

RPEEA

DECEMBER 2025

CALIFORNIA'S MAGAZINE FOR RETIRED PUBLIC EMPLOYEES

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On Proposition 50*

The Secret To Living Healthy To 100

Secrecy Shrouds CalPERS CEO Bonus

October Outreach Winners Announced



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The views and opinions in the articles published in the RPEA Magazine are those of the individual authors and do not necessarily reflect the official policy or position of the Retired Public Employees' Association of California.

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Margaret Brown
RPEA State President

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We are dedicated to being lifelong advocates for retirees, providing information that educates, informs, and empowers retirees to improve their lives.

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PRESIDENT'S MESSAGE

A Season For Compassion

Dear Members,

As we enter the holiday season, I'm reminded that this time of year can bring both joy and reflection. For many, it's a season filled with family, traditions, and gratitude. But for others, it can also be a time of struggle, the quiet ache of grief after losing a loved one, the uncertainty that follows the loss of a job once thought secure, or the daily challenge of getting by without the safety of a pension or steady income.

I consider myself fortunate. After a lifetime of work in public service, I'm able to enjoy a secure retirement with both a pension and Social Security benefits. But I know that not everyone shares that same stability. Many of our fellow seniors and retirees are facing difficult times, and they need our understanding, compassion, and support.

This holiday season, let's remember what community truly means. Let's reach out to a neighbor who may be alone, check in on a friend who's grieving, or lend a hand to someone who could use a little extra help.

Small acts of kindness matter. They don't have to be grand gestures. Sometimes it's as simple as making a phone call to let someone know you're thinking of them, offering a ride to a doctor's appointment, sharing a meal, or helping a neighbor with errands they can no longer manage alone. Even a warm smile, a handwritten note, or a few kind words can lift a heavy heart. When we take the time to care, we remind others that they're not forgotten, that they're valued, and that they belong.

Together, we can honor the true spirit of the season by caring for one another, not just during the holidays, but all year long.

With warm wishes for peace, compassion, and connection this holiday season.

Margaret Brown
State President



WHY RPEA Did NOT TAKE A POSITION ON PROPOSITION 50



By Randall Cheek | Legislative Director

The California Nov. 4, 2025, special election for Prop. 50, which temporarily requires use of new congressional district maps through 2030, overwhelmingly passed.

RPEA received inquiries as to why it took no stand on the proposition. Good question and answering it requires some background about RPEA's legislative process.

RPEA's Legislative Committee, which I chair, meets regularly throughout the year to discuss RPEA opposing or supporting certain bills, as well as recommending endorsing candidates for the Legislature and the CalPERS Board. The committee occasionally looks at propositions on the ballot as well.

RPEA wants our chapters to become more involved with the legislative process

When the committee looks at supporting or opposing a proposition, we consider criteria such as if the proposition supports defined benefit pensions, furthers retiree healthcare, or benefits seniors.

A prime example of a proposition RPEA considered, because of its impact on older adults, was in 2022 for Proposition 19 – The Home Protection for Seniors, Severely Disabled, Families and Victims of Wildfire or Natural Disasters Act.

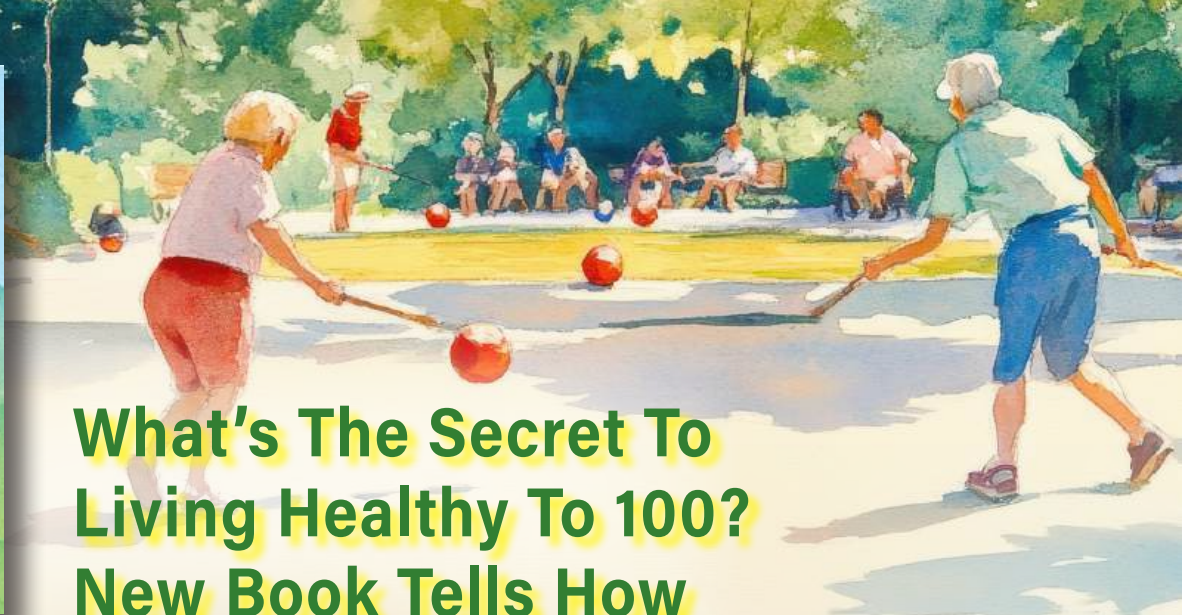
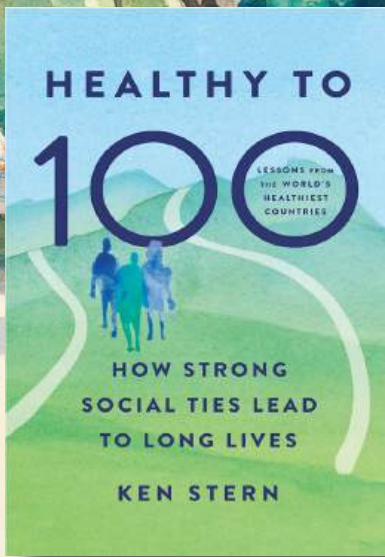
This proposition provided expanded property tax benefits for qualifying homeowners - 55 or older - allowing them to transfer their existing, lower property tax base to a new primary residence anywhere in the state.

Simultaneously, Proposition 19 made changes to property inheritance by limiting the exclusion for inherited family properties, unless the heir makes the home their primary residence. The measure uses revenues from these changes to fund fire prevention efforts.

When we look at propositions, naturally, we consider our members' positions on issues. In the case of Proposition 50, we had members asking RPEA to officially oppose Prop 50, and those who wanted us to support it. As chair, I try not to influence one way or another, so when it came to this special election, I presented the facts about Prop 50 in the October magazine, providing members with the information to make their own decisions.

As the second year of the two-year legislative session begins, I want you to know about an action that RPEA is taking this November, which is having our chapters become more involved with the legislative process and raising RPEA's profile. For that purpose, the Legislative Committee created training for doing a "meet and greet" – where chapter members set up district office meetings to share information about RPEA.

The training will have taken place after you receive this magazine. However, if you or your chapter members missed the training and want the information for doing a "meet and greet," contact RPEA headquarters and staff will help you access the training presentation.



What's The Secret To Living Healthy To 100? New Book Tells How

Dev Berger | Managing Editor

Ken Stern knows the drill.

We're bombarded with information saying healthy aging depends only on how we exercise, what we eat, and how we sleep. But Stern will tell you this misses what really accounts for a healthy, long life.

SOCIAL HEALTH

Stern is the president of Palisades Media and the founder and chair of the Longevity Project launched in collaboration with the Stanford Center on Longevity. He's also the author of "Healthy to 100: How Strong Social Ties Lead to Long Lives."

"While many people already acknowledge, or at least pay lip service to the relevance of social connections to healthy longevity," Stern said, "few would elevate it to the same level of relevance as nutrition, fitness, and healthcare."

Stern's book addresses his months-long travels where he met people in some of the longest-lived countries in the world. These include Japan, South Korea, Italy, Spain, and Singapore. All of them have taken massive steps regarding longevity by building social connections to communities.

When Stern was asked why social connection isn't given the due it deserves in many countries, including America, his response was: "Everyone talks about social connection, but no one does anything about it. We know it's as important as

fitness and nutrition. Being lonely is equivalent to smoking 15 cigarettes a day. And we don't have treatment plans for that. We don't have the infrastructure to help people be socially connected. And that's the biggest risk of all the risks that Americans face right now."

Among the things that helps with social connection is work. In Japan, for example, as Stern writes in his book, roughly 25% of people over 65 are active members of the labor force. For most Japanese, the social connection and purpose provided by work are critical contributors to vitality and good health.

Start thinking of aging as full of connection, purpose and meaning

Stern's book shares profound, instructive lessons showing how community, purpose, learning, and connection contribute to long lives well lived. He discusses how there are nearly 20,000 centenarians in Spain, a figure expected to skyrocket to 373,000 within the next four decades, and that the country is a "gold mine" for research.



And what does some of today's research show? According to Stern, "The only difference researchers were able to identify between the super-agers and their normally aging counterparts was that the super-agers had higher rates of social connection and lower rates of loneliness."

Places like South Korea and Singapore have launched programs that foster lifelong learning as ways to foster social connection. From Texas border towns to New York's Co-op City, and Spain's intergenerational centers to Singapore's family-first housing, Stern found that people thrive when everyday life is designed for belonging.

Stern believes we need to review our take on retirement by thinking about flexible later-life work, lifelong learning, and intergenerational mixing. His book wants you to stop thinking of the lifespan as full of challenges in our later years, and think of aging as full of connection, purpose, and meaning.



A HOLIDAY WISH

*Let's set aside our differences
Those troubles we embrace
And gather at the table
Of humility and grace*

*Our unprovoked utensils
In humble caring hands
Will break the bread of kindness
And share this promised land*

*A world of heartless chaos
Is raging at the door
Seeking to consume us all
In bitterness and war*

*Though harsh winds wail and cold prevails
Let's hold out for the warm
And grasp a hope that gleams against
The furies of the storm*

*The struggle set before us
Is a call that never ends
To comfort those who vex us most
And make family of friends*

SECRECY SHROUDS SALARY INCREASE AND BONUS FOR CALPERS CEO

J.J. Jelincic | Dir. of Health Benefits

At the September 2025 Board meeting, your trustees approved Marcie Frost's 2025-2026 base salary of \$619,440 - a 3% increase - and a 2025-2026 bonus of \$766,782, which is 127% of her base salary, and 15% above her \$667,320 bonus the prior year. This compensation goes back to the incentive plan adopted by the Board in June 2024.

RPEA was the only organization that opposed these increases as unjustified and unsustainable.

WHY IS A STATE AGENCY PAYING CORPORATE SALARIES?

The CalPERS Board believes that because it is big and important, it should have the best paid staff. It forgets that it is not a corporation. It brags about its asset size yet ignores the very large liabilities exceeding its assets.

CalPERS should pay competitive salaries for the skill sets it needs, not skills it doesn't need. Since it is a trust fund, it should not be paying more than the market demands. Its executive officer runs a relatively small state agency with about 3,000 employees. Frost is not a medical doctor making medical decisions. She is not making investment decisions. CalPERS should not be paying for skills Frost doesn't have, and even if she had them, she should not be paid for them because she is not using them.

SECRECY SURROUNDS EVALUATIONS FOR INCENTIVE PAY

In June 2024, the Board adopted what you see in the chart as the plan for the Chief Executive Officer, which resulted in her recent \$766,782 bonus. The CalPERS Board does allow the public to know the factors for each performance



measurement. However, the evaluations are done in closed session. *The only thing the beneficiaries and the public see are the total money results. They do not get to see the individual rating by measure.*

Plan Weight	Measure	Assessment Type
25%	Organizational Leadership Priorities	Individual Key Business Objectives
15%	Total Fund Performance	Quantitative Objectives
20%	Enterprise Operational Effectiveness	
10%	Investment Office CEM	
15%	Customer Service	
15%	Stakeholder Service	

According to CalPERS's compensation consultant Global Governance Advisors, the scoring factors are set so that "Maximum Performance," using a multiplier of 1.5, will be achieved 20% of the time. "Target Performance" - using a multiplier of 1.0 - will be achieved 6 out of 10 years or 60% of the time, and "Threshold Performance" - where bonuses start - will be achieved 80% of the time.





Evaluations are done in closed session. The only thing the beneficiaries and the public see are the total money results.

Performance Rating Scale and Definitions	
Maximum – Exceptional (Distinguished Performance)	Performance far exceeds expectations due to exceptionally high quality of work performed, resulting in superior quality outcomes. Responsible for exceptional or unique contributions which have significant impact on the organization. Completion of objectives far exceed expectations for timeline and/or budget allocation.
Slightly Above Target – Consistently Exceeds Expectations (Superior Performance)	Performance consistently exceeds expectations, and the quality of work overall is excellent. Goals are exceeded or met under challenges which were at times out of their control and required sustained extraordinary effort.
Target – Fully Meets Expectations (Fully Successful Performance)	Performance consistently meets expectations, at times possibly exceeding expectations, and the quality and timeliness of work overall is very good. Work products achieve desired results, and employee demonstrates responsiveness to priorities. Completion of objectives was always on time and on budget.
Slightly Below Target – Inconsistently Meets Expectations (Inconsistent Performance)	Performance expectations are met inconsistently, and/or one or more critical goals are not met. Achieved results are at significantly lower than expected levels. Completion of objectives may have sometimes been on time and on budget, but improvement is needed in one or more areas.
Threshold – Does Not Meet Expectations (Unsatisfactory Performance)	Performance is consistently below expectations and/or reasonable progress toward critical goals was not made. Responsiveness to changes in priorities is slow; work products are incomplete. Significant improvement is needed in many important areas.

The CalPERS Board has unfortunately created a formula that allows a CEO who simply does the job and “Fully Meets Expectations” to earn a bonus of \$929,160 for 2025-26. If the CEO “Consistently Exceeds Expectations” – the bonus will be \$1,127,621. If rated as “Exceptional” – the bonus will be \$1,353,145. On the other hand, if the CEO is rated “Inconsistently Meets Expectations” - the bonus would only be \$451,048. Remember, this is on top of a \$601,398 base salary for running a 3,000-employee state agency. Clearly the Board is looking out for someone. Is it you – the beneficiary? Doesn’t seem to be.

Ask the Board for the validation, the evaluations, and all the reasons for rewarding a CEO with a salary increase and bonus, when our pension system is underfunded, has over \$178 billion in unfunded pension liabilities, lags behind CalSTRS and other public-employee pension systems, (some funded at 100-plus percent), and whose health-plan premiums are higher than current medical inflation. Go ahead and ask. RPEA has and we’re still waiting for answers.

Annual bonus awards are calculated using the following formula: performance-measurement weight times level of achievement times target bonus (100% of base pay for 2024-2025) equals the bonus for that measure. Total bonus is the sum of the measurement results. Evaluations are done behind closed doors. Why, when CalPERS is a public agency - not a corporation? Where are the transparency and accountability?

BOARD ADOPTS EVEN MORE GENEROUS COMPENSATION

What most of the public doesn’t know is that in June of 2025, the Board adopted even more generous incentive compensation tables. They start 2025-2026 and will impact bonuses paid out in September 2026. The CEO target bonus will increase to 150% of base pay. That means the CEO will get the base pay plus a bonus of 150% for simply meeting expectations. RPEA was the only organization that opposed these changes. It believes you pay bonuses for exceptional performance. If you “meet expectations” then you get your paycheck and keep your job. You don’t get undeserved bonuses.

Before I continue, look at the *Performance Rating Scale and Definitions from the Compensation Policy for Executive and Investment Management Positions:*





CalPERS Fund Lost 71% Of \$468M Put In Clean Energy: Now A Legislator Is Seeking A Federal Investigation

By Dev Berger | Managing Editor

In response to political and legal pressure, some company boards and management teams have scaled back, rebranded, or entirely eliminated certain DEI initiatives, such as specific grant contests, diversity training, or supplier diversity programs. Other companies, however, have doubled down on their commitments, citing business imperatives and shareholder support.

During a board meeting in April 2025, CalPERS' fiduciary counsel warned that the law around DEI is "substantially in flux," creating "tremendous uncertainty" and potential litigation risks for the fund's DEI activities. It was noted that it is "not clear what is illegal" in the current DEI landscape. Despite the criticism and legal warnings, CalPERS has moved forward, maintaining that a diverse organization and investment strategy is part of its core values and fiduciary duty to create value for its members.

CalPERS Nov. 19 administrative board meeting will include a review of diversity in asset management.

(Sources: Nov. 4, 2025 P&I; DEI section of CalPERS website; Cozen O'Connor, Jan. 29, 2025)



Numerous news entities such as The Center Square, The Newport Plain Talk, WV News, and Breitbart, reported on October 28, 2025, that CalPERS lost a whopping 71% of its \$468 million investment in a clean energy and technology private-equity fund.

Investment losses don't just impact CalPERS active and retired members, but also the public. CalPERS says it is funded at 79% (critics say it is lower) – which means this underfunded retirement system leaves taxpayers on the hook for funding the other 21%. CalPERS's shortfall creates \$178 billion in unfunded pension liabilities (the Reason Foundation says it is \$180 billion). It's a huge gap for taxpayers to cover and they deserve to know about it.

Breitbart and others noted that: "For the 2024-2025 fiscal year, CalPERS' overall returns stood at 11.6 percent, with private equity returns totaling 14.3 percent and public equity returns totaling 16.8 percent."

Public finance expert Marc Joffe, a visiting fellow at the California Policy Center, asked why CalPERS put significant money into far riskier and more

(Continued on next page)

Cont'd - State Fund Loses Millions

costly private-equity investments, when returns were nearly equal to public-equity investments? “. . . if you can get these kinds of returns on the public markets, why bother with all the complexities and the illiquidity involved in private equity?” Joffe told The Center Square.

The public should have a right to know how public money is being invested

What was CalPERS’s response to Joffe’s question? It defended its private equity strategy blaming performance on prior management. Finding this answer inadequate, The Center Square, a conservative news organization, filed a public records request seeking more details into the fund’s losses, including management contracts with the firms investing CalPERS’ money, and the investments made with CalPERS funding by those firms.

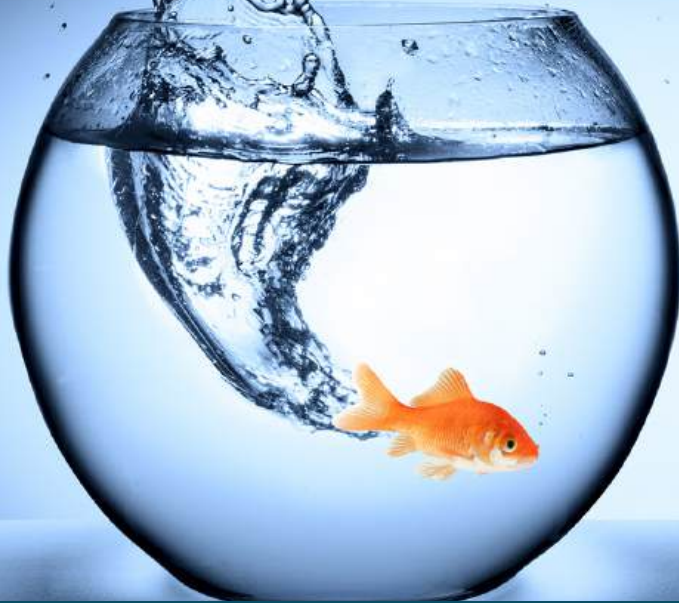
CalPERS declined to release the information, aside from sharing already-public records, citing a state law exempting many records for alternative investments — such as private equity — from many public disclosure requirements.

In an email to The Center Square, David Loy, legal director for First Amendment Coalition, a government transparency and free speech nonprofit, stated: “The public should have a right to know how public money is being invested. This is a serious transparency concern if the public doesn't have visibility into how public money, especially pension funds, are being invested and to what degree of risk.”

The Central Square investigation has prompted California Assemblyman Carl DeMaio (R.-San Diego) to request a federal investigation into possible wrongdoing at CalPERS along with fiduciary negligence. DeMaio told The Central Square: “It’s hard to just show a quid pro quo between campaign contributors and the granting of a contract or voting for subsidies or programs. In this case it’s different . . . there are federal statutory provisions regarding fraud, regarding fiduciary responsibility.”

CalPERS may have prevented The Central Square from accessing critical information it sought, but DeMaio feels the feds have more clout. “We are going to also be looking at the issue of transparency, because it’s hard to get to the bottom of something like this from the standpoint of public policy, because they have exempted themselves from disclosure under the California Public Records Act, so what we’re going to do is try and address that issue as well,” DeMaio said. “Perhaps the feds, if they open an investigation, can compel document production where we currently don’t have the right to get that.”





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SPOTLIGHT

ON

STEVE MERMELL



By Steve Mermell

WHY I'M JOINING FORCES WITH RPEA TO PROTECT PENSIONS AND BENEFITS

I'm Steve Mermell and from 2016 until my retirement in December of 2021, I served as the City Manager for the City of Pasadena, CA. I worked for Pasadena for nearly 33 years starting out as an intern and working other positions until I became City Manager.

My first experience working with pension systems began as the Assistant City Manager, and I was given the responsibility of addressing the financial liability associated with the Pasadena Fire and Police Retirement System (FPRS). FPRS was established by the City's Charter and provides benefits to retired police and firefighters hired prior to 1977. After that, FPRS was closed to new entrants who were enrolled in CalPERS.

A combination of decades of underfunding by the City and overly aggressive investment choices driven by a desire for unrealistic rates of return, resulted in significant underfunding of FPRS. As of June 2010, the actuarial value of assets it held equaled only 66% of its total accrued liability, and the relationship between its Board and the City was strained, to say the least.

I and some other key people were able to develop a funding plan to address the significant underfunding of FPRS - slowly and steadily over time. We also reduced its risk profile by reducing the target

level of anticipated investment returns. This was complex and complicated work. But it paid off. As of June 30, 2024, FPRS was 85.5% funded.

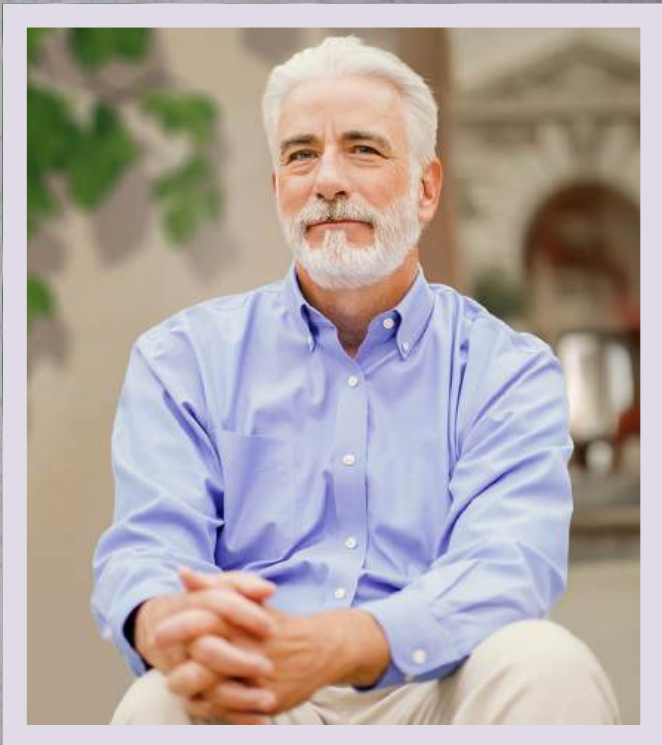
This past year, I ran for a seat on the CalPERS Board. I ran because of concerns over CalPERS' investment strategy and management practices, particularly its increased investments in private equity. While I was not able to dislodge an entrenched incumbent, I'm proud that in a three-way race, I came in second, despite having a shoestring budget and being outspent by a factor greater than 10x by each of my opponents.

My strong election showing indicates that many CalPERS members are concerned about the direction of the pension system, specifically taking on greater investment risks but failing to achieve returns, all the while paying huge fees to third-party consultants and fund managers. Last month, CalPERS lost 71% (\$330 million) of its initial \$468 million investment in a green-tech, private-equity fund. Adding insult to injury, the fund managers reportedly collected at least \$22 million in fees despite the huge investment loss.

Sadly, this example is not an outlier, but rather indicative of how our pension fund, paid for by tax dollars and employee contributions, has become

less about ensuring financial security for members and their beneficiaries, and more about being a vehicle for fund managers to earn huge fees and commissions.

Despite California's economy exceeding \$4 trillion, making it the fifth-largest economy in the world, CalPERS' current funding level is only 79%, well behind many other states. So who besides CalPERS members, whose benefits may be jeopardized, will have to pay when CalPERS falls short of meeting its obligations for dedicated public servants? Member agencies will and they have already seen their contributions rise, which puts the squeeze on public service. Taxpayers will as well with increased taxes to fund pension obligations. The stakes are high, and CalPERS is on the wrong track. Change is desperately needed before the private equity bubble bursts and we're all left holding the bag.



I ran for a seat on the CalPERS Board because of concerns over CalPERS' investment strategy and management practices

During the campaign, I was heartened by the outpouring of CalPERS members' support, and I was fortunate to meet RPEA leadership, all of whom share the same concerns regarding the direction of CalPERS. Change is possible but it will take effort, engagement and time. I'm proud to announce that I have recently joined forces with RPEA, and will be working closely with the organization's leaders to fight for much needed change at CalPERS.

RPEA MEMBERSHIP UPDATE

A SEASON OF GRATITUDE AND GROWTH

By Elena Yuasa | Director of Membership

As we gather this holiday season, I am filled with gratitude for all we've accomplished together. From revitalizing chapters to representing RPEA at fairs and meetings across the state, 2025 has been a year of momentum, teamwork, and renewed purpose.

Each smiling face in our collage of photos tells the story of what makes RPEA so special: dedicated members, inspiring leaders, and the unbreakable spirit of service that connects us all. Together we protect what we've earned. Together we grow.



REVITALIZATION AND LEADERSHIP RENEWAL

This year, we proudly reignited several chapters, including **Chapter 17 (Carson)**, **Chapter 27 (San Diego)**, **Chapter 39 (Oroville)**, **Chapter 44 (Pomona)**, **Chapter 49 (Oceanside)**, **Chapter 22 (Alameda)**, **Chapter 25 (Long Beach)**, **Chapter 56 (Border)** and **Chapter 53 (South Alameda)**. Each revitalization meeting brought energy, laughter, and hope as members stepped forward to lead and rebuild their chapters.



Smiles from our revitalized chapter teams - proof that RPEA's heart beats strong through every volunteer who says - "Yes, I'll help."





**OUTREACH AND FAIRS –
BRINGING RPEA TO THE COMMUNITY**

RPEA's presence shone brightly at events like the **Solano County Fair, Anaheim Health Fair, Costa Mesa Knowledge and Health Fair, and Rancho Cucamonga Public Work Expo.** Volunteers greeted hundreds of visitors, answered questions, and shared the benefits of membership—including advocacy, education, and **AMBA** programs.



Volunteers displayed colorful booths, prize wheels, and smiling faces at our outreach tables each conversation planting the seeds of future membership.



(Continued on next page)

CHAPTER MEETINGS – CAMARADERIE AND CONNECTION

Across California, RPEA chapters hosted engaging meetings filled with updates, laughter, and friendship. From guest speakers to trivia games and opportunity drawings, members reconnected while staying informed on CalPERS issues and legislative updates.



Warm smiles and full tables at chapter meetings - a reminder that RPEA is more than an association. It's a family.



LOOKING AHEAD WITH GRATITUDE

To all our volunteers, chapter officers, and members, thank you for your dedication, creativity, and teamwork. You are the driving force behind every success we celebrate.

As we move into the new year, let's continue building on this momentum revitalizing more chapters, welcoming new members, and strengthening the bonds that unite us.

With gratitude in our hearts, we look to the future stronger together. With appreciation, I wish you and your families a joyful and peaceful holidays!



Delaying Alzheimer's...

.....may be tied to increasing the number of steps you walk

BY DEV BERGER | MANAGING EDITOR.

Want a simple way to slow down the progression of Alzheimer's? A study published in the November 3, 2025, issue of *Nature Medicine* found that for people with heightened risk of Alzheimer's disease (AD), increasing the number of steps they walked could be the answer.

One of the recognized, modifiable risk-factors for AD is physical inactivity, and almost half of the world's AD cases are actually attributed to modifiable risk factors. This issue of physical inactivity led to Mass General Brigham's study on physical activity and AD.

Even small increases in daily activities can build over time creating sustained changes in habit and health

Its years-long study showed that on average, there was a delay of three years of cognitive decline for people walking 3,000-5,000 steps a day, and a delay "by seven years in people walking 5,000-7,500 steps per day." It also was learned that sedentary people have a dramatically faster buildup of tau proteins in the brain, and this forms "tangles" - a major factor leading to AD.

This helped shed light "on why some people who appear to be on an Alzheimer's disease trajectory don't decline as quickly as others," according to Jasmeer Chhatwal, a senior author of the study

working at Mass General Brigham Department of Neurology. Bottom line, it appears lifestyle factors can impact the earliest stages of AD, and that means that lifestyle changes could slow down the emergence of cognitive symptoms, if people act early.

Data collected for the study came from 296 participants, who participated in the Harvard Aging Brain Study. They ranged in age from 50-90, and all were cognitively unimpaired at the start of the study. PET brain scans measured the baseline levels of amyloid-beta in plaques and in tangles, and participants' physical activity was assessed using waistband, digital pedometers.

Participants had annual follow-up cognitive assessments and a subset had repeated PET scans to track changes in tau.

What are the researchers of this study planning to do next? They will look deeper into "which aspects of physical activity may be most important" such as examining exercise intensity and longitudinal activity patterns. They will most likely examine biological mechanisms "linking physical activity, tau buildup, and cognitive health."

Wai-Ying Wendy Yau, another of the study's authors stated that: "Every step counts – and even small increases in daily activities can build over time to create sustained changes in habit and health."



CALPERS BOARD APPROVES THE TOTAL PORTFOLIO APPROACH



By AL Darby | Vice President

It was no surprise that the CalPERS Board approved the adoption of Total Portfolio Approach (TPA) for future CalPERS' portfolio management. This program was approved with new provisions related to added risk and a reduction in restraints on private equity (PE), both of which are controversial - to say the least.

The added risk is designed to raise the funded status of CalPERS to 94% over the next five years. The system is currently underfunded at 79%. The PE component is less well defined in terms of the types of PE that will be included in that portfolio, but the controversial nature of PE is still a major concern among stakeholders including RPEA. Several high-profile representatives of retiree associations spoke about PE and its negative effects in several areas and specifically in health care. CalPERS investments in PE include some of the PE offenders causing havoc in health care, where we see higher costs, reduced quality of service, staff reductions to below basic needs, shuttering hospitals, and bankrupting some hospitals - many in underserved rural areas. J.J. Jelencic, RPEA's Director of Health Benefits, was among the public commentators on this subject.

The TPA portfolio system is designed to integrate the various asset allocations combined into a single effort to reach benchmarks assigned to the overall portfolio. A simple explanation of TPA would be if one of the 11 asset allocation could not use all of its funds in productive investments, those excess funds would be released to other allocations that may be able to employ these funds in more promising investment opportunities. In other words, a more collaborative effort is created within a TPA environment.

The concern with the CalPERS' approach to TPA is the unrestricted opportunity to expand PE - this is an area where many financial experts are questioning the profitability of PE, the high fees, the questionable general partner valuations of its PE assets, and the illiquid nature of its holdings. At this point, we must wait several years to see results after the TPA system has been implemented.

Let's hope this new investment policy will produce improved results and move the CalPERS fund (PERF) to the expected 94% funded status level in a reasonable period of time. As more and more members are added to retiree status, more demands are added to the PERF's obligation to pay benefits.



At the Investment Committee meeting on September 17, the usual demonstrators were present along with some new Tesla divestiture advocates. The fossil fuel protesters were there in new costumes designed to depict oil as a dirty word. I can sympathize with them but the pension system must honor its obligation to provide benefits; this requirement dictates that indiscriminate divestiture is not an option. CalPERS is still committed to its renewable energy goals - a laudable objective and it's only a part of CalPERS' Environmental, Social and Governmental (ESG) policy. Unfortunately, CalPERS' first entry into renewable energy met an unprofitable demise. I have some confidence that ESG endeavors will produce some good results. ESG growth in public and private sector projects, will, over time, benefit mankind with better treatment of our planet.



Safeguard Your Pension

JOIN RPEA NOW!

Join the Retired Public Employees' Association of California (RPEA) and enjoy the peace of mind that comes from being a part of an organization dedicated to preserving your hard-earned pension, social security, healthcare, and medicare benefits. As a member of RPEA, you'll also gain access to exclusive discounts on benefit programs and supplemental group insurance plans.

Membership is just \$5.00 per month - only \$60 a year!

SIGN UP TODAY TO ENJOY RPEA BENEFITS

Scan the QR code with your Smart Phone to Join Online
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or Mail application to: **RPEA Membership | 300 T Street | Sacramento, CA 95811**



_____/_____/_____
First Name Middle Initial Last Name Date of Birth

Street Address City State Zip Code

Phone Email

Agency You Retired From (or your Benefactor's agency) Year Retired

I apply for membership in the Retired Public Employees' Association of California (RPEA) and authorize the payment of dues by selecting one option of the following options below:

- Select One Membership Type
- Retiree (CalPERS Annuitant)
 - Beneficiary of a CalPERS Retiree
 - Affiliate (working for a Public Agency)
 - Associate (Supports RPEA)

I authorize RPEA to withhold dues in the amount of \$5 per month from my monthly CalPERS retirement allowance. I understand that dues will be withheld from my retirement allowance until revoked by me in writing.

Social Security Number Signature Date

CREDIT CARD AUTHORIZATION: As payment for the first year's dues, I authorize a \$60.00 charge on my credit card for Retiree, Beneficiary, or RPEA Supporter membership. I authorize a \$30.00 charge for Affiliate membership. I agree to be billed annually for subsequent renewals.

Credit Card Number Exp. Date CW/CVC

Signature Date Do Not Auto Renew

Enclosed is my check in the amount of \$60 for membership in RPEA. (Membership is \$30 for Affiliate members.)

OCTOBER OUTREACH WINNERS



RPEA Celebrates 10 Lucky Winners in October Outreach Contest

RPEA's October Outreach Contest was a huge success, drawing an enthusiastic response from members across the nation.

We received over 600 entries with members taking the opportunity to update their contact information, ensuring they continue receiving important association news and benefits updates. From that pool, 10 lucky winners were selected at random for a \$50 gift card.

The contest had members verifying and updating their phone numbers, email and mailing addresses, a vital step for keeping communication lines strong within the RPEA community.

"Our October Outreach Contest was more than just a fun drawing, it was a great reminder for members to update their contact information allowing us to reach them," said Al Darby, RPEA's Vice President. "Having accurate information helps members stay connected and also stay protected."

The outreach effort is part of RPEA's ongoing commitment to strengthen communication and engagement with California members and throughout the nation. That updated contact information allows for quick alerts to retirees from RPEA on legislative developments, benefit updates, and advocacy campaigns directly impacting their pensions, health care, and retirement security.

Congratulations to the ten winners. Here they are:

CONTEST WINNERS

- ▶ *Robert Jaramillo -Roseville, CA*
- ▶ *Julia Morez -Sierra Madre, CA*
- ▶ *Darcie Metsker -Placerville, CA*
- ▶ *Joe Montez -Los Angeles, CA*
- ▶ *Silvia Felix -San Jose, CA*
- ▶ *Michael Minard -Tracy, CA*
- ▶ *Angelica Navarro -Dayton, CA*
- ▶ *Janice Stuter -Sacramento, CA*
- ▶ *Carmen Desamparo -Apache Junction, CA*
- ▶ *Patty Prescott - Chula Vista, CA*



Thanks to everyone who participated in helping RPEA build a stronger, more connected community!



Stay active, live healthy



As you get older, exercise becomes more important.

Exercising regularly improves heart health, flexibility, and prevents disease.

See all of the ways Blue Shield Medicare (PPO) can help you on your fitness journey:



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Blue Shield of California is a PPO plan with a Medicare contract. Enrollment in Blue Shield of California depends on contract renewal.

Blue Shield of California offers individual and employer group retiree plans to Medicare beneficiaries who have Part A and Part B. Individual plans are open to all Medicare beneficiaries who reside within a plan's specific service area. Employer group retiree plans are open only to Medicare beneficiaries who are eligible group retirees and who reside within a plan's specific service area. Individual and employer group retiree plans have different service areas, benefits and provider networks.

Out-of-network/non-contracted providers are under no obligation to treat Plan members, except in emergency situations. Please call our Customer Service number or see your Evidence of Coverage for more information, including the cost-sharing that applies to out-of-network services.

The company complies with applicable state laws and federal civil rights laws and does not discriminate, exclude people, or treat them differently on the basis of race, color, national origin, ethnic group identification, medical condition, genetic information, ancestry, religion, sex, marital status, gender, gender identity, sexual orientation, age, mental disability, or physical disability.

La compañía cumple con las leyes de derechos civiles federales y estatales aplicables, y no discrimina, ni excluye ni trata de manera diferente a las personas por su raza, color, país de origen, identificación con determinado grupo étnico, condición médica, información genética, ascendencia, religión, sexo, estado civil, género, identidad de género, orientación sexual, edad, ni discapacidad física ni mental. 本公司遵守適用的州法律和聯邦民權法律，並且不會以種族、膚色、原國籍、族群認同、醫療狀況、遺傳資訊、血統、宗教、性別、婚姻狀況、性別認同、性取向、年齡、精神殘疾或身體殘疾而進行歧視、排斥或區別對待他人。

Blue Shield of California is an independent member of the Blue Shield Association
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RPEA Rising: An Exciting Look Ahead to 2026



RPEA is heading into 2026 with more energy, connection, and opportunities for members than ever before. As our mission grows, so does our reach, and the year ahead is shaping up as our most dynamic yet.

In 2026, RPEA will expand both in-person and virtual chapter meetings, increasing information and connection among members. With increased hybrid programming, chapters across California, Arizona, Nevada, New Mexico, Oregon, and now Texas, will have access to meaningful conversations, timely updates, and direct interaction with RPEA leadership and guest speakers. The expansion of in-person meetings to Texas marks a major milestone in our commitment to serving retirees wherever they live.

*All of this momentum leads to our biggest event of the year: **the RPEA General Assembly, coming September 2026 to the San Jose Hilton.** Delegates and volunteers from across the from across the country will gather to chart the next chapter of retiree advocacy. With inspiring speakers, innovative workshops, expanded resources for chapters, and a renewed focus on protecting our retirement security, the General Assembly will set the tone for an ambitious new era.*

2026 is about expansion, engagement, and elevating the retiree voice. With our growing membership and strengthened chapter network, RPEA is ready for the challenges ahead.

