

WCRTA

May, 2014



Dear Fellow Retiree,

WCRTA members and other state of Illinois retirees are anxiously awaiting the judicial system's response to the multiple lawsuits that have been filed as a result of the action of the General Assembly and the Governor resulting in Public Act 98-0599, the so-called pension reform legislation. It is now a waiting game for all save the courts, with nothing likely to happen until May 15, when the Attorney General must answer all of the complaints raised in the various lawsuits. Another case conference is then scheduled for May 21.

The Supreme Court has moved the four lawsuits filed by IRTA/IASA, We Are One Illinois Coalition, State Universities Annuitants Association, and Retired State Employees Association to Springfield for consideration in Sangamon County. However, the cases have NOT been consolidated. A fifth lawsuit has now been filed in Champaign County by the Illinois State Employees Association Retirees that has not been moved. (The TRS website, www.trs.illinois.gov has recently posted a document called "Elected Trustee Report to Illinois Education Association." It includes an excellent summary of the lawsuits and actions taken to date. It also has facts and figures that help to shed light on the issues.)

IRTA Executive Director Jim Bachmann contends that there will be a complete and total mess in the state if the law is allowed to go into effect as passed. He emphasizes that the law will either be ruled constitutional in its entirety or it will be totally unconstitutional. The nature of the lawsuits means that no piecemeal decisions can be made. Jim says the General Assembly is hoping the Supreme Court will tell them what parts of the law are constitutional and what parts are not so they can pass new legislation to make it fly. But, the court is not likely to do so, says Bachmann.

On another matter of interest to retirees, the Senate has approved by a 54-0 vote SB 2641, which would allow TRIP enrollees to opt in and out of the insurance program as other state retirees are permitted to do. But, Speaker Madigan has promised to bottle up the bill in the house since he thinks it will be more costly to the state.

What should we do about all of this? Remain vigilant; become better informed; let our legislators know how we feel; join and support IRTA; sign up for and use IRTA's Voter Voice; join IRTAPAC with a \$1 monthly payroll deduction from your TRS check; send a personal check to IRTA for a contribution to the Legal Defense Fund.

Bob Campbell, WCRTA President & IRTA Region 18 Legislative Liaison

Changes in Newsletter Distribution

The WCRTA Board of Directors has discussed the need for a change in the way we deliver the newsletter to the membership. We have been fortunate that the ROE office of Matt Donkin has been extremely cooperative and helpful over the past few years. Also, the work of John and Judi Harland to fold, tab, stamp and deliver for mailing each issue of the newsletter has been much appreciated.

Now, however, changes in conditions are necessitating changes in procedures. Budget pressures are causing the ROE to lessen their future involvement, both from a personnel standpoint and also because of finances. John Harland is now the Region 18 Director and has new—and considerable—responsibilities as a result. Judi Harland's position on the IRTA Foundation Board requires a lot of her time. More and more of us are acquiring email capability in our homes.

So, we are changing our distribution procedure for the quarterly newsletter. This will be the last issue that we will send to our entire mailing list. In the future, all those with email capability will receive the newsletter by email, while those who do not have email will still receive a hard copy by mail. This action should enable us to save a considerable amount of money on both materials and postage. It will also reduce the time commitments for both our local volunteers and the ROE personnel who assist us in the process. Still, every member will get a newsletter.

We will need your help in putting this change into effect. We know that some of you have email capability but do not give out your email address to lessen the amount of "spam" that you receive. PLEASE give us your email address when you pay your dues! We PROMISE that we will not give it out to others nor sell it to anyone. We will only use it for distribution of the quarterly newsletter and other information pertinent to you as a member of WCRTA. If you prefer, you can send an email to Steve Maxwell, Membership Chairman, at emax_1@mchsi.com or to Bob Campbell, WCRTA President, at bobc1939@gmail.com.

Thanks in advance for your cooperation in this matter.

Since undertaking the job of "Treasurer" of the WCRTA, it has come to my attention that not everyone understands the workings of "DUES". I will attempt to explain.

As Illinois retired teachers who are members of the IRTA, we pay annual dues to both the state and local organizations. State dues come due in January and are paid at the rate of \$40.00 a year to the IRTA in Springfield. You may elect to have your state dues deducted monthly from your retirement check at the rate of \$2.50 which adds up to \$30.00 a year or a savings of \$10.00.

Local WCRTA dues also come due in January. They are \$5.00, annually, usually paid by cash or check at one of the membership meetings or sent to me in the mail. Some have asked if they can pay more than one year at a time as they would rather write a check for multiple years. If you wish to do so, you may. A notation will be made on the computer spreadsheet next to your name as to the number of years local dues you have paid.

There has been some discussion about an increase in local dues due to increased mailing costs of the newsletter and meeting expenses. If you wish to pay your local dues ahead you will be grandfathered in at the current rate.

Local dues are used to pay for: expenses of running the local, delegates to state convention and regional meeting, new retiree's dinner, as well as memorials to the IRTA Foundation in memory of deceased members.

I hope I have "cleared things up" and look forward to seeing you at the next general membership meeting at Noon on May 12th at Mackie's Pizza in Marion.

Don Kragness, Treasurer

Topic: Legislative Update

Author: Anna Morris

Update on Pensions, Politics, and Taxes. . . . At the request of Attorney General Lisa Madigan, the Illinois Supreme Court has ordered that the four lawsuits by organizations (including IRTA) challenging the constitutionality of the pension reform bill (SB 1--A98-0599) be consolidated. A fifth suit filed by the State Universities Annuitants Association will likely be combined with the other four. Against the Attorney General's wishes, the Supreme Court further ruled that the case be assigned to the Sangamon County Circuit Court and **Judge John Belz**. The Judge ruled that the AG must file a separate response to each of the four (or five) complaints no later than May 15, 2014. At the consolidation conference, there was a discussion on possibly delaying the starting date of the law beyond June 1, 2014 as prescribed in the legislation. If the State and Plaintiffs can't mediate a delayed date, Judge Belz indicated that he would assist in the mediation process. Another interesting fact is that the **Arizona Supreme Court** recently ruled that reducing benefits to existing retirees is unconstitutional. Their constitution regarding public employees is almost identical to that of Illinois. But we have learned that nothing can be taken for granted.

Update on the March primary, IRTA and other major public employee unions endorsed Republican candidate Kirk Dillard for the nomination for governor. This was largely an effort to defeat maverick candidate Bruce Rauner who railed against "union bosses and their control." Although Dillard's campaign fell three percent short of victory, the public employees' support helped him erase a deficit of almost 15 percent. **Rauner will face Governor Quinn in the general election. The two candidates addressed the Illinois Education Association on April 11 in Chicago. Most of the 1,000 delegates cheered Quinn. Rauner sought to appease educators by saying, ". . . eliminating collective bargaining is not part of my agenda."** He further stated that he would make education funding a top priority. For his part, Quinn is predicting severe cuts to education funding, unless the 1.25 percent "temporary" income tax is made permanent. It is set to expire at the end of this year. **Finally, House Speaker Michael Madigan's bill to impose a three percent tax on incomes of one million dollars and over is on hold.** He hasn't been able to obtain the three-fifths majority to place the issue on the November ballot.

News related to our retirement system (our TRS Representatives on the TRS Board are Cynthia O'Neill and Bob Lyons): Mark Harris and Patrick Gibbs have been appointed by the governor to fill two trustee vacancies on the TRS Board. There were 53 retirees who lost their state-sponsored health insurance because they failed to return their forms to the retirement system. Actual funded ratio for our retirement system on June 30, 2013 was 42.5%; estimated for June 30, 2014 is 43.4%. As of calendar year 2013, the total return was 15.93%. Also, please note that newspaper articles that originate from the Illinois Policy Institute contain false information and incorrect conclusions about TRS. They are against defined benefit plans such as ours; they promote defined contribution plans (such as the 401K).

For more information: Teachers Retirement System (TRS): 1.800.877.7896 <http://trs.illinois.gov/> Illinois Retired Teachers Association (IRTA): 1.800.728.4782 www.irtaonline.org)

To contact legislators: Rep. John Bradley: 997-9697/ (217) 782-1051 Sen. Gary Forby: (618) 439-2504/ (217) 782-509

Newsletter by E-Mail-a New Initiative and FYI for IRTA

We are in the process of sending our Williamson County Retired Teachers Association Newsletter by e-mail. If you presently have e-mail, make sure it is current with the one we have on file. If it is not current or if you are not sure, please contact Steve Maxwell at 997-9607 or at emax1@mchsi.com. This will enable WCRTA to save on postage cost and will help us to continue to keep our local dues at five dollars, one of the lowest in the state.

This newsletter will be sent by mail and also by e-mail. Future issues will not be mailed out to those with a valid e-mail. Of course, if you do not have e-mail you will still receive your WCRTA Newsletter by mail. We appreciate very much your understanding, cooperation, and prompt response to this change.

Just an FYI for Illinois Retired Teachers Association members: you are among 35,000 retired educators who remain strong in protecting our pensions and health insurance; you are instantly able to contact our state and federal elected officials through VoterVoice, a premier online advocacy tool; you are qualified for discounted group rates for dental, vision, and other benefits; you are more knowledgeable and aware of issues important to retired educators through our member website (www.irtaonline.org); and you are able to socialize and network with former colleagues at any of the 93 local units across the state.

Loren Taylor, Chairman of Information Services

IRTA MEMBER BENEFITS

Member benefits are provided through Association Member Benefits Advisors ((AMBA) which is a nationwide full-service agency focused on plan design, negotiations, and implementation of benefits for associations. AMBA works with 33 State RTA and represents over one million member and potential members which gives AMBA leverage in negotiating and obtaining group benefits. AMBA works for the IRTA to bring you the best benefits for the best price.

You are aware of many of the benefits: **Long Term Care/Home Health Care Insurance, First Diagnosis Cancer Insurance, Final Expense Whole Life Insurance, Tax Deferred Annuity, Dental Insurance Vision Plans, Medical Air Transportation Services, government Employee Travel Opportunities (G.E.T.O.), Car Rental Discounts and much more.** However, what you really want to know is "Do they do what they say they will?"

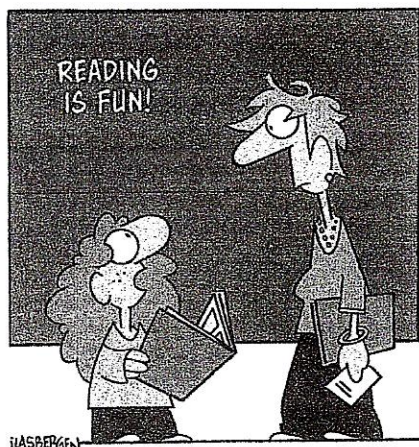
Here are a couple testimonies from someone many of you know, Lee Rodgers, Lee was the Region 18 Director for two years and served as president of the Johnson County Retired Teachers Association for the past two years. Lee and Judy had Long Term Care Insurance and First Diagnosis Cancer Insurance for several years and like most of you wondered if it was a good use of their retirement dollars.

Then came June 2012 and Lee was diagnosed with Multiple Myeloma Cancer. His son notified AMBA and within a couple weeks the First Diagnosis Cancer Insurance issued a check for \$25,000 based on a simple statement from the Doctor that Lee had cancer. This type insurance is not for medical expenses, it's for expense you might encounter dealing with the disease such as travel, motel and etc. The check comes before the expenses are incurred!

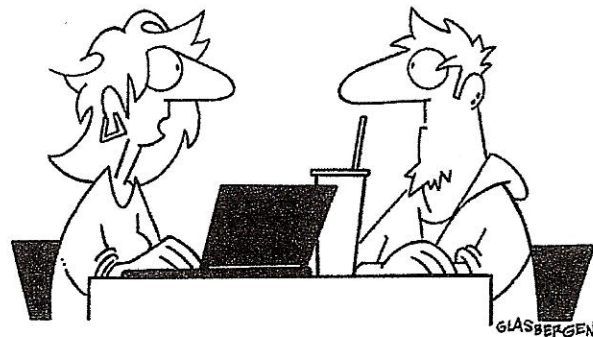
In September 2012 Judy Rodgers fell down the basement steps breaking her hip which required a hip replacement, rehab and finally combined with her long battle with alzheimer's led to confinement in a nursing home. Again thanks to the insurance the couple had through IRTA/AMBA, Lee received a check greater than he thought would be paid. In both circumstances the people were extremely cooperative and helpful.

If you have any specific questions, Lee has offered to help if he can. He can be contacted at 618-995-2640 or 618-751-0700 and by email at leeondrogers@gmail.com

Mary Lou Gander
Benefit Chair



"I tapped the page, but nothing happened!"



"I have plenty of management experience. I spent 18 years telling my parents what to do."

Williamson County Retired Teachers Association
Board of Directors Meeting April 9, 2014
Held at Good Shepherd Lutheran Church, Marion, IL

A petition was distributed for signatures for the Constitutional Amendment to Article IV of the Illinois Constitution. Bob then informed the Board of the death of Janet Malinarolo.

Roll Call – Present: Bob Campbell, Mary Lou Gander, Tom Oates, Don Kragness, Anna Morris, John Harland, Loren Taylor, and Marge Mangan. Absent was Steve Maxwell. There being a quorum, President Bob Campbell called the meeting to order.

Minutes – John Harland made a motion to accept the Minutes; it was seconded; all in favor.

Treasurer's Report – Don Kragness, Treasurer, reported the balance is \$2,355.74 as of April 3, 2014. Anna made a motion to accept the Report; it was seconded; all in favor. Don Kragness also reported on the death of two members: Venita Miller and Mike Sortal.

Retirees – Packets are being prepared for the retirees to receive at the dinner on April 24, 2014. We need to encourage the new retirees to use Dues Deduct. They would receive free state membership for the remainder of 2014, plus free state membership for January 1 through December 30, 2015.

Legislative – Anna Morris reported that there were not many updates; not much legislation.

John Harland reported that as of today, there has not been much additional activity regarding the lawsuit. All four lawsuits will be put together in Cook County.

Meeting date change – Because of the need to disseminate information from the Area 6 meeting on May 8, it is necessary to change the membership meeting from **May 7 to May 12, 2014**, at Mackie's at Noon. Speakers being considered for the next meetings are United Healthcare, CMS, and AMBA.

Board Vacancy – The Vice- President position remains open.

Newsletter – The Newsletter will be sent out through e-mail and also a paper copy sent through the USPS for everyone. Sending the Newsletter by e-mail will help avoid dues increase. We will evaluate this at a later date. Newsletter deadlines: April 18 – articles to Trish

April 25 – typed copy to ROE

May 2 – mail to members

Future meetings:

May 12 – Membership meeting at Mackie's Pizza, at Noon.

June 25 – Board Meeting

August 14 – Membership meeting at Marion Lions Depot at 1 P.M.

Sept. 10 – Board Meeting

October 20 – Membership meeting at St. Paul, Johnson City, at 1:30 P.M.

There being no further business, the Board Meeting adjourned at 3:05 P.M.

Marge Mangan,
Secretary