

# NewsLetter

PPSPERA IS SUPPORTED BY COLORADO SPRINGS SCHOOL DISTRICT NO. 11

VOLUME IV, No. 2

January, 2012

Editor: Alan Rasmussen

## From Your Co-Presidents

Winter has finally arrived with the cold temperatures and the threat of snow. We certainly hope each of you had a wonderful Thanksgiving and Happy Holidays.

The first general membership meeting for this year was held November 1<sup>st</sup> at Valley Hi Golf Course. The meeting began with a letter received from one of the 2011 scholarship recipients. Christine Anderson spoke of some of the hills and valleys of being a 1<sup>st</sup> year college student and stated how grateful she was for the scholarship as it had helped her to attend the college of her dreams. It is great to hear that our money is being well used. Keep this in mind as you complete your reservation for the next meeting or when we pass the hat for scholarships. Please give generously!

The food collection community service project is going very well. The food collected at the last meeting was donated to the Westside Pantry. Donations from the next meeting will go to Ecumenical Social Ministries. Please let us know if you know of other organizations we could help.

For the last several years we have sponsored two girls from the region to attend Girls State. It is really a very beneficial experience for each participant. Beth Luke a senior at Coronado was one of the participants we helped last year. She spoke briefly of her experience at Girls State and thanked the group for its sponsorship.

Please remember scholarships, sponsoring activities like Girls State and Crystal Apple, regular newsletters, our programming that you so enjoy and most importantly our advocacy role to protect our PERA benefits all cost money. Our budget is based on membership and our membership is down. WE NEED YOUR HELP! We are challenging each one of you to bring at least one new member with you to

### PERA Highlights for the year 2010\*

Benefit Recipients	94,017
Active Members	201,095
Service Retirements	5,066
Disability Retirements	158
Benefit Payments	\$3,161,774,000
Average Monthly Benefit	\$2,905

the February 3rd meeting. Let your friends know what we do to help protect PERA, about our scholarships and sponsorships, community service, and our quality programs. Our slogan this year is EACH ONE BRING AT LEAST ONE.

Please continue to be constantly vigilant regarding upcoming legislation that will impact the retirement of every

present retiree as well as those retiring in the future.

There already is a proposal from a local representative to change a regulation of PERA impacting city government workers. Bills are expected be introduced to change the composition of the PERA board allowing more members to be appointed by the governor. More bills will come regarding changing from defined benefit to defined contribution. There is groundwork being done to propose a constitutional amendment that requires defined contribution instead of defined benefit payments for PERA members. Each of these proposals will impact the retirement of EACH and EVERY PERA member. We must be ever vigilant and be ready to be active in preserving our retirement. The legislature needs to give Senate Bill 1 a chance to work.

The next meeting is 9:30 am on Friday, February 3rd at Valley Hi Golf Course. Yes, we have changed the date so that we could invite Carole Wright, chair of the PERA Board of Trustees as the major speaker. The topic of the program is "Citizen Lobbyist: How & Why". It will be very interesting, beneficial to all of us and certainly timely. EACH ONE BRING AT LEAST ONE on February 3.

Meredith Jobe and Sandy Patton

## State CSPERA Annual Conference

May 16-17, 2012

### The Embassy Suites at Woodman & I 25, Colorado Springs

Sandy Patton will be installed as CSPERA president. If you are willing to work on local arrangements for this conference, let Meredith or Sandy know.

## PERA Notes

The November PERA Retiree Report was especially timely. Meredith Williams' article celebrating 80 years of PERA gave many facts regarding the grim claims we hear about PERA these days from critics who distort the facts. I hope everyone took the time to really read and absorb the information Mr. Williams imparted in the article. If you haven't read this issue of the Retiree Report, please do so.

Also, please note the change in your account access on copera.org. The changes make for more online security. Information regarding the changes is on the website as well as on page 5 of the November report. This will be especially important when the legislators go back to work.

**EACH ONE BRING AT LEAST ONE – Bring a Friend to the Next Meeting**

I again urge you to stay abreast of what's happening with the Colorado Legislature. Utilizing all of the information in the current Retiree Report, plus information passed on to you in recent months, you should feel confident in contacting your legislators to give them the correct facts as well as your opinions regarding PERA and the upcoming issues.

For instance, in Colorado, according to the US Census Bureau, employer contributions to pensions account for just 2.16% of all state and local spending. That disproves assertions espoused by PERA critics that we are a drain on the tax payers.

Less than one percent of PERA retirees receive a benefit of \$100,000 or more, and 39% of PERA retirees receive \$25,000 or less annually. Over 75% of PERA retirees have a benefit of \$50,000 or less annually. Not many of us are living "high on the hog." PERA retirees worked hard and long for their benefits.

There is a wealth of information on the PERA website: [www.copera.org](http://www.copera.org)

Peggy Gardner

With the PERA pension plan, also known as a "defined benefit" plan, the employee and employer both contribute to a professionally managed pooled investment fund. Upon retirement, the worker draws a monthly check until death.

The alternative "defined contribution" plan puts the risk/responsibility on the employee to invest the money. The account, usually 401(k) type investments, is portable for the worker, but there is no guarantee of income throughout the retiree's lifetime. It is at the mercy of the stock market.

**Rhode Island Lawmakers Approve Major & Troubling Pension Overhaul**

In November, a drastic overhaul of Rhode Island's pension system for public employees overwhelmingly passed in both houses of the state legislature. The legislation, called the Rhode Island Retirement Security

Act, would suspend cost-of-living adjustments (COLA) for those collecting state pensions and raise the retirement age for most employees. It would also set up a hybrid system for state employees and teachers, mixing a traditional pension with a retirement account similar to a 401k. The bill is unusual in that it affects current employees and retirees as well as new hires.

The Act makes broad changes to all of the plans effective July 1, 2012. The most significant differences include:

- Change the structure of the retirement program from a traditional defined benefit plan to a hybrid plan with a smaller defined benefit plan and a supplemental defined contribution plan.
- Extending the retirement ages and lowering the benefit multiplier.
- Changing the automatic COLA from a consumer price index (CPI) related formula to a formula contingent on the actual investment performance over time.
- Suspension/reduction of the COLA during times when the funded ratio is lower than targeted 80% levels.
- Teachers and Public Safety personnel not covered by Social Security will participate in additional defined contribution allocations.
- Any past post-retirement benefit adjustments that have been given will be preserved. Only future adjustments will be modified and/or suspended.
- Members currently eligible to retire retain ability to retire in accordance with their current provisions.
- A plan that has had four consecutive benefit adjustments suspended due to the 80% funding criteria will be eligible to receive an adjustment in the fifth year regardless of the funding level, and subsequently at five (5) year intervals until 80% funding is achieved.

It is anticipated that this plan will be used as a national model. Colorado has a much better solution in Senate Bill 1. We MUST FIGHT to keep SB 1 in place.

**PPSPERA Calendar**

January 26 at 9 am	Board Meeting	Peak Grill
February 3 at 9:30 am	General Membership Brunch & Program	Valley Hi Golf Course
April 6 at 9 am	Board Meeting	Peak Grill
April 11; 6:15-9pm	Pre-Retirement Seminar	Tesla
May 8 at 9:30 am	General Membership Brunch & Program	Valley Hi Golf Course
May 16 & 17	CSPERA Board Meeting & Annual Conference	Colorado Springs

Don't forget to join PILLAR!!! No cost for membership!!  
Membership good until June 2012!!!

# PPSPERA Winter Membership Meeting and Brunch

**Valley Hi Golf Club**  
610 South Chelton Road,  
Colorado Springs, CO

**Breakfast/Brunch Buffet - \$15 Cost**  
**Friday, February 3, 2012**  
**9:30 a.m.**

**Latest Update from Carole Wright – Chair of PERA Board of Trustees**

**\*\*Community Service Project: Food/Nonperishable donations** (shampoo, soap, deodorant, razors, shaving cream, toilet paper, dental care, etc.)  
**will be accepted and will be given to the Ecumenical Social Ministries**

**Reservations due January 26, 2012**

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**Please complete and mail this portion along with your check made payable to PPSPERA to:**  
Terri Stevens, 6926 Oak Valley Dr, Colorado Springs, CO 80919.

Please make \_\_\_\_\_ reservation for the PPSPERA Brunch, February 3, 2012.

Donation to Scholarship Fund \$ \_\_\_\_\_  
Enclosed is my check for \$ \_\_\_\_\_

Name \_\_\_\_\_  
Phone \_\_\_\_\_

Due to a required reservation number we will not be able to give refunds for no shows.

**Mail Your Reservation Today**

**PLEASE NOTE THAT THE GENERAL MEMBERSHIP  
MEETING DATE HAS BEEN CHANGED TO  
FEBRUARY 3, 2012.**



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BEEN CHANGED FROM FEBRUARY 7 TO FEBRUARY 3, 2012.**