



The Retiree

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From ARCRA President Jim Hamilton

ARCRA Board Update



The ARCRA board recently met with Red Cross HR leadership to discuss the health of the pension system and the Annual Funding Notice (AFN) that they sent out in October. We also discussed the stability of the pension system during the recent market volatility, and we walked away feeling good about the decisions that have been made regarding the retirement system funds. Jack Campbell and Dave Therkelsen have provided an analysis of the AFN on page 2. In addition, the board met via a video meeting to discuss how things were progressing through the end of October. Overall, the results were quite good.

- Membership is ahead of last year by 52 members, and we thank you all for your membership!
- Jack Campbell highlighted a specific case of a member regarding their investments over a long period of time. This member's situation was complicated by start and stop dates and outsourcing of some of the system to Alight. Overall, the experience was informative for ARCRA and the member and should help us with similar questions in the future.
- The Red Cross will be ending their Retiree Report, and ARCRA will be picking up the "In Memoriam" listing on our website. Look for

future announcements in upcoming eNewsletters.

- And finally, our webinars have been warmly received and actively participated in. The most recent webinar on Donut Dollies was truly heart-warming. It was hosted by Sue Richter-Vietnam, and featured Maxine Taylor-WWII, Shirley Hines-Korea and Vietnam, Debby MacSwain-Vietnam, and Linda Pelegrino-Vietnam. More than one hundred ARCRA and American Red Cross Overseas Association (ARCOA) members joined the webinar. See the article "Celebrating the Red Cross Donut Dollies" on page 4. Information on all past webinars is on the ARCRA website including a link to the recorded webinars <https://americanredcrossretirees.wildapricot.org/page-18103/>. We hope that you join your fellow members in 2021 at one of the many ARCRA Webinars. If you are not receiving the announcements, send your email address to admin@arcretireeassoc.org.

I hope that you experience good health and happiness throughout the Holiday Season and in 2021!

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In Your Corner—by Jack Campbell, ARCRA Treasurer and David J. Therkelsen, former ARCRA President **Retirement System (the Plan) Annual Funding Notice (AFN) and AFN Supplement**



By now you should have received from the American Red Cross the Annual Funding Notice, which reports officially on the state of the Red Cross defined-benefit pension plan (the Plan). The notice is required by law, as is much of the language describing the health of our pensions; this is why we provide additional important and clarifying points. Note: The AFN matters greatly to those of us who receive monthly income from the Plan; it does not matter to ARCRA members who are not part of the Plan (those who have received lump sum distributions or whose benefits may be fully or partially annuitized with Aetna, John Hancock or Athene). So read on, or not, depending on whether you are receiving or expect to receive a pension benefit from the Red Cross Plan.

The AFN and the numbers as of the latest valuation date, July 1, 2019

The “news,” though there is truly not much news included in this year’s AFN, is that our pension has net assets equal to 80.07% of its liabilities. This is almost identical to the figure for the two previous years.

The AFN shows that the pension plan’s assets are \$2.087 billion. Included in those assets are pre-paid credits of \$487 million, which according to the regulations must reduce the assets to \$1.600 billion. Plan liabilities – that is, what it must pay out to retirees in pension benefits – are \$1.998 billion. The reduced assets divided by the liabilities result in the 80.07% calculation of how well our pension plan is funded. This ratio is important. If a plan maintains a funding ratio of 80% or above, it demonstrates a strong level of funding that allows it to offer lump sum distributions and other options to participants.

By way of comparison, as of 2019, large-company pension plans, on average, had a funding ratio of 87.5%, according to the Millikin Corporate Pension Funding Study for 2019. Public-sector entities – states, counties, municipalities – had a 2018 funding ratio, on average, of 72.6%, according to the National Association of Retirement Administrators. Nonprofit pension funds, like ours, had an average funding ratio in 2019 of 83% according to the Standard & Poor Global Ratings. So, as of mid-2019, the Red Cross pension fund was funded significantly better than public-sector employers, less well than major corporations, and about the same as other nonprofits.

For various reasons, especially regulatory, pension fund ratios are reported to their members about 15 months after they are measured. So all of us who receive pension income will need to wait until about a year from now to have a good picture of how our pension fund is doing currently. However, the ARCRA board met a few weeks ago with key American Red Cross officials who reported some optimistic funding calculations for the next reporting period. Due to various funding, investment and de-risking strategies, combined with improved actuarial assumptions, **Red Cross management projects significant Plan funding improvements, greater than the most recent 80.07%, for the next valuation date of July 1, 2020.** These improvements will be detailed in the next AFN to be released in October 2021.

Trends in the number of Plan participants

For various reasons, some of them obvious and others less so, the number of people in the Plan is declining. As of July 1, 2019, there were 23,700 retirees receiving benefits, down from the previous year figure of 24,442. This figure will continue to decline, in part because retirees die - sorry, folks, but we do - and also because many potential pension plan participants elect to take a lump sum distribution when they retire. By way of perspective, in 2010 there were 55,750 participants in the pension plan, so we can see the large decline.

De-risking

You may have heard the term “de-risking.” This is what nearly all defined-benefit pension plans, including ours, have been doing over the last decade or more to reduce the future liabilities of their plans. In the case of Red Cross, several de-risking strategies have been undertaken. First, the plan was closed to new hires in 2009. Pension benefits for existing employees were frozen in 2012. Subsequently, lump-sum buyouts were offered to participants on several occasions. And, in 2017, annuities through Athene were purchased on behalf of about 10,000 retirees receiving benefits from the Plan. These actions have significantly reduced the number of

In Your Corner *Continued*

participants – although still protecting the pension entitlements of all retirees – and thus have reduced by millions of dollars each year the premiums Red Cross must pay to the Pension Benefit Guaranty Corporation, which backstops plan benefits in the event an employer is forced to dissolve its pension plan.

Funding and investment policies

The AFN reminds us that pension plan assets are invested to assure that the plan can satisfy all future obligations to participants and beneficiaries, as well as fund current benefit payments and expenses. Prudently investing assets to provide capital growth over the many years of plan liabilities is paramount.

Consider a year-end gift to ARCRA!

As members of ARCRA we all worked at the American Red Cross. Beyond our professional connection to the Red Cross our interest in ARCRA might include:

- The health of the retirement program, pension benefits and/or recent tax law changes
- Participating in ARCRA webinars that give us insight into the Red Cross today or societal events that impact retirees
- The support provided by ARCRA volunteers to members with benefit and other questions

You can make a gift by logging in to the website (arcretireeassoc.org) and click on the DONATE link or by sending your donation to ARCRA, PO Box 1581, Vienna, VA 22180. A gift of any size is appreciated.

Member Update

Retirement-A Wonderful Thing!

by Patty Flowers with Rick Lee

RETIREMENT! – I could not wait but I was a bit scared of how I would handle it. Losing access to my work emails (all 11,000–YIKES), not having to react to things in nano speed, losing my love of our mission. Would I still be relevant? Would I even know what to do with myself?



I asked questions of several retirees and the best advice I received was from a woman who said “don’t accept any board positions, committee assignments, tasks, etc. for six months. She was so right. You need that much time to redefine who you want to be.

The day after I retired, I followed up on a vow to go out for breakfast with my husband; something we both love to do but never found the time for while I was working! It was delicious and all that more delectable because I didn’t have to run off to meetings. The smile on my face was not to end soon...

The second thing I did was upgrade to be a Red Cross volunteer as the Partner for the Executive Director of Partnerships and Movement in International Services. I LOVE keeping close to the mission but doing something very different.

Then there’s the Airstream we purchased and travel in constantly, the stained glass class I’m taking with one of my former board members, the French classes, visiting our grands, mentoring young professionals...I wish there was more time in the day, but retirement is a WONDERFUL thing.

Patty Flowers was the Regional Chief Executive Officer for the American Red Cross serving the state of Wisconsin until 2018. She volunteers with the American Red Cross as Volunteer Partner to the Executive Director of Partnerships and Movement in International Services.

Patty and her husband, Dave, have four children and three grandchildren, their pride and joy.



We Love Feedback! Are we covering topics that interest you? Do you have any suggestions for ARCRA in general? Do you have questions that we can answer or send to Red Cross? Are there things we’re doing right that we should definitely continue? Just drop us an email at admin@arcretireeassoc.org or call our volunteer-staffed Retiree Connection at 1-202-303-7184 We promise to get back to you.

ARCRA Webinar - Celebrating the Red Cross Donut Dollies

The most recent ARCRA webinar was Friday, November 13 and titled “Celebrating the Red Cross Donut Dollies”. Here is a bit of the history edited from a longer version written by Debby MacSwain and read by Sue Richter that opened the program.



The Canteen Program was started in 1917 by the French and was soon expanded by the American Red Cross. Red Cross girls supplemented

the evening entertainment by distributing cigarettes, candy, apples and hot chocolate. Workers in canteens near the front lines also helped do emergency service, as we know now as emergency communications.



The first American Red Cross clubs were opened in England in May of 1942. The “clubmobile” program was started to reach men stationed where no service clubs were available. It started

with converted buses or heavy trucks equipped with donut making machines. The women traveled in teams, served in every theatre of the war and endured all the hardships as the troops. There were two “trainmobiles” in the Burma/China and India area.

In 1950, General Douglas MacArthur requested the Red Cross provide Clubs in Korea, as they had in WWII. By 1953 the small club system was replaced by a mobile recreation force, the SRAO (Supplemental Recreation Activities Overseas) program providing card games, books and of course coffee and donuts! The term Donut Dollie is thought to have been a nickname given by the soldiers in Korea.

In 1965, military authorities requested the SRAO program expand to Vietnam. The clubmobile teams of Red Cross women traveled by helicopter, jeep, and trucks to remote U.S. bases in South Vietnam.



The last of the 627 Clubmobile Girls returned from Vietnam in 1972. The SRAO program in Korea ended in 1973.

Additional information about this and all past webinars is on the ARCRA website and a link to the recorded webinars and speakers bios. <https://americanredcrossretirees.wildapricot.org/page-18103/>

Important Updates - Alumni Directory

At ARCRA’s urging, a new tile has been added to the landing page at the ARC@Work website making it easier to navigate to the Alumni Directory. This directory is updated periodically and includes retirees who are still receiving all or part of their pension from the Retirement System. Retirees who prefer not to be listed, chose to take their benefit in a lump sum, or are receiving their entire pension from an annuity company are not included.

It’s a good idea to log in to the ARC@Work website at <http://digital.alight.com/redcross> from time to time; retirees can:

- Update profile
- Update payment destination
- Change tax withholding
- Change beneficiaries
- Request documents and forms
- And much more!!

ARCRA maintains a Directory of our members on our website at <https://americanredcrossretirees.wildapricot.org/>.

PerkSpot Discounts for Red Cross Retirees

Before you do your holiday shopping, check out the Holiday Savings for Red Cross staff retirees and volunteers at PerkSpot:

- FIOS by Verizon-Discount for new and existing customers
- Costco-Join and get a \$30 Costco Savings Card.
- T-Mobil-Switch and save up to \$200 with \$10/month discount on premium talk, text and data
- Lenovo’s Black Friday Sale-save up to 70%
- Samsung-Discounts on electronics, appliances, phones and other products.

Go to www.americanredcross.perkspot.com and login and create an account to start receiving announcements of discounts.

American Red Cross Updates

COVID-19 Slows Efforts to Prevent Measles

According to the Red Cross, the World Health Organization and others working in the Measles & Rubella Initiative, (<https://www.redcross.org/about-us/our-work/international-services/measles-and-rubella-initiative.html>) the pandemic has hurt efforts to prevent outbreaks around the world when cases are at their highest in 24 years. Measles deaths climbed nearly 50 percent since 2016, claiming an estimated 207,500 lives across the globe in 2019 alone. The pandemic has disrupted vaccinations and other efforts to prevent outbreaks with 94+ million people at risk of missing vaccines.

Measles is one of the most contagious and severe childhood diseases and risks are higher in developing countries where there is limited access to health care.

The Measles and Rubella Initiative led by the American Red Cross, the United Nations Foundation, the CDC, UNICEF, WHO and global immunization partners like Gavi, the Vaccine Alliance, the Bill and Melinda Gates Foundation and others, helps countries increase press coverage and public info campaigns of measles and rubella, investigate outbreaks, provide support for effective outbreak response, and more.

“We are concerned that COVID-19 will contribute to an increase in the number of measles cases and deaths,” said Gail McGovern, president and CEO of the American Red Cross. “Measles knows no borders, and it is imperative we work together to vaccinate more children and continue the fight against this preventable disease. Join us in this

effort.” It only costs \$2 to vaccinate a child. Think about joining the global fight; text PREVENT to 90999 to give \$10 to the Red Cross.

Blood Donors Needed During the Holidays

As you and your families plan for the holidays and start checking off your gift list, think about giving the “gift of life” to those who need blood to live and stay healthy. The blood supply in the US is critically low and we confront new surges of COVID-19 cases, AABB, America’s Blood Centers and the American Red Cross are joining together to urge eligible individuals to make and keep an appointment to donate.

Since the early stages of the COVID-19 pandemic, the blood community has experienced unprecedented fluctuations in both supply and the need for blood. A variety of events—including wildfires in the western states, recent hurricanes and other storms—have led to additional disruptions and compounded the impact of blood drives cancelled because of COVID-19. While there are many uncertainties ahead, the need for blood remains constant.

Heroic volunteers have continued to donate blood during this pandemic, and more heroic donors will be needed to make the “gift of life” during the holidays.

To schedule an appointment to donate, individuals may use the Red Cross Blood Donor App, visit RedCrossBlood.org or call 1-800-RED CROSS. The Red Cross adheres to the highest standards of safety and infection control.

ARCRA Volunteer Positions

Think about making ARCRA one of your volunteer commitments ... we could use the help!!

“Beat” Reporter for Red Cross Mission Work

We’ve split the topics we want to cover in our publications and on website into 5 “beats” including Red Cross Mission Work. The reporter for this beat will monitor RedCross.org and other ARC sources, grab compelling content, edit for our retiree audience, and place a couple of brief stories each month.

Board & Committee Members

Most of ARCRA’s work gets done in one of our committees; the more retiree participation that we have, the better job we’ll do for our members.

For a detailed description of board and committee responsibilities and additional information about the other volunteer opportunities noted, email Nominations Chair Michael Carroll at Michael.Carroll@arc retireeassoc.org

Mary Louise Chapman Dies in October at 101



In the weeks before her death in October, Red Cross friends and colleagues joined a Zoom meeting with Mary Lou Chapman. They shared stories and remembrances, and enjoyed hearing Mary Lou's wonderful stories from her long career at the Red Cross starting as a Donut Dolly in 1943. The following article originally ran in the ARCRA eNewsletter in February, 2019 to celebrate her 100th birthday. The original article was written by Mary Lou Chapman and Anne Chan.

Mary Louise (Mary Lou) Chapman joined the American Red Cross during WWII in 1943. Mary Lou was sent to England and assigned as a Clubmobile worker, also known as a "Donut Dolly." She served on B24 air bases and later the 2nd Armored. Mary Lou went to France in the summer of 1944 and was assigned to General George S. Patton's Third U.S. Army. She was in Austria when the war ended and returned home to the U.S. in 1945.

Mary Lou left New York State in 1946 to be Assistant Director of Red Cross Youth in Long Beach, CA. After serving in that capacity for three years, she came to San Francisco as Red Cross Youth Director. Mary Lou loved her job. She later married W. Max Chapman, M.D. who was the Director of the Red Cross Blood Program in the Western Area.

In 1984, Mary Lou retired from Red Cross as the Assistant Manager of the Golden Gate Chapter and turned her attention to the tennis courts. She played tennis from age 12 to 98. She continues to golf, enjoys playing duplicate bridge, and serves on the Red Cross Youth Committee. Mary Lou says, "I may put the (ARC) retirement system out of business. I've received my pension for 25 years!"

Mary Lou also served as the District Chairman of this area for the American Red Cross Overseas Association. Membership in this great organization is open to all Red Crossers who have service out of the country.

WQED in Pittsburgh produced a 2013 documentary of another Doughnut Dolly, Elizabeth Black, a Pittsburgh artist who drew portraits of the soldiers and sent them back to their parents. She drew one woman, Mary Lou "Lu Lu" Weller (Chapman) who is featured in the documentary, which won 2 Emmy's. <https://www.wqed.org/elizabethblack/>



ARCRA Officers for 2021

The ARCRA Board of Directors has elected Harold Brooks to serve as Vice President and Sharyn Whitman to serve as Secretary beginning in 2021. (See Sharyn's bio under nominations on next page)

Harold had a 41-year ARC career serving his last 4 years as Senior Vice President, International Services. For 16 years, he was CEO of ARC of the Bay Area. He joined the ARCRA Board in January, 2018 and has served as the Chair of Advocacy and Education where he has spearheaded our educational webinars that are popular with many members.

Jim Hamilton and Jack Campbell will continue in their terms as President and Treasurer, respectively. Looking ahead to 2021, President Hamilton said, "We are extremely pleased that Harold and Sharyn are expanding their support to fellow Red Cross retirees and want to thank Jack especially for his willingness to extend his term as Treasurer through 2021. We're all going to roll up our sleeves and continue to do all we can for our members next year and beyond!"

Per the ARCRA bylaws, members elect Board of Directors members. The Nominations Committee and the ARCRA Board recommends the following individuals for election to two-year terms on the board. Please see bios and ballot on next page.

Board Nominations

For Reelection to a second two year term:



Sharyn Whitman: Sharyn retired in 2015 after serving in Red Cross for 38 years. Her positions included Division Vice President overseeing Blood Regions in Ft. Wayne, Louisville and Nashville and CEO posts in Ft. Wayne and Columbus. Since election

to our board, Sharyn has been a stalwart on the Nominations Committee.

The Nominating Committee recommends the following be elected to a two-year term:



Randy Hutson: During his 11-year career with the ARC (2002 – 2013), Randy served as CFO and COO serving King and Kitsap Counties (Seattle) and Regional CEO, Western Washington Chapters .His previous corporate background in finance and accounting is helpful

in identifying information and tools to help retirees manage their financial resources. Randy lives in Kenosha Wisconsin.



Chris Saeger: Chris started his career in Broome Co., NY and moved to disaster leadership positions at Eastern Operations HQ. Before retiring in 2011, he served in Disaster Services included Director Performance Improvement,

(Disaster Services) Manager Training, (Office of Volunteers), Manager Disaster Services Training and Sr. Associate, Human Resources Development all at NHQ. During 2020, he has served on ARCRA’s Programs and Services Committee and helped update the Retiree Connection Program Guide. He lives in Roanoke, Virginia.



Jim Naffin: Jim brings us 20 years of field and NHQ experience, starting in 1975 as Comptroller of the Lansing, MI Chapter and Great Lakes Blood Region. He moved to

NHQ and held director level positions in budget and finance. From 1989-1991 he was Comptroller of the National Capital Chapter. and returned to NHQ as the Special Assistant to the SVP of Biomedical Services thru 1995. In 2020, Jim joined the ARCRA Washington/Baltimore Group Board

2019 Ballot - You can vote online at <https://arcretireeassoc.org>. You will receive an email with the link when voting is open.

To serve a first two-year term on the board

- Randy Hutson
- Jim Naffin
- Chris Saeger

To serve a second two-year term on the board

- Sharyn Whitman

Suggest someone for future ARCRA board position

Clip and Mail your Ballot

*American Red Cross Retiree Association
PO Box 1581,
Vienna VA 22180*

Update Contact Information

Name (last, first, MI)

Street Address, P.O., or RFD #

City, State, Zip _____

Phone: _____

Email address _____

Connect with ARCRA Groups

There are fifteen ARCRA Groups that gather for social and informational meetings. While face-to-face activities and meetings have gone virtual this year due to COVID-19, ARCRA Groups help members stay connected. Get connected with fellow ARCRA members by sending an email to the group contact.

Northern California Coastal Group

Anne Chan [sfcgal999@gmail.com](mailto:sfcalgal999@gmail.com)

Southern California Group

Al Panico ajpan@yahoo.com

Evergreen State (WA) Group

Ann Bodden ann.bodden@redcross.org

Greater St Louis Group

Loretta Hassler hasslerla@yahoo.com

Ed Pete Amos ejamos@hotmail.com

Minnesota Group

Barbara Pierce Pierc024@umn.edu

Ed Marek khangee1@yahoo.com

Cincinnati Regional Red Cross Retiree Group

Gary Miller gary.miller@redcross.org

Greater Cleveland Group

Dorothy Dimmick linneo1951@gmail.com

Oklahoma Group

Timothy Sartorius sartorit@cox.net

South Central Texas Group

Bob Howard bhoward@ghspr.com

Georgia Group

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South Carolina Group

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