



Shelby County Retired Teachers Association Newsletter

Shelby County Retired Teachers Association
April 2019
Volume 6, Issue 1

LaVonne Chaney, President
Nancy Wilhelm, Vice-President
Ione Elliott, Secretary
Kim Sparks, Treasurer

April Meeting

Wednesday, April 3 at 9:00 a.m.

At Cornerstone Community Fellowship

Social Time followed by Program and Business Meeting

Refreshments Provided

April's program will feature Outreach Coordinator
Nick Stabler from the Teachers' Retirement System

- In Governor Pritzker's first budget address on February 20 he outlined possible changes for pension funding. These have caused concern to both TRS and IRTA. Exactly how could these changes affect current retirees?
- Another concern revolves around the approval of Proposition 125 by voters in Arizona in the November elections which allows the state to amend their constitution to cut pension benefits for state employees. Could this happen in Illinois?
- Are there changes in the future for TRIP and TRAIL health insurance?
- How healthy are TRS investments?

Come out to Cornerstone on Wednesday to hear Nick address these and other issues.

In Memorium

Orris Seng passed away on December 6, 2018 at the age of 93. He was a teacher, coach, and administrator at Windsor High School from 1951 to 1983.

SCRTA will make a donation to the IRTA Foundation in his honor.

Stay informed by visiting statewide and local websites. The Shelby County website has information on our county meetings as well IRTA, TRS, and current legislation. The IRTA website has recently been revamped, making it much easier to navigate. Be sure to check them out.

<http://www.shelbycountyretiredteachers.com>

<https://www.irtaonline.org>

From the **TRS** Winter news – <https://www.trsil.org/news-and-events/winter2019-Topics-and-Report>

TRS will hold an election on May 1, 2019 for two active teacher trustees and one annuitant trustee to serve on the Board of Trustees for 4-year terms beginning July 15, 2019.

Electronic voting for the nominated candidates will be available April 1 through May 1. To vote by electronic ballot, please ensure we have your valid email address on file. Paper ballots will only be mailed if we do not have your email address or you request a paper ballot.

Please see the next TRS newsletter for candidate profiles and more details about the election process.



News for You

*Where to go
to get more
information*

The **IRTA** board of directors have endorsed Doug Strand in the election for TRS Trustee. For more information on this decision, visit <https://www.irtaonline.org/vote>

From the **Chicago Tribune** 11/30/18 – an editorial advocating amending the constitution to change pension benefits

<https://www.chicagotribune.com/news/opinion/editorials/ct-edit-rahm-pension-speech-chicago-20181120-story.html>

...”it’s time to row together toward the only comprehensive solution. Amend the Illinois Constitution.”

“Reworking that amendment and giving elected officials the ability to adjust pension benefits going forward is the only transformative solution for Illinois. It is the most pro-growth, pro-taxpayer, pro-jobs pathway the state’s leaders could embrace. But it will require them to stand up to public employee unions.”

From a 12/21/18 email from **IRTA Executive Director Jim Bachman** -

On your behalf, I recently commissioned IRTA's attorney, John Fitzgerald from Tabet, DiVito & Rothstein, the firm that successfully represented IRTA members during our 2015 lawsuit striking down a pension reduction law as unconstitutional, to write an Official Legal Opinion, on the Arizona actions and if those similar measures could come to fruition here.

To read the full opinion, login into the member's area of the IRTA website at www.irtaonline.org. Click on LEGISLATIVE ISSUES. Then click, Infeasibility of the "Arizona Solution" Tabet DiVito & Rothstein LLC (12-21-18).

In his February 20th budget address, Governor Pritzker’s allocation to the Teachers’ Retirement System fell \$576 million short. This could eventually cost Illinois taxpayers nearly \$150 billion. Read more at irtaonline.org under Members Only - Legislative Updates 2/20/19.

The Illinois Retired Teachers Association was successful in passing their legislative initiative out of House Committee. HB 2700 sponsored by Representative Katie Stuart from Collinsville, is an attempt to bring fairness to the situation where a retiree overpays or underpays their premiums for TRIP or TRAIL. For more information on this bill and others that involve retirees, go to irtaonline.org under Members Only - Legislative Updates 3/25/19.

To read the TRS Annual Financial Report Summary for Fiscal Year 2018: <https://www.trsil.org/sites/default/files/documents/Summary-web.pdf>

A Look Again at WEP and GPO

It seems like we regularly revisit the topic of the Windfall Elimination Provision and the Government Pension Offset (WEP and GPO) – and well we should. Most of us went into teaching knowing that when we retired we would have a pension plan rather than drawing social security, but very few of us realized that our spouses could pay into social security for years and that we would not be entitled to the same amount of spousal benefits as spouses who are not teachers.

WAND recently did a story on this. They pointed out that *“Illinois teachers are often in for a rude surprise when they attempt to collect social security benefits of a deceased spouse. Illinois is only one of fifteen states punished by a pair of loopholes in social security, the Windfall Elimination Provision and the Government Pension Offset. In simple terms the provisions eliminate most, if not all, social security benefits if you are in a state-of-Illinois pension plan. It can impact teachers, police, firefighters and other public sector employees. It not only reduces benefits for surviving spouses. It also reduces social security benefits for those who may have worked in the private sector before becoming a teacher or those who paid into social security during part-time or summer jobs.”*

Below is a link to see Doug Wolfe’s February 26 story featuring retired teacher Karen Hoffet, whose husband paid into social security for 54 years. She will receive nothing from them other than \$200 burial expenses.

https://www.wandtv.com/news/i-team-teachers-squeezed-by-social-security/article_80b0fa44-3a10-11e9-8f11-ef9af6b8e367.html

The WEP and GPO originated in the early 1980’s to eliminate “double dipping”.

- The WEP reduces the amount of social security benefits to people who have earned pension money in both the public and private sector. Even though earned separately, the social security benefits earned in the private sector are reduced.
- The GPO affects the amount of survivor and spousal benefits a spouse can collect if they themselves worked for a state or government agency. The amount they would receive could be reduced by two-thirds of the amount of their own government pension. In many cases these result in the spousal benefits becoming \$0.

Most Illinois retired teachers would agree that this seems unfair, especially since it only applies to 15 states. So what can be done? As always, contacting your legislators is a good start. IRTA reports that Rep. Mary Flowers introduced HR 6 to the General Assembly urging the President and the U. S. Congress to find a solution to the problems created by the Windfall Elimination Provision. It’s just a resolution and it’s on a federal matter, but the call for repeal is strengthened when they add their voices.

On the federal level, January 4 U.S. Rep. Rodney Davis introduced H.R. 141, the bipartisan Social Security Fairness Act which would eliminate the Windfall Elimination Provision and the Government Pension Offset. Let’s hope this is the first step toward a repeal.



IRTA Info



IRTA Membership

On February 1st you may have gotten an email from IRTA Membership Chair Mike Schmidt commenting that the pension payment you received on that day was the first one in 2019 to include the annual 3% raise.

He also pointed out that it was this lawsuit brought by the IRTA (Heaton vs. Quinn) that saved our 3% COLA when the state legislature voted to restrict it several years ago.

If you are getting this SCRTA newsletter, you helped save this cost-of-living adjustment for all TRS retirees since it was financed by IRTA. Thank you for your continued support through your membership.

And if you pay your dues annually and would like to save \$10, you may want to switch to "Dues Deduct". You can do this on the IRTA website.

The time may come again when we may have to fight another court battle. Consider checking with your retired school colleagues to see if they are also contributing by being a member of IRTA, the only state-wide organization solely dedicated to protecting your pension.

"Excellence in Education Grants for Teachers" Program

The IRTA Foundation is making \$36,500 in grant money available statewide in Illinois. This special grant money will provide additional funds to public school educators (Pre-K through 12) so that their students will have the means to participate in special projects.

If you know current educators who might be interested in this program, please direct them to the IRTA website link below for more information. There they can download, complete, and submit the application online. The deadline for proposals is June 1, 2019 and awards will be presented in the fall.

<https://irtaonline.org/index.php/foundation/Grants>



OK, I'll be upfront about it. This is a plea for more money.

If you are still reading, I'd like to ask you to consider also becoming a member of SCRTA. We work hard to keep you informed of news that affects your pensions. We only ask for \$5 in return. Work on the website and the 4 meetings a year is donated, but other expenses such as postage for newsletters and memorials for deceased members are covered solely by our local dues. Since you are a member of IRTA, we know you are not a selfish person. Local membership is usually just something you put off until later. Why not take a minute right now and send your \$5 local dues to Ginny Hostetler at 1014 W. N. Fourth Street, Shelbyville, IL 62565.



Thanks!

And thanks to former student Diana Winson for providing Spring pictures for this newsletter.