



Steve Chernek/Daily News-Sun

Bill Ball, left, and John Krembs greet each other at the end of lunchtime at the Olive Branch Senior Center Tuesday. A lot of the visitors to the center rely on Social Security as a major part of their income, said Ivy Wixson, manager.

Better than nothing

Even with increase, seniors stretch Social Security dollars

By GINGER SCOTT-EIDEN
DAILY NEWS-SUN

A small pension helps buy a few groceries and pay some of the bills, but the core of Mary Vimont's income comes from her monthly Social Security check.

"Taxes are the biggest problem," said the 65-year-old Sun City woman. "Every quarter you think you're going to be able to put something away, but you end up paying taxes."

The Social Security Administration this week announced that recipients will see a 2.4 percent raise in their checks next year, the biggest cost of living increase in three years. Officials said the average monthly check for retirees will rise by \$19, from \$785 to \$804.

Vimont said she could use the hike in her check, but it's a small step in catching up to the constantly

increasing cost of living.

She said she stretches her Social Security check as far as she can by avoiding eating out at restaurants and buying her clothes second hand.

"A little bit here and a little bit there does make a difference," she said. "But it's hard. And you don't really know unless you experience it."

Many visitors to the Olive Branch Senior Center in Sun City depend solely or mostly on Social Security to pay all of their bills, said Ivy Wixson, director of the center.

"\$19 is \$19," Wixson said. "But a lot of times they give an increase and the Medicare goes up."

Wixson said she's heard stories from people at the center who put off paying for prescriptions and medical care because they just don't have the funds.

Others will eat fewer meals, scrimp on the heating or cooling of their homes or forgo having a telephone to save a few extra bucks, she said.

"I have one man who doesn't use his television or refrigerator," she said. "When he requests food boxes, he asks for items that don't need to be refrigerated."

The average income for people ages 70 to 80 on

See Social Security, A5

OVER

Social Security is about \$800, according to Social Security Administration statistics.

Most people in the Sun Cities own their homes, eliminating some housing costs. However, other bills can add up.

Patrons at the Olive Branch Senior Center said their average costs for prescriptions is about \$100 each month, Wixson said. Electric bills can average \$80, gas service from Southwest Gas costs about \$50 and water and sewer bills in the Sun Cities range from \$25 to \$30, officials said. Trash pick up from Parks and Sons runs about \$11 a month for regular resident service and phone service without long distance calls is another \$20.

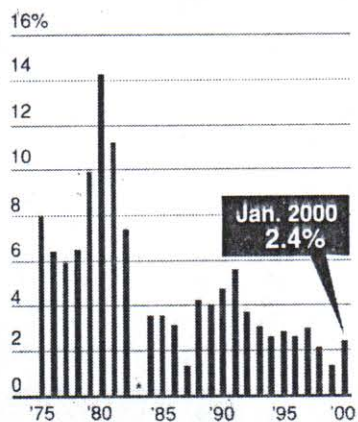
This leaves a few hundred to pay for groceries, medical attention and tucking away for future emergencies.

John Krembs, 55, of Sun City said he gets some money from his pension, but the majority of his income comes from Social Security.

He said he hasn't had much

Social Security

Here are the annual Cost-of-Living increases for Social Security beneficiaries since the system was linked to the Consumer Price Index in 1975.



*COLA ceased for six months in 1983 in order to bail Social Security out of a financial crisis.

AP

trouble making ends meet during his retirement, but he does worry about the future.

"I make it pretty good, but I've only been retired for two years," he said.

Ginger Scott-Eiden can be reached by e-mail at gscott@aztrib.com or by calling 876-2522.

Has Social Security lived up to its promises?

"It's very needed and has met many people's needs. But it's not sufficient to meet today's economic needs."



Faye Beck
Sun City West

"I think it's (Social Security) probably overdone with some things. It was supposed to be retirement and survivors benefiting, but they've broadened it to too many things."



John Steadman
Sun City West

"I retired from a good job, but I think (Social Security) has been a lifesaver for us. My husband and I were forced into early retirement."



Jessie Seybold
Sun City

"I've never had any problems with it. Let's put it this way, when I retired, \$4 for every hour I worked went into retirement."



R. Hugh Learned
Sun City

"I haven't started collecting yet. They keep dipping into it and there's not going to be much left for me."



Arthur Prach
Sun City West

Catholics offer aid to elderly

Center in Surprise open to people of all faiths

By Ryan Konig
The Arizona Republic

SURPRISE — Catholic parishes in the Sun Cities and non-profit groups in the Valley are opening a center here to coordinate counseling and other help programs for the elderly.

The Catholic Center will help those who hope to avoid entering a care facility.

"Our intention is to help people get the resources they need so that they can continue living in their homes for as long as possible," said Pearl Quast, vice chairwoman of the advisory committee for the Catholic Center.

To that end, the Catholic Center, which will serve people of all faiths, will provide a professional staff, counseling, care management advice, information and referral, and other services.

The center, which opened in mid-December, will have an open house from 1 to 4 p.m. Sunday at 12301 W. Bell Road, Suite 103. The center is on the southern side of the Village Tower Shopping Center.

The center was coordinated with the help of five Catholic parishes in the Sun Cities, the Foundation for Senior Living, Catholic Social Services, the Catholic Diocese and other groups.

"What we have done is pulled together our resources," said Guy Mikkelsen, president of the Foundation for Senior Living. "The parishes will continue running their programs, but the center can help with coordination efforts, and we will be able to identify gaps in services and begin to create programs that fill those gaps."

The center also will make it convenient for people looking for information about elder-care issues and for people looking to volunteer their time to help elderly people in need.

For information about services or for volunteering time, the center can be

Center plans open house

— **CENTER**, from Page 1

reached at 933-4300.

"The whole notion is to provide a place for the Catholic people who are interested in volunteering their time, and this is an organized way of doing that and helping those most in need," Mikkelsen said.

The center's director is Clayre Heaslip, a psychiatric social worker.

"We're not here only for Catholics, but our goal is to bring a Catholic presence to the people who want that," Heaslip said.

"For years, I have not been able to pray with people or bring any kind of spirituality into the therapeutic process, and this project is wonderful, because now I can do that."

Community Fund provides aid

By FRAN SMITH
Staff Writer

That residents can become destitute in Sun City may surprise many people, but Margaret Campbell knows it's true.

Outgoing chairman of the needs committee of the Sun City Community Fund, she's heard the sad stories of dozens of victims of financial stress. Sun Citians are not widely known for poverty, certainly, but it exists here, and some of the worst cases have been aided by the Fund.

A proud woman in her 80s had been eating dog food, actually, when her plight came to the attention of the committee. "For weeks she hadn't had fresh milk or such luxuries as bananas. She had almost no money," Mrs. Campbell says. "We were able to help her with medical bills and food allowances."

IN THE COMMUNITY Fund's budget of \$145,000 is a \$30,000 pot that the committee taps as needs knock at the door. Requests handled there are those that don't qualify for assistance from the 26 other human service agencies helped by the Fund. The situations are mostly simply a lack of cash for necessities. The solutions are mostly

gifts or loans of cash.

The committee's guidelines provide for assistance for persons who are financially distressed "through no fault of their own." Health problems and medical bills are the most common reason for their predicaments, although other circumstances account for some of the situations.

A 62-year-old woman who suffered from arthritis developed a kidney condition for which she needed surgery and dialysis. Before her case was referred to the needs committee, she had wiped out her savings and run up a \$17,500 medical bill. The Kidney Foundation eventually began picking up charges, but the Community Fund's money got her out of a real emergency.

THERE IS WHAT Mrs. Campbell calls a "chasm" between the time many persons retire and semi-retire and move to this area from other parts of the country and the time they are covered by all of the benefits of Social Security, including Medicare. A long illness or injury that strikes during that "chasm" can be catastrophic.

One new Sun Citian had worked so hard to get his house in shape after moving here that he had a heart attack

and spent 31 days in intensive care. He was not yet on Medicare and because of his recent move could not get his private insurance plan transferred in time to help with his hospital and doctors' bills, which totaled \$30,000. He was "wiped out" financially in short order. The Community Fund came to his aid.

A "young" couple, in their 50s, moved to Sun City from back East, planning to continue working until they were old enough to retire. They couldn't find jobs, however, and soon were down to their last few dollars. "We came up with some money to provide a bridge until they could get some new sources of income," Mrs. Campbell said.

WHEN A NEED COMES to the committee's attention, at least two members investigate and together make a recommendation to the Community Fund's executive committee. The executive committee then decides whether to get involved, how much to get involved and how soon the case should come up for review. Only the needs committee members know who the applicants are, and strict confidentiality is promised.

Do deadbeats show up with their hands out?

Mrs. Campbell says that most Sun Citians have too much pride to ask for help unless they have really exhausted all of their own means.

ONE PROFESSIONAL man who retired early to a "beautiful house on the golf course" did get some help for a time because of medical bills, but when his case was reviewed, the committee ended its assistance. "He had not planned well," Mrs. Campbell said. "We thought that after four months, he could have put up that expensive home for sale, talked to his children about pitching in or at least done more to help himself."

Working for Macy's as a clerk and then supervisor for many years, Margaret Campbell learned a lot about dealing with people. She caught on to the technique of measuring carefully when to talk and when to listen.

So far, the \$30,000 per year in the needs committee budget has been sufficient. Inflation hits the poor harder than it hits anybody else, however, and the demand on the fund is expected to grow.

Sun City fund comes to rescue of 'invisible poor' residents in area

By Steve Yozwiak
Northwest Valley Bureau

SUN CITY — Perhaps this Thanksgiving Day, people here need not be more grateful for anything than each other.

Among the rows of finely painted houses and manicured desert-landscaped yards are the invisible poor — people who are most often the victims of unpredictable inflation and illness.

They were raised in a time when people were taught to take care of themselves.

Now, many of them are forced to reach out for help.

And their pride makes this more difficult.

But just as native Americans gave food to Pilgrims until they could fend for themselves, the Sun City Community Fund for 17 years has provided some residents here with a way to help each other get back on their feet.

"Most people have the impression that we're all

millionaires," said Loren Ness, former president of the the fund.

But many people moved here without adequate finances or insurance to deal with years of double-digit inflation and catastrophic illness, Ness said.

"These are people who probably came here in the early years (1960s) south of Grand Avenue," he said, although circumstances can bring down even those who are best prepared regardless of where they live.

"We have people here in Sun City who are trying to get by on \$500 a month, and it doesn't work. They need help — sometimes very desperately."

Marianne Brecher, chairman of the fund's personal-needs committee, said this year, the organization will give direct aid of as much as \$6,600 to more than 40 individuals or couples.

Brecher said it is impossible to determine what percentage of the needy here are receiving help.

"There are a lot of people in need who are too proud to accept help," she said.

Confidentiality is rigidly enforced, but Ness and Brecher cited several examples of people here in need of financial help. They include:

- A woman, abandoned by her husband, was forced to sell her car and much of her furniture in order to make her mortgage payments. "She really had no resources at all, and the worst part was that she had no medical insurance," Brecher said.

- A couple was faced with foreclosure because they were more than five months past due on their mortgage payments.

- A couple living on \$700 a month was forced to sell their home and rent in order to pay medical bills.

- A woman with cancer was too young to receive the Social Security benefits of her deceased husband and no longer was able to work because of her illness.

Many older people in nursing homes receive grants from the fund to help pay for their care because their Social Security payments are insufficient, Brecher said.

And many others are unable to make ends meet if Social Security payments are their only source of income, she said.

Ness said the pensions of many persons who retired in the 1960s also are insufficient to supplement their Social Security benefits.

Organization of the Sun City West Community Fund was completed in September and its president, Joe Kelso, said it helped its first needy family this month.

A couple barely getting by on Social Security and food stamps were hit with an unexpected medical expense, Kelso said.

"It just wiped out their savings," he said.

— Fund, Extra 13

Continued from Extra 1

Sun City West, only four years old, is generally considered more affluent than Sun City.

Although inflation has slowed this year, Kelso said record high inflation during the past four years also had a devastating effect on the financial planning for many retirees there.

Nearly \$260,000 was raised for the Sun City Community Fund last year, mostly through individual donations averaging about \$25, said Fred Bedford, fund president.

Ness said about \$60,000 will be used this year for personal needs, which is the fund's first priority.

He said the rest goes to several other community services, including: Meals on Wheels; Sunshine Service, a hospital-equipment-lending service; the Salvation Army; Handi-Capables; crisis counseling and day centers of Interfaith Services Inc.; an information and referral service; and local hospitals.

Through the years, Bedford said, the fund has helped tens of thousands of people here, either directly or indirectly.

In addition, Brecher said the donations by Sun City residents have found their way to food charities throughout the northwest Valley.

Bedford said the fund also donates money to several national disease-prevention societies.

"Because there are people here struggling with those diseases, we contribute towards research in those areas," he said.

Both the Sun City and Sun City West community funds are conducting annual fund-raising drives that began in October.

Bedford said the Sun City Community Fund has raised \$232,000 in its push to raise \$260,000 again by Dec. 31.

Kelso said the Sun City West Community Fund has raised \$22,000 in its effort to raise \$50,000 by Jan. 31.

"It's real encouraging," he said. "We're starting off from scratch. I think it's doing very, very well."

Upstart dental clinic caters to poor in Sun City and Youngtown

By JOEL NILSSON

SUN CITY — It's incredible what ingenuity and dedication, sprinkled with snips of brashness and perseverance and combined with dollars, can do.

Dr. Jesse Lansner has blended those ingredients masterfully and the result is the seven-month-old Sun City - Youngtown People's Dental Clinic which caters exclusively to low-income residents living in those two retirement communities northwest of Phoenix.

Short and portly, Lansner, 62, moved to Sun City in 1974 from Long Island, N.Y. after suffering a heart attack that prematurely ended his Brooklyn dental practice.

He and a staff of six other retired dentists (there are five more on a waiting list) and some 13 women volunteers who act both as receptionists and dental assistants offer dental care at "minimal cost" to residents who can't afford high-priced dentists in private practice.

In the clinic's short life, about 200 patients have been treated for a myriad of ailments at bargain basement prices.

Some, who can't even afford the \$4 fee for a filling, the \$5 for a cleaning and scaling or the \$35 for a root canal, pay nothing. And the staff of the clinic receives not a penny in salary.

"The only people coming to this clinic couldn't afford to go to private dentists," says Lansner. "We are not taking

away any patients from the private dentists."

There might not even be a clinic today if it hadn't been for the bureaucratic hassles Lansner encountered while trying to put his skills to use on a volunteer basis.

Confessing he wasn't "ready for the scrap heap yet," Lansner set out to do volunteer work for the Phoenix Indian Medical Center, but was rebuffed be-

cause the center had a working arrangement with the Arizona Dental Association to use it as a training program for young dentists.

Undaunted, he pressed on and contacted two Arizona congressmen. This ultimately resulted in Lansner receiving approval to practice.

That same year, 1974, the legislature passed a law permitting retired dentists

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(OVER)

More
about

Cheap dental clinic

Continued from Page B-1

who wanted to do volunteer work to apply for a restrictive permit.

The idea for the low-cost clinic then was born.

But the road to fruition still had a potential blockade. The State Board of Dental Examiners turned down Lansner's request to run the clinic on a minimal fee basis, saying the law prohibited charging any fee if the clinic was to be staffed by restrictive permit holders.

He then contacted state legislators, and in 1975, the law was changed. The organization of the clinic started in earnest.

A board of directors was organized, and steps were taken to scrape together funds in the face of opposition from active dentists fearful their practices would be hurt by the clinic. Contributions came in from civic groups, churches and individuals.

The largest contributor was the Del E. Webb Development Co., which remodeled an office in a company-owned professional building at 12630 N. 103rd Ave., and gave the fledgling clinic a year's free rent including utilities and janitorial services.

A manufacturer of dental equipment furnished equipment in one of the two dental suites "because I asked them to," contends Lansner. "You've got to be brazen."

The second suite was furnished by a dentist friend of Lansner's from New Jersey. The only cost to the clinic was for transportation of the equipment.

Dental instruments were donated by retired dentists from across the country, while waiting room furniture also was donated and then reupholstered at cost.

"When I say this has been a community enterprise, I mean just that," says Lansner, who adds bitterly that local practicing dentists provided "absolutely nothing."

An independent committee screens all applicants and determines eligibility. To receive dental care, a single resident must have income less than \$5,000, while a married couple's income must fall below \$7,500.

Lansner is adamant about the eligibility criteria. One of his fellow dentists arrived for his first day of work with a toothache and wanted it extracted. Lansner sent him to a private dentist because he didn't qualify as an indigent. "He didn't realize how deep this concept is."

Estimated first year costs for the clinic are \$10,000, but they invariably will rise because of anticipated hikes in malpractice insurance premiums, he said.

Lansner believes the clinic can become "pretty close" to self sustaining by using the fees to purchase supplies and pay for laboratory work. "We will continue in operation, bar nothing," he asserts.

Citing a definite need for low cost dental treatment, he says the patient load can be doubled by expanding the hours worked and increasing the staff.

Lansner also believes the concept should be expanded statewide.

"I feel that there is a deep moral obligation on the part of the dental profession in this state to participate in a sincere and genuine effort to serve the indigent dental population on a volunteer basis," says Lansner.

Salvation Army feeds SC hungry

Fifth in a series

By MARY L. CRIDER
Staff writer

The Sun City Community Fund was set up originally to take care of the emergency needs of Sun City residents, which is also a goal of the Sun Cities Area Corps of the Salvation Army, said Major Glenn Austin.

"Here in Sun City and Sun City West the perception is there is no poverty. But it is hidden. Illness takes a toll. So does living on a fixed income, like Social Security," Austin said.

Austin and his wife, Delores, also a major, have directed the local corps since 1986. The corps has been in existence since 1982 at 10730 Union Hills Drive, Sun City. During the preceding four years, it was an offshoot of Salvation Army programming for small communities, Austin said.

One of 16 Sun City Community Fund-funded agencies, the corps depends on monies it receives annually from SCCF to provide services to Sun City needy. SCCF began in 1996 as a local alternative to giving to the United Way. Its annual fund-raising drive underway now, donated money stays in Sun City to help Sun City residents.

In years past, the Salvation Army received about \$15,000 in SCCF monies. In 1996, due to a drastic drop in donations, it received only \$5,000 — about 2 percent of its overall funding, Austin said. Although he and his staff were disappointed to receive the lesser amount, they were grateful none-the-less.

"It helps, every little bit helps. It's not the amount we get from various sources, it's the amount of sources — because it all adds up," he said.

"We have a clientele of Sun City residents, 102 in 1996, very low-income, for whom we provide food no questions asked," Austin said.

Through its Share Program, the Salvation Army also uses donated SCCF monies to provide emergency utility costs for Sun City residents, allocating about half of its 1996 grant for that purpose, he said.

The typical Sun City recipient of aid from SCCF money is a widow over age 75 with an extremely limited income and very proud, Austin said.

"We find an interesting thing once we break through the veneer of people and their pride. We have a wonderful ability to be close in many areas. They become friends with us, and it becomes a joy for them to



Mollie J. Hoppes/Daily News-Sun

Salvation Army Maj. Delores Austin checks supplies in the Sun Cities Area Corps' food storage room. The Sun Cities Area Corps uses funding received from the Sun City Community Fund to supply basic foods to need Sun City residents.

come in," he said. "We try not to have any hard and fast rules about when they come to make it easy on them."

Most Sun Citians seeking Salvation Army aid find out it is available through word-of-mouth or because someone referred them.

The corps also provides for emergency needs throughout the Sun Cities area, helping people in need pay for prescriptions and medical equipment and making referrals.

For information about the Salvation Army, call 977-1084. For information about the Sun City Community Fund, call 876-0178.

Falling income

By Pauline Yoshihashi
and Peter Pae

Staff Reporters of the Wall Street Journal

SUN CITY, Ariz. — Amid recessionary gloom, the silver lining of low interest rates is bringing blessed relief to home buyers, corporations and countless other devotees of borrowed money. But here in Sun City, those deliciously low rates are no silver lining. They're the cloud.

"These interest rates are scaring the hell out of me," says John Parson, a lanky former auto worker, as he sips his coffee at the local Denny's. His certificate-of-deposit returns have plunged from 8 percent to about 4 percent, enough to make him toss and turn at night.

The extended rate decline has set off alarms all along the quiet streets and lush fairways of this sprawling retirement haven, shocking residents whose security is backed by safe and simple interest-bearing investments. Now, thousands of startled Sun Citizens, like many other among the 35 million Americans over 65, are faced with financial and investment issues they hoped they'd never have to address.

Lost income

Falling interest rates may be a tonic for the economy as a whole, but they are bitter medicine to many of the elderly. The American Association of Retired Persons estimates that 54 percent of all interest-bearing money-market and CD accounts are held by seniors, who have a huge 30 percent of their net worth tied up in interest-bearing assets. For every one-percentage-point drop in short-term rates, people 65 and over lose \$14 billion in income, according to Economic Analysis Associates, an economic research firm in Stowe, Vt.

This contrasts sharply with the way lower interest rates affect younger people, such as baby-boomers buying a house and running up debts as they raise their families. For every one-point drop in short-term rates, consumers between the ages of 25 and 44 gain \$10 billion in income, the Vermont research firm estimates.

The loss of interest income is cushioned by lower inflation, of course. It ran a mere 3.1 percent last year as measured by the consumer price index; 10 years earlier, although savers could get 14 percent on a three-month Treasury bill, they faced 10.3 percent inflation. Still, the elderly don't get the full benefit of this lessened inflation, because their spending patterns don't mirror the components of the consumer price index. They spend a higher percentage of their incomes on health care, for instance — and health care is one expense that continues to surge.

alarms Sun City

Reality check

Some analysts say the comfort of high returns on ultra-safe investments was something that couldn't last. "Retired people were spoiled in the '80s," says Paul Mastroddi, chief economist at J.P. Morgan & Co. "The high rates were an aberration. Now they're returning to normalcy."

If so, that's a particular jolt in a place like Sun City, which is

dedicated to creating a kind of golden-age sanctuary from some of life's harsher realities. Since the 1960s, this desert enclave northwest of Phoenix has been a little bit of paradise for those who prefer to be known not as senior citizens but "active adults." Its developer, Del Webb, added 18 golf courses, 64 bowling lanes, bocci and horseshoe courts and many other amenities.

Seniors pay anywhere from \$60,000 to \$200,000 to buy a piece of the good life in Sun City and its sister development Sun City West. The neighborhoods beckon them with an enveloping air of safety, thanks to a volunteer "snoop squad" that helps keep the crime rate low. There's even a sort of lending library for sickroom equipment, called the Sunshine Service. Silver-haired cleanup teams scour the street, where the worst litterbugs are city-owned trees shedding overripe oranges onto the hot macadam. The 14,000 sandy acres of Sun City have been overtaken by wave after wave of tidy tract houses. Nearby are older developments like Blue Sky Mobile Estates to the south.

A saver's story

Thera McMehen, 88, lives there in a modest but comfortable white mobile home. Decked out in a bright-red pant suit, she sits at her kitchen table with a calculator and stacks of papers carefully sorted into Ziploc bags as she totes up the damage to her investment income last year.

"Near as I can tell, I'm in the hole almost \$1,000," she says, in accents of her native Oklahoma. With investment income totaling about \$6,500 last year, a drop of that size is no small concern. Her Social Secu-

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Retired people were spoiled in the '80s. The high rates were an aberration.

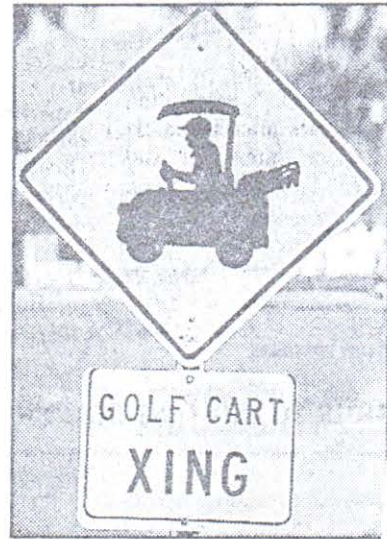
PAUL MASTRODDI

CHIEF ECONOMIST, J.P. MORGAN & CO.

rity last year came to \$6,396.

Despite the letup in inflation, Mrs. McMehen, who is widowed, finds that most everything she needs costs more. That includes the \$239 a month rent on her mobilehome lot; her auto insurance, which has doubled; utilities; and even a jar of High Top strawberry jam, which has jumped 50 percent to \$2.09.

And there's the constant worry of health care. Mrs. McMehen fractured her hip last year in a tumble, and has cut back on her driving and gotten an aluminum walker because of dizzy spells. While Medicare has taken care of most of her medical bills up to now, she pays \$526 every six months for supplemental insurance.



OVER

Sacketts supplement their pension and Social Security income of about \$1,500 a month by investing the proceeds from selling a house they inherited in Ohio.

But with each rollover of maturing CDs, Mr. Sackett, 72, has become more concerned. He got 10 percent on three-year CDs in 1983. When the bank offered a 4.35 percent rate on one-year certificates last fall, it shocked him into taking action. For the first time in his life he has hired a financial planner and taken the plunge into investments like equipment leasing partnerships and stock mutual funds. He took an investing course at a local college, where he learned, he says, "that CDs aren't 100-percent safe, and that with a little bit more risk you can keep ahead of inflation."

That, of course, is no sure thing. But historically, it is true that equities keep one ahead of inflation a lot better than fixed-income investments do. However, "These people remember the Depression," says J. Donald Larkin, a Sun City financial adviser. "Most can't stand any kind of risk, and it's hurting them."

Mrs. McMehen's nest egg comes from a lifetime of hard work that began shortly after she left Oklahoma for Texas and, later, Arizona. Before refrigerators, she and her family sold soda pop, ice and watermelons — "a penny a pound, two cents ice cold" — from a roadside stand along Indian School Road in Phoenix. "We sold four tons of ice on July 4, 1928," she recalls. "If I had a nickel for every icecream cone I scooped and every pop-top I popped, I'd own the big building that's there now."

Instead, most of her savings result from years of homesteading with her late husband on 320 acres of wild Arizona desert near Buckeye. "Sold off most of it and got \$114,000," with \$25,000 clipped for taxes, she says.

Though Mrs. McMehen always saved, she avoided most equity-based investments. "I tried to be as cautious as I could," she says. "I never played the market." Much of her assets are in such things as money-market funds, but their complexity confuses her. "They send me all kinds of papers, but Jiminy Christmas, I can't keep up with them all," she says. All she knows is that her income has dropped, and she plans to sit down with an investment advisor soon.

"Those CDs are no good these days, and I have to do something," she says. But the self-reliant Mrs. McMehen retains her good humor. "Be sure to buy me some red pens, those two-for-a-dollar ones," she tells her visiting son, James, as he heads out with her grocery list and a stack of coupons. "I'll need to be writing in red ink."

Trying a little risk

Other retirees, like Charles and Ruth Sackett of Sun City West, have finally branched out from safe, fixed-income investing into more promising — but riskier — strategies. The Sacketts moved here from Tallmadge, Ohio, when Mr. Sackett retired after 42 years from his field service job with B.F. Goodrich Co.'s aerospace division. Like most Sun Citians, they paid cash for their house, a bright three-bedroom model that cost about \$110,000 with furnishings and customized add-ons like a big porch for Mrs. Sackett's ceramics and craft hobbies. The

month for the apartment, \$5 for transportation, \$5 a week for groceries and \$8 a month for lessons and courses I was taking," he says. When he became a CPA in 1935, his pay jumped to \$135 a month — "a real bonus," he laughs. "Going through the Depression, you really appreciate those things."

A devout student of the market, Mr. Zwislser subscribes to a raft of financial publications and combs through corporate reports as a hobby. He sets his standards high, seeking a 20-percent return on equity for firms he invests in. He diversifies by buying just a few hundred shares of each of a range of stocks.

He concedes that his approach isn't for everyone. "I may be a little more aggressive than someone who wants to pass on an estate to their family," says Mr. Zwislser, who has no surviving children. Two beneficiaries are the local medical center and the Episcopal Church.

Mr. Zwislser represents a minority of growth-minded retirees who've avoided depending on interest-based investments. Del Webb Corp. pegs Sun City residents' combined net worth at about \$8 billion, and annual income at more than \$1 billion. Residents have some \$4 billion in deposits in local financial institutions, and a local Citibank says its average savings account balance is about \$50,000 here. "A lot of people are rolling over into very short-term CDs, trying to ride it out," says a spokeswoman for the bank. "They're parking their money."

Some cannot shake their fear of investing. "I know where my money is when it's in the bank," says Dorothy, who declines to give her last name as she leaves a WalMart Store. Instead of trying riskier investments that might — or might not — return better, she is sticking with her CDs and dealing with low returns simply by cutting back her spending. "I'm no gambler," she says. "When you raise a family, you learn how to watch pennies, and I can do it again."

Because of such caution, some economists say retirees may be among the last to enjoy the fruits of an economic rebound as low interest rates continue to take their toll on conservative savers' disposable income. Not that their lost income will keep low rates from reviving the economy, says Elliott Platt, an economist at Donaldson, Lufkin & Jenrette: "The positive actions of the non-retired will dwarf whatever negative effects take place in the retired category," he says. "I don't think this group is a leading sector in the economy in overall expenditure patterns."

In the meantime, cautious senior savers may be in for a bumpy ride. Although the Federal Reserve doesn't plan any further interest-rate cuts now, it remains ready to press rates lower if that seems necessary to spark a turnaround. "This is not good news to savers like the elderly," says Cynthia Latta, an economist at DRI/McGraw-Hill Inc. "To some extent, the economy will be jump-started at their expense."

“

Near as I can tell, I'm in the hole almost \$1,000 . . . Those CDs are no good these days.

Thera McMehen, 88

TALKING ABOUT LOST INCOME

Despite the natural caution of age, though, some older residents of Sun City do play the long-term investment odds, and as a result suffer less from the current interest climate.

Joseph E. Zwislser, a robust 80-year-old, sips a glass of crisp Chardonnay at Sun City's exclusive Lakes Club and speaks of the power of the stock market. "Inflation has become a way of life," says Mr. Zwislser, a blunt, square-jawed Chicago native who moved here in 1984. In the face of an uncooperative economy, he continues to plow about \$50,000 a year — largely investment income — into the market. Bailing out of equities, he thinks, "is a mistake too many people make when they reach 65."

Mr. Zwislser, an accountant who went on to head a Milwaukee industrial company, favors a high-octane mix of 65 percent stocks and 35 percent fixed-income investments such as municipal bonds. "Well, I consider good utility stocks fixed income," he explains. "They're stable, and they offer the possibility of some growth income."

Like many of his Depression-era generation, Mr. Zwislser was not born to the country-club life. His first job, as an accounting-firm proofreader, paid \$80 a month, barely enough for him and his wife, Ouida Marie. "That meant \$35 a

'Poverty is here'

As many as 3,000 may be at poverty level in Sun City

The Sun Cities Area Community Council estimates there are close to 3,000 people living at poverty level or below in Sun City:

Poverty is pegged at \$11,000 yearly income for a couple; \$9,700 for a single person.

What happens when income no longer covers expenses?

Sylvia Cartsonis, executive director of the Community Council, says many people, "for whatever reasons, physical, perhaps, or because of inflation, find their resources are depleted.

"Poverty is here," she says, countering a perception that everyone in Sun City is rich.

For some who are struggling, mismanagement of resources may be a factor.

"Sometimes people can't

manage what they have," she says. "Others are victims of exploitation."

The Community Council and a team from the University of Arizona are conducting a survey tracking the health needs and financial resources of nearly 800 Sun City residents.

While the survey is incomplete, some of the updated information from respondents is being tabulated at the university.

The university team and its director, Elaine Russo, with a group of 11 local volunteers are updating data that was collected in 1984. The 1984 information was carried over from a survey begun in 1982.

The first surveys were face-to-

face interviews, Ms. Russo says.

"We went into homes and asked questions. At that time we were federally funded."

The effort is being made to find out whether those who left the area did so because services were inadequate, she says.

For the updated survey, Ms. Russo says, no federal funds were available, so a smaller interview, by telephone and tracer letters, was undertaken.

"The response rate was low," says Ms. Russo. "In some instances, forwarded letters have been returned marked "no forwarding address available."

"The purpose of the survey was to look at health-care needs. It was

not a poverty issue but did contain a question on annual income."

Ms. Russo describes the data as "very preliminary" as it is based on responses from 288 interviews. At this point it shows that 9 percent of the respondents have annual incomes of \$10,000 or below.

Mrs. Cartsonis says nearly 200 people originally included in the survey have been "lost" to the 1991 researchers.

With this year's telephone survey the executive director says the team is attempting to find out what happened to those who supplied the original data.

Regarding the limited information available from the survey the researchers are unable to make any

substantive predictions about the level of poverty in the Sun Cities, whether it's stable, increasing or decreasing.

Lending a hand

Officials say many finding it hard to make ends meet

By PEG KEITH
Sun Cities Independent

Sun City) years ago. Social Security, or whatever other income they have, has not kept up with expenses."

Thirty years ago, when John and Sue bought their home in Sun City, they based their budget on his pension — \$350 a month. It was certainly no king's ransom, but, with judicious management, they believed it would "see them through."

John and Sue took for granted they'd be blessed with unabated good health and that taxes, utility costs and living expenses would never increase — that their \$350 income would forever exceed their outgo.

Today, Sue reminds John that if they buy the hotdogs at the meat counter in the neighborhood market, they have to forego the bread and potatoes on their grocery list.

Unpleasant though it may be to contemplate, times change. And because of changing times, a substantial number of Sun Citians are facing the spectre of a wolf at the door.

Interfaith Services of Sun Cities, Inc. estimates there are more than 900 residents living in the community on less than \$5,000 a year.

Maricopa County social worker Helen Taylor works with 130 Sun Citians who need assistance to make ends meet.

"I'm not saying every one of my clients is at the poverty level, but all have some kind of struggle," says Ms. Taylor.

"I think poverty is there, to a degree. A lot of them moved (to

OVER

■ POVERTY

From Page 1

Much of the problem she attributes to medical care.

"Medical costs are continually going up ... Medicare doesn't pay as much as it used to and everyone needs a Medicare supplement.

"Medications can be a big problem," Ms. Taylor says. She recently called for an estimate on a medical prescription for a client. "Using a generic and with a discount, the cost was \$200 a month."

Even if the retiree has fairly good Social Security, costs such as this "can take a good lump out of your income."

There are other factors retirees can do little to control. Utility expenses keep going up. Water costs and taxes take their toll, as well.

"Some people, particularly women, are living off their husband's Social Security money, trying to get along on \$500 a month. If there are disabilities, if they can't do everything for themselves, these women may need someone to come in and take care of the house or prepare the food," says Ms. Taylor.

Some people, she says, simply never prepared for old age.

"There's a certain group of people who never thought they were going to get old; they were confident their health would be good for the rest of their lives. They never considered disabilities or degenerative diseases."

It's common for an elderly person to be sick for several years, Ms. Taylor says. "Most people don't keep going and then suddenly just fall over."

A fair number of retirees who live on the fringes of poverty have committed to a mortgage or spend freely on charge cards or have cut back on work or career.

"They have all these bills," the caseworker says. "Some people have poor judgment for whatever reason and are living beyond their means."

Those who have been poor all their lives may be able to adjust to a frugal lifestyle. "But it's hard to change years of spending habits. Some people need credit counseling."

There's another aspect, Ms. Taylor says.

"There are people out there who do have money but who think they are poor. They will tell you 'I don't have any money,' but if you press them, they may have \$30,000 in the bank. They won't tap into it ... even though they may be 90 years old."

The caseworker concedes, "\$30,000 wouldn't last long in a nursing home, but it depends on what you need. If you need a housekeeper one day a week, or a health-aide once a week, it keeps you going for a while."

Other retirees may be living on interest from investments and refuse to touch the principal, says Ms. Taylor. They realize that if they tap into the lump sum their monthly interest income will be less. But, in not spending it, they could be at risk for not eating properly, not running the air conditioner or neglecting medications and bills.

Pride and a "do-it-yourself" attitude makes some citizens reluctant to ask for help or to tell their stories.

Communication is a key, says Ms. Taylor. The caseworker has information on the Community Council's Senior Adult Independent

Living Coordinated Services, a program funded through the Older American Act (through the federal government) and distributed to state and the local Area Agency on Aging.

There's help through adult day care, as well as case management.

As a county case manager, she makes assessments and provides information on available programs. Sometimes the client has an opportunity to donate whatever amount they feel they can as payment for services.

Referrals come from Interfaith Services, area churches, social agencies and hospitals.

Those in need of help are encouraged to communicate, Ms. Taylor says.

"The caller should request a case-management evaluation. We get the referral and respond within five days with a home visit and assessment.

"We can tell (the client) what we think is needed and the resources that are in the community. We can open them to case-management, start up a plan and monitor it."

Call 262-8733.

A box of cereal is a luxury

Sun Citian Joe lives on less than \$5,000 annually

By JACQUE PAPPAS
News-Sun staff

SUN CITY — In many ways, Joe lives the life of a typical Sun City resident.

He likes to cook, play cards and read the newspaper.

But unlike many residents, shopping at a local Sun City grocery store can be a heavy-hearted experience for Joe.

Lobster and prime rib are out of the question. A box of cereal is a real luxury.

And the 87-year-old retiree is not alone. He is one of more than 900 Sun Citians who live on less than \$5,000 a year.

His annual income, all of which is provided through federal, state and local services, is less than what some people

spend on their summer vacation.

His monthly Social Security payments don't even cover the rent of his small apartment and he gets a little less than \$6 a week in food stamps to buy groceries.

"The way things are so expensive with electric bills, gas bills and food, I am so grateful that I am able to survive," he said. "I go to the store now and buy a box of cereal and can barely pay for it."

"I don't have enough money to go around," Joe said. "I keep my air as low as I can and try to conserve, but then I'm afraid I'll get sick."

And like other financially strapped Sun Citians the News-Sun has interviewed, Joe re-

quested that his real name not be used in print.

"I don't want my neighbors to know about this," Joe said. "There are a lot of people here who are very wealthy. I don't want them to know that I live near them but still need help to pay for my food."

"I know a lot of people don't even think there are people without money in Sun City," Joe said. "It seems like some people came here in the '60s and are now suffering because of inflation and they don't have pensions."

But things haven't always been this way for Joe.

Describing himself as a hard worker since he was a young boy, Joe was employed in Penn-

sylvania for more than 40 years manufacturing machinery parts for large companies.

After one company went bankrupt, he was left without a pension and a job.

Having outlived all his relatives, except his sister who later died Christmas afternoon 1987, Joe decided to take his earnings to Arizona and retire.

"I came here because of the weather. I'm not a boozer or a smoker so I don't spend money for things that I really don't need," Joe said. "I never thought I would have this problem. They say inflation is low, but the prices are astronomically high."

In 1984, Joe moved to Young-
See 'I don't, A4

'I don't want my neighbors to know'

—From A1

town and then three years later bought an apartment in Sun City that he shared with a roommate.

About three months later, Joe suffered a heart attack, had two hernias and was in the hospital four times for heart-related problems.

To make matters worse, his roommate left unexpectedly — leaving Joe with a tremendous financial burden.

"It was a strain on my heart," he said. "It was really hard for me. I had medical bills and having my roommate leave left me high and dry. That left me with the utilities, rent and everything else. There was a new burden on me and I didn't know what to do."

With the help of several local organizations, Joe, like other Sun Citians in similar situations, receives assistance without many of his neighbors knowing he is living below the

poverty level.

Connie Kolden, geriatric social worker for Jewish Family Care Services, has helped him apply for a variety of services, in-

'I came here because of the weather. I'm not a boozier or a smoker so I don't spend money for things that I really don't need...I never thought I would have this problem. They say inflation is low, but prices are astronomically high.'

Sun Citian

cluding benefits from the Arizona Health Care Cost Containment System and the federal Supplemental Security Income (SSI) program.

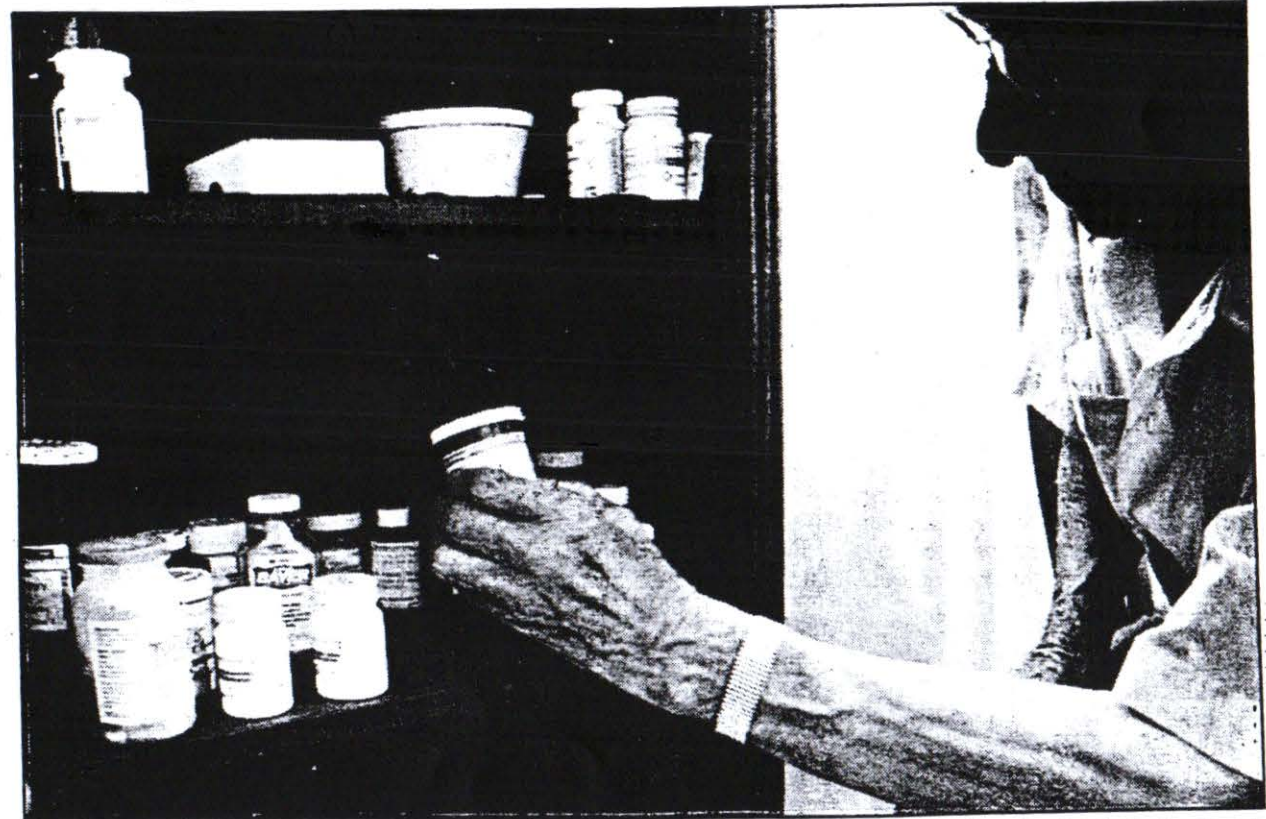
"He got glasses through sight conservation programs and has received other assistance as well," Kolden said of Joe.

"It seems that so many people outlive their savings," Kolden said. "I have a horde of inquiries from Sun City area residents about services available. I wish people would be more willing to be interviewed so we can see if there is a problem."

Kolden, who works under the auspices of Area Agency on Aging, visits Smith at least once a week.

Joe says the service is indispensable.

"It helps me with functioning," he said. "It helps me with so much. She helps me so much. If I didn't have Connie I think I would give up. One night I called her up at night. My heart was acting up. She came over and took me to the hospital and stayed three hours there. If she didn't take the time I don't think I would have lasted the night through."



News-Sun photo by Stephen Cherek

EXPENSES — Experts say seniors in the Sun City area living on the margin of economic despair are burdened by ex-

cessive medication costs. Joe has suffered a heart attack, had two hernias and was in the hospital four times.

A SPECIAL REPORT**Poverty in the Sun Cities**

This week the News-Sun is publishing a series of articles on poverty among residents of the Sun Cities:

Today:

- Sun City residents are no exception to poverty. There are more than 900 Sun Citizens who live on less than \$5,000 annually and more than 2,000 have an income of less than \$10,000 a year. The death of a spouse, the effects of inflation on retirees' savings or an extended, costly illness can push many middle-class senior citizens over the brink of poverty.

- Going to the grocery store can be a heavy-hearted experience for Joe, who considers the purchase of a box of cereal a luxury. His annual income is less than many people spend on a summer vacation.

- There was a time when Marvellina lived better than most. Not so today. She now makes do on \$900 a month, forcing her to adopt a new approach to life.

Tuesday:

- Many people don't know, or don't want to believe, that there are poor people in the Sun Cities. Fortunately, a network of private and public agencies can provide help — if only people will ask.

- Joyce was once a rich socialite. But then her wealthy husband, a doctor, died unexpectedly, and Joyce found out they hadn't put much money away. Now, she lives on \$370 a month.

Wednesday:

- Creation of a national long-term care program may be the political issue of the 1990s.

- Although there is no single program for assisting senior citizens with medical costs they can't afford, help is available through a number of public and private programs.

- What is long-term care? The experience of a Sun City couple and their daughter illustrate how they and the Maricopa County Division of Long Term Care put together a creative system of care to keep them in their own home, rather than living out their days in an institution.

- Miss M. lives below the poverty line, but don't call her poor. "Sure, I live below what they call the poverty line, but don't call me poor," Miss M. says. "I'm used to not having much; I've lived that way all my life."

Even above the poverty line, standard pleasures are limited

By CONNIE STEELE-MILLER
News-Sun staff

SUN CITY — There was a time when Marvellina Williams, a good-looking, almost-70-year-old, lived better than most.

That was when Williams (not her real name) could go to the store and have just about anything she wanted. Salespeople saw her coming, "all but pushing goods on me." Not so today. Circumstances have changed.

Today, Williams lives on \$900 a month. Of that, \$500 comes from Social Security. With an annual income of about \$10,000, Williams lives above the poverty level of \$5,672 annually for a single person 65 or older. But \$10,000 doesn't exactly afford a life of luxury, either.

How does she do it? She said she has a lot of tricks for managing, but its mostly "by being very careful. There're a lot of things you have to look at and walk away from."

Williams, who agreed to be interviewed only if her real name weren't published, has a lot going for her. One, the home she lives in is paid for. Two, she's smart. Three, she's in the Sun Cities where living with little money may be a little easier than in most places.

"You learn. If you grew up when there wasn't a lot of money, you take care," she said.

Among the things she learned was how to sew. So she sews — her own clothes, household items

and family gifts.

"I enjoy sewing," she said. So sewing is not just an economy, it's also a hobby and pastime.

Which is good, because Williams' income doesn't allow many standard pleasures like taking in a movie, going to the theater or golfing. In fact, many of the very attractions that make the Sun Cities desirable to retirees — the recreational, carefree lifestyle — aren't open to her because she can't afford them. Williams said she doesn't get much for her recreation center fee.

Instead, work and taking care of herself serve as her recreation. And she watches television. She said, "It's the comfort and comforter of the lonely."

Williams, once married well and living well, does her housework, trims the bushes and cleans her yard, plans her shopping and pays her bills — all very carefully.

She said it came as a shock not to be able to buy with abandon. But she now takes pride in her common sense in stretching scarce dollars as far as they'll go.

"It always tickles me when I come home and have saved \$3," she said.

Planning is the cornerstone of her economy. "You don't make two or three trips," Williams said. "You make a list of what you need and do it all in one trip."

Instead of subscribing to two or three newspapers or buying magazines that sell on the newsstand for upwards of \$1.50 apiece, she goes to the library.

"You take one or none (newspapers), read magazines waiting in the checkout line and spend time at the library," she said.

Williams also watches for sales, buys store brands rather than name brands, redeems cost-cutting coupons, buys produce in season or holiday items after the season when they are cheaper.

"I eat well, but you have to think about it," she said. "Of course you do your own cooking; you don't eat out. If you can cut your own meat — you pay for it being cut up — buy the whole chicken. Cut the breast in two, cut the thighs, wings and back off."

Williams said living on the edge of poverty has taught her some things.

"A single person can get five meals out of a whole chicken," she said. "A thigh and leg makes two, the wings and back make one, and each breast half makes two."

She avoids empty calories and uses potatoes a lot. "They're rich in vitamins and minerals," she said.

"I'm lucky. I have a microwave. I save on electricity by browning my meat first and finishing in the microwave."

Utilities represent a major expenditure and when you have

arthritis it isn't easy.

"I try to keep the house at 70. I don't like to be cold. I put on a sweater if I'm sitting down," she said. But when Williams goes to bed, the thermostat goes down to 60 degrees.

"When I get up in the morning, I turn it up and go back to bed. It's warm in about 45 minutes," she said.

To make sure ends meet, Williams budgets for annual expenses such as her recreation center fee, Arizona and federal income tax, property tax, and automobile registration, putting a little aside as she goes, so the money will be there when she needs it.

She does her own state tax returns. "Arizona is really very lenient," she said. "They'll let you put in for everything. Like all your doctors' bills, your dentist bills. You have to be able to prove what you're doing."

With federal taxes it's not as easy. "But the income tax I don't understand. I have a very nice man who helps me and I have the money in the bank."

Clothing is no longer the problem that it might once have been, she said, because of her changed lifestyle and because she sews.

Williams, who takes pride in how she looks, said, "My needs have been reduced. As your social life diminishes, so does your need for clothing. You have to evaluate what you can do."

Is wealth a myth?

Seniors on fixed incomes struggle in the Sun Cities

By JACQUE PAPPAS
News-Sun staff

SUN CITY — Since Sun City was established in 1960, it has been regarded as one of the more successful retirement communities in the nation.

With eight golf courses and seven recreation centers, the approximately 46,000 residents have been characterized by community peers as economically affluent.

And why not?

Sun City has more than 60 bank branches with \$2.7 billion in deposits and homes are filled with executive retirees from all corners of the country.

News reports emphasize the fact that America's elderly are in increasingly better financial shape as a group and senior citizens are living longer lives.

But the growing stereotype of the nation's 30 million senior citizens as affluent overlooks about 4 million older Americans who are destitute.

These seniors, usually living on fixed incomes, have difficulty meeting their housing, nutritional and medical care needs because of changing economic conditions.

And Sun City residents are no exception to poverty.

Maricopa County statistics show there are about 920 Sun Citians who live on less than \$5,000 annually and more than 2,000 have an income of less than \$10,000 a year.

A county needs assessment for the West Valley completed by the Maricopa Association of Governments shows that about 2 percent of the households in the Sun City area have an income of less than \$5,000 and 5 percent have less than \$10,000.

The analysis, which assesses the social and health needs within Maricopa County based on the 1985 special census, re-

A SPECIAL REPORT

Poverty in the Sun Cities

ports that the diet of one out of 11 elderly individuals in the West Valley suffers because of lack of income.

In addition, about 500 households in the West Valley need basic assistance such as transportation, food, shelter and clothing, the study reports.

Statistics compiled by the U.S. Census Bureau say that 5,000 Sun Citians live alone and about half do not have relatives who live in the area.

Difficulties meeting the basic expenses associated with health care, food and shelter can be attributed to inflation and the fact that many of the aged are more economically vulnerable than younger adults.

The most difficult task is to provide services to keep seniors who are poor from falling into complete despair, said Helen Taylor, case management worker for the Maricopa County Division of Long Term Care.

"No one likes to broadcast that they need money," Taylor said. "And I know that there are a lot of people in the Sun City area who do not feel free to apply for food stamps."

"They buy a house and then try to get along on a fixed, limited income," Taylor said. "They have their own home and they don't have enough money to pay for electricity, food, their rec fee or water bills. That can devastate a person."

Taylor, who works with about 130 clients in the Sun City area, said many area residents who live in economic distress refuse services because they have been independent all their lives and are too proud to accept "charity."

She said many seniors who
See 920 Sun Citians, A4

920 Sun Citizens live on \$5,000 a year

—From A1

have family and friends nearby still do not ask for financial assistance.

"Some realize they could go bankrupt if they went to a hospital," Taylor said. "They try to avoid the doctor. It's actually hard to convince them to take advantage of services that their taxes have paid for."

"In many cases, women in this generation have never worked," she said. "And a lot of these people are used to a certain kind of lifestyle so they give up other things. They won't repair a leaking roof or they don't buy medicine that they really need."

About one out of every eight elderly poor Americans lived in federally assisted housing in 1984, Census Bureau data show.

And although so many elderly citizens enjoy the benefits of Social Security, work pensions and subsidized health care, some say the needs of elderly poor and near-poor have never been so widely discounted.

Nearly a quarter of a century ago, about 35 percent of elderly Americans were living in poverty.

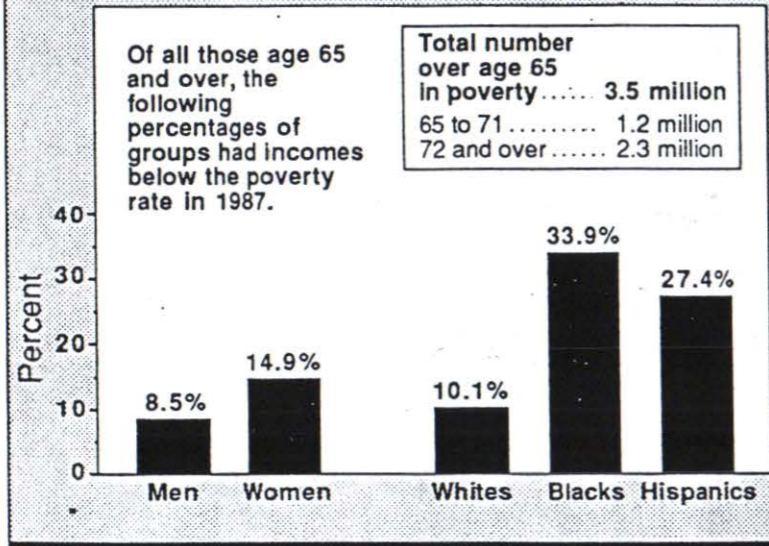
By 1980, the rate had fallen to about 15 percent and today's Census Bureau statistics say it's even lower.

The decline in the poverty rate is coupled with the fact that life expectancy has increased from 47 years in 1900 to 74 years in 1986.

In 1900, slightly more than 3 million people in the United

Who are the Elderly Poor?

The poverty rate among Americans over age 65 has dropped substantially from a high of 35 percent in 1959 to 12.2 percent in 1987. However, poverty persists among older women, blacks, and people over age 72.



Source: U.S. Census Bureau

Maturity News Service

POVERTY IN PROFILE — The poverty rate among Americans over age 65 has dropped substantially from a high of 35 percent in 1959 to 12.2 percent in 1987. Nonetheless, poverty persists among older women, blacks and people over age 72, U.S. Census Bureau data show.

States were 65 years or older. By 1985, nearly 30 million Americans were 65 or older and now the U.S. has more senior citizens than the entire population of Canada.

Although some herald the decline in the poverty rate for sen-

iors as an achievement, they disregard the fact that it still exists throughout America, said Marsha Simon, director of public affairs for the Villers Foundation, a non-profit elderly advocacy group.

Simon said the drop in the

poverty rate among America's elderly has given people the misconception that older residents can get along without help from society.

She said the poverty line for those 65 years and older is below the one established for the rest of the adult population — making the official measure of poverty discriminatorily lower for the elderly than for other age groups.

If consistent poverty criteria were applied to all age groups, Simon said, the poverty rate among elderly groups would increase substantially.

"So these figures bring us to believe that there is little poverty among the elderly poor. I think that it is a growing misconception," Simon said. "One of the tricks played with census data is that they compare income of the elderly with the income of all other Americans including children living in poverty. But if other comparisons are made, the poverty levels among the elderly are evident."

The Census Bureau in 1988 put the federal poverty line for a single adult younger than 65 years at \$6,153.

But the poverty rate for single adults 65 years and older is \$5,672 — about 7.8 percent lower than their younger counterparts.

The differential reported for couples is even more significant.

The poverty line for couples younger than 65 years is \$7,957 compared to \$7,156 for elderly

couples.

Using these official measures, a senior couple could make \$801 less than a young adult couple within the poverty guidelines and still not be considered poor by the federal government.

And for many Americans, Simon said, Social Security and federally assisted programs for low-income elderly are the only shield against poverty.

Although Medicare finances the health care for 32.6 million Americans, many seniors still have high out-of-pocket costs, Simon said.

"One particular problem in Arizona is the availability of health care for low-income people. Most seniors who have a long-term stay in a nursing home get very limited, if any, coverage," Simon said. "Arizona was the last state to provide (long-term care) coverage, and what it provides is limited. For seniors in Sun City, many do not have income to be in a nursing home. This is dangerous if needs like long-term care go unmet."

Simon said about 81 percent of seniors' out-of-pocket expenses of more than \$2,000 are for long-term care.

With Arizona ranked as one of the top five states in senior citizen population growth and the purchasing power of the dollar decreasing, the continuing plight of Sun City's elderly living in poverty is not so hard to believe.

Dr. Robert Kastenbaum, professor of gerontology at Arizona State University, Tempe, said

many seniors get mired in poverty for a number of reasons.

"There are a number of people living in a precarious financial existence in this state," Kastenbaum said. "A lot of people have money tied up in a house and they aren't ready to lose the security of a house."

But, the "expense of an illness can wipe you out — even if you're living in an attractive and affluent area," Kastenbaum said.

Only 3 percent of those in Sun City who seek some sort of assistance fail to qualify, compared with 12 percent of those in the county who apply but don't qualify for services, said Ken Andersen, a data specialist with the Arizona Department of Human Resources.

But the lower statistic for the Sun City area doesn't take into account those seniors who might qualify for assistance but don't, simply because they don't know help is available.

Whether it be medical, social or personal, residents in Sun City probably can get the "lifestyle" services they need, if only they make their plight known.

"Once a person comes to grips with the fact that they do need some assistance, that is only half the battle," Kastenbaum said. "Then they must make a contact and see how they can improve their financial status and live a normal life."

Problems of the poor

By JIM WALSH / Northwest Valley Bureau

The ambiance of Sun City prominently features nattily-attired retirees slowly driving huge luxury cars and omnipresent golf carts through palm-lined streets.

It does not include nursing-home patients, 80- to 100-years old, who have outlived their savings and would be forced to move into facilities supported by Maricopa County welfare payments if not for the generosity of the Sun City Community Fund.

Or people like Olga and Frank (pseudonyms used to protect their privacy), both 77.

Frank would be forced to sell their home or depend on assistance from his children if the Sun City Community Fund didn't pay half the cost of Olga's nursing bill.

Olga needs the care because she suffers from Alzheimer's disease, a cruel ailment that causes the brain to die faster than the body, stripping victims of their memories and control over their actions.

And the prosperity does not embrace 20 hungry families in the northwest Valley retirement communities who received Christmas food baskets from the Salvation Army.

Those who were unfortunate enough to get sick, or see

inflation erode and then exhaust their savings, or to retire before pension plans were improved, do not fit Sun City's "fun in the sun" image, but they live here, too.

Although the hidden poor certainly are a minority, nobody knows how numerous they are, the extent of their needs or how often they simply disappear from the community when they no longer are able to afford the price of living here.

A survey of 551 northwest Valley retirees by the Arizona Long Term Care Gerontology Center in Tucson points to a gap in income between couples, who averaged \$22,000 a year in 1982, and one-person households, who averaged \$10,800.

Primarily widows and widowers, 35.6 percent of the sin-

gles surveyed made less than \$10,000 yearly, including 11.6 percent who received \$6,000 or less.

"The idea that all people in Sun City have money is false. There are a lot of people struggling," said Virginia Sylvis, administrator of Sun Valley Lodge, a nursing home with 200 patients.

Frank said he and Olga moved to Sun City five years ago because they wanted "a decent place to live, where we could take a couple of trips a year and enjoy retirement."

Instead, his wife was struck by Alzheimer's — a progressive deterioration of the brain with no cure — two years after their arrival.

"We got along marvelously" for 53 years of marriage, he said.

She was an excellent cook and housekeeper, an intelligent woman who helped Frank run an automobile dealership in Flagstaff before he sold the business.

Suddenly, she was convinced Frank was her mother. She talked deliriously and behaved in an irrational manner.

Frank took care of Olga for a year, but he suffers from angina and was told by his doctor that "I'd be in box in three months" from the strain if he didn't find a nursing home to care for his wife.

Although Frank had no other choice, "it's a guilt complex when you put someone into a home like nobody's businesses," he said.

"After living with someone for so long, and then having to

live alone, there's nothing like this loneliness.

"Loneliness, I think, is the biggest problem of old people," Frank said.

In addition to the heartache, Frank had to face a \$700-a-month bill for Olga's care. The couple have three children, two of whom could afford to help out, but Frank doesn't want to ask for assistance.

"I'd hate to do that. To me, that's belittling," he said.

He appealed instead to the Community Fund, which since has paid half the costs of Olga's care. In return, a lien on his house will reimburse the fund for its generosity from Frank's estate after he dies.

"What else could I do?," Frank asked.

But he doesn't feel ashamed, because "I'm spending my own money" by using the house's equity to help Olga.

Eleanor Mitchell, spokesman for the fund, said the goal is to allow people to stay in their own homes and avoid an often traumatic move out of town, away from their friends and familiar surroundings.

During 1984, the fund devoted \$75,000 of \$258,000 to its "personal needs" fund to help people with financial emergencies — like Frank and Olga — and to pay the bills of patients.

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whose long stays in nursing homes have left them broke.

At Sun Valley Lodge, the Community Fund and the home's own Residents Assistance Fund supplements the Social Security payments received by 10 to 15 residents who otherwise would be forced into a county-financed facility.

"We have the oldest of the old at the lodge," mainly Sun City's original residents, with those in need of financial aid 80 to 100 years old, Sylvis said.

The majority are widows who have lived in the nursing home for years and already have sold their house to pay the facility's fees, she said.

The Rev. C. Melvin Rathel, pastor of Sun City West Baptist Church and administrator of Hines Village, a Youngtown retirement center, said many longtime residents can't find space in local nursing homes.

Faced with financial problems, they sell their homes and silently move away from the community, the healthiest renting apartments and the sickest moving to nursing homes, he said.

Marilyn Stanford, a social worker at the Salvation Army's Sun City office, said about \$10,000, or 20 percent of the \$50,000 the organization spent

in 1984 to help northwest Valley residents, was devoted to residents of Sun City, Sun City West and Youngtown.

Her office also serves Peoria and two of the Valley's poorest communities, El Mirage and Surprise.

The majority of requests were from widows who can scrape by on a meager income most of the year but are easily overwhelmed by unexpected medical costs, increases in health insurance or other substantial bills, Stanford said.

For seniors with a monthly income of about \$500, "anything that happens blows your budget to pieces," she said.

The widows often no longer receive pensions because they opted to take 100 percent of pension payments while their husbands were alive, gambling that "they would beat the odds" because their husbands were younger or healthier.

Despite the aid the Salvation Army dispenses, Stanford and other social workers in the area say they are not convinced everyone in Sun City who needs help is receiving assistance.

They say residents survived the Depression, are proud of their accomplishments and are not accustomed to asking for handouts, even if they need aid.

"Help is available for those who seek it," Stanford said. ■