

PRESIDENT'S REPORT

AUGUST 2, 2006

DATES TO REMEMBER

Sept. 7 (TH) - DAY AT THE RACES
Sept. 28 (TH) - LEGISLATIVE LUNCHEON

Dec. 6 (W) - HOLIDAY LUNCHEON

REMINDER: DAY AT THE RACES

Retired teachers and their guests are invited to attend the Fifth Annual Day at the Races on Thursday, September 7, 2006, at the Arlington Park Race Track. The cost of \$42.48 includes complimentary general parking, admission to the park, the Daily Racing Guide, a lavish two-hour buffet in The International Room, and a beverage package. For reservations, send your check (payable to Arlington Heights Senior Center, Inc.) to Rich Chierico at 1453 E. Norman Drive, Palatine, IL 60074, by Wednesday, August 30, 2006. For further details, contact Rich at 847-358-7816.

LEGISLATIVE LUNCHEON: MEET AND GREET

Make your plans NOW to attend the Legislative Luncheon on Thursday, September 28, 2006, at the Inverness Golf Club. A total of 21 candidates and incumbents have been invited to the luncheon. Take this opportunity to sit down and talk with the Legislators/candidates face-to-face at the MEET and GREET session from 11:00 am- noon. For more information, see the enclosed flyer. NOTE: Valet parking is available at the front door. Cost: \$3.00.

IRTA: MAJOR ACHIEVEMENTS (2004-2006)

The IRTA has a 50+ year record of solid accomplishments in pension and benefit improvements for retired Illinois educators.

PENSIONS

1. Nominated its second retired educator and was successful in electing him to the TRS Board of Trustees. The majority of this Board is now elected, rather than appointed by the Governor.
2. Continues to explore ways to abolish two unfair federal provisions: GPO (Government Pension Offset) and WEP (Windfall Elimination Provision). IRTA recently hired a law firm to review the constitutionality of these two provisions.

HEALTH INSURANCE

1. Participated in the formation of the TRIP Commission, which oversees and provides input to the Teachers' Retirement Health Insurance Program. Two of this ten-member TRIP Commission are IRTA members.
2. Successfully promoted legislation which now prevents an Illinois governor from "sweeping" the retired educators' health insurance fund.

CONSTITUTIONAL CONVENTION QUESTION: 2008

Shall a new Illinois Constitutional Convention be held in 2008? If 60% of the voters vote yes, a Constitutional Convention would be held. Therefore, it is possible that the entire 1970 Constitution could be rewritten, including Article XIII, Section 5 which currently guarantees our PENSIONS! If a Constitutional Convention were to be held, there are many factors which could significantly influence the decisions made by the delegates: (1) the state's budget/fiscal matters, (2) the anti-tax group protests, (3) the unstable status of private sector pension systems, and (4) the general public's misunderstanding of the teachers' pension funding system (active teachers, school boards, and the state). A rewrite of the CURRENT 1970 Constitution could ultimately jeopardize our PENSIONS! To protect our CURRENT PENSION BENEFITS, vote against the holding of a Constitutional Convention in 2008.

TRS REPORT: BOB LYONS

On May 4, 2006, the General Assembly passed the fiscal year 2007 budget, which contained an UNFUNDING of the five pension systems of \$1.1 billion. Approximately, \$500 million of the total is TRS' share. The money that the state did not give to the TRS pension fund was "made up" by selling various TRS assets that were making money. At the end of June 2006, TRS had \$36.32 billion in assets and was 60.9% funded. Unfortunately, the State of Illinois cannot currently afford to fulfill its funding obligations to its pension systems. As Illinois Budget Director John Filan said, "Funding of the states past pension debts, accumulated over three decades, represents the greatest financial challenge for the State of Illinois." However, as a member of the TRS Board of Trustees, Bob's goal is as follows: "It will be our responsibility to protect the funding of our pensions and to argue for a solution that works not only for us but also for those that will come after us."

UNIT 90 EXECUTIVE BOARD MEETINGS

The meetings of the Unit 90 Executive Board are open to ALL interested members. Please join us on the FIRST WEDNESDAY of each month (except July and December) at the Arlington Heights Senior Center at 10:00 am.

COMMUNICATION: E-MAIL UPDATES

If you are not currently receiving e-mail updates and want to receive them, please send your name and e-mail address to Bill McCauley at wcm211@comcast.net with subject IRTA. If you do not have e-mail and want to be alerted when we need to contact legislators, call Bill McCauley at 847-895-5279 and leave your name and telephone number.