

NPEA OPTIONS

Newsletter of the National Preretirement Education Association

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ISSUE 1

FROM THE

PRESIDENT'S DESK



Barbara Baird

On behalf of the Board of Directors, welcome to the 25th anniversary of NPEA. Coincidentally, I began working for the State Retirement System of Illinois the same year. I've reflected on my experiences, both professionally and personally over those years, and boy have there have been a lot of changes. In those years, I've experienced marriage, the birth of my three children, some successes, some failures, and the passing of both my parents. Pause and think about the most significant change over that period and I would choose the computer and the development and dependence on the Internet. My children's research habits are vastly different from my school days (I actually went to the library or used encyclopedias). They go first to the computer where they research while having multiple chats going on simultaneously.

This is our work world now. Whereas before, claims were handled in person or through the mail, much of our work now is centered on the web sites. We are discussing security issues

of paperless applications and online signature issues, pins and passwords. What to do with a generation of retirees who have no access or desire to learn the Internet while others are clamoring for more sophisticated levels of technology. E-government, it's our reality now.

Other realities are economic downturns and funding difficulties for pension plans, both public and private. Illinois has the dubious position of being last (or very near) in the nation for pension funding. Our problems are not improving nor are we alone. The future of defined benefit plans is a major national issue. Many corporations have struggled with pension funding and public plans, the last bastion of defined benefit plans, seem to be the new arena. Many of you represent systems that are in the middle of the DB/DC debate (see page 2).

We'll be reviewing all of these issues at our 2005 conference in San Antonio, Texas. The theme of the conference this year is "Remembering the past, planning for the future." San Antonio is the perfect setting for blending history with a vision of what the future will bring. Since it is an anniversary year, I hope you will take some time to review personal and professional accomplishments over the last 25 years and explore opportunities to improve the way we communicate with our members during the next 25 years. We have great speakers who will enlighten us to the changes ahead in retirement planning. I also look forward to seeing so many old and new faces and learning what's going on throughout the country. The networking helps me provide perspective when I conduct workshops.

I hope all of you have been experiencing an enjoyable and productive summer. In Chicago, we've had a drought that is now "extreme". That

2005 CONFERENCE PREVIEW SAN ANTONIO, TEXAS

(see pages 3-5 for more information)



La Mansión
Hotel in
San Antonio

October 22-26

means in June, our lawns went to late summer brown and are actually crunchy. In other parts of the country, there's flooding due to Hurricane Dennis. Balance is always hard to attain. Regardless of your home base, I hope there's been some grilling, gardening, visiting relatives, lazing in the sun, and eating summer produce. My summer highlight was visiting the new Abraham Lincoln Presidential Museum. Having grown up in Illinois, I didn't think there was anything new to learn about Lincoln, I was pleasantly surprised.

I look forward to seeing you in San Antonio. The Riverwalk is really beautiful and the Alamo is a short walk away. I hope you get the chance to join us.

WHAT'S INSIDE:

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- ◆ Conference Facts

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California's Public Employees Face Uncertain Future

By Sue Mosher

Education Program Development Manager, CalSTRS

California public employees are facing a threat that many pension systems around the country are confronting - proposals to eliminate defined benefit plans. In late 2004 and early 2005, State Assembly Member Keith Richman introduced two state constitutional amendments that would drastically change public pensions in California. Beginning July 1, 2007, all state, school and local public employers would be required to offer their new employees only defined contribution retirement plans. Current public employees could also transfer money from their existing defined benefit retirement plan to the employer-sponsored defined contribution plan. In February, Governor Schwarzenegger announced he was prepared to call a special election on his initiative to reform public employee pensions.

Early in February, the CalSTRS Board voted to oppose the proposed constitutional amendments to eliminate defined benefit plans from the state budget. Frightened educators starting calling our Call Center and those meeting with benefit counselors expressed fears that they would lose their benefits. CalSTRS leadership moved quickly to get information out to members to help them understand the situation. A special "Pension Issues Alert" newsletter was sent to all members explaining how the proposed changes would affect them and their retirement system.

Educators were not only worried about the pension threat, but two other actions proposed by the Governor concerned them; a major overhaul of Proposition 98, the law guaranteeing state school funding and a plan to institute merit pay for teachers based on test scores and professional evaluations.

Then, in April, the Governor held a press conference to say he was withdrawing his initiative because there had been misconceptions that his pension initiative would deprive safety workers of death and disability benefits. He said he wanted to work with the Legislature to pursue these efforts on the June 2006 ballot.

As of this writing, the Legislature has not approved any legislation concerning public employee pensions. The legislative session ends in September, so anything could happen between now and then. However, these events have raised the consciousness of the public regarding the issue of guaranteed pensions.

As retirement educators we are on the front lines of this sweeping change as we attempt to educate members and participants of their existing benefits, while helping them understand proposed plans. Here at CalSTRS, our leadership continues to provide information to increase an understanding of these issues and their effect on our members. Our Web site (www.calstrs.com) has a special "Pension Issues" section that keeps members informed. We continue to counsel and educate our members in a balanced and thoughtful way so that they will be prepared to face this threat, or any others, that may come along on their financial life journey.

san antonio



Liz Carpenter - "Welcome to Texas"

Liz Carpenter, author and senior consultant with Hill and Knowlton, was named by three presidents to positions of trust. Under President Johnson she served as executive assistant to the vice president and later as White House staff director and press secretary to First Lady Claudia Taylor Johnson. Under President Gerald Ford, Mrs. Carpenter served on the International Women's Year Commission, and President Jimmy Carter appointed her Assistant Secretary of Education for Public Affairs.

From 1945 to 1960 she and her late husband, Leslie Carpenter, operated the Carpenter News Bureau in Washington, D.C.

She wrote the best selling book *Ruffles and Flourishes*, and in 1977 the *Ladies Home Journal* named her Women of the Year in Government and Public Affairs. She is a founding member of the National Women's Political Caucus.

Mrs. Carpenter is a University of Texas journalism school graduate and a recipient of UT's Distinguished Alumnus Award.

Thornton Parker - "Stocks, Boomers & Retirement"

Thornton "Tip" Parker is an author, writer, and independent consultant. His 45 years of experience in industry and government have included strategic planning, finance, marketing, manufacturing, large computer and information systems, personnel, accounting, technology management, and government policy. He served in the Executive Office under every president from Lyndon Johnson to Ronald Reagan, most of the time in the Office of Management and Budget. He retired from the Commerce Department to work on issues involving population aging, investing, and the economy.

He is the author of *What if Boomers Can't Retire? How to Build Real Security, Not Phantom Wealth* (Berrett-Koehler 2001), in which he explains that the country has paid a high price to inflate stocks for retirement plans that appear likely to fail. What seemed like a formula for millions of baby boomers to enjoy years of comfortable retirement may turn out to be the formula for a depression. He argues that it doesn't have to happen if Americans understand the risks and act soon. He is helping establish the Institute for Retirement Security at the University of Hartford.

Robert Klausner, Esq. - "Pension Legal Briefs"

Robert Klausner, Esq. has been engaged in the private practice of law, specializing in the representations of public employee pension funds, since 1979. He serves as a consultant on retirement issues to numerous state and local government entities and has appeared as an expert witness before congressional and state legislative committees on a variety of pension issues. Mr. Klausner has spent considerable time in various state capitals as a lobbyist on pension bills and assisted in the authorship of many of the current statutory provisions governing public employee retirement systems. He is a frequent speaker on pension education and pension trustees and is co-author and contributing editor of *State and Local Government Liability*, (West Group 1997). He is listed in the current edition of "The Best Lawyers in America."



NPEA's 25th Annual Conference Preview - October 22-26, 2005



Dr. Nancy K. Schlossberg - "Reinventing Retirement"

Nancy K Schlossberg spent most of her career as a professor of counseling psychology at Howard University, Wayne State, and 26 years at the University of Maryland, College Park. She has written a number of text-books and now as a retired professor she writes trade books. Dr. Schlossberg specializes in mid-life, aging, transitions and coping. She is co-president of the consulting firm TransitionWorks and Professor Emerita at the University of Maryland. For her most recent book, *Retire Smart, Retire Happy: Finding Your True Path*, she interviewed nearly 100 current and prospective retirees. Her conclusion was that the biggest mistake people make is not realizing there's a psychological component to retirement and she stresses that examining your psychological portfolio is just as critical as preparing a financial portfolio for a successful retirement.



Dr. John A. Daly - "Better Communications, Better Educators"

Dr. John Daly is the Liddell Carter Professor in the College of Communication, Distinguished Teaching Professor, Texas Commerce Bancshares Professor of Management and a Professor in Pharmacy at the University of Texas at Austin. He teaches graduate and undergraduate courses on topics such as Interpersonal Communication, Advocacy and Persuasion. He has won eight different teaching awards while at the University of Texas and has published more than one hundred scholarly articles, and completed six academic books. He had served as President of the National Communication Association and on the Board of Directors of the International Communication Association and the International Customer Service Association.

Dr. Daly has travelled around the world working with more than 300 public agencies and private organizations. In the governmental arena, he has worked with the White House (Executive Office of the President) designing and implementing a major customer service initiative.



Sue Maxwell - Senior Sensitivity Training

Sue Maxwell's is the Gerontology Business leader at the Lee Memorial Health System in Ft. Myers, Florida providing direct service to the 50+ population from a clinical perspective as well as wellness and prevention. She has been a consultant with health care systems in Florida and throughout the United State to develop successful programs about aging. She is a community trainer on Memory Enhancement classes and Sensitivity Training, and as Adjunct Professor at Florida Gulf Coast University, she has taught classes on "The Diversity of Aging," "Programs and Services for Aging" and "Public Policy for Social Workers."

From this fast spaced, enlightening experiential walk into the world of seniors, we will return home better equipped to meet the changing needs of our aging population.



InFRE Pre-conference Courses

The International Foundation for Retirement Education (InFRE) will offer continuing education courses:

"Retirement Income Management"

"Retirement Readiness"

PLUS:

- ◆ Panel of Experts discuss Social Security, Medicare and other issues that will affect today's and tomorrow's retirees.
- ◆ Systems Rollcall where we share what's happening at the state and local levels.
- ◆ Round table discussions of pertinent topics facing the way we communicate with our members.
- ◆ A variety of networking opportunities with our counterparts throughout the country to better prepare us to meet the changing needs of our members.

WHO SHOULD ATTEND

- Retirement Benefit Counselors
- Communications/Education Staff
- Seminar Presenters
- System Trustees and Directors
- New staff in any of the benefit areas
- Staff contemplating, or in the process of, developing retirement education programs

TO REGISTER

Register for the conference by completing the registration form on page 5 or print a form from the NPEA website at www.npea.com.

WHY YOU SHOULD ATTEND

- Network with your colleagues from other systems.
- Learn what other systems are doing in retirement education.
- Display and exchange the latest educational materials from your system.
- Hear what the experts are saying about the issues and hot topics that will affect the planning and retirement of your members.
- Receive continuing education credits for your International Foundation for Retirement Education (InFRE) certification.
- Return home re-energized and re-tooled to better meet the needs of your members.



2005 San Antonio Conference October 22-26



Conference Registration

Name _____

Name _____
(as it should appear on badge, if different)

Title _____

Retirement system/organization _____

Address _____

City/Town _____ State _____

ZIP _____ Telephone (____) _____

E-mail Address _____

Are you the delegate from your system? Yes No

First Time Attendee Yes No

T-shirt Size: Sm Med Lg
 XL XXL XXXL

Spouse/Guest Registration*

Name _____
(as it should appear on badge)

*Spouses and guests will not receive conference materials, but will be included in breakfasts and dinners.

New NPEA Member Dues

Retirement system/organization: _____

Retirement system \$500

Conference Fees

Member \$595

Spouse/guest \$225

Total NPEA Fees

Enter applicable fee amounts:

Membership dues \$ _____

Conference registration \$ _____

Spouse/guest registration \$ _____

TOTAL FEES DUE \$ _____

Hotel Information: This year's conference will be held at the LaMansion del Rio Hotel, San Antonio, Texas

Making a Reservation: You can register by calling **800-292-7300**.

To guarantee a room at the conference rate of \$185/night single or double occupancy, you must make your reservations by September 22, 2005.



Important: Please put your name and system on your check payable to NPEA and send it along with a completed copy of this registration form to:

Mr. Matt Ferron, NPEA Treasurer
c/o MTRB
69 Canal Street, 3rd Floor
Boston, MA 02114-2006

Tax ID # 57-0826753

National Preretirement Education Association
www.npea.com

Helpful Conference Facts

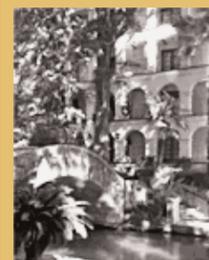
DATES

Saturday, October 22 -
Wednesday, October 26, 2005



LOCATION

La Mansion Hotel San Antonio



At the heart of the city, La Mansion del Rio is a hotel where Old World charm and traditions mingle with the excitement and energy of an international city. At 112 College Street, La Mansion del Rio Hotel overlooks the historic Paseo del Rio (River Walk) that winds through downtown San Antonio.

The hotel is located across from the magnificently restored Majestic Theatre and within easy walking distance of the Alamo, the San Antonio Convention Center, El Mercado (the largest Mexican market outside of Mexico), the historic La Villita District, the Spanish Governor's Palace and other well-known landmarks.

WEATHER

The locals say October is the perfect month to enjoy all of what San Antonio has to offer. The average maximum temperature for October is 81° and a minimum of 59°. Dress is business casual.



TRANSPORTATION



The hotel is eight miles from the San Antonio International Airport. You can call SATRANS Airport Shuttle at **800-868-7207**. The cost is \$12 each way with a round-trip purchase, or \$14 one way.

ABOUT THE CITY

San Antonio captures the spirit of Texas. Now the eighth largest city in the United States, the city has retained its sense of history and tradition, while carefully blending in cosmopolitan progress. The city has always been a crossroads and a meeting place. Sounds and flavors of Native Americans, Old Mexico, Germans, the Wild West, African-Americans and the Deep South mingle and merge. Close to twenty million visitors a year delight in the discovery of San Antonio's charms.



Options _____

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Options _____

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