

## ISUAA Annual Meeting and Dinner reservation form

Wednesday, June 3, 2009, 5:30–7:30 p.m.  
Old Main Room, Bone Student Center

Please reserve \_\_\_\_ meals at \$10 each.

A check for \$\_\_\_\_ payable to ISUAA is enclosed.

Names of those attending

Name: \_\_\_\_\_

Check one:  smothered chicken  vegetarian lasagna

Name: \_\_\_\_\_

Check one:  smothered chicken  vegetarian lasagna

Please send your reservation form by May 27 to  
Shirlee Bottomley, 507 E. Taylor St., Bloomington,  
IL 61701-5334 OR Dona Meador, 311 S. Towanda  
Ave. #4, Normal, IL 61761-6101

*Please, no late or telephone reservations.*

## Membership renewal

Those with single payment memberships expiring 6/30/09 should have received or will soon receive membership renewal information from SUAA's Springfield office. Other single pay members receive renewal notices as their calendar year membership expiration date nears. Those on automatic dues deduction have continuing memberships and do not have to worry about renewal.

If you do renew, please consider automatic dues deduction. This convenient payment option is available to members receiving a SURS monthly annuity. There is a payroll deduction option for preretirees still employed by Illinois State. These dues payment methods save ISUAA/SUAA time and money. Please renew promptly so a follow-up mailing will not be necessary.

If you would like to help add to our membership numbers and do not have your spouse enrolled, please consider that. If you're thinking about not renewing because you've been unable to attend ISUAA events, please reconsider. It is worth a couple of dollars each month to help protect your benefits even if you are not able to actively participate in chapter activities. Now is not the time to let your membership lapse!

If you have any questions about membership, contact Paul Schertz, Schertz@mchsi.com or 963-4610) or Christ Schwelle (cfschwel@ilstu.edu or 663-0230).

## Illinois State Annuitants Association Newsletter

# ISUAA



Volume 3 Number 4  
Spring 2009

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*ISUAA—serving annuitants and survivors since 1971*

### Alumni Relations

#### Alumni Association awards program seeking nominations

Do you know of an alumnus who deserves to be recognized? The Alumni Relations staff would like to hear about them. The Alumni Association Awards program recognizes the professional and service accomplishments of alumni. Nominations may be submitted by members of the University community, alumni, colleagues, or friends of the University, and can be completed online. To be considered for spring 2010 nominations must be received by May 29, 2009.

For details about the award categories and an online nomination form, visit [www.Alumni.ilstu.edu/about\\_us/awards](http://www.Alumni.ilstu.edu/about_us/awards). Award recipients will be honored on Founders Day, during February 2010. Questions about the Alumni Awards program may be directed to Gina Bianchi at [glbianc@IllinoisState.edu](mailto:glbianc@IllinoisState.edu) or (309) 438-7380.

#### Alumni Relations invites you to upcoming events

You won't want to miss a thrilling summer of baseball games, theatre, and networking receptions to name just a few activities offered. Annuitants are welcome to attend alumni events. They are considered to be honored guests by Alumni Relations. For the most up-to-date event information or to register online, visit [www.Alumni.ilstu.edu/events](http://www.Alumni.ilstu.edu/events).

#### Save the date for Homecoming—October 12–18, 2009

Plan on returning to campus October 12–18 for Homecoming 2009. Check the Homecoming Web site at [www.Alumni.ilstu.edu/homecoming](http://www.Alumni.ilstu.edu/homecoming) throughout the summer for the most current information on scheduled activities, or call Alumni Relations at (309) 438-2586.

#### Nominations sought for Alumni King and Queen

The Alumni Association Homecoming Committee is seeking nominations for the alumni king and queen of the 2009 Homecoming court. The alumni king and queen are crowned at the Homecoming luncheon on Friday, and reign over events with the student Homecoming king and queen throughout the celebration weekend. To be eligible for consideration, alumni must have celebrated their 50th Illinois State class reunion, have a strong connection to the University, and be able to attend Homecoming events throughout the weekend of October 16–17. The deadline for nominations is June 1. For additional information or to request a nomination form, contact Alumni Relations at (309) 438-2586.

### Get Connected

SUAA sends periodic "mini-briefings" via e-mail to those for whom they have an e-mail address. These mini-briefings contain the latest news out of Springfield affecting SUAA members. If you would like to be on the e-mail list contact SUAA at [suaa@suaa.org](mailto:suaa@suaa.org), and ask that your e-mail address be added to the list.

## President's comments

As the articles for this newsletter were being prepared, the Illinois General Assembly was introducing legislation that could impact ISUAA members. An update on such legislation will be provided at the June 3 ISUAA Annual Meeting and Dinner. Two articles in this issue relate to issues of concern. One is on pension security, and the other is on the possible taxing of pensions.

ISUAA members helped make Illinois State University what it is today. Many members continue their support of the University by donating to the ISU Foundation. This year's Gladly We Give campaign is coming to a close. A primary focus of this campaign has been increasing the number of donors. The percentage of retirees, survivors, and current employees who donate to the University is a statistic that influences foundations and corporations as they consider whether or not Illinois State is worthy of their financial support.

It is not too late to join this effort. You may do so for as little as \$10. For information contact Barbara Todd, executive director of internal campaigns, at [btodd@ilstu.edu](mailto:btodd@ilstu.edu) or (309) 438-2592; or contact one of the development directors listed on page two of the (green) ISUAA Chapter Directory.

Congratulations to ISUAA member Curtis White for his excellent letter to the editor taking issue with Governor Quinn, referring to state pension plans as "Cadillac" plans. It was printed in the March 14 *Pantagraph*.

This issue of the ISUAA newsletter does not have a "sponsor" because the Illinois State University area that has sponsored the spring newsletter in the past has experienced budget cutbacks.

*Christ Schwelle, ISUAA President*

### In memoriam

Roque Cordero	December 27, 2008
Rachel Dearth	February 4, 2009
Gertrude Dixon	November 12, 2008
Lawrence Emch	May 15, 2008
Thomas Ferry	August 27, 2008
Barbara Hall	November 14, 2008
Lola Hoit	November 21, 2008
Zoe Kirk	February 21, 2009
Joyce Lundy	November 13, 2008
Malcolm McClure	August 30, 2008
Allen Monroe	October 3, 2008
Ann Nolte	March 10, 2009
Helen Payne	February 10, 2009
George Petrossian	February 24, 2009
Wilma Pforr	November 17, 2008
Elmyra Thompson	December 24, 2008
Lawrence Walker	January 27, 2009

## Will our pensions be taxed?

It is difficult to see the State of Illinois achieving a balanced budget without increasing taxes. One issue that has come up before and could come up again is the taxing of pensions (public and private), which are currently exempt from Illinois State income tax. The state has to be careful about taxing pensions because it could cause some retirees to move from Illinois.

Retirees with pensions are desirable citizens even though they don't pay taxes on their pensions. They typically are not burdens on the state, as they usually don't have kids in school, have health insurance, fully support themselves without public assistance, and have other income on which they pay taxes. In addition, they are probably more law abiding than other groups, make major purchases, eat out, keep much of their money in local banks, and otherwise contribute to the state and local economy. (They also tend to avoid rush hour traffic.) They based their retirement budget on not having to pay state taxes on pension income.

It may not take much to make them look at moving from Illinois, especially if they already spend their winter elsewhere or have adult children or siblings in another state. Many feel that they paid state income taxes during their working years and deserve relief at this stage of their lives. Taxing their pensions could be "the straw that breaks the camel's back" relative to their residency decision.

If the state considers taxing pensions, it needs to carefully consider the above as well as taxing Social Security benefits. They must also consider exempting a certain amount of pension and Social Security income from taxes, perhaps \$40,000 per person to provide a basic level of untaxed income and keep more financially secure retirees, and the plusses they provide to Illinois, in the state. ISUAA/SUAA will be closely monitoring this issue.

Generating more income tax revenue will be tricky. One reason is that the state constitution only allows for a flat tax. A graduated tax would not be permissible without constitutional change.

Some of our members have had discussions on how the state income tax could be more progressive, while still having a flat tax. One method would be increasing the flat tax rate while tinkering with the concept of exemptions. One thought is to allow a greater dollar value for exemptions for those with lower incomes. This could be challenged as a "back door" graduated income tax.

Another method would be a cap on the real estate tax credit since those who are financially secure tend to pay more in such taxes, receiving higher credits. Builder and real estate agent lobbyists would lead the charge against this.

The income tax is only one source of revenue. Many possibilities, including sales tax restructuring, will be explored. Partisan politics and special interest lobbying will be on display.

## How time flies

*Compiled by Jo Ann Rayfield*

### 1959

- The ISNU Foundation-Alumni Fund goal was \$10,000. By March 1, 1959 contributions had reached \$5,227.30.
- Mahalia Jackson sang in concert in Capen Auditorium on March 15. The event was sponsored by the Entertainment Board.
- On April 7 the AAUP passed a resolution asking that "Normal" be dropped from the University's name. The Teachers' College Board scheduled a hearing on this for a special meeting in June.
- With an eye toward doctoral programs, President Bone asked the Teachers' College Board to create the position of graduate dean. Clarence W. Sorensen was appointed.

### 1984

- Justice Robert C. Underwood received an honorary Doctor of Laws at the May 5 commencement. More than 2,800 students participated in ceremonies. Among them was Zhang Yun-tao, the University's first graduate from the People's Republic of China, who received a master's degree in physical education.
- Speakers at the second annual Excellence in Education Week (April 2-6) included Ernest Boyer, president of the Carnegie Foundation for the Advancement of Teaching; Albert Shanker, president of the American Federation of Teachers; and Congressman Paul Simon, chair of the U.S. House Higher Education Subcommittee.
- The Board of Regents voted to increase tuition at Illinois State University by \$66. The increase would raise tuition to \$498 per semester for full-time undergraduate students.
- Al Bowman was granted tenure.

### 1994

- The Swimming Diving team won its second consecutive National Independent Championship. Coach Steve Paska was named coach of the year again.
- Milner Library acquired its one-millionth title. Jaroslav Pelikan presented a copy of his book *The Idea of the University: A Re-examination*.
- George A. Pruitt, class of 1968 and president of Thomas A. Edison State College in New Jersey, was awarded an honorary doctor of humane letters at commencement. As a student Pruitt organized support for an open housing ordinance in Normal.

### 1999

- Robert F. Chase, president of the National Education Association, was one of several speakers at a symposium on "Living Ethics: A Campus Reflection on Values and Community."
- Illinois State University received continuing accreditation from the National Council for Accreditation of Teacher Education. Illinois State Normal University was one of the first cohort of institutions accredited by NCATE as an accrediting body. In 1999 10 percent of the public school classroom teachers in Illinois held at least one degree from Illinois State University. Three Illinois State University graduates were named 1999 Teacher of the Year in their respective states: Cathy Bissoondial '71, M.S. '94 in Illinois; Judy (Foss) Bieze '70 in Idaho; and Lauren Mittermann '71 in Wisconsin.

## Helping Hamper

*by Jan Cook*

The Helping Hamper at our June dinner benefits the St. Vincent DePaul Food Pantry in downtown Bloomington. They can always use any canned or packaged food, especially pasta, peanut butter, and fruit. In the summer soap and deodorant are also appreciated.

Our March Helping Hamper donations to the Compassion Center included not only single-serving foods, but Chap Stick, hand purifier, and shoe laces! A new touch was snack boxes of raisins from Halloween. All were received with thanks. PATH has been helping more homeless people than ever this spring. Their planned move to The Safe Harbor will allow them to provide beds for up to 37 men and 13 women. They are already considering how to accommodate more.

We continue to collect "Box Tops for Education" for Thomas Metcalf School at our June dinner. The rectangular postage stamp size box tops are printed on the edge of packaging of products from Betty Crocker, Kleenex, and other brands. The Metcalf PTO can exchange them for cash to support special school projects. If you cannot attend the dinner, but would like to contribute, send these to Jan Cook, 17438 E. Walden Rd., Hudson, IL 61748.

ISUAA's Helping Hamper began in March 2005 and supports four local organizations in rotation. The Fall Luncheon recipient is the Crisis Nursery at the Children's Foundation. Our Winter Holiday Luncheon donations are to the Loaves and Fishes Soup Kitchen run by Clare House.

## How secure are our pensions?

Given current events it is natural that we think about the security of our pensions. Here are some thoughts on this topic.

### Positives

The State of Illinois has an enforceable contractual obligation to pay public pensions. According to Article XIII, Section 5 of the Constitution of the State of Illinois, "Membership in any pension or retirement system of the State, any unit of local government or school district, or any agency or instrumentality thereof, shall be an enforceable contractual relationship, the benefits of which shall not be diminished or impaired."

It helps that we paid, or are paying, our share to help fund the system and the annual increments.

The State Universities Annuitants Association (SUAA) and others advocating for public employees, retirees, and survivors regularly remind legislators and others of the state's legal obligation. Legislators, participants in their own State retirement system, easily understand this.

### Negatives

Many leaders in the business community, media representatives, and citizens-at-large believe that public pensions are far too generous.

Many retirees and employees in the private sector have seen their pensions and other retirement benefits diminish significantly or disappear and believe it is unfair that public employees seem immune to this.

The state, while requiring employees to pay their share into SURS and other public retirement systems, has, for a long time, not contributed their share. That combined with

current investment market conditions has resulted in very significant underfunding of SURS and other State retirement systems.

The state is in terrible economic condition and probably cannot achieve a balanced budget without increasing taxes. As that discussion occurs, blame will be laid on "overly generous public pensions."

### What Do We Do?

Be aware and share with others that:

- The State has a legally enforceable contractual obligation to pay our pensions.
- Our pensions are not some sort of gift. They were/are earned as part of the total compensation package for which we signed up.
- The primary reason that the state pension systems are underfunded is that, while the state requires employees to pay their share every pay period, the state regularly chose not to add its share. Investment market conditions are a recent phenomenon.

Assuming that Article XIII, Section 5 was properly enacted, the state cannot legally amend this to void its obligation to current retirees, survivors, and those "in the system." The state could probably legally alter the obligation to new employees.

By being a member of ISUAA/SUAA you are helping ISUAA/SUAA advocate on your behalf. Numbers count! Don't let your membership lapse. Encourage others to join!

### Additional Information

The governor's March 18 budget message indicates that the pensions of current employees and retirees are secure.

## Charitable gifts from IRAs

For 2009 the requirement for those over 70 ½ years of age to take a minimum distribution from their IRA has been suspended. Those who wish to make a charitable gift from their IRAs still have the advantage of transferring distributions or principle from their IRAs to a charity without paying tax on the withdrawal. However if funds are first transferred to another account controlled by the donor, or if the donor receives a check from the custodian and then gifts that check to the charity, the transfer will be taxable to the donor. In order for the donor to avoid tax liability, the gift must be transferred from the donor's IRA custodian directly to the charity. If you have questions about an IRA rollover gift, contact Barbara Todd at (309) 438-2592 or [btodd@ilstu.edu](mailto:btodd@ilstu.edu).

## ISUAA calendar

**May 6, 2009**  
**7:30 a.m.**

Advancement spring retiree event  
*Brown Ballroom\**

**May 6, 2009**  
Illinois State University Benefits Fair

**May 12, 2009**  
**Noon–2:30 p.m.**  
Survivor Planning Workshop  
*Alumni Center\**

**May 13, 2009**  
**2–3:30 p.m.**  
ISUAA Board with committee chairs  
*Spotlight Room*

**May 19, 2009**  
**11:30 a.m.–1 p.m.**  
Advancement Lunch and Learn Seminar  
"The Bigger Pie: Providing More for Yourself, Your Family, and Your Charities"  
*Alumni Center\**

**June 3, 2009**

**5:30–7:30 p.m.**  
ISUAA Annual Meeting and Dinner  
*Old Main Room\**

**June 16, 2009**

**11:30 a.m.–1 p.m.**  
Advancement Lunch and Learn Seminar  
"Retirement Planning 101"  
*Old Main Room\**

**June 23–24, 2009**  
SUAA Annual Meeting  
*Springfield*

**July 8, 2009 2–3:30 p.m.**  
ISUAA Board meeting with committee chairs  
*Spotlight Room*



*\*reservation required*

## Great Urban Race

The Great Urban Race (GUR) was created by Joe Reynolds '03 and is typically held in major metropolitan areas such as Seattle, Los Angeles, and Chicago. However a GUR will be in Bloomington–Normal this year as an official Homecoming event on Friday, October 16. The first 25 finishers are invited to the Championship Race held in New Orleans on November 7, 2009. In addition, cash prizes are awarded to the top two teams.

Patterned after a current television show and an old movie, participants race to find check points, complete challenges, and navigate the streets of Bloomington–Normal. Proceeds from the Bloomington–Normal race will be donated to the ISU Student Foundation, a student-to-student philanthropic registered student organization. The ISU Student Foundation will use the race proceeds for student scholarships. Entry fees can be paid in advance at a reduced rate or on race day.

To participate in the GUR or find more information visit [www.greaturbanrace.com/register09\\_normal.php](http://www.greaturbanrace.com/register09_normal.php) or contact Michele Hicks at (309) 438-5474.

## University Club

*By Jude Boyer*

### 2009–2010 Gourmet Dinners

Saturday, September 26, 2009

Saturday, October 24, 2009

Saturday, January 30, 2010

Saturday, February 27, 2010

Menus and reservation details for the fall dinners will be available on the University Club Web site in August.

### Discussion Hours

Discussion Hours are held on most Friday afternoons of the academic semester from 3:30–5:30 p.m. in the Faculty/Staff Commons of the Bone Student Center. Join us for refreshments and lively conversation. Special discussion/information topics are noted on the University Club Calendar Web site. There will not be any Discussion Hours during the summer session; the first Discussion Hour of the fall semester will be Friday, August 21, 2009.

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 at [www.lilt.ilstu.edu/uclub](http://www.lilt.ilstu.edu/uclub).

## Lunch and Learn Seminars

Space is still available for the final University Advancement Lunch and Learn seminars on Tuesday, May 19 and Tuesday, June 16.

### "The Bigger Pie: Providing More for Yourself, Your Family, and Your Charities"

Tuesday, May 19

11:30 a.m.

Room 118, Alumni Center

*Drake Zimmerman will discuss investing and managing your personal resources wisely for greater growth.*

### "Retirement Planning 101"

Tuesday, June 16

11:30 a.m.

Old Main Room, Bone Student Center

*Don Fernandes will guide participants through retirement planning.*

Complimentary lunch is provided. There is no charge to attend, but advance registration is required. Contact Barbara Todd at (309) 438-2592 or [btodd@ilstu.edu](mailto:btodd@ilstu.edu) for reservations or questions.

## Gladly We Give

The Gladly We Give annual fund for faculty, staff, and retirees focuses on thanking current family donors for their gifts to our University, and encourages new donors to support their Illinois State University passions.



All family donors in fiscal year 2009 (July 1, 2008–June 30, 2009) are recognized as Gladly We Give donors, listed at [www.IllinoisState.edu/gladlywegive](http://www.IllinoisState.edu/gladlywegive), and receive a special lapel pin just for faculty/staff/retiree donors.

For additional information contact Barbara Todd at (309) 438-2592 or [btodd@ilstu.edu](mailto:btodd@ilstu.edu). Thank you for sharing your time, talents, and treasures with our University.