



December 2005

CIPMA CHANNEL ISLANDS PERSONNEL MANAGEMENT ASSOCIATION

Message from the CIPMA President, Nancy Rasmussen

The CIPMA Board continues to work on making CIPMA the best for our members.

By-Laws Update

The CIPMA by-law revisions were submitted to national IPMA-HR to change our name from CIPMA to CIPMA-HR and to add two officers to the Board (Communications Officer and Membership Officer). If approved by national, the members will vote on the new by-law changes at the January 11, 2006 CIPMA meeting.

Programs for 2006

The Program Committee coordinated great topics and speakers for members in 2005-06. So let's give a big thank you to Program Chair, Monique Nowlin, and Committee Members, Tracey Pirie and Connie Styrwoll.

Mark your calendars for the programs planned for next year:

- January 11th: Methods to Reward Employees presented by Mazie Chauvin, Training Specialist with Chase Palm Park Center in Santa Barbara.
- March 15th: Labor Relations Roundtable/Update for Members Only in Newbury Park (location to be determined).
- May 10th: Preparing for the Unthinkable – Terrorist Attacks/Earthquakes/Flood given by Glenda Mahon, Disaster Preparedness Consultant and EMT with Ventura (location to be determined).
- July 12th: Legislative Update presented by Liebert, Cassidy, & Whitmore in Thousand Oaks (location to be determined).
- September 13th: HR Performance Measurements presented by Maria Elena Rivera, Associate Vice President of Human Resources with San Jose State University in Santa Barbara (location to be determined).
- November 8th: Ways to Diffuse Your Workplace Bully. Speaker and location to be determined.

CIPMA Program Meeting Location

Jenny Roney, Member-at-Large, developed a survey for all members to let their preference on meeting location(s). If CIPMA had a consistent meeting location, members would readily know where the meeting is to be held. Results of the survey will be published in the next newsletter.

Membership News

Kelly Shirk, Member-at-Large on the Board, will work on increasing and retaining CIPMA membership. She is planning an outreach effort to special districts and schools this spring. Board members will be encouraged to contact potential members directly after special mailings are sent out to these potential members.

Newsletter

Jamie Cross, Communications Officer, plans to publish the CIPMA Newsletter quarterly. If you have any items to submit, please contact Jamie at 583-6337.

Website News

Jamie Cross, Communications Officer, is updating the CIPMA website to incorporate our new name, CIPMA-HR. She will also include membership benefits and other suggestions made by IPMA-HR. Minutes from CIPMA programs and Board meetings are now posted on the CIPMA website at: <http://www.cipma-hr.org/index.htm>

HR Job Openings

Do you have any current or upcoming HR jobs? A link to your website can be posted on the CIPMA website. Send information via e-mail to Jamie Cross at jcross@simivalley.org.

Western Region IPMA-HR Conference

The 2006 Western Region IPMA-HR Conference, "The HR Trek" is scheduled for May 3-5 at the Embassy Suites hotel in Downtown Portland, Oregon. For more information, contact Mary Rowe at rowem@ci.milwaukie.or.us, Teri Traaen at Ttraaen@ScottsdaleAz.gov, or Maria Rivera at Maria.Rivera@sjsu.edu.

Bring "Developing Competencies for HR Success" To Your Organization

"Developing Competencies for HR Success" is a four-day program, which can transform your organization by encouraging and implementing the 22 competencies <http://www.ipma-hr.org/forms/pd/pd3.cfm> contained in the IPMA-HR Competency Model.

Through discussion, exercises and assessments using the IPMA-HR model as a vehicle for dialogue about changes happening within and around HR, the program contributes an increased value to your organization and helps your staff gain expertise on the roles of the business partner, HR leader, and the change agent. The training culminates in a multiple-choice exam that is used to assess understanding of the importance of HR competencies to the success of HR professionals.

All participants in the program will receive a certificate of completion from IPMA-HR. A passing grade on the final exam is just one of the requirements for the successful completion of the IPMA-CP or IPMA-CS certification program.

The "Developing Competencies for HR Success" program is a cost-effective means for organizations to enhance their staff development program while eliminating the need for travel. Add value to your HR staff by providing them with this tool to efficiently and effectively apply HR competencies or your organization.

At the core of the IPMA-HR Certification program is an appreciation of the importance of HR competencies. If you or members of your staff desire to become certified as an IPMA-HR Certified Professional (IPMA-CP) or IPMA-HR Certified Specialist (IPMA-CS), the concepts that are the foundation of this course are a necessary step.

CIPMA is considering offering this program to our members in 2006. Further information will be forthcoming in early 2006.

Medicare Prescription Drug Benefit Notice Required

The Medicare prescription drug benefit is scheduled to go into effect January 2006. For employers, this brings with it a number of responsibilities, including providing notices to those employees who may be affected. Due to the difficulty in determining which employees will be affected, employers may want to consider providing notice to all employees.

Employers, including public sector employers, that provide a prescription drug benefit to Medicare-eligible employees are entitled to a subsidy if that drug benefit is "creditable." In order for the benefit to be considered creditable it must be equivalent to the benefit provided by Medicare. For instance, it must cover brand name and generic drugs and must pay as much of the claim as Medicare would. A detailed definition is available on the Center for Medicare and Medicaid Services' <http://www.cms.hhs.gov/medicarereform/CCguidances.asp> Web site.

Employers providing creditable coverage have a choice of three options, one of which is the subsidy, mentioned above. The other choices are to provide the prescription drug benefit as a wraparound, where Medicare will pay first and the employer's plan will pay second. The third choice is to contract with a prescription drug plan or the Medicare Advantage Plan.

Individuals must sign up for the Medicare Part D coverage during an initial enrollment period-November 15, 2005 through May 15, 2006-or risk paying a higher premium. Employees who are covered under an employer's plan that provides "creditable coverage" will not be penalized for enrolling after the initial period as long as there is no significant gap in coverage.

In order to assist employees in making a choice between an employer's plan and Medicare Part D, employers must provide notice to employees no later than November 15, 2005, letting them know whether or not the employer's coverage is "creditable."

Sample notices are available on IPMA-HR's Web site. Click here <http://www.ipma-hr.org/index.cfm?navid=218> for details.

(Oct. 14, 2005 Issue IPMA-HR HR Bulletin)

IPMA-HR Monitoring State Action on Defined Benefit Plans

IPMA-HR is monitoring state action on defined benefit (DB) plans. Much has been written on the topic, in part because of the private sector, where the Enron scandal has led to legislation relating mostly to private plans. For public sector plans, the battle over whether or not to continue DB plans is largely in the states.

Alaska recently became the first state to implement a mandatory 401(k) type program for all state employees hired after July 1, 2006. In California, Governor Arnold Schwarzenegger proposed eliminating the defined benefit plan for public employees until political pressure forced him to back down. The governors of Massachusetts, Rhode Island and South Carolina also proposed eliminating DB plans in favor of 401(k) type plans but they were unsuccessful.

The attention is driven by news reports of large unfunded liabilities. According to a Reason Foundation report, *The Gathering Pension Storm: How Government Pension Plans are Breaking the Bank and Strategies for Reform*, Americans are exposed to more than \$350 billion in combined unfunded government pension liabilities.

The same report says that Illinois has a deficit of \$35 billion-the worst in the nation. New Jersey has a deficit of about \$2.7 billion and West Virginia's was around \$5.5 billion.

Yet supporters of DB plans argue that the unfunded liability is not the whole story. In fact, as long as states have continuing resources to pay into the funds, the amount that is unfunded may be analogous to the amount due on an average 30-year mortgage.

Rather than focusing solely on the amount of unfunded liability, lawmakers, taxpayers and public employees should also focus on the most cost-effective means for providing retirement benefits to public servants who teach children, put out fires and police the streets.

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