



CYPEN & CYPEN
NEWSLETTER
for
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Never Forget September 11, 2001

and

Always Remember May 2, 2011

1. PUBLIC PENSIONS STICK WITH HEDGE FUNDS...DESPITE

FRUSTRATIONS: The secretive investment firms famous for their market-beating returns, and high fees to match, have recently produced losses or meager profits far below expectations, a report from Reuters says. And thanks to a steady stream of bad publicity, public perception of the industry may be at an all-time low. At least one recent estimate found that clients are pulling money at a rate not seen since the financial crisis.

Recent moves by a few large institutional investors were seen as the beginning of a mass exodus. In 2014, the \$300 billion California Public Employees' Retirement System said it was getting out of most hedge funds. Then, this February, the \$15 billion Illinois State Board of Investment said it would reduce its target allocation from 10% to just 3%. In April, the \$51 billion New York City Employees Retirement System decided to exit hedge funds entirely. One worker union leader and NYCERS trustee cited the industry's high fees and poor performance in scoring a near unanimous vote in favor of his proposal to axe about \$1.4 billion from hedge funds, about 3% of its portfolio. Data, however, suggest that U.S. public pensions are staying put. The number of public pensions that use hedge funds has steadily increased to 282 in 2016 from 234 in 2010. The average percentage of pension portfolios in hedge funds has also rose to nearly 10%.

2. CURRENCY VOLATILITY GETS LIMITED PARTNERS'

ATTENTION: Currency volatility is no longer the best friend of alternative investors, with recent swings biting into investors' international investments. According to pionline.co, although most limited partnership agreements give managers the right to hedge currency risk; few general partners do. The reasons are that the long term nature of investors' commitments is expected to mitigate the highs and lows of currency swings, and currency hedging is expensive. But for many investors and managers it is not working out that way. New Mexico State Investment Council's more recent real report revealed that the endowment's \$532.9 million real assets portfolio had a -7.9% net return for the year ending

September 30. Since the portfolio's 2011 inception, NMSIC has committed approximately \$1.6 billion to real assets across 21 funds with 14 managers. The pension fund's internal rate of return to September 30 from inception was 3.4%, down from the IRR of 8.5% as of December 31 from inception. The report attributed the short term return to currency swings. Alternative investments firm Ares Management LLC reported a \$2.7 million loss in the first quarter due to currency translation. And the Blackstone Group attributed a portion of its 38% drop in total revenue to \$4.6 billion for the year ending December 31 to currency translation. The New York-based alternatives investment firm suffered a \$49.2 million currency translation loss in 2015. However, the situation improved in the first quarter with a \$17.6 million currency translation gain. Volatility will come up more and more because of the dramatic movement in currency, said the CIO of California State Teachers' Retirement System. How alternative invest managers handle currency risk varies widely. Some non-U.S. managers will have a U.S. dollar-denominated fund or a U.S. dollar-denominated sleeve within a fund. Some managers will execute certain hedging strategies for investments in certain countries, however, most often they leave the hedging responsibility with investors. There is no blanket strategy, one size fits all for currency risk for a fund or specific investments.

3. A NEW TREND IN PENSION FUNDING?: Oklahoma Governor, Mary Fallin, signed a bill into law that establishes a rainy day fund for the state's pension system. *Governing* reports it is called the Pension Improvement Act, which creates a fund that the state can use to help

with its annual pension costs. There are no rules for when to put money in the fund, but the law does say money can only come out via legislative appropriation. It also says that money can only be used to help the state pay its full pension bill in tough economic years or to help fund cost-of-living increases for public employees. Oklahoma is not the only state this year to create a separate fund to help with pension costs. Kentucky lawmakers started a \$125 million permanent fund, which is similarly expected to help the state afford its annual pension payment. The state has asked for independent audits to help determine when the fund should be tapped. The takeaway is that many states have rainy day funds to help supplement their budgets in years when revenues fall short. Theoretically, those funds could also help with paying a state's pension bill. But the reality is that pension payments are often the target of cuts in tough economic times. What is more, pensions also lose money from investment losses during economic contractions. To be truly helpful, a pension rainy day fund needs to be more substantial than a few hundred million dollars when states' pension payments are often more than \$1 billion annually. How Oklahoma and Kentucky manage these funds and their funding policies will be key in the coming years. Well, it is better than a sharp stick in the eye.

4. MANY U.S WORKERS EXPECT TO WORK PAST RETIREMENT

AGE: Thirty-one percent of Americans in the workforce believe they will have to work past age 67 -- the current minimum age to receive full government retirement benefits, according to a Gallup poll. The poll comes at a time when the world's largest economy has still not fully

recovered from the downturn seven years ago, when our economy took a nose dive. Another 38% of U.S. workers expect to retire between the ages of 62 and 67, while 23% expect to stop working before they turn 62 -- before eligibility for any Social Security retirement benefits. Social Security is a U.S. safety net in which retired Americans receive a modest income from the government, according to Gallup. The average age at which U.S. workers predict they will retire is 66, consistent with the 65 to 67 age range found since the 2007-2009 recession ended. The expected retirement age is up slightly, from about 64 years of age spanning 2004 to 2008 and is up from 60 in 1995. Lower income workers plan to retire a bit later, on average, than those earning a higher income. Young adults, aged 18 to 29, plan to retire earlier than middle aged and older adults, likely reflecting youthful optimism about their future income and savings. In contrast with current workers' expectations about retirement, retired Americans report they stopped working on average 61 years of age, significantly lower than the average 66 years at which today's non-retired Americans intend to stop working.

5. THE CURRENT STATE OF RETIREMENT: A COMPENDIUM OF FINDINGS ABOUT AMERICAN RETIREES: Transamerica Center for Retirement Studies has issued a new piece, "The Current State of Retirement: A Compendium of Findings About American Retirees." Research is based on a 2015 survey of more than 2,000 American retirees. It provides in-depth perspectives about retirees, including their attitudes about life in retirement, time commitments, living arrangements and personal finances. Many retirees are still recovering

from the Great Recession while managing their households with modest retirement incomes. The good news is that most retirees are enjoying life, but the concerning news is that many may be ill-equipped to deal with a financial shock such as the possible need for long-term care. Although years have passed since the financial crisis known as the Great Recession, many retirees are still feeling its aftereffects. The survey found that only 45% of retirees say that they have either fully financially recovered or were not impacted. Thirty-five percent say they have somewhat recovered, 8% have not yet begun to recover, and 12% feel they may never recover from it. As a society, we frequently speak of the need for workers to save and prepare for retirement. Unfortunately, the conversation often ends once people stop working and retire, which is when it becomes even more critical for them to have a financial plan that can last their lifetimes. Here are ten Important facts about today's retirees:

- Just getting by and/or covering basic living expenses is the most frequently cited financial priority. Retirees cite financial priorities including just getting by and/or covering basic living expenses (42%), paying healthcare expenses (37%), paying off mortgages (21%), and continuing to save for retirement (20%). An alarming 25% of retirees cite paying off credit card debt as a financial priority. Most retirees are living on a modest income. The annual household income among retirees is \$32,000 (estimated median); however, there is a sizeable gap between those who are married (\$48,000) and unmarried (\$19,000).

- Social Security is the cornerstone of retirement income. Social Security (89%), followed by other savings and investments (48%), company funded pension plans (42%), and 401(k)/403(b)/IRAs (37%) are the most frequently cited current sources of income among retirees. Among those currently receiving income from Social Security, the median age they started collecting benefits was 62, despite major reductions to their monthly benefits. Only 1% waited until age 70, the age at which one can receive maximum monthly benefits.
- Retirees' confidence about maintaining their lifestyle exceeds the size of their nest eggs. Seventy-two percent of retirees are "somewhat" or "very" confident that they will be able to maintain a comfortable lifestyle during retirement. However, fewer than half (46%) agree that they have built a large enough retirement nest egg. Current household savings among retirees in all retirement accounts stands at \$119,000 (estimated median), with a wide disparity between retirees who are married (\$224,000) and unmarried (\$40,000).
- Sixty percent of retirees retired sooner than planned. Retirees in their fifties (79%) are far more likely to have retired sooner than planned, when compared to older retirees. Two-thirds (67%) of retirees in their sixties and 53 percent of age 70-plus retirees retired sooner than planned. Across age ranges, fewer than 10% retired later than planned.

- Reasons for retiring sooner than planned range from employment related reasons to health issues. Among retirees who retired sooner than planned, two-thirds (66%) cite employment related reasons for having done so. However, reasons for retiring sooner than planned vary by age range. Age 70-plus retirees (70%) were most likely to retire due to employment related reasons, while retirees in their fifties (52%) were most likely to do so because of their own ill-health. Only 12% of retirees of all ages who retired sooner than planned say they did so because they saved enough money and could afford to retire.
- Retirees expect a long retirement and most say they are in good health. Retirees expect to live 28 years (median) in retirement, and 41% expect a retirement of more than 30 years. Most retirees (70%) believe that they are in good or excellent health with one notable exception: retirees in their fifties. Only 55% of retirees in their fifties consider themselves in good or excellent health. Moreover, 45% of retirees in their fifties say they are in fair or poor health, a finding that is much higher than retirees aged 60 and older.
- Most retirees are happy and enjoying life. The vast majority of retirees say that they are a generally happy person (94%), are enjoying life (90%), and have a strong sense of purpose (84%). However, some say that everyday activities are becoming more difficult for them (31%) and/or that they are having difficulties

making ends meet (28%). Eleven percent feel isolated and lonely.

- Retirees spend their time in a wide variety of activities. Retirees most frequently cite spending more time with family and friends (53%), pursuing hobbies (40%), and traveling (33%) as ways they are spending their time in retirement. Twenty-four percent are doing volunteer work and 11% are taking care of their grandchildren. Retirees under age 65 are more likely than older retirees to say they are traveling (72% vs 62%, respectively) and pursuing hobbies (54% vs 42%, respectively). In contrast, retirees age 65 and older are more likely to be doing volunteer work.
- Retirees' fears evolve with their age and stage in life. Retirees most frequently cite declining health that requires long term care (44%) and a reduction in or elimination of Social Security (44%) as their greatest retirement fears, closely followed by outliving their savings and investments (41%). Notably, more age 60-plus retirees cite declining health that requires long term care as a fear. In contrast, more retirees in their fifties fear difficulties in finding meaningful ways to spend their time, not being able to meet the basic needs of their families, and/or feeling isolated and alone.
- Few retirees have a written financial plan for their retirement. More than half of retirees (54%) indicate that they have a retirement strategy, but only 10 percent have it in writing. Among retirees with a retirement strategy, most factor Social Security and Medicare benefits (88%) into their current strategy -- and many include

ongoing living expenses (71%), healthcare costs (60%), a budget for basic living expenses (60%), total savings and income needs (60%), and investment returns (56%). However, relatively few consider important factors such as pursuing retirement dreams (31%), inflation (30%), estate planning (26%), tax planning (25%), and long-term care insurance (23%). Only seven percent have contingency plans for retiring sooner than expected and/or savings shortfalls.

Today's retirees are facing formidable challenges in ensuring that they have adequate income to last their lifetimes. As Baby Boomers retire, Social Security and other benefit programs will likely be under even greater strain. It is imperative that policymakers, employers, industry, individuals and families work together to find solutions so that the retirees of today and tomorrow can have a comfortable retirement. To read the entire informative brief, visit:

http://www.transamericacenter.org/docs/default-source/retirees-survey/tcrs2016_sr_retiree_compendium.pdf.

6. USE OF SENATE APPROPRIATIONS FOR STUDENT LOAN

REPAYMENT AGREEMENTS: U.S. Government Accountability Office has issued a decision involving student loan repayment agreements. Appropriations of the United States Senate are not available to incur obligations to extend current employee service agreements under the Senate's student loan repayment program for a period of less than one year for the employees of the personal offices of senators who are not

seeking reelection or are retiring. The statute governing the program requires that an employee agree to work for the employing office, in this case the senator's personal office, for one year, in exchange for the student loan repayment benefit. When a senator's remaining term is less than one year because of a decision not to seek reelection or to retire, the employee could not meet the required period of service with the employing office. (B327922, May 2, 2016). The full decision is available at: http://www.gao.gov/products/B-327922?utm_medium=email&utm_source=govdelivery#mt=e-report.

7. EMPLOYER-PROVIDED LEAVE AND THE AMERICANS WITH DISABILITIES ACT:

The U.S. Equal Employment Opportunity Commission enforces Title I of the Americans with Disabilities Act. ADA prohibits discrimination on the basis of disability in employment, and requires that covered employers (employers with 15 or more employees) provide reasonable accommodations to applicants and employees with disabilities that require such accommodations due to their disabilities. A reasonable accommodation is, generally, "any change in the work environment or in the way things are customarily done that enables an individual with a disability to enjoy equal employment opportunities." That definition can include making modifications to existing leave policies and providing leave when needed for a disability, even where an employer does not offer leave to other employees. As with any other accommodation, the goal of providing leave as an accommodation is to afford employees with disabilities equal employment opportunities. EEOC continues to receive charges indicating that some employers may

be unaware of Commission positions on leave and ADA. For example, some employers may not know that they may have to modify policies that limit the amount of leave employees can take when an employee needs additional leave as a reasonable accommodation. Employer policies that require employees on extended leave to be 100% healed or able to work without restrictions may deny some employees reasonable accommodations that would enable them to return to work. Employers also sometimes fail to consider reassignment as an option for employees with disabilities who cannot return to their jobs following leave. A release from EEOC seeks to provide general information to employees and employers regarding when and how the leave must be granted the reasons related to an employee's disability in order to promote voluntary compliance with ADA. It is consistent with EEOC's regulations enforcing Title I of ADA, as well as the EEOC's 2002 Revised Enforcement Guidance: Reasonable Accommodation and Undue Hardship Under the Americans with Disabilities Act (a link to the Guidance appears at the end of this document, together with other links). EEOC's document is available at: https://www.eeoc.gov/eeoc/publications/ada-leave.cfm?utm_content=&utm_medium=email&utm_name=&utm_source=govdelivery&utm_term=#_edn1.

8. THE WORST BEAR MARKET (THAT NOBODY EVER TALKS ABOUT): Theirrelevantinvestor.com suggests that the longest bear market did not begin in 1929 or 2007, but rather on January 11, 1973. The 437 days from peak-to-trough gave birth to many well-known value investors, and also left in its wake a generation of brokers that would

never return to Wall Street. The market collapse of 1973-74 has been oddly ignored in the annals of investing; yet it was truly epochal, and on a par with the 1930s. Aside from the fact that this bear market was the longest ever, here are five additional reasons why these 21 months were particularly brutal:

- It occurred within the context of a massive secular bear market, one that made zero progress over a 16-year period.
- 1973 alone saw 11 separate bounces of at least 5%; false hope just pours salt in the wound.
- There were sixteen different 5-day losing streaks. For comparison, the recent bear market from 2007-2009 experienced just four.
- With the exception of Gold, nominal returns were awful, real returns were worse. Stocks fell 16 of 21 months, and the S&P 500 declined 7 straight months for the first and only time ever. And while large stocks did poorly, smaller stocks were basically wiped off the face of the earth.
- The snap back rally was weaker than the rebound after the Great Depression and the Great Recession.

That bear market drove the CAPE ratio down to the lowest levels since 1942 (8.3), and provided investors with a rare fat pitch. This 8.3 CAPE is cheaper than 93% of all other periods going back to the beginning of the 20th century. It was truly a value investor's dream; too many ideas, not enough cash. But despite the bargains, it would take another eight years for stocks to break out of this range, giving birth to the greatest bull market of all-time. There are many lessons to be learned from this

period, but the main takeaway is that stocks can suck for a long, long time. Thinking that you are mentally prepared for this type of environment is not enough. You must have a portfolio that truly matches your risk tolerance -- not your risk tolerance today near all-time highs, but your actual risk tolerance. A properly constructed portfolio, one you can stick with through thick and thin, is what separates investors who can take advantage of cheap stocks versus those who get burned and never return. (A little like poor Charlie on the MTA.)

9. VALUE'S LOST DECADE: There is a fact that value stocks have, over the long-term, outperformed the overall stock market, reports crossingwallstreet.com. But how long is long-term? As it turns out, it can be pretty long. We are coming up on ten years of value underperforming. The last value cycle peaked in August 2006, using the Russell 3000 Value and Russell 3000 indices. A lot of the reasons value has done so poorly is due to the financial crisis. Many banks are classified as value, and so many have been blown out of the water. Value led from November 1980 to August 1998. Then it lagged until December 1991. There was a brief value surge until September 1993. After that, value trailed the long bull market until March 9, 2000. Maybe the cycle has already turned? Value hit a recent low on January 25, 2016 and has been outperforming (a little) ever since.

10. WHAT YOU SHOULD KNOW ABOUT EEOC AND THE ENFORCEMENT PROTECTIONS FOR LGBT WORKERS: We do not intend to get in the middle of this thorny issue. However, we are bringing

to our readers the U.S. Equal Employment Opportunity Commission's recent guidance on the subject. The overview is that EEOC interprets and enforces Title VII's prohibition of sex discrimination as forbidding any employment discrimination based on gender identity or sexual orientation. These protections apply regardless of any contrary state or local laws. Through investigation, conciliation, and litigation of charges by individuals against private sector employers, as well as hearings and appeals for federal sector workers, the Commission has taken the position that existing sex discrimination provisions in Title VII protect lesbian, gay, bisexual and transgender applicants and employees against employment bias. The Commission has obtained approximately \$6.4 million in monetary relief for individuals, as well as numerous employer policy changes, in voluntary resolutions of LGBT discrimination charges under Title VII since data collection began in 2013. The following is one example of LGBT-related claims that EEOC views as unlawful sex discrimination:

Denying an employee equal access to a common restroom corresponding to the employee's gender identity.

To read the entire informative piece, please visit:

https://www.eeoc.gov/eeoc/newsroom/wysk/enforcement_protections_lgbt_workers.cfm.

11. DO NOT GET SCAMMED -- YOU ARE THE BOSS: That headline comes from Social Security Matters, Social Security's blog. With tax

season wrapping up, scammers are out in full force. Perhaps you received a phone call demanding payment from the Internal Revenue Service. They may threaten you with legal action if you do not pay immediately, or say things like, “we are sending the police to arrest you.” While these calls may seem scary, it is important to understand that they are not legitimate. This scam, which started in October 2013, has claimed over \$29 million from its victims! Unfortunately, this is just one of many scams designed to make you believe you are speaking with a legitimate government official. Scammers use many tactics in an attempt to force victims to give out information, and sometimes money, via telephone or email. In Social Security related scams, scammers often call under the guise of helping you complete a disability application, asking you for your Social Security number or banking information. Whether they are with Social Security or the IRS, a government employee will **never** do some things as part of official agency business, including:

- Call you to demand an immediate payment;
- Demand that you pay a debt without the ability to appeal the amount you owe;
- Require a specific means of payment, such as requiring you to pay with a prepaid debit card;
- Ask you for your personal information or credit or debit card numbers over the phone; or
- Threaten you with arrest or deportation.

Any legitimate request from a government agency will come to you in

writing. Additionally, if you do receive a call from a government official, they will be able to provide you with a telephone number and extension. If you receive one of these scam calls or emails, do not provide them with any information. You should:

- Hang up immediately;
- For Social Security impersonations, contact Social Security's Office of Inspector General at <https://oig.ssa.gov/report>;
- For IRS impersonations, contact the U.S. Treasury Inspector General for Tax Administration (TIGTA) at www.treasury.gov/tigta, using the "IRS Impersonation Scam Reporting" page; and
- Contact the Federal Trade Commission on FTC.gov.

If you are attempting to conduct business with any government agency, or you have received a notice from such an agency, please utilize the telephone numbers provided in the notification. Additionally, you can find contact information on any .gov website such as socialsecurity.gov or irs.gov.

12. WHY BANKRUPT SAN BERNARDINO DID NOT CUT PENSIONS:

After reaching agreements with all major creditors, San Bernardino is moving toward an exit from a four-year bankruptcy this fall without cutting public pensions, its largest and rapidly growing debt. CalPensions reports that San Bernardino follows the path of previous bankruptcies in Vallejo and Stockton by limiting main cuts in long term debt to bonds and retiree health care, while raising taxes, slowly rebuilding reduced services and leaving pensions untouched. Now the prospect of cities and

other local governments using bankruptcy to cut pensions or to get leverage in bargaining, which alarmed unions after Vallejo filed in 2008, may be fading as a pattern seems to be emerging. Of the three cities that filed recession-era bankruptcies, San Bernardino had by far the strongest case for cutting pensions. The poorly managed city somehow seemed surprised to find that it was running out of cash and in danger of not making payroll. After an emergency bankruptcy filing in August 2012, San Bernardino took the unprecedented step of skipping its legally required pension payment to CalPERS for the rest of the fiscal year, running up a tab of \$13.5 million. The California Public Employees Retirement System had grounds to cancel its contract with San Bernardino, likely resulting in pension cuts. But in mediation, San Bernardino agreed to repay CalPERS with interest, \$16 million, plus a \$2 million penalty, all but \$500,000 of which pays down the city pension debt. Part of the agreement announced in June 2014 was that the San Bernardino exit plan would not attempt to cut pensions. Four months later, a federal judge in the Stockton bankruptcy issued an opinion that a CalPERS pension can be cut in bankruptcy. But even if the opinion had been issued before the mediated settlement, a lengthy San Bernardino disclosure statement heard in June by the Judge suggests that the city would not have attempted to cut pensions. The San Bernardino disclosure gave the same basic reason as Stockton for not attempting to cut pensions in bankruptcy: pensions are needed to be competitive in the job market, particularly for police. The city concluded that rejection of the CalPERS contract would lead to an exodus of city employees, and impair the city's future recruitment of new employees due to noncompetitive

compensation package it would offer new hires. The problem is particularly acute in law enforcement, where retention and recruitment of police officers is already a serious issue in California, where a defined benefit pension program is virtually a universal benefit. Apparently for the same reason, a pension reform approved by San Diego voters four years ago, switched all new hires to 401(k) style retirement plans, except for new police who continue to receive pensions. If San Bernardino ended its CalPERS contract, pension reform could speed up the feared exodus. To avoid being classified as “new hires” getting new lower pensions, police and others choosing to leave the city would have to find another employer in CalPERS or a county system within six months. This departure of City employees upon rejection of the CalPERS contract could be massive and sudden, which would seriously jeopardize public safety and other essential services. San Bernardino does not provide federal Social Security for its employees. To remain competitive in the job market with a pension plan, the city has no ready, feasible and cost effective alternative to CalPERS.

13. MAKE NO BONES ABOUT IT -- SON STOLE RETIREMENT

BENEFITS OF MURDERED FATHER: Residents were planting tomatoes near a mobile home when they unearthed a slain man's bones, according to a report from the *Sun Sentinel*. The grisly discovery sprouted two criminal investigations linked to what authorities said was the long hidden murder of Henry T. Davis Jr. Davis was strangled and secretly buried in the yard; the murder is still under investigation. A secondary mystery -- why the dead man appeared to have continued

collecting his retirement benefits for years after his slaying -- was solved, when, his son, Jason Henry Davis, pleaded guilty to 23 federal charges he diverted the money to himself. Investigators have never accused Davis of killing his father. Under the plea agreement, Davis, 38, admits he was present when his father was violently murdered and buried in the backyard. Court records contain no clues about who killed the victim, but two sources familiar with the investigation said Jason maintains his mother was responsible. Not surprisingly, she is no longer alive to defend herself. Although Jason Davis knew his father was murdered and buried in the backyard, prosecutors said he never reported the death to authorities. He started signing the benefits checks and later set up a bank account where the money was automatically deposited, according to court records. The amount of money involved is estimated at approximately \$120,000. Investigators said the victim was dead for several years before his body was discovered in April 2013. Although it is not clear precisely when Henry Davis died, court records reflect that there was a "noticeable change in the late Henry Davis's endorsement signature" on Social Security benefits checks cashed in Palm Beach County, starting around 2008. Henry Davis would have been about 68 at that time. Jason Davis illegally pocketed approximately \$1,500 a month in retirement benefits. In total, Davis fraudulently took about \$65,000 from the U.S. Social Security Administration and \$54,000 from a federally funded pension benefit his father earned in the Housing Authority in New Jersey. Davis also admitted he made false statements by failing to disclose the illegal income when he applied for food stamps. This case is just another reminder to pension board trustees to examine their systems

for determining continued eligibility of pension payees.

14. SEVEN SLEEP RULES FOR OVERALL WELLNESS: A piece from ifebp.org posits that many people wear their ability to function on small amounts of sleep as a badge of honor, but they are actually putting their health at risk, according to a sleep expert. Research increasingly points to links between insufficient sleep and diseases such as obesity, diabetes and even cancer and Alzheimer's. Sleep duration over the last three or four decades has decreased by as much as two hours. There is a stigma in our current society, strangely, against getting the amount of sleep that you actually need, which situation has to change. Those who do not get enough sleep tend to eat more, and eat foods they might typically try to avoid. Research has shown that those who are sleep-deprived tend to gain more weight than subjects who get a reasonable amount of sleep. In order for people to get the recommended (for adults) seven to nine hours of sleep nightly, here are seven rules of good sleep hygiene:

- Avoid napping during the day. It can disturb the normal patterns of sleep and wakefulness.
- Avoid stimulants such as caffeine and nicotine, as well as alcohol, close to bedtime.
- Vigorous exercise should be done in the morning or late afternoon, although a relaxing exercise like yoga before bedtime can initiate a restful night's sleep.
- Keep the bedroom dark, cool and quiet. No TV, computer or tablet.

- Avoid eating right before sleep. A two-to-three-hour delay between dinner and bedtime is a good idea.
- Ensure adequate daytime exposure to natural light. Light is particularly important for older adults who may not venture outside as frequently.
- Establish a regular relaxing bedtime routine. Avoid emotionally upsetting conversations before going to bed.
- Read this newsletter.

15. FLORIDA STRIPPER TRIES TO EAT SHIRT DURING KEY WEST DRUNKEN DRIVING ARREST: A Florida stripper put a large portion of her shirt into her mouth, and began chewing, during her arrest on drunken driving charges. Nydailynews.com reports, ZyZe McCausland nearly smashed her Mazda SUV into another car, then sped away when an officer yelled at her to pull over. The officer jumped into a police cruiser and followed her with its lights and sirens blaring, as she drove through stop signs and careened into a school parking lot located next to the police station. McCausland had the overpowering odor of an alcoholic beverage emanating from her breath, and her eyes looked extremely red, glassy and bloodshot. She agreed to a breathalyzer test at the station, but would not submit a breath sample when offered her the breath test device's mouthpiece. She begged for another chance to submit to the breath test and since she was acting somewhat rational, officers removed the handcuffs. She was told not to place anything in her mouth, whereupon she then stuffed a large portion of her shirt into her mouth and began chewing at the fabric. McCausland was booked on

misdemeanor DUI and resisting an officer charges, together with other counts. We had several punchlines we thought would be appropriate, but could not decide which would be best:

- This case demonstrates the breakdown in the fabric of our society.
- Perhaps it was just a ZyZe top.
- One should not have too much starch in her diet.
- Go eat shirt.

16. GOLDEN OLDIE HITS RENAMED: Some of the pop stars of yesteryear are revising their hits with new lyrics to accommodate aging Baby Boomers. They include: The Bee Gees -- How Can You Mend A Broken Hip?

17. AGING GRACEFULLY: I changed my car horn to gunshot sounds. People move out of the way much faster now!

18. TODAY IN HISTORY: In 1993, Dow Jones closes above 3,500 for 1st time (3,500.03).

19. KEEP THOSE CARDS AND LETTERS COMING: Several readers regularly supply us with suggestions or tips for newsletter items. Please feel free to send us or point us to matters you think would be of interest to our readers. Subject to editorial discretion, we may print them. Rest assured that we will not publish any names as referring sources.

20. PLEASE SHARE OUR NEWSLETTER: Our newsletter readership is

not limited to the number of people who choose to enter a free subscription. Many pension board administrators provide hard copies in their meeting agenda. Other administrators forward the newsletter electronically to trustees. In any event, please tell those you feel may be interested that they can subscribe to their own free copy of the newsletter at <http://www.cypen.com/subscribe.htm>.

21. REMEMBER, YOU CAN NEVER OUTLIVE YOUR DEFINED RETIREMENT BENEFIT.