

MARSP

www.midlandretireded.org

Newsletter

October, 2010

October 7, 2010
MARSP
Box 4954, Midland, TX 79704



MARSP LUNCHEON MEETING MINUTES

September 2, 2010



The Midland Association of Retired School Personnel met Thursday, September 2, 2010, at the Fellowship Hall of First Baptist Church. President Dorothy Thompson called the meeting to order at 12:45. Leonard Boyd led the members in an invocation. President Thompson thanked Orin Wade for providing piano music during the luncheon.

President Thompson recognized District 18 and State TRTA officers in attendance and announced the District 18 Fall Convention will be held September 20 in Odessa. Loyce Phillips, District 18 President, invited all Midland members to attend.

Diantha Dawkins presented a \$1,000 check to scholarship recipient Betsy Rodriguez, who is pursuing an education degree at UTPB.

Maridell Fryar introduced our speaker, Tim Lee, Executive Director of TRTA, who urged all members to contact their local legislators to urge them to support a raise for Texas retired teachers who have not had a raise in ten years.

Pat Adams presented a gift of appreciation to Tim Lee.

Mike Landrum reported that membership is currently 335. He also explained the "Each One Bring One" membership recruitment program.

Pat Adams urged members to bring books. Donations to date are 279. On the tables were fliers for the Museum of the Southwest and the Bush House, both of which need docents.

Drawings were made from those reporting volunteer hours and walking steps.

Janet Haney and Mary Jo Boyd were thanked for the lovely back-to-school table decorations.

Please inform Patti Watson, our Hospitality chairman, of any member illnesses so that she can send cards.

The meeting was adjourned at 1:45.

Deanna Dunn, Secretary

Scholarship

Thanks to everyone who donated to the MARSP Scholarship fund. Our most recent \$1000 scholarship was awarded to Betsy Rodriguez. Donations are a wonderful way to remember or honor a friend or colleague. Bags are on the tables at each luncheon, and you may put your donations in them. Or if you want to make a special donation and are not able to come to the luncheon, you may mail your contribution to:

Diantha Dawkins
P.O. Box 80459
Midland, Texas 79759.

Again, thank you for your past contributions.

Diantha Dawkins

Peripheral Artery Disease Awareness

September is National Peripheral Arterial Disease Awareness Month. Have your legs checked for peripheral arterial disease, a common circulation problem associated with increased stroke and heart attack risk. Locate nearby free screening sites at www.legsforlife.org.

Book Project Begins Anew

The process of collecting books for all ages began again in January. The state-wide initiative is supervised by Mary Jane Hamilton, TRTA Second Vice-President. Please remember to bring your books to the monthly luncheons.



Articles for the Newsletter

Please send MARSP Newsletter articles to Joyce Whitley or Carole Miller, 1210 W. Golf Course Road, 79701 or joyce.whitley@gmail.com.

Please Come to the October Meeting

Don't forget to put Thursday, October 7, on your calendar. This is the date for the next meeting of MARSP. The special guest will be Dr. Ryder Warren, MISD Superintendent. Please make a prompt reservation for you and your guests by e-mail or telephone. The cost is \$5.00, and a reservation is your commitment to pay, even if you cannot attend at the last minute. *Meet and greet is 11:30, followed by lunch at 12:00. Dr. Warren will begin speaking at 12:30.*

Please call Anita Patton at **432-697-1602** or e-mail her at apatton123@sbcglobal.net by Monday, October 4.

TRTA Chief Plans to Fight for Raise

With a predicted state shortfall of anywhere from \$9 to \$18 billion, Texas Retired Teachers Association Executive Director Tim Lee said most organizations will fight to keep what they have. But he plans to go after more.

Lee spoke to a group of about 100 retired teachers and members of the Midland Association of Retired School Personnel on September 2 at First Baptist Church. Lee said the Texas Retired Teachers Association is asking for \$4.5 billion to keep the pension system afloat and take care of health benefits. He noted retired teachers have not received a raise in benefits for 10 years.

"It's more about protecting what we have rather than (going for) what we need. I will not stop asking for what we need. . . . Any legislator who does not agree that a decade of no raises for public employees is unacceptable ought to be voted out of office," said Lee, who has been head of TRTA since November 2004.

"My No. 1 priority is to get you a raise," Lee said. In these slow economic times, Lee said it's possible the state could reduce its contribution to the fund. If it does that, it could be breaking its own law, he said.

"Pensions across the country are hurting because legislators didn't make them a priority," Lee said.

As of Aug. 31, 2008, Lee said, the teacher retirement fund has \$112 billion in total assets. In February 2009, it dropped to \$67 billion, but it is expected to rebound to \$97-\$98 billion when the Aug. 31, 2010 report is issued.

The fund made 35 percent in one quarter, Lee said. That was the highest its earnings had been since the mid-1990s when it made 22-23 percent, he said.

"Watching pension fund policy and politics is becoming many people's business . . . because it represents a lot of money. When there are shortfalls, . . . your pension fund has a target on it," Lee said.

He advised all 335 Midland Association of Retired School Personnel members to meet with their legislators before the session begins in January 2011. He said it's possible the session could be "wasted" on redistricting and budget negotiations. "Dealing with a \$9-\$12 billion or \$18 billion shortfall and redistricting — it's going to be chaos."

Posted: Thursday, September 2, 2010 8:08 pm—Ruth Campbell—Midland Reporter-Telegram



If you're looking for a more entertaining way to get some exercise, consider dancing. Researchers at the University of Missouri found that 18 frail older adults who participated in a 45 minutes low-impact dance-therapy program three times a week for six weeks were able to reach further forward without losing their balance. They were also faster at performing an exercise that involved standing, walking, and sitting. These improvements in balance and gait suggest dancing may help improve coordination and prevent falls in older adults.

Excerpt from the John Hopkins Medical Letter Health After 50, Sept. 2010

Membership NEWS!!!!

Current MARSP membership is 343. This number is just 24 short of the final membership count, in January 2010, for last year.

Remember Your Membership = (Added Influence) + (Updates on Educational Related Matters that Affect You) + (Association with School Friends) + (Informative Programs at Monthly Luncheons) + (Access To Insurance Programs Specialized For You) + (Opportunities to Participate in Service Projects and Personal Health Programs)



⇒ **NOTE: For those who have not rejoined, MARSP cannot guarantee inclusion in the 2010 yearbook if dues are not received by October 4, 2010.**

⇒ Dues of \$40.00 should be mailed to **MARSP, Box 4954, Midland, TX 79704**. Thank you, in advance, for your continued work in promoting the **ONLY organization** dedicated to the welfare of retired education personnel. **Call Mike or Kathy Landrum, 697-7727, with questions.**

⇒ **Webpage: <http://www.midlandretireded.org>**

Volunteer Hours—September 2010

Name: _____

Number of Hours: _____

Walking Steps—September 2010

Name: _____

Number of Steps: _____

DO YOU KNOW THE DIFFERENCE?

Defined Benefit vs Defined Contribution

Do you know the difference between a defined benefit retirement program and a defined contribution program? Educators and other school personnel in the public schools of Texas are currently participating in a defined benefits program. This is very important for members of the Teacher Retirement System of Texas, and we must keep this program in operation. The problem is that governments and private companies across the nation are looking at their programs and considering ways to change them to defined contribution plans. The employee is more responsible for making investment decisions and riding the waves of the market's ups and down. This would shift the responsibility onto the backs of the retirees. In contrast, the defined benefit plan assures a lifetime annuity because TRS is responsible for filling in when the pension fund is down due to unfavorable market conditions. It is especially important for TRS to remain a defined benefit program as most Texas public school districts are not currently part of the Social Security System.

Features of a Defined Benefit Plan:

1. You cannot outlive your benefit; it guarantees a lifetime pension.
2. Funds are managed by TRS investment professionals.
3. It generates a predictable steady retirement income.
4. Its benefit is based on your age at retirement, years of service, and highest salaries.
5. It is the sole guaranteed retirement income for most TRS members because most Texas public school districts are not part of the Social Security system.

Features of a Defined Contribution Program:

1. You can outlive your benefits because it is based on the amount in your account.
2. Its success depends on each employee's ability to make good investment decisions.
3. It provides disability and survivor benefits based on the individual's account balance only.
4. It can generate an unpredictable retirement income.

TRTA has informed MARSP that changing this aspect of our retirement system may be an issue during the next legislative session. We must remain vigilant as the Texas State Legislature reconvenes in January 2011! TRTA/MARSP will keep members informed.

Sharon Welch

Informative and Protective Services

Member Discount

Apple Products Discount
Members qualify for preferred pricing on the latest Apple products and accessories. The Apple member purchase program benefits include special member discounts on Apple products, quarterly promotions, free standard shipping on orders over \$50, free engraving on iPod, online custom product configuration, and simplified checkout using any combination of credit card, or Apple gift card. Members may call 877.377.636237 or www.apple.com/eppstore/slg.



TRS-Care Benefit Enhancement

Retail-Plus Network (effective Sept. 1, 2010)

Retail Prescriptions at Mail Order Rate

- ◆ You may obtain up to a 90-day prescription drug supply at certain retail pharmacies for the same 90-day copay as if you had ordered your prescription through the mail.
- ◆ To locate a nearby pharmacy participating in the Retail-Plus Network, visit the website www.caremark.com/trs or call 1-866-877-1555.
- ◆ Since this is a really new enhancement, local pharmacies may not yet be participating. Check the TRS list periodically.





Texas Retired Teachers Association

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Information Hotline 877.880.1651

www.trta.org ★ trta@trta.org

TRTA State and Federal Legislative Priorities

TRTA State Legislative Priorities

1. Pension Increase

TRTA will work to introduce legislation that provides a pension increase to retirees.

Rationale: Retirees have not received a permanent increase in their pension since 2001. This represents, at minimum, a 30% reduction in a retiree's buying power (3% rate of inflation multiplied by 10 years) since last ad hoc pension increase. TRS annuitants need an increase in their pension benefits in order to meet the increasing financial demands of today's economy.

2. TRS-Care Full Funding Budget Commitment

TRTA supports full funding of the statutory minimum contribution to the TRS-Care program of 1% of the aggregate active teacher payroll.

Rationale: More than 200,000 public education retirees and their dependants rely on the TRS-Care health insurance program. Current statute requires the state contribution to the TRS-Care program to be no less than 1% of the aggregate active teacher payroll. Meeting the state contribution requirements help preserve this program and ensure that public education retirees will not see an increase in the monthly health care premiums or a reduced benefit structure.

3. TRS Funding

TRTA will work to introduce legislation that increases the State contribution to the TRS pension fund.

Rationale: Legislation should be passed maintaining a State contribution rate that would keep the pension fund financially sound and provide a benefit increase to TRS retirees. Independent TRS actuaries have suggested raising the state contribution to 7.2 percent in FY 2012 and then to 7.7 percent in FY 2013. TRTA agrees with this increase, but more may be needed to ensure the TRS fund's actuarial soundness.

4. Defined Benefit Preservation

TRTA strongly supports the current defined benefit plan for public education retirees and employees, and will oppose any legislative action, such as a privatized plan, to modify or eliminate the defined benefit retirement plan for educators as it was established in the Texas Constitution in 1937.

Rationale: Public education employees have been assured of a traditional defined benefit plan as a part of the Constitution of 1937. A traditional defined benefit retirement plan provides public employees a guaranteed pension that will last their entire lives. A privatized plan does not guarantee these public servants the retirement they need and deserve.

5. TRS-Care Permanent Health Care Fund

TRTA will work to introduce legislation that calls for the creation and funding of a new permanent TRS-Care health care trust fund.

Rationale: The creation and funding of a health care trust fund will help protect the TRS-Care program by prefunding future health care obligations for education retirees. The investment earnings generated by a permanent health care trust fund can be used as a future source of revenue to offset the costs of health insurance in the years to come.

6. TRS Board of Trustees—Trustee Election

TRTA will work to introduce legislation that allows TRS annuitants to directly elect their trustee to the TRS Board of Trustees.

Rationale: The TRS Board of Trustees has one dedicated position out of nine for an elected TRS annuitant. When the position is up for election every four years, TRS annuitant members vote for their preferred candidate in a TRS administered election. The names of the top three vote getters are then forwarded to the Governor for his/her selection. Only one of the three can be chosen and it may not necessarily be the candidate with the most votes. TRTA believes that having an election process approved by the Governor in many ways disenfranchises the voters who took the time to participate in the election. The matter can be remedied by simply allowing the highest vote getter to be the elected annuitant on the TRS board.

7. TRS Board of Trustee Composition

TRTA will work to introduce legislation that allows an additional dedicated retiree position on the Board.

Rationale: TRS annuitants have one dedicated trustee position on the TRS Board of Trustees. The number of retirees is increasing every year, and now is the time to add an additional annuitant on the TRS Board of Trustees to represent this growing population.

TRTA Federal Legislative Priorities

1. GPO/WEP

TRTA will work to repeal the two Social Security (SS) provisions known as the Government Pension Offset (GPO) and the Wind-fall Elimination Provision (WEP).

Rationale: The current GPO law discriminates against surviving spouses who are TRS annuitants by reducing or eliminating their SS benefits. The WEP law reduces SS benefits for two groups of TRS annuitants: (1) those who worked a portion of their careers in the military or the business world, and (2) those individuals who supplemented their school incomes by working part-time. The WEP law reduces a portion of an individual's SS earned from working outside of his/her public school employment. This unfairly penalizes retirees who earned their SS benefit.

2. Paying Health Care Premiums with Pre-Tax Dollars

TRTA will work to pass federal legislation allowing public education retirees to pay their health insurance premiums with pre-tax dollars.

Rationale: Congress recently changed IRS provisions that now allow retired and disabled public safety officers to pay their health care premiums with pre-tax dollars. TRTA believes that this same provision should be extended to include public education retirees.