

MARSP

Newsletter

www.midlandretireded.org

April, 2012

April 5, 2012
MARSP
Box 4954, Midland, TX 79704



Manufacturing A Crisis by Forrest Wilder

(article published in *The Texas Observer*)

HAVE YOU HEARD ABOUT THE RICH GUYS IN HOUSTON WHO WANT TO "reform" the public pension systems in Texas? Here's the story: Bill King, a prominent Houston businessman and Republican who toyed with the prospect of a mayoral run in 2009, has become consumed with the idea that Texas' public pension system is spiraling toward insolvency. Last year, King—who, by the way, published a 2008 book arguing that banker fraud had nothing to do with the S&L scandals of the 1980s—got together with some other businessmen to form Texans for Public Pension Reform. The group notably includes John Arnold, the billionaire hedge fund manager who made a name for himself at Enron as an energy-trader wunderkind.

King has since resigned from Texans for Public Pension Reform in order, he told me, to maintain his journalistic objectivity as a columnist for the *Houston Chronicle*. But his message hasn't changed: Public pensions that guarantee retirement benefits are in crisis and should be replaced with self-managed accounts such as 401(k)s.

The pension reformers are gearing up for a fight in the Texas Legislature next year.

In August, King told the Austin American Statesman, "I think the state needs to get the hell out of this (pension) business completely."

He now claims he was quoted out of context. But he and his comrades want a radical transformation of a system that has successfully provided a modest retirement to millions of Texas schoolteachers, firefighters and local and state workers.

King has made the \$108 billion Teacher Retirement System his prime target. That is peculiar, because by almost any measure the 75-year-old TRS is a model not of dysfunction, but of **quiet success**.

Consider: Most public school districts in Texas don't pay into Social Security for their educators. Instead, teachers are provided a guaranteed pension that's partially funded by the state. Currently, the state chips in just 6 percent—the lowest portion in the nation. For their part, teachers put 6.4 percent of their salaries into TRS. The contributions are pooled and managed by investment professionals.

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Please Come to the April Meeting

Don't forget to put Thursday, April 5, on your calendar. This is the date for the next meeting of MARSP. Judy Jackson of Judy Jackson's West Texas Finest Estate Sale Service will be our guest. You are asked to bring an antique to display on your table, or if you have a larger item, a display table will be provided. Mrs. Jackson will offer a critique and appraisal of your item if you wish. Please make a prompt reservation for you and your guests by e-mail or telephone. The cost is \$5.00, and a reservation is your commitment to pay, even if you cannot attend at the last minute. Meet and greet is at 11:30, followed by lunch at 12:00. After the lunch, members will be given an opportunity to describe the antiques they brought to the luncheon.

[Please call Anita Patton at 432-697-1602](tel:432-697-1602)

[or e-mail her at apatton123@sbcglobal.net](mailto:apatton123@sbcglobal.net) by Monday, April 2, 2012.



ENROLL NOW FOR NEXT YEAR!!

Now is the time to mail your check because **CURRENT MEMBERSHIPS END JUNE 30.** **Please send your dues now** to reduce MARSP costs for reminder notices! Also, help the association gain new members in order to increase its influence with state and national legislators.

NO OTHER ENTITY WORKS SOLELY FOR YOU IN AUSTIN AND SPEAKS FOR YOU IN WASHINGTON. Please join to help us become a stronger voice for retired personnel in Texas. Remember, MARSP represents you in Austin and locally. The local is a conduit between TRTA and our local members. **JOIN TODAY!**

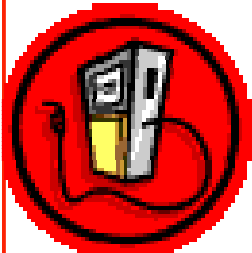
If you would like to help solicit prizes, provide a gift card, or donate money for the May Membership Promotion Drawings, call Mike Landrum, 631-7390, or email him at jmlandrum@earthlink.net.

The merchant donation form can be downloaded at:

<http://www.midlandretireded.org/newsletters/maydonationmerchant.pdf>

You will be eligible for **QUALITY PRIZES** (over 50 last year) at the May meeting if MARSP receives your membership form with payment postmarked by May 1. **(YOU DO NOT HAVE TO BE PRESENT TO WIN!)**

Mike and Kathy Landrum, Membership Chairpersons



Card Fraud?

A possible threat to the sanctity of one's credit or debit card at a gas station is posed by those who, during the process of refueling their own vehicles, surreptitiously affix 'skimmers' to card-reading mechanisms at gas pumps. (Skimmers collect data from the magnetic strips of cards, information which is later copied to counterfeit cards and used to empty bank accounts or to run up charges against credit accounts.) After installing the skimmers, the thieves quietly withdraw and return later to retrieve their data-enriched devices.

Should you discover you've been the victim of any sort of credit or debit card fraud, contact your bank immediately. The sooner you can get in touch with them, and the more information you can provide about where you used the now-compromised card, the better.

Regarding debit cards, keep in mind that they do not afford users the same level of protection against fraud that credit cards do. As a general precaution, make it your practice to examine your checking account history and balance several times a month rather than waiting for a statement to arrive in the mail. Report lost cards or suspected unauthorized use immediately. (Generally, the faster you report an incorrect or fraudulent charge, the less you will be liable for.)

Consider using credit cards instead of debit cards whenever possible because it is often easier to get unauthorized charges reversed from such instruments. Also, having the problem isolated to your credit card rather than your debit card means not having to deal with the headache of bounced checks during the time it takes to get the matter straightened out.

Sharon Welch, Informative and Protective Services



MARSP SCHOLARSHIP

The MARSP scholarship will be awarded to a lucky recipient in June. Thanks to each of you who contributed to this worthy cause. There is still time to donate if you wish, and remember that it is always appropriate to donate in honor of or in memory of a loved one, former educator, or active teacher.

The recipient of the scholarship is chosen by a committee in early June. If you would like to serve on this committee, please contact Diantha Dawkins at (432) 689-8214 and leave a message. You will be contacted about a meeting time for the committee to get together. Thank you in advance for volunteering for this worthwhile project of MARSP.

Diantha Dawkins
Scholarship Chairperson

Volunteer Hours—March 2012

Name: _____

Number of Hours: _____

Walking Steps—March 2012

Name: _____

Number of Steps: _____



Donations To Honor Maridell Fryar

The 59th Annual Convention for the Texas Retired Teachers Association will be held in Houston toward the end of March. The Texas Retired Teacher Foundation Luncheon will be on March 26. It is common for individuals, districts, and local units to present gifts to the Foundation at the end of the luncheon. Donations were recently accepted for the Foundation to honor Maridell Fryar, who will be installed as the new president of TRTA at the upcoming convention. A huge THANK YOU goes to the members of MARSP for contributions totaling \$700. Helping Hands will receive \$100, and scholarships will receive \$50, with the remainder going to the Legacy Campaign. The funds gained through the Legacy Campaign will be used to create printed materials as well as a website supporting defined benefit plans in Texas.

Again, thank you for honoring Maridell by giving to the Foundation.

Martha Kallus, Foundation Liaison



Walk a Million Steps



Thirty-one members logged a MILLION + Steps in 2011. WILL your name be here and WILL you increase your goal for next year? Set forth a

CHALLENGE to ALL your friends in 2012!!!!

We are so proud of our participants!!!!

| | | | |
|--------------------|-----------|--------------------|-----------|
| Bob Cornell- | 4,659,500 | Nancy Young- | 1,760,000 |
| Karron Pearson- | 4,002,010 | Ann Parish- | 1,730,230 |
| Barbara Yarbrough- | 3,200,000 | Virginia Conner- | 1,725,000 |
| Jean Alvey- | 2 880,000 | Dorothy Sanders- | 1,694,981 |
| Patricia Stevens- | 2,680,000 | Linda Denton- | 1,550,000 |
| Nancy Moreland- | 2,500,000 | Elizabeth Dennison | 1,550,000 |
| Roland Moreland- | 2,500,000 | Maridell Fryar- | 1,460,000 |
| Sharon Welch- | 2,440,000 | Nancy Doss- | 1,460,000 |
| Vannah Kleinbeck- | 2,236,000 | Darlene Olson- | 1,460,000 |
| David Kleinbeck- | 2,232,000 | Lois Templeton- | 1,460,000 |
| Dorothy Thompson- | 2,185,000 | Mike Landrum- | 1,400,000 |
| Lloyd Sanders- | 2,158,762 | John Moreland- | 1,314,000 |
| Betty Bagwell- | 2,044,000 | Dorothy Blair- | 1,248,000 |
| Mary Jo Sawyer- | 1,967,806 | Anita Patton- | 1,225,000 |
| Scott Adams- | 1,887,000 | Phyllis Short- | 1,040,000 |
| Suzan Adams- | 1,887,000 | | |

Karron Pearson
Health Chairperson



Concern For Our Members

Cards are sent on a daily basis, when needed, to our members and their families. Thinking-of – you cards were recently sent to Jan Smith, Lyn Fishman, and Evelyn Shelby. A get-well card was sent to Patty Smith after a recent surgery. A sympathy card was sent to the family of Francine Weaver, a long-time member and former president of MARSP, who died. Sympathy cards were also sent to Joe and Patty Smith for the loss of Joe's brother and to Mickey and Marie Long for the loss of Mickey's mother Marie. Please call Patti Watson at 697-1170 or e-mail her at pnw1000@gmail.com if you know of a member who would appreciate a card.

Patti Watson, Friendship Chairperson



Volunteer Hours Totaled

Congratulations to MARSP members who volunteered 169,239 hours during 2011. That is actually a total of more than 7,000 days that members worked without being paid anything. Congratulations to the following TOP TEN VOLUNTEERS:

| | |
|-----------------|-------|
| Betty Merritt | 4,138 |
| Anita Patton | 4,000 |
| Mike Landrum | 3,500 |
| Kathy Landrum | 2,700 |
| Maridell Fryar | 2,600 |
| Bob Cornell | 2,493 |
| Orin Wade | 2,000 |
| Natalie Eustace | 1,872 |
| Nancy Doss | 1,800 |
| Virginia Conner | 1,798 |

Thanks to each of you. Remember to turn in your hours at our luncheons and have a chance to win a free lunch at the next month's meeting.



Nancy Young
Community Volunteer Service

Ten Great Health Foods

Here are 10 foods that are rich in vitamins and essential nutrients, and better yet, they're easy to find in local stores. Add two or three to your grocery list and enjoy:



1. Almonds.

2. Apples.

3. Blueberries.

4. Broccoli.



5. Red beans.

6. Salmon.

7. Spinach.

8. Sweet Potatoes.

9. Vegetable juice.

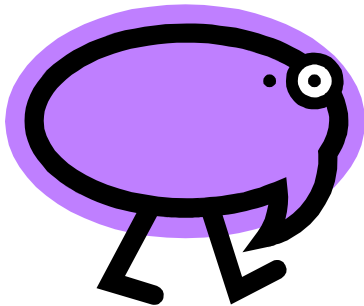
10. Wheat germ.



Mayo Clinic Housecall, January 4, 2012

Karron Pearson
Health Care

A birth certificate shows you were born, a death certificate shows you died, but a photo album shows you have lived.



Your Membership? What's It Worth?

Added Influence

+

Updates on Educational Related Matters that Affect You

+

Association with School Friends

+

Informative Programs at Monthly Luncheons

+

Access To Insurance Programs Specialized For You

+

Opportunities to Participate in Service Projects and Personal Health Programs

=

A happier, more informed YOU!!!

Please send your \$40 to P. O. Box 4954, Midland, TX 79704. Thank you, in advance, for your continued work in promoting the **ONLY organization** dedicated to the welfare of retired education personnel.

Call Mike or Kathy Landrum, 697-7727, with questions.



New Research About Alzheimer's Disease

"The idea that Alzheimer's is entirely genetic and unpreventable is perhaps the greatest misconception about the disease," says Gary Small, M. D., director of the UCLA Center on Aging. Researchers now know that Alzheimer's, like heart disease and cancer, develops over decades and can be influenced by lifestyle factors including cholesterol, blood pressure, obesity, depression, education, nutrition, sleep and mental, physical and social activities: Mountains of research reveal that simple things you do every day might cut your odds of losing your mind to Alzheimer's. The results are in a new book: *100 Simple Things You Can Do to Prevent Alzheimer's and Age-Related Memory Loss* (Little, Brown; \$19.99). Here are ten of the most surprising strategies.

1. **Drink coffee.** In an amazing flip-flop, coffee is the new brain tonic.
2. **Floss.** Oddly, the health of your teeth and gums can be a dementia predictor. Inflammation in diseased mouths migrates to the brain.
3. **Google.** Doing an online search can stimulate your brain even more than reading a book. Novice internet searchers, ages 55-78, activated key memory and learning centers in the brain after only a week of Web surfing an hour a day.
4. **Grow new brain cells.** Impossible, scientists used to say. Now it's believed that thousands of brain cells are born daily. The trick is to keep the newborns alive. What works: aerobic exercise (such as a brisk 30-minute walk every day), strenuous mental activity, eating salmon and other fatty fish, and avoiding obesity, chronic stress, sleep deprivation, heavy drinking and vitamin B deficiency.
5. **Drink apple juice.** Apple juice can push production of the "memory chemical" acetylcholine; that's the way the popular Alzheimer's drug Aricept works, says Thomas Shea, Ph. D., of the University of Massachusetts. He was surprised that old mice given apple juice did better on learning and memory tests than mice that received water. A dose for humans is 16 ounces or about three apples a day.
6. **Protect your head.** Blows to the head, even mild ones early in life, increase odds of dementia years later. Pro football players have 19 times the typical rate of memory-related diseases, and Alzheimer's is four times more common in elderly who suffer a head injury.
7. **Meditate.** Brain scans show that people who meditate have less cognitive decline and brain shrinkage as they age. Meditation of 12 minutes a day for two months showed improved blood flow and cognitive functioning in seniors with memory loss.
8. **Take vitamin D.** A severe deficiency boosts older Americans' risk of cognitive impairment by 394%. Ask your doctor about a recommended dose for you.
9. **Fill your brain.** A rich accumulation of life experiences—education, marriage, socializing, a stimulating job, language skills, having a purpose in life, physical activity and mentally demanding leisure activities—make your brain better able to tolerate plaques and tangles.
10. **Avoid infection.** Astonishing new evidence ties Alzheimer's to cold sores, gastric ulcers, Lyme disease, pneumonia, and the flu. The theory is that infections trigger betaamyloid "gunk" that kills brain cells. Proof is still lacking but why not avoid common infections and take appropriate vaccines, antibiotics and anti-viral agents.

Many of these suggestions seem like common sense, but if we are diligent about following them, perhaps our brains will reward us by staying active and sharp throughout our lives.

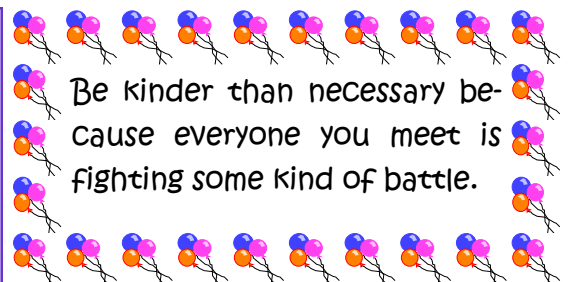
Articles for the Newsletter

Please send MARSP Newsletter articles to Joyce Whitley or Carole Miller, 1210 W. Golf Course Road, 79701 or e-mail them to joyce.whitley@gmail.com. You can also call (432) 682-7624. We always appreciate your input.



FYI— Checks Made to TRTF

If your donation to Texas Retired Teachers' Foundation to honor Maridell Fryar was in the form of a check made out to the Foundation, the check will be held until after April 1. You will receive an acknowledgement from the Foundation for tax purposes. Thanks again for your contributions.



Be kinder than necessary because everyone you meet is fighting some kind of battle.

Continued From Page 1

Annual returns average more than 8 percent-enough to cover 60 percent of benefit payments. Overhead is one-half of 1 percent, a good bit more efficient than most IRAs and 401(k)s.

"It's a ridiculously low-cost plan for the taxpayer," says Keith Brainard, research director for the National Association of State Retirement Administrators.

But is it sustainable? King says no. "Every one of these plans is on a long-term go-broke scenario," King says.

That's not entirely true. The first thing to know is that TRS is in healthy shape by widely accepted standards. Despite the 2007-2009 market downturn, the system is currently funded at 82.7 percent. The rule of thumb is that funds with an 80 percent assets-to-benefits ratio are in excellent shape.

The system does have about \$24 billion in unfunded liabilities. What does that mean for the system's long-term viability? Let's look at TRS' most recent report:

"Assuming the current contribution policy continues, the Pension Trust Fund has assets in place to make benefit payments through 2112."

In other words, TRS should be able to pay all guaranteed benefits to teachers for the next century.

To avoid insolvency in the very long run, the Legislature, some time in the future, would simply need to increase its investment in Texas teachers' pensions from 6 percent to 8 percent, the rate that existed when I was in first grade in the mid-'80s.

Why don't you advocate for that solution? I asked him. "I just don't think it's realistic" for the Legislature to spend more money, he told me.

While a minor financial shortfall that's easily fixed and won't cause problems for decades may not sound alarming to you, King claims it's a crisis.

We've seen this movie before: Manufacture a crisis where there is none, scapegoat working people (even better if they work for the dread government), and under the guise of "reform" push through a plan that would never fly otherwise.

King wants to take away public employees' guaranteed retirement benefit in favor of a defined contribution, 401(k) approach subject to the vagaries of the stock market. This is destroy-the-village-to-save-it logic. And it's certainly not "conservative" in the classic sense of the word.

WWW.TEXASOBSERVER.ORG

Maridell Fryar, TRTA First Vice-President, Comments at TRS Town Hall Meeting, March 12, 2012, in Austin

Good afternoon. My name is Maridell Fryar, and I serve as First Vice-President of the Texas Retired Teachers Association. As the voice for public education retirees, TRTA is grateful to TRS for performing the studies on the pension fund and TRS-Care because it is important for the facts to be clear.

We hope that the study about the pension fund will address several pertinent issues:

- The study should address the importance of a secure retirement income. TRS provides security to over 300,000 retirees. Without the TRS defined benefit pension, retired public school employees would have no other source of reliable income. This income is an economic stabilizer that prevents retirees from using social programs such as welfare and food stamps.
- The study should also consider that 95% of school employees in Texas do not pay into Social Security. TRS, however, is a better plan that provides a larger benefit to annuitants at less cost to taxpayers and individuals than Social Security.
- The study should address the great value TRS provides for the state. The current TRS defined benefit plan has been around for 75 years and during this time, only 20% of the funding has come from taxpayers. Another 20% comes from active employees, and the plan earns 60% on average on investments. TRS retirees are putting money back into the Texas economy, generating \$970 million in state and local revenues. This is a great bargain for Texas taxpayers.
- It is important that the study address the cost efficiency of defined benefit (DB) plans versus defined contribution (DC) plans. A study by the National Institute on Retirement Security (NIRS) found that a DB plan provides the same retirement income at nearly half (46%) the cost of an individual 401(k)-type DC account. TRS is able to keep costs low for its members because it is pre-funded, professionally managed, and has the benefit of the economy of scale and pooled financial risks.

Although the TRS pension fund provides a secure retirement, much of retirees' income is spent on rising healthcare costs. TRTA hopes that the study on TRS-Care will address adequate funding for the TRS-Care health insurance program.

- TRS-Care covers over 230,000 participants. The study should consider that these participants already make major contributions to their care, including premiums, deductibles, co-pays and prescription costs. Their premiums alone fund 31% of the program; and combined with other costs, retirees pay for nearly 50% of the program.
- The study should also identify the differences in health care costs for public education retirees and other retirees in TRS such as higher education retirees.
- We hope that the study will identify a funding mechanism for the program that is more aligned with rising healthcare costs instead of payroll. While payroll remains flat, health care costs keep rising. The current mechanism is mismatched.
- Finally, we hope the study takes into consideration the fact that TRS retirees have not received an annuity increase in nearly 12 years. The money available to retirees to cover rising health costs is diminishing.

We at TRTA understand the challenges you face as you undertake these studies. We appreciate your diligence and implore you to keep the best interests of public education retirees in mind as you proceed, such as a secure retirement income and access to affordable health care.