



# IRTA-UNIT 90

Northwest Suburban - Unit 90

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



## President's Notes

### Upcoming Events

I wish to welcome you to another exciting year with Unit 90 and encourage you to become involved with our various programs and activities. One of our opportunities every year is to attend our Area Conference. Members from other local units will also gather in Schaumburg to listen and discuss issues and benefits of IRTA membership. This year the IRTA is revising the format of the Area Conference. It will move from April to June 3, 2019. Unit 90 will provide all expenses for registration and lunch to attend as a member of our delegation.

For more information, or to sign up contact me at [kaplanbob55@gmail.com](mailto:kaplanbob55@gmail.com).

This year our Area Conference will be held at Chandler's Banquets @ Schaumburg Golf Club in Schaumburg, IL. The agenda is not quite finalized but it is open to any Unit 90 members if you have ever wondered about the state organization and want to become more involved this event is for you.

Our next event is open to all members! Please go to the website for details about the next event, *Mamma Mia!*, coming up quickly on April 10th. In fact, it is included in this newsletter; so go to the website for the rest of 2019 upcoming activities!

Of course, you are always invited to join us on the first Wednesday of every month (except no meeting in July and December) for our Executive Board meetings at the Arlington Heights Senior Center starting at 10 a.m.

Thanks for being a member of Unit 90 and the Illinois Retired Teachers Association.

### Vote in Upcoming Elections

The best thing you can do as a member of Unit 90 is to exercise your right to vote on April 2nd. Please, whether you are a Democrat, Republican or Independent, help yourself and your fellow retirees by taking advantage of your opportunity to cast a ballot. Since it is an off-year, these are local elections with no need to declare your party. There are contested elections in many municipal, school board, library board and other elected positions depending on where you live.

Our Unit has Karl Gabbey as our legislative liaison to IRTA state committee. He attends meetings and can assist with factual information about the candidates. We do not endorse candidates for local elections, but as retired teachers, exercise your rights by being informed about your local boards. Your tax bills are determined by these elected members at the local level.

### TRS Annuitant Trustee Position: Doug Strand

This is one of the two retired positions open this spring on the Teachers Retirement Trustees Board. This is the body that determines how and where money is invested and represents us as retirees. For the first time in quite a while there is a contested election. Last fall a committee of IRTA members interviewed eight annuitants who were interested in being our representative. Following the process, **Doug Strand received the IRTA ENDORSEMENT**. Doug is from the Quad-Cities area, has an impressive resumé and has been active in IRTA. Please vote for him when you receive your email ballot from TRS this spring!

If you have any questions, feel free to contact Bob Lyons or me.

*Bob Kaplan*



## Bob Lyons' Report



**Your Pension:** I could never understand why our best pension benefit, that our pensions are automatically compounded by three percent annually regardless of what inflation does, the General Assembly required no one to pay for it. I have finally figured it out. State pensions in Illinois used to grow ever year by three

percent simple. That is, every year your pension would increase by the same amount (three percent) of what it did at the end of your first year retired. That changed in 1989 and was brought about because of the growing concern about the level of past inflation and Illinois legislators passed a law to compound the annual three percent growth.

In the 21 years from 1969 through 1989 there was only one year that inflation was less than 3.3% and the average annual rate of inflation was just over 6.2%. In making the decision in 1989 to change our annual increase from three percent simple to three percent compounded, the members of the General Assembly made what they felt was a reasonable assumption that inflation would continue and that it would grow at the rate that it had been for more than 20 years. Since state pensions had not kept up with inflation they would provide a necessary increase, but they did not ask anyone to pay for it because they assumed it would not really be expensive. The change would cost the state, but they assumed it would still run behind inflation. And growing inflation would mean the state would collect more tax revenue.

People predict the future by looking at the past and that is what the legislators did in 1989 and they were wrong. In the 29 years that our pensions have grown by three percent per year, inflation has grown, but at an annual average rate only of 2.4 %, and only seven years did it exceed 3% and only once has it touched 4%. I could never understand why the members of the General Assembly failed to require an increase in contributions from anyone for such a great benefit. The simple answer was they did not expect it to be a great benefit, to be expensive, and they expected inflation to raise at a significantly higher rate that would thus result in growing tax revenue that would more than make up for the increased costs that would result from the compounding. The reality is that the change from 3% simple to 3% compounded did just what it was supposed to do and it has more than protected us from inflation.

I will assume that you were all taught the Rule of 72. Thus you know that an annual growth rate of 3% will double your pension in 24 years. Pensioners like myself that have been retired for 24 years or more, now make more money retired than we ever did when we were teaching. As I am sure you well understand, that is not something that I share with my non-teaching friends. I am also sure that you know that if it was up to the editorial boards in Illinois that not only the compounding of our pensions would disappear but the figure of three percent would be gone. Many point to this compounding as the reason that the state is compelled to put so much more money into its annual contribution to the five pension systems. The truth is that this year 76% of the \$8.5 billion going to pensions is to make up for the continuous past underfunding of the five systems. If Illinois pensions were fully funded, all it would take to fund the pensions for all current employees would be just a little more than two billion dollars. The so-called "pension problem" in Illinois has in reality not been caused by the cost of our pensions, but by the failure to fully fund them.

Inflation Before 1990		Inflation 1990 and After to 2018	
1969	6.2%	1990	6.1%
1970	5.6%	1991	3.1%
1971	3.3%	1992	2.9%
1972	3.4%	1993	2.7%
1973	8.7%	1994	2.7%
1974	12.3%	1995	2.5%
1975	6.9%	1996	3.3%
1976	4.9%	1997	1.7%
1977	6.7%	1998	1.6%
1978	9.0%	1999	2.7%
1979	13.3%	2000	3.4%
1980	12.5%	2001	1.6%
1981	8.9%	2002	2.4%
1982	3.8%	2003	1.9%
1983	3.8%	2004	3.3%
1984	3.9%	2005	3.4%
1985	3.8%	2006	2.5%
1986	1.1%	2007	4.1%
1987	4.4%	2008	0.1%
1988	4.4%	2009	2.7%
1989	4.6%	2010	1.5%
		2011	3.0%
		2012	1.7%
		2013	1.5%
		2014	0.8%
		2015	0.7%
		2016	2.1%
		2017	2.1%
		2018	1.9%



(continued on Page 6)



## Previous Event: *Holiday Luncheon*



## Upcoming Events

**2019 Mamma Mia!** (Drury Lane Theater)  
Wednesday, April 10, 2019

**2019 Area 2 Leadership Conference**  
(Chandler's) Monday, June 3, 2019

**2019 June Luncheon** (Inverness Golf Club)  
Wednesday, June 5, 2019

**2019 Newly Retired Teacher Breakfast** (Arl. Heights. Senior Center)  
Wednesday, September 4, 2019

**2019 IRTA Convention Luncheon** (Crowne Plaza Springfield, IL)  
Monday-Tuesday, October 14-15, 2019

**2019 Holiday Luncheon** (Inverness Golf Club)  
Friday, December 6, 2019

# 2019

**More details and photos at:**

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

# Illinois Retired Teachers Association Unit 90



Invites you to join the fun and see

## Mamma Mia!

**Wednesday, April 10, 2019**



At the Drury Lane Theatre in Oakbrook Terrace, IL -- 1:30 pm matinee performance

**\$60 each (Includes Theater Ticket, Lunch and Bus)**

Departure from: Forest View Education Center at 11:00 am sharp - return around 4:30 pm  
2121 S. Goebbert Rd, Arlington Heights, IL 60005

Park in the north parking lot (adjacent to the church), but not in the first two rows closest to Goebbert Road, or the church's parking lot.

Each member may bring one guest, unless space is available for additional guests

The international megahit **Mamma Mia!** uses the greatest songs of ABBA to tell a hilarious story of marriage, family and finding where you belong, proving that in the end the winner takes it all. Come see why more than 54 million people worldwide have laughed and danced to this unforgettable jukebox musical.



### Menu -- Choice of one:

#### Grilled Chicken Breast

With Marsala wine sauce

-or-

#### Parmesan Crusted Flounder

With Caper Beurre Blanc sauce

-or-

#### Crepe Florentine

with artichoke, spinach, fontana cheese  
and Chablis Cream sauce

#### Each entrée served with:

#### Mixed Greens Salad

With tomato, cucumber, carrot, radish, herb croutons

#### Dessert: Chocolate Ice Cream Sundae

**Beverages:** Coffee, Decaf Coffee, Hot Tea  
or Iced Tea. (Cash bar additional)

Dietary restrictions must be noted on registration form.  
No accommodation will be made on site.

**Reservation Deadline for members & their guests: Must be received by Monday, March 18, 2019**

**RSVP to Liz White, 1225 Luther Ln Apt 121; Arlington Heights, IL 60004-8132**

**Questions? Please call Liz White at (847)-309-5805**

✂-----✂-----✂

Name: \_\_\_\_\_ Chicken \_\_\_\_\_ Flounder \_\_\_\_\_ Crepe \_\_\_\_\_

Email Address: \_\_\_\_\_

Guest Name: \_\_\_\_\_ Chicken \_\_\_\_\_ Flounder \_\_\_\_\_ Crepe \_\_\_\_\_

Check enclosed for \$ \_\_\_\_\_ (\$60.00 each) Member Phone: \_\_\_\_\_

**Make checks payable to Northwest Suburban IRTA Unit 90**



## Bobby Reinhardt's Membership Report



Unit 90 (Northwest Suburban) is one of the 93 Units of IRTA in Illinois.

We are in Area 2, Region 3.

Currently we have **789 members** in Unit 90, but only **698** of those are members of the State IRTA.

We now also have a Unit 90 Life Membership available for \$100 or for free if you're 90 or older. We currently have **196 life members**.

**The State IRTA membership is separate. You should join both!**

Membership forms can be found at: <http://www.irta-unit90.org>

Most of you got a check in February that reflected a 3% increase over your January check. A handful of years ago, that benefit could have been lost when the General Assembly passed and the governor signed pension reform legislation. IRTA fought in the courts and won insuring our constitutionally guaranteed pension benefits. Protecting our benefits is what IRTA does. Please consider taking one dollar each month (\$12/year) and join the IRTAPAC fund. IRTAPAC is part of an overall strategy to help insure that benefits such as your 3% annual adjustment continue into the future. Join the other IRTA members who have already pledged \$1/month as a smart investment protecting their benefits. Signing up is easy. Just go to <https://www.irtaonline.org/> and fill out the subscription-form (cancel anytime).

### Hi, I'm Mike Schmidt, Chair of the State IRTA Membership Committee.

I'm here to remind you that today is February 1st and we all know what that means. Yes, it is just 24 days until my next birthday... oh, no, no, no.

I mean that today is the day that TRS deposits to us our next pension payment. More importantly, this February pension payment is the first one of 2019 to include our annual 3% raise, if you're over the age of 60, of course.

Speaking on behalf of the IRTA, I'd like to remind you that it was the leadership of this organization that saved your yearly 3% cola when the state legislature voted to restrict it several years ago. It was the IRTA lawsuit in the case, Heaton vs. Quinn that ultimately guaranteed our retirement benefits.

Without the efforts of the IRTA we would be poorer and our futures less assured. So, as a reminder, if you haven't yet paid your 2019 IRTA annual dues, now is a great time to do so. [Click here.](#)

With that in mind, remember that you can save \$10.00 a year by switching over to dues deduct by going to the new and improved IRTA website. [Click here.](#)

And when you run into retired school colleagues, ask them to join with you in the IRTA if they haven't done so already. After all, we belong to the only state-wide organization solely dedicated to protecting the retirement benefits promised to us by the state. With those guaranteed benefits I know that your next birthday will be as happy as mine will be.

Thank you for your membership,

Mike Schmidt,

IRTA Membership Committee, Chair



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## Carolyn White: Volunteers Needed



### Volunteer Ombudsman



An ombudsman volunteers to help improve quality of life and care for residents of long-term care facilities throughout suburban Cook and Lake county communities. Speak with residents and their family members at the facilities and concerned citizens in the community in order to empower residents so they are treated with respect, receive quality medical and personal care, and are free to exercise self-determination. Educate residents, facility staff, and the public about long-term care residents' rights and to advocate for individual and systemic improvements. Must complete required training. Flexible to select from many area nursing homes and extremely flexible for site visits.

### Traveler's Aide

Volunteer at O'Hare International Airport, staffing information desks or walking the terminals helping out confused and vulnerable travelers. Volunteer shifts are Monday through Friday from 9 am - 2 pm or 2 pm - 6 pm or 6 pm - 8:30 pm, with another shift from 3 pm - 7 pm on Sundays. Training and Orientation will be provided. We look for volunteers interested in a long-term volunteer position, who are able to pass a background check.

To volunteer with either of the above opportunities please go to [www.handsonsuburbanchicago.org](http://www.handsonsuburbanchicago.org).

**Clearbrook Jelly Belly Days** are May 10 and 11. Many volunteers are needed to staff all the sites in the area. It's easy to sign up. Start at [www.clearbrook.org](http://www.clearbrook.org); scroll down and click on "LEARN HOW" under GET INVOLVED. Now click on VOLUNTEER in the left-hand column; you'll find all of the events where volunteers are needed; go down to Clearbrook JellyBelly Days and follow the prompts, you'll find lots of choices.

Escorted Transportation Service is looking for drivers to assist seniors in getting to and from medical and dental appointments. You are responsible for helping your passenger to the car and safely transporting them to their appointment. The volunteer driver remains at the location and returns their passenger to their residence. The driver chooses the assignments using the web-enabled RideScheduler software. You are not committed to a particular day; schedule when you have available time. For more information and application forms go to [www.etsnw.org](http://www.etsnw.org).

## Bob Lyons' Report (Continued from Page 2)



We have a new governor and fortunately Governor Pritzker has said at the outset that Illinois pensions are protected by the state constitution. We can only hope that that means that the General Assembly will not waste their time by trying to reduce the cost of our benefits. Sadly though, the new governor is still willing to resort to a partial pension holiday by reducing the state's contribution to the five pension systems. TRS and the other four pensions were expecting to divide up \$9.1 billion for Fiscal Year 2020, but Pritzker in next year's budget has reduced the number by \$878 million. Our share of that reduction will be \$576 million. He also plans on reducing the state's contributions for the years ahead by shifting the target for the current pension repayment plan by adding seven years to the goal of reaching 90% funding from 2045 to 2052. The governor does propose to sell \$2 billion in new pension obligation bonds and our share would somewhat make up for our loss of immediate revenue, but it would hardly help for the long term. As Pat Quinn learned, when he turned to borrowing to meet an immediate demand that there is the inconvenient drawback that money borrowed needs rather quickly to be repaid and repaid with interest. The study of economics if it teaches anything drives home the lesson that there is no free money. Every dollar "saved" by not going into the pension funds will in the fullness of time need to be repaid by three dollars. We have been down this road before.

When will they learn, when will they ever learn.

*Bob Lyons*

## TRS Annuitant Trustee

### Vote for IRTA Endorsed Candidate

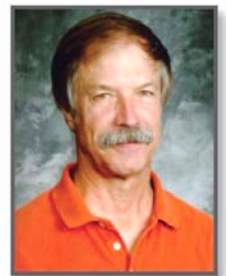
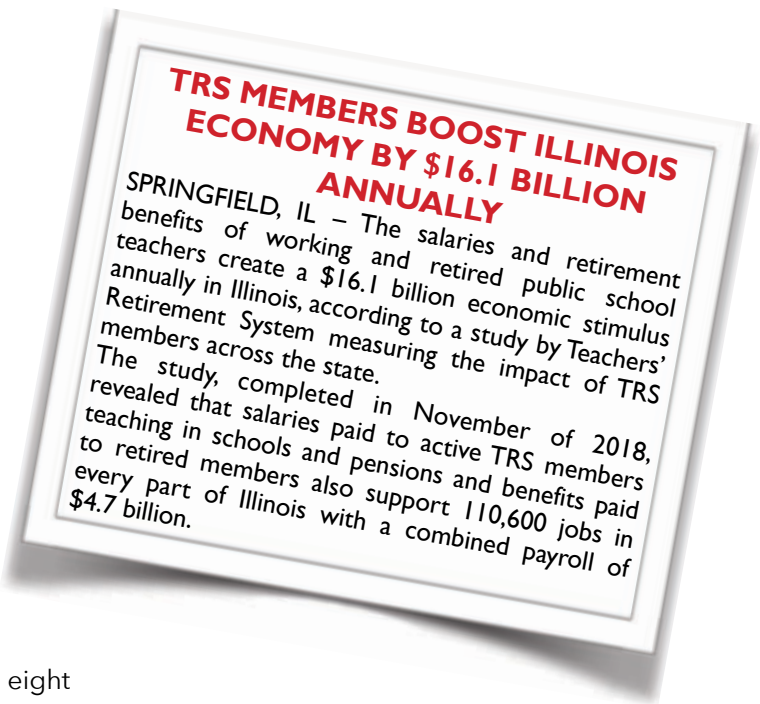
Frustrated because you cannot vote for Mayor of Chicago? You can vote for who will represent you on the Teachers' Retirement System Pension Board. There are two annuitant trustees on the board and retiree Dan Winter, who has served for eight years, has decided not to run again. There will be two candidates, so your vote will determine the winner. If TRS knows your email address you will vote electronically during the month of April and your vote must be returned by May 1. For those of you that are not online, TRS will mail you a paper ballot that you must return by the end of April.

Douglas Strand is the IRTA's endorsed candidate for the opening on the TRS Board. A select committee interviewed eight candidates for the board and Doug Strand was the unanimous choice to represent the interests of Illinois retired teachers and their survivors. Doug retired from United Township High School in East Moline where he taught as a social studies and business teacher for forty years. He taught economics, history, geography, business accounting and consumer education over the years. Significantly for serving on our pension board, Doug has been a trustee of a teachers' established credit union.

The other candidate for the annuitant position is Cinda Klickna, who has been on the TRS Board and is a past president of the IEA. The IRTA selection committee was aware that under her leadership the IEA agreed to the State of Illinois reducing the pension contribution to TRS by one billion dollars two years in row in 2005 and 2006 as a deal to prolong the ERO for four years. Klickna as a member of the TRS Board had to be aware that it would require six billion dollars to make up for what TRS lost for those two years.

Doug Strand deserves our support and I endorse him. Robert Lyons

**Look for your online ballot at the beginning of April. Vote for Douglas Strand!**



**Endorsed  
Candidate  
Doug Strand**



**IRTA**  
Illinois Retired Teachers Association  
Investing in the future of retired educators.

**REMINDER: IRTA Saved Your 3% COLA**

**Here's some helpful information from TRS.  
Know exactly when you'll receive your 3% COLA**

Nearly all annuitants receive a 3% annual increase in their annuities. Annuitants will receive the increase on the later of:

- Jan. 1 following your first anniversary in retirement or
- Jan. 1 following the date an annuitant reaches age 61.



**Convention 2019**  
**Mark your calendars now to attend the**  
**IRTA Biennial Convention.**  
**October 14-15, 2019**

**Northwest Suburban IRTA Unit 90**  
**12 Country Oaks Ln**  
**Barrington Hills, IL 60010-9620**

RETURN SERVICE REQUESTED

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