Greetings. A big THANK YOU to Walt Munsterman for his effective leadership the last six years and his dedication to Education Minnesota Retired. I hope to help with some accomplishments during the next three years. A new business item presented at the Education Minnesota Representative Convention has the potential to really benefit our organization. It was presented by the Education Minnesota Governing Board and deals with continuous membership. The measures would require a dues increase for active members so that when an active member retires, they will become a paid up retired member. The details will be presented for approval at the 2015 Education Minnesota Representative Convention.

Governor Dayton signed a bill that will increase Minnesota’s minimum wage to $9.50 an hour by August 1, 2016. This law can potentially lift more than 325,000 Minnesotans out of poverty. Some of these people will be parents of public school students.

The bills passed by our state legislature last year and this year, and signed by the Governor, should remind all of us how important our election will be again this fall. Let’s avoid having another 2010 when we lost a lot of pro-education legislators because too many progressive and moderate voters didn’t exercise their right to vote. Get to know your state Senator and state House member and communicate with them. They welcome our input; well most of them do. Have a good summer and we’ll see you on the campaign trail.
Frequently people ask why it is important to maintain a pension plan for teachers and why worry if it is a defined benefit (DB) plan or a defined contribution (DC) plan. Let’s take the issue apart for understanding.

A defined benefit (DB) plan, also called a traditional pension plan, is a pooled retirement plan that offers a predictable monthly benefit in retirement. It provides retirees with an income for life, as you cannot outlive your assets. Typically both the employer and employee contribute, often in matching amounts. In Minnesota, that money is collected, pooled and invested on behalf of the educator by the State Board of Investments, resulting in a plan that generates 73 percent of the plan funding through investments. Investment fees are typically low. The state sponsors the Minnesota DB plan.

A defined contribution (DC) plan has a monthly benefit from a DC or 401(k). A benefit is based on how much an employee contributes and earns through investment returns. The investment risk is wholly borne by the individual, as you, and only you, sponsor your DC plan. Some employers contribute, some don’t. Typically there are high investment fees and you might outlive your assets.

Money available to you as retirement income is figured using the “three-legged stool” - Social Security, personal savings and pension income.

The Wall Street Journal (2011) stated that a two-person household with pre-retirement income of $87,700 would need about $636,000 to meet their retirement needs. These households have a median 401(k) balance of $149,000, less than one-quarter of what is needed and an amount that would generate only $9,073 in annual income. This is not enough to achieve a secure retirement with sufficient income for our older years. The less money in the plan, the more you draw out, the smaller is your income each year. This is a DC plan. Contrast this with the average monthly income from a DB plan (TRA) where the average educator has a pension income of $2,300 a month ($27,600 a year), and that income will come every month for life. Thus the importance of a defined benefit pension plan.

Much of this article comes, with permission, from MN TRA documents.
This year’s NEA Retired Organizing Conference was held at the Westin Galleria Hotel in Houston, TX on March 25-27. Deep in the heart of Texas, Houston is less than an hour’s drive from Galveston and the Gulf of Mexico. Houston is the fourth largest city in the U.S. with a growing economy as well as a Texas-sized offering of arts, culture, nightlife, and sporting events.

Four Education Minnesota Retired members attended this year’s conference: Larry Koenck, Bobbie Margo, Walt Munsterman, and Judy Rohde; we were part of 200+ attendees. The pre-conference was on March 25 and was targeted for state retired Presidents and staff only. The Conference officially started on Tuesday evening with a "Welcome" from NEA-Retired Vice President John Jensen. Rita Haecker, President of the Texas State Teachers' Association told us that it is imperative to keep our young people in the profession. Louise Watkins, President of the RETIRED Texas State Teachers' Association added that Texas is doing its part by being able to raise their multiplier so that more funds are going into their pension fund.

Keynote speaker for the evening was Sylvester Turner, a Texas House of Representatives member for more than 24 years. Turner’s message was that good quality teachers have good quality students. One of Turner’s former teachers was in our retired audience. We need to pay our teachers/educators a decent wage. We need to get organized, stay mobilized and make a difference.

Later that evening, we had a dessert reception. The room/trays/tables were piled high with mouth watering caloric delightful treats! Be still my heart! (Yum!)

Wednesday, March 26 commenced with greetings from Becky Pringle, NEA Secretary/Treasurer. From 2008-2014, there has been a loss of over 2 million full time teachers and 33,000+ ESP members. Projected losses for 2014-2016 are less, but the FASTEST GROWING membership in NEA is NEA-Retired with 300,000+ members. Another 250,000+ members ages 62-65 are on the cusp of retiring. We need to capture those members! Pringle closed her presentation with a quote from Plato, "Those who think/feel that they are too good or too smart for politics will be ruled by those who are neither good or smart."

Wednesday’s Keynote Speaker was Rich Fiesta, Executive Director of the National Alliance for Retired Americans. The Alliance was created 13 years ago, has state chapters in 33 states and 4.2 million members. Fiesta informed us that every 7 seconds someone in the U.S. turns 60. Seniors vote more consistently than any other age group. What’s at stake is: 1) raising the Social Security/Medicare age, 2) public/private pensions, 3) pharmaceutical
Three years ago a number of DFL Senior Caucus members started a monthly lunch and information meeting in the south metro area. As time passed, we outgrew two venues and gained chapter status.

We meet at the Pizza Ranch on Pilot Knob Road in Apple Valley. Our meetings are the second Wednesday of each month. Meetings are preceded by executive board at 11:00 a.m. Our membership meeting starts with Pizza Ranch’s lunch buffet at 12:00, and continues with presentations. We do not endorse candidate but briefly hear from CD 2 and local state Senate district candidates and their spokespersons. Then we hear from our main speaker. Speakers have included Minnesota elected constitutional officers, elected Minnesota House and Senate members, local elected officials and former Education Minnesota staff persons. Advocates for tax reform, immigration reform and for students and public education have also spoken. Those opposed to Fast Track TPP, ALEC, the Koch brothers, and Citizens United gave interesting presentations. A continuous stream of excellent speakers and topics brings our members back each month. After the presentations and questions we have door prize drawings. Your attendance is the only requirement for your ticket to be placed in the hat.

Everyone is most welcome to attend our South Metro DFL Senior Caucus meetings the second Wednesday of the month, at the Apple Valley Pizza Ranch. If you wish to find out more about The DFL Senior Caucus or other local chapter meetings consult the Senior Caucus Web site: http://www.dfl.org/seniors/monthly-newsletters/.
Since 2004 the American Federation of Teachers (AFT) and Education Minnesota have funded a retiree political program in even numbered year elections in states considered “swing states.” Minnesota has been involved in each of these elections since 2004. The program hires retired educators to work on behalf of Education Minnesota/labor endorsed candidates with the goal of electing pro-education, pro-labor candidates at all levels of government. The individuals in the program recruit volunteers for, and participate in, activities that are organized through Education Minnesota and the Minnesota AFL-CIO. Also, in 2004 through 2008 the program was restricted to working on federal elections only. With the Citizens United Supreme Court decision and other election law changes, the program has been able to work on state and federal elections since 2010.

In 2004, John Williams, an AFT staff member, who was assigned to work out of the Education Minnesota office in St. Paul, coordinated the retiree political program. He hired about twenty retired educators throughout the state and I was one of the retirees that worked in the metro area. The presidential and congressional races were the focus of our efforts that year with all incumbents being reelected. In 2006, John was on a different assignment for AFT and I was asked to coordinate the retiree political program that had twenty plus retirees working throughout the state. Work on the US Senate and congressional races that year resulted in the election of several pro-education, pro-labor first time candidates including Senator Amy Klobuchar, Congressman Tim Walz, a Mankato teacher, and Congressman Keith Ellison.

In 2008, I served as the retiree political program director with about twenty-five retirees working throughout Minnesota on presidential, US Senate and congressional races. The pro-education, pro-labor endorsed incumbent candidates were reelected to the US House but the final result in the US Senate race was not know for several months after the election when Al Franken was declared the winner by 312 votes on June 30, 2009.

As mentioned above, legal decisions and law changes allowed the retiree political program to work on both state and federal races in 2010. I continued as the program coordinator with twenty-two retirees employed throughout the state. Since there was no presidential or US Senate races, much of the political program was devoted to the Governor’s race. Mark Dayton was endorsed by Education Minnesota and the Minnesota AFL-CIO and after a contested election was declared the winner by about 8,000 votes. Unfortunately, the pro-education, pro-labor majority that was elected in the State House and State Senate in 2008 was lost in both bodies in the 2010 election. Had Governor Dayton’s opponent been elected, there is a strong possibility that the anti-education, anti-labor initiatives that have become law in Wisconsin since the 2010 election, would also have been passed in Minnesota. Elections do make a difference!

The 2012 retiree political program participated in a major statewide effort to reelect a pro-education, pro-labor majority in both state houses. The twenty-three retirees also worked on a limited basis on the presidential race and on a couple of the congressional races with most of their time and effort directed to the state races for senator and representative. Those efforts contributed to the reelection of a pro-education, pro-labor state House and state Senate in 2012 that has resulted in favorable legislation for education and labor including increased educational funding and an increased minimum wage. Elections do matter!

We are quickly approaching the 2014 election. With a US Senate seat, the Governor, the state House and other state constitutional officers up for election, it is highly likely that the AFT will provide funding for another retiree political program. I strongly urge you to consider participating as a retiree organizer in the program. It is a part-time, paid position that runs for about twelve weeks up to election day.

If you are interested or want more information contact:
Rick Winters at rwinters@iphouse.com or James Haggar at James.Haggar@edmn.org

If you are unable to work in the program, please consider opportunities to be involved with events that occur during the election season, be they through the retiree program or through your favorite candidate’s campaign. With your help, the results of the 2014 elections will continue to make a difference!!
Join your colleagues at Ruttger’s and enjoy educational sessions, socialize and catch up with old friends, and meet new ones!

MONDAY, SEPTEMBER 8, 2014  (HOTEL CHECK-IN 5:00 PM)

4:00 – 5:00 PM  Registration/Check-In  Register and Visit Exhibits
5:30 – 6:30 PM  Dinner  Isle of Pines
7:00 – 8:00 PM  Entertainment  Doug Ohman, MN Historical Slideshow (Isle of Pines)

TUESDAY, SEPTEMBER 9, 2014

7:30 - 8:30 AM  Group Breakfast  Ruby’s Dining Room
8:45 – 9:00  Welcome  Larry Koenck, Education Minnesota Retired President
9:00 – 10:00  Group Session  Legislative Update  Jodee Buhr, Education Minnesota Lobbyist
10:00 – 11:00  Group Session  Emotional Wellness...it’s a great thing!  Jim Keenan
11:15 – 12:00  Group Session  Health Insurance Update  Tim Schatz, MN Health Insurance Network
12:00 – 1:00 PM  Lunch  Ruby’s Dining Room
1:15 – 2:15  Group Session  State of the Economy  Kent Schutte, EFS Advisors
2:15 – 3:15  Group Session  Elections Update  James Haggar, EdMN Political Specialist
3:15 – 5:00  FREE TIME  Pontoon Boat Ride 3:30-4:30  or, golfing, shopping, relaxing...
5:00 – 6:00  Social Hour  Cabin #620
6:15 – 7:15  Dinner  Ruby’s Dining Room
7:30 – 8:30  Session  Life as a senior citizen: Dave Nimmer, retired journalist & professor
8:30 – 9:00  Bonfire and Social  Cabin #620 and Fire Pit #4

WEDNESDAY, SEPTEMBER 10, 2014  (CHECK-OUT 12:00 PM)

7:30 - 8:30 AM  Group Breakfast  Ruby’s Dining Room
8:45 – 9:30  Group Session: Benefits on the Web  Shelley MacDonald, ESI Member Benefits
10:00 - 10:30  Message from Education Minnesota
10:30 – 11:30  Group Session  TRA Update, Laurie Hacking, TRA Executive Director
11:30 – 12:00  Wrap-up and Prizes
Extended, one-night and commuter rates are also available. Group rates apply 3 days before and after the conference. One-night rate is $175.30 (single)/$137.46 (double) and commuter rate is $10/day plus meals.
Groups against public education are growing in number and have more money available for them to promote their ideas. Many of these groups are also campaigning against public pensions and especially teacher pensions. Some of these groups are Students First, Show Me Institute, Manhattan Institute, Pew Foundation and Arnold Foundation. One of their major goals is to change the defined benefit plans to be either defined contribution plans or hybrid plans. As we know, a change in the type of benefit plan will be detrimental to our public pension defined benefit plan. Some states have already had their plans changed. West Virginia converted to a defined contribution plan and then changed back when it was found to be more expensive.

The AFT, as reported to us by Dan Pedrotty, has researched investment funds that manage teacher pension funds and at the same time contribute to these groups who are trying to fundamentally change these funds. For more information on 28 investments firms check out the AFT Report on Wall Street Money Managers “Ranking Asset Managers” at http://go.aft.org/assetmgrs. Randi Weingarten, AFT President, has been named Most Influential in Fight for Pensions by the Institutional Investor. Rolling Stone Magazine has an article about Dan Loeb simultaneously soliciting and betraying pension funds titled “Looting the Pension Funds”. Some Money Managers have backpedaled after the AFT Report was published.

We all need to be vigilant in investigating these groups and working at getting accurate information out to the general public.

Say hello to the new Education Minnesota Governing Board members!

Governing Board member positions commenced after the Retired Annual Meeting on April 25, 2014 at the DoubleTree by Hilton in Bloomington, MN.

From left to right: Bobbie Margo—Dist. 8 Director, Larry Koenck—President, Julie Jagusch—Vice President, Cathy Stringfield—Dist. 1 Director, Judy Rohde—District 4 Director, Sandra Skaar—At Large, Sharon Kjellberg—District 4 Director, Joan Beaver—District 6 Director, Wes Hanna—District 2 Director.
Speaker has not been arranged yet, more details to follow.
The Retired Program Committee will arrange for a politician, if available.

### Retired Fall Breakfast
**Thursday, October 16, 2014**
**Speaker to be determined**

Enclosed is $______ for _____ reservations. (Cost is $15/person)

Name(s):________________________________________________
Address:_______________________________________________________________
City/State/ZIP:_________________________________________________________
Home Phone:___________________________________________________________
Work Phone:___________________________________________________________
E-Mail Address:________________________________________________________

**REGISTRATION DEADLINE:** October 13, 2014

Please cut out and mail Registration Form and check payment to: Education Minnesota Retired 41 Sherburne Ave., St. Paul, MN 55103

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**Connect with us electronically!**

Thank you to those of you who have sent us an updated e-mail address.

We still only have about half of your e-mail addresses. You can send a message to matt.blewett@edmn.org to let us know if your e-mail address has changed or if you have not received any of our notices in April.

**Do you have a TIES e-mail account?** Please send us your new address.

Other ways to connect:

Education Minnesota Retired Website (don't type www)  [retired.mn.aft.org](http://www.retired.mn.aft.org)

Facebook—log in and search for Education Minnesota Retired
If Education Minnesota Retired or Retired Educators Association of Minnesota (REAM) schedules a political conference, evidently the odds are good that there will be a snow storm. The REAM sponsored conference was postponed once last year and then cancelled due to snow in May. This year, 22 retirees braved a major snowstorm January 30, and were rewarded with very informative and interesting presentations related to the political environment of educator pensions, AFT political strategies, Education Minnesota political action plans and legislative priorities. We also heard how retirees can get involved in campaign activities this year.

The American Federation of Teachers Research and Strategic Initiatives Department sent Dan Pedrotty from Washington, D.C. to explain the efforts by AFT to increase public understanding of the value of public pensions and legislative pension reforms AFT is promoting. He also explained efforts to put pressure on Wall Street interests who manage assets of public pensions but also support interest groups such as Students First which are behind attacks on public Defined Benefit pensions and teacher unions.

Luncheon speaker, State Auditor Rebecca Otto, began by explaining the difference between her job and that of the Legislative Auditor. As a statewide elected officer, one of her duties is to work on the State Board of Investments, the agency that manages the investment of our pension funds. She plays a critical role in protecting the interests of taxpayers by advising and enforcing regulations to keep city and county governments accountable, as well as by monitoring state actions that could cause future taxpayer liability problems. She believes it is in the best interest of Minnesota taxpayers to have a defined benefit pension system so that older citizens have adequate resources without becoming a burden on tax-supported and charitable public services.

James Haggar, Ed MN Political Action Specialist, reported that the Ed MN Political Action Committee (PAC) will focus on re-election campaigns of Governor Dayton and Senator Franken, election of a pro-public education majority in the Minnesota Dayton and Senator Franken, election of a pro-public education majority in the Minnesota House of Representatives and of a pro-democracy MN Secretary of State, as well as investment in local school board and levy referenda MN Secretary of State, as well as investment in local school board and levy referenda elections. None of the races for U.S. House seats are expected to be very competitive and political analysts do not expect much change in party majorities in the U.S. House.

James reminded us that any member of Education Minnesota who has made a contribution to the PAC this year is eligible to participate in candidate screenings. Let your local president know if you want to participate. He also encouraged participants to volunteer for candidates and invited retired members to contact Rick Winters (see page 5) if they are interested in paid campaign work for Education Minnesota during the summer. He is especially interested in engaging more retirees from areas outside the metro area.

Jodee Buhr, Ed MN Lobbyist, reported on Education Minnesota Legislative priorities and issues the Legislature will likely consider this year. She also reported on the so-called education "reform" organizations that are actively engaged at the Legislature, along with the issues these groups promote. Public defined benefit pensions are among the issues these "reformers" will attack. Finally, Jodee explained TRA proposals for consolidating the Duluth and St. Paul Teachers Retirement Associations. The bill would require the state to fully fund these independent pension funds before they merge with TRA. At this time, Duluth association has voted for merger but St. Paul wants to remain independent.
Education Minnesota has established a non-profit, charitable organization whose purpose is to provide grant funds to members and certain other non-profit groups. The Education Minnesota Foundation for Excellence in Teaching and Learning is governed by a Board of Trustees who are members of Education Minnesota.

Since its inception, the Foundation has funded 868 projects and awarded more than $2.4 million in grants.

If you have any questions, please contact the Education Minnesota Foundation director, Dayonna Knutson at 800-652-9073

Mail contributions to:
Education Minnesota Foundation
41 Sherburne Avenue
St. Paul, MN 55103

Through affiliation with Education Minnesota, Education Minnesota Retired retains access to political action and resources essential in electing ‘friends of education’ and the lobbying efforts essential to maintain and improve Minnesota teacher retirement programs. Concurrently, retired educators also remain vitally active and interested in educational programs critical to quality education in Minnesota.

To support these efforts, the Education Minnesota Retired Governing Board encourages retirees to contribute at least $20.00 to Education Minnesota PAC. Education Minnesota Retired members who contribute are eligible to participate on screening teams that interview candidates and recommend endorsements of ‘friends of education’. If you have questions, please contact Education Minnesota Public Affairs/PAC Dept. 800-652-9073

Mail contributions to:
Education Minnesota PAC
41 Sherburne Avenue
St. Paul, MN 55103
June 28-30
NEA Retired Annual Meeting—Denver, CO
July 1-6
NEA Representative Assembly—Denver, CO

August 3-6
Education Minnesota Summer Seminar
College of St. Benedict, St. Joseph

August 11
Education Minnesota ESI Charitable Golf Tournament
Prestwick Golf Club, Woodbury

Sept. 8-10
Education Minnesota Retired Fall Conference
Rutger’s Bay Lake Lodge, Deerwood

October 16
Education Minnesota Retired Fall Breakfast
Science Museum of MN

October 16
Education Minnesota Professional Conference
RiverCentre St. Paul

See “Calendar” on www.educationminnesota.org for additional Education Minnesota, NEA and AFT meetings, events and other information.

http://retired.mn.aft.org