

REACTOR

RETIRED EMPLOYEE ASSOCIATION CALIFORNIA TEACHERS ASSOC.

July, 2015

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PRESIDENT'S REPORT – Lloyd Roberts

I am convinced that REACTA's long term interests are best served through effective communication between us and CAS, CSO and CTA. This will enable us to know their issues, interests and problems, and acquaint them with ours. The goal - work together for each other's mutual benefit.

To this end, Vice President Dom Summa and I have just completed two business lunches, one with CSO President, Chuck King, and another with CAS President (at that time) Katie Mullins and Vice President, Dawn Basurto. We reached out to CTA and met with them on May 27. Our theme in all these meetings is improved knowledge of each other's concerns through better communication. Our outreach has been well received by all concerned.

CSO invited me to bring greetings to their General Meeting in San Jose on April 18 and 19. I talked to them at the start of their business meeting on Sunday morning and was warmly received. There was a marine layer and I couldn't fly my plane out until it cleared, so I sat in on their business meeting and picked up some good information and materials. CAS has no plans for an annual meeting at this time. We have invited both union presidents and CTA to bring greetings to our annual meeting in Cambria.

Here is another other communication enhancing activity. The REACTA Board has agreed to help sponsor and fund a reception for CSO staff and REACTA members in connection with the UCLA Summer Institute in August.

Our best source of information on developments with the trusts is through union trustees. The trustees and unions keep us advised and represent our thinking when we have good communications with them. At the CSO Reception Saturday evening, April 18, Trustee John Stephens and I had a chance to refresh a mutual friendship we have both enjoyed over many years. I was pleasantly surprised to learn he is number one on the staff union seniority list now.

When we do not sit in trust meetings or at the bargaining table, the best way for our issues, interests and concerns to be reflected there is if those who are there know our issues and are willing to raise them. They will be much more inclined and better prepared to do that if we have first shown our interest and concern for their issues.

And here's something we can all do to improve communications. Go to a CTA office for a brief visit. Introduce yourself and get acquainted with the staff that is present. Take a little gift of cookies or fruit or candy. Express an interest in them and briefly present your concerns and perspectives. Keep it positive and friendly and brief. Then, if you're willing, let Dixie Ditsler know of the office and staff and date you visited and the highlights. I am calling this the *Fellowship Flood of Fifteen*. Reach out, and then let us know how it goes. Be a goodwill ambassador for REACTA and show your concern and support for them. Some of our members already do this.

We have no voice or ears at trust meetings and in bargaining except for staff representatives. Let's show our concern and support for them, and they'll be able to reciprocate.

CTA EMPLOYEES' RETIREMENT TRUST MEETING REPORT

June 2, 2015

The Retirement Trust meeting took place on June 2, 2015. At the Benefits Committee meeting which preceded the general meeting, the recently completed new plan document was discussed. The new document was accepted immediately by the IRS, however, legal counsel suggested a few changes in language concerning QDROs (Qualified Domestic Relations Orders). The SPD will be updated after the final Plan document is approved. FAQs will be added to the SPD. There will be a draft ready for the fall meeting. It was recommended that the trustees adopt the restated plan document in the general meeting. Members may request a copy of the SPD and/or the Plan Document.

At the general meeting Josh Kevan of RVK discussed investment matters. April was a good month as equities were up. The percentage of return through April was 3.82%. May was not quite as good.

The actuaries stated that the Plan is heading for 95% funding although it may still have to deal with the credit balance. When the 2008 loss is recognized, there will be a short period when the Plan will be in the red zone. However, no action should be required. Investment return is carrying more weight than attrition. Better funding is making the Plan more stable because the deficit is being reduced.

The result of a survey completed in conjunction with the International Foundation compared the CTA plan with approx. 1400 similar plans. The CTA Plan was in the top quartile of all multiemployer plans surveyed. The CTA Plan has fewer participants so the assets per participant are greater. The ratio of active to inactive participants is down to .6. This will not be a problem as long as the Plan is on track in funding. The Plan had one year (2009) in the red and has been in the green zone ever since because the contribution rate is higher than other plans.

Dates were set for next year and the meeting was adjourned. The next meeting will be on September 17.

Marianne McCarthy
Retirement Trust Liaison



The CTA Plan is a multiemployer plan and is subject to the rules of the Multiemployer Pension Reform Act of 2014 which was enacted on December 16, 2014. In the new law, Congress established new options for trustees of multiemployer plans that will potentially run out of money. While The CTA Plan is currently financially solid, attacks against unions including CTA, could bring about funding challenges and could impact the security of the level of funding.

Recently, legislation (the Keep Our Pension Promises Act of 2015) was introduced in Congress to repeal the "benefit suspension" provisions of the Multiemployer Pension Act of 2014. The Keep Our Pension Promises Act would ensure that pensioners will continue to get their full benefits.

I will be bringing information to the General Meeting in October regarding this issue and plan to have it included in the Open Discussion meeting to be held Wednesday morning. I believe we need to be informed of changes that could (hopefully not) affect us. Susan Popovich

PRIVATE PENSION PLANS

It is interesting to note how our CTA private sector pension plan compares with other private sector pension plans.

In 2014, only 16% of private pension plans were defined benefit plans. **CTA's pension is a defined benefit plan.** As union strength and membership decline, so do defined benefit plans.

The majority of plans have a *factor* that is applied to final earnings to determine the pension. The average factor is 1.85 percent in public plans and 1.48 percent in private plans. **CTA's factor is 3%.**

For most private sector participants (83 percent), *terminal earnings* are defined as the average of an employee's highest 5 years' earnings. **CTA's terminal earnings - highest month**

Inflation can seriously erode the *purchasing power* of a retiree's defined benefit pension. To prevent such erosion, some plans specify an automatic cost-of-living increase, usually based on changes in the Consumer Price Index. In 1993-94, 54 percent of public pension participants were in plans that provide these automatic increases; in the private sector, 4 percent of participants had such provisions. **CTA's plan has no automatic cost-of-living increase.**

Some employers provide a discretionary or ad hoc increase to adjust retiree benefits for inflation. In 1993-94, 13 percent of public participants were in plans that had granted an ad hoc increase during the previous 5 years; among private participants, the proportion was 6 percent. **CTA considers discretionary inflation adjustments annually.**

Social Security retirement benefits also have an automatic annual cost-of-living adjustment (COLA), based on changes in the Consumer Price Index. **CTA retirees receive Social Security COLA's.**

In the pension world, a pension funded at the 80% level is customarily referred to as a "good" level of funding. **CTA's level of funding is 78%.**

Lloyd Roberts
REACTA President



ATTENTION PRE SEPT. 1, 1989 RETIREES

As you should know, adjustments were made to the CTA Employee Retirement program that affected pre 9/1/89 retirees beginning in 2010 and continuing thereafter. Our understanding of these changes is that they would have required your retirement benefits to have been increased by two percent (2%) for 2013 over 2012, two percent for 2014 over 2013 and yet another two percent for 2015 over 2014. In each of the foregoing years, the Consumer Price Index (CPI) increased by more than 2%; thus triggering these adjustments effective January 1 of each year.

It was intended that the foregoing information be included in the last edition of the REACTOR but, due to a technical glitch, that didn't happen. It was, however, subsequently sent out in an "e-mail" to most REACTA members and included in the REACTOR mailed to members. Feedback received from that e-mail leads to concerns that not all of these adjustments have occurred in a timely manner and that they have not been made at all this year.

Again, we'd like hear from those retirees who should have received these adjustments so that we can, if needed, pursue the matter on your behalf. If you are not sure about whether you've gotten your adjustments, we hope you've kept the monthly statements sent out by the Retirement Trust administrator and that you will go back and examine them, particularly those issued on December 31 of each year. The YTD (year to date) GROSS amount for each of the years mentioned above should be 2% greater than the YTD GROSS for the year before.(i.e.: 2012 GROSS X 1.02 =2013 GROSS.) For the current (2015) year, simply look at the monthly GROSS for each month. Each should reflect a 2% increase over the monthly gross for 12/31/14.

If it appears that there is anything amiss on any of this, please contact us immediately.

lboitano@aol.com OR cell (209)480-6732 OR home (209)785-0476.

It will help if you can give us the specifics of your case.

Lou Boitano
Organizing Committee Chair
&
The Organizing Committee



**CTA Retiree Purchasing Power
Dec. 1989 thru Dec. 2014**

YEAR OF RETIREMENT	PURCHASING POWER %
1990	65.96
1991	67.88
1992	68.21
1993	68.35
1994	67.62
1995	66.70
1996	65.92
1997	65.67
1998	66.43
1999	68.52
2000	70.59
2001	73.01
2002	75.57
2003	76.63
2004	77.51
2005	79.18
2006	80.76
2007	83.51
2008	86.68
2009	86.68
2010	88.98
2011	90.27
2012	92.89
2013	94.93
2014	97.38

Organizing Committee



REACTA Calendar

Executive Board Meetings:

August 5, 2015
October 6, 2015

REACTA Committee Meetings:

As needed and scheduled.

REACTA & CSO Social

In conjunction with
UTLA Summer Institute
August 5, 2015
Alice Clement's house
Pacific Palisades, CA

(Invitation Included in REACTOR)

REACTA Annual Meeting

October 6-8, 2015
Cambria, CA



REACTOR Publication Dates:

January, April, July and September

Deadlines for submission of
information/pictures:

August 15, 2015
Dec. 15, 2015

Send information to:
susanpop@aol.com

If you receive this newsletter by regular mail, and would prefer to receive it by email, please let Dixie Ditsler know at: ctadixie@aol.com . Email saves money and work and you will receive it sooner.

**REACTA DIRECTORY ADDITIONS
and CORRECTIONS
April – June 2015**

New and Renewing Members:

Theo Austin-Smyth

1189 Vacation Dr, Lafayette CA 94549

Cell: 925/639-0953

Email: smyth12040@gmail.com

Professional Staff Retired: 2015

Location: Concord RRC

Norma Potter

626 Joan Way, Placentia CA 92870

Phone: 714/646-0930 Cell: 714/614-2081

Email: nj711@aol.com

Professional Staff Retired: 2015

Location: Orange RRC

Stephen Pulkkinen

7033 9th Ave NW, Seattle WA 98117

Phone: 206/420-4471 Cell: 951/264-3921

Email: swp1776@gmail.com

Professional Staff Retired: 2015

Location: Norco

Corrections & Additional Information:

Grady Box

Email: jagbox10@gmail.com

Sandra Parker

48303 20th St West #211, Lancaster CA 93534

Cell: 760/490-3378

Email: sparker@hdba.net

Supervisory Staff

David Stuart

5237 Teton Ln, Ventura CA 93003-6450

Dom Summa

81317 Avenida Montura, Indio CA 92203

**Recognition and Remembrance
Cheer and Courtesy**

Please let us know about any REACTA members who are:

- ❖ Shut ins
- ❖ Living in care facilities
- ❖ Experiencing serious health complications

We would like to send an occasional card of cheer so be sure we have a current mailing address. We want our members to know that their Association is concerned about them. Obviously, we want to be informed in the event of a member's passing so that an appropriate remembrance can be offered on behalf of REACTA. Again, help us by providing the name, relationship and address of any person to whom condolences should be directed.

On a positive note, let us know when you or another member have/has achieved some new "pinnacle" in life that deserves an "atta girl/boy". We truly enjoy expressing organizational appreciation and pride on such occasions.

Send or call the needed information to any one of the following:

Kathy Casas

31404 Corte Mallorca

Temecula, CA 92592

Email: KCASAS@aol.com

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BYLAWS AMENDMENTS SCHEDULED FOR A MEMBERSHIP VOTE

REACTA members will soon receive a ballot in the mail to vote on bylaw amendments recommended by the Executive Board. About a year ago, the Board appointed a committee to review our bylaws and make recommendations about possible amendments. The committee's work was reviewed by the Board in October and presented to the members who attended our 2014 annual meeting in Cambria. After a lively discussion, the members voted to send the bylaw amendments back to the board for further study and changes. The Board reviewed all the comments made at the general meeting and incorporated these recommendations into the latest version of the amendments that will be sent to all members for their vote.

A key change in the bylaws deals with the purpose of REACTA. REACTA is not a union and has no legal standing to negotiate with CTA management. Our newly stated purpose #1 is to "work with CTA employee organizations to advance, protect and enhance the benefit levels provided by the CTA Employees Retirement Benefits Plan and the CTA Employees Health and Welfare Benefits Plan." Other changes include a more detailed description of the duties of REACTA officers, the appointment of committees and the composition of the Executive Board.

Please review the amended bylaws and the attachment which highlights the other substantive changes. The Executive Board recommends a yes vote on the bylaw amendments.

Vice President Dom Summa

2015 ANNUAL MEETING PROGRAM WILL FEATURE CTA LEGAL DIRECTOR LAURA JURAN

Plans are being developed for our 2015 Annual Meeting, scheduled for Cambria Lodge on October 6-8, 2015. Our program will start on Wednesday morning, October 7, with a presentation by CTA Legal Director Laura Juran. Laura will talk with us about the "State of the Union," with a message specifically linked to the many legal challenges and battles CTA is facing. She will discuss how these challenges impact the work and direction of CTA. We have invited guests from the CSO and CAS leadership to also join us. Wednesday afternoon will be our annual business meeting followed in the evening by our REACTA Annual Dinner.

There was a suggestion that we have a Book Club discussion on Wednesday or Thursday morning. See article.

There are pending U. S. Supreme Court cases as well as initiatives proposed for 2016 that could have a major impact on CTA. Please make arrangements to join us in Cambria to hear this important information and engage in a dialogue with CTA management and staff union leaders. Registration material for our annual meeting will be available later this summer.

Vice President Dom Summa

**10 Reasons to Come to the General Membership Meeting
October 6, 7, and 8, 2015
Cambria Pines Lodge**

There are many reasons to come to the REACTA General Membership Meeting. Here are 10:

1. You get to see old friends.
2. You get to meet new friends.
3. You get to test your memory on what really happened.
4. You get to decide if some of the people you knew are really what you thought they were.
5. You get an opportunity to see people in a different way.
6. You can feel good about yourself and strive to be better, based on who you hang out with while there.
7. If you are lucky, you'll be happy going home with the person you came with.
8. If you're not, you may want to consider a change for your health's sake.
9. It will make you glad you are retired and not working full time.
10. Being social and thinking about something new, is the BEST thing you can do to stay young at heart and young in your body.

There are dozens of other reasons to be there. If you come, we will try to let you know all of them as the General Meeting progresses.

Call a friend. Call a colleague. Car pool and make it to the meeting. It's VERY fun and exciting to be part of this group!!

Marla Reyes, Treasurer

REACTA's First Annual BOOK CLUB Meeting

During our Region IV luncheon, a few of us were discussing the books that we had been reading and we thought it would be interesting, and fun, to start a REACTA book club. There are so many avid readers in our REACTA members ranks so we plan to meet in Cambria, during our October 6 -8 annual meeting. Exact time and room location will be determined later.

The book that we have chosen to read for our first meeting is All The Light We Cannot See, by Anthony Doerr, 2015 Pulitzer Prize winner. You may already have this book on your "to read" list and know that it is on every best seller list around including the New York Times 10 best books for 2014. "Tackling questions of survival, endurance and moral obligations during wartime, the book is as precise and artful and ingenious as the puzzle boxes the heroine's locksmith father builds for her. Impressively, it is also a vastly entertaining feat of storytelling."

For anyone who has never participated in a book club, it is easy. Just read the book, and join us for an interesting discussion among fans and friends.

We would also like to start a book recommendation list. So what are you reading now? Please e-mail Margaret Wallace with any books that you found interesting, fascinating, intriguing, funny and worthwhile at marwall@aol.com. We will create a list to share at our meeting, as well publish it in the REACTA newsletter.

Check out goodreads.com. Register your book recommendations with ratings, invite some friends and help your friends find out what you are reading.

Margaret Wallace

12th ANNUAL CTA STAFF PARTY

ALL ACTIVE AND RETIRED
STAFF
ARE INVITED TO ATTEND

WEDNESDAY, AUGUST 5,
2015

5:30 PM TO ?

Hosted by:
Alice Clement

604 Swarthmore Avenue
Pacific Palisades CA 90272
(From 405 - west on Sunset, left on
Swarthmore)

RSVP by July 22, 2015

310.454.1801

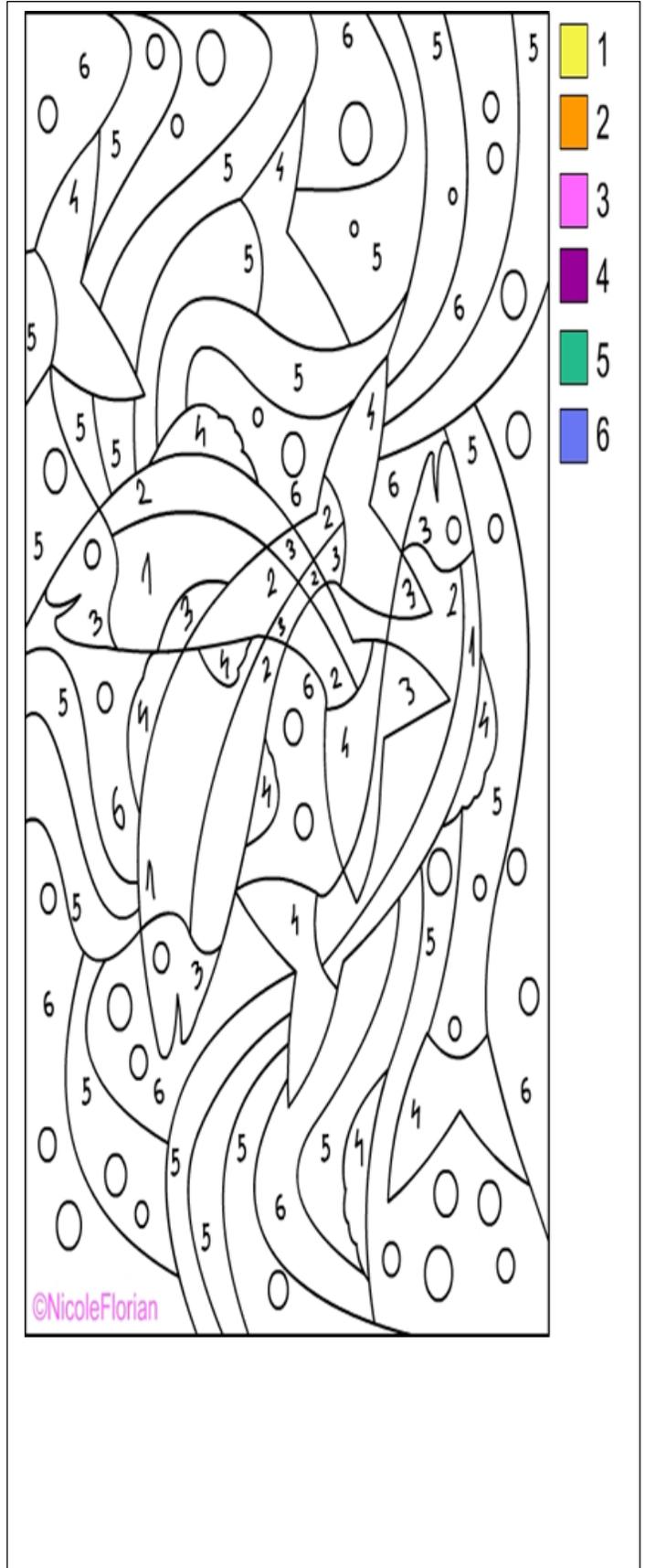
or 818.516.1785

Email:

dmclement@verizon.net



ENJOY COLORING



REGION 3/4 SPRING LUNCHEON MAY 7 IN SANTA FE SPRINGS

The Region 3 Spring Luncheon was held on Thursday, May 7, with fifteen members attending. We started with a report from Health and Welfare Trustee, Rose Luna, who so generously made time to give us an update. After lunch and conversations catching up with friends, President Lloyd Roberts gave a short report on recent activities. Alice Clement, who is hosting the 12th Annual CTA Staff Party (for both active and retired staff) on August 5, invited everyone to attend.



Dick Odgers, Alice Clement, Jim Essman, Felice Strauss, Marilyn Bittle, Donna Maurer, Kathy O'Neill, Tom Hollister, Kenny Kim, Lloyd Roberts, Dale Maurer



Donna Maurer, Tom Hollister, Felice Strauss, Rose Luna, Wiley Jones, Ed Hogenson
(Also attending: Jeanne Hogenson & Dixie Ditsler)

**REGION 2 SPRING LUNCHEON
JUNE 30, WOODLAND, CA**



L to R - Marlene Bell, Aleita Huguenin, Rose Sanders and Mary Lynn Brich.
Back Row: Lou and Linda Boitano, Bob & Lynn Persky, Lillian Stahl.



L to R - Shirlene Shults, John Stephens, Gene Morgan and Judy Saxby.

L to R - Chuck Hodel, Joan Stout, Shirlene Shults.



**REGION 2 SPRING LUNCHEON
JUNE 30, WOODLAND, CA**



L to R - John Stephens, Shirlene Shults, Gene Morgan



L to R: Chuck Hodel, Joan Stout, Connie DeCloud and Dennis Bambauer

Not pictured: Valarie Preston, Leslie Oliver, Tammy Cole, Peg Butler, Ann Snyder, and Alan Frey

**REGION 2 SPRING LUNCHEON
Woodward**



L to R: Aleita Huguenin, Marlene Bell, Linda and Lou Boitano, Bob and Lynn Persky, Lillian and Bob Stahl

**REGION 2 SPRING LUNCHEON
BAJA SOUTH**





**REGION 1 SPRING LUNCHEON
SAN MATEO**



L-R: Marge Flynn, Joan Holden, Margaret Thayer, Lucrutia Dressel, Art McLoughlin, Debby Edginton, Jeannette Logue, Lloyd Roberts, Ruthmary Cradler, Marta Dragos, Theo Austin-Smyth, Dom Summa, Marianne McCarthy

REGION 4 SPRING LUNCHEON
South Coast Winery Resort & Spa



Standing L-R: Tom Hollister, Kathleen Casas, Kathleen Igoe Krier, Gail Boyle, Don Donald Crawford, Savannah Sincoff, Ed Romeo, Barbara DePrete, Bill Gibson, Lloyd Roberts, Felice Strauss, Dom Summa, Margaret Wallace, Joanne Summa, Kenny Kim
Seated L-R: Matt Krier, Norma Potter, Conrad Ohlson, Daniel Saling

Region 4/3 REACTA Spring Luncheon at South Coast Winery and Resort. 19 plus [Rose Luna](#) as our guest speaker and an update from [Lloyd Roberts](#) (see report on Region 3/4 luncheon).



