

J. Dale Oliver, President
AARP Chapter #2613
303 Marlinton Street
Blacksburg, VA 24060

AARP Chapter Meeting
Tuesday, September 15, 1998
Blacksburg Community Center
11:30 AM

Nonprofit Organization
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A.A.R.P.

NEWSLETTER

September 3, 1998

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Chapter 2613

September 15 Chapter Meeting
New Senior Community Room, Blacksburg Community Center

Our program speaker for our September 15, 1998 chapter meeting will be Ms. Sue Croft, a certified financial planner. She will discuss ways to build and preserve your assets and proper planning to insure that your assets are distributed properly when you are no longer able to manage your estate.

We have a choice:

1. We can plan for the distribution of our estates (as we want it done) or
2. We can let our estate be distributed according to the laws of the state in which we live.

Consider:

1. Which choice is more likely to accomplish what you want to happen?
2. Which choice is more likely to cause the least amount of worry and grief for those left behind?
3. Which choice is more likely to cost the estate fewer dollars?
4. Which choice is more likely to be less publicized?

Proper estate planning takes a lot of time and effort, but it is worth it for those you leave behind. It also creates a great deal of satisfaction and peace of mind knowing that the job is complete. Please invite a friend to come with you and be prepared for a wonderful program.

**Blacksburg AARP Fall Luncheon
October 20, 1998
Custom Catering Center
11:30 - 1:00 PM**

Cost: \$5.00 each

**Reservations may be paid at the September
15 chapter meeting and must be paid by
October 13, 1998. Write check payable to
AARP.**

**Mail to:
Ruby Murley
110 Countryside Court
Blacksburg, VA 24060**

**Menu:
Vegetable Beef Soup
Chicken Salad Sandwiches
Ham Salad Sandwiches
Cookies
Beverages**

**Topic:
"The Challenge of Civil Society
in Montgomery County"**

**Speakers:
Lesley Howard, New River Vision 2020
Andy Morikawa, Community Foundation
Basil Gooden, Welfare Reform
(All are connected with the
Voluntary Action Center)**

Future Chapter Meetings

November 17:

Program to be arranged

December 1:

**Christmas Luncheon - Custom Catering
Entertainment - Madrigals, Blacksburg
High School**

The “Great Social Security” Debate Underway

Meeting in Kansas City in early April, AARP and the Concord Coalition in collaboration with President Clinton and Congressional leaders began a dialogue on ways to reform Social Security. There is no immediate danger to the program and based on current projections, Social Security can pay full benefits until the year 2032 and 75 percent of benefits after that time. On May 28, AARP also held a regional forum on Social Security Reform in Roanoke well attended by over 200 area AARP members. At this meeting a panel consisting of two members of Congress, a representative from the area Social Security office and an AARP Public Policy specialist discussed various options for reforming the current system. One topic that drew particular attention was whether our national government was really running a budget surplus or were we only juggling the books using the income from Social Security to mask the true budget picture. If Social Security income including interest earned was not shown as part of the current budget as is the practice with most retirement systems, we would not have a surplus, but rather would have a slight deficit.

Those of us already on Social Security may ask, why should we care about all of this since most of us won't be around by 2032? Well, you could be directly affected by some reforms and definitely your children and grandchildren will be affected by the time they retire. Several reform ideas are being offered. One approach is to “privatize” Social Security by moving it away from a social insurance program to one composed of individually controlled investment accounts components that replace part of Social Security. Here part of the funds withheld from workers for Social Security could be used by them for investment in private accounts such as stock mutual funds and could provide much better growth than the current Social Security fund. This approach also increases the risk for the individual. Another proposal is to allow part of the current Social Security Trust Fund to be invested in the stock market as does the Virginia Retirement System. This could result in greater growth accompanied by increased risk to the fund. Some fear that the Fund is so large, investments from it could unduly influence the stock market. Another proposal would adjust the taxation of benefits with some wanting more benefits taxed and others less. An area of controversy is the Cost of Living Adjustment (COLA). Policymakers have shown interest in recalculating the Cost of Living Index (CPI) and such an action could result in a higher or lower Social Security yearly COLA adjustments. Other suggestions include raising the Social Security tax on workers, raising the retirement age, and setting a higher limit on income taxed

A current issue that will receive great attention in the coming months is what to do with the current surplus in the federal budget that is projected to increase substantially over the next few years. Many in Congress want to use the surplus to cut taxes while others want to spend it on new or existing programs. Yet others believe the surplus should be used to establish and bolster a separate Social Security Trust Fund that would allow us to truly balance our government's books without smoke and mirrors. What do you think?

By Dan Fleming, Legislative Committee Chair