension reform, the Governor and Legislature in 2012 passed legislation for modifying public pensions covered by PERS. The legislation, effective January 1 of this year, was included in AB 340, and is more commonly known as the Public Employees' Pension Reform Act of 2013, or PEPRA.

Much has been made of the modifications identified in PEPRA how much will the changes "save" the state and smaller public entities who contract with PERS, how quickly will those savings be realized, will the changes affect current employees as well as new hires, a host of questions, many with confusing and sometimes misleading answers, and some answers that have not been given because neither the State nor PERS has a definitive answer to give.

A quick refresher as to why PEPRA came about may be helpful. With the downturn in the economy that started in 2007, PERS' investment returns quite suddenly turned sharply downward to the chagrin of many who said it would never happen, resulting in significant "losses" to the retirement system's portfolios. Those losses put PERS in the position of demanding that all contracting employers involved with PERS, including the State, pay contributions that were significantly higher than any contributions required of them in recent memory. In addition to the contributions PERS claimed were needed to keep the system "solvent," a lot of attention was put on potential financial liabilities that could occur with future monthly benefit payment requirements and health premium payments the State would be obliged to cover for both current and future retirees.

In short, the system was in a real mess. For the first time in a long, long time, employers (including the State) were going to have to actually pay huge sums of money into a system they had so often been told was not only solvent, but their annual contributions could remain unpaid with an employer pension contribution "holiday". That is how healthy the system was and would always be, so they were told. What a wakeup call this created for everyone.

## **What does PEPRA do?**

In a shortened version, PEPRA: now demands that you pay one-half of the required "normal" monthly contribution rate you and the employer have to pay toward retirement; changes the number of years factored into the monthly retirement benefit calculation; changes how long you have to work before you are eligible to retire; modifies how many years you have to work to have your health benefits "vested" to you; redefines the term "pensionable compensation" for purposes of how your monthly benefit will be calculated; establishes a new "maximum" benefit calculation; puts a "cap" on the maximum amount of monthly benefit you may receive; and, prohibits the purchase of "air time" for all employees, classic and new, effective January 1, 2013.

While many of the changes passed in the legislation only affect those hired after January 1, 2013, PEPRA has changes that affect everyone, current employees as well as new hires. For those of you who fall into the "non-safety" standard retirement system (2% at 55), you now have two named categories that define you --- "classic member" and "new member". An oversimplified definition of the difference between the two is this: If you were hired and on the retirement books prior to January 1, 2013, you are a "classic member." If you were hired January 1, 2013 or later, you will be called a "new member." These terms will also apply to you if you left employment prior to January 1st and return at a later date. So long as you were on the books and in the system prior to January 1, 2013, you will always be considered a "classic member."

The one major change that went into effect on January 1 that affects every current and new member immediately involves the contributions paid into the system. By now, most of you have realized that your share of the monthly retirement contribution went from 5% to 8%, causing your monthly check to go down just a tad. That change was due to the requirement that both sides of the equation (the employer AND the employee) pay "equal" amounts into the "normal" monthly contribution rate. While there have been discussions as to what that "normal" rate should really be, there has been a general consensus that for today the total rate needed is approximately sixteen percent. So, the employee's share, by law, was changed to 8%.

The other immediate change that affected everyone on January 1 was the discontinuance of buying "air time." Air time was that time that employees were allowed to "buy" that would be added to your overall "years of

service." Say, for example, you were hired in 1995, and a total of 17 years as of today. The purchase of "air time" would have allowed you to buy an additional amount of time (1 year to 5 or more, depending on what you wanted to do and could afford) and have that time added to your years of service. So, in the above example, if you bought 5 additional years of air time, you would add that to your 17 years of service and have 22 total years that would be used to calculate your monthly retirement benefit. As of January 1, 2013, you can no longer purchase that air time.

Most of the remaining changes will affect only "new hires" -those brought into employment by a PERS employer on or after January 1, 2013. For example, new hires will have their monthly benefit calculation based on their highest three year average (as opposed to the highest one year for "classic" members). New hires will not be eligible to retire at the full benefit amount until they reach age 62 (2% per year at age 62) with a maximum benefit calculation of 2.5% at 67. In addition, a "cap" has been placed on the amount of annual salary earned for calculating an employee's monthly retirement benefit. Also, new hires will not be allowed to add their accrued leave balances to their annual "salaries earned" to calculate their monthly benefit amounts.

There are other changes that will affect only new hires, including some changes that apply specifically to those in safety retirement classes. However, there is a continuing push to further "reform" the current retirement system as it applies to classic members. There are some in the public, the media, and in the legislature, that want to have many of the changes put in place for new hires to also apply to classic members.

There are also a number of questions as to whether or not some of the changes that have been forced on current classic members are being put in place legally. For example, the amount of contribution an employee paid into the system (the 5% amount classic members have paid for so long) was actually set into law as the amount an employee would pay way back in the 1930's. That specific amount was again verified with changes in the retirement system in the 1960's. There is a strong argument being made that because of those specific amounts being "codified", the State cannot arbitrarily change that amount without a more defined change in the law, possibly even a constitutional change.

In addition, there are questions being raised regarding "take-aways" in the pension system. The law has required for some time that if an employer, including the

## ***Your Horoscope***

State, were to decide to implement a “take away” of a current benefit in the retirement system, then the employer would be required to offer a “new” benefit in exchange for the take-away. Well, in the latest reform push, current employees must now pay a higher monthly contribution amount. That, in and of itself, is a take-away. As of today, the State has NOT offered anything in return for that reduction in your benefit.

MVMSA is participating with a number of excluded employee organizations in regular meetings with the State about all of the PEPPA mandates and their applications to both new hires as well as “classic” employees. MVMSA is, at the time of this writing, putting together proposals that will address the changes that have been made as well as additional changes that have been discussed. We are being proactive in our approach to protecting the benefits of all our current members as well as those employees hired into the newer system. We also recognize that the push for change is not over. There are a number of outside influences, both political and financial, that require our continued vigilance so that we are prepared to respond should additional changes be proposed or made to the retirement system.

In our next Newsletter

- Part 2, Your Retiree Health Benefits and How They Are Affected by Pension Changes



Aries March 21 – April 19

Arieses are generally bubbling with vitality and have a great sense of adventure. Pioneers by nature, they are usually the first to venture out on a risky project. For instance, when day trading first came on the scene, most of those involved were Aries.



Taurus April 20 – May 20

Those born under the Taurus sign make good companions as they are very dependable. If you have made plans with a Taurus, rest assured he/she will be there and on time too! They are also patient creatures but can be intolerant and narrow-minded as well. Other negative traits include obstinacy, greediness, being unimaginative and easily offended. Tauruses have a great need for security which drives them to be meticulous yet creative in what they do. This makes them resourceful and successful business people. Though a Taurus may seem shy, hidden inside is a faithful person longing to show love and commitment to a worthy mate.



Gemini May 21 – June 20

Those bearing the Gemini zodiac are incredibly flexible people who can adapt to almost any situation. They also possess a tenacity that not only enables them to rise above major setbacks but to take full advantage of negative situations as well. Inherently curious, Geminis are also experts at unraveling mysteries of any sort.

*Sometimes I laugh so hard the tears run down my leg.*

*Author Unknown*

### ***MVMSA Membership – What Do You Get?***

Membership in a fantastic organization which has great members. Ask your co-workers who are managers and supervisors to see how many are MVMSA members. We are continuing to recruit and working to make MVMSA better for all.

MVMSA Area Representatives and Board Members are always available and ready to assist with your member or departmental needs. Throughout the history of the association, member's needs and issues have always been the number one priority of your elected representatives.

**Access to MVMSA's Mentor Program.** The program is designed to assist interested members with direction and information on Manager or Supervisor performance criteria, career building and promotional opportunities within the department.

Access to information affecting membership and departmental issues. Area Representatives and Executive Board Members are well trained and connected to advise members or assist with problem resolution in departmental, career, or personal areas.

**Free Term Life Insurance Policy.** With your membership, you are automatically enrolled for \$10,000 term-life coverage.

### **Member Benefit Discounts!**

- Discount to Gilroy Gardens Family Theme Park ~ (New June 2012).

To access discounted tickets log onto website [www.gilroygardens.org](http://www.gilroygardens.org) and at the bottom of the webpage (Corporate Partner Tickets) it will ask for your company ID. Insert MVMSA and it will direct you to the discounted ticket page where you can purchase and print your tickets from your computer.

- Discount coupon book for Folsom Premium Outlets
- Pier 39 Fun Pack (discounts galore!)
- Discount to Sea World (San Diego)
- Discount to Pirate's Dinner Adventure in Buena Park
- Discount to Medieval Times Dinner & Tournament in Buena Park
- Discount Admission to the Alpine Club (Palm Springs Aerial Tramway)
- Discount on vehicle rental from Hertz
- Discount for paint and products at Kelly-Moore Paints
- Discount on admission to Universal Studios (Orlando-Hollywood-Spain-Japan)
- Discount on admission to Ripley's Believe It Or Not (San Francisco & Hollywood)

- Discount to the Los Angeles Zoo
- Discount admission to the Monterey Bay Aquarium
- Discount to Roaring Camp Railroads

**Discounted Movie Ticket Sales.** Discount tickets for the Regal Entertainment Group (Regal Cinemas, Edwards Theatres, and United Artists Theatres). No "first run" restrictions, no black-out dates. Tickets are \$8.00 each, purchased direct from MVMSA through Cory Keaulana.

**Regional (Area) Association Meetings.** Meetings held in your area to provide timely information regarding issues which are important to us as supervisors, managers, and members. All managers and supervisors are welcome. Members are entitled to reduced rates for meals or lodging, when the event includes those activities.

**Advocacy and Advisement.** Hughes Svetich Associates (HSA) has over 37 years of experience in labor relations and related activities in the public sector. They will provide the following benefits to our members: "Meet and Confer" and representational support on behalf of our members with the State; organization and member representation in grievances, disciplinary appeals and other work-related claims and appeals; member and leadership education and training on different phases of adverse actions.

**AFLAC Cancer Insurance.** Cancer insurance coverage is available to our members and their families at very reasonable group rates. Rates vary depending on coverage selected, etc. Convenient monthly payroll deduction.

**Annual Conference for current and retired members.** The MVMSA Annual Conference is held in different locations within the state, typically on a rotational basis between northern, central and southern parts of the state. The conference is held to provide training, social functions, and information sessions for current and retired members. Conferences typically include participation by the DMV Director, Deputy Directors, project leaders and/or outside specialists.

### ***Fun, Entertainment, and Educational.***

