

# RECOM

Retired Employees City of Mesa

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RECOM Executive Board

## Message From the Board

Not to start with a cliché, but nothing is as constant as change. And this time change takes the form of the resignation of **John Oliver** from the Employee Benefits Task Force. John retired from the Mesa Fire Department with the rank of Assistant Chief in 1992 and returned from 1993-1997 as Chief. He has served on the Employee Benefits Task Force almost from its inception representing the retired public safety employees.

The Task Force is the sounding board and early warning system for employees and management regarding benefits – health care, life insurance flexible spending etc. When management asks how active employees will receive a suggested change, John would conscientiously think about how that would affect all retirees, but especially those from Public Safety. Sometimes the change had no effect and sometimes a great deal of effect.

He made his concerns known, always in a calm, polite, but determined manner. He communicated with his former colleagues and represented their concerns and interests ably on the Task Force, rarely if ever, missing a meeting.

Public Safety retirees as well as active employees within a few years of retirement have had an effective advocate in John.

Thank you John, on behalf of all City of Mesa retirees, for a volunteer job well done.

The Board of Directors

As the civilian representative to the Task Force I want to thank you, John, for your mentoring during my early months on the Task Force. Talk about a learning curve! You were most helpful, not only in guiding me through insurance terms, but with your foresight in helping me to see the future implications and consequences for retirees with certain suggested changes in benefits. And how could I have written minutes from those meetings without your filling in the holes in my notes! I will miss you at meetings and wish you the best in your future endeavors.

Barb Seperich

**I would like RECOM's Board to know that John's service to the Task Force was above and beyond. He consistently reminded the team the present retirees and the future retirees need a voice. He was always able to add a voice of reason and wisdom.**

**I will personally miss John and I'm sure that the other team members will also.**

**Donna Salemi**

## Speaker:

At our August meeting Matt Fehling, President and CEO of the [Better Business Bureau \(BBB\)](#) of Central, Northern and Western Arizona, spoke to us about what the BBB really is and how it functions.

**What it is:** An organization with approximately 10,000 members that “pass tough standards and agree to follow the highest principles of business ethics and voluntary self-regulation”. The original idea of businesses that formed the BBB was to regulate themselves so that it wouldn’t become necessary for the government to regulate them. Associations of Specific Industries (like doctors, realtors, insurance) and Chambers of Commerce are other examples of self regulation to prevent government regulation.

### What they do:

**Provide advertising review** – Is the ad a “come-on”?

**Charity evaluation reports** – Are they a real charity? What percentage of their donations goes to the cause vs. administration?

**Dispute resolution** – the one most of us are familiar with.

Last year 32,000 complaints were received by the BBB of northern and western Arizona. If the business that you have a problem with is a member, the BBB talks to the business, as well as the customer, to get the complete story. In many cases, once the complete story is on the table, the BBB can negotiate a satisfactory resolution for both parties. If not, the parties can go to binding arbitration. If the business is at fault and they don’t come to a satisfactory resolution – the company can be kicked out of the BBB. If they’re not a member, the complaint is filed and anyone else checking for info on them will see the complaint on the record.

But if the dollar amount in question is fairly big, or there are lots of complaints about the same company (BBB member or not) they get turned over to the Attorney General’s Office, Board of Contractors or other law enforcement agencies.

**What it’s NOT:** Your lawyer or your first line of defense when you have a disagreement with a service provider. You have to talk to the company first and try to find a solution. If none is forthcoming – then contact BBB. Of course, the best way is to check the company out with the BBB, Registrar of Contractors, and Industry Associations **before** you hire them.

Of course there were a ton of questions for Matt. Here’s a sampling:

### How do you know if all those financial planners selling you annuities know what they’re talking about?

Annuities are an insurance product. So, the financial planner selling you the annuity should be licensed with the Dept. of Insurance. Of course that’s not a guarantee that he’s really good, but at least he took the trouble to be licensed through the state. And remember to ask if he’s a member of the industry association, BBB and then check!

### What if someone wants to give me a cashier’s check for the car I’m selling? Isn’t that safe?

Not necessarily. Go with the person to **the bank that issued the check** and cash it there --- not your own bank. Your own bank will cash the check, but if it “bounces,” they’ll take the money out of your account. Yes – a cashier’s check can bounce. I don’t have the space (and probably not the knowledge to explain it here) but just remember: Don’t take a cashier’s check or insist on cashing it at the issuing bank – before you hand over the car and the title.

### I registered my phone number on that “do not call list” but I still get lots of solicitation calls and advertisements. Why?

OK, did you “listen” to the “fine print”? There’s a list of people who are exempt from the “do not call list,” and they’re probably the ones that are calling you. This includes survey researchers, politicians, charities, and anyone you’ve done business with – **and** their subsidiaries, partners and affiliates.

That’s why you get those mailers from your bank and insurance company, credit-card company, favorite catalog and magazine publisher talking about their privacy rules. They’re telling you that it’s legal to share your name and address with their subsidiaries for advertising purposes. And they do. Some give you an “opt out” option, but others don’t.

To place your telephone numbers on the National Do Not Call Registry, go to [www.donotcall.gov](http://www.donotcall.gov) or call 1-888-382-1222. You can also do this for your cell phone. As of a couple of months ago advertisers can call you on your cell phone – and you get to pay for being annoyed! Call the number above from the cell phone that you want on the “do not call list”.

A few practical warnings from our speaker as well as RECOM members in attendance:

**If the deal is too good to be true – it’s too good to be true!**

No one will give you a free car, a free vacation in paradise, or CEO salary for part-time work, etc. Skip it.

**If the book/tapes/DVDs will make you rich, why isn’t the caller/advertiser using the info to get rich himself instead of selling it to you?**

**You have not won the Lottery/Sweepstakes in Canada (France, Ireland, or wherever). Don’t send any money to cover the cost of cutting the check, paying the taxes, or sending it insured.**

**Do not send anyone money who wants to get a huge sum out of Kenya, Russia or wherever and is willing to share it with you. What they’ll get is your money out of your pocket. The end.**

**If you receive a call from your bank, or credit card company, or charity and the caller earnestly encourages you to call to make sure he is really legit but gives you an “inside phone number to bypass all those annoying waits.” Do not call that number. Get the number from your monthly statement or other reliable source. The number they give you may be a boiler room operation and you’re just calling their partner.**

**Do not give anyone who calls you any private information – especially not your code on your credit card:**

“Mr. Smith, this is AMEX, we have you at 1234 Main Street (your correct address) and we notice some unusual activity on your credit card #1234567 (your correct card number). Just to confirm we have the right customer, would you please give us your 3 digit code on the back of your card?”

**NOT!** They got your credit card number and address from somewhere and now they need your code to use it. Don’t give it to them! **They’re “phishing”** – angling for info instead of fish, and you’ll be on the hook.

There are a hundred variations on these themes and lots of them are aimed at us because we’re of a generation that’s trusting and polite and doesn’t want to hurt anyone’s feelings by questioning their honesty.

And finally, if you think you’ve been had – swallow your pride and call the police. Chances are, you’re not the only one – and you may be able to help prevent another person being victimized or help the police catch the bad guys!

## **Reports Benefits Task Force**

**If you’re already retired and don’t know anyone younger than 55 (or 50 for public safety personnel) who wants to retire – save yourself a headache and skip this article!**

If you’ve occasionally wondered whether you made the right decision to retire when you did, the meeting of the Benefits Task Force on 8/26/08 would have convinced you that it was a good decision.

Donna Salemi spent about half the meeting trying to explain a new IRS ruling which goes into effect July 1, 2009.

Problem is, no one, repeat no one, including the IRS, can explain it! Donna even attended an ASRS seminar specifically for that purpose, but alas they didn't know how it would shake out either. Her calls to the IRS resulted in: "There is no information at this time. That hasn't been interpreted yet." Or something equally enlightening.

Since most of the folks reading this article are already retired, it won't affect us, but some may have spouses or other relatives who'll get caught in the squeeze. Basically, the ruling has to do with the age of retirement for public sector employees.

Remember that there were a number of ways to get to retire? One of the criteria for civilians (as opposed to firefighters and police officers) was that you had to be at least 50 years old? **Well, it seems that this has been raised to the age of 55 if you retire after June 30, 2009 – regardless of the number of points accumulated.** If you are a public safety employee, it is age 50. Hmm – say you were a mere pup when you started with the City. You worked for the City for 30 years and are now 53 years old and have 83 points – you still couldn't retire with full benefits!

One problem is, no one can tell what the "penalty" (in terms of deductions from the full pension amount) is if you retire after July 1, 2009 and are not yet 55 (or in the case of public safety personnel 50) years of age.

Arizona law follows federal law, but so far Arizona law hasn't been changed because so many pension funds and labor organizations are trying to get this IRS ruling reversed!

One consequence to the City might be that there may be lots of folks retiring before June 30, 2009 who might otherwise have worked a couple of years longer. It could affect police officers in the DROP program, and on it goes.

The Benefits Dept. sent out letters to employees who are within range of retirement. However, they don't know about all of them because some folks have bought previous public service time. That's done through

ASRS, and the City is not aware who has or hasn't bought time.

Stay tuned. The reason it's even getting any ink (or toner or electrical impulses) in the newsletter is to let you know that the Benefits Office is aware of this issue and is trying to get an answer. You're familiar with the difficulties of nailing jelly to a wall? It should be that easy.

### Questions from Task Force members:

**The City has changed life insurance carriers. Does that mean as a retiree my life insurance company changes?**

No. Any current retiree who has life insurance with the City will remain with Standard Ins. Co. Active employees who have life insurance and want to keep it after retirement can do so, but will be switched to the new carrier –Cigna – and it'll cost more after retirement.

**Will there be flu shots for retirees this year?**

No. Flu shots will be available to active employees first. Any extras will go to employee families.

### Money Matters:

Good news – the Trust Fund balance was approximately \$19.2 million on July 31, 2008.

### Meetings:

Usual time and place – 9:00AM, third Wednesday of the month in the community room of the fire station at the NW corner of 1<sup>st</sup> Street and Mesa Dr.

**September 17** – Johann Zietsman, Executive Director of Mesa Arts Center will give an overview of the Center and volunteer opportunities.

**October 15** – Jody Topping, Employee Benefits Dept., will update us on open enrollment, plan changes and premium changes. This meeting is usually heavily attended. If you want a seat, please come early, as fire regulations don't allow us to add more chairs to the room.

## Announcements

### New city website address:

Starting October 1, 2008, residents, businesses and visitors will use [www.mesaaz.gov](http://www.mesaaz.gov) to access city services and information. Just to give us all a chance to get used to this new address, the old one will work though Oct 1, 2009, but might as well get used to it now.

Email addresses for staff will also change to [john.dough@mesaaz.gov](mailto:john.dough@mesaaz.gov). You can start using the new address on October 1, 2008. The old addresses will also work until Jan 31, 2009, but then you gotta use the new one or you're not gonna reach anyone in city government!

### Open Enrollment:

Annual open enrollment will begin Oct. 20 and end October 31. There are no major changes for retirees this year.

Remember Jody Topping will be the speaker at our **October 15<sup>th</sup>** meeting.