



ILLINOIS RETIRED TEACHERS ASSOCIATION

Unit 90 - Northwest Suburban

PRESIDENT'S REPORT ***November 7, 2007***

HOLIDAY LUNCHEON: NEW LOCATION

Make your plans now to attend the Holiday Luncheon on Wednesday, December 5, 2007, at the MERIDIAN BANQUET & CONFERENCE CENTER at 1701 Algonquin Road in ROLLING MEADOWS. Take this opportunity to celebrate the upcoming holiday season with your fellow Unit 90 members. The election of officers for Unit 90 will also be held. See the attached flyer for specific details. 'Tis the season to be jolly; so see you there!

2007 IRTA CONVENTION: HIGHLIGHTS

On October 15-16, Unit 90 was represented at the IRTA's biennial convention by the following delegates: Bob Given, Len Kortekaas, Liz White, Bob Ferguson, Angie Ferguson, Roger Steingraber, Reinhard Taylor, Rich Chierico, Jesse Macro, Marybelle Macro, Frank Compton, Bob Lyons, and Doris Haack.

The major item of business concerned a resolution involving the endorsement of political candidates by the IRTA at the state level. The proposed resolution from the State Legislative committee is as follows; "THEREFORE BE IT RESOLVED, That the Delegate Assembly of the IRTA direct the Legislative Committee to establish an unbiased process in endorsing candidates for political office; and BE IT FURTHER RESOLVED, That the Legislative Committee present the endorsement process to the IRTA Board of Directors for approval at the 2008 spring board meeting." After much discussion (pro and con) by the delegates, the resolution passed.

CONGRATULATIONS to ROGER STEINGRABER, the IRTA Honoree for Unit 90. Through his dedicated service, his outstanding leadership, and his loyal commitment to the mission of IRTA, Roger Steingraber is truly an ambassador.

RSVP: RETIRED and SENIOR VOLUNTEER PROGRAM

The Retired and Senior Volunteer Program (RSVP) is a way for individuals - 55 and 'better' - to give back to their communities. Opportunities for service are available locally at hundreds of non-profit and social service agencies. For information, check the RSVP website, www.volunteerinfo.net, to see listings of organizations in need of volunteers. Or call 847-228-1006 and speak to a RSVP staff member who will help you match your skills to the available volunteer positions. In addition to feeling needed and using the skills you have acquired during your career, there are "perks" to volunteering. RSVP will reimburse for mileage, or if you itemize your federal income taxes, you can deduct mileage as a contribution. For more information, contact Carolyn White at 847-259-6749. So, RSVP to RSVP!

IRTA LEGISLATIVE GOALS: STATE AND FEDERAL for 2008

1. Oppose the referendum to call a 2008 Constitutional Convention for the State of Illinois.
2. Have the General Assembly honor its funding obligation as found in law.
3. Oppose changes resulting in decreased benefits to TRIP members.
4. Support and organize a "Get Out the Vote" campaign for the IRTA membership.
5. Continue to support legislation that provides an ad hoc increase for those members retired prior to January 1, 1980, provided funding becomes available.
6. Monitor proposed governance changes of TRS fund and board.
7. Monitor and inform members on consumer fraud legislation.
8. Support repeal or amendment of Government Pension Offset (GPO) and the Windfall Elimination Provision (WEP).

TRS: GOOD NEWS/BAD NEWS

GOOD NEWS: You WILL continue to get your pension check (or deposit) every month.

BAD NEWS: The past four years, the state has NOT fully funded the pension systems. The state departed from the 1995 funding law, costing TRS over \$1.1 billion in state funding.

GOOD NEWS: The FY 2008 budget calls for full funding of the pension systems.

BAD NEWS: The General Assembly (as of this writing) has not completely acted on the Governor's amendatory veto.

GOOD NEWS: Public pensions are protected by both the state and federal constitutions.

BAD NEWS: The US Constitution protects benefits ONLY for existing TRS members and beneficiaries.

GOOD NEWS: TRS began FY 2007 with \$36.6 billion and 62% funded; the fiscal year ended with over \$41 billion and up to 69% funded.

BAD NEWS: Nonetheless, TRS still had to sell \$1.2 billion in assets to meet obligations during the year. Sold assets produce no income.

Quoting directly from a memo given to the TRS Board in August from our director, Jon Bauman, and our director of research, Kathleen Farney: "The financial well-being of TRS will continue to depend on strong investment performance. All TRS Fund cash investment income must be used for benefit payments. Fund assets will need to be sold not only for liquidity purposes but also for benefit payments. We will continue the practice of transferring cash from the POB (Pension Obligation Bonds) Fund to the TRS Fund to offset reduction in state contributions due to the POB debt service."

The numbers in this report are from TRS, but any opinions expressed are entirely my own.

Bob Lyons, TRS Trustee

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.