

Illinois State Annuitants Association Newsletter

ISUAAA



ISUAA—serving annuitants and survivors since 1971

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ISUAA president's message

Thank you to those who attended the Illinois State University Annuitants Association (ISUAA) annual meeting and elected me to be ISUAA president for 2006–2008, and to the nominating committee, who felt I could adequately serve in this capacity. I will try to live up to the accomplishments of my predecessors. ISUAA celebrates its 35th birthday this fall and has the reputation of being an active statewide leader in advocating on behalf of its members. We will continue building on that foundation.

One thing I want us to do as a chapter, and as a state organization (State Universities Annuitants Association—SUAA), is to continue to have an “attitude.” We are not *lucky* to have the benefits we enjoy today. We earned these benefits and paid our fair share to realize what is, in fact, deferred compensation. Advocating for your earned benefits is the top priority of ISUAA.

This issue of *ISUAA News* is being distributed to non-member retirees as well as to members. I hope more will choose to join

ISUAA/SUAA. The easiest way to help protect your hard-earned benefits is to join and add to our numbers and influence. Automatic dues deduction, from either a SURS pension check or an Illinois State payroll check (new), is very convenient. A membership form is included in this issue.

A special thanks goes to outgoing president Jan Cook. Jan will continue to serve ISUAA as an SUAA director and on the SUAA executive committee. Thanks also go to outgoing *ISUAA News* co-editor Jack Hobbs. Jack will now have the freedom to travel and not be tied down for *ISUAA News* deadlines. The staff in University Marketing and Communications is now helping us put *ISUAA News* together. ISUAA appreciates the sponsorship of this issue by the College of Fine Arts. Please see Brandon Burling's article on ISUAA discounts for fine arts events.

I hope to see you at the fall luncheon.

Christ Schwelle

Thanks received

The helping hamper at our June annual meeting/dinner benefited the St. Vincent De Paul Food Pantry in downtown Bloomington. The hamper was filled to overflowing with canned goods, paper products, soap, and about 120 packages of deodorant. The

pantry staff were thrilled to help unload the treasure we delivered. They were especially grateful for the soap and deodorant, since the weather had turned hot and no one else had donated any such goods.

ISUAA election results/annual meeting summary

The ISUAA annual meeting was held at the Clarion Hotel on June 7, 2006. Christ Schwelle was elected president; Carolyn Bartlett, secretary; and David Doss, Janet Kuhns and Tom Shilgalis, directors. Continuing their positions on the ISUAA board are Sharon Quiram, vice president; Paul Schertz, treasurer; and Jude Boyer, director.

Distinguished service awards were presented to Gene Irving, Don Kachur, and Mary Shadowens. Irving is a past president of ISUAA and played a leading role in the establishment of the survivors advocacy program. Don Kachur served ISUAA as membership chair and led the chapter's explosive growth in membership. Shadowens, as benefits supervisor in Human Resources, was of tremendous assis-

tance to those planning their retirement and also helped establish the survivors advocacy program.

Treasurer Paul Schertz reported that ISUAA will finish 2005–2006 with slightly more income than expenses and a positive cash balance. Payroll deduction for payment of dues will now be available to pre-retirees employed by Illinois State.

Schwelle reported that as of May 31, 2006, ISUAA membership totaled 1,351. The participation rate of 63 percent is the highest among comparable universities. Total SUAA membership as of May 31, 2006, was 14,284.

Issues potentially affecting SURS annuitants

By Tom Wilson and Christ Schwelle

This is a good time to summarize the issues facing state university retirees, pre-retirees, and survivors. Not much will likely happen until after the November elections and the General Assembly convenes in January. In the meantime, SUAA and others in the higher education coalition are gearing up to advocate for members. Tom's perspective comes from his years as SUAA's legislative chair and his continuing research and analysis of legislative issues. Christ is a relative newcomer, but as a member of the board of directors of SUAA's political involvement committee (SUA ACTION), he has been involved in discussions of these topics. The following represents our collective view.

Inadequate funding of state pensions (including SURS)

In the FY06 and FY07 budgets, the state swept over \$2 billion from the state pensions system to use for other purposes. This gave Illinois the dubious ranking of No. 1 as far as the worst-funded state pension system. Little can

be done to *make* the state restore proper funding to the pension system. What *can* be done is reminding elected officials and the public that payment of these pension benefits is a legal obligation that is not going away. The pensions, including the 3 percent compounded annual increment, are protected by state law. Annuitants earned them and had their share deducted from their pay. The pensions are not the problem. The problem is that the state chose to divert money away from these obligations for other purposes.

Constitutional convention (ConCon)

Several interest groups in Illinois are looking to use a ConCon to diminish pension rights for public employees. (Tom Wilson explained the ConCon process in detail in the May issue of *ISUAA News*.) The general public is not sympathetic to those with public pensions.

Since a ConCon could open up a real "can of worms" for all kinds of issues, it may very well not happen. If ConCon does happen and if the constitutional provision that prevents state pensions from being diminished/impaired (reduced) is eliminated, possible legal action would include the argument that the state cannot just cancel out benefits earned under properly enacted legislation somewhat like the principal of "ex post facto" in criminal law. The diminishment/impairment provision is not just a policy or regulation. It helps that annuitants paid their share to help fund the system and annual increments. Voters in Illinois will decide in 2008 whether or not to have a ConCon.

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Pension reform

Among pension reforms so far: the elimination of the money purchase formula for new employees; the transfer of annual interest rate determination from the SURS board to the State Comptroller; and the transfer, from the state to employers, the pension costs of salary increases exceeding 6 percent in the final four years before retirement. Some of these 6 percent provisions have since been modified. A number of other changes were considered and could be reconsidered.

Health insurance benefit reductions

All state retirees are vulnerable. There is no protecting law. The existing pattern, which is expected to continue, is that AFSCME will be negotiating health insurance benefits with Central Management Services and everyone affected will live with the results. AFSCME has a good track record and seems to be committed to protecting retirees. One likely problem is that a new accounting standard (GASB 45) will take effect to acknowledge future health insurance obligations. This will clearly show the state's obligation and will attract the attention of government officials and the public.

Exemptions of pensions from state income tax

In Illinois, both public and private pension income and Social Security benefits are exempt from state income tax. As mentioned earlier, Illinois has a revenue problem. Previous discussion, which focused on raising additional revenue for K-12 education, included taxing pension income. Nothing came out of these discussions, but this could come up again. Legislators will be reminded that (most) SURS annuitants do not receive Social Security benefits and those who do receive reduced benefits. A likely stance is that if pensions are taxed, a certain amount of pension income should be exempt to protect those with low or modest income. Only pension income above that amount should be subject to tax.

Social Security offsets

These offsets financially penalize those eligible for SURS benefits and Social Security benefits. This is especially unfair to those receiving only a small SURS pension. SUAA and others representing public employees are currently educating congressional staff regarding the unfair situations created by these penalties with specific situations being cited. A number of knowledgeable people believe it is important to gather information and continue educating,

but, given the federal budget problems and cost to correct things, this issue will not get greater attention until there is more serious discussion on Social Security reform.

SUAA will continue to keep a close watch on these and other issues that could impact members and utilize its statewide structure to advocate on behalf of members. By being a member you help provide the numbers that give SUAA some clout. If you're not a member, isn't it worth a couple of dollars a month to join?

ISUAA organization 2006-2007

ISUAA board

President	Christ Schwelle (08)
Vice president.....	Sharon Quiram (07)
Secretary	Carolyn Bartlett (08)
Treasurer.....	Paul Schertz (07)
Director	Jude Boyer (07)
Director	David Doss (07)
Director	Janet Kuhns (08)
Director	Tom Shilgalis (08)

Committee chairs

Golf	Pete Whitmer
Insurance	Yvonne Hougham and Bob Metcalf
Legislative	Tom Wilson and Dave Wiant
Membership interim	Christ Schwelle and Paul Schertz
Nominating	Marilee Rapp
Pool	Christ Schwelle
Programs	Sharon Quiram
Social	Shirlee Bottomley and Dona Meador
SUA ACTION	Christ Schwelle
Survivors advocacy	Mary Liverman
State association directors.....	Jan Cook (08) Paul Schertz (07) Christ Schwelle (08) David Strand (07) Chuck Taylor (07)

ISUAA task force teams/resources

Archivist	Jo Ann Rayfield
Auditor	Chuck Taylor
Chapter directory	Dona Meador
Human Resources support	Jan Beer
Mailing list.....	Kathy Pollock and Paul Schertz
Newsletter	Christ Schwelle and University Marketing and Communications
Web page	David Doss

Only \$2.08 a month helps protect your benefits

Become a member, or renew, today!

Illinois State University Annuitants Association membership form

Membership includes both the Illinois State University Annuitants Association (ISUAA) and the State Universities Annuitants Association (SUAA). Of the \$25 annual dues for retirees, \$21 is for SUAA dues and \$4 is for ISUAA dues. If you are retired or still employed by Illinois State, please consider monthly automatic dues deduction. This saves time and money for SUAA and ISUAA. If you do this you will be automatically enrolled for subsequent years unless you decide to withdraw your membership.

A. Membership information *(please print)*

Name _____

Spouse's name _____

Address _____

City _____

State _____

Zip _____

(_____)

Telephone _____

E-mail _____

Membership category:

Retiree (person receiving SURS annuity now)

Retiree and spouse

Survivor (spouse of deceased annuitant)

Spouse (spouse of an annuitant or pre-retiree not eligible for other categories—pays only SUAA dues)

Pre-retiree (employed at Illinois State and vested in SURS)

Other (define) _____

B. Automatic deduction *(current retirees only: currently \$2.08/month; \$3.83/month with spouse)*

This is available only to current retirees receiving a SURS annuity. I hereby authorize the State Universities Retirement System (SURS) to deduct each month the amount certified by SUAA as the current rate of dues. The deduction is to start as soon as possible and will continue until I inform SURS otherwise. I also authorize SURS to provide SUAA with any change of address.

Signature and Social Security number required _____

C. Payroll deduction *(pre-retirees only: currently \$2.50/month; \$4.60/month with spouse, August–May)*

This is available to current Illinois State University employees only. I hereby authorize Illinois State University to deduct each month, August–May, the amount certified by ISUAA as the current rate of dues. The deduction is to start as soon as possible and will continue until I submit a signed revocation form to Illinois State University.

Signature and ULID number required _____

D. Single cash payment *(\$25/year; \$46/year with spouse)*

Make check payable to SUAA.

Please return completed form and check, if applicable, to ISUAA, Campus Box 1300, Normal, IL 61790-1300.

OFFICE USE ONLY _____ 086-724 (\$2.50)

_____ 086-725 (\$4.60)

6/06

ISUAA discounts for College of Fine Arts events

By Brandon C. Burling, general manager,
College of Fine Arts box offices

The Illinois State University College of Fine Arts is pleased to announce a special ticket rate for ISUAA members: \$8 for MainStage theatre productions and \$7 for Gold Series music events in the Center for the Performing Arts (CPA).

2006–2007 MainStage productions

Romeo and Juliet

October 6, 7, 11–14, 7:30 p.m.
October 8, 2 p.m.

Othello's Passion: A Kabuki play based on one of Shakespeare's masterpieces

November 8–11, 7:30 p.m.
November 11–12, 2 p.m.

Fall Dance Concert

December 7–9, 7:30 p.m.
December 9, 2 p.m.

Ma Rainey's Black Bottom (honoring August Wilson)

February 23, 24, 28, and March 1–3, 7:30 p.m.
February 25, 2 p.m.

West Side Story (produced in partnership with the School of Music)*

April 5–7, 12–14, 7:30 p.m.
April 15, 2 p.m.

*Tickets for West Side Story will be \$10.

Spring Dance Concert

May 3–5, 7:30 p.m.
May 5, 2 p.m.

2006–2007 Gold Series music events

Illinois State University Symphony Orchestra

September 28, 8 p.m.

Bands Prism

October 13, 8 p.m.

Elijah: Illinois State University Symphony Orchestra, Concert Choir, and Civic Chorale

October 22, 3 p.m.

Wind Symphony

November 16, 8 p.m.
February 18, 3 p.m.

Music for the Holidays

December 3, 3 p.m. and 7 p.m.

Ragtime and Stride Minority Scholarship Benefit

February 13, 7:30 p.m.

Concerto Aria: Illinois State University Symphony Orchestra

March 8, 8 p.m.

Jazz Festival with special guest artist

April 14, 8 p.m.

Choral Collage

April 29, 7 p.m.

You can order tickets by calling the box office at (309) 438-2535 or by visiting during our regular business hours (noon–5 p.m., Monday–Friday). Beginning August 12, all tickets will be available online and at all Ticketmaster outlets. ISUAA members must inform the box office of their membership in order to receive this discount. Please pick up your tickets no later than 15 minutes prior to performance.

More information is available on the Web at www.IllinoisState.edu/finearts.

Reservation form

Fall luncheon

Wednesday, September 6, 2006, 11:30 a.m., Brown Ballroom, Bone Student Center

Name(s) of those attending _____

Please reserve _____ meals at \$13 each. A check for \$_____ payable to ISUAA is enclosed.

Entrees

___ Mediterranean basil chicken _____ (name)

___ Pasta primavera (vegetarian) _____ (name)

Please send your reservation by August 25, 2006, to either

Shirlee Bottomley
507 E. Taylor Street
Bloomington, IL 61701-5334

OR

Dona Meador
311 S. Towanda Avenue #4
Normal, IL 61761-6101

Please, no late or telephone reservations.

ISUAA annual meeting summary

Seven delegates from ISUAA attended the State Universities Annuity Association (SUAA) annual meeting in Springfield, June 14–15, 2006. Delegates from chapters throughout the state attended. Most of the conference was devoted to identifying and clarifying issues that could impact annuitants, and discussing strategies for dealing with these issues. Among the speakers were representatives from AFSCME and the Service Employees International Union. These unions and SUAA are part of a coalition of organizations working together on issues of common interest, such as state pensions. Dan Slack, the new executive director of SURS, also addressed SUAA. One session was devoted to survivor assistance. Representatives from SURS discussed issues survivors need to address, and ISUAA's Mary Liverman and Edna Johnston presented information about ISUAA's survivor advocacy program. Mary and Edna were very effective in motivating other chapters to consider establishing similar programs.

The issues discussed by SUAA are familiar. These include inadequate state funding of SURS; pension "reform"; potential health insurance benefit reductions;

ISUAA classifieds

WANTED—Positive reinforcement for students. The Illinois State University Student Foundation is committed to endowing a scholarship in the memory of slain student Olamide Adeyooye.

So far over \$12,000 has been raised. \$20,000 is needed. Lend some encouragement to these students by sending a check payable to the Illinois State University Foundation, with Olamide Adeyooye Memorial Scholarship Fund on the memo line, to Campus Box 8000, Normal, IL 61761-8000. For questions or additional information, contact Adam Goduto at (309) 438-5474 or agodut@ilstu.edu.

WANTED—People needed to help new students move in. Complete the application on the move-in Web page, www.housing.ilstu.edu, or contact Maggie Volk at (309) 438-3868.

WANTED—Annuity holders to assist in preparing packets for Illinois State's SECA campaign. Duties include collating materials, stuffing envelopes, and putting mailing labels on envelopes sent to all university employees each fall. Several ISUAA members did this last year and their help was very much appreciated. Volunteer any daytime hours (Monday–Friday) you have available over a two-week period in September. Contact Maureen Peel at (309) 438-5152 or mkpeel@ilstu.edu, or Vickie Carrell at (309) 438-5677 or vs carre@ilstu.edu for more information.

FOR SALE—Reasonably priced seats in senior professional classes. Offered this fall/winter: "Getting More Out of Your Digital Camera," "The American Civil War," "From the DaVinci Code to The Gospel of Judas," "First Amendment—Sword and Shield: Your Constitutional Rights: Are They Secure?," and "Climate Change and Global Warming." For more information or to receive a brochure call (309) 438-2160.

the possibility of losing the state income tax exemption for pensions; and the potential of a state constitutional convention with possible retraction of the constitutional provision that prevents state pensions from being diminished. SUAA's legislative committee continues to analyze these issues and develop strategies. SUAACTION (a political involvement committee) is gearing up to have these issues addressed by members at the local level with local legislators. On the federal side of the ledger the Social Security offsets, which penalize those receiving both SURS and Social Security benefits, continue to receive attention.

Once again ISUAA was the recipient of awards. ISUAA has 1,351 members, a 7 percent increase over last year. ISUAA's 63 percent participation rate is the highest among residential university chapters. SUAA's membership total of 14,300 is a significant increase over last year's 12,800 and likely demonstrates the increasing realization by SURS participants that having a group like SUAA advocating on their behalf is a good idea. In addition to the membership awards, ISUAA's Tom Wilson was recognized for his service on SUAA's legislative committee.

FREEBIE—Illinois State University Annuity/Retiree gold parking tags at the Office of Parking and Transportation, 709 N. Main Street, Normal (old Falcon Motel site). Avoid the rush and get yours now! You will need your university photo ID **with the new ID number**. If you changed vehicles since last year bring the new information. Permits issued this year will be good for two years. For information call (309) 438-8391. Information about university photo IDs may be obtained by calling the Card Office at (309) 438-2273.

In memoriam

Lois S. Bingert, May 11, 2006
John E. Boaz, May 12, 2006
James P. "Jim" Brady, April 23, 2006
John E. Brady, June 15, 2006
James E. Collie, Sr., May 1, 2006
Robert E. Cummins, Sr., June 29, 2006
Preston M. Ensign, May 8, 2006
William L. King, July 14, 2006
Orrin J. Mizer, July 5, 2006
Mary E. Moore, July 5, 2006
Donald E. Schaefer, May 29, 2006
Leslie A. Stewart, June 23, 2006
May C. Vawter, July 20, 2006

University Club fall 2006 events

By Jude Boyer

Gourmet dinners

Thai cuisine will be featured on Friday, September 29, in the Old Main Room, Bone Student Center. The dinner on Saturday, November 4, will feature Irish cuisine, also to be held in the Old Main Room. Full information about each menu and reservation details should be available approximately August 25 on the University Club Web site: www.lilt.ilstu.edu/uclub/gourmet_dinners.htm

Discussion hours

The first discussion hour of the fall semester will be held Friday, August 25, from 3:30 to 5:30 p.m., in the Faculty/Staff Commons, Bone Student Center. Please join us for refreshments and lively conversation. Discussion hours are held on most Friday afternoons of the academic semesters. Special discussion/information topics are noted on the University Club Calendar Web site.

University Club is a great way to meet members of the University community. Membership is open to all current and retired faculty and staff of Illinois State University. Further details about the University Club may be found on the Web at www.lilt.ilstu.edu/uclub.

Helping hamper for the September luncheon

The Crisis Nursery at the Children's Foundation in Bloomington will be our September helping hamper beneficiary. They are available around the clock and the calendar to care for children from birth through age 6 who need a place to stay during a family emergency. The crisis may be anything from a parent's need to be with another child in the hospital to a fire or traffic accident that leaves no adult free to tend the kids. The nursery has playrooms, bedrooms, and a kitchen for "home-cooked" meals. They can use a range of supplies: diapers and pull-ups (have your grandchildren outgrown some?), wipes, baby food and formula, shelf-stable single-serving food or snacks for youngsters (low-sugar preferred), and clean clothes through age 6. The children especially enjoy small clean toys such as cars, dolls, books, and educational games they can take home. Also needed are colorful paper cups, plates, and bowls of any type—perhaps party leftovers?

ISUAA calendar

2006

Friday, August 25

Deadline for ISUAA directory and fall luncheon reservations

Wednesday, September 6

ISUAA luncheon, 11:30 a.m.–1:30 p.m., Brown Ballroom

Wednesday, September 13

ISUAA board with committee chairs, 2–3:30 p.m., Spotlight Room

Tuesday, October 17

SUAA board, Champaign-Urbana

Wednesday, November 8

ISUAA board with committee chairs, 2–3:30 p.m., Spotlight Room

Wednesday, December 6

ISUAA holiday luncheon/meeting, 11:30 a.m.–1:30 p.m., Brown Ballroom

Fall dates to be determined: Advancement breakfast

2007

Wednesday, January 10

ISUAA board with committee chairs, 2–3:30 p.m., Spotlight Room

Wednesday March 14

ISUAA board with committee chairs, 2–3:30 p.m., Spotlight Room

Wednesday, March 7

ISUAA spring luncheon, 11:30 a.m.–1:30 p.m., Old Main Room

Wednesday, May 9

ISUAA board with committee chairs, 2–3:30 p.m., Spotlight Room

Wednesday, June 20

ISUAA annual meeting/dinner, 5:30–7:30 p.m., Brown Ballroom

Thursday, June 28–Friday, June 29

SUAA annual meeting

Spring dates to be determined: Advancement breakfast, March SUAA board meeting

Surviving spouse privileges

There are approximately 230 surviving spouses of Illinois State University retirees (140 are ISUAA members). Some privileges, such as complimentary gold parking tags, are available to these survivors. ISUAA is working with the University on clarifying available privileges and possibly enhancing these. The University has been very receptive, but it is too early to get into specifics. Stay tuned.

ISUAA directory update

Many member e-mail addresses were inadvertently omitted from the 2005 directory (blue). If your e-mail address was omitted and you would like it included in the 2006 directory and/or have any other changes to make, complete this form and mail to Dona Meador, 311 S. Towanda Avenue # 4, Normal, IL 61761-6101. Please respond by August 25, 2006. If the information in the 2005 directory was correct/complete you do not have to complete this form.

Name

Spouse's name

Address

City

State

()

Telephone

E-mail address

Check here if you would like this information forwarded to Illinois State for the university directory.

An equal opportunity/affirmative action university encouraging diversity

UNIVERSITY MARKETING AND COMMUNICATIONS

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