

UTLA-Retired Email Messenger December 2015 – January 2016

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January 22, 2016 UTLA-Retired General Assembly Highlights

UTLA-R President John Perez began his report by yielding the floor to two UTLA Officers:

- **UTLA/AFT Vice President Betty Forrester** spoke about the upcoming CFT Convention in San Francisco and announced that UTLA-R President John Perez will be the recipient of the prestigious CFT Ben Rust Memorial Award. He will be recognized at the CFT Convention in March during the special award luncheon in San Francisco.
- **UTLA Treasurer Arlene Inouye** discussed the importance of the UTLA “Build the Future, Fund the Fight” campaign that is ending on February 10 when the ballots from active UTLA members must be submitted. She requested the assistance of UTLA-R members to sign up and staff the phone banking efforts to remind UTLA active members to vote on this critical issue. UTLA currently has about 32,000 active members.

Perez continued his report with an invitation for UTLA-R members to join the February 17 national action by teachers, parents, students and community members staged to a “walk-in” in support of public schools and oppose those like Eli Broad who would privatize public schools. There is comprehensive list of LAUSD sites where there will be a “walk-in” on the [UTLA web site](#).

He also announced his March 2015 election as the President of the new CFT Council of Retired Members. He will be an ex-officio delegate to the CFT Convention. He also welcomed **CTA/NEA-Retired District 3 Director** and **CTA/NEA-Retired “Retiree Advocate” newsletter Editor Bonnie Shatun**. The election of the UTLA-R delegate and Alternate to the CFT Convention was conducted and the General Assembly elected **Bill Taxerman** as the delegate with **Dr. Sandy Keaton** serving as the Alternate. Six UTLA-R members were selected from the General Assembly to attend the CTA/NEA-Retired 12th Annual Retirement Issues Conference at the Torrance Marriott Redondo Beach on March 3-4, 2016. Selected were: **Patrick Arcadi, Lorraine Butler, Susan Carroll, Janet Davis, Michael Novick** and **Mariam Schneider**.

UTLA-R Treasurer Mike Dreebin reported that \$46,777 of the budgeted \$52,000 remains. He also reminded UTLA-R members that they must obtain a UTLA-R Reimbursement form from him to have expenses reimbursed if they attend conferences and conventions as official UTLA-R representatives.

Health Benefits Committee Member Loretta Toggenburger discussed the impact the *Affordable Care Act's* “Cadillac” tax and happily indicated that the implementation of the tax is delayed for two years. The tax is a 40% excise tax on high-cost employer-sponsored health coverage such as the ones we enjoy as retirees from LAUSD. A PDF-formatted document with additional information is attached to this email. (*Health Benefits FAQ-Cadillac Tax.pdf*)

UTLA-R Vice President Cecilia Boskin welcomed six new UTLA-R members who were attending their first meeting and reported that \$400 for UTLA PACE was collected at this General Assembly. Retirees attending the General Assembly meeting who are not members must submit a membership application to UTLA-R Treasurer Mike Dreebin to be able to fully participate in the General Assembly. UTLA-R members were also informed that their participation in the UTLA political process is still vital and that UTLA-R member PACE contributions may be mailed to her at

Cecilia Boskin, 3547 Federal Avenue, Los Angeles, CA 90066. Remember that PACE contributions will fund the campaign to elect public education advocates to office and support UTLA pro public education issues.

UTLA-R Legislative Chair Mary Rose Ortega presented the *Legislative Update*. She announced that good news that the measure from San Jose Mayor, Chuck Reed to curb California public employee pension has been withdrawn and will not be on the ballot this year. She also reviewed two retirement legislative bills that were introduced: AB 736 (Cooley, D-08) *State Teachers' Retirement: Executive Positions* and AB 1551 (Allen, R-72) *State Funds: Divestment: Foreign Boycotts of Israel*. Specific language and information about these specific bills can be found at the Bill Information page of the California Legislature website. Click on the following link to connect to the page: <http://www.leginfo.ca.gov/bilinfo.html>.

Guest Speakers:

CalSTRS Board Chair Harry Keily spoke about the current condition of the Retirement Fund and summarized with the key points that CalSTRS Retirement is secure, daily market fluctuations do not matter since Fund in long term program and that the teacher CalSTRS Board members are there to work for the members.

CalSTRS Director of Global Equity June Kim, and Portfolio Manager Engagement Geraldine Jimenez delivered a presentation titled *Perspectives: CalSTRS 2016* that focused on CalSTRS Investments, a Market Review and Global Risks. The Investment Portfolio has assets of \$186 billion as of December 31, 2015, the assets are distributed over seven diverse asset classes and that the portfolio is managed by more than 130 investment professionals. The 2015 Market Review revealed that the U.S. Equity Market (Russell 3000 Index) returned 0.5%; the biggest winners were the new media companies; the biggest losers were most energy and material companies and that despite the high volatility of the 2015 market, most major indexes ended the year about where they started. They also identified factors in today's economy and global risks and challenges that could impact the future Fund investments. The presentation ended with the key point that the CalSTRS Fund is a long-term project, a marathon, with a 30-40 year investment horizon with single year returns being like one mile out of the 26.2 mile run. According the ending graphic in the presentation, the goal is to build a nest egg that earns on average \$15 billion each year.

A Q & A session with the Guest Speakers followed in response written questions from the General Assembly. The meeting adjourned following the drawing to distribute the flowers.

Selected Data from the 2015 CalSTRS Summary Report to Members

Report included in the "Retired Educator" Winter 2016 Edition – Available from the CalSTRS website (<http://www.calstrs.com/retired-educator>).

Teachers' Retirement Fund Statement of Changes

Net Assets Held in Trust, End of Year 2015: \$191,822,336,000

Net Increase 2015: \$1,510,227,000

Defined Benefit Program Funding Ratio: 69%

Defined Benefit Program as of June 30, 2015

Active Members: 429,460

Service Retirements: 247,353

Average Age of Active Members: 45.5

Average Number of Years of Service: 12.2
Average Annual Salary: \$69,597
Number Retiring in 2015: 11,278
Average Age: 63.0
Average Years of Service: 24.221
Average Annual Final Compensation: \$84,156
Average Annual Member-Only Benefit: \$49,704

Informational Items Shared by UTLA-R Members

(Open the attached PDF-formatted files.)

Friends of BHPLB.pdf
Free Leonard Peltier.pdf
NCJW-LA.pdf