

IRTA 9/7/16

Attendance: Bob Kaplan, Sandy Rattner, Bob Lyons, Frank Compton, Liz White, Pat Kirchherr, Bill Kirchherr, Doris Haack, Reinhard Taylor, Linda Wallin, Linda Wagner, Jane McCauley, Len Kortekaas, Hal Hilmer, Herb Rangl, Carolyn White, Rich Chimeric, Karl Gabbey

1. Introductions
2. Minutes approved.
3. Treasurer's report approved.
4. President's Report
 1. Newbie breakfast
 2. Arlington Park event, A Day at the Races
 3. Legislative breakfast: ask: about 25% of general revenue paying our expenses, how to sustain that? 9:30 arrival 10:00 start.
 4. IRTA update: executive board meeting, area conferences will now have consistent agenda throughout state.
 5. TRS meetings:
 1. Sept. 22 Linda Wallin, Karl Gabbey Forest View 3:45
 2. Sept. 29 Bob Lyons and Linda Wallin Barrington 3:45
 3. Oct. 12 Linda Wagner and Len Kortekaas Schaumburg 3:45
 6. Holiday Luncheon, Dec. 2, 2016 Inverness Golf Club
 7. Committee reports
 1. Membership: status report
 2. Foundation: no report
 3. Member benefits: no news
 4. Communications & Web Site: Reinhard
 1. Sent out email for legislative breakfast
 2. Do we want a regular communication every two weeks? yes
 3. Information service on state level, 21 Sep, up to 51 units that have web sites
 4. Some changed their names
 5. Our web site and state web site are being revamped
 5. Volunteer services: Carolyn White
 1. Note in newsletter about volunteer tutoring
 2. Judging for election day is \$190, \$340 equipment manager
 3. Foster parents for special disadvantaged youth
 6. Newsletter: Jane McCauley
 1. Dist. 214 not mailing newsletters any more.
 2. Costco sells postage stamps below cost, Sandy will buy them
 3. Deadline Oct. 21
 7. Legislative: Bob Lyons
 1. Dave Urbanek sends out review of stories in press. TN pension system made 2% last year. We're 2.8%. Top 5 pension systems in terms of funding. South Dakota: 107% (recently cut benefits), Tennessee (99%), Illinois and Kentucky at bottom with 41% funded. At last TRS meeting, considered dropping rate of return from 7.5% to 7%. That determines what the state owes us. This would mean that next year's contribution would be \$420 million more from state. Had planned to raise income tax to 4.75% which will bring in \$4 billion more. Board has 13 members, 6 elected, 6 appointed, and state superintendent appointed by Governor. Four members appointed, three empty seats, governor told his people to vote no on

paying more to pensions. Governor appointed three new members to board so they would have a majority, but appointed someone who lived in Chicago who was not eligible, and two new members showed up at lunch. Four members who were appointed by Governor spoke in favor of lowering the rate of return. One didn't think 7% was low enough (Sandy Stuart of Quaker Oats family). We had a history of making 8.5% but not reasonable any more. From 94-present, only 4 years that inflation was greater than 3%. All four voted in favor of lowering rate of return to 7%. Made decision that was best for the fund. Vote was 10-0. Two new members to board abstained. Still waiting for Governor to come up with third member of the board. IRTA is currently taking applications, Oct. 5th there will be an election. IEA is also trying to find a candidate. IEA does not always support retirees. Outgo - income = \$1.2 billion. Made money in real estate, equity and bonds, but lost money in foreign investments (.8%). It's getting tougher to make money. Six thousand retirees are making \$100K. Top twenty were administrators. State is still not putting enough money in. Downstate salaries still lag far behind the urban north, so retirement does, too.

8. How do we increase membership?
 1. Monthly blurb.
 2. Apathy is appalling.
 3. 36,000 state members, more members = more clout.
 4. State and local organizations are both necessary.
 5. April talks to faculty.
 6. Participate in community events.
 7. Consciousness raising is needed. Federal government has a movement to allow state pension systems to go into bankruptcy.
 8. Select different locations
 9. 608 of unit members are not state members, 793 state members who are not local.
 10. Unified membership needs to be encouraged. not possible
 11. Focus on legislative breakfast on Oct. 4th.

Meetings for 2016: Wed. 10/5/16 at 10:00 and **11/2/16 (mailing)** at 10:00 at Arlington Senior Center.