



ILLINOIS RETIRED TEACHERS ASSOCIATION

Northwest Suburban - Unit 90

<http://www.irta-unit90.org>

PRESIDENT'S REPORT

August 4, 2010

DATES TO REMEMBER

SEPTEMBER 8 (W) – New Retirees Breakfast

SEPTEMBER 16 (TH) – Day at the Races

OCTOBER 6 (W) – Legislative Breakfast

DECEMBER 9 (TH) – Holiday Luncheon

WELCOME BREAKFAST: NEW RETIREES

The Executive Board of Unit 90 is hosting its Fourth Annual Buffet Breakfast for new retirees on September 8, 2010, at the Arlington Heights Senior Center. The purpose of the breakfast is two-fold: to welcome new retirees to Unit 90 and to give them an opportunity to learn more about IRTA, the only professional organization which solely serves retired teachers. For more details, see the enclosed flyer or contact Liz White at 847-397-1678.

[Click here for flyer](#)

DAY AT THE RACES: NINTH ANNUAL

Retired teachers and their guests are invited to attend the Ninth Annual Day at the Races on Thursday, September 16, 2010, at the Arlington Park Racecourse. See the enclosed flyer for more information.

[Click here for flyer](#)

LEGISLATIVE BREAKFAST: Meet and Greet

Make your plans now to attend the Legislative Breakfast on Wednesday October 6, 2010, at the Inverness Golf Club. A number of incumbents and candidates have been invited to the breakfast. Take this opportunity to sit down and talk with the Legislators/candidates face-to-face at the Meet and Greet session. For more information, see the enclosed flyer. Note: Valet parking is available.

[Click here for flyer](#)

PENSION ENVY

This is from Gary Elmen, who is currently the vice-president of the IRTA and also at one time served on the TRS Board representing active teachers. You may be aware that Missouri like Illinois just "reformed" their pension system. To me this editorial really explains what is going in, not only in our state, but across the nation.

An editorial about "PENSION ENVY" from the St. Louis News Posted July 18, 2010

The Russian word zavist, roughly translated, means envy of the meanest, most black-hearted kind. In his 2003 book, "Envy," scholar and critic Joseph Epstein relates a joke of the sort that Russians tell on themselves that perfectly captures the meaning of zavist: "An Englishwoman, a Frenchman, and a Russian are each given a single wish by one of those genies whose almost relentless habit it is to pop out of bottles. The Englishwoman says that a friend of hers has a charming cottage in the Cotswold's, and that she would like a similar cottage, with the addition of two extra bedrooms and a second bath and a brook running in front of it. The Frenchman says that his best friend has a beautiful blonde mistress, and he would like such a mistress himself, but a redhead instead of a blonde, and with longer legs and a bit more in the way of culture and chic. The Russian, when asked what he would like, tells of a neighbor who has a cow that gives a vast quantity of the richest milk, which yields the heaviest cream and the purest butter. 'I vant dat cow,' the Russian tells the genie, 'dead.'"

Lately, whenever we read of another attempt to "reform" pensions, we think of the Russian's cow. Two out of every three private-sector workers in America no longer are covered by traditional pension plans. Such "reform" has contributed to a crisis in retirement security. Social Security will pay most of us about a third of what we made before retirement. Most Americans - 90 percent by some estimates - aren't saving nearly enough money to make up the difference. But instead of changing that - fighting to salvage pensions, pushing for reforms in retirement savings funds and insisting that policymakers don't sell out workers - we want to spread the misery. The guy with a pension? We want his cow dead.

In June, machinists at Boeing Co. made noise about going on strike over the issue of pensions. Instead, the workers agreed that employees hired after 2011 would get an "enhanced 401(k) plan" but not a pension. Before that, it was auto workers whose pensions and health benefits who were blamed for the industry's troubles. Before them, it was airline workers who saw pension plans gutted by bankruptcy cases. Before them, it was steel workers whose pensions, it was said, were the reason American steel couldn't compete with foreign imports. There is some truth to these claims. Globalization changed the calculus for both workers and industry. In the long view of history, the window for retirement security may have been open for only 50 years or so.

Before World War II, pensions were almost unheard of. Indeed, before the Social Security Act of 1935, old-age security was considered the individual's problem. If there was no family to help, older Americans often lived in abject poverty. With prices and

wages frozen during the war, pensions were a benefit that companies could offer to attract and keep employees. For much of the next 40 years, Americans could count on working a lifetime for the same company and retiring with a pension and a measure of comfort. And because state and local governments couldn't compete with private employers on salary, they tried to make it up by offering more generous pension plans. Teachers, cops and other government employees took low salaries in return for a comfortable - and sometimes early - retirement.

All of that began to change in 1974 with the passage of the Employee Retirement Income Security Act. It was intended to make pensions more secure and to allow individuals to set aside tax-free income in "individual retirement accounts." It was shot through with loopholes that employers began to exploit. Four years later came the Bankruptcy Reform Act of 1978, which allowed companies to shed pension obligations through bankruptcy. That same year brought a new subparagraph to Section 401 of the Internal Revenue Service Code. Subparagraph (k) originally was intended to allow wealthy people to shield more of their income for retirement. Instead, the now-famous 401(k) account became the magic bullet. People could take control of their own retirements. Wall Street could make fortunes in management fees. For the diligent and prudent, it worked fine, at least until the stock market collapsed. Companies hit hard times and reduced or stopped making matching contributions. The average 401(k) has bounced back strongly over the last year, but as of March 31, the average balance was \$66,900, according to Fidelity Investments. If personal savings and Social Security are all he's got to work with, a person will need six to eight times that much to have \$50,000 a year on which to retire. But some people have it better. More and more, they are public employees. They still have pensions. They have used political and electoral clout to keep them even as private-sector pensions went the way of the dodo. They are the ones with the cows that a lot of people want dead. And because they're paid with tax dollars, they're the ones who are the target of many pension "reform" efforts. The Missouri Legislature just eliminated defined-benefit pensions for new employees who join the worst-paid state work force in the nation. The city of St. Louis is taking dead aim at the pension funds of its firefighters. The state of Illinois, which is in de facto bankruptcy, has been borrowing billions to meet its pension obligations. The average retired Illinois state employee gets a \$22,593 pension. Many, particularly educators and state officials, do far better. One retired University of Illinois doctor gets more than \$460,000 a year. In 2009, 13 state troopers retired on more than \$100,000 each, according to pension critic Bill Zellick. But for everyone doing way better than average, many do far worse. And because many public employees don't pay Social Security, it's often their entire retirement kitty. We're all for reforming the excesses. But we ought to do it fairly for sound economic reasons, and not just - as the Russians would put it - out of zavist. - The St. Louis News

It is as simple as that. If they don't have what we have and can't get it, then they would rather take it away from us. Of course, they also argue that they are paying for what we have. The reality is that more than three quarters of the money to our pension fund over the last twenty years has come from the contributions of active teachers and the growth of our investments. Yes, Illinois taxpayers have contributed to our pensions, just as most of us have at one time or another contributed to their social security, or for that matter, their 401ks. None of us should feel guilty about our pensions, we earned them. Bob Lyons

Unit 90 WEBSITE: www.irta-unit90.org

If you have not done so yet, please check out the Unit 90 website, which includes current information on the following topics: Executive Board members and meeting minutes, IRTA communications, 2010 IRTA Foundation Scholarship information, TRS reports and pension concerns, and Unit 90 events with photos!

Thanks to the Webmaster, Reinhard Taylor.

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 a.m. Note: Due to the New Retirees Breakfast the September meeting will be on the 8th after the breakfast. See the enclosed flyer if you are interested in joining us for breakfast.

COMMUNICATION: E-MAIL UPDATES/NEWSLETTERS

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 wcmirta1@comcast.net with the subject IRTA UPDATES.

In an effort to reduce duplicating and postage costs, we are asking you to sign up to receive your newsletter on our website instead of by regular mail for those who have e-mail and would like them delivered in this manner. Again please e-mail Bill McCauley with the subject IRTA NEWSLETTER.

UNIT 90 DIRECTORY

Unit 90 directories are available to all members. If you would like to receive a copy of the directory email: Leonard Kortekaas at lmkortekaas@yahoo.com or write me at (21 Tall Grass Court; Streamwood, IL 60107-1277).

NORTHWEST SUBURBAN – UNIT 90 EXECUTIVE BOARD – 2010

OFFICERS:

President: Leonard Kortekaas: lmkortekaas@yahoo.com

Vice President: Liz White

Secretary: Frank Compton

Treasurer: Robert Ferguson

CHAIRS:

Membership: Roberta Reinhardt

Communications: William McCauley

Webmaster: Reinhard Taylor

Legislative: Robert Lyons and Jesse Macro

Foundation: Doris Haack

Program Coordinators: Rich Chierico, Carolyn White

Information Services: Richard Chierico

Member Benefits: Mary Lou Tansey

Health I&P: Mary Hurd

Volunteer Services: Carolyn White

Ambassador: Roger Steingraber



Ninth Annual

Day at the Races



Retired teachers and their guests are invited to attend the

Ninth Annual Day at the Races

Thursday, Sept. 16, 2010

at the Arlington Park Racecourse

The cost of \$50.00 per person includes complimentary general parking*, admission to the racecourse, the Daily Racing Guide, a lavish two-hour buffet in the International Room and a four-hour beer and wine package.

Send your reservations to:

Rich Chierico

1453 E. Norman Dr.

Palatine, IL 60074

Make the check payable to:

Northwest Suburban IRTA Unit 90.

Deadline is Thursday, September 9, 2010.

For further information, call Rich at: 847-358-7816.

* Preferred parking is available for \$5.00. It is self-parking closer to the entrance.

Valet Parking at the Club House entrance is available for \$10.00.

Return this reservation form to: Rich Chierico; 1453 E. Norman Dr.; Palatine, IL 60074

Name (Print) _____ Phone Number _____

Address _____

Guest Name (Print) _____ Phone Number _____

Address _____

Please reserve _____ spaces at \$50.00 each. Amount of enclosed check\$ _____

You Are Invited to Attend

A Breakfast with Your Legislators and Candidates

VISIT www.irta-unit90.org to find your legislative districts

Inverness Golf Club

102 N. Roselle Road, Palatine, Illinois 60067 (847) 358-2340

Valet parking available

Wednesday October 6, 2010

9:30 am

Sponsored by

The Northwest Suburban IRTA Unit 90

Invited Guests include:

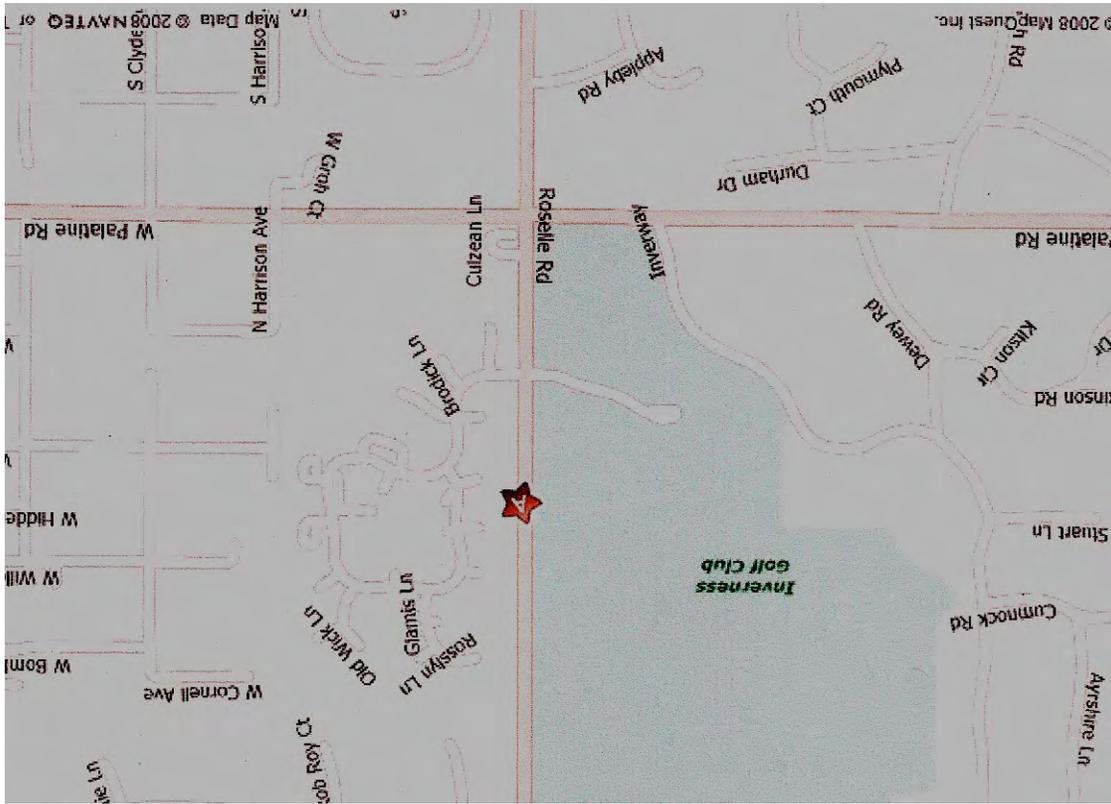
State Senator Mike Noland 22nd District
State Senate candidate Steve Rauschenberger 22nd District
State Senator John Millner 28th District
State Senate candidate Corrine Pierog 28th District
State Representative Fred Crespo 44th District
State Representative candidate Billie Roth 44th District
State Representative Mark Beaubien
State Representative Sidney Mathias 53rd District
State Representative candidate Linda Birnbaum 53rd District
State Representative candidate Tom Morrison 54th District
State Representative candidate Matt Flamm 54th District
State Representative candidate Michelle Mussman 56th District
State Representative candidate Ryan Higgins 56th District
State Representative Mark Walker 66th District
State Representative candidate David Harris 66th District

Please fill out the attached registration form and return it, with your check for \$20.00 by September 30 to: Liz White, 5805 Prairie Lane, Palatine, Il. 60067. Questions? Call Liz at (847) 397-1678

Name _____ Telephone number _____

Email address _____

Name of guest (s) _____ Amount of check _____



Northwest Suburban IRTA Unit 90
21 Tall Grass Court
Streamwood, IL 60107

IRTA UNIT 90

Who: NEWLY RETIRED TEACHERS!

What: The local chapter of the Illinois Retired Teacher's Association, Unit 90, would like to invite you to come and enjoy not only a **FREE buffet breakfast**, but also have a chance to learn more about the only professional organization which solely serves retired teachers.

When: Wednesday, September 08, 2010 at 9:00 am

Where: Arlington Heights Senior Center,
at the corner of Central and Wilke Roads;
1801 Central Road, Arlington Heights 60005
(847) 797-5341

Why? Because IRTA works on your behalf to make retirement work for you! Come to see and hear what we are working on. **Also meet and talk to TRS BOARD MEMBER,**

BOB LYONS

Be sure to visit our website at: www.irta-unit90.org for additional information; or call a former fellow district colleague.

RSVP: Please send your response by August 31, 2010 to:
Liz White, 5805 Prairie Lane; Palatine, Il 60067.

QUESTIONS? Call Liz at (847) 397-1678,

Your Name: _____ **District #** _____

Phone number _____ **Email address:** _____

I'd enjoy attending _____

I'm unavailable Sept 8 _____