



## PRESIDENT'S UPDATE

*Kim Trupp, AURA President, 2018-2019*

Hello, and I hope this new year is going well for you so far. Time has gone swiftly, and it seems that we were just together at the AURA Fall Dinner Meeting in October. A lively crowd enjoyed an excellent supper catered by Terra Cotta Café, and our featured speaker was Greg Williams, Auburn University head equestrian coach. Coach Williams has grown the equestrian program into a national power to be reckoned with. Members enjoyed Coach Williams' presentation on a sport that many of us know little about, and there were many positive comments on his interesting and informative presentation.

Looking ahead, your AURA Board of Directors is planning a TRS/PEEHIP informational workshop at the Harris Center in Auburn on February 26. The workshop's obvious relevancy to us as retirees makes it an event you surely don't want to miss. Details are outlined later in this newsletter.

Finally, now that we have entered the new year, it's time to renew your AURA membership for 2019, if you haven't already done so. You will find the membership form on the back of this newsletter. I look forward to seeing many of you at the workshop and at our annual meeting in May. ♦

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# AURA ANNUAL MEETING

*Save the date!*

AURA's annual meeting will begin at noon on **Thursday, May 23**. Please join us for lunch at Saughatchee Country Club followed by the meeting.

The spring newsletter will provide details and instructions for making reservations. The annual meeting includes the installation of officers, new board members, and the presentation of the Wilford S. Bailey Award. We hope to see you there.

# AURA Legislative Report

*By Sherri Fulford*



The Alabama Legislature convened January 8 for the 2019 organizational session of the Alabama Legislature. As provided in the state's Constitution, an organizational session for up to ten days allows time for a new legislature to organize its leadership and procedures for the upcoming four-year term. During this session, actions by the Legislature were limited to swearing-in members, canvassing of returns, appointment of committees, and the adoption of rules and operational resolutions. No legislative acts could be passed. The Alabama Senate re-elected Del Marsh as president pro tempore, and the House of Representatives reelected Mac McCutchen as Speaker of the House.

There are 140 members of the Alabama Legislature: 105 members of the House and 35 in the Senate. Each legislator represents a district based on population. Since 2010 Republicans have controlled the Legislature, and with the November 2018 elections, Republicans further solidified their control in both chambers. Senate Republicans picked up one seat previously held by an Independent, giving them 27 seats. Democrats in the Senate remain at eight seats. In the House, Republicans picked up five seats, giving them a total of 77. House Democrats hold 28 seats.

On March 5, the 2019 regular session of the Alabama Legislature will begin. The session convenes for up to 30 legislative days within 105 calendar days. Throughout the session, hundreds of local and general bills will be introduced, but all of them will not become law. The greatest task for legislators is to pass the FY2020 General Fund (GF) and Education Trust Fund (ETF) budgets. Unlike recent years, there is some good news regarding FY2020 revenue for both budgets. Preliminary projections suggest that revenue for the ETF is estimated to increase approximately 4 percent over FY2019, or roughly \$270 million. The GF is expected to grow about 2.5 percent which equates to around \$50 million in new money. Because projected revenue could be higher or lower, estimates are typically adjusted before the budget process begins.

Legislation on a variety of state and local interests is expected. Senator Marsh plans to stress a few key issues that affect the entire state: A gasoline tax to improve the state's infrastructure, education reform, and prison and sentencing reforms. Discussions regarding a lottery are

expected again this session as well. Speaker McCutchen has indicated that some of the same interests will be addressed in the House, and there could also be legislation regarding changes in the state ethics law, industrial recruitment, and school safety.

As we move closer to the upcoming session, AURA will work alongside the Alabama Education Retirees Association (AREA), the Retirement Systems of Alabama (RSA), and others who have an interest in protecting and preserving our retirement benefits.

## Notes from RSA

The RSA is gearing up for the 2019 legislative session. Each year prior to the beginning of the regular session, RSA officials meet with the budget chairs and staff to provide an update on RSA's employer contribution rates for the next fiscal year. The rate is relatively flat for both Teachers Retirement System (TRS) and Employees Retirement System (ERS), compared to the rate for the current fiscal year, which is good news for the budgets. They will also continue to share the good news about RSA's recent investment performance. RSA's investment return for TRS was 9.42 percent for a total of \$2.2 billion and for ERS was 9.29 percent for a total of \$1.09 billion.

With the start of a new quadrennium, RSA will focus on working with new members to make sure they understand how RSA works and the importance of providing pensions to Alabama's public employees. At this point, RSA expects Rep. Alan Baker to file a bill to implement a partial lump sum option at retirement (commonly referred to as "PLOP"). Essentially, this would allow a member to take up to two years of his or her benefit as a one-time lump sum distribution at retirement. The member's retirement allowance would then be actuarially reduced by the amount of the lump sum. Rep. Baker filed a similar bill late in the 2018 session. RSA supports this legislation and believes it will allow additional flexibility in how members choose to receive their retirement benefits. ♦

# FALL DINNER MEETING

AURA held its annual fall dinner meeting October 2, 2018 at the Auburn University Alumni Center.



## TRS/PEEHIP Information Workshop

**DATE:** FEBRUARY 26, 2019—**DOORS OPEN:** 10:00 A.M.    **WORKSHOP:** 10:15 A.M. TO 11:45 A.M.

**LOCATION:** HARRIS CENTER, 425 PERRY ST. (across from the Auburn Post Office)

**RESERVATIONS:** Contact Lynne Hammond at [hammolb49@gmail.com](mailto:hammolb49@gmail.com) or (334) 744-1602.

Reservation deadline is February 20 or until all seats are filled, whichever comes first.

This workshop will be led by **Dr. Donald L. Large**, retired executive vice president of Auburn University and former TRS/PEEHIP Board member. Joining him will be **Sherri Fulford**, recently retired executive director emerita for Governmental Affairs. **TOPICS COVERED WILL INCLUDE:**

- the structure and responsibilities of the board, related to retirement and health insurance;
- insights into board focus and priorities;
- retirement and PEEHIP funding;
- PEEHIP challenges and issues;
- Auburn University funding and liabilities related to retirees.

# SEEKING BAILEY AWARD NOMINATIONS

The Auburn University Retiree Association (AURA) Board is accepting nominations for the Wilford S. Bailey Award. The award was established in honor of the pioneering work of Dr. Wilford S. Bailey, who recognized the need for an organization to advocate on behalf of Auburn University retirees. Dr. Bailey was instrumental in the creation of AURA, which advocates for the protection of retiree benefits and provides social and educational opportunities for the association's members.

The purpose of the award is to honor an individual or organization for contributions made to society and to the welfare of retirees from the educational community. Organizations or individuals whose character reflects the ideals and standards exemplified by Dr. Bailey may be considered for the award.

Candidates should have demonstrated high moral character and a unique and significant association with activities concerning the benefits and welfare of educational community retirees. Additionally, candidates should display social and professional qualities that are commensurate with the education community and educational institutions. Individual candidates must be citizens of the United States, and organizations must have been established within the United States.

## Past award recipients include:

2018: Sen. Gerald Dial

2017: Mr. Joseph Borg

2016: Rep. Pete Turnham

2015: Janice Charlesworth

2014: Dr. Gerald Johnson

2013: Auburn Osher Lifelong Learning Institute

2012: Dr. Stanley Wilson

2011: The Auburn University Athletic Department

2010: Dr. Wayne Teague

2009: Gov. Albert P. Brewer

2008: Speaker Seth Hammett

2007: Dr. Harry M. Philpot

2006: Sen. Henry "Hank" Sanders

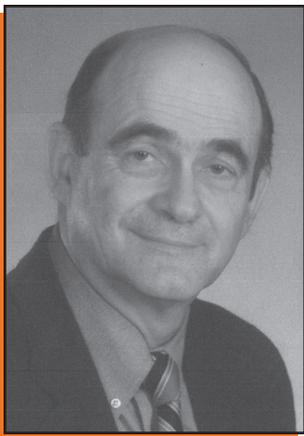
2005: Dr. Paul Hubbert

2004: Dr. David Bronner

Letters of nomination should include biographical information regarding the candidate and an explanation of why the candidate is deserving of the award. Please submit nominations to:

Auburn University Retiree Association • Attn: Bailey Awards Committee

P.O. Box 1436 • Auburn, AL 36831-1436



## FINDING A NEW DOCTOR

*By Richard Penaskovic*

*Money* magazine recently named Auburn the number one place to retire in Alabama. It's easy to see why. Auburn has a variety of top-notch restaurants, its citizens are provided with outstanding services by the staff under City Manager James Buston, and Auburn University has been named the best university in Alabama.

For the above reasons, senior citizens are coming to Auburn in droves. However, there's one area in which Auburn is lacking — a sufficient number of general practitioners or GPs. If one calls up a GP to make an appointment, they are sometimes asked if they are over 65 and have Medicare as their primary insurance carrier. If callers say they are on Medicare, they are then told that the doctor is not accepting them as a patient.

I am aware of how this works since my primary doctor died a few months ago, and now I am unable to find a GP who will take me, although I also have United Health Care as my secondary carrier. I am not the only retiree who faces this uncomfortable situation.

I surmise that it all comes down to a question of money. How so? Medicare in Alabama reduced the amount of money it pays general practitioners by ten percent several years ago and that's the root of the problem.

However, what are retirees supposed to do? I do wonder how many other retirees are in the same boat as me. ♦

# FOR YOUR MEMBERSHIP DUES STATUS, CHECK YOUR NEWSLETTER ADDRESS LABEL!

After your name, there will be a “P” followed by a year. This means your dues are paid through December of that year. *If you have not paid your dues for 2019 and wish to remain a member of AURA, please complete the form below and mail it with your payment.*

## AU-AUM Retiree AURA Membership Form

Name \_\_\_\_\_ AU \_\_\_\_\_ AUM \_\_\_\_\_

Address \_\_\_\_\_

Phone \_\_\_\_\_ E-mail \_\_\_\_\_

- |                                      |         |                                  |         |
|--------------------------------------|---------|----------------------------------|---------|
| _____ Single Retiree .....           | \$25.00 | _____ Surviving Spouse .....     | \$10.00 |
| _____ Retiree and Spouse .....       | \$25.00 | _____ Sponsor .....              | \$25.00 |
| _____ Retiree & Retiree Spouse ..... | \$25.00 | _____ Gift Contribution \$ _____ |         |

If you have any questions, please contact **Marcie Smith** at [smithmkc@gmail.com](mailto:smithmkc@gmail.com) or **Kim Trupp** at [trupski@auburn.edu](mailto:trupski@auburn.edu).

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