



# ILLINOIS RETIRED TEACHERS ASSOCIATION

Northwest Suburban - Unit 90

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

## **PRESIDENT'S REPORT**

**March 6, 2013**

### **DATES TO REMEMBER**

**March 18 (M) – Area II Conference**

**May 8 (W) – Tour with Dr. Irv Cutler**

**June 11 (T) – Summer Luncheon**

**September 19 (Th) – Day at the Races**

**October 21-22 (M-T) -- IRTA State Convention**

**December 3 (T) – Holiday Luncheon**

### **ANOTHER YEAR: GREETINGS**

As president, I wish to welcome you to another exciting year with Unit 90 and to encourage you to become involved with our various programs and activities. The spring tour will be held in May and will be hosted by Dr. Irv Cutler. See the enclosed flyer for more information. We also have plans for two luncheons (Summer and Holiday), a Day at the Races in September and the IRTA State Convention in October. Please join us in our activities.

### **VOLUNTEERS NEEDED**

Robert Frost Elementary School in Wheeling is looking for volunteers to plan and instruct mini courses such as projects, games, arts, and crafts during the lunch hour. Volunteers may commit to a one-time course or a longer time.

The Illinois workNet Center, located in Arlington Heights, helps job seekers gain employment or training. Volunteers are needed to assist job seekers with the computer-based resources and trouble-shoot computer issues for clients seeking to send or attach resumes, print documents and file applications. The Center is open Mon. - Fri. from 8:30 am - 5:00 pm. Volunteers choose the day of the week and either a morning or afternoon shift.

There are many needs for volunteers who are willing to drive. Communities are looking for drivers to deliver meals-on-wheels, to take seniors shopping or to doctor's appointments.

For more information and additional opportunities, check the Hands On Suburban Chicago website at <http://volunteerinfo.net> or call 847 - 228 - 1320

## **TRS REPORT by Bob Lyons, Elected Annuitant, TRS Board**

### **You have told us that our pension benefits, including the COLA, would always be safe?**

Yes, and they still are. Article I, section 16 of the Illinois Constitution denies the State the ability to impair contracts and that is reinforced by the US Constitution under the section that limits the powers of the States. An even stronger protection is found in Article XIII, Section 5 that specifically states that pension benefits can “not be diminished or impaired”.

### **If they are protected, why are the Governor and the legislatures trying to take our benefits away?**

Because that is where the money is! This was the Daily Herald headline back in December after the pension fund actuaries looked at the Nekritz-Biss bill: “**Analysis: Pension cuts could save \$2 billion next year.**” For an Illinois legislator that was like learning there was gold discovered under the State Capitol. The State’s contribution to the five pension funds this fiscal year is \$5.8 billion and is due to increase to \$6.8 billion next year, suddenly they were looking at a contribution that was \$2 billion smaller. Luckily the Nekritz-Biss bill to reduce our COLA did not pass in the end of the session in January, but saving that kind of money is now a driving force to Springfield.

### **A year from now will retirees have the same benefits for their pensions that they have today?**

With some confidence I will say “yes”. While our benefits will be the same, that does not mean that the Illinois General Assembly and Governor Quinn will not have finally passed and signed a bill into law to “reform” our pensions by reducing them. I think by the end of regular session in May something will be put together and we have to be prepared for the very real possibility that it will get enough votes to reduce our benefits. Every organization that represents active and retired public employees in the state, including the IRTA, the IEA, the IFT, AFSCME, and SEIU will join hands and go into an Illinois court and ask for an immediate injunction to stop the law from going into effect until the courts have ruled that it is or is not constitutional. Whatever the law that eventually passes, we can be sure there will be significant changes to the existing system and thus a strong possibility that it will be unconstitutional, so the judge will agree to grant an injunction. A suit will then start to determine the constitutionality of the law. This process will probably take longer than a year for the courts to decide.

### **You think that something will pass, but what will it look like, what specifics?**

I don’t know, no one does. Senate Bill 1673, the legislation originally favored by Madigan and Cullerton, argues that a forced choice between our COLA and access to state provided health care is somehow constitutional, because a choice is involved. That bill also included the shift of the cost for the pensions of current teachers to the local school districts as an essential element and for that reason alone it has lacked the support of Republicans. House Bill 98 authored by Representatives Nekritz features the greatest reduction of benefits of any bill that has been proposed so far. TRS and the other state pension funds determined that if the bill became law as presently written it has the potential of saving the State of Illinois \$2 billion in just the first year! This bill not only delays the start of the COLA for retirees, but also more significantly the 3% COLA would only apply to the first \$25,000 of a pension, or a maximum of \$750 annually and would no longer be compounded. Any retiree that receives any amount of Social Security, no matter how small, would have the COLA apply only to the first \$20,000, or a maximum of \$600 annually. Significantly this bill proposes to take the most from retirees and is clearly an “impairment and reduction of benefits”. Will the majority of legislators go for the greater savings with the greater risk that it is unconstitutional?

### **If the Governor and the General Assembly have not yet been able to pass a bill for a pension reduction that affects active and retired teachers, why do you think they may be able to do so in the spring?**

Obviously I hope that I am wrong, but there are three reasons that something may pass. First the State of Illinois cannot afford to pay \$6.8 billion into the pensions without taking more money from other needed services and the legislators lack the political will to raise revenue. Second the media/Civic Committee/ and corporate conglomerates will work to create a public frenzy to force the politicians to act. Third the bond rating agencies, S+P, Moody’s and Fitch, will demand that Illinois solve their “Pension Problem” or they will drop our State’s bond rating to junk status. When the bond agencies speak, the Governor and the legislators listen and act.

**Can we count on the Illinois courts to render a judgment based not on politics but the Constitution?**

That is the key question. Seven times the Illinois courts have read those words and upheld those safeguards. The language is clear and precedent is on our side. In other states with different constitutions the courts have sided with “economic necessity” to allow benefits to be reduced. Most Illinois lawyers have said that our constitution does not allow for that, but it was one of the arguments that Representative Nekritz made. She also claimed the courts will defer to the legislature what is constitutional because the General Assembly knows what is best for the State. The courts have repeatedly found acts of the legislature to be unconstitutional. The last argument was that there are many interpretations of the constitution, ”none of us are constitutional scholars, and so let the courts decide”. Not taking responsibility is something that our legislators have gotten good at over the years. They are willing to let the Courts decide.

		IRTA Unit 90	
Income/Expense Statement for 2012		Balance Sheet for 2012	
Income		Checking Account	
Membership Dues	\$8,328.00	Balance 1/1/2012	\$16,132.47
		Income	\$8,328.00
		Expenses	\$5,513.41
		Balance 12/31/2012	\$18,947.06
Total Income	\$8,328.00	CD'S	\$5,765.48
Expenses		IRTAPAC Funds	
Printing & Mailing	\$2,149.90	Balance 1/1/2012	\$642.00
Legislative Breakfast	\$156.04	Donations	\$423.00
Bank Fees	\$5.60	Paid Out	\$600.00
Luncheons	\$1,046.42	Balance 12/31/2012	\$465.00
Foundations	\$350.00		
Area 2 Conference	\$180.00		
Newbee Breakfast	\$289.74		
Membership Expense	\$572.80		
Day at the Races	\$225.29		
Bus Tours	\$537.62		
Total Expenses	\$5,513.41	Total All Accounts	\$25,177.54

**Unit 90 WEBSITE: [www.irta-unit90.org](http://www.irta-unit90.org)**

If you have not done so yet, please check out the NEW Unit 90 website, which includes current information on the following topics: Executive Board members and meeting minutes, the latest IRTA Call to Action, GPO/WEP Issues, 2013 IRTA Foundation Scholarship information, TRS reports and pension concerns, legislative updates, and Unit 90 events with photos! Our thanks go 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.

### **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 Reinhard Taylor at [herrtaylor@comcast.net](mailto:herrtaylor@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 Reinhard with the subject IRTA NEWSLETTER.

Also if you want a current copy of Unit 90's directory emailed to you, email me, Len Kortekaas, at [lmkortekaas@yahoo.com](mailto:lmkortekaas@yahoo.com) and I will forward one to you. (Email only please as no printed copies are available)

### **NORTHWEST SUBURBAN – UNIT 90 EXECUTIVE BOARD - 2013**

#### **OFFICERS:**

President: Leonard Kortekaas : [lmkortekaas@yahoo.com](mailto:lmkortekaas@yahoo.com)

Vice President: Liz White

Secretary: Richard O'Brien

Treasurer: Robert Ferguson

#### **CHAIRS:**

Membership: Roberta Reinhardt

Communications: Reinhard Taylor

Webmaster: Reinhard Taylor

Legislative: Robert Lyons and Jesse Macro

Foundation: Doris Haack

Program Coordinators: Rich Chierico, Carolyn White

Information Services: Richard Chierico

Member Benefits: Denise Florczak

Volunteer Services: Carolyn White

Ambassador: Roger Steingraber



**Calling All Foodies : IRTA Unit 90  
Invites you to join us on our Spring Tour  
Wednesday, May 8, 2013**



Irving Cutler, Ph.D., will lead us on our tour, where we will observe the changing nature of food operations in Chicago. We will visit some of the historic areas that have traditionally supplied our restaurants and supermarkets. Areas to be visited include the former stockyard district, the present Fulton Avenue Fish/Meat Market, the Chicago International Produce Market and the Chicago Mercantile Exchange. On our way back, we will stop at Eli's Cheesecake World where you can purchase dessert or a treat to bring home.

For further information, go to Unit 90's website: [www.irta-unit90.org](http://www.irta-unit90.org)  
Or call Liz White: (847) 397-1678

**Bus Loading: 8:15 a.m. - 8:30 am; Bus Departure: 8:30 a.m.**  
**Bus Returns: Approximately 4:30 p.m.**  
**Cost: \$50.00 (including lunch at Manny's)**

**Participants limited to the first 54 who sign up.**

Limit of one guest per member, unless space is available.

**Departure from: Forest View Education Center  
North Parking Lot A 2121 S. Goebert Road, Arlington Heights, IL 60004**

Return this reservation form with your check (made out to IRTA Unit 90) to:  
Liz White, 5805 Prairie Lane; Palatine, Illinois 60067

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Name (Print): \_\_\_\_\_ Phone or Cell: \_\_\_\_\_

Email address \_\_\_\_\_

Guest (Print): \_\_\_\_\_ Phone or Cell: \_\_\_\_\_

Email address \_\_\_\_\_

Please reserve \_\_\_\_\_ places at \$50.00 each.

Enclose your check, made payable to: **Northwest Suburban IRTA Unit 90**  
**Reservation Deadline - Wednesday, May 1, 2013**