



# News



A QUARTERLY PUBLICATION

## Kentucky Retired Teachers Association

*Serving Retired Teachers Since 1957*

VOLUME XXXX, NUMBER 4

LOUISVILLE, KENTUCKY

JUNE 2006

### The Big Freeze

Margo Bryerton, 56, a Verizon network service manager based in Syracuse, NY, had a rude awakening when she came to work on December 5, 2005. That day, Verizon announced it was freezing its pension plan. As part of a move expected to save the company \$3 billion over 10 years, the telecommunications giant announced that managerial workers would no longer earn pension benefits after June 30 this year.

Because of the way such traditional defined benefit pensions are calculated—generally as a percentage of the salary earned during the last several years of service—the freeze will take a big bite out of Bryerton's anticipated pension. The 17-year veteran says that if she retires at 65, she'll

have about \$300,000 less than she expected. "I have a job I love and make pretty good money," she says. "But I no longer have financial security."

The move to freeze pensions at solid, profitable companies like Verizon—and at others, including IBM, Sprint, Nextel, Tribune Corp., Lexmark, Alcoa and Russell Corp.—is the latest sign of pressure on traditional guaranteed pension plans. "It's an entirely new phenomenon for healthy companies to freeze their pensions," says Alicia Munnell, director of the Center for Retirement Research at Boston College.

In 2003, 41 percent of workers with pension coverage had defined benefit pensions, down from 83 percent in 1980, according to the latest data released in February by the Boston College center. For the last several years, employees in struggling industries such as airlines, steel, coal and textiles have watched as their firms declared bankruptcy and terminated their plans altogether. And more may be in trouble, particularly in industries such as auto parts.

Not only that, new regulatory and legislative changes now in the works could encourage companies to freeze their pensions—or get out of the pension business altogether. And questions are being raised about the funding of pensions for public sector employees.

Add it all up, and it's hard not to conclude that defined benefit pensions are under assault. "The old three-legged

Continued on page 4



Neal Tucker  
KRTA President

### President's Perspectives

Some highlights for year 2005-2006 include: an increase in KRTA membership to about 25,500, thus strengthening our association and providing potential for more ideas, participation, leadership and success; health insurance through 2008; scheduled repayments for monies borrowed by the state from our teachers' retirement fund; COLA increases by 2.3% effective July 1, 2006 and by 2.1% effective July 1, 2007; and a limit increase in the yearly income for disabled retirees from a maximum of \$27,000 to \$40,000.

Additionally, an area not to ever be overlooked was the prevention of any legislation being passed that would be detrimental to retired teachers.

Our major priorities continue to be health insurance, COLA increases, equity, and the actuarial soundness of KTRS to assure payments of future retirements and medical benefits. In the coming months and years we must remain very diligent in our efforts to prevent any legislation that could torpedo or weaken our pension program. Kentucky, like most other states is experiencing budgetary stress. The big picture is that pension funding is not keeping pace with rising liabilities, such as health insurance, Medicaid, and cost of living increases. Our legislators normally meet to take formal action once each year, January through April. However, committee activities are continuous throughout the year with Interim Joint Committees and related subcommittees meeting at least monthly to address issues in preparation for the general session. Therefore, in addition to expression appreciations to our legislators for past support we must continually stay in contact with them and keep them aware and informed of our needs. We must remain alert and ready to protect the long-term integrity of our retirement system.

Increasing our membership continues to be one of our top priorities with a goal of 27,000 for the coming year. We can certainly meet and exceed this challenge.

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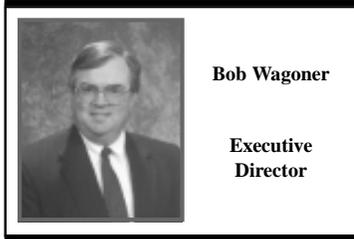
A QUARTERLY PUBLICATION

**Kentucky Retired Teachers Association**

7505 Bardstown Road  
Louisville, Kentucky 40291-3234

# PERSONALLY SPEAKING . . .

## FROM THE LEADERSHIP



Bob Wagoner

Executive  
Director

### Convention Report

Our growth in membership continued at an impressive rate in 2005. The total membership of 25,207 on January 20, 2006, an increase of 936 over last year, was just 348 members short of our goal of 25,555. What really makes this accomplishment so noteworthy is the

fact that many state associations continue looking for ways to reduce their losses rather than increase their growth.

I am extremely pleased with the addition of Janie Caslowe to our office staff on a part-time basis. As you know, on June 30, 2005, Betty Hester retired. This necessitated hiring a replacement. Although there have been some changes in responsibilities, Brenda and Janie are working together to continue making improvements in the delivery of services to our members.

This year we increased the value of our N.O. Kimbler scholarships to \$1,100 each for all 16 public community and technical colleges in Kentucky. We continue to receive many letters of appreciation from both the recipients and the colleges.

Health insurance for all retired teachers remains a major concern this year. The

state legislature made provisions in the budget (HB 380) to keep the system actuarially sound while allocating a portion of the employer contribution that would have been deposited in the pension fund to the medical insurance fund instead. Thus, the retirement system will continue providing health insurance for retired teachers through December 31, 2008. Also, retired teachers are scheduled to receive effective July 1, 2006, a 2.3% COLA and effective July 1, 2007, a 2.1% COLA.

In March the KTRS Trustee's Nominating Committee nominated the incumbent "Active Teacher Trustee," Laura A. Zimmerman (Lexington), for another term. Ms. Zimmerman has provided excellent service to both active and retired teachers during her tenure on the Board of Trustees. Wanda Meaux (Richmond) was also nominated as a candidate for the "Active Teacher Trustee" position.

Robert M. Conley (Paintsville) was nominated for another term for the "Lay Member Trustee" position. Mr. Conley has provided excellent service to both active and retired teachers during his tenure on the Board of Trustees. Orson Oliver (Louisville) was also nominated as a candidate for the "Lay Member Trustee" position.

As we move forward, two (2) issues that will impact future teacher retirees and us are mandated social security and health insurance coverage. As we continue to build on the excellent relationship we have with Gary Harbin, his staff, and the KTRS Board of Trustees, along with the respect KRТА enjoys with members of the General Assembly, we should be able to meet the challenges ahead.

Our association continues to grow and prosper. Much of the credit for this success belongs to the many dedicated volunteer leaders we have at the local, district and state levels. I wish I could thank each of you personally. Since I cannot, please accept my written, "Thank you." I could not be associated with a finer group than Kentucky Retired Teachers.

### Social Security Update

by Dr. Bob Wagoner

In Washington, DC, discussion on all Social Security issues has stalled. However, President Bush is continuing his efforts to privatize Social Security accounts through the budget process. Mandatory Social Security continues to be mentioned as a viable option to strengthen the program. KRТА is opposed to mandatory Social Security because it will have a devastating impact on our retirement system. All KTRS members (active and retired) will be negatively affected by required participation in Social Security. Reductions in future cost of living increases and other benefits such as health care are distinctly possible if mandatory Social Security occurs.

Two (2) additional Social Security issues that negatively impact KRТА members are the Windfall Elimination Provision (WEP) and the Government Pension Offset (GPO). S 619 now has 23 Senate co-sponsors. Neither of Kentucky's Senators Jim Bunning nor Mitch McConnell have signed on as co-sponsors of S 619. HR 147 has 307 House of Representative co-sponsors. Currently, Representatives Ben Chandler, Geoff Davis, Ron Lewis and Anne Northup have signed on as co-sponsors of HR 147. S 619 and HR 147 would repeal the WEP and GPO. Both bills, however, are being held by the leadership of their respective chambers and are not being allowed a vote.

It is important for each of us to let our federal legislators know that we are against mandatory Social Security, but we support repeal of the WEP and GPO. Due to current security measures, the most efficient way to contact our federal legislators about these issues is by fax. The fax numbers for Kentucky's federal legislators are as follows: Jim Bunning (202-228-1373); Ben Chandler (202-225-2122); Geoff Davis (202-225-0003); Ron Lewis (202-226-2019); Mitch McConnell (202-224-2499); Anne Northup (202-225-5776); Hal Rogers (202-225-0940) and Ed Whitfield (202-225-3547).

KRТА continues to work on these issues at the national level with the Coalition to Preserve Retirement Security (CPRS). Regular updates concerning these Social Security issues will appear in each issue of the KRТА News. Look for them.

Brenda Meredith, KRТА  
Deputy Executive Director

**Updated Site**

**www.krta.org**

**Keeping You Informed**

Recently we launched our newly designed website. We are anxious to get your input and opinions!

We think it is easy to use and informative. As seen below, you will find brightly colored tabs across the top of the pages where you can choose from **Current News**, **Membership Benefits**, **Legislative Program**, **Links**, **Join KRТА**, or **Contact Us**. In addition, you can click on to the red bullet items on the left of each section to navigate easily through the site. We have included pictures of recent events and a calendar for each month.

If you need assistance with navigation, please call us.

The screenshot shows the website for the Kentucky Retired Teachers Association. At the top, it says "Kentucky Retired Teachers Association" and "Serving Retired Teachers Since 1957". Below this are several navigation tabs: Home, General News, Membership Benefits, Legislative Program, Links, Join KRТА, and Contact Us. On the left side, there is a sidebar menu with items like KRТА NEWS, Community Service, KRТА Mission & History, KRТА 2006 Convention Highlights, Fall Workshops Schedule, Schedule of Events, and a search box. The main content area features a large "Welcome" message and a "Web Updates" section with a "View the results of the General Assembly regarding the KRТА 2006 Legislative Program. Go to" link.



**Dave Farmer**

Even in your own home, you and your family are at risk for injury. Just walking down dark basement stairs in soft socks sets the stage for a fall. So does climbing atop an unstable chair to reach high objects or to change a light bulb. "Falls are the most common accident in the home," says Liberty Mutual Executive Vice President Paul Condrin. In fact, reports Alan C. McMillan, president of the National Safety Council, in 2002 falls and other home accidents—burns, electrical injuries and more—accounted for more than eight million disabling injuries and 33,000 deaths. Equally startling, more than four million children under the age of 14 are injured at home each year. But the vast majority of these accidents are preventable. All it takes is some knowledge about home safety.

"Better identification of hazards and increased attention to regular home maintenance can go a long way toward reducing the number of injuries and losses," Condrin said. That's why Liberty Mutual and the National Safety Council teamed up to produce a special educational program—"Home Safety: How to Make Your Home a Safe Haven." This important and interactive program includes an educational booklet and your choice of a 10-minute video or a CD-ROM you customize to your personal situation. But what can you do to make your home safer right now? Following the guidelines outlined below is a great place to start.

### Evaluate Your Space

The first step in making your home a safer place is to take a tour, looking for potential dangers. Then you need to know how to correct them. Examine every room—your kitchen, living areas, bedrooms, baths and utility room. Be sure to check the garage, too. To help you start, the Home Safety program recommends you:

- Reduce your risk for falls by keeping stairs and halls well lit and by installing and using sturdy handrails. Use slip-resistant backing for all area rugs.
- Ensure electrical safety—replace frayed or damaged electrical cords, avoid overloading sockets and never run cords under rugs or hang them from nails.
- Lessen the risk for fire by having your chimney and fireplace inspected and cleaned annually. Dispose of ashes in a proper metal container—never in a paper bag (even if the ashes seem cold).

### 7 Steps for a Safe Basement

The lower level of your home should be as free of hazards as your main living areas. Check for:

1. Burned-out light bulbs in the stairwell. It's easy to get tripped up on the stairs if they lack adequate lighting.
2. Broken or loose handrails. Basement stairs should be equipped with a sturdy handrail.
3. Clutter on the stairwells. To prevent falls, avoid putting anything at the top or bottom of the stairs, such as boxes or holiday decorations.
4. Area rugs without proper backing. Throw rugs can slide right out from under you, so make sure all your carpeting is secure and slip-resistant.
5. Faulty valves or switches. All equipment must be in working order—in case you need to turn off your gas, electricity or water. Be sure all adults in the household know how to operate them.
6. Non-insulated water pipes that can freeze or burst. Use foam pipe covers on all exposed pipes.
7. Protruding nails. Check that nails in exposed wood are not loose or sticking out.

### Prevent Kitchen Mishaps

- Shut cabinet drawers and doors to prevent trips and falls. Also, if you have kids or frequent young visitors, install child safety locks.

## KRTA PARTNERS . . .

- Keep household cleaners and other chemicals away from children and food. Be sure these products stay in their original, labeled containers to avoid confusion.
- Use an approved step stool—not a kitchen chair or other makeshift option—to reach objects in high cabinets.
- Avoid wearing loose fitting clothes that could catch fire while cooking.
- Turn cookware handles inward on the kitchen range to avoid tip-overs and spills.
- Store a fully charged fire extinguisher near your cooking area, and check its pressure at least once a year.

By following these simple guidelines, you can dramatically reduce the chances of having a serious accident in your home. The time that you invest now will be well worth it if you can prevent hazards before they strike.

*Dave Farmer is an agent with Liberty Mutual Group in Louisville. Liberty Mutual is the nation's eighth-largest provider of personal lines of insurance products in the U.S. The company sells full lines of coverage for automobile, homeowners, valuable possessions and personal liability insurance. Please call 1-800-430-2482, ext. 243 for a no obligation quote.*



### Vital Records Information

Many of you may have the need to obtain vital statistic records regarding births, deaths, marriages, and divorces. These records can be obtained from the Commonwealth of Kentucky, Office of Vital Statistics, 275 East Main Street, 1EA, Frankfort, Kentucky 40621.

The Vital Statistics Law of Kentucky, providing for and legalizing the registration of births and deaths, was enacted by the Kentucky General Assembly in 1910, and became effective January 1, 1911. Since that time, the Office of Vital Statistics has been charged with maintaining birth and death records. The Office of Vital Statistics has no records of births and deaths occurring prior to the above date except delayed records of births for persons born before 1911 which have been established by affidavits and documentary evidence. Central registration of marriages and divorces began in Kentucky in June 1958. The Office of Vital Statistics has no records of marriages and divorces prior to that date. However, copies of marriage certificates prior to June 1958 may be obtained from the county clerk in the

county where the marriage license was issued. Records of divorce proceedings are available from the clerk of the circuit court in the county that granted the decree.

The Office of Vital Statistics is a state agency and therefore is only open from 8:00 a.m. to 4:30 p.m., eastern time Monday through Friday. They are closed on major holidays. To contact the Office of Vital Statistics, you can call (502) 564-4212, or contact them at the address listed above. Records can be obtained in person, by mail, or by phone. Requested records can generally be obtained in person within one hour of making the request. Ordering records by phone requires a credit card and records are generally processed and mailed within five (5) days. When ordering records by mail, be advised that vital statistics can take up to 30 working days for processing and sending the requested certificates.

The cost of certificates range from birth certificates at \$10 per certificate and death, marriage, and divorce certificates at \$6 per certificate. For questions about the services provided by the Office of Vital Statistics or for ordering records, please contact the Office of Vital Statistics at (502) 564-4212. As always, please contact the **KRTA LEGALINE** should you have any legal questions or should you need a referral for an attorney in your area of the state.

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# AROUND THE STATE . . .

## FEATURES



The **Kenton County RTA** met on December 13, 2005 at the Gardens in Park Hills, KY. The president, J. B. Losey, conducted the holiday meeting.

Pictured left to right are Faye Shehan, Northern District President, Senator Westwood, and J. B. Losey.



The **Northern Kentucky District** meeting was held at Red Lobster, Florence KY. The meeting was called to order by President Shehan. All seven counties were represented.



Continued from "Big Freeze" on page 1 . . .

stool of retirement security—Social Security, employer-provided pensions and retirement saving—isn't going to exist for many people if these trends continue," says Shaun O'Brien, assistant policy director at the AFL-CIO.

By law, companies may unilaterally freeze pensions for nonunionized employees, provided they give 45 days' notice. "Since there is no requirement that they offer [a pension] in the first place, there's no requirement that they keep doing it," says Jack VanDerhei, a professor at Temple University and research director at the Washington-based Employee Benefit Research Institute.

The changes are primarily cost-cutting. IBM will save \$3 billion over the next few years by freezing its pension—savings that will come out of the pockets of employees. Linda Guyer, a 51-year-old software project manager at Armonk, N.Y.-based IBM, has just seen her anticipated pension chopped by about 25 percent. Guyer, a 24-year veteran, says if she works until age 65, she would have received an annual pension of about \$37,000. With the plan frozen and benefits ceasing to accrue, "it's going to be about \$28,000 a year," she says, "I almost think it's a way to encourage older people to leave the company."

By switching from traditional pensions to defined contribution plans, such as 401(k)s and cash-balance plans—a kind of hybrid of traditional pensions and 401(k)s—companies are clearly passing

responsibility for retirement to the worker. The result is what Yale political scientist Jacob Hacker calls, "the great risk shift."

Hardest hit are baby boomers and older employees who don't have enough investment years left to build up a sizable portfolio. Even younger workers face problems if they fail to participate in a 401(k) plan or make bad investments.

Furthermore, there's nothing to stop companies from reducing—or ending—their contributions to employees' 401(k)s if times get tough. For example, in December General Motors announced it would end its policy of matching salaried employees' contributions to 401(k) plans on a 20-cents-per-dollar basis, up to 6 percent of salary (Before April 2005 the company contribution had been 50 cents per dollar.)

Competitive pressures certainly play a role in pushing companies to freeze pensions and offer 401(k)s. But the changing work force, one in which younger employees don't expect to stay with a company for long periods, is also having an impact.

"From an attraction perspective, companies find employees are only interested in 401(k)s," says Cecil Hemingway, a managing principal at the consulting firm Towers Perrin. "So I think as time goes on, we'll see more come to the conclusion that they don't need to offer defined benefits plans."

Legislation now moving through Congress may also have the effect of encouraging companies to freeze defined benefit pensions. Some of the measures are intended to make sure companies adequately fund their pensions. But in general, the legislation could give less protection to workers and more to the Pension Benefit Guaranty Corp. (PBGC), the federal agency that insures pensions and pays benefits when companies can't meet their obligations.

In the proposed legislation, companies with underfunded plans would be required to fully fund pensions sooner—within seven years—and pay higher premiums to the PBGC (the Senate bill would give struggling airlines 20 years). Under the House plan, a company would be forbidden from paying out lump sums if the funding for its pension plan fell below 80 percent. And under both bills, if funding fell below certain levels, benefit accruals would cease.

"While I think the legislation well-intended, by putting more pressure and more funding requirements on companies that sponsor plans, they're really encouraging companies to freeze pensions," says Don Fuerst, a partner at Mercer Human Resource Consulting.

New regulatory changes in the arcane world of accounting could have a similar effect. The Financial Accounting Standards Board (FASB), which issues guidelines for publicly held companies, is reviewing a new standard for pension accounting.

Under current practice, companies are allowed to "smooth" the investment results from pensions. That means that a bad year (or a good year) in the markets doesn't wind up unduly skewing the company's results. But it also means that companies aren't necessarily reflecting the true market value of their pension assets from year to year. Experts believe the FASB may recommend a new rule that requires companies to record annual pension fund fluctuations in their profit and loss statements. "So if IBM's \$50 billion pension plan has a 10 percent loss in a year, a \$5 billion loss would flow straight into the company's income report," says Jack VanDerhei.

That sort of volatility doesn't play well on Wall Street, or in the executive suite. Many experts believe that if the liabilities show up on the bottom line, shareholders—and the CEOs beholden to them—may push for companies to drop their plans.

Also facing increasing scrutiny are benefit costs for the public sector—

workers for states, cities, schools and other government entities, who tend to enjoy comparatively generous pensions. Governments that are generally strapped and reluctant to raise taxes may be increasingly less willing to support public pensions. Alaska, for example, has replaced its pension with a 401(k) for new state employees and teachers, and similar legislation has been discussed in Colorado. And California Gov. Arnold Schwarzenegger last year embarked upon a high-profile—and unsuccessful—campaign to replace the traditional pensions of California's public employees with a 401(k)-style plan. "With public employees, the day of reckoning is more in the distance," says Boston College's Munnell.

As the great pension shift continues, the worst impact is being felt by workers in their late 40s and 50s, workers like Margo Bryertort whose long-term plans were made based on expectations of a pension that is no longer a reality. Bryertort chose to work at Nynex—Verizon's predecessor company—because, she says, "I believed that if I did the best I could for them, they would do the best for me."

By Bryertort's account, Verizon has broken a promise, devastating her dreams of retirement security. She has a 401(k), and plans to keep contributing to it, but she won't be able to close the gap between the pension she expected and the pension she'll receive. "I don't have enough time to catch up," she says.

**Daniel Gross** writes the *Moneybox* column for Slate and is a regular contributor to the *New York Times*. Reprinted by Permission *AARP Bulletin*/March 2006.

## Employment Opportunity . . .



Six Flags is looking for fun-loving retirees, seniors and teens to add to our 45th Anniversary cast! Part-time and Full-time positions are available in a wide variety of fun jobs like Guest Relations, Gift Shops, Security, Games and more! (Oh - and Bugs Bunny is hiring a Chauffeur for his private Tin Lizzie!) Call (502) 375-0992 for more details. Information & links to online applications at [www.sixflags.com](http://www.sixflags.com).

# PRE-CONVENTION 2006

## District Presidents' Meeting

KRTA Vice-President Patsy Young conducted the District Presidents' meeting on Tuesday morning prior to the convention.



There was a review of the Fall Workshop schedule (see Page 17). Dr. Wagoner discussed the upcoming KTRS Trustee Election and urged members to vote for two incumbents Laura Zimmerman and Robert M. Conley.

### A. District President's Responsibilities

Hold a minimum of **four meetings** every year following the Council meetings.

Hold one meeting on membership; materials are available in the KRTA office.

Serve as **contact person** (or appoint someone) for the **Fall Workshop**. Welcome and introduce the program. Promote attendance at the workshop.

Arrange for a committee to attend the **KTRS Pre-Retirement Seminar** held in your district to help with registration and refreshments. Make a 5-minute presentation promoting KRTA.

Receive and distribute information during the sessions of the **Kentucky General Assembly** and serve as phone contact for the district with KRTA lobbyists.

Complete the **District Association Recognition Program Form** and mail it to the KRTA office.

### B. District Leadership Meetings

Emphasis was placed on the purpose of the leadership meetings; that is, to **follow the Council meetings** so that information from the Council can be shared with local associations. The Council meetings will be June 5, September 5, December 4, April 16, and June 4. District presidents should continue to encourage locals to send their president, president-elect, and the insurance, legislative, and membership chairs to the four district leadership meetings.

Arrange for lunch for the meetings.

District presidents were reminded to send the Reimbursement Request to the KRTA office after each of the four leadership meetings. KRTA will pay \$6 per local leader who attends the meetings (up to five).

### C. Pre-Retirement Seminars

These are set up by KTRS. Ann Croswell is conducting them. She welcomes the help from KRTA district volunteers and is glad to give time on the program for a KRTA presentation. Someone from the office will contact the district president to verify who should receive the packets. Generally, the local district is responsible for coffee and may also provide rolls or donuts, if desired—unless the refreshments must be ordered from the facility. In that case, KTRS will take care of them.

**Suggestion:** Locals could appoint a committee to take care of the Pre-Retirement Seminars to be sure the seminars are covered. As many retirees as can be encouraged to attend to promote KRTA—and take plenty of white cards.

**Seminar Script:** A script is available for the presenter. Patsy emphasized the main points of the script and encouraged District Presidents to use it at seminars.

**Emphasis:** Active teachers may join KRTA as Associate members. Those nearing retirement may also complete an Automatic Dues Deduction card to be held until their retirement.

### Local President's Handbook

District presidents should review the *Local President's Handbook* with local presidents at the first district leadership meeting. A copy of the revised handbook will be sent to each local and district president in June of each year.

### State Committee Reports

Reports from the Health & Insurance, Membership, and Legislative Committees (see page 6) were given.

### KTRS Board of Trustees' Meeting Report

President-Elect Tara Parker said she had enjoyed attending the KTRS Board of Trustees' meetings. In her opinion, they are a very hard working board and KTRS is a good steward of our money. She gave an overview of the meeting of March 20, 2006.

### AARP/KRTA Specialist's Report

Bob Estes announced the winner of the 2006 State AARP/KRTA Grandparent Essay Contest. Sixty-seven counties in Kentucky participated in this essay contest. The winner and district results can be seen on page 11.

### Other Business

Patsy Young reminded everyone that May 11, 2006, was National Day of Service. She encouraged everyone to share local service projects of retired teachers with the districts.

The Presidents' meeting for 2007 will be on Monday, April 16. The Convention will follow on Tuesday, April 17.

## Executive Council Meeting

The Executive Council joined the Presidents' meeting to hear the fall workshop schedule, workshop contacts, and the pre-retirement seminar schedule.

After a joint lunch the Council's meeting was conducted by KRTA President Neal Tucker. Members for the new term from each district will be as follows:

- |                                |                                 |
|--------------------------------|---------------------------------|
| First - Jim Frank              | Second - Gus Swanson*           |
| Third - Mike Irby              | Fourth - Jack Waff              |
| Fifth - Sandra Epley           | Jefferson - Melanie Wood*       |
| Northern - June Grooms         | Eastern - Mark Crain*           |
| Big Sandy - Emma Lou Isaac     | Upper Ky. River - Mary May      |
| Up. Cumberland - Sally Smith*  | Mid. Cumberland - Larry Morrow* |
| Ken. Ky. East - Harold McLaren | Ken. Ky. West - Jean Harney     |

**\*Indicates those members who are new**

The Council agreed to form a partnership with Pre-paid Legal Services, Inc. and the Franciscan Health Care Center.

The contract was reviewed for the 2007 conference. It will be held at the Executive West Hotel on Monday and Tuesday, April 16-17, 2007.



We arrived. . .



We registered



At the right working at registration were Carla Hahn, KRTA Staff, and Frank Hatfield, Executive Director Emeritus.

Mary Wagoner and Karin Anderson helped man the on-site registration. Martha Peddicord of Bracken County is first in line.

## Health & Insurance Report



Irene Erskine, co-chair of the Health/Insurance Committee, presented the report. Members under 65 have the same health insurance as active teachers. Coverage is provided through the State Personnel Cabinet. Benefits, including those for prescription drugs, depend on the plan chosen by the individual. The Retirement System pays a portion of the premium based on the member's length of service.

For members 65 and over, Medicare is the primary insurance paying 80% of covered medical expenses.

KTRS Medicare Eligible Health Plan (MEHP) is the secondary payer of covered medical expenses and pays 80% of the remaining 20% of covered expenses. The prescription drug program is administered by Medco. Prescriptions can be obtained using the mail delivery program or retail drug program at local pharmacies. Retired teachers basically don't sign up for Medicare Part D. Irene suggested that retired educators need to go to the Social Security office 3-4 months before turning 65 to sign up for Medicare Part B. Medicare monthly payments are currently \$88.50. Please remind everyone that KTRS has a new book with much information.

Irene reviewed several KRTA endorsed programs to benefit our members:

- Long Term and Home Health Care through Mutual Of Omaha
- HEAR in America Hearing Instrument Plan
- Dental Plans - COMPBENEFITS through Weilage Benefit Specialists

## Membership Report

Ms. Virginia Shaw was back at the convention this year in fine form! She expressed appreciation to each one who made a special effort to reach the goal. She reported that was 25,555. We today's meeting, April said she liked Ernie our membership goal "We've made our goal She stated that everyday and that you membership count by office. Some of the affected our membership illness and death of members. She spoke of the passing of one of our loyal members, Burnette Wortham. Ms. Shaw compared the KRTA Percentage of Local Members in Rank Order for the months of January and February, 2006. She discussed the infamous "pink sheet" and announced that our 2006 Goal will be 27,000 members. She emphasized the Guidelines for Implementation. Her suggestion is to encourage everyone to increase membership by "Getting them before they leave school to retire."



our goal for this year reached 25,496 as of 18, 2006. Ms. Shaw Trosper's thought on for this year—evangelistically!" membership changes can find out your calling the KRTA items that have ship are: attrition,

Bob Anderson and Ernie Trosper serve as additional co-chairs of the Membership Committee. They assist Ms. Shaw and Harold VanHook with the tremendous job of working with all local and district associations to reach their goals.



Harold VanHook and Virginia Shaw have made quite a team. Of Mrs. Shaw, Harold always says, "Isn't she something!"

## Legislative Report

### Accomplishments of session just ended:

1. COLAs—annual annuities were approved; that is, the .8% for 2006 and .6% for 2007, giving a total of 2.3% and 2.1%, respectively. Those figures are based on the consumer price index, as are Social Security increases.
2. The Teacher Retirement bill (HB 555) passed. Ninety-one million dollars was needed for the repayment schedule for the borrowed health insurance funds from FY 2004 - 2006. It also increased the disability income limitation for past retirees to \$40,000 per year.
3. KTRS is to study the feasibility of using pension obligation bonds.



### Other positives are:

Teachers' pay is on the path to achieving equity with the seven surrounding states. During the 2007 - 2008 school year salaries will increase \$3,000. This should postpone retirement for several folks who are thinking about retiring. Therefore, KTRS contributions will increase.

### 2006 Session:

See page 12 for the complete Legislative Program.

Items 1, 2 and 3 deal with the System and the governance of the System.

Item 4 deals with COLAs.

Item 5 deals with supporting increases in the minimum annual annuity, keeping retirees above the federal poverty level.

Items 6 & 7 deals with insurance for the under 65 group. We would like to see them take a look at self insurance.

Item 8 deals with the issue in which city and county entities provide insurance for their active employees. Then when they retire, they are put in the State pool. Legislation has been proposed to either put everyone in the pool when they are active or pay a fee for their retirees to be a part of the State pool.

Item 9 deals with supporting an increase for survivors of active contributing members and disability retirees.

Item 10 deals with the critical issue of Mandatory Social Security. Stay alert; it would be detrimental to our System.

Item 11 deals with our resolve to support legislative efforts of AARP/NRTA which are not in conflict with the position of KRTA.

### Leadership Role You Need to Take:

We need to have some mechanism to thank legislators for what they've done for retired teachers. Emphasize to your locals to have them come to your meetings and thank them.



What a familiar sight around Frankfort— Bobby Humes and Ray Roundtree!

Bobby says, "We like to win . . . and we [KRTA] got HB555 through."



# RECEPTION 2006



Our wonderful emcee  
Melanie Wood



## Door Prizes . . .

Jefferson County RTA always does a wonderful job serving as the Reception Committee. L to R are Shannon Royal, Marianne Humphries, Joyce Cecil, Melanie Wood, and Fonrose Wortham, Jr.

One of the finest cooks in Jefferson Co. RTA wins a cookbook



Carol McElheney



Looks like Frank Hatfield is taking home a tote bag!



In line and ready to enjoy some of the refreshments (Back L to R) were Jean Harney, Sandra Epley, Betty Hester; (Front L to R) 2006-07 KRTA President Tara Parker and Paula Maddox

## Food . . .



## Fun!



Dave Farmer, our Liberty Mutual Agent, completes table decorations. A big thanks to Liberty for assisting with the expenses of the reception!

(L to R) Ernie Trospser and Bob Anderson, co-chairs of Membership, were our doorkeepers



The Dexters from Third District took home a nice basket of items from their very own area—Jackson's Orchard in Bowling Green.



Corky Raible Trio

Brenda Meredith



Janie Caslowe

KRTA Staff helped arrange door prizes on the tables.



## President's Reception

As is the tradition, the president's district honored him with an afternoon reception. This year members and friends met in the Edinborough Room for cake and punch arranged by the hotel.

It was nice to relax and chat on Tuesday afternoon before the convention reception in the evening. Neal enjoyed meeting with friends to celebrate a great year. Thanks to the Second District for hosting this celebration!



# GENERAL ASSEMBLY 2006



## NRTA's Aronson Focuses on Nation's Pension Woes

Nancy Aronson, Senior Legislative Representative for NRTA in Washington, paid a visit to the KRTA convention and put into perspective all the tales being circulated around the country concerning attacks on public pensions.

According to Aronson, "The traditional or defined benefit plans are being attacked by conservatives who would like to see public pensions 'pay their own way' (which they are).

The media does not understand and this issue is being misrepresented. Worried? We should be!"

Defined contribution plans are being represented as "good for employees." This is happening not only in the public sector but IBM and many other large employers have decided to abandon their DB plans.

The issue is not whether state and local employees should have access to DC plans—many already do. They are good for providing supplemental, tax-deferred retirement savings. Ninety percent of state and local employees are covered by DB plans, and 25% are not covered by social security—nearly half of the public school teachers in the nation.

The alarm has been sounded: Thirty states have some concern about retirement security. **Kentucky is among the "two alarm" group; that is, there's a significant threat to undermine retirement benefits (with the exception of teachers, at this point).** Ms. Aronson quickly proclaimed that our elected Board of Trustees is so important! "Kentucky [KTRS] has a solid administration" in comparison to other systems in the nation.

**What can we do?** Ms. Aronson's answer: Educate your members! Make sure they understand their benefits. Make sure they understand traditional pensions (DB plans) are good for governments, employees, and taxpayers and eliminating them is a national threat. Talk to your legislators!

Thanks, Nancy, for bringing your message to Kentucky!

Note: For more on this subject, see Jonathon Miller's and Gary Harbin's messages included in this issue.

## Treasurer Miller Frames Needs for Retired Teachers' Security

In his capacity as an ex officio member of the KTRS Board of Trustees, State Treasurer **Jonathon Miller** stopped by the KRTA convention on Wednesday morning.

Mr. Miller has been fighting for retired teachers because he believes it is "our moral obligation to fulfill the compact we have with them." He briefly summarized the benefits retirees gained from the recent session of the General Assembly.

In addition, Mr. Miller explained the difference in a "defined benefit plan (DB)" and a "defined contribution plan (DC)"—retirement plans being debated around the country. Kentucky retired teachers' annuities are based on the DB plan; that is, based on a defined rate not on how much has been contributed. Under the DB plan, retirees draw the annuity for lifetime; under the DC plan, the annuity runs out when the defined contribution is depleted.

Mr. Miller reminded the conferees that some people want to change the retirees' plan to the DC plan. A bill introduced by Sen. Carroll would have given retired teachers security through an "inviolable contract." That bill failed during this session, but Mr. Miller hopes it will be reintroduced during the next session of the General Assembly.

Thanks again, Mr. Miller, for stopping by to keep us informed!



## Executive Secretary Harbin Sheds Light on the State of KTRS

When **Gary Harbin**, Executive Secretary of the Kentucky Teachers' Retirement System, stepped to the podium, one could feel the confidence and pride he has in one of the finest retirement systems in the nation for teachers.

After the System was excluded from social security in 1935, KTRS was formed outside of social security in 1938 as a comprehensive

State of KTRS continued . . .

for six years. Additional annuities for life are provided through KTRS investments.

- ◆ The longest service of a current retiree is 50 years.
- ◆ The longest time in retirement is 50 years.
- ◆ There are 4,559 retirees ages 80 to 100; 39, over age 100.

With the Board of Trustees as the fiduciaries of the System, KTRS is a model among teachers' retirement systems in the nation. Board members are elected by the membership rather than appointed by government.

Mr. Harbin highlighted the 2006 Legislative Results which affect KTRS:

1. **Medical insurance funding** - It was determined that \$269 m. would be needed through 2008. The Final Budget provided \$8 m. + a \$26 m. cost reduction with the balance borrowed from KTRS to be amortized over 10 years.
2. **State funding of retirement fund** - The Final Budget provided for payment of \$42 m. to keep the fund actuarially sound.
3. **Cost of living increase** - The Final Budget provided for \$12 m. to fund the targeted COLAs of 2.3% in July 06 and 2.1% in July 07, all inclusive.

The passage of **House Bill 555** also provided the following:

1. Update of funding schedules for COLAs, sick leave benefits, and minimum value benefits—to be amortized over 20 years.
2. For retirees disabled before July 2002, the earnings maximum was raised to \$40,000.
3. As a means of stabilizing contribution rates, provision was made to study the feasibility of using pension obligation bonds.
4. A flat raise across the board for teachers will likely encourage experienced staff to postpone retirement, thereby increasing KTRS contributions.

**Kentucky Employee Health Plan (KEHP)** adopted a self-insured model for all active and retired teachers and state workers. This was approved with a 12% reduction in premiums, uniform statewide drug formulary and third-party administrator (Humana and Express Scripts), with nationwide access in most areas.

Continued on page 16

retirement plan. Benefits include:

1. Defined benefit plan with lifetime guaranteed retirement benefits\*
2. Life insurance benefit of \$5,000
3. Annual cost-of-living increases (COLA)
4. Retiree medical benefits

\*In reiterating why the defined benefit plan is so important, Mr. Harbin shared these details:

- ◆ Teachers' contributions and employer match are invested and provide benefits

★ ARCHER AWARDS ★



**KRTA LOCAL ASSOCIATIONS**  
**90% AND ABOVE MEMBERSHIP**  
*eligible for*  
**M. L. Archer Award**  
*January 20, 2006*

<u>County</u>	<u>%-age</u>	<u>County</u>	<u>%-age</u>	<u>County</u>	<u>%-age</u>
CARLISLE	100.0	SIMPSON	96.7	BRACKEN	92.3
CRITTENDEN	100.0	SPENCER	96.7	LIVINGSTON	92.3
HANCOCK	100.0	WOLFE	96.3	BREATHITT	91.9
HENRY	100.0	WAYNE	96.1	FLEMING	91.8
MONROE	100.0	MARTIN	95.2	LEE	91.7
OWEN	100.0	LINCOLN	95.1	CHRISTIAN	91.6
METCALFE	98.9	RUSSELL	94.6	ESTILL	91.5
MIDDLESBORO	98.8	OHIO	94.0	CASEY	91.4
MCCREARY	98.4	CLINTON	93.9	PULASKI	91.3
FULTON	98.3	CUMBERLAND	93.5	BALLARD	91.2
GREEN	98.0	ROCKCASTLE	93.1	KNOTT	90.8
JACKSON	98.0	BRECKINRIDGE	92.5		
HART	96.7	NELSON	92.4		

★ LOCAL AWARDS ★



★ **42 GOLD WINNERS**

Bell	Hancock	Ohio
Boone	Hart	Owen
Bullitt	Henderson	Pendleton
Breathitt	Jackson	Pulaski
Caldwell	Knott	Rowan
Calloway	Lee	Scott
Carlisle	Lincoln	Simpson
Carter	Lyon	Spencer
Christian	Marshall	Todd
Clark	McCreary	Union
Fleming	Meade	Washington
Fulton	Metcalfe	Wayne
Grayson	Monroe	Webster
Greenup	Nelson	Wolfe

**25 SILVER WINNERS** ★

Barren	Estill	Martin
Bath	Franklin	McCracken
Boyd	Gallatin	Montgomery
Bracken	Grant	Muhlenberg
Breckinridge	Hardin/Larue	Pike
Butler	Hopkins	Shelby
Campbell	Livingston	Warren
Crittenden	Logan	Woodford
Daviess		



★ **18 BRONZE WINNERS**

Bluegrass	Kenton
Boyle	Knox
Casey	Laurel
Floyd	Madison
Graves	McLean
Harlan	Oldham
Harrison	Perry
Jefferson	Taylor
Johnson	Whitley



Carla Hahn and Bob Anderson prepared for the Awards Program

# ★ DISTRICT AWARDS ★

## 4 GOLD WINNERS

Middle Cumberland Fourth  
Second First

## 4 SILVER WINNERS

Central Kentucky West  
Eastern  
Northern  
Third

## 6 BRONZE WINNERS

Big Sandy  
Central Kentucky East  
Fifth  
Jefferson  
Upper Cumberland  
Upper Kentucky River



**Established in honor of Virginia Shaw and her continued work with membership, the Shaw Award was presented to Middle Cumberland District for their success in reaching 90% in each local. Accepting the award is Eunice Sayers.**

**Thanks, Nominating Committee, chaired by Irene Erskine**



## New Officers' Lineup

On July 1, the newly elected officers will begin their tenure. Tara Parker will be at the helm as president. Tara has served as president of the Capital City/Franklin County RTA. She brings to KRTA a variety of experiences—from teaching to counseling, from serving as principal to commissioner of Vocational Tech Ed, from Registrar to Dean of Instruction, from Vice Chancellor to Manager of Workforce Development. Prior to retiring she was Consultant for Special Projects for the Cabinet for Families & Children.

Patsy Young has served as president of the E'Town/Hardin/Larue RTA. She received AB, MA and Rank I degrees from WKU and served education for 34 years as an English teacher and assistant principal at Central Hardin H. S. Patsy is active in the Delta Kappa Gamma Society International and the White Mills Christian Church. She enjoys reading, travel, and entertaining friends in her home. This year she will serve as president-elect.

The newest officer, Billy Triplett, is from Knott County in the Upper Kentucky River District. He graduated from Morehead State with a BS degree and received an MS degree from University of Louisville. He then returned to Morehead to earn Rank I certification. He has been a classroom teacher, assistant principal, principal, instructional supervisor, and technology coordinator. Presently he is an adjunct faculty member to Hazard Community & Technical College. Billy said, "I am proud to be a member of KRTA, obviously the best association in the nation. I feel we must continue in this spirit and serve when called upon." He will serve as vice-president.

If there are multiple KRTA members in your household, you are now receiving only one copy of .



Over 4,000 members are family members residing in the same household. By sending only one copy to your household, we can save KRTA dues dollars. If you want to

continue receiving multiple copies of the newsletter, just let us know.

## Bell County Boy Wins State AARP/KRTA Grandparent Essay Contest

**Louisville, KY.** Twelve-year-old John Cody Caldwell of Stony Fork, Kentucky is the winner of this year's AARP/KRTA Grandparent of the Year Essay Contest. His essay is a tribute to his grandfather, James Ray Caldwell, also of Stony Fork.

"I know children have fathers," writes John Cody. "But my father was never around. My grandfather is my father figure, someone I can look up to. Grandpa is the most important man in my life," says young Caldwell.

AARP Kentucky and the Kentucky Retired Teachers Association (KRTA), in an attempt to call attention to the relationship between grandparents and their grandchildren, joined forces five years ago to create the annual "AARP Kentucky Grandparent of the Year" essay contest. Schools decide at the beginning of a new school year if they will participate and the assignment is made each Fall. Judging is based on grammar, form, neatness, creativity, expression and the characteristics of the grandparent. The judging is conducted by local members of the Kentucky Retired Teachers Association. The state winner is chosen by a panel composed of AARP Kentucky and KRTA representatives.

This year, over six thousand 5<sup>th</sup> graders from 159 schools in 67 counties participated.

AARP Kentucky and KRTA are strong advocates for grandparents' rights and work to provide solutions faced by people left with the challenges of raising their children's children. 35,818 Kentucky grandparents report they are responsible for meeting the basic needs of their grandchildren.

John Cody Caldwell and his Grandpa James Ray Caldwell were honored at the Kentucky Retired Teachers Association (KRTA) annual convention April 19 in Louisville. John Cody received a \$100 savings bond and he and his grandfather each received a plaque commemorating the occasion. They will also receive an expense-paid trip to the state Capitol in Frankfort later this year.



AARP KY State President Bill Harned introduced essay winner, John Cody Caldwell and his grandfather, James Ray Caldwell.



### My Grandfather

By John Cody Caldwell  
Right Fork School

When I was a baby my grandfather was afraid to hold me. One day when my mother and grandmother were busy, I began to cry. My grandmother picked me up and placed me in my grandfather's lap. From then on he

never let me out of his sight.

I know children have fathers; but my father was never around. He never cared enough about me to stay around. As a result, I had to depend on my grandfather to show me the way of life.

While my mother works, my grandparents care for me. Growing up around Grandpa is fun. He's my best friend and the person I confide in most. I'll always remember the long walks we share! As we walk, we pick up cans to keep the environment clean. He also teaches me about the trees and the land.

My grandfather is my father figure, someone I can look up to. He is always there through sickness, birthday, holidays, or anytime I need him through good and bad times. When I had my tonsils removed, Grandpa brought me ice cream. You see? Grandpa is the most important man in my life.

My grandfather teaches me right from wrong. He told me to "never lie to God."

He taught me to ride a bike, fish, hunt, and garden. I remember once, about a week before my birthday, my grandfather took me to town and bought me a blue bicycle with all the works. Then he took me to McDonald's. This was the best day of my life!

Sometime, I help my grandfather work. He taught me to be patient and do my work right. Sometimes when I mess up or lose a tool, Grandpa gets angry with me but he never stays mad for long.

During the summer, I help Grandpa in the garden. We plant tomatoes, corn, beans, and my favorite, peppers.

To me, there is no reward big enough to repay my grandfather for all the love and support he has shown me. In my eyes, it took someone special to be both a father and a grandfather to me when I had no one.

Without my grandfather, who knows where I would be and under what physical conditions I would be living.

If my Grandpa had not fixed a house so I could live near him, I might be living on the street.

My grandfather, James Ray Caldwell, is a good person who never depended on anyone. He has always given to others and never asked for anything in return. He deserves Grandparent of the Year. I hope I win because I want to thank him for giving me so much in life.

I love my grandfather for all he does for my family and me. He is my grandfather, my hero, and my mentor.

My Grandfather is a Grand . . . Daddy.

#### District Winners

Upper Ky. River	Harley Weems
Up. Cumberland	<b>John Cody Caldwell</b>
Mid. Cumberland	Elizabeth Coldiron
Northern	Ian Lozier
Central Ky. West	Rachael Miller
Fifth	Alissa Collett
Eastern	Hali Miller
Fourth	Katie Yaeger
Third	Ashlyn Carey
Jefferson	Mitchell Forde
First	Clint Joiner
Central Ky. East	Jarod Wylie
Big Sandy	Trenton Horsley
Second	James Hardy

### E-Mail Alert!

Please keep your e-mail address updated with KRTA if you want to receive legislative reports.  
krt98@aol.com

#### Deadline Dates for Submitting Articles to the KRTA News

2006 Issue	Deadline Date
September	July 9
December	October 8

You may send them to  
bmeredithky2@aol.com or  
Brenda Meredith, KRTA  
7505 Bardstown Rd  
Louisville KY 40291

Any picture submitted with an article must be an original.

## ANNUAL LUNCHEON 2006



### Even Eagles Need a Push

Such was the message presented by Gary Griesser as he encouraged, motivated, and inspired the nearly 500 attendees at the convention luncheon. His jokes, songs, and recanting of school day memories took teachers back to their days in the classroom.

"We need to teach kids to dream—encourage, motivate, inspire them to be what they want to be."

His words: "Begin with the end in mind; I have a

dream; Hold hands and stick together" (Stephen Covey, Martin Luther King, and Robert Fulton, respectively) were words that struck home to the youngest and oldest that we can still be an influence.

The songs "Impossible Dream" and "You Raised Me Up" brought life to his message as he encouraged us to recall "who cared for you—who pushed you?"



**Carolyn Falin, Health/Insurance Co-Chair; Irene Erskine, Health/Insurance Co-Chair and Immediate Past President; Neal Tucker KRTA President; Gary Griesser; Dorris Tucker, Tara Parker, KRTA President-Elect; Patsy Young KRTA Vice-President**

Gary encouraged teachers to keep on pushing as he asked the audience to do two things: "Think about someone in this room who has helped you and go tell them." As people began to move about, grasping hands or giving a loving hug, the session ended with Gary saying, "Thanks for raising up and encouraging young people across the state."

And . . . thanks, Gary, for taking time to join us in Louisville.

### KRTA 2006 LEGISLATIVE PROGRAM

An appropriate way to evaluate KRTA's success in the 2006 General Assembly is to relate legislation passed to the various items in the KRTA Legislative Program.

**ITEM 1: Keep the administration of the Teachers' Retirement System as it is presently constituted.**

Result: No change or threats of change were made in the administrative structure of KTRS.

**ITEM 2: Evaluate all proposed legislation relating to the Teachers' Retirement System and oppose any legislation that would endanger the actuarial soundness of the system.**

Result: No legislation was passed that endangers the actuarial soundness of KTRS.

**ITEM 3: Promote full funding of the Teachers' Retirement System by the state and oppose any effort to reduce or withhold the state's contribution to the Kentucky Teachers' Retirement System for matching member contributions and/or other statutory appropriations to the system for the purpose of balancing the budget for other general fund expenditures. Oppose any effort to appropriate or borrow retirement system funds. Oppose any effort to direct the investment of retirement system funds.**

Result: Concerning the pension fund, KTRS was fully funded including the supplemental appropriation and sick leave provisions. However, the retirement system is allocating a portion of the employer contribution that would have been deposited in the pension fund to the medical insurance fund instead. No attempts were made to require the system to make venture capital investments.

**ITEM 4: Continue to support cost of living adjustments (COLAs) that reflect the actual increase in the cost of living being experienced by retirees.**

Result: The Ad Hoc COLAs of 0.8% and 0.6% added to the 1.5% base COLA provides a 2.3% COLA effective July 1, 2006, and a 2.1% COLA effective July 1, 2007. Unfortunately, these COLAs do not keep pace with the Congressional Budget Office's (CBO) projected increases in the CPI of 3.6% in 2006 and 2.5% in 2007.

**ITEM 5: Support increases in the present minimum annual annuity for teacher retirees that at a minimum reflect the actual increase in the cost of living being experienced by retirees.**

Result: The minimum annual annuity will be increased by the same cost of living adjustments as all other annuities.

**ITEM 6: Support legislation enhancing the adequacy and accessibility of health insurance coverage for retirees below age 65.**

Result: The 2004 Extraordinary Session changed the state health insurance plan to a self-insurance program. The Blue Ribbon Panel that was established by HB 1 of the 2004 Extraordinary Session provided important recommendations for the state's new self insurance program. These recommendations were contained in HB 401 which passed the House. Unfortunately, HB 401 died in the Senate State & Local Government Committee.

**ITEM 7: A self-insurance program or some variation of self-insurance for all state employees and retirees below age 65, including retired teachers, should be considered as a way of addressing the state health insurance plan's long term problems of adequacy, accessibility and affordability.**

Result: The 2004 Extraordinary Session did establish a self-insurance program for all state employees and retirees below age 65. The state's new health insurance program begin January 1, 2006. The state awarded contracts to Humana and Express Scripts to be the third party administrators for the program. It remains to be seen if the self-insurance program will give the state the means to provide consistent, stable, adequate, accessible and affordable coverage to all individuals in the state health insurance pool.

**ITEM 8: Support legislation requiring state and local entities that have retirees participating in the state insurance program bring active employees into the program.**

Result: No bills were introduced during the 2006 session that specifically addressed this issue.

**ITEM 9: Support an increase in the amounts paid to survivors of active contributing members and disability retirees.**

Result: There were not improvements in survivor or disability retiree benefits.

**ITEM 10: Oppose efforts at the federal level to impose mandatory social security for members of the Kentucky Teachers' Retirement System.**

Result: KRTA continues to work with the Coalition to Preserve Retirement Security (CPRS) to stop efforts to implement mandatory social security and repeal the Windfall Elimination Provision (WEP) and the Government Pension Offset (GPO).

**ITEM 11: Support the 2006 legislative priorities of AARP/NRTA state legislative committee and/or other groups representing senior citizens, which are not in conflict with the position of KRTA.**

Result: KRTA supported AARP/Kentucky's efforts to pass legislation in the areas of predatory lending, grandparent right's and telecommunications.

Be sure to express your appreciation to your Senators and Representatives. Thanks are also due Gary Harbin and the KTRS Trustees and staff for their cooperation and support.

## DELEGATE ASSEMBLY 2006

The Delegate Assembly of the Kentucky Retired Teachers Association met on Wednesday, April 19, 2006, at 2:15 p.m. in the Queen of Scots Room of the Executive West Hotel, Louisville, Kentucky.

### CALL TO ORDER

The meeting was called to order by President Neal Tucker.

### MINUTES OF LAST MEETING

Minutes were approved and filed.

### STANDING COMMITTEE REPORTS by Virginia Shaw; Ray Roundtree and Bobby Humes; and Irene Erskine (See page 6)

After a motion by Bobby Humes and second by Aaron Beals the Delegate Assembly approved the adoption of the 2006 Legislative Program.

### RESOLUTIONS COMMITTEE (Roberta Fugate)

After a motion by Aaron Beals and second by Virgil Osborne, the Delegate Assembly approved the adoption of the 2006 Resolutions. (See page 15)

### NOMINATING COMMITTEE (Irene Erskine)

The Committee presented the following slate:

President: Tara Parker  
 President-Elect: Patsy Young  
 Vice-President: Billy Triplett

There being no further nominations, President Tucker called for a vote to elect the officers by acclamation. (See page 10)

### OTHER BUSINESS (Bob Wagoner)

Executive Director Dr. Bob Wagoner presented the Director and Treasurer's Reports. Since there were no questions, the reports were filed.

Dr. Wagoner stated that our financial and fiscal assets are very good. Some challenges are ahead of us, but two most important ones are maintaining medical health insurance benefits and a sound pension fund. We have a good relationship with our legislators. We need to elect people who support our goals. He encouraged everyone to examine candidates to find out their stand on retired teachers' issues.

Dr. Wagoner encouraged members to vote for Robert Conley and Laura Zimmerman in the upcoming May KTRS Board of Trustees' Election. We need knowledgeable and experienced people to serve. He asked delegates to share this message with their locals. He also encouraged delegates and all members to utilize the resources of KRTA.

### RECOGNITION OF OUT-GOING PRESIDENT

On behalf of the organization, Tara Parker presented an engraved plaque to Neal Tucker for his dedication and tremendous leadership to KRTA during the past year serving as president. She praised Neal for his tireless efforts and genuine 'sharing and caring' platform. She reminded us that with Neal we got a "two fer;" that is, two for the price of one—because with Neal we got his wonderful wife Dorris.

The General Assembly adjourned at 3:30 p.m. The 2007 Convention will be held on April 17.

L to R: Bob Anderson and Ernie Trosper, Co-chairs of Membership Committee; Tara Parker, KRTA President-Elect; Neal Tucker, KRTA President; Dr. Bob Wagoner, KRTA Executive Director



## PRESIDENT'S REPORT

Neal said he believes that KTRS and KRTA are probably the best groups in the nation. He stated that our association has been built on a rock—a combination of a lot of members' efforts, concerns, and willingness to share with others. 'It takes the entire group to achieve our goals.'

He reflected on his goals as president which were to:

- ▶ have time and energy for KRTA
- ▶ reach out to retirees who are not members
- ▶ be accessible to all members and leaders
- ▶ support our membership fully by keeping them informed
- ▶ make every effort to protect our benefits and work for deserved benefits
- ▶ encourage volunteers in the locals and state

Neal said that our success is "We process—everyone working together." He thanked everyone for their support and expressed what a joy it was for him to serve as KRTA President.



April 19, 2006  
**MEMBERSHIP REPORT**

Presented by  
 Virginia Shaw  
 Harold VanHook  
 Bob Anderson  
 Ernie Trosper  
 Membership Co-Chairs

## News Flash

Louisville, Kentucky, January 2006

**KRTA membership at 25,207!**



**2006 Goal — 27,000**

## Plan for Excellence

- Explain the benefits of belonging to KRTA
- eXtraordinary effort to retain current cash members
- Contact new retirees before they leave school
- Encourage the use of the Automatic Dues Deduction Card
- List goals and a membership plan
- Let the community know about KRTA—not just "retired teachers"
- Enhance member participation with interesting & entertaining programs
- Nurture newcomers at local meetings
- Commit to reaching all potential members in the county
- Empower all local members to help with membership

### Guidelines for Implementation

- ✓ Encourage use of White Cards
- ✓ Postmark these by November 3, 2006
- ✓ Enrollments November 3, 2006 - January 17, 2007 must be with Cash Form and a Check
- ✓ Carla must have these by January 15, 2007

# EXHIBITS 2006



~~~~  
**AARP**  
Hal Stopfel  
Phil Peters  
Bill Harned  
Scott Wegenast  
Patrice Blanchard  
~~~~



~~~~  
**EXPRESS SCRIPTS**  
Cindy Dimpsey  
Sharyl Houser  
~~~~



~~~~  
**LIBERTY MUTUAL**  
Chris Green  
Dave Farmer  
~~~~



~~~~  
**HUMANA**  
Jackie Foree  
Nancy Scharf  
Tanya Broell  
~~~~



~~~~  
**HEAR IN AMERICA**  
Richard Williams  
Bob Marshall  
~~~~



~~~~  
**MEDCO HEALTH SOLUTIONS**  
Mehrzad Arefi  
~~~~



**COMMONWEALTH CREDIT UNION**  
Andrea Hayes  
Kathryne Taylor



**AETNA**  
Denny Billman  
Meredith Helmer



**WEILAGE BENEFIT SPECIALISTS**  
Jason Weilage and  
Kathy Revell

**KTRS**  
Julie Rogers - Insurance  
Grace Dotson - Insurance  
Ann Crosswell - Pre-Retirement Seminars



~~~~  
**HENSLEY & ASSOCIATES**  
Hank Hensley  
~~~~

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**NATIONAL HEALTH ADMINISTRATORS**  
Kenneth Norris  
Jeff Johnson

***What I spent is gone! What I kept is lost! But what I gave away will be mine forever!***  
— Dr. Ethel Percy Andrus

**★ ★ ★ ★ ★ Retired Teacher Volunteerism Up**  
In 1947, when Dr. Percy Andrus, NRTA founder, proclaimed her motto "To serve not to be served," I am sure she had no idea the impact that retired teachers would make on their communities. This year Kentucky retired teachers reported 451,001 volunteer hours valued at over \$8,136,058.  
The KRTA staff expresses its thanks and appreciation to all who participated and reported volunteer hours. Information and names received will be used to participate in state and national volunteer programs.





*To All To Whom These Presents Shall Come:*

**WHEREAS**, The Kentucky Retired Teachers Association, being the only organization in the State that has as its sole purpose the improvement of the welfare of retired teachers in Kentucky and

**WHEREAS**, The Kentucky Retired Teachers Association, meeting in its Annual Convention at the Executive West Hotel, Louisville, Kentucky, on April 19, 2006, desires to voice certain areas of concern, interest, and appreciation.

*Now, Therefore, Be It Resolved That:*

1. We reaffirm, upon the occasion of their passing, our appreciation to Frances S. Miller, President of KRTA in 1997-1999 and KRTA/AARP Liaison 1998-2002, and Robert Kelley, President of KRTA in 1991-92 and chair of the Health & Insurance Committee, for their devotion and leadership. Both will be sorely missed.
2. We declare sincere appreciation to our Executive Director, Dr. Robert Wagoner, whose professional leadership, commitment, and complete loyalty continue to direct the Association in achieving its goals, while aiming toward greater accomplishments for the future. His service in other organizations confirms his interest in and focus on local, state and national concerns of all retired teachers.
3. We commend Dr. Wagoner for his continued commitment to serve us as Legislative Agent and extend thanks to Bobby Humes and Ray Roundtree, Legislative Co-Chairs, and Frank Hatfield, Executive Director Emeritus, serving as volunteer lobbyists.
4. We voice sincere appreciation to Betty Hester, recently retired Deputy Executive Director for Communications and Member Services, for her outstanding performance in the innumerable services she provided to retirees and wish her an enjoyable retirement.
5. We congratulate Janie Caslowe deemed by the Executive Council to be Deputy Executive Director for Member Services, and Brenda Meredith, Deputy Executive Director for Communications. We express thanks to Janie and Brenda for accepting these positions with their expanding responsibilities.
6. We express our sincere thanks to Carla Hahn, Mary Wagoner and the entire headquarters staff, without whose assistance Kentucky's retired teachers would be less informed. We applaud their unsurpassed patience, efficiency, and competence.
7. We declare sincere gratitude to Gary Harbin, Executive Secretary of the Kentucky Teachers' Retirement System, his staff, and Board of Trustees for professional leadership in providing quality service to all Kentucky retired teachers and diligence in developing and promoting a legislative program that enhances benefits to all members. As we continue to build on the excellent relationship KRTA has with these competent people, we anticipate growth.  
We thank our President Elect, Tara Parker, who serves as KRTA's representative to the KTRS Board of Trustees.
8. We respectfully call upon Governor Ernie Fletcher to support legislation to meet the needs of Kentucky retired teachers who have given so much to their profession with expectations of good health benefits upon retirement.
9. We appreciate the efforts of the members of the 2006 General Assembly to pass legislation favorable to retired teachers and declare our sincere thanks for their support. With anticipation and gratitude, we urge their continued support.
10. We commend Immediate Past President Irene Erskine who continues to perform remarkably in all areas of interest and benefits for retired teachers. We appreciate her special concern for the unique role our organization plays in working for the common good of our retired educators.

11. To our President, Neal Tucker, we compliment his genuine concern for each member of our organization by promoting "caring and sharing" as we work together for the common good of each. Neal has had an impressive, commendable, remarkable performance in all areas of interest and benefits for retired teachers.



Roberta Fugate, Chairperson

12. We acknowledge the steadfastness of the Executive Council in promoting the general welfare of all KRTA members: Emma Lou Isaac, Jim Frank, Mary Buck, Mike Irby, Jack Waff, Sandra Epley, Rick Tatum, Jean Harney, Harold McLaren, Tom Mathews, Ike Slusher, Mary May, Faye Logan, and June Grooms. We extend thanks to the outgoing members for their service and greetings to those new members who have accepted the growing challenges that lie ahead.
13. We extend thanks and gratitude to Irene Erskine and Carolyn Falin, Co-Chairs of the Health and Insurance committee, as monitors of our health and insurance needs and cognitive evaluators of services and benefits.
14. We gratefully acknowledge Robert Estes, AARP/KRTA Specialist for Kentucky, who provides retirees with current information from AARP, continues to work with the Grandparent Essay Contest, and promotes the Veterans' History Project.
15. We congratulate Virginia Shaw, Harold VanHook, Bob Anderson and Ernie Trosper, Co-Chairs of the Membership/Pre-Retirement Committee, in their continued tireless efforts to increase membership, which currently numbers 25,207 with 19,484 using automatic dues deduction. We appreciate their determination and untiring enthusiasm.
16. We commend the participating local and district retired teachers' associations for their endless volunteer services which include programs that benefit our youth, give assistance to the aging, volunteering in local schools, and numerous other community programs.
17. We thank Attorneys Eric Farris and David Carby for their diligence in contesting the long-term care rate increases requested by Life Investors Insurance Company of America. Their commitment to the welfare of the members of KRTA is commendable.
18. We extend appreciation to the Nominating Committee for excellent leadership shown in nominating outstanding officers:  
Irene Erskine, Chairperson Ernie Trosper Larry Morrow  
Roberta Fugate Maude Teegarden
19. We congratulate the 37 local retired teachers' associations with achievement of at least 90 percent membership in KRTA (including 6 with 100 percent) to win the M. L. Archer Award.
20. We memorialize our 780 colleagues who have departed this life since we last met by noting their significant contributions to the students they taught and yet live on in the acts of goodness they performed and in our hearts.
21. We extend a special thank you to those who assisted in making last night's reception and this meeting a success. We offer special thanks to members of the Reception and Registration Committees.

**RECEPTION**

Melanie Wood Joyce Cecil  
Shannon Royal Patsy Young  
Marianne Humphries  
Tara Parker  
Neal Tucker  
Irene Erskine

**REGISTRATION & LUNCHEON**

Karin Anderson Linda Hume  
Janie Caslowe Brenda Meredith  
Mary Estes Jan Roundtree  
Carla Hahn Dorris Tucker  
Frank Hatfield Bob Wagoner  
Margaret Hatfield Mary Wagoner

22. We wish to express our thanks to the Executive West Hotel for its gracious hospitality and the use of its facilities.

*Roberta Fugate, Chair  
Emma Lou Isaac  
Don R. Miller*

# THE INSIDE SCOOP



## KRTA HAPPENINGS



**Steven Deaton**  
Independent Associate  
Pre-Paid Legal Services

### Meet Our Newest Partner for Identity Theft Protection

According to the Federal Trade Commission, identity theft is the fastest growing crime in America. In Kentucky, someone was victimized by this crime every 4.8 hours last year. Victims spend an average of 600 hours and \$1495 to restore their good name and/or credit (USA Today Jan. 14, 2005). Would you know what to do if you were hit with identity theft?

The Identity Theft Shield<sup>SM</sup> offers you peace of mind if you become the victim of identity theft. The service offers four areas of help, before, during, and after the incident.

- 1. Credit report through Experian.** Allows you to make sure your financial records are accurate.
- 2. Personal credit score and analysis.** Know your credit score and how it affects your ability to borrow.
- 3. Continuous credit monitoring (via Experian).** When activity occurs on your credit file, a credit alert will go directly to you. Activities that will warrant an alert include change of address, new accounts opened, derogatory notes, public records (bankruptcy, liens), inquiries by creditors or other authorized parties. You will be notified regularly if there is no activity.
- 4. Identity Restoration.** Our licensed investigators will work on your behalf to help correct identity theft issues you have with affected agencies and institutions, including credit card companies, financial institutions, all three credit repositories, Federal Trade Commission, Social Security Administration, Department of Motor Vehicles, U.S. Postal Service, law enforcement personnel, and other organizations that may be affected. The restoration service covers all areas of identity theft, not just credit.

You are welcome to contact me to find out more about the epidemic problem of identity theft or obtaining coverage with the Identity Theft Shield<sup>SM</sup>. Also, if you have been a victim of this crime, send me a letter or email about your experience.

Pre-Paid Legal Services, Inc. 1-866-668-7671  
P.O. Box 234 502-428-6323  
Mount Washington, KY 40047 sfdeaton@prepaidlegal.com

## Why Join KRTA?



is the **only** organization in the state that has as its main purpose to look out for the welfare of retired educators.

In addition, KRTA has a number of member benefits to make your retirement years even better.

Here are some other good reasons to join KRTA!

- ✓ Puts retiree interests first
- ✓ Independent
- ✓ Non-partisan
- ✓ Does not endorse candidates
- ✓ Does not make political contributions
- ✓ Has a long history and solid reputation
- ✓ Ready to serve YOU!

Continued from "State of KTRS" on page 8 . . .

The cost of insuring retirees under 65 went from \$165 per month in 1997 to \$286 in 2004. The cost this year will be \$430 . . . even at a \$26 m. savings. Rates are expected to increase to \$469 and \$520 in the next two years, respectively. The cost of providing insurance for the retirees 65 and over is \$315 this year or total \$90 m.

Mr. Harbin and KTRS has joined with other retirement systems to form the Public Sector Healthcare Roundtable to address retiree health care costs on a national level. Their work can be followed at [www.healthcareroundtable.org](http://www.healthcareroundtable.org).

**Retired teachers have a significant economic impact in every county in the state.** The membership consists of 71,839 contributing members. Retirees and their beneficiaries and survivors number 38,257—receiving benefits of \$86 m. each month. Mr. Harbin emphasized the positive impact this makes on the Commonwealth. KTRS is a strong economic force—for members, school districts, and state and local economies:

For members: Retirement security for a lifetime with a retirement benefit and medical benefit

For school districts: Benefit to attract and retain quality teachers; reduced payroll costs as teachers retire and new teachers are hired (a difference of \$23,500 per position on average)

For state & local economies: \$86 m. paid by KTRS each month; \$13 m. in medical benefits; 93% of KTRS retirees live in Kentucky

KTRS distributes hundreds of millions of dollars annually—projected to be \$1.203 b. in FY 2006.

Thanks, Mr. Harbin, for your interest in and hard work for retired teachers—today and tomorrow!

| KENTUCKY TEACHERS'<br>RETIREMENT SYSTEM                                                                                                                                                  |                                                                                                                                                                                                          |                                                                                                                                                                   |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                                                                          | REGISTRATION<br>9:00 a.m. - 9:15 a.m.                                                                                                                                                                    | SEMINAR<br>9:15 a.m. - 1:00 p.m.                                                                                                                                  |
| June 14, 2006<br><br><b>KTRS</b><br>477 Versailles Road<br>Frankfort, KY<br>(Next door to main building)<br><br><p style="text-align: right;"><b>20 Max</b></p>                          | July 11, 2006<br><br><b>KY Dam Village SRP*</b><br>Convention Center<br>Frankfort, KY<br>Gilbertsville, KY<br>Exit 27 off I-24 on US 641 & US 62<br><br><p style="text-align: right;"><b>100 Max</b></p> | July 12, 2006<br><br><b>Rough River SRP*</b><br>Lodge Lower Level<br>450 Lodge Road<br>Falls of Rough, KY<br><br><p style="text-align: right;"><b>100 Max</b></p> |
| July 18, 2006<br><br><b>Natural Bridge SRP*</b><br>Activity Center<br>2135 Natural Bridge Road<br>Slade, KY<br><br><p style="text-align: right;"><b>100 Max</b></p>                      | July 19, 2006<br><br><b>My Old KY Home SP*</b><br>Visitors' Ctr. Great Hall<br>US 150<br>Bardstown, KY<br><br><p style="text-align: right;"><b>150 Max</b></p>                                           | July 20, 2006<br><br><b>Center for Rural Development</b><br>2292 South HWY 27<br>Somerset, KY<br><br><p style="text-align: right;"><b>100 Max</b></p>             |
| September 9, 2006<br><br><b>Jenny Wiley SRP*</b><br>Wilkinson/Stumbo or<br>Ray Harm Room<br>75 Theatre Court<br>Prestonsburg, KY<br><br><p style="text-align: right;"><b>100 Max</b></p> | October 14, 2006<br><br><b>Lexington CC Aud.</b><br>Oswald Bldg.<br>215 Cooper Dr.<br>Lexington, KY<br><br><p style="text-align: right;"><b>200 Max</b></p>                                              | <p style="text-align: center;">*KTRS provides the coffee at State Parks. The district should provide for the coffee at other places.</p>                          |



**Karin Anderson and Dorris Tucker** enjoying the Convention Reception. In the background are Sandra Bush of KTRS and Janie Caslowe of KRTA.

Continued from "President's Perspectives" on page 1 . . .

Let's start now, share the success of KRTA, the benefits of being a member of KRTA, and what an annual \$15 membership in KRTA can accomplish, and try to reach every non-member and new retirees to get them on board for they, too, are benefiting from our successes.

I hope you attended the KRTA state convention, April 18-19. If not you certainly missed the opportunity to be stimulated and motivated, to catch up on KRTA activities, to become more knowledgeable of what is happening for retirees, and to just enjoy visiting with friends and colleagues—renewing old acquaintances and making new ones. Our member reception, on Tuesday evening, again proved to be great fun for everyone. We enjoyed lots of refreshments, food and punch, and hundreds of very nice door prizes drawn by tickets and given free to attendees. This event has become a huge success for our convention. Thanks to all local and district RTA members who provided the many gifts. We could not have this event without your help.

This year's presenters were outstanding, informative, and motivational. Gary Harbin, Executive Secretary for the Kentucky Teacher's Retirement System (KTRS), gave a very thorough presentation covering the current status, and some known and projected needs of our retirement system. Nancy Aronson, Senior Legislative Representative for the National Retired Teachers Association (NRTA), addressed retirement systems nation wide, federal pension legislation and how unfunded liabilities can cause problems for retired educators. Gary Griesser, a well-known fellow retired educator, now a humorist, inspirational speaker and an accomplished vocalist, filled our minds with relaxing humor and challenging thoughts for more purposeful living.

Our association has been built on a rock, not as a house on sand. It is the result of the combined efforts of the many professional educators who, though retired from active teaching, have continued to use their knowledge and wisdom to help others. This has resulted in the development of an outstanding organization that has become extremely effective in addressing the needs of and advancing the life style for the retirees of our profession.

KRTA functions as a team and every member is on that team. Accomplishment depends on the involvement and strong support of our members. During the years that I have served, it has been my good fortune to have the strong support of highly competent fellow officers, council members, state committees, district and local leaders, and an Executive Director and staff, to support and provide help and leadership that has resulted in strong growth and continuing accomplishments for KRTA.

It is noteworthy to always keep in mind that we are an independent association with the sole purpose to look out for the welfare of our members. We do this in a very professional manner by operating within an atmosphere where all opinions are given due consideration, where the right of any member to know is respected, where a consensus is achieved without acrimony, and where mutual respect prevails. We do not engage in negativity and internal animosity or conflict, thus maintaining the dignity and respect of membership and likewise our association—an association for which we can all be proud and happy to claim membership. After all, we are still

professionals serving and leading, not only within our own organization, but continuing our service to all people of our great commonwealth, using our life-long accumulation of knowledge and wisdom to better the lives of all—still teaching, still helping to advance our students, the citizens of Kentucky.

Your state officers, council members, committee members, and executive staff remain committed and ready to work with districts, locals, KTRS, state government, and all entities that share KRTA's concern for the welfare of retired teachers. The support and effort of every member is needed to protect the long-term integrity of our retirement system.

My deepest appreciation to every member, particularly to our executive staff, fellow officers, council and committee members, for all the encouragement, support, and help you have provided. You are the ones who make KRTA so successful. Thank you for allowing me to serve as your president and experience one of the most rewarding periods of my professional years. I look forward to continuing to serve as long as I can benefit KRTA.

### 2006 KRTA WORKSHOP SCHEDULE

| DISTRICT          | DATE           | PLACE                                 | CONTACT PERSON                                                                      |
|-------------------|----------------|---------------------------------------|-------------------------------------------------------------------------------------|
| Jefferson Co      | Mon, Aug 28    | U of L Alumni Club                    | Jim Hicks<br>3715 Stratford Ln #1<br>Louisville, KY 40207-4426<br>502-897-5845      |
| Central Ky West   | Tues, Aug 29   | Spindletop Hall Lexington             | Martha Poe<br>3007 Lynnwood Dr<br>Paris, KY 40361-1023<br>859-987-3621              |
| Northern          | Wed, Aug 30    | Triple Crown Country Club Union       | Linda Thornton<br>89 Burlew Ln<br>Butler, KY 41006<br>859-391-9084                  |
| Central Ky East   | Thurs, Aug 31  | Natural Bridge State Park Slade       | Vivian Marcum<br>PO Box 153<br>Gray Hawk, KY 40434-0153<br>606-287-3256             |
| Fifth             | Fri, Sept 1    | Aquatic Center Buckner                | Shirley Sills<br>2001 Heatt Ln<br>Smithfield, KY 40068-7900<br>502-845-7290         |
| First             | Mon, Sept 11   | Kenlake Lodge Hardin                  | Kathleen Chipps<br>714 Chipps Rd<br>Smithland, KY 42081<br>270-928-2673             |
| Second            | Tues, Sept 12  | Executive Inn Owensboro               | Ken Willis<br>2425 Triple Crown Way<br>Owensboro, KY 42301<br>270-684-3584          |
| Third             | Wed, Sept 13   | Barren River SP Glasgow               | Irene Erskine<br>526 Claremoor Ave<br>Bowling Green, KY 42101<br>270-782-1940       |
| Fourth            | Thurs, Sept 14 | Country Hearth Inn Elizabethtown      | Carrol Nally<br>487 N Spalding Ave<br>Lebanon, KY 40003-1522<br>270-692-6753        |
| Middle Cumberland | Mon, Sept 18   | Ctr For Rural Development Somerset    | Ralph Edwards<br>132 Alchera Ave<br>Monticello, KY 42633-1697<br>606-348-7451       |
| Upper Cumberland  | Tues, Sept 19  | Pine Mt SP Pineville                  | Carolyn Falin<br>47 Laurel Lake Resort Rd<br>Corbin, KY 40701<br>606-523-8450       |
| Upper Ky River    | Wed, Sept 20   | Buckhorn Lake SP Buckhorn             | Joyce Whitaker<br>14 Stewarts Rd<br>Blackey, KY 41804-9004<br>606-633-3449          |
| Big Sandy         | Thurs, Sept 21 | May Lodge Jenny Wiley Pk Prestonsburg | Gerald Preston<br>133 Iris Street<br>Paintsville, KY 41240-9303<br>606-789-5830     |
| Eastern           | Fri, Sept 22   | Carter Caves SP Olive Hill            | Charlie Brown<br>117 Glasscock Drive<br>Flemingsburg, KY 41041-1209<br>606-666-7915 |

All workshops (except Fourth District and Mid. Cumberland) begin at 9:00 am local time. Fourth District and Mid. Cumberland begin at 9:30 am ET. Registration begins at 8:30 am local time, except Fourth District and Mid. Cumberland, which begins at 9:00 am.

# MISCELLANEOUS INFO . . .

## YOU MIGHT WANT TO KNOW



### Life Investors Rate Increases

Marvin Kinch LTCP, CLTC

Long-Term Care Insurance is “The Last Brick in the Wall” of financial planning. Leave it out and when the storms of long-term care come, the entire wall can crumble and fall. Those words of advice were issued by Phyllis Shelton, president of LTC Consultants, nearly 12 years ago. Shelton has been an adviser to consumers and businesses about long-term care insurance for over two decades and is the author of Long Term Care: Your Financial Planning Guide.

The uproar over Life Investors rate increases has diminished as many of our teachers realize what a good investment they made when they qualified for their long-term care program. To date I have had many people contact me about the rate increase. After answering their questions, most of them have decided to continue with their original program. Some teachers changed from compound to simple inflation. Their new premiums were within \$20 of the original cost. Another decided to cancel the inflation coverage only. Still another lowered her daily benefit amount.

If you should call Life Investors Insurance Company, this is the assistance you will receive. They will only give you up to three quotes. There will be no quotes over the telephone. However, they will mail to your home these quotes. If you call their customer service number (1-800-325-5823) they do not have the ability to pull your file and calculate a premium over the telephone. They should have those quotes at their disposal, via a computer hookup, 48 hours after your initial call. You need to have some idea of what type of changes you want in your new quote. Your agent should be able to assist you or you can directly contact National Health Administrators at 1-866-899-5796.

All of the people I talked to quickly realized that even with the rate increases, their long-term care insurance is still a good investment. One teacher saw her policy increase annually from \$2400 to \$3100. She pointed out that she had a brother-in-law that was in a nursing home and the cost for his care was nearly \$4400 a month every month. She answered her own question. She made no changes.

Hopefully, we all are going to live a long life. Realizing the need for extra care down the road is just being realistic. How many times have you heard someone say

“I’m not going to a nursing home, so I won’t need nursing home insurance?” They may be correct; they may not go to a nursing home. But don’t confuse nursing home care with getting sick and needing some assistance. The question is not who will take care of you, because your family will. But do we consider what providing that care will do to your family and life savings?

Have you reviewed your retirement plan lately? Does that plan take into consideration living a long life? Living a long life poses the greatest threat to your best thought out retirement plan.

As I stated in the last issue of the KRTA News there has been some changes made in asset preservation on both the state and national level.

“Prior to September 1, 2003, Kentucky Medicaid did not count the value of homestead property even if the owner had moved to a nursing facility and would not live in the home again. Beginning September 1, 2003, if an individual lives in a nursing facility for more than six months, that facility will be considered as the primary residence.”

On the federal level, President George Bush signed The Deficit Reduction Omnibus Reconciliation Act of 2005 on February 8, 2006. The new law tightens Medicaid long-term care eligibility rules and allows for the nationwide expansion of the Long-Term Care Partnership program. Medicaid has always been a safety net for the poor. However, some people have impoverished themselves, by transferring assets to others, to qualify for benefits. The new law extends the “look back period” from three years to five years and the eligibility period begins the date they apply for Medicaid benefits, not the date they made the transfer. The legislation was part of a budget-cutting measure that, besides sweetening the incentives to purchase long-term care, made it harder for seniors to give away money and property asking Medicaid to pick up their nursing home tab.

I have found that most teachers will fall into the middle class standard of living. They have just enough assets to keep them above the poverty level. Nevertheless, they want to pay their own way and don’t want federal/state assistance unless it is warranted. The belief is this new law will assist in further protecting the assets we have and allow more funds for the care of the needy.

Important Note: In April my wife and I started paying the additional 30% on our LTC policy. Our new annual cost would be what 17 days in a nursing home would cost if we paid it out of our pocket. Doesn’t this sound like a good deal?

If you have any questions concerning long-term care, contact the KRTA office and we’ll answer them in our next issue or two.

## Welcome to JFVS... Do you know who and what we are?



Frank is a retired teacher with two children active in high school and college activities. He helps part-time in a landscaping business and is an elder in his church. But his widowed mother has just been diagnosed with Alzheimer’s. How will this situation affect his family life as his care-giving demands increase?

Jill is a retired school administrator and has enjoyed her free time, but she’s contemplating a return to the workforce and needs guidance about employment options that are right for her at this time in her life.

Helen is very social, is mentally agile and has time to volunteer for worthy causes, but she physically is unable to drive a car or walk long distances.

These people and 7,000 more walk through the doors annually at Jewish Family & Vocational Service (JFVS), located at the corner of Dutchmans and Cannons Lanes. JFVS is a nonprofit comprehensive human services organization founded in 1908, serving the entire community with programs focusing on family,

work, education, older adults, immigrants and refugees.

Services of particular interest to the KRTA membership are:

- **CAREER SERVICES** – Assessment of interests and professional one-on-one consultation will help you explore career options and initiate the possibility of a new career action plan.
- **COLLEGE ADVISEMENT** – A one-stop center offering a total package of college advisement, scholarship/financial aid planning, internships, major selection and career assessment.
- **KLEIN OLDER ADULT SERVICES** – Licensed professionals work to maximize independence, ensure safety and preserve the dignity of older adults, while supporting family members through the challenges presented by the aging process.
- **COUNSELING SERVICES** – As we see in the news everyday, circumstances can change a person’s life in an instant. JFVS is here to help.

At JFVS, we believe this slogan best describes our services and the commitment we have to those we serve throughout all stages and events in their lives. Please call upon us if we can be of service to you and your family, and consider our volunteer opportunities to help us continue to offer the highest-quality services to those in need. Please contact JFVS at (502) 452-6341 or e-mail us at [beverlybromley@jfvs.com](mailto:beverlybromley@jfvs.com). Our web site is [www.jfvs.com](http://www.jfvs.com).

# FOR YOUR INFORMATION

**KRTA OFFICE**

231-5802 (from Louisville)  
 1-800-551-7979 (from outside Louisville)  
 (502) 231-0686 (fax)

krta98@aol.com (e-mail)      www.krta.org (web site)

**KRTA ENDORSED PROGRAMS**

**KRTA LEGALINE**

1-800-232-1090

krta@buckmanandfarris.com

Buckman, Farris & Rakes    Shepherdsville, Kentucky

**KRTA FINANCE & INVESTMENT INFO**

1-800-927-0030

Hank Hensley    Louisville, Kentucky

**LONG-TERM CARE INSURANCE**

1-866-899-5796 or 502-553-7630

**DENTAL INSURANCE**

COMPBENEFITS

Contact Weilage Benefit Specialists (Third Party Administrator)

1-866-WBS-PLUS (1-866-927-7587)

**AUTOMOBILE & HOMEOWNERS INSURANCE**

425-8450, ext. 243 (from Louisville)

1-800-225-8281 (from outside Louisville)

Liberty Mutual Insurance Company

**HEARING INSTRUMENT PLAN**

244-5378 (from Louisville)

1-800-286-6149 (from outside Louisville)

**HOME SECURITY SYSTEM**

Protection First    502-412-7037    1-800-915-4741

**KY TEACHERS' RETIREMENT SYSTEM**

1-800-618-1687 or www.ktrs.org

**COMMONWEALTH CREDIT UNION**

1-800-228-6420 or www.ccuky.org

**AARP/KRTA SPECIALIST**

Bob Estes 502-245-4513

# Quips, Quotes & Puzzles

## George Carlin's Views On Aging

Do you realize that the only time in our lives when we like to get old is when we're kids?

If you're less than 10 years old, you're so excited about aging that you think in fractions.

"How old are you?" "I'm four and a half!"

You're never thirty-six and a half.

You're four and a half, going on five!

That's the key.

You get into your teens, now they can't hold you back.

You jump to the next number ... or even a few ahead.

"How old are you?" "I'm gonna be 16!"

You could be 13, but hey, you're gonna be 16!

And then the greatest day of your life you become 21.

Even the words sound like a ceremony . . . YOU BECOME 21.

YESSSS!

But then you turn 30.

Oooohh what happened there?

Makes you sound like bad milk.

He TURNED; we had to throw him out.

There's no fun now.

You're just a sour-dumpling.

What's wrong?

What's changed?

You BECOME 21, you TURN 30, then you're PUSHING 40.

Whoa!

Put on the brakes .. it's all slipping away.

Before you know it, you REACH 50 and your dreams are gone.

But wait!

You MAKE IT to 60.

You didn't think you would!

So you BECOME 21, TURN 30, PUSH 40, REACH 50 and MAKE IT to 60. You've built up so much speed that you HIT 70!

After that it's a day-by-day thing; you HIT Wednesday!

You get into your 80s and every day is a complete cycle;

you HIT lunch; you TURN 4:30; you REACH bedtime.

And it doesn't end there.

Into the 90s, you start going backwards. . .

"I Was JUST 92."

Then a strange thing happens.

If you make it over 100, you become a little kid again.

"I'm 100 and a half!"

May you all make it to a healthy 100 and a half!

## ORDER FORM KRTA MEMBERSHIP PIN

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# Deceased Retired Teachers

JANUARY, FEBRUARY, MARCH 2006

“... these immortal dead who live again in minds made better by their presence ...”

## IN MEMORIAM

### ADAIR COUNTY

Michael D Campbell  
Martha C Howard  
Coa Phipps  
Ethel F Scott

### ALLEN COUNTY

Pearl M Sikes

### ANDERSON COUNTY

Onita B Morgan  
Bonnie J Perry

### BARREN COUNTY

John Logsdon  
James Owensby  
Mary Woodson

### BATH COUNTY

John G Barber

### BELL COUNTY

William E Adams  
Ray K Calloway

### Clyde Carroll

### BOONE COUNTY

Margaret Bryant  
Betty Roter  
Doris Smith

### BOURBON COUNTY

Mafre Brunner

### BOYD COUNTY

Lucille R Harris  
Patricia T McNeal

### BOYLE COUNTY

Edith Merritt  
Mary Morley

### BREATHITT COUNTY

Anna M Dalton

### BULLITT COUNTY

Glennie M Dawson

### JOE MILLS

### BUTLER COUNTY

Robert Knauf  
Mary W Smith  
Ruth Lytle West

### CALDWELL COUNTY

Madie Owens

### CASEY COUNTY

Herman Brown

### CHRISTIAN COUNTY

Embry A Adams

Arletta J Bacon

Marguerit Bell

Carl T Mcgee

### CLAY COUNTY

Anna Brown

Lola Clark

Eddie Dobson

Letty L Kelly

Leon Smith

Virgie Smith

### CLINTON COUNTY

Gladys Choate

Carvin Hadley

### CUMBERLAND COUNTY

Lewis P Williams

### DAVISS COUNTY

Dixie E Ayer

Martha Hoagland

### FAYETTE COUNTY

Betty Aldridge

Louise Curnutte

Ethel C Donohew

William R Holt

Talitha D Howard

Ronald Kincer

Louie Mack

Jean K Preston

Lucille D Weathers

Emma Wills

### FLEMING COUNTY

Gaynell V Cannon

Alvah Rawlings

### FLOYD COUNTY

Aileen D Fraley

Calvin Gray

Norma Neeley

Melba Sexton

### FRANKLIN COUNTY

Margaret RBaker

Fern Godby

James Melton

Asher Mills

Agnes F Parker

### GARRARD COUNTY

Anna Rich

### GRANT COUNTY

Helen Blanton

### GRAYSON COUNTY

Alice Matthews

### GREENUP COUNTY

Vincent W Kidd

### HARDIN COUNTY

Vella Patterson

Armon E Thurman

### HARLAN COUNTY

Daisy L White

### HARRISON COUNTY

Helen Batte

Harry Varner

### HART COUNTY

Robert Butler

Phyllis Wilson

### HENDERSON COUNTY

Armand Pierre

Gerald Vincent

### HOPKINS COUNTY

Martha G Waddill

### JEFFERSON COUNTY

Christine HAdams

Edna Blevins

Marvin R Carter

Lettye Curry

Pauline Fields

Catherine Gordon

Florence CHays

Patricia Hutchinson

Arthur Johnson

Madeline Jones

Earl Macoubrie

Frances C Milleman

Bonnie Nunn

Dennis Potempa

Elsie M Pressell

Mary E Reuter

Booker T Rice

Alyne Shaw

Betty J Walker

Elizabeth Weber

Elizabeth Wilk

Gertrude Williams

### JESSAMINE COUNTY

Estil Chaney

### KENTON COUNTY

Marie Colgan

Helen E Gels

Doris M Kron

Nancy Massey

Joan Siemer

Hattie M Smith

### KNOX COUNTY

Luther H Gaddis Jr

### LETCHER COUNTY

Reneva Bradley

### LOGAN COUNTY

Fredia Baker

### MADISON COUNTY

Ruth W Davis

Rufus O Harris

Eleanor Henderson

Donald K Walker

### MARSHALL COUNTY

Roberta L Davis

### MARTIN COUNTY

Shirley Haws

### MCCRACKEN COUNTY

Virginia C Foster

Ruth A Johnson

Dora K Throgmorton

### MENIFEE COUNTY

Bernice Sorrell

### MERCER COUNTY

Mary H Pittman

Anna L Pulliam

Margaret L Robinson

### MIDDLESBORO

Wynunee Anderson

### MONTGOMERY COUNTY

Patsy Gilliam

### MORGAN COUNTY

Dorothy Wheeler

### MUHLENBERG COUNTY

Gertie Lovell

### NELSON COUNTY

Hazel Geoghegan

### OWEN COUNTY

William R True

### PERRY COUNTY

Mable R Jones

Mary P Walker

### PIKE COUNTY

Edith Belcher

Lunner Thacker

### PULASKI COUNTY

Zella Sears

Edward R Tucker

### ROCKCASTLE COUNTY

Barbara H Hiatt

### ROWAN COUNTY

Katherine Caudill

John Duncan

Charles B Lee

### SHELBY COUNTY

Marvin Wells

### TODD COUNTY

Frances M Williams

### WARREN COUNTY

Michael T Bardin

William K Mullins

Norma M Schira

Lon Slaughter

### WASHINGTON COUNTY

Genola A Prather

### WAYNE COUNTY

Ilene R Kennedy

Melody Underwood

### WHITLEY COUNTY

Lola Douglas

### WOODFORD COUNTY

King Richeson

### OUT OF STATE

Mary L Arterburn - TN

Christine Blevins - VA

Della Elliott - MS

Christine Foster - SC

William M Haight Sr - VA

Ruth Harris - GA

Josephine Hopson - FL

Lavinia Johnson - TN

Jewell King - IN

Hester Lee - MO

Ruth Lessley - GA

Joseph L Lyvers - FL

Marie Martin - OH

Verna B Mays - TN

Lillian C Nolan - IN

Lindell Parr - GA

Wilma L Patterson - IN

Mildred Popp - FL

Jewel Rabb - IL

Alma F Robinson - NM

Cornith Y Russell - TN

William Rutherford - TN

Paul Simpson - FL

W Threlkeld - IA

### We're Sorry!

Mary Merrell of Grayson Co. was incorrectly listed in Graves Co. in the March issue.

Lizzella K. Pye's name was misspelled in the December issue.



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### KRTA NEWS

(PUBLISHED QUARTERLY)

BRENDA MEREDITH, EDITOR

PRINTED BY STANDARD PUBLISHING

SHEPHERDSVILLE, KENTUCKY

DISTRIBUTED BY UNITED MAIL

LOUISVILLE, KENTUCKY

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