



COPRA CHRONICLE

Issued by and for the
City of Phoenix Retirees Association

April 2008

Issue 9

Your advocate in pension and insurance matters

MEMBERSHIP IS OUR STRENGTH

2008 Pension Adjustment

The City of Phoenix Employee Retirement System (COPERS) has approved a permanent pension adjustment of 3.4% for 2008. You recently received a letter from the Retirement Office describing your specific permanent pension adjustment which is based on two factors:

- 1) The change in the local consumer price index (CPI) in the prior year
- 2) The availability of funds in Pension Equalization Program (PEP) reserve

The permanent pension adjustment is limited to the **smaller** of 1) or 2).

A CPI change of 3.4% for eligible retirees results in a total cost \$25 million. Since the available funds in the PEP reserve are \$41 million, the permanent pension adjustment is limited to the CPI change. This leaves a balance of \$16 million in the PEP reserve. See the article inside the Chronicle on page three which explains the PEP permanent pension adjustment process in detail (How PEP Works). The availability of the "13th Check" also depends on the PEP reserve balance.

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PRESIDENT'S MESSAGE

Your COPRA organization had the first of the three planned meetings on March 27th with over 150 members attending. We were honored to have Cathy Gleason, COPERS Chairperson, Donna Buelow, Retirement Administrator, and other members of her staff join us to share valuable information on the Pension System. A very special thank you also goes to Jim Flanagan, our Retirement Board Representative, who assisted in planning this program and worked together with Donna on the material presented.

For those in attendance a great deal of information was shared. Probably the most exciting news came when it was announced all retirees will be receiving a 3.4% raise in their pension this year. Once again, you can thank the PEP Program that your organization (COPRA) helped implement and has benefited retirees for many years. I have probably shared this information with you before so please forgive me if you already belong to COPRA, but for those of you receiving this newsletter and are not a member, now would be a great time to join the organization that continues to work tirelessly on your behalf.

The next big meeting, scheduled for May 29th at 1 PM, will have members of the Personnel Department and Health and Benefits Task Force addressing the upcoming health benefits for 2008. The costs for insurance will be going up as are so many things, but through a great deal of work on the part of the Task Force including two of our Board Members (Laura Ross and Al Zielinski) the increase will not be as significant as in many past years. Please make sure you mark this date on your calendar and try to make this very important meeting. The third meeting of the year will be held on September 25th at 1PM where Frank Fairbanks, City Manager, will be the keynote speaker addressing various issues and programs going forward in 2008 that can impact our retiree group and the City at large. As you have probably noticed in the local newspaper, the City was faced with the need to make major budget cutbacks in 2008 and I am sure Frank will be able to update us on all of the current issues upcoming.

Again, please mark your calendar for these two very important meetings which are all scheduled for the Washington Community Center:

May 29th 1 – 3 PM.....Health and Benefits Meeting

September 25th 1 – 3 PM....State of the City and Retirees Meeting

On a final note, congratulations to all the incumbents on the board who were re-elected this year with a record vote count over previous years. It appears the mail-in ballot is effective and we look forward to its continued use. The new COPRA Officers for 2008 (President, Vice-President, Treasurer, Secretary) will be elected by the board members at the upcoming April Board Meeting. We will share that information with you in the next issue of the Chronicle.

I look forward to seeing everyone at the May 29th meeting

Jack Thomas
President

COPRA Member Email Addresses Wanted

If you have an email address, please email it to Marvin Roelse, COPRA Membership Chairman, at marvinr567@msn.com to update our membership records.

2008 Pension Adjustment *(continued from page one)*

There are some challenging times ahead. There is a modest balance in the PEP reserve, the investment markets are more volatile than usual, and the investment world grows more complex each day. For your understanding and planning the Chronicle will provide information on fund performance. Annually we will provide you with information about the PEP reserve balance and calculations.

How PEP Works

The Pension Equalization Program (PEP) was established in the City Charter ((Chapter XXIV, Section 42) in 1991. Annually, funds are set aside for PEP in a reserve fund whenever the "rolling average annual investment returns" exceeds 8%.

The "rolling average annual investment return" is determined from investment returns for the last five completed calendar years. For example, the 2008 rolling average annual investment return was 12.25% based on the following calendar year data (rounded):

Calendar Year	COPRA Rate of Return
2003	24.1%
2004	10.4
2005	6.7
2006	12.1
2007	7.8

For 2009 the "rolling average annual investment rate of return" calculation investment rate of return data for calendar year 2003 date is removed and data for the calendar year 2008 is included.

Investments earnings that exceed 8% are not all used to fund the PEP reserve. A portion, roughly half, goes into the retirement fund to help fund the pension obligations of the fund. As you can see from this description, achieving investment returns in excess of 8% is important to funding PEP. Achieving investment returns in excess of 8% is also critical in improving the funding ratio of the entire fund.

COPRA BOARD ELECTION RESULTS

Five members were elected to the COPRA Board on March 27 to fill two-year terms effective retroactive to January 1, 2008. Syrintha (Cindy) Hasker, Barbara Kellogg, Donna Lewis, Jack Thomas, and Al Zielinski. They join the other five members: Gary Gross, Bruce Selden, Nancy Iverson, Laura Ross, and Jim Flanagan. Board officers for 2008 will be selected by the board at its April 10 meeting.

This was the first year using mail-in ballots to reach the entire membership for their vote. Almost 90 ballots were mailed to the Nominating Committee. We appreciate the interest of all members who participated in this election. The next Board election will be held this coming December 4 at the Holiday Event, and will again provide for mail-in ballots.

What You Don't Know About Retirement

Question: What does a retiree consider a productive morning?

Answer: Finding all six different items in the newspaper's Jumble puzzle

SOCIAL SECURITY COLA BENEFITS

Your Social Security checks and City PEP adjustments are both affected by the CPI, Consumer Price Index. Have you wondered why the government calls it a cost-of-living adjustment when it doesn't seem to remotely cover the increase in your cost-of-living? That's because the COLA doesn't cover "seniors" true cost of living. It's based on the increase in costs experienced by younger working people instead.

Recently the Kaiser Family Foundation did a survey to find out who spent more on health care, which is rising much faster than overall inflation – seniors or younger workers. The survey found that "In all cases, those age 65 and older spend far more on health care than younger adults, but their (seniors) incomes are substantially lower. For example, among households with two or more people medical expenditures in 2003 were nearly five times higher for seniors (\$2,308) than for others (\$514)."

Looking into what people who retired with an average monthly Social Security benefit of \$1,055 in 2007 would receive over the course of a 25-year retirement if the government used the senior CPI, the Consumer Price Index for the Elderly (CPI-E), to calculate the annual increase, instead of the young worker index (CPI-W.) Over the 25-year retirement, average benefits would increase \$18,227 more using the CPI-E instead of the CPI-W. While the difference is modest at first, the higher COLAs compound over the years like interest, providing the highest increases when seniors are older and more likely to have expensive chronic health conditions. By the end of the 25-year period, a retiree would receive a monthly benefit that's \$150 higher using the CPI-E, or \$1,800 more for the year.

Two FAIR COLA bills have been introduced in the House and a companion bill may soon be introduced in the Senate. Send your Representative a note supporting this change and asking them to co-sponsor The Consumer Price Index for the Elderly legislation (H.R. 2032 and H.R. 1953).

January 2008 issue of The Social Security & Medicare Advisor

URGENT NOTICE ON YOUR COPRA MEMBERSHIP!!!!

It is urgent that you make sure your COPRA membership dues have been paid for 2008. It will be necessary very soon to cancel the COPRA membership of retirees whose dues are not current. That means that such retirees will no longer receive the COPRA Chronicle with all the important information it contains. As of the end of March, over 400 members have not paid their dues and may be dropped from COPRA membership rolls.

To find out if you have paid your 2008 dues, check the first line of the mailing label on this Chronicle for the "**Dues Paid Thru**" notice. If the "**Dues Paid Thru**" year is "**2007**", you have not paid your 2008 dues and should send a check to renew your COPRA membership now!

The 2008 dues are still \$7.00 for Singles and \$10.00 for Couples. Members are encouraged to take advantage of the advance dues payment special where you pay dues for 4 years (\$28.00 Singles; \$40.00 Couples) and get credit for 5 years.

To renew your COPRA membership, send a check payable to "COPRA" to the following address:

COPRA
% Marvin Roelse
10701 East Peralta Canyon Drive
Gold Canyon, AZ 85218
marvinr567@msn.com

Medicare Part D Free DVD

In an effort to help simplify the newest federal prescription plan, Retirement Living TV has produced a video guide to help answer the most frequent questions about the subject.

Retirement Living TV and Erickson Retirement Communities partnered with the Centers for Medicare and Medicaid Services to produce an informational program to help clarify Medicare Part D. The program explains the new prescription plan in simple straightforward language and is available to the public in DVD format for free.

“It’s an exceptionally useful tool for anyone who has struggled with deciphering this new prescription plan” John Erickson, founder and CEO of Erickson Communities. “It was a great opportunity for us to be able to partner with the people at Medicare and produce something everyone can use. If you have any questions on Medicare Part D, this is an easy way to get your questions answered.”

To tackle the task the program features expert Leslie Norwalk, the deputy administrator for Medicare Services under President Bush answering questions. An authority on Medicare, she directs the complex and demanding task of implementing the hundreds of changes to be made under the Medicare Modernization Act. She also directs the day-to-day operations of Medicare.

“To answer tough questions, you need an expert, and Ms. Norwalk is the best.” Dan Rexford, Executive Vice President for Erickson, said. “She makes all of the most difficult topics easy to understand.”

“We wanted to address all of the concerns our viewers might have about the complexity of this topic,” Ed Beimfohr, Vice President with Retirement Living TV, said.

“This is something that affects so many people throughout the country. The programming is geared to those who enrolled in the program or who simply want more information about it.”

Retirement Living TV is a television channel for active senior citizens and the new voice of a generation under-served by the media industry. For a complete listing and other programming on politics, investing, health and more, log on to [Retirement Living TV – Television to inspire your freedom years](#). Or call 1-800-754-8464 extension 1, for your free DVD.

By Mark Abromaitis, Erickson Retirement Communities

How To Lower Your Car Insurance Rates

There exist many ways to lower this necessary expense. Consider the following suggestions:

- Shop around. Rates vary greatly, so get as many quotes as possible.
- Drive carefully – a good driving record will keep insurance costs from rising unnecessarily. Eliminate extra perks, like access to rental cars during repair or towing services.
- Raise your deductible – this will save you 35-60% on premiums. Drop collision coverage on any car valued at \$3,000 or less. If the car was involved in a wreck, it would probably be more cost effective to buy something better. If you eliminate the collision premium, you can save money for your next car.
- Find out if you qualify for any discounts. Sometimes, cars less likely to be stolen are cheaper to insure.
- Make future auto purchases with insurance costs in mind. Certain vehicles, such as sports utility and luxury cars, are typically more expensive to insure.

What to Do to Receive Your IRS Refund

Are you wondering what to do to ensure that you receive your economic stimulus payment which the IRS will begin to send out this May? In most cases you will not have to do anything extra. If you are eligible for a payment, all you have to do is file a 2007 tax return and the IRS will do the rest.

However, recipients of Social Security, certain Veterans' and Railroad Retirement benefits and low-income workers who don't normally need to file may have to take steps to ensure receipt of the stimulus payment.

If you are in this group and normally would not be required to file a tax return, you need to file a 2007 tax return this year to receive an economic stimulus payment. The return must show at least \$3000 in qualifying income.

Qualifying income includes Social Security benefits, certain Railroad Retirement benefits, certain veterans' benefits and earned income, such as income from wages, salaries, tips and self-employment. While these people may not be normally required to file a tax return because they do not meet the filing requirement, the IRS emphasizes they must file a 2007 return in order to receive a payment.

The IRS has released a sample version of a [Form 1040A](#) that highlights the simple, specific sections of the return that can be filled out by people in these categories to qualify for a stimulus payment.

For more information see [IRS Fact Sheet FS 2008-16](#) Stimulus Payments: Instructions for Low-Income Workers and Recipients of Social Security and Certain Veterans' Benefits available on www.irs.gov.

Be aware that identity thieves are already pushing scams involving the stimulus payments. At least one telephone scam is making the rounds using the proposed rebates as bait. IRS news release [IR-2008-11](#), "IRS Warns of New E-Mail and Telephone Scams Using the IRS Name; Advance Payment Scams Starting," has more details.

Remember that for the genuine IRS Web site be sure to use .gov. Don't be confused by internet sites that end in .com, .net, .org or other designations instead of .gov. The address of the official IRS governmental Web site is www.irs.gov.

Links: [Economic Stimulus Payments Information Center](#)

Baked Oatmeal

3-1/2 c milk (or water or soy milk etc.) Bring to boil. Stir in; 1 c Steel Cut Oats/ Irish Cut Oats
2T sweetener (maple syrup, splenda flavors, coffee syrup etc)

1/2 t Nutmeg

1/2 t- 1 t Cinnamon to taste

1 Apple diced

2/3 c dried fruit (crasins, raisins, blueberries, figs, etc)

1/2 t salt

Bring back to boil again. Pour into 1/1/2 qt dish, cover and bake at 350 degrees for 30 minuets

This will stay good for a week in the fridge.

You can purchase Steel Cut Oats or Irish Cut Oats at Sunflower Market in the bins.

MEMBERSHIP

Changed your address or phone number??? For address and/or telephone number changes, or for any questions about your COPRA membership, please contact Marvin Roelse, Membership Chairman. Marvin can be reached by telephone at (480) 288-1046, or by mail at: COPRA Chronicle, 10701 E. Peralta Canyon Dr., Gold Canyon, AZ 85218, or by e-mail at marvinr567@msn.com

IN REMEMBRANCE

Evelyn Jones	02/01/08, survivor
Louise Von Grabill	02/18/08 survivor
Elizabeth Easley	02/21/08
Will Banks, Jr.	02/21/08
Dolores Blazier	02/22/08
Charles White	02/26/08
Ethel Grimm	02/26/08
Donna Sanderson	02/28/08, survivor
Lurylene Baxter	02/28/08, survivor
Raquel Sillyman	03/01/08
Elizabeth Ullmeyer	03/02/08
Mary Feusahrens	03/02/08, survivor
Duane McNabb	03/08/08
William Walker Jr.	03/10/08
Victor Popelier	03/15/08
Mary Seppanen	12/05/07 survived by Delbert

HEALTH AND COMPASSION

We care about our members and their families. If someone in your family is ill, whether at home or in a care facility, or if a loved one has passed away, please call Kathy Erickson at (623)879-9632.

Prayer for Our Troops

Lord, I pray for the young men and women who have laid down their own lives to protect this great country of ours, America. They courageously faced down tyrants in the sands of Babylon so that we would not have to face them down in American cities. May you grant everlasting peace to our best and bravest - our fallen heroes.

COPRA OFFICERS

President:	Jack Thomas(623) 825-6999 E-Mail..... jtnt@cox.net
Vice President:	Laura Ross(623) 878-3334 E-mail..... ljross50@gmail.com
Treasurer:	Gary Gross(602) 992-7495 E-mail..... gwgross1@cox.net
Secretary:	Nancy Iverson(623) 334-8421 E-mail..... nancyarts@cox.net
Board Members:	Donna Lewis(602) 242-6393 E-mail..... dglewis04@cox.net
	Al Zielinski(602) 510-0408 E-mail..... al.zielinski@cox.net
	Barbara Kellogg(623) 322-5227 E-mail..... avidgolfer@aol.com
	Cindy Hasker(602) 336-8280 E-mail..... cindy.hasker@gmail.com
	Bruce Selden(623) 435-2365 E-mail..... seldenbb@yahoo.com
	Jim Flanagan(480) 497-8317 E-mail..... jamesaflanagan@gmail.com
	Benefits Committee Chair & Health
Task Force::	Laura Ross(623) 878-3334 E-mail..... ljross50@gmail.com
Programs Committee Chair:	Bruce Selden(623) 435-2365
Retirement Board Rep:	Jim Flanagan(480) 497-8317 E-mail..... jamesaflanagan@gmail.com
Member Support and Social Chair:	Cindy Hasker(602) 336-8280
	Donna Lewis(602) 242-6393
Membership Chair:	Marvin Roelse(480) 288-1046 E-mail..... marvin567@msn.com
Chronicle Editor:	Kathleen Erickson(623) 879-9632 E-mail..... rekathleen@qwest.net
Past President:	John Burke. (ex officio).....(928) 427-9461
City Retirement Systems.....	(602) 534-4400
Personnel - Benefits Section.....	(602) 262-4777
COPMEA.....	(602) 262-6857

Chronicle Article Deadline

Please be advised that the deadline for submitting articles for the Chronicle is the **first day of the month** in which you want the article to appear. Any member may submit material for publication, but the Editor will determine what will appear in the final copy based upon suitability and available space. For more information call the Editor at (623) 879-9632.

This is your Chronicle! Help us by submitting articles and/or pictures of general interest. Tell us about yourself, your family, an interesting trip or hobby. Suggestions are always welcomed.

E-mail to: rekathleen@qwest.net
Or mail to: Kathleen Erickson
20248 N. 17th Place
Phoenix, AZ 85024

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Acceptance of advertisements or articles in the COPRA Chronicle does not constitute an endorsement by COPRA of goods or services.



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PERIODICALS

Membership Meeting Announcements
Washington Community Center
2240 W. Citrus Way

May 29, 2008 - 1:00 pm
Benefits and Health Insurance

September 25, 2008 - 1:00 pm
Future Direction of Phoenix

December 4, 2008 - 11:00 am
Holiday Luncheon and Annual Meeting