



ILLINOIS RETIRED TEACHERS ASSOCIATION

Northwest Suburban - Unit 90

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

PRESIDENT'S REPORT

August 6, 2014

DATES TO REMEMBER

September 3 (W) – New Retiree Breakfast
September 18 (Th) - Day at the Races

October 7 (T) – Legislative Breakfast
December 2 (T) – Holiday Luncheon

WELCOME BREAKFAST: NEW RETIREES

The Executive Board of Unit 90 is hosting its Eighth Annual Buffet Breakfast for new retirees on September 3, 2014, 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.



13th ANNUAL DAY AT THE RACES A SPECIAL BENEFIT EVENT

Make your plans NOW to attend the 13th Annual "A Day at Arlington Park", an exciting and enhanced event to benefit the IRTA LEGAL DEFENSE FUND, on Thursday, September 18, 2014. Not only will you have a fantastic time, but your support will also help to protect your pension benefits. For more information, see the enclosed flyer.

LEGISLATIVE BREAKFAST: Meet and Greet

Make your plans now to attend the Legislative Breakfast on Tuesday October 7, 2014, 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.

TRS REPORT by Bob Lyons, Elected Annuitant, TRS Board



In the aftermath of the recent Illinois Supreme Court decision concerning the state's attempt to require university and state retirees to pay a portion of their health insurance, TRS staff lawyers sent out an email reminding members of the board that, as we are a party to the separate suit reducing pension benefits, we are to say or write nothing about any of the legal cases. I can say that in this matter the Illinois Attorney General, Lisa Madigan, is the lawyer not only for the State of Illinois, but for the four separate state pension funds, including the Teachers' Retirement System.

You may have seen in the news that Citigroup agreed to a \$7 billion settlement for its role in selling

substandard mortgage-backed securities as investment worthy that helped to start the worldwide market crash in 2008. You may have also heard that TRS received just over \$33 million as part of the settlement. I want you to know that that dollar amount was far more than what we lost by owning any of their securities and was what Citigroup agreed to pay to make the matter go away. It was their way of saying, "We're sorry we played any part in bringing down the market."

One of the decisions required of the TRS Board is to determine an "assumed rate of return" for the future earnings of the pension fund. For a number of years we had assumed a rate of return of 8.5%. While that number was at the high end of the average ARRs for public pensions across the nation, it was in line with our actual historical long-range rate of return. The significant losses for pension funds in the wake of the 2008 credit crunch and the fall of almost all financial markets caused many pension funds to significantly lower their future expectations. It was a decision that we debated, but we were reluctant to make the judgment that our future returns would not equal past investment gains. With both politicians and investment mavens predicting gloomier expectations, the TRS Board lowered its assumed rate of return to 8% last year. In time we heard from the actuaries for the State of Illinois that they considered that number to be still too high and they strongly recommended a lower expected return.

At the June 2014 board meeting TRS made the following changes: we lowered the 8.00% investment return assumption to 7.5%, and this was based on lowering the assumed rate of 3.25% inflation to 3% for the years ahead and the real rate of investment return from 4.75% to 4.50%. The significance of this decision is that the State of Illinois will have to use this new number in calculating their future contributions to the teachers' pension fund. According to our own actuaries if the 7.5% number had been used last year the 2013 total accrued liability of the fund would have been not \$93.9 billion but increased by \$6 billion to almost \$100 billion. And Illinois' required state contribution for Fiscal 2015, which is currently \$3.4 billion, is estimated it would have needed to be increased to \$3.9 billion. This change will affect the State of Illinois' contribution in 2016.

Even though the 2014 Fiscal Year just ended June 30 and our investment returns are still being determined, I can tell you that the fund grew this past year after fees have been subtracted by something more than 16% and the total fund now has over \$44 billion in assets.

With a total liability of almost \$100 billion that puts our funded number at about 44%.

VOLUNTEERS NEEDED

Merchandise Sorters for Area Thrift Stores - sorters and preparers are needed to sort donated items in area thrift and resale stores. Volunteers inspect items for acceptability on the sales floor and place items in the appropriate categories for further pricing and processing. Flexible scheduling of volunteer time, including Saturdays. Shops are located in Elk Grove, Niles, Palatine, Rolling Meadows and Schaumburg.

Hosts for Area Blood Drives - help brighten lives for area patients by providing a positive, rewarding experience for donors at community blood drives that are held at various locations. Responsibilities include welcoming donors to the blood drive and managing the refreshment area.

Senior Transportation Drivers - friendly and patient volunteers to drive area seniors to doctor and dental appointments. Volunteer must have excellent driving skills. Needs greatest in Buffalo Grove, Des Plaines, Elk Grove, Schaumburg and Wheeling. Very flexible scheduling.

For additional information on any of these opportunities, contact HandsOnSuburbanChicago at www.handsonsuburbanchicago.org or phone them at 847-228-1320

One-Bring-One

We need to grow to strengthen our organization. Surely everyone knows a retired teacher who is not a member of IRTA. If every member would recruit one non-member we'd be 40,000 strong! We're in a fight to keep our pensions. Legislators understand numbers, especially numbers that vote. Contact irta@irtaonline.org or call 800-728-4782.

Membership Offer

Any state IRTA member who is 90 years of age or older is eligible for free state membership. To receive your free membership send me your birthdate and I'll register you. Bobby Reinhardt, 964 Burgess Cir, Buffalo Grove, IL 60089 or email me at burgesscir@earthlink.net

Unit 90 WEBSITE: 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, 2014 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.

If you want an up-to-date 2014 electronic directory (pdf file) just e-mail your request to Reinhard Taylor at: irta-unit90rtaylor@comcast.net.

NORTHWEST SUBURBAN – UNIT EXECUTIVE BOARD - 2014

OFFICERS:

President: Robert Kaplan (kaplanbob55@gmail.com)

Vice President: Liz White

Secretary: Richard O'Brien

Treasurer: Sandy Ratter



CHAIRS:

Membership: Roberta Reinhardt

Communications: Reinhard Taylor

Webmaster: Reinhard Taylor

Legislative: Robert Lyons and Jesse Macro

Foundation: Doris Haack

Program Coordinators: Rich Chierico, Liz White

Information Services: Reinhard Taylor

Member Benefits: Denise Florczak and Rich Chierico

Volunteer Services: Carolyn White

Newsletter Coordinator: Leonard Kortekaas

Unit 90 Members and their Guests are invited to attend
A Breakfast with Your Legislators and Candidates

Inverness Golf Club
102 N. Roselle Road, Palatine, IL 60067 847-358-2340
Valet parking available

Tuesday October 7, 2014
9:30 am

Sponsored by
The Northwest Suburban IRTA Unit 90

Invited Guests include:

State Senator Mike Noland	22 nd District
State Senator Matt Murphy	27 th District
State Senator Dan Kotowski	28 th District
State Representative Fred Crespo	44 th District
State Representative candidate Ramiro Juarez	44 th District
State Representative David McSweeny	52 nd District
State Representative candidate Bill Downs	52 nd District
State Representative David Harris	53 rd District
State Representative Tom Morrison	54 th District
State Representative candidate Laddi Singh	54 th District
State Representative Michelle Mussman	56 th District
State Representative candidate Jim Moynihan	56 th District

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

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

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Name: _____

Phone: _____

Email : _____

Name of guest (s) _____ Amount of check: _____

Make the check payable to: Northwest Suburban IRTA – Unit 90



Northwest Suburban Retired Teachers
Unit 90 of the Illinois Retired Teachers Association

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 BUFFETT BREAKFAST**, but also have the chance to learn more about the only professional organization which solely serves retired teachers.

When: **Wednesday, September 3, 2014 at 9:00 am**

Where: Arlington Heights Senior Center (corner of Central & Wilke Roads)
1801 Central Rd, 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

RSVP: Please send your response by **August 27, 2014** to:
Liz White, 5805 Prairie Ln, Palatine, Il 60067

QUESTIONS? Call Liz at (847) 397-1678

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

Your Name: _____ District # _____

Email address: _____ I'd enjoy attending

Phone number _____ I'm unavailable Sept 3

To protect YOUR pension support the IRTA Legal Defense Fund

Attend *A Day at Arlington Park*

Make a contribution to the IRTA Legal Defense Fund

A Day at Arlington Park

When: Thursday, September 18, 2014

Cost: \$100 per person

What: Includes complimentary general parking, admission to the track, the Daily Racing Guide, a two-hour buffet in the International Room with a 3 hour open bar, as well as soft drinks, juices and water, indoor viewing and access to outdoor seating to view the races.

Time:

11:15	Gates open
12:00	Access to International Room
12:30 - 2:30	Buffet lunch
12:30 - 3:30	Open bar
1:00	Post time

Why: To benefit the IRTA Legal Defense Fund



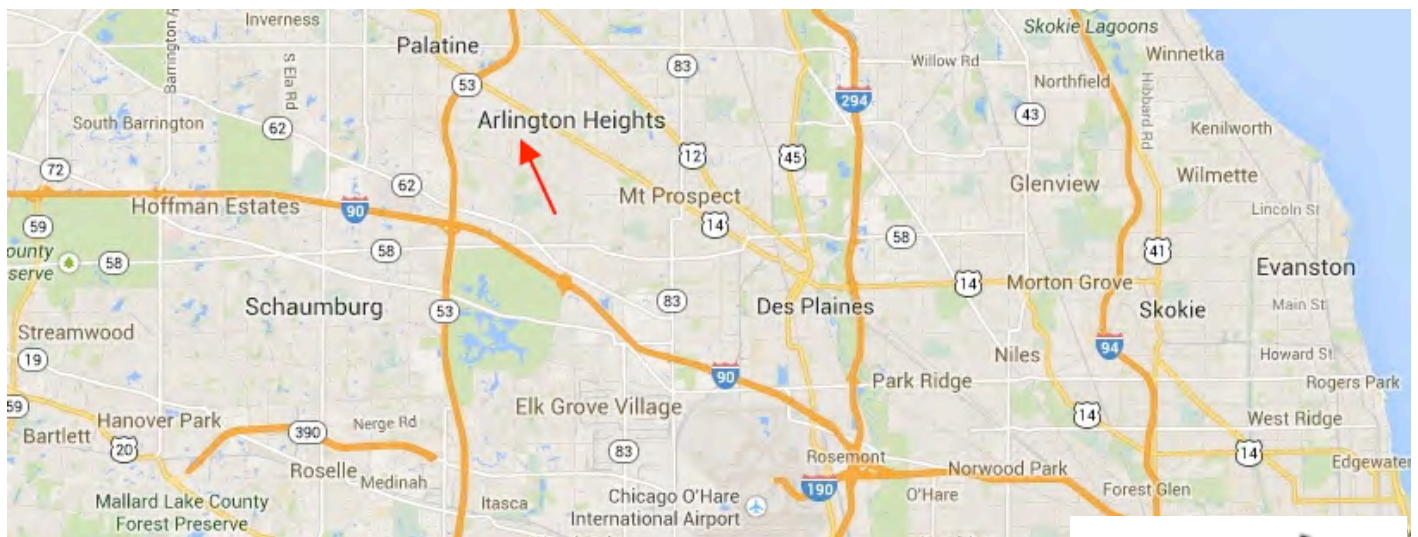
The Illinois Retired Teachers Association pledged to legally challenge any law that violates the pension protection clause of the Illinois Constitution. On Dec 27, 2013 we fulfilled that promise. The IRTA Board of Directors had the foresight to establish the legal defense fund in the summer of 2012. They realized that we would someday be in the courts defending the constitutional protection of retired educators' pension benefits. The establishment of this fund provided us the opportunity to hire one of the most highly regarded law firms in the State to represent retired educators.

Defending retired educators' benefits in the courts will not come cheap. It is necessary that we continue to raise funds for this purpose. The IRTA applauds the contributions by local units and individual members.

This event organized by the Northwest Suburban RTA will not only be fun but is also for a worthy cause.

Please consider joining us at the track on September 18th, 2014.

Jim Bachman, IRTA Executive Director



Response Form is on the reverse side.



A Day at Arlington Park

Response Form

Name: _____ Email: _____

Address: _____

City: _____ State: _____ Zip: _____

Phone: _____ Person(s) to be seated with: _____

_____ Ticket(s) for "A Day at Arlington Park": \$100 per person \$ _____

_____ I cannot attend the event, but I would like to
make a contribution to the IRTA Legal Defense Fund.

___ \$100 ___ \$50 ___ \$25 ___ \$10 \$ _____

___ Other Amount

Check enclosed for \$ _____

Tickets will be mailed to your address above.

Please respond by September 1, 2014

Make checks payable to: Northwest Suburban IRTA - Unit 90

Memo: A Day at Arlington Park

Send form and check to: Rich Chierico, 1453 E Norman Dr, Palatine, IL 60074

Questions?

Call: Rich Chierico 847-358-7816

Or e-mail: Reinhard Taylor (irta-unit90rtaylor@comcast.net)

Northwest Suburban IRTA Unit 90
21 Tall Grass Court
Streamwood, IL 60107-1277
RETURN SERVICE REQUESTED

**THE PENSION YOU
PROTECT IS YOURS:
SEE DAY AT THE
RACES FLYER**