

# THE NEWSLETTER

Issued by PUBLIC EMPLOYEE RETIREES, INC.

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## PERI KEEPS WATCHFUL EYE ON OHIO GENERAL ASSEMBLY

The Ohio General Assembly is back in full-force and PERI has been involved in a number of legislative issues.

We provided proponent testimony on H. B. No. 157 that would provide an annual 3% cost of living allowance (COLA) to retirees and beneficiaries regardless of the Consumer Price Index (CPI). Currently the COLA is tied to the CPI and a retiree receives a COLA benefit based upon the annual CPI. Therefore, if the CPI were to be 2.5%, the retiree would receive a 2.5% COLA unless the retiree has points in his or her bank. If the retiree has points, those points can be used to provide up to a 3% COLA.

For example, assume that the CPI is 2.5% and the retiree has points in his or her bank. The retiree can take a one-half percent point and add it to the 2.5% and will receive a 3% COLA.

As for the bank, whenever the CPI is more than 3%, the retiree is currently allowed to bank the excess. For example, if the CPI were 4%, the retiree would get a 3% COLA and bank the 1% which could be used in those years when the CPI is less than 3%. Under the bill, the banks will cease to exist because the banked points will no longer be needed to bring the COLA up to 3% in those years when the CPI is less than 3%.

Again, the bill would provide a 3% COLA each year regardless of the CPI. In our proponent testimony before the House Retirement and Aging Committee we stated that an annual fixed 3% COLA is more predictable for retirees, easier for retirees to understand, easier for the system to administer, and most importantly, PERS can afford it.

Another legislative proposal that we supported is S. C. R. 7. It would memorialize the United States Congress to oppose and defeat any federal legislation that would require Ohio's public employees to participate in Social Security. As you know, there have been various studies done on the Social Security system and many of the studies have concluded that if the system is not fixed it may face financial difficulties in the near future. Some have suggested that one of the ways to help fix Social Security is to require all newly hired public employees to join Social Security.

Proponents believe that this would pump needed revenues into Social Security. We have consistently been opposed to any proposal that would require newly hired public employees to join Social Security.

*(continued on page 2)*



## A Message From Your President

Well here we are in the second quarter of 2001. On the legislative front there are two primary bills that we are concerned with: HB 157 that provides for a guaranteed 3% COLA, and HB 173 that would require our retirement system to invest in "high-tech" start-up businesses. John Gilchrist's legislative article, also on this page, will explain all about these. We are in favor of the guaranteed COLA and very much against any legislation that would force PERS to invest in anything, especially high-risk start-up companies.

On the national front, President Bush has formed a blue ribbon committee to study the social security issue. This usually means that no real action will be taken this year. We do, however, need to keep on top of all social security news, because some social security actions could have an impact on state operated pension systems.

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*We welcome your input and questions. Contact us at:*

614-891-6868

800-247-7374

[www.operi.org](http://www.operi.org)

## A Message From Your President

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One subject that is very important to some of our members is the Social Security Offset.

Representative William Jefferson from Louisiana has re-introduced legislation (H.R. 664), as has Senator Barbara Mikulski from Maryland (S. 611), to hold off on implementing the offset until a person has at least \$1,200 per-month in pension payments.

PERI is very concerned about the offset and wants to see it modified. Seventeen years of supporting legislation to change it has proven futile. Each time a bill has been introduced, it has been sent to a Ways and Means sub-committee. That is a nice way of saying: it is a good likelihood that no action will be taken. I am telling you this, because the possibility of any real change is very small, but no matter how slim the chance we will never give up pushing for the change.

On a brighter note, I have been blessed to be able to meet so many of you, as I have traveled the state visiting our local chapters. If you are not currently a chapter member, I encourage you to attend a meeting in your area. You can find the closest meeting by visiting our website at [www.operi.org](http://www.operi.org) and going to the "contact your local chapter" page. If you are like me, call the office at 1-800-247-7374 between 9:00 a.m. and 3:00 p.m. Monday through Friday and Laurie or Bill will be able to tell you whom to contact.

Have a good summer and I hope to see you soon.

— Lucille Critchfield

## PERI KEEPS WATCHFUL EYE

(continued from page 1)

We have concerns with H. B. No. 173 that will create the Ohio Technology Fund to provide venture capital for investment in high technology businesses that are in the early stages of their development and have 400 or fewer employees. In addition, it would require PERS, STRS, SERS, and the Bureau of Workers' Compensation to invest a combined total of \$60 million in the Fund each fiscal year. The share of the \$60 million for each of the retirement systems and the Bureau for a fiscal year is determined using the same ratio that the total assets of the system or Bureau bears to the total assets of all four entities on that date.

We are not opposed to the state creating a technology fund; we oppose the provision that would require PERS and the other systems to provide the funding. We believe that PERS is one of the finest retirement systems in the country. It is effectively managed, virtually fully funded, and provides a generous retirement package. Because it is in such fine shape, it appears that everyone seems to want a piece of PERS. Some want access to PERS members, (the proposal to require public employees to join Social Security is an example) others, like this bill, want access to PERS's resources. Our concern is that if proposals such as these are enacted, PERS will no longer remain the great system it has become. Each proposal simply chips away at the integrity of PERS.

— John Gilchrist

## SOMERVILLE TO DIRECTOR PERI DISTRICT 11

Elizabeth "Becky" Somerville has been named representative of PERI District 11. She will represent Ashtabula, Trumbull, Mahoning, Columbiana, Stark, Portage, Geauga and Lake Counties.

A native of Kinsman, Ohio – a community in the northeast corner of Trumbull County near the Pennsylvania state line – Somerville worked 19 years as program coordinator for the Trumbull County Soil and Water Conservation District before her retirement in 1999. A former military wife, she has lived all over the United States, Europe and Central America.

She is the mother of four living children and has five grandchildren. To stay active she also is a part-time home healthcare worker in her community.

"I love working with people," Somerville said. "It is my goal to contact many PERI members within District 11 to increase membership and to encourage participation among the members within my eight counties."

PERI members in District 11 are encouraged to call Somerville and take an active role in the District's efforts. Members may contact her at (330) 876-8634.

"I've been impressed with all the work PERI has done to protect my retirement interests," Somerville explained. "It is my goal to contribute to that effort."



Somerville

## CLETE MELICK IS POET, AUTHOR, ACTOR AND VOLUNTEER

To meet Clete Melick you would think he was a busy corporate executive on his way to his next meeting. In reality he is probably more active than most people half his age. His writing, acting and volunteer work consume him with a passion that defies the common working man.

His first love today is his writing. He is both a poet and an author, having written five books all published through his own company, Eagle's Nest Publishing. *Malabar Farm Journal* describes a summer after his graduation from The Ohio State University when he worked at the Louis Bromfield estate near Mansfield, Ohio. Along with the adjacent Mohican State Forest, Malabar Farm has become one of the prime tourist attractions in north central Ohio. It was also the site in 1945 of the famous wedding of Hollywood stars, Humphrey Bogart and Lauren Bacall.

Melick, with his agronomy and journalism degrees in hand, was responsible for the Malabar Farm vegetable gardens that fed all the families and employees on the estate. His work and experiences that summer were so memorable and amusing that he wrote his book over a period of years and eventually published it in 1996. The book today is sold in the Malabar Farm's gift store.

Melick's other books are *Indiscretions* and *Experience*, collections of true, offbeat stories; *The Bridge*, a fictional adventure; and *In Search of a Cowboy*, a true story of Western America. His newest book *Reflections* is due out late this summer and is a collection of his poetry. He is a founding member of the Ohio Poetry Association and a frequent contributor to its quarterly journal, *Common Threads*. The most recent issue included his poem, "Mrs. Yoder's Country Store."

"I write all the time," Melick said with a broad smile. "I've



*Clete Melick, author and poet.*

written since my high school years. There are so many stories in my head that I don't have enough time to put them all down on paper. I'm involved in too many things."

Melick, a native of Tiffin, is an original member of the PERI Region 5 chapter in Seneca County. He served as the group's president its first three years in existence and has been secretary "for more years than I can count."

"I'm involved in a lot of groups besides PERI and the Ohio Poetry Association," he said proudly. "I'm active at the Tiffin First Lutheran Church and a local Toastmasters Club. He portrayed Mr. Fezziwig in "The Christmas Carol" in a community theatre production in December.

When asked the date he retired he shrugged his shoulders and said, "I don't remember the year. It was a good career working with a lot of good people, but now I'm having fun doing other things."

His employment years were at the Division of Administrative Services and the Tiffin State Hospital where he was groundskeeper for 25 years, followed by seven years pasteurizing and bottling milk at the Tiffin Center Farm.

He is surrounded by a loving family that includes his wife and

best friend, Willa, a son, a daughter, a step-daughter, 11 grandchildren and three great-grandchildren.

"I have a wonderful family," he said with conviction as he pulled his wallet from his hip pocket and shared some photos. "How's that for a good lookin' family!"

Clete Melick is truly a man on the move who has many talents and many blessings to his credit.

### Eleven in Lorain Earn Certificates

A certificate of honorary lifetime chapter membership was presented to 11 Lorain County PERI members at their meeting on May 17. In order to obtain a lifetime membership in a chapter, members must first become lifetime members of the statewide PERI organization. Those individuals presented certificates were:

Virginia A. Bailey  
Ernest G. Bartha  
Edward A. Brill  
Charles J. Bukovec  
Leonardo D'Agostino  
Benjamin L. Dunlap  
Lowanna Farmer  
Donald E. Gehlmann  
Eleonor V. Richard  
Helen M. Szabo  
Shirley A. Grasa

## DID YOU KNOW?

A round-up of news that affects members of the retired community...

The nation's Social Security system is stronger than ever. Last year's Social Security Trustee Report estimated that Social Security would have sufficient funds to remain financially sound through the year 2037. Because of the strong economy of the last eight years, that date has now been moved up to 2038 (2040 for the retirement and survivors program), after which Social Security will still have 73 percent of the revenue needed to pay benefits. (Courtesy Alliance Retired Americans.)

\* \* \* \*

A new study by Weiss Ratings Inc., finds that the average increase in premiums for Medicare supplement insurance (Medigap) plans covering prescription drugs was more than double the average increase for plans that do not cover drugs. According to the report, across the board, dollar increases for the three-year period 1998 to 2000 were significant, ranging from \$105 for Plan G to \$775 for Plan H. "The conclusion that rising prescription drug prices have directly impacted premiums offered to the 39 million eligible seniors is both obvious and incontrovertible," reports Weiss, which based its findings on 52,000 premium quotes from 171 companies. (Courtesy Alliance Retired Americans.)

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## PERI Staff is Willing, Able to Serve the Membership

PERI Administrator Bill Winegarner has an able team assisting him in the daily chores that impact the organization and its membership.

Whenever a member calls the PERI office they will more than likely receive a friendly greeting from Laurie Frithiof, secretary and receptionist. Laurie, a native of Rochester, New York, has been with the team for a year and a half and coordinates all mailings to the chapter presidents and the overall membership as part of her duties. Prior to joining PERI Laurie had worked for Lazarus department stores in Columbus and was an entrepreneur with her own home-based business.

She says the best part of her job is dealing with the members when they call the office. "I feel good when I'm able to help a member solve a problem," she said.

The newest member of Winegarner's team is Michelle Reyes. She joined the staff in mid-April as database manager. In this role she will keep all the PERI membership records in order. A native of Avon Lake, Ohio, Michelle came to the Columbus area 11 years ago. She has held various computer positions with such companies as Ticket Master, CallTech, Sterling Software and 3X Computer Consulting.

Being the new kid on the block, Michelle was not able to relate her favorite part of her job, but she is anxious to learn her new job and to meet many PERI members in the days ahead.

So next time you call the PERI office you will be able to put a face with a name. Take a moment to get to know the staff that is working on your behalf.



Laurie Frithiof, left, and Michelle Reyes.

## NEW EDITOR; NEW LOOK FOR PERI NEWSLETTER

*PERI introduces its new editor with this issue of The Newsletter.*

Bill Winegarner, PERI administrator, has named Jim Fette of Columbus to succeed long-standing editor Howard Frisbee who held the editor's position for over 16 years.

Fette has a BA in Journalism from The Ohio State University and has worked as a writer, editor, and marketing and public relations practitioner over the past 28 years for The Ohio Chamber of Commerce, American Electric Power and Qwest Communications. Today he is president of Communications Consulting Group.

This issue of the Newsletter has also undergone a design facelift. PERI enlisted the talents of Vicki McDonald of Columbus to update the look of the quarterly while remaining within the budget constraints of the publication. McDonald, a graduate of the Columbus College of Art and Design, is a former teacher and today owns Q.V. Design and has a long list of corporate and retail clients in central Ohio.

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