# PARTA SOUNDINGS

# **APRIL 2016**

**Roger Hampton Editor** 

#### **LUNCHEON MEETING**

#### APRIL 4

Barracks Cater Inn 11:30 A M

**Luncheon - \$12.00** 

#### **GREETERS**



Ann Christophel



T Lin Hoffman

#### **PLEDGE**



John Rathbun

#### INVOCATION



John Rathbun

#### LUNCHEON

**Honey Glazed Ham** Potato/Vegetable Assorted Salads **Assorted Dessert** 

#### PROGRAM



**Dave Barnwell** PARTA President. Chair



Meetings begin around 12:20 P.M.

Check website for updates pa-rta.weebly.com

> Sally Weber Webmaster

# Peoria Area Retired Teachers Association

# PRESIDENT'S MESSAGE

Greetings! Happy Spring! I'm sure we're all looking forward to being outside and enjoying the awakening of nature.

As most of you are aware, PARTA sponsors ICC Scholarships for future educators. Last year, through your generous donations, we were able to sponsor three \$1,000 scholarships. Valda Shipp has graciously agreed to chair this program and will be asking for our continued support and assistance. Let's keep this important program going!

S C 7 0 ar S 7 O S

Our program this month will be varied and informative. (Yes, we will be mindful of the clock.) We will hear, and learn, about the Peoria Playhouse, the District #150 Foundation, and the Central Illinois Memorial Kidney Foundation.

Hope to see you at our April meeting.

Dave Barnwell, PARTA President

# PROGRAMS

APRIL 4



**Peoria Playhouse** - Rebecca Herz -

**Kidney Foundation** - Dr. Patel -

### MAY 2

**Robotics Program in Area Schools** - Brian Lough -



# JUNE 6

**GMOs - Problems with RoundUP - Organic Farming** Patrick Kirchhofer, Peoria County Farm Bureau

# **Every Day Is A New Day**

One positive small thought in the morning can change your whole day.

# **PARTA Luncheon Meeting Minutes**

March 7, 2016

Dave Barnwell welcomed everyone to the meeting and thanked the greeters, Sherry Perez and Chris Mangold. Pat Hartmann gave the invocation and led us in the pledge. Attendance today was 94. After the luncheon, Dave introduced Mary Rous, project director, who spoke about the Gerald M. Brookhart Arts in Education Spring Celebration. It covers five weeks and involves over 100 schools. This program is not covered in the budget, so corporations sponsor it. Mary is looking for volunteers to greet the students as they arrive. Next, Chris Mangold entertained us at an Irish party. She played her guitar and sang Irish folk songs, and we sang along on the choruses. After the program, Dave opened the business meeting.

- The minutes were in the *Soundings*. They were approved with the correction of Rosemary Swanson leading the invocation and pledge in February.
- The Treasurer's Report was on the tables and

- a summary is in the *Soundings*. The report will be filed for audit.
- April's program includes three parts: Rebecca Herz from the Peoria Playhouse, Dr. Patel from the Kidney Foundation, and Cindy Morris from District 150 Foundation.
- IRTA Roger Hampton said he's a proud volunteer for IRTA with all of us. Our insurance through TRIP is under attack again. IRTA web site has a video of a news release that teachers should view. On the back page of the Soundings is an article about calls for combining our pension system with the Chicago system. Roger said that this would be a disaster.
- Membership John Rathbun said the annual dues should be paid each fall. He can tell you if you are up to date.
- Altruistic Frances Farraher said there were no deaths this month as far as she knows.
   It was moved and seconded to adjourn.

Respectfully Submitted

Kathy Simpson, Recording Secretary

### April '16 Treasurer's Report Summary

Investment Balance: \$ 36,812.99 Post Office Bulk Mail Fund: \$ 366.29 Savings Balance: \$ 935.29 Post Office Returned Mail Fund: \$ 87.83

Checking Balance: \$4,406.60 Grand Total: \$42,709.00

Working Cash (cash boxes): \$ 100.00

Jeff Vallosio, Treasurer

Strange Math

After the wedding, the little ring bearer asked his father, "How many brides can the groom marry?" "One," his father said. "Why do you ask?" Because the priest said he could marry 16," the boy said, puzzled. "How'd you come up with that?" his father asked. "Easy," the little boy said. "All you have to do is add it up, like the priest said: 4 better, 4 worse, 4 richer, 4 poorer."





PARTA Members As in the past, we will be requesting donations from the membership in order to increase the number of scholarships supported by our Peoria Area Retired Teachers Association. Valda Shipp, PARTA Scholarship Chair



My grandkids believe I'm the oldest thing in the world.

And after two or three hours with them, I believe it, too.

# State Lawmakers Discuss Rauner's Power Over Pensions



Illinois lawmakers are considering whether to let Governor Rauner reduce or delay pension payments.

The measure would give the governor the power to make unilateral cuts and reallocate money around state government. Rauner's budget director says the governor would rather get a bipartisan deal -- including pension changes - instead of going it alone.

Senate President Cullerton has a pension proposal Rauner supports. But Cullerton says his legislation is not a quick fix for the state's massive pension liability. "I can assure you the best way to pass is not to introduce it now. So, if we want to work together on actually passing the bill, I would suggest that we would strategize because right now we don't have enough votes," Cullerton said.

Source: northernpublicradio.org/post/state-lawmakers-discuss-rauners-power-over-pensions

# Illinois Supreme Court Strikes Down Chicago Pensions Plan

The Illinois Supreme Court dealt another devastating blow Thursday to the state's impatient attempts to control its ballooning public pension debt by striking down a state law that would have cut into an \$8 billion hole in two of Chicago's employee pension accounts. The law forced the city to significantly ramp up its taxpayer-fueled contributions, but also cut benefits and required larger contributions from about 61,000 current and retired municipal civil servant workers. The high court unanimously sided with workers who sued the city, arguing that the law violated the Illinois Constitution's protections against reducing promised pension benefits.

The city — whose decades of underfunding is overwhelmingly to blame for the crisis — has warned that the funds would be

insolvent within 15 years without the change. But the court said that despite those warnings, the law's provisions "exceed the General Assembly's authority."

The ruling mimicked one by the high court less than a year ago involving a separate pension bailout: the \$111 billion deficit in state-employee retirement accounts. "This ruling makes clear again that the politicians who ran up the debt cannot run out on the bill or dump the burden on public-service workers and retirees instead," the unions said in a joint statement.

Source: http://www.sj-r.com/news/20160324/illinois-supreme-court-strikes-down-chicago-pensions-plan

The great statesman Winston Churchill once remarked that Americans would always do the right thing...after they've tried everything else. It appears that Illinois legislators are not yet finished trying everything else.



They say "Money Talks", ...but all mine ever seems to say is "Good-bye".



### Retired Teachers Call on Illinois to Pay Up with Pensions

Retired Illinois teachers say their state must fix a

broken pension system. "Yes, there's a problem," said Bob Lyons, a trustee with the **Illinois Retired Teachers** Association. "Yes, the problem is very real." During a meeting in Rock Island on Wednesday, longtime educator Lyons places the blame on state lawmakers. "It's not our fault," he said. "They did it." The situation dragged on long before the current budget impasse. While teachers contributed during their working years, Illinois spent its share on other things. As a result, the state's pension funding has the dubious worst-in-the-nation status.

"It's like a broken record." said Steve Haines, a retired principal, who now serves as president of IRTA Blackhawk Unit 21. "It just keeps going on and on and on." The state is obligated by law to pay \$3.7 billion each year. But after missing payments in July and November, plus paying just half its tab in August, this year's shortfall topped \$700 million. While Governor Bruce Rauner calls to increase public school spending, he also wants to stop paying the state's share of retiree health insurance. "That would be a big blow," said Haines. That share is also mandated by law and would take legislative action to toss it out. "Obviously, we don't want to see any cuts," he continued. "We're here for retired teachers."

The Illinois Teachers Pension Fund is trying to make the most of a bad situation. It actually made 1.1% in 2015, which puts it in the top 10% of its peers. But the state's lengthy diversions are mounting. And as the state budget impasse moves into a ninth month, retirees speculate that a deal won't happen until after the November election. "It's just ridiculous that our governor and our legislators can't come together," Haines said. Illinois gridlock, that's making a bad situation even worse. "It has come home to the state." Lvons concluded.

"They have reaped what they have sown." And that makes about 100,000 retirees fearful about the future.

Source: http://wqad.com/2016/03/09/retired-teachers-call-on-illinois-to-pay-up-with-pensions/

Note to Illinois lawmakers:

Aging may have slowed us down, but

# PROVERBS: with a First Grade Twist

A first grade teacher collected well known proverbs. She gave each kid in the class the first half of the proverb and asked them to come up with the rest. Here is what the kids came up with:



Strike while the.....bug is close.
The pen is mightier than.....the pigs.
You can lead a horse to water but.....how?
Don't bite the hand that.....looks dirty.
A penny saved is.....not much.
No news is.....impossible.
An idle mind is.....the best way to relax.
A miss is as good as a.....Mr.
You can't teach an old dog.....math.
Where there is smoke, there's,...,pollution.

If you lie down with dogs, you.....
will stink in the morning.

Children should be seen and not..... spanked or grounded.

Better to be safe than.....punch a 5th grader.
Never underestimate the power of.....termites.
Two's company, three's.....The Musketeers.
It's always darkest before.....daylight savings time.
At first if you don't succeed.....get new batteries.
When the blind lead the blind.....get out of the way.

Laugh and the whole world laughs with you, cry.....and you have to blow your nose.

# 8 Moves and People to Blame for the Illinois Pension Disaster

There are many, many people from both major parties at fault over many years for the Illinois pension debacle. "For more than a quarter-century, governors and state legislators, Republicans and Democrats alike, made a series of financially toxic moves in the pension systems for state employees and public school teachers," McKinney writes. "Proposals to fix the perennially underfunded pensions were based on botched calculations—or no calculations at all—and were driven by misquided rationales that weren't fully vetted. Everyone was to blame, yet few accepted responsibility. Even the public-sector unions that stood to lose the most sometimes embraced those choices.

The causes can be boiled down to the following bullet points:

- 1. In 2005, a bill delivered two days before session's end was billed as saving the state \$35 billion, but it allowed the state to skip pension payments for two years and stretch out others.
- 2. Underpayments from 1985 to 2012 add up to \$41.2 billion, the nonpartisan Commission on Government Forecasting and Accountability concluded a few years ago.
- 3. In 1989, then-Governor Jim Thompson agreed to creating a compounding 3% cost-of-living-adjustment.
- 4. In the late 1990s, another set of pension enrichments occurred.

- 5. Early retirement incentives to cut public jobs in 2002 by then Governor George Ryan and Democratic House Speaker Michael J. Madigan cost four times more than what was initially predicted.
- 6. The stock market meltdown of 2008 and the dot-com bubble burst early in the 2000s also added \$15.9 billion in pension fund losses.
- 7. A downgrade in investment return assumptions in 2011 added another \$9.8 billion in debt.
- 8. The pension ramp concept created in 1994 by then-Governor Jim Edgar added to the problems. It set low funding contributions for the first 15 years and higher payments until 2045 on the unfounded hope billions could be found in later years.

Source: www.rebootillinois.com/

# Peoria Public Library Hosts Congressional Art Show



Representative Darin LaHood (IL-18) has announced the commencement of the 2016 Congressional Art Competition, open to all high school students in Illinois'

18<sup>th</sup> Congressional District. The show will open at Peoria Public Library Main Library on April 4 and winners will be announced at a reception on Monday, April 25, 2016 in the Main Library Gallery. The Gallery is open Monday through Saturday 9:00 a.m. to 6:00 p.m. and is open to the public.

If you could kick the person in the pants responsible for most of your trouble, you wouldn't sit for a month.

- Theodore Roosevelt

Give me a one-handed economist! All my economists say,

"On the one hand ...on the other."

– Harry Truman

If I were two-faced, would I be wearing this one?

– Abraham Lincoln

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| gu. 00 10 | 15446 NE 96th ST        |                          | Maxwell                                | IA  | 50161-4120   | Address correction  |  |
| en 34     | 3415 N Sheridan APT 236 |                          | Peoria                                 | IL  | 61604-0687   | New address   |  |
| en C.     |                         | Deceased: March 22, 2016 |  |   |  |   |  |
| Roger     |                         | Deceased: March 20, 2016 |  |   |  |   |  |
| Otto      |                         | Deceased: March 8, 2016  |  |   |  |   |  |
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#### DATABASE MAINTAINED BY JOHN RATHBUN

# **Can Unions Bargain Away Pension Benefits?**

Fred Klonsky's Blog - March 25, 2016 - https://preaprez.wordpress.com/



In its recent ruling, the Illinois
Supreme Court said the unions
"were not acting as authorized
agents within the collective
bargaining process....Rather, 'these

negotiations were no different than legislative advocacy on behalf of any interest group supporting collective interest to a lawmaking body." From that I drew the conclusion that the public employee unions could not bargain away our benefits as the IEA, IFT and other public union leaders tried to do when they bargained SB2404 with Senate President John Cullerton. SB2404 never made it into law. If it had, retirees would have seen their COLAs diminished. In a response to the Court's ruling yesterday, **IEA General Counsel Mitch Roth sent out an** email. He wrote, "Whether a union and employer could agree to changes through the collective bargaining process remains an open question." I think this is a large amount of self-serving lawyer talk. I don't argue that in the past the unions have represented us in bargaining

to improve retirement benefits. That is called consideration. However, the crux of the matter is whether the result is an improvement or a diminishment of benefits. Chicago argued that a promise to secure the solvency of the pension systems counted as consideration. Consideration is required in

as consideration. Consideration is required in any change to a contractual agreement. The Court has ruled that there is no constitutional requirement to fund the pension system. The Court has been consistent on this. But the constitutional and contractual promise to pay it is their concern.

So, is Mitch right that whether a union and employer can agree to changes through the collective bargaining process remains an open question? Not really. Nobody challenged the right of the union to represent their members and members of a class when it was done to improve retirement benefits. The court was clear that the unions can't bargain on behalf of the employees if the results are a diminishment or impairment of benefits.

### Senior Citizen Remixes

You're So Varicose Vein - Carly Simon Bald Thing - Troggs Talking 'Bout My Medication - Who I Can't See Clearly Now - Johnny Nash How Can You Mend A Broken Hip?- Bee Gees

These Boots Give Me Arthritis - Nancy Sinatra
I Get By with a Little Help from Depends - Beatles
Once, Twice, Three Trips to the Bathroom - Commodores
You Can't Always Pee When You Want - Rolling Stones
I Heard It through the Grape Nuts - Marvin Gaye



Excerpts of Testimony of TRS Executive Director Dick Ingram before the Illinois Senate Appropriations Committee on March 8, 2016 regarding the annual state contribution for TRS in fiscal year 2017.

Thank you for the opportunity to speak regarding the pension contribution necessary to satisfy statutory requirements for FY2017. TRS is the largest of the state funded

systems. We represent teachers and other professional staff in school districts throughout Illinois, with the sole exception of Chicago Public Schools. We have nearly 400,000 active, retired and inactive members. The annual benefits that we pay are approaching \$6 billion, most of which stays in Illinois, making us among the largest if not the largest annual payroll in the state. Currently we manage approximately \$45 billion in assets. Our accrued actuarial liability for benefits earned is approximately \$108 billion. That means that we are only 42% funded. Currently, TRS is the 37th largest public pension system in the country. If TRS was fully funded we would be the 8th largest system in the country, as measured by assets under management. Long term investment returns continue to be strong, despite recent market downturns. This is important because investment returns, not contributions, cover the majority of the cost of benefits earned by our members.

As of December 31, our returns were as follows for the relevant periods:

| 1 Year | 3 Years | 5 Years | 10 Years | 30 Years |  |
|--------|---------|---------|----------|----------|--|
| 1.8 %  | 8.3 %   | 8.2 %   | 6.2 %    | 9.1 %    |  |

You can favorably compare these returns with the 7.5% assumed rate of return used in our actuarial model. It is important to note that these

returns have been achieved while assuming below average risk in the portfolio. Despite these strong investment results I must remind you that we cannot invest our way out of the deficit that decades of underfunding has created. With all that said, the required contribution for fiscal 2017 certified earlier this year by the TRS Board of Trustees is \$3,986,583,351. Of the nearly \$4 billion due next year to TRS, only \$871 million of that is needed for the cost of pensions being earned by active teachers. The balance – over \$3 billion – is what must be paid to make up for prior funding shortfalls.

As you are likely aware, the \$3.9 billion statutory contribution is inadequate to stop the growth of our unfunded liability. The contribution

certified by the TRS Board is the result of a formula in state law that, essentially, codifies perpetual underfunding. Each year the TRS Board also certifies a second contribution that is calculated according to accepted actuarial standards. For fiscal year 2017, the true, actuarial contribution for TRS would be \$6,070,973,314, or 52% more than what state law requires. It is worth noting that, as they have every year since inception, the State Actuary concurs with TRS's actuarial work that developed these amounts. They also join us in encouraging the General Assembly to adopt true actuarial standards for funding.

Source: trs.illinois.gov/press/2016/2016mar10.pdf



Be thankful for all the difficult people in your life, and learn from them.

They have shown you exactly who you do NOT want to be!



#### IRTA NEEDS 2 COMMITTEE VOLUNTEERS

#### **INFORMATION SERVICES**

Area 4 Representative

Duties include assisting the units in Area 4
with technology use (website, Facebook, etc.).

#### **LEGISLATIVE**

Region 9 Representative

Duties include contacting each unit in

Region 9 regarding state legislation.



There are 2 meetings to attend each year in Springfield. Lunch is included and you are reimbursed for mileage.

If you are interested or have questions, PLEASE contact:

Roger Hampton, IRTA Vice President rhampton60@comcast.net

Sally Weber, IRTA Region 9 Director sweber2020@gmail.com

# PARTA is part of IRTA Area 4 - Region 9

#### THE MAGIC BANK ACCOUNT

Imagine that you had won the following \*PRIZE\* in a contest: Each morning your bank would deposit \$86,400 in your private account for your use. However, this prize has these rules:

- 1. Everything that you didn't spend during each day would be taken away from you.
- 2. You may not simply transfer money into some other account.
- 3. You may only spend it.

- 4. Each morning upon awakening, the bank opens your account with another \$86,400 for that day.
- 5. The bank can end the game without warning. At any time it can say, "Game Over!". It can close the account and you will not receive a new one.

What would you personally do? You would buy anything and everything you wanted, right? Not only for yourself, but for all the people you love and care for. Even for people you don't know, because you couldn't possibly spend it all on yourself, right? You would try to spend every penny, and use it all, because you knew it would be replenished in the morning, right?

ACTUALLY, this GAME is REAL!!! Shocked ???

Each of us is already a winner of this \*PRIZE\*. We just can't seem to see it.

# The PRIZE is \*TIME\*

Each morning we awaken to receive 86,400 seconds as a gift of life. And when we go to sleep that night, any remaining time is NOT credited to us. What we haven't used up that day is forever lost. Yesterday is forever gone. Each morning the account is refilled, but the bank can close your account at any time WITHOUT WARNING.



# So, what will YOU do with your 86,400 seconds?

Those seconds are worth so much more than the same amount in dollars. Think about it and remember to enjoy every second of your life, because time races by so much quicker than you think. So take care of yourself, be happy, love deeply, and enjoy life!

# Here's wishing you a wonderful and beautiful day. START "SPENDING"!

Today a man knocked on my door and asked for a small donation towards the local swimming pool. So, I gave him a glass of water.

I just changed my Facebook name to 'No one' so when I see stupid posts I can click 'Like' and it will say, 'No one likes this'.