

NewsLetter

PPSPERA IS SUPPORTED BY COLORADO SPRINGS SCHOOL DISTRICT NO. 11

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Editor: Alan Rasmussen

From Your Co-Presidents

Our year is off to a busy start with the annual picnic held on August 3 at Bear Creek Park. Everyone enjoyed some delicious picnic food and heard about information related to our local and state organizations. Guests included Greg Smith, General Counsel for PERA, Roger Fulks, President of CSPERA, Pat McNeill, CSPERA Treasurer and Susan Lowry, Association Member Benefits Advisors.

Greg Smith represented Meredith Williams, Executive Director of PERA, who was unable to attend when he was needed to testify at hearings in Washington, DC. It is evident from Greg's remarks, as well as comments from CSPERA President Roger Fulks, that this will be another active legislative year for PERA. Details regarding legislative issues and a contact list for local legislators are included in this newsletter so be prepared to contact your legislator with your thoughts regarding PERA issues. PPSPERA board members will be attending the CSPERA Legislative Forum and Board of Directors Meeting in October in Denver and will have updated information to share with you at our next general membership meeting.

We were excited to have David Rich, Executive Director of PILLAR Institute for Lifelong Learning, join us at the picnic. David announced a new partnership between PPSPERA and PILLAR! Be sure to read more about this partnership in the newsletter.

Thank you to those of you who not only attended the picnic but brought food donations for a local food bank. The food donated at the picnic went to the food pantry at the Westside Community Center, part of West Side Cares, located at the historic Buena Vista School site. Judging from the amount of food items we were able to collect, our first community service project was a great success. If you know of a group who needs support and might be an appropriate recipient of donations (food or otherwise) from our PPSPERA members, please notify one of us. A community service project will be a part of each of our general membership meetings this year.

Our local PPSPERA dues are now \$7.50 per year. The new membership brochure, reflecting this change, is included in this newsletter. We feel that the dues continue to be reasonable and a good value for our members, so remember to pay your local dues and encourage new members to join PPSPERA.

Our next general membership meeting is Tuesday, November 1 at 9:30 A.M. at Valley Hi Golf Course. All of

our remaining general membership meetings for the year will be brunch meetings and you will be finished with the meetings by noon. See more information in this newsletter and look for a separate flyer/registration form for the November 1 meeting in the mail.

We hope to see ALL of you on November 1!

Meredith Jobe and Sandy Patton

PERA Reminders

The PERA saga goes on and on - from outside financiers who think they know all to our local Memorial Hospital's future. And then there will be legislators who listen to those outside financiers and those who don't give PERA credit where credit is due. These many concerns are why each of us should pay attention, study and research the facts, and let Colorado citizens know the PERA true facts. Responses and information from PERA are posted on the "PERA on the Issues" section of the PERA web site at www.copera.org/pera/about/issues.htm#7511.

Notes:

PERACare Open Enrollment Meetings in Colorado Springs will be held at the Crowne Plaza, 2886 S. Circle Dr., on October 13, and at the Embassy Suites Hotel, 7290 Commerce Ctr. Dr., on October 26. Both meeting locations will be open from 9:00 a.m. until 2:00 p.m. to accommodate repeating the Medicare presentation at 12:30 p.m.

The Colorado Springs Shareholders Meeting will be held at the DoubleTree Hotel World Arena, 1775 E. Cheyenne Blvd., on October 18, 7:00 p.m. – 8:30 p.m. The meeting will start with a briefing about PERA, followed by a question and answer period.

Website Notes

Missed a newsletter? Check out the website homepage for "newsletters", click on the link and go right to our newsletters uploads! We will continue to work on making the website the best we can for your use and convenience.

The committee is working on the database that will be available to the Board so that we can send out newsletters electronically as well. We are always looking for ways to use your dues in the most efficient way. If you have any questions or ideas please email: tech@ppspera.org

Lisa Sarter, Electronic Communications

Attacks on PERA Expected to Continue – Stay VIGILANT

PERA provides a retirement plan to the employees of more than 400 government agencies and public entities in the state of Colorado.

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.

Meredith Williams, Executive Director of PERA, states that the average PERA recipient retires with 23.3 years of service. Under PERA's benefits formula, that would mean workers on average are receiving 58.3 percent of their highest three years of salary. In dollars, the average yearly benefit paid to a PERA recipient is \$34,392.

Here in Colorado, 9% of our citizens—474,000 people—either today or in the future, will rely on a PERA pension for their retirement. To really put this in an economic perspective, there are 9,430 PERA recipients in El Paso County receiving \$329,884,581 per year in PERA benefits. Most of these benefits are spent in El Paso County. Can you imagine the negative impact on the county's economic health if these benefits were eliminated?

It is expected that a better-written version of House Bill 1248 will be introduced in the upcoming legislative session. You will remember this bill modifies the composition of the PERA Board of Trustees so that it is comprised of six Trustees appointed by the Governor and confirmed by the Senate who are not PERA members or retirees and who are 'experts' in certain fields, the State Treasurer, three elected members from the School Division, two elected members from the State Division, one elected member from each of the Local Government and Judicial divisions, and one elected retiree. What is the danger in this? State Treasurer Walter Stapleton says we need financial experts making decisions. However, the so-called experts have no vested interest in the success of PERA. Whereas board members elected by the PERA recipients not only have a very strong personal investment in the success of PERA but must also under go extensive training. David Webber of the blog Labor Capital has researched this issue. His research shows that beneficiary board members - folks whose own retirement savings are invested in the public pension fund - make the best board

members..... In contrast, politicians turn out to be poor stewards of public pension funds, with comparatively small amounts of their own retirement invested in the funds and strong interests either in directing fund investments in a self-interested way or leaving pension underfunded.... Defeat of this legislation is CRITICAL. A changed board composition is expected to lead to decisions such as possible reductions in employer contributions to PERA, increased employee contributions, support of defined contribution plans and a general weakening of Senate Bill 1 that insures PERA is fully funded in 30 years.

We know that another or maybe several defined contribution bills will be introduced. In fact, it is expected that work will begin on a constitutional amendment eliminating defined benefit plans. Someone may say that will only affect future retirees and not those currently receiving benefits. That may be true except there will be no new contributions - employee or employer - coming into PERA. Ultimately, PERA will be bankrupt.

There continues to be a national movement to require all public employees to contribute to Social Security. Currently, about one-fourth of public employees are not covered because they contribute to alternative public pension plans. We need to work to maintain quality PERA benefits for future retirees for their well being, as well as the health and well being of PERA funding.

We must stay vigilant and stay alert to what is happening around the country and also in the state of Colorado. No one knows for sure what the future will bring, but by being proactive and taking care of business now we can possibly prevent what happened in Wisconsin from happening in Colorado. Elections have consequences; we must not only vote but also become informed and involved in the political process. Ask candidates what their position is regarding PERA. Be ready to contact our legislators, become knowledgeable about PERA benefits, talk to friends and neighbors, and stay VIGILANT.

El Paso County Legislators Contact Information

Name	Dist	Phone	E-mail
Sen. Bill Cadman, R	10	303-866-2737	bill.cadman.senate@state.co.us
Sen. Keith King, R	12	303-866-4880	keith@keithking.org
Sen. Kent Lambert, R	9	303-866-4835	senatorlambert@comcast.net
Sen. John Morse, D	11	303-866-6364	john.morse.senate@state.co.us
Sen. Mark Scheffel, R-	4	303-866-4869	mark.scheffel.senate@state.co.us
Rep. Mark Barker, R	17	303-866-3069	mark.barker.house@state.co.us
Rep. Janak Joshi, R	14	303-866-2937	janak.joshi.house@state.co.us
Rep. Bob Gardner, R	21	303-866-2191	bob.gardner.house@state.co.us
Rep. Pete Lee, D	18	303-866-2932	pete.lee.house@state.co.us
Rep. Larry Liston, R	16	303-866-2965	larry.liston.house@state.co.us
Rep. Marsha Looper, R	19	303-866-2946	marshalooper@gmail.com
Rep. Amy Stephens, R	20	303-866-2348	amy.stephens.house@state.co.us
Rep. Mark Waller, R	15	303-866-5525	mark.waller.house@state.co.us

Can You Help?

We are in the process of compiling a comprehensive history of Pikes Peak School and Public Employees Retirement Association and are in search of any of the following material you may have dating back to 1949: board member lists, member activity lists, meeting agendas, budgets, old newsletters, old records of any kind reflecting our group or its activities. Photos with or without names but with approximate dates will also be appreciated. We are trying to update our records but find a lot of information missing. Any help you can give will be greatly appreciated. E-mail any information to budcolorado@aol.com, give it to any board member or bring it to our next meeting and give it to Bud or Naomi. Thanks for your help in this extra endeavor.

Bud and Naomi Lehmkuhl
PPSPERA Historians

PPSPERA-PILLAR Partnership

At the August 3 picnic, David Rich, Executive Director of the PILLAR Institute for Lifelong Learning, announced a new partnership between PPSPERA and PILLAR. Effective immediately, PPSPERA members can receive a complimentary membership to PILLAR. The \$60 membership fee is waived for all new memberships through June 30, 2012 – **a \$60 savings for our PPSPERA members!**

By joining PILLAR you will have the opportunity to take a wide variety of classes; some of those classes are highlighted below. You also have the opportunity to be a PILLAR instructor and to teach a class as part of the PILLAR program. Details on class proposals are also included below.

PPSPERA is excited to offer this benefit to our members! To join, complete and turn in the enclosed PILLAR MEMBERSHIP APPLICATION directly to the PILLAR office – and start enjoying your PILLAR membership.

For those that are unfamiliar with the PILLAR Institute for Lifelong Learning it is an active organization for all people over the age of 55 and offers classes, seminars, fun and new friends. . Over 125 classes are offered per quarter with topics as diverse as:

- Bach for Beginners
- Butterflies of El Paso County
- Ben Franklin Live
- History of the Panama Canal
- Walking the Yellow Brick Road – a four part seminar on planning for retirement
- Holiday Watercolors
- You’ve Come a Long Way Baby
- Others only limited by your imagination



A complete catalog of available classes along with details about the instructors, dates and class times, etc is available at PILLAR’S website.

Do you have an interest in teaching a topic from the Arts, Science, Technology, History, Finance or Wellness? Share your experience and enthusiasm with members of the PILLAR Institute, a non-profit organization that offers life-long learning opportunities for the 55+ set, “just for the fun of it”. Presenters are encouraged to offer a 2-3 hour class for appreciative folks who are eager to expand their horizons. For more information contact Dave Rich, Executive Director, or send in a class proposal form from the PILLAR website at www.visitpillar.org.

Annual Picnic



PPSPERA MEETING CALENDAR 2011/2012

October 12 & 13	CSPERA Board Meeting & State Legislative Wkshop	Embassy Suites; Denver
October 27 at 9 am	Board Meeting	Peak Grill
November 1 at 9:30 am	General Membership Brunch & Program	Valley Hi Golf Course
January 26 at 9 am	Board Meeting	Peak Grill
February 7 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