YEAR IN REVIEW 2011

JANUARY
17 Over 400 HGEA members and their families march in the annual Martin Luther King, Jr. Parades on Oahu and Maui (pictured right).

18 Stop Work Informational Meetings (SWIMs) begin and are held until early February on Oahu, Big Island, Maui, Kauai, Molokai and Lanai to inform members about the Employees’ Retirement System, contract negotiations and legislative priorities.

29 Kauai members hold a rummage sale to benefit American Cancer Society’s Relay for Life.

FEBRUARY
11 At a Senate Judiciary and Labor Committee hearing relating to the Hawaii Employer-Union Health Benefits Trust Fund, HGEA (pictured right: Executive Director Randy Perreira), retirees and representatives from other unions and other organizations testify against a bill to eliminate the Medicare Part B reimbursement for retirees. The bill did not pass.

21 HGEA members, staff and their families participate in the Great Aloha Run as part of HGEAs Presidents’ 100 Club team.

26 Oahu members do some whale watching at Kakaako Park, Diamond Head Lookout, Kualoa Ranch Bunkers and Makua Cave.

MARCH
11 Maui members clean up Kwong Fook Tong Chinese Cemetery in Waiehu.

17 The online HGEA membership application goes live on the HGEA website.

19 As a fundraiser to help support the Charles R. Kendall Scholarship and Education Fund, Oahu members hold a cookie bake at Mililani High School cafeteria.
MESSAGE FROM THE EXECUTIVE DIRECTOR

We begin every new year with hope and optimism. Entering 2012, however, our optimism is clouded by the realities of wage reductions and increased contributions for your medical insurance. Even as our governor proudly proclaims that our state economic recovery has “turned the corner,” the government workforce continues to struggle financially. Workers feel betrayed and remain the object of scrutiny as politicians and the media have turned attention to the cost of employee benefits as the next target for budget savings.

Only recently has the Governor chosen to publicly credit state employees for their sacrifice in balancing our state budget, finally acknowledging that there would not be a surplus without the wage and health premium concessions you made. This belated gratitude is welcome, yet the actions of the administration continue to speak volumes about how they treat their employees who provide vital government services to our community. The administration continues to drag their feet in honoring the terms of the “favored nation” clause of our contracts. We have seen the implementation of a new United Public Workers agreement, which includes terms that we had proposed during negotiations in early 2011. These terms are preferred by our members, and as a result, we have notified the administration of our invoking the favored nation clause. Yet, to date, they have made little if any progress in effectuating changes to our agreement.

Despite our willingness to step forward first, clearly recognizing the need to ensure budget and job stability for HGEA members, the administration continues to take us for granted. It is no wonder that our members remain angry and dispirited, and have lost confidence. But rest assured that we continue to strenuously exercise our right to enforce the agreement that we made with the State, and obtain parity with other state employees – through responsible negotiations, but through litigation if necessary.

This legislative session, we anticipate another barrage of legislation intended to reduce public worker benefits, both for incumbent and prospective employees. It has become fashionable to criticize the cost of government employment, even among elected officials who enjoy better retirement benefits than civil servants. They find it easier to take away what you have rightfully earned than to ask taxpayers to pay a fair share for the services you provide.

As frustrated as you and I are with the situation, we cannot let apathy set in. The challenges that we face necessitate unity and a response of collective strength. Circumstances call for us to make a stand to protect your rights, and demand that lawmakers look elsewhere as they continue to stabilize our state budget. There is strength in numbers – and we need you to speak out. If each one of us just takes a moment – to contact your legislator or write a letter to the newspaper – we will surely make an impact.

We must protect the public service – for our community and for the future for our children and grandchildren. It’s a challenge we must meet together.

Randy Perreira
HGEA Executive Director
2011 Year in Review (Continued from page 1)

22-24 Kauai members participate in the annual Kauai Fishing Tournament (pictured right, top: Unit 3 member Nicole Pongasi holds up her catch of the day).

17 Members enjoy a Family Fun Day at the ballpark, watching UH take on Louisiana Tech at Les Murakami Stadium.

25 Pictured right, bottom: HGEA members ratify the 2011-2013 contract for Bargaining Units 2, 3, 4, 6, 8 and 13; Unit 9 members reject their contract (as The Public Employee went to press, Unit 9 was in the process of moving toward arbitration).

30 Kauai members participate in the annual American Cancer Society Relay for Life event at Hanapepe Athletic Complex.

MAY

7 Oahu members enjoy a Movie Day, watching Thor at Ward Consolidated Theatres.

12 A Kupuna Connection Caregiver Resource Fair is held at HGEA on Oahu, with various nonprofit organizations, government agencies and business on hand to provide information and resources for caregivers.

14 HGEA’s 2011-2013 state board of directors is elected.

19 HGEA’s Next Wave (for 35 years and younger members) launches the Haumana Project, a mentorship program to help develop future leaders of HGEA.

JUNE

8 HGEA’s 2011-2013 Retirees Unit state board officers are elected at the Retirees Unit’s 19th Biennial Assembly in Hilo.

10 Pictured left: More than 1,300 Oahu members and their families enjoy a fun, educational “Day to Discover” at the Waikiki Aquarium, with interactive exhibits by HGEA members and hands-on activities for children.

APRIL

4 Pictured left: At the “We Are One” rally, nearly 1,000 members from HGEA, UPW and other public sector unions as well as private sector unions, community organizations and nonprofit groups meet in solidarity at the State Capitol to stand together in support of workers rights.
2011 Year in Review (Continued from page 3)

JUNE, cont.
16 Oahu members hold a book fair to support American Cancer Society’s Relay for Life.

18 Pictured right: Maui members hold a cookie bake to support the Kendall Scholarship and Education Fund.

25 Big Island members and their families participate in the 5th annual Fishing Derby at Coconut Island.

25 Oahu members hold a recycling drive to benefit American Cancer Society’s Relay for Life.

JULY
8 The 3rd annual HGEA golf tournament is held at Hawaii Prince Golf Club, with more than 200 golfers participating and raising nearly $12,000 for the Kendall Scholarship and Education Fund.

9/10 Maui members participate in the American Cancer Society Relay for Life event at the War Memorial Football Stadium.

16/17 Members participate in the American Cancer Society Relay for Life event at Magic Island on Oahu and at Francis Wong Stadium in Hilo.

23 A Family Fun Movie Day is held on Oahu, and members enjoy watching Harry Potter and the Deathly Hallows at Ward Consolidated Theatres.

26 Civil Beat, an online news organization, conducts a live-streaming interview with HGEA Executive Director Randy Perreira.

AUGUST
12 HGEA/AFSCME stewards in Units 2, 3, 4, 8, 9 and 13 and employer representatives take part in a joint labor/management seminar, titled “Working Together,” that provides training and expands the skills and experiences of union stewards.

19 HGEA members enjoy the waterpark at the annual Family Fun Day at Wet ‘n’ Wild Hawaii on Oahu.

SEPTEMBER
27 HGEA announces early endorsements of Mazie Hirono for the United States Senate and Colleen Hanabusa for U.S. House of Representatives, District 1. (see page 7)

OCTOBER
13 HGEA’s new TV commercials begin airing as part of its new media campaign. (see page 8)
OCTOBER, cont.
29  Pictured right: Oahu members and staff help with graffiti removal, rubbish clean-up and weed removal during a Community-wide Clean-up and Graffiti Paint-out event in Waikiki.

31  HGEA staff Ann Ebesuno and Jarnett Lono – two of the many volunteers from AFSCME locals – begin blogging from Ohio about their daily activities to help overturn Senate Bill 5, which would limit collective bargaining rights for the state’s public employees. On Nov. 8, voters in Ohio claim victory when the bill is overturned.

NOVEMBER
3  HGEA’s Next Wave members on Oahu come out for a roundtable discussion with Honolulu Councilmember Stanley Chang and State Representative Chris Lee.

16/17 Featuring over 30 different booths, the Annual HGEA Downtown Holiday Craft & Gift Fair is held on Oahu as a benefit for the Kendall Scholarship and Education Fund. (see page 9)

17  Pictured right: The Hilo chapter of Next Wave is launched on the Big Island.

19  Kauai members help clean up invasive species at Kokee State Park.

24  Through Lanakila Meals on Wheels, HGEA members and staff deliver nutritious meals to seniors on Thanksgiving Day.

DECEMBER
5  Pictured right: HGEA’s Maui Community Action Committee donates two beautifully decorated artificial Christmas trees to two non-profit organizations on Maui, St. Theresa’s Church and Maui Job Corps.

8  The Maui chapter of Next Wave is launched in Wailuku.

17  Pictured left: Unit 3 members Jolly Iwata and Becky Komaki on Kauai assemble the bamboo for their annual “kadomatsu” (traditional Japanese New Years decoration) fundraising event to benefit the Kendall Scholarship and Education Fund.

25  HGEA members and staff help Lanakila Meals on Wheels with delivery of nutritious meals and holiday cheer to seniors on Christmas Day.
HGEA’s 2012-2014 Strategic Plan

HGEA will be implementing an updated strategic plan, which includes goals to improve service to members and enhance communications to the different age groups of its members.

On Dec. 16, 2011, the HGEA Board of Directors approved the organization’s objectives for 2012-2014. When The Public Employee went to press, HGEA management was in the process of creating action plans to achieve these objectives. The tactics were to be submitted to the board for their consideration and approval at their Jan. 27 regular board meeting.

21st Biennial HGEA General Assembly in May

The 21st Biennial HGEA General Assembly will be held May 10-12, 2012 at the Hapuna Beach Prince Hotel on the Big Island. The theme is “Fighting to Protect the Public Service.”

Once again, the HGEA website will feature convention updates and photos of the day’s events, as well as live streaming video of speakers, including Rev. Al Sharpton, civil rights activist, minister and host of “PoliticsNation”; Lee Saunders, AFSCME International Secretary-Treasurer; and Joseph Rugola, Executive Director of the Ohio Association of Public School Employees. Rugola was one of the union leaders who were instrumental in repealing Ohio’s Senate Bill 5, an anti-collective bargaining anti-public worker law.

Please visit the HGEA website for the latest updates about the General Assembly.

Mahie Trask named Retirees Unit administrator

Mahie Trask is HGEA’s new Retirees Unit administrator, replacing Susan Goya, who retired last August.

In her new role, Trask is responsible for the management of the day-to-day operations of the Retirees Unit, which is composed of over 9,500 retired county and state government employees. She also works with the retirees’ board of directors and chapter presidents on coordinating the statewide activities of the unit.

Trask has 20 years of experience working for HGEA, and was most recently a field support specialist. She holds a bachelor of arts degree in social science from University of Hawaii – West Oahu.

Ian Takashiba rejoins HGEA as Hawaii Island Division Chief

Ian Takashiba returns to HGEA as its new Hawaii Island Division Chief. He replaces Ann Ebesuno, who now heads membership services.

As Division Chief, Takashiba is responsible for management of the day-to-day operations of the Hawaii island division, including overall responsibility for all island division programs, fiscal operations, building management and the day-to-day supervision of the division’s staff, and for functions related to field activities. He will also develop, recommend and implement new programs for the division.

Takashiba was most recently a human resources manager for the County of Hawaii Department of Human Resources Labor Relations Division. Previously he worked for HGEA as a union agent on the islands of Maui, Oahu and Hawaii. Takashiba holds a bachelor of business administration degree from Hawaii Pacific University.
FEBRUARY 2012  7

HGEA ANNOUNCES EARLY ENDORSEMENTS: MAZIE HIRONO FOR U.S. SENATE AND COLLEEN HANABUSA FOR U.S. HOUSE OF REPRESENTATIVES, DISTRICT 1

In September, the HGEA State Board of Directors approved the HGEA State Political Action Committee’s recommendation to early endorse Mazie Hirono for the United States Senate and Colleen Hanabusa for U.S. House of Representatives, District 1.

“Now more than ever, Hawaii needs a strong congressional delegation who will stand up for the middle-class and support bold, sensible solutions to put our nation back on track,” said HGEA Executive Director Randy Perreira.

“Throughout her career, Mazie Hirono has been a strong voice for working families — which is why we are proud to recognize her with our early endorsement. We are confident that she will work well with Senator Daniel Inouye, and together they will continue to make invaluable contributions to our state that will benefit us for many years to come.

“We are also proud to recognize Colleen Hanabusa with an early endorsement of her re-election to the U.S. House, District 1. During her first term, Congresswoman Hanabusa has proven to be a solid member of Hawaii’s congressional delegation. She is a strong advocate of workers in Hawaii, as well as nationally, and will continue to support the middle-class and President Obama’s initiatives to move our country forward.”

2012 LEGISLATIVE PRIORITIES

Together, HGEA leaders and staff will work hard during the 2012 legislative session to support these board-approved priorities:

- Maintain civil service under Chapter 76, HRS and preserve collective bargaining under Chapter 89, HRS.
- Reform the Hawaii Employer-Union Health Benefits Trust Fund. The current system is broken and not cost-effective for employees or employers. Allow unions to negotiate benefits and premium contributions like the private sector, which will result in more affordable premiums.
- Preserve vital public services. Actively seek ways to generate additional state revenues.

After careful consideration, your State Committee on Political Action, chaired by Unit 3 Director Jon Gasper, reviewed and recommended the 2012 legislative package. Other priorities may be added during the legislative session.
HGEA’s new media campaign highlights members as vital public workers and valuable community volunteers

In October, HGEA launched a new media campaign, focusing on the critical jobs of HGEA members and on their service in the community. The campaign, developed by local advertising agency Hendrix Miyasaki Shin, shows members as valuable individuals who are an integral part of the community.

“What drives us is the same as what drives you.” In the two television ads currently airing, two HGEA members are featured in their occupations – registered professional nurse Barbara Larrabee Duarte (Unit 9) on Maui and plant quarantine inspector Glenn Sakamoto (Unit 13) on Oahu.

Each TV spot begins with the “slomo” (slow motion) effect of an urgent situation (nurse reacting to an emergency, plant quarantine inspector in pursuit of a harmful reptile), followed by a series of quick shots showing them at different tasks of their job.

Brad Shin, HMS creative director, said, “For the two new HGEA TV spots, we wanted to communicate that HGEA members are part of Hawaii’s larger community and are driven by the same core values many people in the workforce share regardless of affiliation – to work hard on the job, to perform their duties to the best of their ability, to provide for their families, to be positive role models as parents and to support the neighborhoods in which they live. The spots use slow-motion scenes and quick cuts to highlight what the featured HGEA members do on the job, while their voices speak of their drive to be good workers, good parents and good community members.”

With each 30-second spot, the HMS creative team is able to convey the importance of HGEA members’ jobs and genuinely portray the workers as hard-working, caring family and community members.

To reinforce the TV ads, mall sign ads appear at shopping centers on Oahu, Big Island, Maui and Kauai. The concept behind the mall ads, which feature the hands of various HGEA members, is based on the clasped hands in the HGEA logo.

“Just as the hands in the logo embrace and support the islands, HGEA members embrace and support their communities in many ways,” said Jesse Kline, also a creative director at HMS. “Not only do HGEA members perform critical on-the-job duties that keep our state and counties running smoothly, but after hours they also volunteer as youth coaches, gather food for the homeless, donate blood, serve as neighborhood leaders, care for ill patients in hospice, and lend their support in countless other ways. The sentences on the hands convey these dual roles HGEA members play in support of their community. And when the hands come together, they come together like the HGEA logo.”

Kline added, “HGEA hands are hard working hands so the photography was intended to look strong, earthy and interesting – hands that care deeply for our island community.” The three members in the mall ads are Alicia Andres (Unit 3 – Oahu), Patricia Dunn (Unit 3 – Hawaii) and Garry Nitta (Unit 8 – Maui).

continued on page 10
KENDALL SCHOLARSHIP

Fundraising events are held throughout the year on Oahu, Big Island, Maui and Kauai to support the Charles R. Kendall Scholarship and Education Fund, which provides educational benefits to HGEA members and their immediate families. To date, the scholarship fund has given out more than 1,800 awards to deserving individuals.

Please visit www.hgea.org/scholarships for more information about the different scholarship opportunities available.

MARK YOUR CALENDARS
Upcoming Kendall fundraising events

Ho’olaule’a
Saturday, February 25, 2012
495 Manono St., Hilo

Kendall Cookie Bake Sale (Oahu)
Saturday, March 10, 2012
Campbell High School Cafeteria

Kendall Fishing Tournament
Saturday, May 5, 2012
Waianae Boat Harbor

Kendall Fishing Tournament – over $20,000 in cash prizes to be given away!

Get a boat team together and participate in HGEA’s first-ever Kendall Fishing Tournament to benefit the Kendall Scholarship Fund. Cash prizes will be awarded in two categories in addition to a $5,000 grand prize for the biggest fish caught! (Each boat must be sponsored by an HGEA member, but the HGEA member is not required to be on the team or boat.)

Saturday, May 5, 2012
6:00 a.m. to 4:00 p.m.
Waianae Boat Harbor

Application deadline is March 30, 2012 (or until the tournament is filled). Go to the HGEA website at www.hgea.org/fishing for more information, including tournament rules, and to download an entry form.

Scenes from HGEA’s downtown craft fair

On Nov. 16-17, 2011, HGEA’s Holiday Craft & Gift Fair was held, featuring over 30 booths and daily prizes of Hawaiian Airline miles, movie tickets and gas gift cards. Net proceeds from the fair went toward the Kendall Scholarship Fund.
The Next Wave is on the move!
The Next Wave has successfully hosted kick-offs on the islands of Hawaii, Maui, and soon, Kauai! The Next Wave is now holding statewide meetings on every second Thursday of each month at the respective offices of HGEA. It’s the first time HGEA members 35 years old and younger are connecting statewide to address the unique challenges that they face so that these future leaders of HGEA can prepare to one day fill leadership roles within the union.

On Nov. 3, 2011, the Next Wave hosted a roundtable discussion with young legislators, State Representative Chris Lee (District 51) and Honolulu Councilmember Stanley Chang (District 4) on Oahu. It was an opportunity for young members to discuss both the importance of leadership as well as getting involved with the legislative process. In the new year, we hope to connect more young members to legislators as it is increasingly important to include a Next Wave perspective in the legislative process.

In December, Next Wave member Suzy Okino (Unit 3) was nominated to represent HGEA to the first national AFSCME committee meeting of Next Wave members from across the United States. She faced the winter cold of Washington, D.C. and did us very proud! Congratulations, Suzy!

The Haumana Project
The mentorship program continues through the new year. Throughout the fall, the Next Wave hosted trainings about leadership in the 21st century and has been checking in with the pairs to make sure the protégés are successfully reaching their goals. The Next Wave also hosted its first Talk Story Session, “Negotiations. Who Agreed to This Contract Anyways?” Mentors shared their experiences as negotiators with their unique perspectives from diverse bargaining units, ranging from when HGEA had the right to strike through the current system of binding arbitration.

We will be looking for more mentors to help us for the next cycle of the Haumana Project!

Are you 35 and younger and interested? Are you an active member who wants to mentor some new and young members? Contact nextwave@hgea.org.

EUTF Membership Cards
New enrollment selections became effective Jan. 1, 2012. You should have received your new membership cards by Jan. 14, 2012, if your enrollment form was timely submitted. If you have not received your new membership cards yet, email the EUTF at eutf@hawaii.gov to inquire about the status of your requested change. Also, if you need to see a doctor or a dentist or fill a prescription before you receive your new membership cards, email the EUTF. In the email subject line, type: “URGENT CONFIRMATION OF COVERAGE NEEDED.” The EUTF will review these emails as a priority and take steps to rush your enrollment.

Visit www.eutf.hawaii.gov for more information.

New Media Campaign – continued from page 8
When HGEA began its media campaigns in 2002, the intent was to build public awareness of the vital services that government employees provide to our communities. Oftentimes, these services are taken for granted and it helps to remind everyone, including our lawmakers, of the positive contributions that public employees make every day. HGEA has tracked the effectiveness of the ads since it started its media campaigns. Results of public awareness surveys have shown that with each new media campaign, favorability of government employees has steadily increased.

To watch HGEA’s television spots and see the mall signs, visit the HGEA website at www.hgea.org/mediacampaigns.
HGEA Financial Statement

Consolidated Statement of Financial Position
Fiscal Year Ended June 30, 2011

ASSETS

Current Assets
Cash and cash equivalents $2,829,437
Time certificates of deposit 735,000
Accounts receivable 522,075
Interest receivable 19,308
Prepaid expenses and other current assets 133,731
TOTAL CURRENT ASSETS $4,239,551

Investments 5,166,231
Property and equipment, net 7,970,770

Other Assets
Temporary loan relief program 552,500
Loan costs, net of amortization 2,822
TOTAL OTHER ASSETS 555,322

TOTAL ASSETS $17,931,874

LIABILITIES AND NET ASSETS

Current Liabilities
Current maturities of long-term notes payable $273,214
Current portion of capital lease obligation 18,641
Accounts payable and other liabilities 271,215
Payable to AFSCME/AFL-CIO 696,980
Due to bargaining units 197,714
Accrued vacation payable 670,626
Current portion of postretirement medical benefit liability 173,973
TOTAL CURRENT LIABILITIES $2,302,363

Non-current Liabilities
Notes payable, less current maturities 2,994,890
Capital lease obligation, less current portion 41,961
Defined benefit pension liability 4,775,058
Postretirement medical benefit liability, less current portion 4,287,549
TOTAL NON-CURRENT LIABILITIES 12,099,458

TOTAL LIABILITIES 14,401,821

Net Assets
Unrestricted:
Undesignated 2,595,927
Designated for arbitration 1,477,701
Designated for medical trust 934,454
Designated for future repairs 33,046
5,041,128

Non-controlling interests in the Association of Apartment Owners of the Charles R. Kendall Building (Association) (1,511,075)
Total unrestricted net assets 3,530,053

TOTAL LIABILITIES AND NET ASSETS $17,931,874

Consolidated Statement of Activities
Fiscal Year Ended June 30, 2011

Revenues and Other Support
Statutory dues $9,982,858
Affiliation dues 4,155,705
Rental income and recoveries 1,041,754
Associate member dues 964,437
Investment income, net 863,198
Grants 396,500
Other income 243,655
TOTAL REVENUES AND OTHER SUPPORT 17,648,107

Expenses
Program Services
Field services 4,313,951
Affiliation dues 4,155,705
Representation 1,215,311
Legislation/political action 999,397
Communication 939,774
Board of directors 214,402
Statewide recreation 198,007
Unit appropriations 178,512
Steward’s incentive/training 87,956
Negotiation/arbitration 66,142
General assembly 1,904
Total Program Services Expenses 12,371,061

Supporting Services
General and administrative 2,529,370
Operations of the Association 945,480
Property management 670,915
Total Supporting Services Expenses 4,145,765

TOTAL EXPENSES 16,516,826

CHANGE IN NET ASSETS BEFORE OTHER COSTS (CREDITS) 3,146,006

Other Costs (Credits)
Pension related changes other than net periodic pension costs-defined benefit pension plan (2,098,058)
Benefit obligation related changes other than net periodic costs-postretirement medical plan 83,333
TOTAL OTHER COSTS, NET (2,014,725)

CHANGE IN NET ASSETS 3,146,006

Net Assets at Beginning of Year 384,047
Change in Net Assets 3,146,006
Net Assets at End of Year $3,530,053
No increase in AFSCME per capita dues for 2012

Our international union, the American Federation of State, County and Municipal Employees (AFSCME), has scheduled no change to the 2012 per capita payment. Full-time employees will remain at $12.20 per month and part-timers will remain at $9.15 per month. This is the second year AFSCME has not increased the per capita payment.

AFL-CIO per capita will remain at 60 cents per month for both full-time and part-time employees.

This only applies to active members and Agency Fee Only (AFO) employees in HGEA collective bargaining units.

2012 Kendall Scholarship Fundraising Events

See page 9 for a list of fundraising events on Oahu, Hawaii, Maui and Kauai to benefit the Kendall Scholarship.

For more information, visit the HGEA website at www.hgea.org and look out for details in upcoming eBulletins.

Education and Training classes

HGEA offers a statewide Education and Training Program for all HGEA members. Classes are free for bargaining unit members.

Go to the HGEA website at www.hgea.org/ET for a current schedule of education and training classes.