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Current News of Special Interest to State Retirees

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THE MINNESOTA BRIDGE COLLAPSE: COULD IT HAPPEN HERE?

- Muriel Runyen, *Publicity & Education*



Bridges, we cross them every day, sometimes dozens of them, and think nothing of it. Until, that is, a major span on a busy highway in Minneapolis collapsed one day last year, plunging many unsuspecting motorists into the Mississippi River.

The tragic incident jolted us awake. What went wrong? Could it happen here? How safe are our bridges in Illinois?

In response to the concerns of many RSEA members, we've invited Illinois' chief bridge engineer to speak to us at our February 27 meeting.

Ralph E. Anderson, State Bridge Engineer for the Illinois Department of Transportation, has headed the Bureau of Bridges and Structures since 1989. The Bureau is largely responsible for the planning, design, construction, and inspection of the 25,000 bridges in Illinois.

A 1977 graduate of the University of Illinois with a B.S. in structural engineering, Anderson has spent his entire career with IDOT, serving in various positions in the Bridge Office.

He plans to bring a power point presentation of the August 1, 2007 bridge collapse in Minnesota which led to the increase in public awareness of the condition of the nation's bridges, and to provide an update on the Illinois bridge inventory.

Todd Ahrens, Bridge Planning Engineer for the Bureau of Bridges and Structures, is expected to accompany Anderson to the meeting and assist in answering questions about the conditions of Illinois' infrastructure.

A year ago, such a topic might have been of interest only to persons in the engineering profession, but since last August, bridge safety is of utmost concern to everyone. We predict that this meeting will be one of our headline attractions for this year. If you know of other retirees who don't attend regularly, be sure to tell them about it.





In preparation for the upcoming spring legislative session, we have prepared

two bills, one in the House, and one in the Senate, addressing the Social Security offset. Our bills would remove the Social Security offset from all who are now receiving widow's or survivor benefits, as well as for the widows and survivors of all who are, or will become retired, prior to the implementation date of this legislation. For those who are widows, or survivors, of employees who retired prior to January 1, 1998, and for those who may become widows or survivors of those employees, the offset would be immediately removed upon the implementation date of this legislation.

For those who are widows or survivors of employees who retired subsequent to January 1, 1998, and for those who will become widows or survivors of those retirees, the offset will be removed immediately upon the participation of 50% of current state employees in the voluntary removal of the Social Security offset. It is our expectation that both of these provisions will be met almost simultaneously. The reason for the separation of these two groups is in response to the legislature's edict that all pension changes must be justified by a specific revenue source, in this case, the contributions of current employees.

A fairly low participation by current employees would still meet the cost of the immediate removal of the Social Security offset for pre 1998 widows and retirees, while a higher

participation, 50%, would be required to fund not only the second group, those who retired subsequent to January 1, 1998, but the removal of the Social Security offset from the widows and survivors of current employees. The other consideration, of course, is that those who retired before January 1, 1998, did so under a considerably lower benefit formula, resulting in not only lower benefits for retirees, but also for widows and survivors. Sadly, many of these widows and survivors are at, or below, the federal poverty level.

And, of course, there is now another factor, the economy, and how it will affect not only the pension system investments, but also retirees. As we all know, markets react more to rumor, and fear, than to the actual facts. Oil futures skyrocket on the news of a riot in some remote, oil producing nation, or on the prediction of a colder than usual winter. Now, consumer confidence has fallen, not only because of the very real mortgage crisis, but on the media's continual doomsday predictions of a major recession. Never mind that solid economic figures do show a slowdown, but hardly an economic disaster. As a former president observed, "All we have to fear, is fear itself."

As for the mortgage crisis, it is a case of universal bad judgement, not only on the part of the lenders, but on home buyers as well. One writer put it very well, when he described Washington's attempt to fix the mortgage crisis by cutting the prime rate as a wealth transfer from savers,

and taxpayers, to the lenders and individuals, who made ill advised credit decisions. Teaser loans, with artificially low interest rates, and low initial monthly payments, lured people into buying homes that they should have known they couldn't afford. Now, when interest rates, and monthly payments, escalate, well, people often have little choice but to walk away, leaving the lender with the property.

So, how does all that that affect us senior citizens? Well, if you have a savings

account, the ill advised cut in the prime rate will also mean a reduction in the interest on your savings. For those seniors who depend on their interest income to pay many day to day expenses, or to help pay their real estate taxes, it will certainly mean a reduction in their standard of living. And, in the panic of falling market values, many people, including seniors, are looking at their investment statements, and making the ill advised decision to cut their losses by dumping their investments, forgetting that the market value of those investments is nothing but a figure on a piece of paper, until they actually sell that investment, until they turn it into cash.

Okay, enough of economics 101. Next month, we hope to have more specific information on our bills, the bill numbers, as well as the bill sponsors. Then you can track the progress, or the lack of progress, on your computer.



**RETIRED STATE EMPLOYEES ASSOCIATION
ADDRESS CHANGE FORM AND APPLICATION FOR MEMBERSHIP**

Please Print

NAME _____
First Middle Last

ADDRESS _____
Street Address or P.O. Box # Apt. #

CITY _____ STATE _____ ZIP _____

PHONE () _____ SOC. SEC. # _____

Mark ALL Boxes that apply:

New Member Renewal (Annual Payees Only) Address Change

My check for \$_____ is enclosed for January through December, _____ (Annual dues are \$9.00 per year.)
year(s)

I hereby authorize the State Employees Retirement System of Illinois (SERS) to deduct from my pension check the amount as certified by the RSEA of Illinois, for my dues, and to remit said amount to the RSEA of Illinois. I also authorize SERS to provide change of address information to RSEA, if requested. (Currently, the deduction is 75 cents per month.)

Signature _____ Date _____

Mail to: Retired State Employees Association P.O. Box 1974 Springfield, IL 62705-1974

MEMBERSHIP INFORMATION

WELCOME NEW MEMBERS - THANKS FOR JOINING US

Richard Beauvois, Westville Betty Hudnut, Springfield Earla Tenuta, Washington
Gloria Cassel-Fitzgerald, Peoria James Mazzolini, Chicago

FINAL FAREWELL TO OUR DEPARTED MEMBERS

Joyce Bragg, Sullivan Robert Leifer, Valley Village CA Floyd Spraker, Joliet
Albert DeRight, Chestnut Shirley Lynn, Easton Dale Surratt Jr., Jacksonville
Lorraine Dortch, Chicago Sharon Maher, Springfield Lorraine Wisinski, North Judson, IN
Clarence Fargher, Rock Falls John Morrill, Martinsville
Matilda Greer, Glen Carbon Jesse Plog, Greenville
Dewey Hughes, Springfield Merle Robinson, Joliet
Alfred Hurndon, Waukegan Theresa Rossi, Greeville
Henry Koke, Lincoln Doris Sims, Jacksonville

Our sympathy goes out to the deceased members' families. Please remember that surviving spouses can continue membership by submitting a new membership application. *-Pat Espenschied, Membership Chair*

SERS INSURANCE CONTACT INFORMATION

If your social security number ends in:	<u>Contact</u>	<u>Phone #</u>	<u>e-mail</u>
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50-74	Madonna Palazzolo	217/785-7138	mpalazzo@srs.state.il.us
75-99	Beth Maney	217/785-7093	bmaney@srs.state.il.us

General SRS Phone Number 217/785-7444



VOTE "NO" ON CON-CON, LOBBYIST ADVISES

Should we vote in favor of holding a Constitutional Convention when the question appears on the ballot in November?

NOT, if we value our state pensions.

That was the solemn advice of veteran lobbyist Randall E. Witter, speaking at our January meeting in Springfield.

A referendum on the issue of calling a convention for the purpose of amending the state constitution may be voted on every 20 years, Witter explained. When the issue last appeared on the ballot, in 1988, it was soundly defeated, he reminded the audience, and from the tenor of his voice it was evident he hopes the question meets the same fate this time.

The issue of amending the constitution came into prominence this year because of the flood of disgruntled taxpayers demanding that Illinois adopt a provision enabling a recall of elected public officials. Unlike some states, Illinois does not presently have such a provision in its constitution, which was last amended in 1970.

Witter proceeded to read a

lengthy list of controversial issues which might face amendatory action if a Constitutional Convention -- or "Con-Con" as the headline writers call it -- were to be called. The list included such volatile issues as same-sex marriage, school funding, redistricting, and of most significance to state retirees, pensions.

State pensions, currently protected by the constitution, could be drastically changed if the constitution were amended, Witter warned. They could be seriously cut, limited, or even eliminated.

Witter, obviously no fan of Con-Cons, further spoke of the tremendous financial burden it would place upon an already strapped state budget, and the unwieldy length of the process. In 1970, he recalled, at least two or three years elapsed between election of delegates and completion of the final document.

Reviewing the actions of the current General Assembly, Witter recounted the obstacles and frustrations encountered in attempts to obtain passage of RSEA'S bill HB 1697, to eliminate the Social Security offset in survivor benefits.

In his 35 years as a lobbyist, Witter said, he had never encountered the delays and obstructions which have characterized this session. Over 6,000 bills have been introduced so far - fully one-third more than the usual number -- and of those, only 750 have actually passed.

The state budget was introduced in the spring, and then was amendatory vetoed by the governor. It was not until October that the Governor and the legislature concurred on it.

"It's been Republicans against Republicans, Democrats against Democrats, the House versus the Senate, the Senate versus the House, both houses against the governor, and vice versa."

Does all this bickering mean that the RSEA bill is dead? Far from it, Witter assured his listeners. His remarks, which hardly came as a surprise to anyone who had read a newspaper during the past year, were simply an explanation for what has seemed an interminable delay in passage some much-needed legislation.

"The RSEA bill will be reintroduced in the spring session, and this time it will have a companion bill in the Senate," Witter promised, adding that it took eight years to get the Clean Air Act passed, as an example of beneficial legislation which had encountered similar delays but ultimately passed into law.

Witter is president of Cook-Witter, Inc., a Springfield based lobbying firm which specialized in stage government. The firm is currently in its third year of a contract with RSEA and has been praised by Ross Buie, our legislative chairman, for its guidance and leadership, to the organization.

- M.R.

NEWS FROM THE EDITOR

Did you know that State Employees - working and retired - get a discount on Cell Phones? I called different cell phone companies and here is the results:

Sprint	18%
Verizon	18%
AT&T	15%
T Mobile	No %

So if you are in the market for a cell phone or you have one and do not have the discount - Check into it.

CHICAGO METRO CHAPTER

Getting organized is certainly not easy! Our Chicago Metro chairwoman, Sylvia Schulter, has reported she is finding it very difficult to find a centrally located spot in the Loop area to schedule a meeting for March. Since this article will not reach you until later in the month, we are unable to even say a meeting will take place. So, it is very important if you are interested in attending a meeting, that you contact Sylvia as soon as possible. If you live in the area and know of some location such as a church, meeting hall, or even an accommodating restaurant that might work, give her a call. She needs (we need) your help to get this chapter up and running. Sylvia can be reached at (773) 275-1464 or be e-mail at sweetvyce@aol.com. Call her today.

- Pat Espenschied
paesp@earthlink.net





**Retired
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Employees
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COMING ATTRACTIONS

March 26, 2008
TBA

THIS MONTH

Wednesday, February 27, 2008 - 1:30 p.m.
St. John's Lutheran Church
Family Life Center
2477 W. Washington St., Springfield, Illinois

"HOW SAFE ARE ILLINOIS BRIDGES?"

Ralph E. Anderson
Chief Bridge Engineer,
Illinois Dept. of Transportation