They Speak, You Decide

Retired educator issues will require attention in the upcoming election and future legislative session, and KRTA members want to know how the next governor will respond to addressing these concerns.

KRTA is working as much as possible to ensure that the needs of retired educators are met. However, the governor’s influence is always critical.

With this in mind, KRTA asked each gubernatorial candidate to respond to questions about how he/she may address these critical issues. The questions and the respondents’ answers start on page 8, listed in alphabetical order.

It is important for KRTA members to know that the association will not endorse any of these candidates. Also, KRTA has not edited these responses in any way.

Please review these responses carefully and use this resource when casting your ballot this May.
PERSONALLY SPEAKING . . .

FROM THE LEADERSHIP

Bob Wagoner
Executive Director

KRTA Is Political, But Not Partisan

After the November 2007 elections, we received a cash membership form from a former member that carried this note: “Due to KRTA’s endorsement of legislative candidates in the recent elections, I choose not to renew my membership.” I was stunned! With what organization is this person confusing KRTA?

KRTA has NEVER been partisan. KRTA does not endorse state or federal candidates for office. We do not support or oppose Republicans. We are bi-partisan and work with members from both parties. KRTA does not have a Political Action Committee (PAC) that contributes to political campaigns. KRTA does encourage all members to work on political campaigns of their choice. KRTA endorses all candidates to run for political office. KRTA does not encourage members to support one political party over other parties, work to elect only the candidates of one party over the candidates of the other parties nor register and vote for one party over the other parties.

The Association is politically active. KRTA advocates for retiree benefit increases, KTRS service enhancements and federal program changes. All of these actions are political because they are influencing public policy and public funding. We have an active advocacy team that is present in Frankfort during each legislative session.

Adequate pension and health insurance benefits are bi-partisan issues and KRTA works with both major parties to accomplish the Association’s goal of maintaining and enhancing these benefits. KRTA is a volunteer Association that does not play partisan politics or use PACs to acquire political influence. Instead KRTA relies on the political activity of its volunteer members. Their letters, post cards, telephone calls and emails provide the “engine” for accomplishing KRTA’s political goals.

NRITA/AARP. Many of you have asked for clarification of the KRTA’s relationship with NRITA/AARP. KRTA is loosely affiliated with NRITA: AARP’s Educator Community. NRITA provides many services, discounts and resource materials to all state RTAs free of charge. For example, in 1994 NRITA convened a national Pension Round Table that is made up of pension experts from various states. Currently, Ray Roundtree represents KRTA on this group. This is a valuable source of information to us on pension issues around the country.

There is no money exchanged between KRTA and NRITA. There are no dues paid to NRITA for KRTA members. NRITA always pays the full expenses of the KRTA leadership team when we attend NRITA-sponsored meetings all over the country. NRITA often convenes teleconference meetings that include one or more of the KRTA leadership team. Again, there is no cost to KRTA for our leaders participating in these valuable meetings.

WIIFM. What’s in it for me (WIIFM)? Have you heard this phrase before? Unfortunately, I have! It is a good thing that the founder of NRITA (Ethel Percy Andrus) did not have this attitude. If she had, serving others and her concern for adequate pension and health insurance benefits for retired teachers would not have been of interest to her. If we all work together, we can accomplish a lot for Kentucky’s retired teachers.

Keeping Our Gold Safe as We Celebrate our Golden Anniversary

This was a difficult column to write. The 2007 Legislative Session is just beginning, and when you read this, it will be ending. One priority for this Session is public retiree pension reform. Governor Fletcher is touring the state, holding forums to gather citizens’ ideas on how to spend the projected $279 million “surplus”. Did you exercise your right to have a voice in how those General Fund revenues are spent? Governor Fletcher asked to “hear the voice of the people,” so I hope you sent letters and completed the online survey urging him to spend the majority of this surplus on medical insurance for both state retirement systems. When you receive this, the matter may have been decided, but you can feel good that you voiced your opinion.

Our KTRS health care has been a “pay as you go benefit” since 1964. It is kept separate from our pension, which is funded through employee and employer contributions and KTRS investments. We worked our whole careers understanding that low teacher salaries would be offset by the good pension and health care that we receive upon retirement. And we tend to forget that our health care insurance each year is a tax-free benefit on top of our annuity. But the fact that Kentucky legislators are even talking about public pension reform should be of concern to all of us. When this legislative session ends, I trust that “our gold stays protected” with the legislators deciding to permanently fund retired teacher medical benefits without borrowing from the pension fund and that our Defined Benefit type of pension remains the same.

My “Finding and Keeping the Gold” theme continues as we celebrate KRTA’s 50th year. Please place these dates on your calendar and plan to attend the evening reception on Monday, April 16, and the KRTA Annual Convention in Louisville on Tuesday, April 17, to celebrate our Golden Anniversary! The reception will be a party atmosphere with gold balloons on the tables, door prizes wrapped in gold, music and food. Former KRTA Executive Director, Frank Hatfield, will highlight our past 50 years.

Our Convention theme is: KRTA—Celebrating 50 Years (1957-2007). There will be special recognitions and presentations throughout the day. Sample proclamations and sample press releases will be included in the registration packets of the Presidents to encourage all local RTA’s to return home to celebrate your own golden anniversaries, perhaps recognizing past presidents and using this as a great opportunity for positive media coverage. Golden Anniversary memorabilia will be presented to every convention attendee. We have a very special guest speaker who will discuss the power of the past, present and future converging as we look toward our 50th year! Thanks to the Anniversary Ad Hoc Committee for its work: Patsy Young, chairperson, Janie Caslowe, Gus Swanson and Irene Erskine.

Local Presidents should begin working on Local Recognition Awards for the Convention earlier this year as everyone needs to “go for the Gold” level. As a former local President, I know that it is difficult to complete the award form if you wait until the last minute to obtain your membership volunteer hours and gather other required data. You don’t want to be the only local who receives the Silver this year when everyone else gets the Gold! Many times the only difference between the silver rather than the bronze, or the gold rather than the silver, is failure to contribute to the N.O. Kimbler Scholarship. So begin work on your Local Recognition Award form early to bring home the Gold! See you in April as we support KRTA, the best professional organization in the nation, whose sole purpose is to guard and protect the welfare of retired Kentucky teachers!
Security Freeze Information for Kentucky Residents

If you live in Kentucky, you have the right, as of July 12, 2006, to put a “security freeze” on your credit report with each credit reporting agency. A security freeze means that your credit report cannot be shared with others, such as potential creditors, without your authorization. A security freeze may help prevent identity theft, because most businesses will not open credit accounts without first checking your credit report. Additionally, if someone changes information about your name, address, birth date, or Social Security number in a frozen credit report, the credit reporting agency must send written confirmation of the change to you within 30 days.

Each credit reporting agency may charge you up to $10 for security freezes, but there is no fee for an identity-theft victim who provides a valid police report upon request. The amount of the fee is subject to a yearly Consumer Price Index (CPI) adjustment.

How to “freeze” your credit report

To put a security freeze on your credit report, send a written request by certified mail to the credit reporting agency, with proper identification, and with the required fee. You may want to contact each credit bureau to confirm the amount of the fee and any special information they need with your request. The addresses and telephone numbers for the three (3) main credit bureaus are listed below. Be sure to check each credit bureau’s website for the most current information on security freezes.

After receiving the request, the credit bureau must place the freeze within ten (10) business days of receiving your request and send you a password or personal identification number (PIN) to use for temporarily lifting or removing the security freeze.

Equifax Security Freeze
P. O. Box 105788
Atlanta, GA 30348
1-800-685-1111

Experian Security Freeze
P. O. Box 9554
Allen, TX 75013
1-888-397-3742

TransUnion Security Freeze
P. O. Box 6790
Fullerton, CA 92834
1-888-909-8872

How to make changes to your security freeze

You may allow access to your credit report for a specific period of time after you have placed a security freeze (“temporarily lifting”), or you can permanently remove the freeze. Some reasons for temporarily lifting a security freeze include obtaining credit, or to allow a potential employer or lessor to see your credit report, where you don’t want to permanently remove the freeze. To do so, you must contact each credit bureau from which you want to temporarily lift or permanently remove the freeze and provide proper identification and the fee (up to $10). Again, you may want to contact the credit bureau for specific information about temporarily lifting or permanently removing a freeze.

Be sure that you plan ahead and make the request well ahead of time, because the credit bureau has three (3) business days to comply after receiving your request.

How long does your security freeze last?

The security freeze will remain on your credit report for up to seven (7) years from the date it was put in place, unless you temporarily lift or permanently remove it sooner. A temporary lift will only last for the period of time you specify, after which the credit reporting agency must close the temporary lift (putting the credit report back into “freeze”).

However, if a security freeze is placed because you make a material misrepresentation of fact, the credit reporting agency may temporarily lift or permanently remove the freeze without your authorization, but only after providing prior written notice to you.

Requesting a new PIN or password

You may request a new PIN or password at any time. To do so, send a written request by certified mail to the credit bureau, with proper identification and any required fee. You may want to contact the credit bureau for specific information about requesting a new PIN or password.

After receiving the request, the agency has ten (10) business days to provide you with a new, unique PIN or password.

Who can get your credit report during a security freeze?

Even if a security freeze is in effect on your credit report, the credit reporting agency may provide it without your authorization, to:
- government entities, including law enforcement agency or court
- private collection agencies (but only to assist in collecting a debt from you)
- anyone to whom you owe a financial obligation (but only to review the account, collect the obligation or facilitate an extension of credit)
- persons using the credit report for making pre-screened offers of credit as allowed by federal law
- consumer reporting agencies in order to give a copy of your credit report to you
- child support enforcement agencies
- resellers of credit information (but a consumer reporting agency acting as a reseller must honor any freeze placed on the credit report received by another consumer reporting agency)
- check services or fraud prevention services companies
- deposit account information service companies
- persons using the report to prepare for a civil or criminal action
- insurance companies, to investigate claims, set or adjust rates, or underwrite property and casualty insurance

Enforcement of your security freeze rights

If you believe that your security freeze rights have been violated, you may enforce your rights in state court. If the violation was due to a willful failure to comply with the security freeze law, the violator could be liable to you for your actual damages caused by the failure, liquidated damages of $100 to $1,000, punitive damages (in an amount allowed by the court).

If the violation was due to a negligent failure to comply with the security freeze law, the violator could be liable to you for your actual damages caused by the failure and your litigation costs and reasonable attorney’s fees (in amounts allowed by the court).

You may also file a consumer complaint with the Kentucky Attorney General’s Office of Consumer Protection. The form is available on the Internet at http://ag.ky.gov/consumer/complaints/forms.htm or you can call 1-888-432-9257 to ask that a form be mailed to you.

As always, please contact the KRTA Legaline, 1-800-232-1090, should you have any legal questions or should you need a referral for an attorney in your area of the state.

*This article was originally written by the Kentucky Attorney General’s Office and is reprinted with their authorization.

KRTA NEWS

KRTA Partners...

Legaline 1-800-232-1090

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- deposit account information service companies
- persons using the report to prepare for a civil or criminal action
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KRTA Legaline

1-800-232-1090

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Buckman, Farris & Rakes
193 S. Buckman St
Shepherdsville, KY 40165
smoore@bfllaw.com

11th Congress

110 New Advocates

6 Congressional Districts

1 Mission

AARP KY is looking for motivated people interested in contacting their members of congress. We will be holding informational meetings across the state to introduce you to AARP’s vision of advocacy. Please call 1-877-926-8300 to join us:

Tuesday, March 6
Paducah
Linden Plantation

Thursday, March 8
Lexington
Fayette Co Extension Office

Tuesday, March 13
Bowling Green
Knicely Center, WKU

Thursday, March 15
Fort Mitchell
Drawbridge Inn

Tuesday, March 20
Somerset
Center for Rural Development

Thursday, March 22
Louisville
Hilton Garden Inn - Louisville

All meetings will be from 12 to 1:30. Lunch will be provided.

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- persons using the credit report for making pre-screened offers of credit as allowed by federal law
- consumer reporting agencies in order to give a copy of your credit report to you
- child support enforcement agencies
- resellers of credit information (but a consumer reporting agency acting as a reseller must honor any freeze placed on the credit report received by another consumer reporting agency)
Let’s Thank Our Volunteers!

Retirement from a chosen profession means different things to different people. A world of new opportunities can open up to you if you are fortunate enough to have good health and a will to keep on keeping on. Someone once said, “It takes all kinds to make a world.” Someone responded, “Well, we’ve got ‘em.” Thank goodness we have those who choose to volunteer a lending hand in their respective communities. These special few too often go without well-deserved recognition for their kindness, generosity, genuine concern for others, time sacrifice and great amounts of expended energy.

All past presidents know when they completed the KRTA report relative to volunteer hours for their local, it did not reflect all the hours that we actually volunteered. Many of our people do not keep a record because they simply are not seeking recognition. However, they really need to be honored. Current local presidents are encouraged to stress the importance of record keeping by their volunteers. Presidents could also point out to their membership that the report submitted to KRTA can possibly result in an eye opener to our Governor and Legislators, thereby improving their vision of retired teachers’ continued community contribution in an area that does not necessarily come to mind. When a monetary value is assigned to the volunteer hours, it is quite impressive. Go figure at 18+ dollars per hour! Is this important to a community and the state? You bet! Remember the KRTA report is due March of 2007.

Participation in the NRTA/AARP National Day of Service on May 10, 2007, is a good way to emphasize the importance of volunteerism. Many of you have already given this option consideration. T-Shirts and baseball caps requested by your local will be shipped directly to you this year.

NRTA and AARP wish to team with Retired Teacher Associations (RTAs) to encourage the good work of volunteers. If you wish to find information about what they are doing to support and recognize the work of volunteers, you may contact Rebecca Villarrea (NRTA Community Service Program Consultant) via the internet at rvillarreal@aarp.org. You also could Google NRTA Community Service or AARP Community Service and you will find a wealth of related material.

Don’t forget to make use of your local news media outlets to inform your community about your RTA’s volunteers. KRTA News might be able to help you share some of your special events. Remember that a picture speaks volumes.

Best wishes to all in your efforts to let your volunteers know that they are highly regarded.

Charitable Giving of Your IRA

Henry L. Hensley

Donating your IRA assets to a worthy cause while you are living is a pretty simple undertaking. Just take a distribution and donate it to charity. After all, that’s the only way to do it. Right? For certain taxpayers, it’s not that simple anymore. The recently enacted Pension Protection Act of 2006 (PPA) gives some taxpayers a more attractive alternative.

Under the old rules, when you want to donate IRA assets, you first withdraw cash or assets from the IRA. The withdrawal is taxed as ordinary income; but, if you are over age 59½, you don’t have to pay the additional 10% early withdrawal penalty. Then, you could make a charitable donation for which you may be able to take a charitable deduction. Unfortunately, the income tax and penalty due on the withdrawal may not be completely offset by the charitable deduction because charitable deductions are limited. To claim a charitable deduction, you must generally be able to itemize and then the deduction will be subject to two limiting ceilings.

The first ceiling is based on the type of charity: 50% charity or 30% charity. The percentage refers to the maximum percentage of adjusted gross income (AGI) that may be written off as a charitable deduction in any one year. Unused deductions retain their character and may be carried forward for five years. Fifty percent charities include churches, schools, hospitals, endowment foundations, private grant-making foundations and community chest. Thirty percent charities include veterans’ organizations, private non-operating foundations, fraternal organizations and public cemeteries. IRS publication 78 provides a listing of all recognized 50% and 30% charities.

The second ceiling is based on AGI. When AGI exceeds $150,500 for 2006 and $75,250 for married taxpayers filing separately, charitable deductions are reduced by 2% (for 2006 and 2007, was 3% previously) of the amount by which AGI exceeds this threshold. There are other rules that come into play. The point is the charitable deduction will not completely offset the income tax obligation on the IRA withdrawal.

PPA—the new rules—allows certain taxpayers to make a tax free qualified charitable donation of their IRA assets in 2006 and 2007. IRA owners who have attained age 70½ are permitted to take tax-free IRA withdrawals of up to $100,000 annually when the amount withdrawn is donated to a qualified charity. The tradeoff? There had to be one. No charitable deduction is allowed. That’s more than fair from these donor taxpayers’ point of view as they come out ahead, especially when you consider that the qualified charitable donation may be used to satisfy any RMD requirement for the tax year.

However, there are some specific criteria which must be met for the donation to be a qualified charitable donation. As previously mentioned, the qualified charitable donation must be made after the donor taxpayer has attained age 70½. The charity must be a qualified charity. The withdrawal must be paid directly to the qualified charity from the IRA. And this attractive new law is only in effect for 2006 and 2007.

There are other requirements which cannot be adequately addressed in this brief article. There are also many factors to be addressed when deciding whether to make a lifetime donation of IRA assets or non-IRA assets, including availability or lack of State income tax breaks for charitable donations, the fact that the new law does not apply to donations from SEP or Simple IRAs, and ability to itemize deductions. So, when considering taking advantage of this new law, please consult your financial planner.
Estate Planning Basics

Commonwealth Credit Union (CCU) is pleased to offer financial services to the members of the Kentucky Retired Teachers Association and their families. While CCU is able to offer savings & loan products, other financial services are offered by our partner - MEMBERS Financial Services. MEMBERS offers a variety of insurance and investment programs that complement the services offered by CCU. One of the programs they offer is Estate Planning. Estate planning includes arranging for what happens to your property after your death, as well as planning for your financial affairs in the event you become incapacitated. That’s why everyone needs a basic estate plan. Here’s how to start your plan:

1. **Calculate your net worth.** For starters, organize all your financial files to take account of everything you own and everything you owe. Getting organized will also give your family easy access to important records when they need them. Once your files are in order, create a net worth statement by subtracting your liabilities from your assets. Entering your information into a personal finance software program helps you keep your calculations up-to-date.

2. **Prepare for the possibility of incapacity.** Review your disability income insurance to determine if you’re adequately covered. Then create or update three essential documents:
   - A durable power of attorney for health care allows you to appoint someone to make decisions about your medical treatment. And a living will spells out your wishes regarding the use of life-sustaining procedures.
   - A durable power of attorney for finances allows you to designate someone you trust to manage your financial affairs.
   - A living will outlines your wishes for how your property will be disposed of when you die.

3. **Review your life insurance needs.** In addition to providing essential support to your survivors, life insurance proceeds are not subject to income tax. A policy’s proceeds, however, are generally subject to estate taxes.

   - Also consider your special needs for life insurance. For instance, if you have significant assets, a life insurance policy can provide cash to pay any estate taxes owed so your heirs won’t be forced to sell valuable illiquid assets.

4. **Write or update your will.** If you die without a will, your assets will be distributed according to state law, not necessarily according to your wishes. In fact, if you’re married and have children, it’s not safe to assume everything will go to your spouse.

   - That’s because in many states your assets are divided among your spouse and your children, even if your children are minors, with restrictions on how the children’s share can be spent. Even worse: A court could end up choosing a guardian for your children. Furthermore, if you die with an outdated will your intended heirs may be left out in the cold.

5. **Check your designated beneficiaries and how your assets are held.** Review your designated beneficiaries on your investments, retirement plans, annuities, and life insurance policies to make sure they reflect your current wishes. This task is especially important since the designations on these documents supersede your will instructions.

   - Also review the title registrations on all your assets to ensure they meet your current needs, and also to ensure that your property will be passed to your heirs in the most tax-efficient manner.

6. **Take steps around probate.** If you can transfer some of your assets directly to your heirs and avoid probate costs and delays by simply filling out a few forms.

   - For savings and money market deposit accounts, checking accounts, CDs/share certificates, and Treasury securities, complete a payable-on-death form. For stocks, bonds, and mutual funds outside retirement accounts, if allowed in your state, complete a transfer-on-death form.

**Consider whether trusts should be part of your estate plan.** Consult an estate planning professional about whether any of the different types of trusts may be appropriate for you.

   - Trusts can help you take care of your surviving loved ones, as well as allow you to exercise some control over how your assets are used after your death.

   - In 2006 the estate tax is assessed only on those who die leaving a taxable estate of more than $2 million. This exemption amount is scheduled to keep rising in steps until it hits $3.5 million in 2009. The Tax Act of 2001 fully repeals the estate tax in 2010. More accurately, however, the law repeals the estate tax only for that one year. Due to budgetary restrictions, the 2001 estate tax rules, rates, and exemptions will come back in force in 2011 – unless future legislation is enacted before then.

6. **Trusts can also help you avoid probate, make charitable gifts, or help manage your affairs if you become disabled. In addition, if you have substantial assets, setting up certain types of trusts can help reduce estate taxes.**

7. **Get the facts on the gift tax rules.** If you have significant assets, giving away assets during your lifetime can also help reduce your taxable estate. In general, in 2006 you can gift up to $12,000 worth of assets a year per person to any number of people without incurring federal gift tax.

   - If you’re married, you and your spouse can give a total of $24,000 free of gift tax to any number of people each year. You can also give an unlimited amount free of gift tax to qualified charities, as well as directly to educational institutions for tuition or directly to medical services providers for medical care. In addition, the marital deduction generally allows you to give an unlimited amount to your spouse free of gift tax.

   - In 2006 through 2010 you can make a total of $1 million of taxable gifts before owing any federal gift tax.

   - For more information about estate planning, investments, insurance and financial planning please contact:

      Mr. Lauch Hines
      MEMBERS Financial Services
      (502) 564-1502 or (800) 488-1444
      lauch.hines@cunamutual.com

   - Representatives are registered through, and securities are sold through, CUNA Brokerage Services, Inc. (CBSI), member NASD/SIPC, 2000 Heritage Way, Waverly, Iowa 50677, toll-free (866) 512-6109. Insurance sold through licensed CUNA Mutual Life Insurance Company Representatives, and in New York, licensed insurance representatives of other companies. Nondeposit investment products are not federally insured, involve investment risk, may lose value and are not obligations of or guaranteed by the credit union. CBSI is a registered broker/dealer in all fifty states of the United States of America.
SOCIAL SECURITY UPDATE

Bob Wagoner, KRTA Executive Director

Mandatory Coverage

The potential for serious discussions about Social Security reform in 2007 appears to be increasing, and Coalition to Preserve Retirement Security (CPRS) officials say that means that state and local workers could again be threatened with forced coverage.

After a divisive debate in 2005 in which President Bush failed to push through a reform plan that included personal investment accounts, Social Security was widely thought to be a dead issue until at least the next presidential administration. That may have changed, however, now that Democrats have taken over Capitol Hill and are looking to make their mark, and Bush is looking for a legacy besides the less-than-successful Iraq war. The White House, in fact, has indicated that Bush is not ruling out including tax increases in a reform plan, a stark change from his first six years in office.

Bush’s insistence in 2005 on personal accounts funded by carve-outs from Social Security taxes was a deal-breaker for Democrats, who refused even to discuss the issue until such accounts were taken off the table. If Bush is backing off that position and creating a possible starting point for discussions—most likely, the raising of the cap on wages subject to Social Security taxes—then a compromise is possible. That could be good for state and local workers—if Social Security were on solid financial footing, the threat of mandatory coverage would probably disappear—or it could be very bad.

According to Tom Lussier, president of CPRS administrator Lussier, Gregor, Vienna & Associates, “We could be in danger when it comes down to them needing that last, little percentage.” Forcing all newly-hired public employees to participate in Social Security would increase Social Security revenues by $44 billion over five years. That small, temporary boost to the program’s finances, though, would come from state and local governments, possibly creating fiscal hardships that could lead to increased taxes, cuts in vital government services and the destabilization of public pension plans.

CPRS officials are planning to educate lawmakers in early 2007 about the negative effects of mandatory coverage at the state and local level and hope to get coalition members to reach out to their representatives and senators, as well.

Another area of concern for CPRS is the pledge by Democrats to return Congress to “pay-as-you-go” (commonly referred to as PAYGO) funding rules. PAYGO requires new spending or tax cuts to be offset by revenue increases or spending reductions. Mandatory coverage would provide a multi-billion dollar pot of money that could be used to offset new spending, whether as part of a Social Security reform package or not. “It could threaten everything,” according to CPRS Board Member Geraldine Madrid-Davis.

WEP & GPO

The 109th Congress took no action to repeal or amend the Government Pension Offset (GPO) and the Windfall Elimination Provision (WEP). Since the new Congress (110th) convened in January, Representatives Berman (D-CA) and McKeon (R-CA) have filed H.R. 82 in the House of Representatives. This bill calls for the repeal of both the GPO and the WEP. Currently, there are 169 co-sponsors in the House of Representatives. At this point, only four (4) Kentucky representatives (Ben Chandler, Ron Lewis, Hal Rogers, and Geoff Davis) are co-sponsoring H.R. 82.

Also, Senators Feinstein (D-CA) and Collins (R-ME) have filed S. 206 in the Senate. This bill calls for the repeal of both the GPO and the WEP, too. Currently, there are eight (8) co-sponsors in the Senate. Unfortunately, neither of Kentucky’s senators (Jim Bunning or Mitch McConnell) are co-sponsoring S. 206.

The potential among GPO/WEP supporters that Congress will provide “relief” from these provisions. As Kentucky retired teachers, our focus must be to see that this “relief” does not come at our expense by Congress imposing mandatory Social Security coverage.

It is important for each of us to let our federal legislators know that we (KRTA) 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); Hal Rogers (202-225-0940); Ed Whitfield (202-225-3547) and John Yarmuth (202-225-5776).

If you are affected by the WEP and GPO, you may want to check out this “blog” for teachers at www.teachersfightback.wordpress.com. It provides another avenue for teachers and others who have earned social security benefits that are impacted by the WEP and GPO to fight for the repeal of these provisions.

KRTA 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 KRTA News. Look for them.

The Links Between Ky Retired Teachers Association NRTA and AARP

Your decision to be a member of the Kentucky Retired Teachers Association helps make it clear to legislators, neighbors and businesses alike that educators are important and vibrant members of our community. Collectively, you are making your presence known through volunteer efforts in the areas in which you live as well as through legislative advocacy in the statehouse. It was in this same spirit that sixty years ago Dr. Ethel Percy Andrus founded the National Retired Teachers Association (NRTA), now known as NRTA: AARP’s Educator Community.

As a teacher and the first female high school principal in California, Dr. Andrus knew the life-long impact and benefits of a solid education; as the volunteer director of welfare for the California Retired Teachers Association, she also knew the importance of honoring commitments to, and channeling the energy and wisdom of, education professionals and others as they aged. Dr. Andrus helped make it possible for teachers, administrators, college and university professors, librarians and other school personnel to have a non-partisan, national presence. She was a tireless advocate on Capitol Hill in Washington, D.C. for improving health care and pensions; meanwhile, she encouraged business leaders to create meaningful products and services (such as insurance and travel opportunities) that would be of interest to mature Americans. Dr. Andrus created a national network of retired educator associations who chose to voluntarily affiliate with NRTA to share ideas, garner strength from one another and fulfill her motto: To serve, not to be served.

Over the years, NRTA has continued to offer support to state and local retired educator associations to further the impact and honor the contributions of retired educators’ volunteer community service and advocacy efforts. Today, NRTA resides within AARP, which Dr. Andrus founded eleven years after forming NRTA.

People who join AARP and designate themselves as members of NRTA: AARP’s Educator Community, pay only $12.50 per year and receive all of AARP’s member benefits and publications along with the quarterly publication NRTA Live & Learn. NRTA also provides on-going support to the Kentucky Retired Teachers Association and other state retired educator associations through national leadership conferences and presentations at state conventions.

Joining AARP and designating yourself as a member of NRTA: AARP’s Educator Community is a decision that is supported by a rich and shared history between the Kentucky Retired Teachers Association, NRTA and AARP. It is one way to make your presence known and to help improve the lives of those over 50 through our collective efforts.
2007 KRTA LUNCHEON
Reservation Form
$15 per person

Please make ____ reservation(s) for the Luncheon. My check ____ in the amount of $__________ is enclosed.

___________________________________________
___________________________________________
__________________________________________
__________________________________________

Name
Street and Number
City State Zip
Area Code Phone Number

Reservations must reach the KRTA office by April 11. Tickets may be picked up at registration on April 16 or 17. Mail reservation form and payment to:
Mrs. Carla Hahn
KRTA Office
7505 Bardstown Road
Louisville, KY 40291-3234

2007 COMMITTEES

Contact a committee member if you have concerns or suggestions.

Resolutions Committee
Robertta Fugate, Chair
P. O. Box 545
McDowell, KY 41647
606-377-6013

Neal Tucker, Chair
328 E. Young Street
Morganfield, KY 42437
270-389-4744

Emma Isaac
745 KY Hwy. 1107
Van Lear, KY 41265-8606
606-789-5973

Irene Erskine
526 Claremoor Avenue
Bowling Green KY 42101
270-782-1940

Donald Miller
283 Matlock Pike
Bowling Green, KY 42104
270-781-1105

Larry Morrow
874 W. Bourbon Road
Somerset, KY 42503
606-451-8365

Ernie Trosper
2015 Wyndamere Lane
Paris, KY 40361
859-987-6516

Nominating Committee
Roberta Fugate, Chair
P. O. Box 545
McDowell, KY 41647
606-377-6013

Marianne Humphries
6704 Green Meadow Court
Louisville, KY 40207
502-894-0332

Ernie Trosper
2015 Wyndamere Lane
Paris, KY 40361
859-987-6516

Reception Committee
Melanie Wood, Chair
4121 Browns Lane C-21
Louisville, KY 40220-1559
502-458-6117

Joyce Cecil
10409 Forest Garden Lane
Louisville, KY 40223
502-426-0399

Marianne Humphries
6704 Green Meadow Court
Louisville, KY 40207
502-894-0332

Shannon Royal
4516 S. Second Street
Louisville, KY 40214-1926
502-366-2250

Fonrose Wortham, Jr
7613 Old Salem Court
Louisville, KY 40242-4026
502-429-5045
The Kentucky Teachers’ Retirement System (KTRS) has operated successfully for 68 years as a defined benefit group retirement plan. How would you maintain KTRS as it currently is, a defined benefit group retirement plan?

We are committed to honoring the contract we have with our teachers and restoring the financial integrity of the KTRS so both pension and health benefits are maintained. Senator Mongiardo and I are the only candidates proposing a real solution to the state’s fiscal woes through expanding gaming. With the expected revenues from our plan, we can begin to address the many issues that have long been ignored.

As your Governor since 2004, I have done so. Second, with the recent news of the significant growth in the unfunded liabilities in both the KTRS and KRS, I have commissioned a Task Force to construct specific recommendations for ensuring the solvency and sustainability of these retirement benefits, as promised, for all current and retired teachers. This is a Task Force on which I insisted both the Executive Director of KTRS and a designee from KRTA have a prominent seat at the table. Third, I allocated $12 million last year and just recommended not less than $25 million this year be given to the system over and above the more than $500 million in employer contributions already in the budget each of last 2 years. This is the first time a Governor has ever made and recommended additional amounts be put into the retirement systems; I did so as a down payment and demonstration of my commitment to working with you to find a lasting solution.

I am not sure the program can exist in its present shape. That would take a major influx of money to catch it up and the prospect of a growing economy within the state to meet the future needs of such a system. Neither of these is likely to easily occur.

This question needs to be thoroughly examined by everyone involved, with only two provisos: That Kentucky keep any promises to our teachers that have been made in the past and that any option to the current system is open for discussion. I have researched the programs in our sister states of Indiana, Tennessee, Alabama and others. Some offer systems similar to ours, the “defined benefit” plan, while others offer a “defined contribution” plan which offers a different calculation for returns and is structured like a 401K plan for individual retirement. This is attractive for several reasons, but the least of which is that the state cannot touch the fund like they have with the current defined benefit plan.

Since 1964 KTRS has provided retired teachers with health insurance coverage. How would you maintain adequate and accessible health insurance coverage for all retired teachers?

We are committed to honoring the contract we have with our teachers and restoring the financial integrity of the KTRS so both pension and health benefits are maintained. Senator Mongiardo and I are the only candidates proposing a real solution to the state’s fiscal woes through expanding gaming. With the expected revenues from our plan, we can begin to address the many issues that have long been ignored.

This is done for teachers 65 years and over by the KTRS Board. For those under 65 the answer to this question is best demonstrated by the efforts of my administration to transition the Kentucky Employees Health Plan to a self-funded plan giving us greater control of benefit stability and premium levels. Further I have directed the Department for Employee Insurance to work as transparently and cooperatively with your designee and the others on the Kentucky Health Insurance Board. For the current year, those efforts allowed benefits to remain unchanged, the addition of a 4th plan option and premium increases 30% less than projected and 50% less than the national trend.

Again, this is a very tough question to ask of any financing entity in a failing economy. Kentucky has been hit harder than most states by the introduction of the “Free Trade” economy and the “Global Marketplace.” Our small town Main Street and Manufacturing economies have been decimated and our middle class is definitely shrinking. Therefore, planning on an economic upturn to provide any permanent solutions to the problem is likely to be unsuccessful. Once again I propose looking at every option. Once again my only proviso is to meet all of our promises we have make to this point.

In general, I would invite every entity with a stake in the matter to the table to see if we can make the simple answer, again, is that all current retirees and those in the system now are guaranteed specific health benefits, no matter what. But for future retirees, it’s difficult to overstate the effect of medical inflation and rising health care costs will have on the program’s cost and structure. Again, I’ll explore all of the options available and make the tough decisions to ensure the program’s future viability.

In addition, we must immediately begin to grow out of the problem of Kentucky’s very serious health condition. We must help kids get healthier. I’m also committed to finally making sure that all children have health insurance coverage. Teachers can help us by encouraging healthy diets, exercise and other initiatives that my administration will recommend.

“We When we bring Kentucky’s overall health closer to the national averages, the cost of healthcare will be reduced commensurately.”
The Governor and State Legislature must be committed to making the KTRS actuarially sound. There must be an appropriation of funds to meet future needs. We must regain the ground we’ve lost and then do everything possible to make certain the proper funding is allotted to avoid future shortfalls. In addition, I believe it to be imperative that funds be committed by the administration and legislature to pay off loans which have been taken from the KTRS for health insurance needs.

End of Response

For too long, the General Assembly has underfunded the Kentucky Teachers’ Retirement System. I believe we need to keep our covenant to Kentucky’s retired teachers and provide them with a secure retirement. As governor, I’ll protect teachers’ retirement funds and fully fund the teachers’ pension fund. We’ll stop the risky games the General Assembly has been playing with teachers’ money, ensure that retired teachers receive the benefits they deserve and maintain the actuarial soundness of the retirement fund. As an entrepreneur, I know the importance of education and in order to attract the best and brightest to the teaching profession, we must demonstrate our commitment to teachers and those who have spent a lifetime teaching our children.

End of Response

There is no reason to fix something that isn’t broken. A common method states have been utilizing to minimize financial exposure to teachers’ pension funds is moving from the traditional “defined benefit” model—in which teachers have guaranteed contractual pensions at retirement—to the new “defined contribution” model, where teachers invest their own money and the state provides a set contribution. With the latter, teachers have no guarantees—their retirement savings would depend on the success of their private earnings, and states are off the hook once the worker retires. The good news is that policymakers are seeing the light. West Virginia last year returned to a defined benefit approach after moving to a defined contribution model in 1991. Policymakers there responded to teachers who wanted and deserved long-term protection from economic uncertainty, and who did not want to have to deal with the vagaries of the stock market.

End of Response

Since 1964 KTRS has provided retired teachers with health insurance coverage. How would you maintain adequate and accessible health insurance coverage for all retired teachers?

Again, there must be an appropriation of adequate funding to maintain this obligation to retired teachers. Teachers served children of this state with a commitment from the state that there would be health insurance for them when they retire. I think this is extremely important. I think if we did not have this as a retirement benefit, we would lose many from the education profession. The state and school districts across this great Commonwealth must do more to promote wellness among employees. To help ensure this benefit exists in the future we must do more to address preventative measures, thereby reducing the expenses. I encourage each state agency and school districts to develop workshops, programs and activities which promote wellness.

End of Response

It is important that we keep our promise to Kentucky’s retired teachers and provide them with adequate and accessible health insurance coverage. One of the issues facing KTRS, as well as all Kentuckians, is the soaring cost of health care. That’s why I’ve proposed a universal health care plan, to increase access and affordability to all Kentuckians, and to lower the cost of health care. I have the experience and leadership to get the job done. I built a Fortune 500 company out of a business I started with three employees, but I am most proud of the fact that we provided health care to our employees. With a universal health care plan, KTRS will be able to provide adequate and affordable health insurance coverage for all its retired teachers.

End of Response

We would look at the way health insurance coverage is funded for active teachers and do the same for retired teachers.

End of Response

I very much favor retaining the defined benefit group retirement plan. As Governor, I will fully fund KTRS.

I am the sponsor of the proposal to bring Kentucky teacher salaries to the average of the seven surrounding states, and naturally this will help their retirements.

End of Response

The Governor must commit to the Commonwealth doing more to address preventative measures, thereby reducing the expenses. I encourage each state agency and school districts to develop workshops, programs and activities which promote wellness.

End of Response

I was one of the leading architects of stabilizing health insurance for teachers and retirees during the 2005 Regular Session of the General Assembly. Using an outstanding actuary, we were able to get the plan on a stable financial foundation. I will continue pursuing similar innovative approaches as Governor.

End of Response
Galbraith’s response to Question 2:

arrangements to meet our obligations. This might mean higher deductibles, higher co-payments, co-insurance, provider networks and fewer mandated benefits like in vitro fertilization but some concessions by everyone are going to be necessary while we search for other solutions, including more affordable and accessible health care available for everyone so that teachers might have a choice in plans.

Finally, it is my contention that fraud and corruption in our Commonwealth are the main reasons that these and other programs are not adequately funded and I hope to clean it up enough to fund all of our promises to our teachers for all time to come.

In my administration, pork-barrel spending will take a dive while the Commonwealth meets our obligations to our teachers.

End of Response

Harper’s response to Question 2:

expect my employees, to the extent possible, not to abuse company health care systems and to use judgment with regard to their personal health and exercise regimens. As governor, I would encourage retirees and all Kentuckians to focus on healthy lifestyle choices, such as daily exercise and balanced diets, as a way to combat rising costs.

End of Response

Keep Your Memory Sharp

What may seem like faltering memory may in fact be a decline in the rate at which we learn and store new information. Practice these memory skills to enhance learning and make remembering easier.

RELAX: Tension and stress are associated with memory lapses, and managing stress improves memory.

CONCENTRATE: Your teachers were right; if you want to recall something later, pay attention.

FOCUS: Try to reduce distractions and minimize interferences.

SLOW DOWN: If you’re rushing, you may not be focused or paying full attention.

ORGANIZE: Keep important items in a designated place that is visible and easily accessed.

WRITE IT DOWN: Carry a notepad and calendar, and write down important things.

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

Over 4,000 members are family members residing in the same household. By sending only one copy of the KRTA NEWS to your household, we can save an enormous amount of your KRTA dues dollars. If you want to continue receiving multiple copies of the newsletter, just let us know.

KRTA Celebrating 50 Years 1957 - 2007

End of Response

How To Stay Young

This is one of those items that passed through cyberspace at some point in my life. I have held on to it because I think it contains some sound points. Now I want to pass it on to you.

- Throw out nonessential numbers. This includes age, weight, and height. Concentrate on living a healthy lifestyle.
- Keep only cheerful friends. The grouchies pull you down. Keep this in mind if you are one of those grouchies.
- Keep learning. Lean more about the computer, crafts, gardening, whatever. Never let the brain get idle. An idle mind is the devil’s workshop. The devil’s name is Alzheimer’s!
- Enjoy simple things.
- Laugh often, long and loud. Laugh until you gasp for breath. If you have a friend who makes you laugh, spend lots and lots of time with him/her.
- Tears will happen. Endure, grieve, and move on. The only person who is with us our entire lives is ourselves. LIVE while you are alive.
- Surround yourself with what you love. It can be family, pets, keepsakes, music, plants, hobbies, or whatever—make your home your refuge.
- Cherish your health. If it is good, preserve it; if it is unstable, improve it; if it is beyond what you can improve, get help.
- Don’t take guilt trips. Take a trip to the mall, even to the next county, to a foreign country, but not to where the guilt is.
- Tell the people you love that you love them at every opportunity.

One Vote Doesn’t Matter!

There’s a lot of historical evidence to the contrary.

In 1868, President Andrew Johnson was impeached by a single vote; it was cast accounting to the people by a single vote. In 1776, Oliver Cromwell control of England. In 1645, one vote gave Oliver Cromwell control of England.

In 1980, about 22 percent of the eligible voters cast ballots for Jimmy Carter; about 27 percent voted for Ronald Reagan; some 46 percent of those eligible simply stayed home and didn’t vote at all. Many people explained their failure to vote by saying, “I’m just one person. My little old vote doesn’t make a difference.”

In 1455, one vote gave John Quincy Adams was elected governor of Massachusetts by one vote.

In 1455, one vote gave Oliver Cromwell control of England.

In 1888, President Andrew Johnson’s impeachment was defeated by a single vote; it was cast by an Indiana Congressman who himself had been elected by a one vote margin. That same year, one vote changed France from a monarchy to a republic.

In 1923, Adolf Hitler became leader of the Nazi party by one vote per precinct.

Your vote counts!

REPRINTED FROM THE AARP/VOTE, THE NON-PROFIT, NON-PARTISAN VOTER EDUCATION PROGRAM OF THE AMERICAN ASSOCIATION OF RETIRED PERSONS

Brenda Meredith
Deputy Executive Director
FOR YOUR HEALTH & SAFETY

Hearing Loss
Symptoms
Can Mimic Those of Alzheimer’s Disease

“Hearing impairment is an invisible handicap, yet its effects on one’s personal health, happiness, and personal well-beings are very real.” In a series of articles over the last several years, Dr. Max Chartrand, Managing Director for DigiCare Hearing Research & Rehabilitation, has discussed issues concerning the diagnosis of Alzheimer’s disease relative to hearing loss. According to Dr. Chartrand (who is profoundly deaf himself), “An ongoing lack of public and professional awareness regarding the importance of ruling out hearing loss and auditory disorders prior to diagnosing Alzheimer’s disease is apparent.” In the article, The Case of the Missing Brain Cells? he relates the story of 87-year old “Georgia,” whose adult children wanted to sell her property and place her in a nursing home. Georgia acted distracted and confused at family gatherings, jumped when someone entered the room or slammed a door, and was becoming reclusive and depressed. She was placed on anti-depressant and anti-anxiety medication. After reading an article on hearing loss in the elderly, her granddaughter took her in for a hearing test. A moderate hearing loss was diagnosed. Once she experienced hearing correction, many of her symptoms disappeared.

Dr. Chartrand writes, “The measurement of hearing and auditory deficits should be explored before other possible contributing factors to perceived problems with mental processing. Tragic is the fact that only 36% of those with moderate hearing loss and only 54% of those with severe or profound hearing loss utilize hearing aids or assistive devices.” A 1996 study at the University of South Florida found that 49 of 52 elderly persons diagnosed with memory disorders also had “unmitigated severe hearing loss.” Their conclusion was that “undiagnosed hearing loss interferes with learning, and makes people seem distracted, confused, disoriented, and unresponsive, traits that might suggest Alzheimer’s disease.”

Dr. Chartrand writes, “Alzheimer’s disease is a difficult-to-diagnose condition. Alzheimer’s-like symptoms can be attributed to disease-causing genetic mutations, subdural hematoma, chronic hypothermia, vitamin B-12 deficiency, adverse drug interactions, mercury or manganese poisoning, Huntington’s disease, alcoholism, and hearing loss.” His conclusion is that “. . . a thorough and comprehensive audiometric evaluation . . . should be facilitated before a true and valid assessment of cognitive function can be rendered.”

Here is a symptom analysis and comparison between Alzheimer’s disease and untreated hearing loss:

<table>
<thead>
<tr>
<th>Alzheimer’s Disease</th>
<th>Untreated Hearing Loss</th>
</tr>
</thead>
<tbody>
<tr>
<td>Depression, anxiety, disorientation</td>
<td>Depression, anxiety, social isolation</td>
</tr>
<tr>
<td>Reduced language comprehension</td>
<td>Reduced speech discrimination</td>
</tr>
<tr>
<td>Impaired memory (short-term)</td>
<td>Reduced cognitive input into memory</td>
</tr>
<tr>
<td>Inappropriate psychosocial responses</td>
<td>Inappropriate psychosocial responses</td>
</tr>
<tr>
<td>Loss of recognition</td>
<td>Reduced mental scores</td>
</tr>
<tr>
<td>Denial, defensiveness, negativity</td>
<td>Defensiveness, negativity</td>
</tr>
<tr>
<td>Distrust, suspicion of others’ motives</td>
<td>Distrust, paranoia</td>
</tr>
</tbody>
</table>

The American Medical Association recommends annual hearing tests for everyone over the age of fifty. To register for your free KRTA hearing evaluation (and discounts on hearing aids) call (800) 286-6149.
Discount Vision Plans Make Sense

**Benefit Services Group**

KRTA members now have their very own exclusive KRTA Vision Plan and many of you have already signed up. If you haven’t called us, please do. We are happy to answer any questions you may have.

**1.866.335.0882**

Why are Discount Plans advantageous? Your plan costs only $12/year. You simply present your card to one of the providers and pay your provider the cost minus your discount. Discounts may vary from provider to provider.

Your provider network includes over 12,000 locations nationwide where you will receive a 20% to 60% discount on eyeglasses. Contact lenses are available with a 10% to 20% discount and some providers offer Lasik surgery with your discount. One family member visit to the eye care professional and your enrollment fee is covered multiple times!

Major participating chains include Bard Optical, Cohen’s Optical, Empire Vision, Eyemasters, JCPenny Optical, LensCrafters, Pearle Vision, Sears Optical, Eye DrX, Eyes First Vision and many more plus thousands of independent professionals.

This is not insurance; so the rules and limitations of most insurance do not apply! Plus, we have a 30-day guarantee. If you are not happy in 30 days, we will refund your enrollment in full.

- You receive two cards for your $12/year. One for you and one for any household member you choose.
- There is no waiting period. Order your card; receive your card; use your card!
- No waiting for enrollment dates. Want a card? Order your card, receive your card, and use your card!
- No rules about who you can add to your KRTA Discount Vision Plan. If they live in your household, they are eligible. That includes your parents, your grown children, your great Aunt Bessie. For an additional $2.50/year, they can be covered.
- You can go to your eye care provider as often as you wish and receive the same discount every time.

Many of us are new to these discount medical cards and I am not surprised if this sounds too good to be true. I encourage you to call or email me, Phyllis Terry, at pterry@bgsld.com with any questions you may have. Mail your $12 check to: Benefit Services Group, 20 Whittington PKWY STE 204 Louisville, KY 40222

We look forward to hearing from you!

Detecting Carbon Monoxide

With the winter season upon us and many households using some form of combustible fuels to keep homes warm and comfortable, we need to be aware of the danger that lurks. Most homes have smoke detectors, but these devices do not detect carbon monoxide gas that is deadly in very low concentrations. Thousands of people go to the hospital emergency rooms seeking treatment and nearly 300 die annually from this colorless, odorless, tasteless gas—carbon monoxide. This gas is created as a result of incomplete combustion in appliances that use flammable fuels; such as, gas, oil, wood, propane, coal or kerosene; by a faulty forced-air furnace; or a blocked/damaged fireplace flue.

The only way to detect its presence is with a carbon monoxide (CO) detector—which is different from the typical (carbon dioxide) smoke detector. Today’s home carbon monoxide detectors are designed to warn occupants in a home before health-threatening levels accumulate; therefore, installing them in your home is your best defense against carbon monoxide poisoning. Anyone can install one of these devices on a wall at eye level in all rooms—especially the bedroom.

Carbon monoxide alarms can be either plugged in to standard household outlets or powered by a 9-volt battery. I recommend a more expensive model, which plugs in to an electrical source but has battery backup power if the electricity is off. Also available is an even more sophisticated device that combines smoke, carbon monoxide and natural gas alarms. CO detectors are available at hardware stores and home centers for approximately $45. If you purchase one it should have the following features:

- Emergency alarm
- Easy-to-operate test and reset buttons
- Light that indicates the power is on
- Digital display that indicates CO level
- Low battery warning (if battery powered)

First Alert sells a “Smoke and Carbon Monoxide Alarm” and Thompson Electronics sells a “GE Carbon Monoxide Detector Clock Radio.”

One last suggestion is to test your CO detector regularly to ensure it’s working. Consumer Reports magazine recommends to test a CO detector with a testing kit called the Aprilaire CO Detectgas.

Congratulations! During 2006 the author participated in the Southern ‘big four’ tennis tournaments and accumulated enough points to earn the number one ranking in the nine-state Southern in both singles and doubles of the 65 and over division. In addition, he won every tournament played in Kentucky and played on the Southern Section’s all-star team in the National Inter-Sectional Championships, which earned the # 1 Section in the United States for 2006.

2007 Annuity Payment Schedule

Your 2007 electronic funds transfer (EFT) for your annuity checks from KTRS will be available for use on the following dates:

- March 29
- April 27
- May 29
- June 28
- July 27
- August 29
- September 27
- October 29
- November 28*
- December 28

*Annual KRTA dues of $15 will be conveniently deducted from your November annuity if you have sent us your ADD (white) card.
KENTUCKY RETIRED TEACHERS ASSOCIATION
STATEMENTS OF REVENUES, EXPENSES, AND OTHER CHANGES IN
NET ASSETS - MODIFIED CASH BASIS
Years Ended June 30, 2005 and 2006

<table>
<thead>
<tr>
<th>REVENUES</th>
<th>2006</th>
<th>2005</th>
<th>Percent to Revenue</th>
<th>Percent to Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrestricted</td>
<td>$374,910</td>
<td>$361,965</td>
<td>87.75%</td>
<td>91.68%</td>
</tr>
<tr>
<td>Percent to Revenue</td>
<td>$31,049</td>
<td>$32,076</td>
<td>87.75%</td>
<td>91.68%</td>
</tr>
<tr>
<td>Interest income</td>
<td>$15,842</td>
<td>$10,163</td>
<td>3.71%</td>
<td>2.57%</td>
</tr>
<tr>
<td>Dividend income</td>
<td>$6,683</td>
<td>$2,467</td>
<td>1.56%</td>
<td>0.62%</td>
</tr>
<tr>
<td>Other Income</td>
<td>$11,049</td>
<td>$10,511</td>
<td>2.59%</td>
<td>2.66%</td>
</tr>
<tr>
<td>Net unrealized loss</td>
<td>$18,740</td>
<td>$9,706</td>
<td>4.39%</td>
<td>2.46%</td>
</tr>
<tr>
<td>on marketable securities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL REVENUE</td>
<td>$427,224</td>
<td>$394,812</td>
<td>100.00%</td>
<td>100.00%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EXPENSES</th>
<th>2006</th>
<th>2005</th>
<th>Percent to Revenue</th>
<th>Percent to Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries</td>
<td>$140,687</td>
<td>$131,079</td>
<td>32.93%</td>
<td>33.36%</td>
</tr>
<tr>
<td>Committee Expenses</td>
<td>$21,324</td>
<td>$12,121</td>
<td>4.99%</td>
<td>3.07%</td>
</tr>
<tr>
<td>Contract Printing</td>
<td>$8,999</td>
<td>$10,594</td>
<td>2.11%</td>
<td>2.68%</td>
</tr>
<tr>
<td>Depreciation</td>
<td>$12,803</td>
<td>$13,020</td>
<td>3.00%</td>
<td>3.30%</td>
</tr>
<tr>
<td>District Expenses</td>
<td>$2,100</td>
<td>$2,100</td>
<td>0.49%</td>
<td>0.53%</td>
</tr>
<tr>
<td>District Managers’ Meeting</td>
<td>$6,942</td>
<td>$5,769</td>
<td>1.41%</td>
<td>1.46%</td>
</tr>
<tr>
<td>Employee Benefits</td>
<td>$4,009</td>
<td>$7,839</td>
<td>1.97%</td>
<td>1.99%</td>
</tr>
<tr>
<td>Fall Workshops</td>
<td>$6,400</td>
<td>$5,905</td>
<td>1.50%</td>
<td>1.50%</td>
</tr>
<tr>
<td>Insurance</td>
<td>$2,775</td>
<td>$2,884</td>
<td>0.65%</td>
<td>0.73%</td>
</tr>
<tr>
<td>KRTA News</td>
<td>$38,892</td>
<td>$37,065</td>
<td>9.10%</td>
<td>9.39%</td>
</tr>
<tr>
<td>Legal Hotline Services</td>
<td>$13,750</td>
<td>$12,000</td>
<td>3.22%</td>
<td>3.04%</td>
</tr>
<tr>
<td>Maintenance</td>
<td>$21,492</td>
<td>$21,267</td>
<td>5.03%</td>
<td>5.39%</td>
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<tr>
<td>Materials and Supplies</td>
<td>$9,990</td>
<td>$9,183</td>
<td>2.20%</td>
<td>2.33%</td>
</tr>
<tr>
<td>Payroll Taxes</td>
<td>$11,581</td>
<td>$10,519</td>
<td>2.71%</td>
<td>2.66%</td>
</tr>
<tr>
<td>Postage</td>
<td>$19,042</td>
<td>$33,382</td>
<td>4.46%</td>
<td>8.46%</td>
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<tr>
<td>Professional Fees</td>
<td>$8,225</td>
<td>$7,860</td>
<td>1.93%</td>
<td>1.99%</td>
</tr>
<tr>
<td>Scholarships</td>
<td>$14,100</td>
<td>$13,000</td>
<td>3.30%</td>
<td>3.55%</td>
</tr>
<tr>
<td>Retiree Recognition Reimburse</td>
<td>$4,009</td>
<td>$3,110</td>
<td>1.08%</td>
<td>0.79%</td>
</tr>
<tr>
<td>Taxes and Licenses</td>
<td>$2,156</td>
<td>$2,099</td>
<td>0.50%</td>
<td>0.53%</td>
</tr>
<tr>
<td>Telephone</td>
<td>$2,950</td>
<td>$3,215</td>
<td>0.69%</td>
<td>0.81%</td>
</tr>
<tr>
<td>Travel</td>
<td>$43,194</td>
<td>$43,643</td>
<td>10.11%</td>
<td>11.05%</td>
</tr>
<tr>
<td>Utilities</td>
<td>$2,604</td>
<td>$2,202</td>
<td>0.61%</td>
<td>0.56%</td>
</tr>
<tr>
<td>TOTAL EXPENSES</td>
<td>$407,767</td>
<td>$399,800</td>
<td>95.45%</td>
<td>101.26%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>PERCENTAGE</th>
<th>2006</th>
<th>2005</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase in Net Assets</td>
<td>$19,457</td>
<td>(4,988)</td>
<td>-1.26%</td>
</tr>
<tr>
<td>Net Assets - Beg. of Year</td>
<td>$811,592</td>
<td>$816,520</td>
<td></td>
</tr>
<tr>
<td>Net Assets - End of Year</td>
<td>$883,049</td>
<td>$811,592</td>
<td></td>
</tr>
</tbody>
</table>

KRTA MEMBERSHIP
STATEWIDE BY DISTRICT
JANUARY 19, 2007

<table>
<thead>
<tr>
<th>District</th>
<th>Potential Members</th>
<th>Members</th>
<th>%-age</th>
</tr>
</thead>
<tbody>
<tr>
<td>MIDDLE CUMBERLAND</td>
<td>1,395</td>
<td>1,301</td>
<td>93.3%</td>
</tr>
<tr>
<td>SECOND</td>
<td>2,154</td>
<td>1,813</td>
<td>84.2%</td>
</tr>
<tr>
<td>FIRST</td>
<td>2,245</td>
<td>1,862</td>
<td>82.9%</td>
</tr>
<tr>
<td>FOURTH</td>
<td>2,083</td>
<td>1,670</td>
<td>80.2%</td>
</tr>
<tr>
<td>EASTERN</td>
<td>2,114</td>
<td>1,661</td>
<td>78.6%</td>
</tr>
<tr>
<td>FIFTH</td>
<td>1,911</td>
<td>1,485</td>
<td>77.7%</td>
</tr>
<tr>
<td>UPPER KY RIVER</td>
<td>1,231</td>
<td>943</td>
<td>76.6%</td>
</tr>
<tr>
<td>NORTHERN</td>
<td>2,045</td>
<td>1,552</td>
<td>75.9%</td>
</tr>
<tr>
<td>CENTRAL KY EAST</td>
<td>1,965</td>
<td>1,487</td>
<td>75.7%</td>
</tr>
<tr>
<td>THIRD</td>
<td>2,281</td>
<td>2,120</td>
<td>75.2%</td>
</tr>
<tr>
<td>UPPER CUMBERLAND</td>
<td>1,959</td>
<td>1,365</td>
<td>69.7%</td>
</tr>
<tr>
<td>BIGSANDY</td>
<td>1,760</td>
<td>1,170</td>
<td>66.5%</td>
</tr>
<tr>
<td>CENTRAL KY WEST</td>
<td>3,051</td>
<td>2,556</td>
<td>64.7%</td>
</tr>
<tr>
<td>JEFFERSON</td>
<td>4,968</td>
<td>3,088</td>
<td>62.2%</td>
</tr>
<tr>
<td>OUT OF STATE</td>
<td>3,239</td>
<td>1,620</td>
<td>50.0%</td>
</tr>
<tr>
<td>ASSOCIATE</td>
<td>154</td>
<td>154</td>
<td>100.0%</td>
</tr>
<tr>
<td>TOTALS</td>
<td>35,995</td>
<td>25,847</td>
<td>71.8%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>LIFE</td>
<td>2</td>
<td>1</td>
<td>(1)</td>
</tr>
<tr>
<td>AUTOMATIC DUES</td>
<td>19,484</td>
<td>20,156</td>
<td>672</td>
</tr>
<tr>
<td>CASH</td>
<td>5,721</td>
<td>5,690</td>
<td>(31)</td>
</tr>
<tr>
<td>TOTALS</td>
<td>25,207</td>
<td>25,847</td>
<td>640</td>
</tr>
<tr>
<td>PERCENTAGE</td>
<td>71.9%</td>
<td>71.8%</td>
<td>-0.1%</td>
</tr>
</tbody>
</table>

KENTUCKY TEACHERS’ RETIREMENT SYSTEM
REGISTRATION
9:00 a.m. - 9:15 a.m.
SEMINAR
9:15 a.m. - 1:00 p.m.
March 10, 2007
KTRS
477 Versailles Rd.
(next to the main bldg. on the ground floor)
Frankfort, KY

Correction
In the December issue of KRTA News, an article appeared entitled, Identity Theft: Tips to Reduce Your Risk.
Instructions were given to you on how to remove your name from direct marketing lists. After visiting that site, www.dmaconsumers.org, we found that there is a $1 charge to file the form online or to file the form by U.S. mail.
If you pay by check, do not expect the check to clear for 30 - 90 days.

Volunteer at NAMI KY
Attention retired teachers who would like to continue utilizing their skills and giving back to their communities. NAMI KY (National Alliance of Mental Illness) offers free programs of education and support to families dealing with mental illnesses. The core program is a course called Family-to-Family taught by trained family members to other families in need of education on mental illness issues. We have found that teachers are well suited to this program. We have 30 chapters across the entire state. For more information on our organization, please consider visiting our website at http://ky.nami.org or contact Madeline McGeeney at 1-800-257-5081 or mmcgeeney@bellsouth.net.
A ROUND THE STATE . . .

FEATURES

Daviess County/Owensboro RTA

Pictured on the left is Senator David Boswell and Representative Jim Glenn on the right. Both were guests at the Daviess County/Owensboro RTA meeting in December.

Hancock County RTA Has 100% Membership—Again!

Officers L to R are Carol Thompson, Gus Swanson, Faye Wettstain, Mary Emmick, Diane Kirk and Mary Buck.

Nicholas County RTA

The Nicholas Co. RTA met at Blue Lick State Resort Park on Monday, December 11, 2006. Special speakers were State Representative Carolyn Belcher, State Senator R. J. Palmer, and Blue Lick State Resort Park Manager, Stefanie Gaither. Also attending were the three students who won the AARP Grandparents Essay contest. Left to right are Cord Watkins, Cameron Fryman, and Morgan Hamilton. Mrs. Sharon Wilson, fifth grade teacher at NCES, accompanied the three students. The students each received a $10 cash prize.

Whitley County RTA

Representative Charlie Siler and Ed McNeil, Superintendent of the Corbin Independent School District, joined the Whitley Area Retired Teachers Association for a Christmas brunch. Mr. Siler discussed upcoming legislative issues and Mr. McNeil reported on the Corbin Independent School District and the impact all local school districts had on the growth of the local economy.

Northern District

The December Workshop of the Northern District was held at Red Lobster in Florence, Kentucky.
FOR YOUR INFORMATION

KRTA OFFICE
231-5802 (from Louisville)
1-800-551-7979 (from outside Louisville)
(502) 231-0686 (fax)
krt98@aol.com (e-mail) www.krta.org (web site)

KRTA LEGALINE
1-800-232-1090
smoore@bfrlaw.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)

VISION INSURANCE
KRTA Discount Vision Card Call 1-866-335-0882
VSP from Weilage Benefit Specialists Call 1-866-927-7587

AUTOMOBILE & HOMEOWNERS INSURANCE
Liberty Mutual Insurance Company
425-8450, ext. 243 (from Louisville)
1-800-225-8281 (from outside Louisville)

HEARING INSTRUMENT PLAN—HEAR IN AMERICA
502-244-5378 (from Louisville)
1-800-286-6149 (from outside Louisville)

KY TEACHERS’ RETIREMENT SYSTEM
1-800-618-1687 or www.ktrs.org

COMMONWEALTH CREDIT UNION
1-800-228-6420 or www.ccuky.org

ORDER FORM

KRTA MEMBERSHIP PIN

Please place an order for ____ @ $2.50.

Enclosed please find my/our check in the amount of $__________.

Please send pins to:

_____________________________
_____________________________
_____________________________
_____________________________

Send completed Order Form to: KRTA
7505 Bardstown Road
Louisville, KY 40291-3234

Quips, Quotes & Puzzles

What Teachers Make

The dinner guests were sitting around the table discussing life. One man, a CEO, decided to explain the problem with education. He argued, “What’s a kid going to learn from someone who decided his best option in life was to become a teacher?”

He reminded the other dinner guests what they say about teachers: “Those who can, do. Those who can’t, teach.”

To stress his point he said to another guest; “You’re a teacher, Bonnie. Be honest. What do you make?”

Bonnie, who had a reputation for honesty and frankness replied, “You want to know what I make?” She paused for a second and then began:

Well, I make kids work harder than they ever thought they could.
I make a C+ feel like the Congressional Medal of Honor.
I make kids sit through 40 minutes of class time when their parents can’t make them sit for 5 without an IPod, Game Cube or movie rental.
You want to know what I make.” (She paused again and looked at each and every person at the table.) I make kids wonder.
I make them question.
I make them criticize.
I make them apologize and mean it.
I make them have respect and take responsibility for their actions.
I teach them to write and then I make them write.
I make them read, read, read.
I make them show all their work in math.
I make my students from other countries learn everything they need to know in English while preserving their unique cultural identity.
I make my classroom a place where all my students feel safe.
I make my students stand to say the Pledge of Allegiance to the Flag, because we live in the United States of America.
Finally, I make them understand that if they use the gifts they were given, work hard, and follow their hearts, they can succeed in life.

Bonnie paused one last time and then continued, “Then when people try to judge me by what I make, I can hold my head up high and pay no attention because they are ignorant. You want to know what I make. I MAKE A DIFFERENCE. What do you make?”

Contributed by Carol M. McElheney
Copied from the Teacher’s Message Line at Dean Petersen.
IN MEMORIAM

OCTOBER, NOVEMBER, DECEMBER 2006

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

Deceased Retired Teachers

IN MEMORIAM

ALLEN CO
Zela Devasher
Vernon Downing

BARTON CO
Grace Copas
Velma B Pardue
Karl H Weis

BELL CO
Oddie R Dunsmore
Thecla Hendrickson

BOONE CO
Dexter R Cantrill
Arthur D Jones Jr
Bessie Roberts
Paul R Stigall
George VanHorne Jr

BOURBON CO
Elmer E Correll
George V anHorne Jr
Paul R Stigall
Marcella Reed
Bessie Roberts

BRACKEN CO
Flossie Carpenter

BOYD CO
Ruth Howell
Hubert L Tucker
Christine Ward

BOYLE CO
Ruth Howell
Hubert L Tucker

BREATHITT CO
Robert Turner

BULLITT CO
Elmina Lee
Evelyn Shaw

BUTLER CO
Imogene C Johnson

CALLOWAY CO
John Bartholomy
Katie Brewer
William W Furgerson
Eldon Heathcott
Haron B West

CHRISTIAN CO
Lillian Tate
Ellen Z King

ELLIOTT CO
Hazel C Johnson

FAYETTE CO
Mary P Allen
Lottie H Combs
Margaret Foley
Elaine Hunt
John W Knox
Virginia Lushbaugh
Hazel Olinger
Janet Tandy
Deh-Chang Tao
Jewel Whitmer
Donald R Williamson
Hazel W Wilson

FLOYD CO
Doris Hyden
William Reynolds
Richmond Stone
Helen C Stumbo

FRANKLIN CO
Ruth K Leathers
Rita Wells

GRAYSON CO
Wilburn E Tilford

GREEN CO
Hortense M Durrett
Lowell Ferguson
Nellie Hammond
Norma S Moore
Jessie Riffe
Denizl Whiker

HARLAN CO
Sue E Hall
Mary Howard
Jewell M Stewart

HARRISON CO
Allen Pardon
HENDERSON CO
Elizabeth Southard
Davis L Walker

HOPKINS CO
Walter C Carneal
Charles J Ford

JACKSON CO
Beulah D Halcomb
Luther Little
Merlie Robinson

JEFFERSON CO
Marvin N Amb
Pamela Bunner
William W Busby
Fred Caudill

JONES CO
Doris A Collicutt
Catherine Compton
Dominic Crocetti
Dean K Estery
Katherine G Godby
Frances Hathaway

KENTUCKY CO
Sara Butler

LARUE CO
Juanita Walker

LIVINGSTON CO
Thelma Hendrickson

MADISON CO
Don Hagness
Chad Middleton Jr
Levi Spurlock

MAHONRY CO
Robert Turner

MARION CO
Mary Hummel

MARTIN CO
Katherine Cline

MCCLARY CO
Willie K Ross
Pauline Simpson

MCCLELLAN CO
Stella Mitchellson

MEADE CO
Ivy B Hawkins
Carolina Young

MERCER CO
Flora L Cassell
Elizabeth Dalton

METCALF CO
Marjorie W Reece

MONROE CO
Addieville Young

MONTGOMERY CO
Jewel Arnett

MUHLONBERG CO
Lula Drake

MUNCIE CO
Andrews A Ruby

OHIO CO
Earl Russell

OWEN CO
Geraldine Perry

PERRY CO
Mitchell Allen

POWELL CO
Dail Ratliff

PULASKI CO
Harold C Carter

ROWAN CO
James E Quisenberry
Randall L Wells

SPENCER CO
Gerald R Noel

UNION CO
Rose Pike

WANGLEY CO
Blanche Back

WHITLEY CO
Inez Bertha Creekmore

WOLFE CO
Richard H Jett

WOODFORD CO
Charles O Dawson

OUT OF STATE
Mary I Allshouse – NM
Judith Barbee – NC
William Bentle – PA
F ORis – Blackwell – NC
Earl Bradford – FL
Sara Butler – OH
Imogene Carter – TN
Rozella Clemens – GA
Freda Goodal – FL
Kathlyn Hand – MD
Ruby Hilton – FL
Ann Hogue – OH
Ethel Kurtz – WI
Shirlee Newby – IN
Frances Oliver – TN
Mary Overby – VA
Evelyn Phlipot – TX
Mary E Scruggs – TN
Clara Smith – NY
Kathy Stokes – MD
Kathryn L Terry – CO
Sara Smith – TN

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MON - FRI 8:30 AM - 4:00 PM

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Mary Yancey, President-elect
Beth Turchin, Vice President
Neal Turchin, Past President

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Brenda Meredith, Editor

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