



IRTA-UNIT 90

Northwest Suburban - Unit 90

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

President's Notes



Greetings, All,
Happy March!

I consider March in Chicago-land to be a teaser month. It sounds spring-like, and it is certainly warmer than January or February, but it's not quite a "let's live outdoors" month. And waiting for spring to arrive is like waiting for

the Virus to leave. We really feel that it will happen and we continue to be hopeful as we slog through the many disappointments along the way. But we persevere because we are Chicago-tough!

What's new in the State about our pensions?

Really, there is quite a bit, and Bob Lyons will fill us in on those details in this issue.



You are now reading this newsletter, but have you read the information that our State IRTA sends out regarding college scholarships and grants for active Illinois teachers? Details, including deadlines and requirements, are available online for both of these at www.irtaonline.org. March 7 is the deadline for college scholarships, so think about it for next year. Teachers have till June 1, 2022 to apply for the grants. \$36,500 in total is being given out. Perhaps you know of a teacher who could use money for a special project. If so, check it out!

Bye for now. Be well,

Jane McCauley



2022 Officers



From left to right:
Jane McCauley (President)
Bob Lyons (Vice-President)

Gerie Kay (Secretary)
Reinhard Taylor (Treasurer)

Unit 90 Dues (January - December)

Yearly Membership \$10

Five Years \$40

Let us know your birth date, if you're 90 or older;
membership is free! _____

Life Membership \$100

Please enclose a check made payable to:
Northwest Suburban IRTA

Mail check and membership form to:

Janette Wanner
12 Country Oaks Ln
Barrington Hills, IL 60010-9620

If you have any questions, email, call or text:
JanetteWanner@comcast.net -or- 224-234-0380

To: All
From: Jane McCauley

Some of you may have read this article by Adam Schuster in the Chicago Tribune. He is from the Illinois Policy Institute which is extremely opposed to Illinois pensions. Read it, as you wish. Bob Lyons has a rebuttal to this article, which I am sure you will want to read:

[Chicago Tribune article](#)



A Reaction to the Illinois Policy Institute and their article

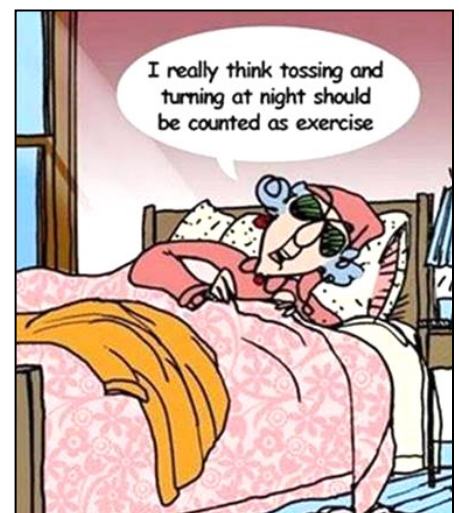
A half of a block north of the headquarters of the Illinois Retired Teachers' Association in Springfield stands the office of the Illinois Policy Institute occupying a rather charming Victorian house. Alas, the folks in the comfortable home have no love for us, the more than 100 thousand and some Illinois retired teachers, or anyone else with a state-supported pension. Their animus is deep and bitter.

Suffice to say, they do not wish for us long life. As the attached article makes clear, the IPI feels the state-supported pensions are the cause of everything that is wrong in Illinois. Their intense dislike of us and our pensions make any conclusion they come to about us certainly questionable.

The IPI is pushing an optional combination defined benefit/ defined contribution retirement plan for newly retired pensioners that actually at most would save but \$300 million in retirement funds. Considering the state will contribute \$9.6 billions to all five funds next year, it is hard to understand why they would be so excited. And their concern about delays in implementing the Tier III pension system will be made mote when TRS, for one, begins the new option next June.

Their second concern is to make the retirement systems' unfunded liability to look as bad as possible by using what is called the 'risk-free' method of determining liability. Currently under the 1995 "Edgar-Plan" to refund the the pension systems the ultimate target is to achieve 90% funding by 2045. What the Illinois Policy Institute is advocating is re-calculate what the unfunded liability would be if the target was 100%, a step which they claim would require \$317 billion to achieve. Their motive for the move is to increase the problem to such a degree that any attempt to solve it would be so onerous that the anger of the Illinois citizenry would compel the State of Illinois to renege on our pension. The reality is that for that reason alone the State of Illinois will never make 100% the ultimate goal 100%. In fact, I would not be surprised if a future General Assembly changes the current goal of 90% in 24 years to an even more attainable 80%. Unfortunately, while it makes the repayments easier, it also prolongs that problem, and makes it even more expensive in the long run.

Bob Lyons



November 3, 2021 Board Mtg



January 5, 2022 Board Mtg



February 2, 2022 Board Mtg (via Zoom)



GOV. PRITZKER'S FY 2023 BUDGET RE-AFFIRMS A COMMITMENT TO TRS MEMBERS

SPRINGFIELD, IL – **Governor JB Pritzker's** plan to appropriate more money than the minimum requirement to Illinois' public pensions in fiscal year 2023 was praised Thursday by TRS leaders as a commitment to improve the retirement security of the state's teachers.

"Governor Pritzker's proposal to allocate \$10 billion to public pensions in the coming year's state budget reaffirms his strong partnership with generations of Illinois teachers," said **TRS Board President Matthew Hunt**. "Since taking office, Gov. Pritzker has proven to be very supportive of our 432,000 members and their futures."

In his FY 2023 state budget proposal, Gov. Pritzker said he wants to add \$500 million to the minimum annual contribution required by law to TRS and the other pension systems. In FY 2023, the state's minimum statutory payment is \$9.6 billion, with \$5.9 billion dedicated to TRS. With the additional funds, the state's total contribution to the pension systems will be \$10.1 billion. It's expected the payment to TRS will total \$6.16 billion.

Governor Pritzker said the added \$500 million will reduce the future long-term liability of the state's pension systems by an estimated \$1.4 billion. The total long-term liability of all of the state's five pension systems currently stands at \$236.5 billion. The TRS unfunded liability is \$80 billion.

"With the recent funding commitment from the State, combined with strong investment returns, the funded status of TRS improved to 42.5 percent from 40.5 percent. That's great news for our members," said **R. Stanley Rupnik, TRS executive director and chief investment officer**. "Still, TRS faces deep financial challenges. Our unfunded liability is \$79.9 billion, one of the highest in the nation for a system of our size. But we are now seeing slow but steady improvement."

Fiscal year 2023 is the first time since 1994 that the state's annual pension contribution will exceed the statutory minimum.

Numbers You Should Know for Fiscal Year 2021

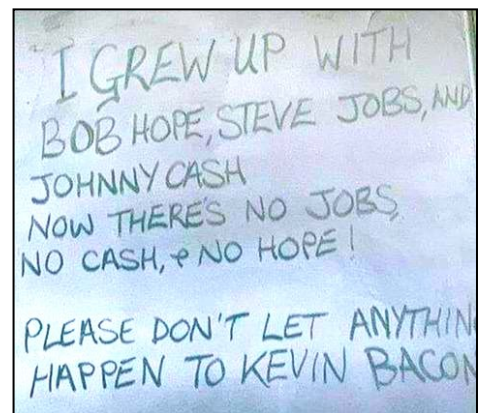
Active TRS members	159,027
Inactive members (former teachers)	145,769
Benefit recipients (includes disabled & survivors)	127,518
Investment returns for FY 2021	25.5%
Total actuarial accrued liability	\$138.9 billion
Value of assets in the fund	\$58.9 billion
Unfunded liability	\$79.9 billion
Funded ratio (June 30, 2021)	46.2%

Where our pension comes from:

Member contributions (9% of payroll)	\$1,023,531,951
Employer contributions (.58% of payroll)	\$97,594,081
State of Illinois contribution	\$5,140,648,356
Total income from investments	\$13,046,153,685
Total additions	\$19,307,298,073

Where the money goes:

Benefits paid out	\$7,323,948,701
Refunds paid out	\$64,194,011
Administrative expenses	\$23,758,112
Total deductions	\$7,411,900,824



Janette Wanner'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 **664 members** in Unit 90, but only **587** 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 **235 life members**.

51 still need to renew!

The State IRTA and the Unit 90 memberships are separate.

Membership forms for both can be found on our webpage: irta-unit90.org.

You should join both!

Unit 90 Members Who Recently Died



Mike Wietlispach (Jan. 2022)



Robbie Murphy-Elliott (Dec. 2021)



Alice Davitt (Dec. 2021)



Bob G Schmidt (Nov. 2021)



Laura Bowling (Nov. 2021)

Maxine Titre (Oct. 2021)

Brendan Flynn (Oct. 2021)

Marlyn Miller (Oct. 2021)

David Henry (Oct. 2021)

Lavern Boelkins (Oct. 2021)



Carolyn White: Volunteers Needed



Group event at **Feed My Starving Children (FMSC)** on Wed., April 20 from 9:00 - 10:45. We'd love to have you join us for our first volunteer "event".

For those of you who have not volunteered for FMSC previously, there are a variety of jobs. Most people will be filling bags with the essential ingredients to supply all the nutrients for healthy meal, weighing them,

sealing and boxing the bags. There are also runners who keep the ingredient bins filled as well as some sit-down jobs. There's something for everyone and there is a party atmosphere in the warehouse, so it's a lot of fun. If you would like to join us send an email to me at whitecarolyn14@gmail.com. Feel free to bring a non-member with you. The larger our group, the more fun it will be. Since this is our first time trying to organize a volunteer "event", we are not including a meal, but there are many great restaurant choices in the immediate vicinity. If you're an early riser, you might want to have breakfast before you join us or you might prefer to have brunch/lunch after we finish. As the date approaches, I will be sending more information - current COVID protocols and other pertinent information. FMSC is located at 740 Wiley Farm Ct., Schaumburg, which is a little west of Meacham Road across from Costco.



If you're a State IRTA member, you're eligible for many benefits:

1-800-728-4782

<https://www.irtaonline.org/benefits>

February 2022

Congratulations,

the NW Suburban RTA Unit is being recognized as a 2021 IRTA "Unit of Distinction."



The "Unit of Distinction" Program is a voluntary program based on the honor system that is designed to help guide and direct local unit leaders, as well as recognizing IRTA units that are the best in the state.

Units receiving the "Unit of Distinction" Award will be recognized at the IRTA Biennial Convention, in the IRTA ACTION, e-newsletter, and on the IRTA Website. Your unit will also receive a gift of \$250.

Again, congratulations!

Sincerely,

Jim Bachman
IRTA Executive Director



IRTA Sues Illinois

(January 24, 2022 - Springfield, IL)

The Illinois Retired Teachers Association (retired teachers, administrators, coaches, counselors, school nurses, et. al) filed a lawsuit seeking to correct an unconstitutional move by the State of Illinois which dramatically reduced contributions made to the Teacher Health Insurance Security Fund. That move worsens the financial footing of the fund, which is already on the verge of default, and places the health benefits of retired teachers in dire jeopardy.



[PLAY](#)

The Illinois Retired Teachers Association is Suing the State of Illinois



The State of Illinois reduced their contribution to our health care and made an equal reduction for active teachers because the demands on our health insurance have gone down this year and last. In the midst of a pandemic, pensioners have avoided hospitals and forsaken elective surgeries. In 2014 the Illinois Supreme Court in *Kanerva v Weems* ruled that the state's subsidization of health insurance is a benefit of the state's pension system. The State of Illinois reducing the contributions of active teachers and of itself to TRIP/TRAIL is wrong and our organization, the IRTA, has sued them. Our director, Jim Bachman, has said we will spend whatever it takes to stand up for the rights of retired teachers. One of the first things the IRTA did was to hire an independent actuarial firm to show the courts the detrimental effect the cuts would have on our health insurance. Significantly on this issue, the IRTA is standing alone against the cuts and the IEA and the IFT have accepted them. It is a situation that reminds me of a disagreement that I had with an officer of the IEA when they argued with me that our two teacher organizations, the Illinois Education Association and the Illinois Retired Teachers' Association, should not be competing **because we are on the same side**. And I would counter that that is true, **except when we are not on the same side**. And I would remind her of when the IEA and IFT signed off on the State of Illinois shorting TRS two billion dollars over two years in return for the state's extension of the Early Retirement Option. Her only counter was to say much of the money "saved" (which was the word she used) went to public education. On the current issue the law that established the funding for retired teachers called for four payers: the state, school districts, active teachers, and retirees. The state's annual contribution would be equal to the amount that active teachers were required to pay the health care fund. If the state was going to save money, active teachers would contribute less as well. The IEA and the IFT are not with us because **they are not on the same side**. Our people and their people lose gain. We worry if our health care will be paid in a timely fashion, and at the same time active teachers have more money in their pockets. With the obvious exception of those that die because something wasn't treated, does anyone really believe that spending less on health care this year is going to mean that people will need to spend less in the future? Elective surgeries that are being postponed now may very well become not only necessary in the future, but more extensive and more expensive with the passage of time. The state is wrong to reduce contributions now, thinking that the cost of health insurance will continue to remain low in the future.

Bob Lyons



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

RETURN SERVICE REQUESTED

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