



URGENT MESSAGE TO ALL CITY OF PHOENIX RETIREES:

Your COPRA Board has just been alerted that the attorneys, who advise the City of Phoenix Pension Board, have now indicated that the pension initiative, **Proposition 487 will most likely affect current retirees, if approved.** The proposition would prevent the city from making contributions to any post employment plans like MERP. This would not affect your base pension, but would eliminate MERP, which helps reduce medical insurance premiums.

Clearly, changing the pension system will have an impact on you, but also every Phoenix voter and their wallet. If for no other reason, the significant costs associated with this Proposition should be motivation enough to cause its defeat, however this will not happen easily recognizing all the inaccurate publicity regarding perceived benefits.

You can help make a difference, by not only voting against this ill conceived proposition, but also encouraging others to do the same. Education regarding the problems with 487 can go a long way, and it starts with you. Please get out the vote by sharing the truth about this proposition!

COPRA has just filed an "Argument in Opposition" with the City Clerk to go into the Publicity Pamphlet for all Phoenix voters. Hopefully the voters will read it and stop this nonsense. Here it is for you as well:

COPRA STRONGLY RECOMMENDS A "NO" VOTE ON PROPOSITION 487.

This poorly written initiative is bad for taxpayers and bad for the City. Out-of-state, dark money supporters of the initiative say pension reform is needed, and the measure will save money. Both these statements are misleading and inaccurate. The voters of Phoenix already passed comprehensive pension reform in March of 2013. That measure will save taxpayers an estimated \$600 million over the next 20 years. The Mayor and City Council then implemented further reforms, eliminating spiking, which will save another \$233 million. The reforms already passed will save more than \$830 million!

In contrast, this initiative will undo half of these savings. The independent actuary conservatively estimates this initiative will cost \$358 million. However, that does not include the millions in litigation costs that will likely result from the legal issues created with the initiative. That estimate also does not include the administrative costs of operating a second pension plan, estimated at more than \$40 million. With just these known costs added, the initiative will cost taxpayers well over \$400 million.

Calculations by initiative supporters count on savings that have already been implemented, have already been found illegal by the courts, or that violate existing contractual agreements the city must abide by. There are no savings with this initiative, only significant additional costs.

Finally, the initiative will negatively affect existing retirees. Supporters will tell you that it will not, but clearly they have not read their own documents. This initiative will require the city to renege on long-standing commitments made to retirees.

Do not let out-of-state, dark money interests pick your pocket for more than \$400 million! Please vote **no** on 487.

Thank you, COPRA Board of Directors