

Arkansas Mature Worker Initiative

APERS retirees who are considering another full-time or part-time job to supplement retirement income may want to look at the Arkansas Mature Worker Initiative, a pilot workforce development program announced in the spring by Governor Mike Huckabee.

Arkansas was chosen as one pilot program state by the American Association of Retired Persons (AARP), the national sponsor, and Gov. Huckabee selected the initiative as a major priority focus for the Arkansas Workforce Investment Board.

The Initiative program features employers who commit to hiring mature workers. A list of these employers is available at www.aarp.org/featuredemployers.

The rationale for the initiative? Up to 43 percent of the current workforce (mostly Baby Boomers) will be eligible to retire in the next 10

years, but the next two generations of replacement workers are each 15 percent smaller than the Baby Boom generation. And many of the newest worker entrants, ages 16 to 25, are not fully qualified to do the jobs that will be vacated by retirees.



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Thus, many companies may need to hire retired, mature workers - at least part time - to maintain the experience and corporate knowledge

mature workers can provide. AARP launched the nationwide initiative to increase awareness and appreciation of mature workers by developing relationships with the public workforce system (which includes APERS employers, of course), business leaders, policy makers, chambers of commerce, national and local training providers, trade associations, and labor unions.

For additional information on the initiative, persons may contact Kimberly Friedman of the Arkansas Department of Workforce Services at (501) 682-3125.

The Director's Corner

The fiscal year just concluded has been a very busy one for APERS. The new contributory program is now one year old.

The transition has been a challenging one for participating employers and APERS staff alike as we all got accustomed to the new procedures. During this time we have taken in \$4.7 million in employee contributions which is a good step toward ensuring the financial integrity of the pension plan while relieving the upward pressure on employer contributions.

APERS expects the number of retirees to nearly double over the next ten years, while the number of active members paying contributions will remain constant. Fiscal stability of the plan is crucial.

At the same time, APERS staff has also been busy getting the fledgling Arkansas District Judge Retirement System off the ground. It is now successfully operating and presents yet another opportunity to establish reciprocal service with the other Arkansas retirement systems. If you were to be elected to a position as District Judge, using reciprocity, your service in that capacity could help you to vest for a benefit in APERS.

The APERS investment program has had another stellar year, posting a 12.24% return and placing us in the top 8% of all public retirement plans. Our international equity and domestic real estate allocations

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Direct Deposit Dates

October 2, 2006
November 1, 2006
December 1, 2006
January 2, 2007
February 1, 2007

www.APERS.org

The Director's Corner

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were of particular help, returning 26% and 24% respectively. Far from patting themselves on the back, however, the APERS Board of Trustees continues to work hard investigating potential areas for new investment and carefully monitoring those that it already has. "Trimming away the dead wood", in other words, terminating money managers for non-performance, is never a pleasant duty, but our strong results tell the tale.

* *

We would like to remind members and retirees that, as campaign season for elected offices shifts into high gear, you should ask your candidates about their positions on defined benefits for public employees.

Around the country there are politicians actively seeking to do away with pension funds like APERS in their own states. These people somehow believe that it is cheaper for the taxpaying public to switch state, county and local employees over to 401(k)-style plans.

Not true! In fact, more than 80% of each pension dollar paid comes from the investment program. Imagine what the health of the Arkansas economy would be if a consistent \$220,000,000 in pension benefits paid were not available to be spent on Arkansas goods and services.

So ask your candidates their thoughts on the topic – and think twice about voting for someone who does not wholeheartedly support your retirement system.

Can these tips improve your fuel economy?

Most persons still have to drive, whether retired or still working, and it's obvious gas costs aren't going down anytime soon. Many websites offer tips on fuel economy to help drivers. One good information source is www.fueleconomy.gov, a website hosted by the U.S. Department of Energy. Here are some tips (some you may have heard) to help you get further down the road on your gasoline:

1. Drive more efficiently. Tailgating, rapid acceleration and braking between stoplights (traits of aggressive driving) wastes gas, perhaps as much as 33 percent at highway speeds and about 5 percent in downtown driving.
2. Drive the speed limit. The website states that generally each 5 mph you drive over 60 mph costs you 0.20 cents per gallon. Gas mileage decreases rapidly at speeds over 60. Not only is driving slower safer, the website estimates the potential economy benefits range from 7 to 23

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APERS PROFILE

Employee Profile for: **Marcy Lindsey**



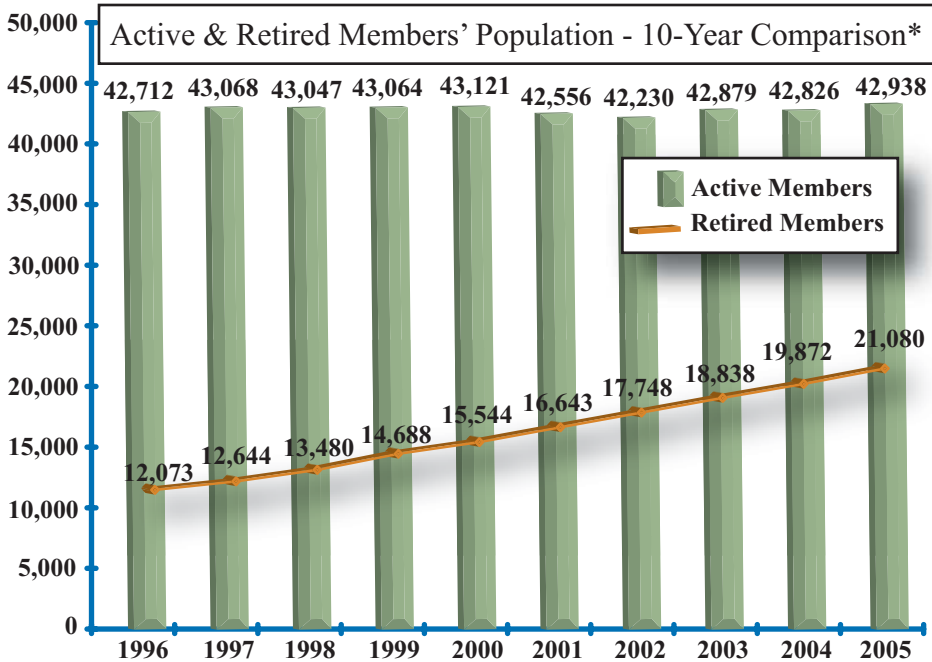
In October 2004, Marcy Lindsey joined the Arkansas Public Employees Retirement System (APERS) as the Information Systems Manager, the newest department in the agency. In this role, Marcy is responsible for managing the agency's information systems.

That translates into establishing and monitoring information technology plans for APERS, and directing the activities of the section's nine staff members to ensure all agency data processing needs are met. Marcy was well qualified for the position. From May 1983 until she joined APERS, Marcy worked 23 years at the state's Department of Information Services (previously the Department of Computer Services).

Marcy noted she grew up in various states, mostly in the Midwest, but has lived in Arkansas for 27 years. She completed a Bachelor of Sciences degree in Computer Sciences at the University of Arkansas at Fayetteville.

She notes she likes to wear wild socks on casual Fridays, and the only place she'd rather be than APERS is Key West, Florida!

APERS Retirees and Active Members. Did you know this about the System?



* Source for statistical data - Gabriel, Roeder, Smith & Co. APERS Actuarial Valuation & Experience Gain (Loss) Analysis, FY 2005.

And they ask why I like retirement?

Question: How many days in a week?	Answer: 6 Saturdays, 1 Sunday.
Question: When is a retiree's bedtime?	Answer: Three hours after he falls asleep on the couch.
Question: How many retirees does it take to change a light bulb?	Answer: Only one, but it might take all day.
Question: Why don't retirees mind being called Seniors?	Answer: The term comes with a 10% percent discount.
Question: Among retirees what is considered formal attire?	Answer: Tied shoes.
Question: Why are retirees so slow to clean out the basement, attic or garage?	Answer: They know that as soon as they do, one of their adult kids will want to store stuff there.
Question: What do retirees call a long lunch?	Answer: Normal.
Question: What is the best way to describe retirement?	Answers: The never ending Coffee Break.
Question: Why do retirees count pennies?	Answer: They are the only ones who have the time.

Fuel economy tips

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percent, depending on your vehicle's efficiency. That may translate into savings from 20 to 67 cents per gallon.

3. Remove unnecessary weight from your car. Every 100 pounds can reduce your M.P.G. by 2% and removing such weight could save the driver from 3 to 6 cents per gallon, according to the website. The extra weight affects smaller vehicles more than larger ones.

4. If you're idling for awhile, shut off the engine.

5. Using cruise control helps motorists maintain a constant speed and usually conserves gasoline.

6. If you have overdrive gears, use them when appropriate. Your car's engine speed will go down, reducing engine wear and saving fuel.

The fuel savings estimates noted by the website assumed a fuel price of \$2.91 per gallon.

Parking at APERS

Retirees conducting business at APERS can get free parking (if available) at the agency's parking deck attached to One Union National Plaza. Drivers traveling on Louisiana Street (a one-way street) will turn left into the parking deck, located on Louisiana between Fourth Street and West Capitol Avenue. Once you finish your business, bring the ticket to the receptionist's desk on the fourth floor to have the ticket validated.

In this issue...

Do you want to work after retirement? The Director's Corner! Deposit Dates! Employee Profile! Need some fuel-saving tips for your car? A look at data comparing retirees and active members! Did you pay to join Medicare drug plan? And more!

APERSpective is a publication of the Arkansas Public Employees Retirement System and is distributed for the information of APERS annuitants, beneficiaries and survivors.

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Did you pay to join new Medicare drug plan?

The Arkansas attorney general's office reached an agreement in the spring with a Florida company to refund fees that some Arkansans paid a company to sign them up for the new Medicare prescription drug plan. Consumer Savings Direct, doing business as Free Medicine Direct, operated a "Patient Assistance Program" that claimed it would save consumers money on prescription drugs. In reality, the company charged Arkansans to enroll in existing programs already available for free. In some cases, consumers received no assistance at all, but were still charged.

The agreement requires Free Medicine Direct to issue a full refund to any Arkansas customer who files a claim directly to the company, or through the Attorney General's Office between now and the end of 2006. The company will also pay the state \$5,000, with another \$50,000 to be paid if the agreement terms are violated.

Any Free Medicine Direct customer seeking a refund can contact the Attorney General's Office at (501) 682-2341, or toll-free at 1-800-482-8982. Free Medicine Direct has ceased offering its plan in Arkansas. The Centers for Medicare & Medicaid Services (CMS) warns seniors to not give out personal account information via the phone or Internet to companies or individuals offering to enroll them in the Medicare prescription drug plan. Seniors should contact local police if they believe someone is trying to take money or information from them illegally. Persons reporting suspected Medicare fraud may contact local law enforcement, call this toll-free number - 1-877-772-3379, or you may log onto FraudWatch.org.