

isuaa news

"ISUAA – serving annuitants and survivors since 1971"

2003-2004 Issue No. 3, February 1, 2004 Co-Editors, Jack Hobbs and Parker Lawlis

Illinois State Annuitants Association Newsletter
Published Quarterly
Illinois State University, Normal IL 61790-1300

PRESIDENT'S MESSAGE

Parker Lawlis

Thank you; thank you for your membership in the ISUAA.

The main goal of the SUAA was to increase the number of members. Thus, the membership committee chaired by Don Kachur, has done a GREAT JOB! As of January 1, 2004, we have 1,185 members. That is an increase of 269 members from last year's figure of 916.

The Officers and Directors have been mulling over the changes in Springfield, but as of now, do not have any major issues to discuss that we have not already mentioned in previous newsletters.

The Holiday Luncheon was very successful with the singing of carols lead by Jim Roderick and Don Peterson at the piano. Santa Claus distributed gift cards from the Alamo—as one annuitant said, "The gift card was worth more than the price of the meal."

The committees are all at work with the "Calling e-mail" ready for use, the nomination committee is looking for officer candidates and committee volunteers, the Survivor's Advocacy Team has been active, our web page has been added to with each activity.

We, again, sponsored the University Club Scholarship Awards Reception in December.

Thanks to all for the help given to make our chapter one of the best!!

A "Certificate of Appreciation" was given to Oressea McQueen for her years of service to ISUAA and SUAA: October 7, 1971, Oressea and five other ISU retirees attended a meeting in Springfield for the purpose of planning the "Annuitants Association of the State Universities of Illinois" (ASSURSI) later called "The State University Annuitants Association" (SUAA).

She was appointed Secretary for the first meeting, appointed to the committee to draft by-laws for the chapter and was a Founder and Charter Member of ISUAA, secretary-treasurer for two terms, Chapter Secretary of three additional terms, Chapter Representative to AASURSI/SAA and Editor of the first Chapter "Yearbook" now called the "Directory".

Oressea in cooperation with Ethel Stein, wrote the "Introduction to the History of the Illinois State University Association" based on 20 years of

minutes and other chapter records-1971-1991.

ISUAA Honors Ruth Barber

Ruth Barber, wife of the late G. Bradford Barber, has been presented with an honorary life membership in both the Illinois State University Annuitants Association (ISUAA) and the State Universities Annuitants Association (SUAA). In addition, Mrs. Barber received a framed wall plaque announcing this award which proclaimed, "... in recognition of her behind-the-scenes support of G. Bradford Barber during his years of service as Co-founder, President, and Executive Director [of ISUAA and SUAA]".

Upon his retirement from IS(N)U, Brad worked full time (and more!) seeking legislation to preserve and enhance retirement benefits. This involved countless hours of research and preparation of proposals to be put before the Springfield legislators. Brad is considered the individual responsible for one of the most significant improvements—that of the increased survivor's benefits.

Although remaining in the background, Ruth always was Brad's strongest booster and supporter. Representing the Chapter at this November 6, 2003 award ceremony were Yvonne Hougham, Edna Johnston and Gene Irving. Mrs. Barber's niece, Joyce Pomrenke, and her husband, Robert, also were present.

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LEGISLATIVE REPORT

Tom Wilson, Legislative Co-chair

Things have been quiet in Springfield over the past three months. Most of the decision makers are in Chicago, making mostly bad decisions. Behind the scenes it appears the Governor will ask for what is called euphemistically a "pension holiday". The State will not make its "required" payment into the pension systems for fiscal year 2005 beginning on July 1, 2004.

This is a very serious problem, although it should be more of a concern for actives and recent retirees than it is for those of us who have been retired for 10 or more years. SURS has over \$11 billion in assets. Even if there is no return on those assets, the assets could be spent down until all that's left is the toilet paper in the SURS building. Assuming the contribution level for employees remains at 8% that will generate additional income for SURS. Thus, unless our life spans greatly

exceed expectations, there will be money available to pay our pensions. But eventually the money will run out and will not be enough to begin to cover pensions 25 or 30 years from now.

The bankruptcy of SURS and the other State of Illinois retirement systems is quite a few years in the future, but it's going to happen if the State doesn't begin to pay off its liability to the pension systems. The only alternative would be for the State to take a huge portion of the State's operating budget to pay pension costs. Instead of the current 4%, pension costs would have to be 30% of the budget.

This is being written on January 14, and I hope I am wrong about what the State plans to do. It's not a happy outlook, but Happy New Year anyway.

**ADDRESSES, PHONE NOS.,
AND E-MAILS OF GOVERNMENT**

Governor (Democrat)

Rod R. Blagojevich
Office of the Governor
207 State House
Springfield, IL 62706
Phone: 217.782.0244
governor@state.il.us

State Senator, District 44 (Republican)

Bill Brady
105-A State House
Springfield, IL 62706
Phone: 217.782.6216
Fax: 217.782.0116
billbrady@senatorbillbrady.com

2203 Eastland Drive - Suite 3
Bloomington, IL 61704
Phone: 309.664.4440
Fax: 309.664.8597

State Senator, District 53 (Republican)

Dan Rutherford
105-B State House
Springfield, IL 62706
Phone: 217.782.6597
Fax: 217.782.0116
danrutherford@danrutherford.com

320 N. Plum Street
Pontiac, IL 61764
Phone: 815.842.3632
Fax: 815.842.2875

State Representative, District 88
(Republican)

Dan Brady
2416 East Washington - Suite G
Bloomington, IL 61704
Phone: 309.662.1100
Fax: 309.662.1150
dan@rep-danbrady.com

200-8N Stratton Bldg.
Springfield, IL 62706
Phone: 217.782.1118
Fax: 217.558.6271

State Representative, District 106
(Republican)

Keith Sommer
121 W. Jefferson
Morton, IL 61550
309/263-9242
Fax 309/263-8187
e-mail sommer@mtco.com

US Representative, District 15
(Republican)

Timothy V. Johnson
1229 Longworth House Office Building
Washington, DC 20515

Phone: 202.225.2371
Fax: 202.226.0791
rep.johnson@mail.house.gov

2004 Fox Drive
Champaign, IL 61820
Phone: 217.403.4690
Fax: 217.403.4691

1 Brickyard Drive
Suite 201
Bloomington, IL 61701
Phone: 309.663.7049
Fax: 309.663.9880

(Local addresses and telephone numbers for members of the Illinois General Assembly and US Congress can be found at <http://www.legis.state.il.us/> and choose Legislator Lookup. You can choose to search by address and all you need to enter is your complete 9-digit zip code. The ISUAA Directory includes the 9-digit zip code for almost all members.

(That same website allows you to type in the number of any bill as HB 3183. You can scroll down and read the status and fiscal notes about each bill)

2003 LEGISLATIVE ISSUES
Daniel P. Brady
State Representative, 88th District

There were a few legislative changes during the 2003 Session in Springfield regarding pension payouts and the funding of pensions.

There was a legislative change to the State Universities Retirement Systems (SURS). House Bill 3183 changed and clarified different provisions of this legislation. One of the changes is the way a benefit to an alternate payee of a participant in the SURS Self-Managed Plan may be expressed as a flat-dollar amount or a percentage of the participant's account. HB 3183 also allows SURS to pay benefits regardless of whether a guardian has been

appointed. The remaining changes were technical.

Other than HB 3183, the Illinois House of Representatives did not approve any pension legislation, per se during the last session. In the past, major pension legislation required the approval of the Pension Laws Commission. The House Democrats failed to appoint members to the Pension Laws Commission. Since members were not appointed to the Commission, there were not enough members to meet to approve legislation. Without Commission approval the Senate refused to deal with many of the more significant pension proposals.

The Governor also proposed merging SURS with TRS. This proposal was met with significant opposition and was never introduced into legislation. Your association and I will monitor this and other possible proposals closely in the new session.

Meeting Dates

Foundation Breakfast, April 19, 2004

The Foundation Breakfast will be in the Bone Student Center, Old Main Room at 7:30 on April 19.

Spring Meeting, June 2, 2004

The Spring Meeting of the ISUAA will be held at the Ballroom of the Bone Student Center on June 2, 2004 at 5:30 p.m. You will find the reservation form on page 9 of this Newsletter. The menu will be BBQ Pork with Bun, Grilled Chicken Breast with Bun, cold Slaw, Baked Beans, cookies and brownies, drink \$10.00 per person.

ISUAA Executive Board

The ISUAA Executive Board will meet on March 17, 2004 in the Spotlight Room BSC at 2:00 p.m.

Tee Birds Golf

Attention...Annuitants, spouses and surviving spouses interested in playing golf in the golf league this summer.

Please plan to attend an organizational meeting on May 6, at 10:00 a.m. at the Faculty Commons in the Bone Student Center. We will collect the usual \$5.00 participation fee at that time.

League play will begin May 13 through September 2.

Due to the closing of Royal Links, it is our intention to play 10 times at the ISU Course with the additional playtime to be arranged at area courses. ISU golf course will sell annuitants, spouses and survivors a 9-hole 10-play card for \$50.00 and cart rental will be \$6.00 per person. (Note: spouses and survivors must be members of the ISUAA.) We suggest you buy your card in April or early May so you'll be ready May 13.

Meet the Legislators

The ISUAA, McLean County Retired Teachers and Heartland College Retirees will be hosting our legislators on two occasions in April. Plan to attend both if you are available.

Monday, April 19 at 9:15 a.m. Old Main Room-BSC: Senator Bill Brady and Representative Dan Brady

Monday, April 26, 10:00 a.m.

Normal Public Library: Senator Dan Rutherford and Representative Keith Sommer

THE FAMILY CAMPAIGN: UPDATE AND CHALLENGE

By Patricia M. Grogg, Co-chair, The Family Campaign

As of November 21, 2003, the family campaign had 797 donors pledging a total of \$4,882,414.91. That's a very grand total, but we're not done yet! Redefining "normal": The Campaign for Illinois State University will end December 31, 2004. That gives us just 300 or so days to do the very best we can, and I think we can do better.

Susan Kern, longtime faculty/staff member, and currently Vice President of University Advancement, along with Interim President Al Bowman, also a longtime faculty/staffer are challenging us to have 1000 donors to the family campaign by year-end.

It's a big goal, but I think we're up to it. So many of you called after last fall's article in this newsletter, and some very nice gifts are in the works. Others have stepped forward with wonderful one-time gifts to favorite projects: seats in the new Performing Arts Center, contributions to the Arena completion project, dollars for departmental activities including travel money for students to attend conferences.

Why give to the family campaign piece of Redefining "normal?" Because the dollars extend the legacy you have already left. First, annuitants' gifts represent both the good work of the past and faith in the future. Second, your gifts truly make a difference, and soon

you will be reading more about those differences.

As we move into the final “campaign push,” we’ll be putting out a family campaign newsletter, with stories of gifts and donors who are making a difference now. We will also honor all non-anonymous donors, listing their names as charter members of the University’s first-ever capital campaign donor group. Won’t you consider being among them? Look for the first family campaign newsletter in early March.

For further information or to request a pledge card, give me a call at 438-5962, or email me at pmgrogg@ilstu.edu.

2004 SUAA LEGISLATIVE GOALS

The State Universities Annuity Association (SUAA), a voluntary organization of about 11,000 members, supports benefit maintenance and improvements for members of the State Universities Retirement System of Illinois (SURS).

Retiree and Survivor Benefits

Death Benefit – Increase the SURS death benefit from \$1,000 to \$5,000. The benefit has been at \$1,000 since 1959. SURS has indicated that the cost of this benefit is negligible.

Inflation Adjustment – Provide an ad hoc increase for those who retired before 1980 (or for the survivor). Inflation in the 1970s averaged about 10% per year, and retirees from that era have never come close to achieving a cost of living increase.

Health Insurance

State Group Health Insurance – Maintain current health benefits for State university retirees, survivors, and employees.

CCHIP Dependent Premium Assistance –

Reduce the dependent’s payment for the Community College Health Insurance Program (CCHIP). At present dependents under age 65 pay about \$6,500 per year for health insurance and those 65+ without Medicare pay over \$10,000 per year.

Medicare Premium – Provide State payment of the Medicare Part B premium for State retirees with Medicare. The State’s health insurance payment is reduced by about 60% for State retirees who are Medicare recipients. Work out a fair plan for employer payment of Medicare B for community college retirees.

Funding and Control of SURS

State Required Contribution - Support actuarially certified funding for SURS and the other State retirement systems for fiscal year 2005, which begins July 1, 2004.

Service and Investments – Support the autonomy of SURS to serve all its members and to make investments in the best interest of those members.

Federal Government Legislation

Social Security Offsets – Remove the so-called “Windfall Elimination” provision and the Government Pension Offset which greatly reduce earned Social Security benefits for many SURS retirees and for teachers retired from public schools in Illinois.

Deduction for Long-Term Care Insurance Premiums – Amend the Internal Revenue Code to allow the full deductibility of insurance premiums paid for long-term care. Currently, only a portion of the premium is deductible and then only if approved medical expenses exceed 7.5% of income. Guarantee that if IRS rules are followed, benefits (if needed) would not be subject to any federal income tax.

State Universities Annuity Association

3085 Stevenson Drive, Suite #301,
Springfield, IL 62703
217/585-2370 FAX: 217/585-2372 888-
547-8473 Email: suaa@springnet1.com

Help Needed at Graduation by the Disability Concerns Office

Ann Caldwell, Director of Disability Concerns Office, is asking the ISUAA to assist at graduation time to assist persons with disabilities to get around at the time of the graduation exercises. (May and December)

ISUAA Computer Classes

Friday, Feb. 27 – Intro to Personal Computing

Friday, March 5 - Intro to World Wide Web

Friday, March 19 - Intro to E-Mail

Friday, March 26 - Intro to Word

Monday, April 5 - Intro to Personal Computing

Monday, April 12 - Intro to World Wide Web

Monday, April 19 - Intro to E-Mail

Monday, April 26 - Intro to Word

Julie Caplinger 438-7582

TECHZONE COMPUTER STORE

Andy Schweizer

If you are interested in purchasing a new computer, be sure to visit TechZone. TechZone is the ISU computer store located in Bone Student Center, Second Floor-East Lounge. TechZone is owned and operated by the University as a service to all members of the University community.

- Obtain personalized assistance in evaluating the type of computer that meets your needs.

- Buy direct from the manufacturer at faculty/staff/student pricing.

TechZone has contracts with Dell,

Apple, Gateway, CDW-G and Crucial Technology. Whether you're looking for a complete new system, supplies, peripherals or software be sure to Come See Us Before You Buy!

- TechZone offers an optional setup/configuration service for those who don't "enjoy" configuring a new computer from scratch! For only \$40 TechZone configures your new computer with everything you need to check your email and get online - quickly! Eliminate the endless hours and hassles of configuring a new computer.

If you are interested in this service, please contact Andy Schweizer (ajschwe@ilstu.edu), TechZone manager for an appointment at 438-3172.

www.techzone.ilstu.org

RETIREMENT INCOME PLANNING WORKSHOP

The Illinois State University Annuitant's Association is sponsoring a financial planning workshop for members to be held on Thursday, April 29, 2004. This workshop, among other goals, will help us learn how to maximize our retirement income, prepare for long-term care, and enhance our income while remaining philanthropic. Kevin Kingston, CLU and Chartered Financial Consultant will lead the workshop beginning at 10:00 A.M. in the Founder's Suite of the Bone Student Center. Other contributors will be Roger Laramee, Director of Planned Giving at Illinois State University, and Parker Lawlis, President of the Annuitant's Association. Refreshments will be served during the workshop, which is free to participants. Questions should be directed to Roger Laramee at 309-438-8184.

RESERVATION FORM FOR THE
ANNUAL DINNER MEETING

Wednesday, June 2, 2004, 5:30 p.m. (doors open at 5:00)
BALLROOM of the ISU Bone Student Center

Names of those attending _____

Reserve _____ meals at \$10.00 each. Total amount \$ _____

Make check for total amount payable to: ANNUITANTS ASSN., and mail check
and this reservation form by May 19, 2004 to BARBARA GLENN, 57 Ravenwood
Circle, Bloomington, IL 61704

WE REGRET TO REPORT THE DEATHS OF:

Frederick H. Schenk September 3, 2003
Daniel J. Shaw October 10, 2003
Charles E. Shaw October 14, 2003
Luella E. Schultze October 26, 2003
Leslie E. Pugh November 15, 2003
Charles R. "C.J." Strickland November 20, 2003
Sharad S. Chitgopekar December 2, 2003
Betty C. Zimmerman December 6, 2003
Marilyn J. Webb December 27, 2003
Lucile A. Davis December 28, 2003
Caroline D. Gordon January 1, 2004
S. Duncan Miller January 16, 2004

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