



Retiree

FUNDamentals

V. 23 No. 2 Spring 2008

News for retired members of the Illinois Municipal Retirement Fund

Clear your clutter and clear your mind

Some people have no problem with clutter. They'll receive this newsletter, bring it in with the rest of the mail, and deal with all items immediately.

Credit card offers are shredded, bills paid, envelopes sealed and stamped, and this newsletter—whether read or ignored—is tossed into the recycling bin. There is a place for everything, and everything is in its place.

Others, though, have a more difficult time.

Their scenario goes something like this: After bringing the mail into the house, it gets plopped on top of a pile of papers that represents several days of mail, and perhaps some magazines or newspapers as well.

Not only is it not a neatly stacked pile, it is precariously balanced. With each advancing step, the pile quivers. One false move and it comes cascading down in a paper waterfall.

It might not end there, however. There may be several other piles lurking, stacked upon any available surface—including the floor.

Generally they aren't acknowledged until they are ripped apart in a panic when some important item has gone missing.

Once the errant item is found, the searcher



bewilderedly looks around at the small explosion of items strewn about and wonders how it ever got this out of control.

If you are one of the clutter-challenged, take heart. Not only are you not alone, there are steps you can take to gain some control over the chaos.

Evelyn Prasse is a Consumer and Family Economics Educator

with the University of Illinois (U of I) Extension and teaches *Finding Sanity in Today's World: De-Cluttering Your Life*.

Decluttering is "a topic we probably all need to think about," said Prasse, and added that there are three words that describe us best when we talk about clutter: motivation, plan, and procrastination.

Continued on page four

**"If you want to be organized,
everything has to have a home."**

— Evelyn Prasse,

*University of Illinois Extension Consumer
and Family Economics Educator*



Louis W. Kosiba
IMRF Executive Director

From the Executive Director

“Legislative initiatives you should know about”

Another legislative season has begun. It is the second half of the 95th General Assembly (2007-2008). Many worthy bills are introduced affecting both active and retired IMRF members. Your Board of Trustees has adopted a legislative agenda, and two initiatives specifically apply to you. The four Legislative Initiatives are: 1) Stabilize the 13th Payment at 75%, 2) Grant the Annuitant (Retiree) Trustee the right to vote, 3) Reduce vesting from 8 to 5 years, and 4) Pay interest on refunds.

Stabilizing the 13th Payment

The 13th Payment was added as an IMRF benefit on July 1, 1993. Employers fully fund the cost by paying 0.62% of active member payroll.

In 1993, the 13th Payment was about 90% of your regular monthly benefit. In 2007, it had dropped to 57% and will continue to decline until it stabilizes at about 23%. This decline arises because the number of retirees is growing faster than the IMRF covered payroll.

The 13th Payment was granted to IMRF retirees instead of compounding the annual 3% increase. (In fact, the legislation provides that if your 3% is compounded, the 13th Payment will be terminated.) Together your 3% increase plus your 13th Payment can provide excellent inflation protection.

The IMRF proposal would beef up the 13th Payment and stabilize it at 75% of your regular monthly benefit. The proposal also calls for employers to pay the total cost for this improvement. IMRF believes stabilizing the 13th Payment would protect your purchasing power because it would increase each year as your 3% increases grow.

Grant the Annuitant Trustee the Vote

Currently, the IMRF Board of Trustees has eight members: four elected by employers, three by active members and one by retirees.

IMRF has had an annuitant (retiree) trustee since 1996. The annuitant trustee does not have the power to vote at Board Meetings. This effectively disenfranchises your representative on the Board. Many retirees have asked why. The only answer is that there was concern back in 1996 that eight voting trustees could result in deadlocks with split votes (4 to 4).

Of course that is possible, but rarely are IMRF Board votes 4 to 3. Generally, consensus develops and votes are not close. Even if deadlock is a possibility, is denying your representative a vote the best way to prevent it?

Your Role

You can play an important role in passing these proposals. Your voice is more influential when you speak directly with your Senator or Representative. IMRF needs your support and asks that you call, visit or write your legislator.

Take this newsletter along and let it help you explain your support!

Q & A What is the 13th Payment, and how is it calculated?

Q. What is the 13th Payment?

A. The supplemental benefit payment, also known as the “13th Payment,” is paid to eligible retired members (or to their surviving spouses) every July.

You should receive your 2008 supplemental benefit payment by July 15, after you have received your usual July payment. If you receive your usual payments through Direct Deposit, the supplemental payment is also deposited directly into your account.

Q. Who is eligible for this payment?

A. You may be eligible if:

- You are a member or surviving spouse eligible for your usual July 1 pension payment, and
- You received an IMRF pension payment each month from July 2007 through June 2008 (this can be a member pension or a combination of member and surviving spouse pension).

Q. Who pays for the supplemental payment?

A. IMRF employers contribute the funds used to pay this supplemental benefit payment. Each employer contributes 0.62% of its payroll. Those contributions are used for one purpose: to pay the 13th Payment.

In 2007, IMRF collected approximately \$37 million specifically for paying this

supplemental payment. That amount is then prorated to you based on the amount of your regular monthly June payment.

Q. How is the amount calculated?

A. The 13th Payment is paid for entirely by employer contributions.

The total amount of these contributions is divided by the total amount of June benefit payments paid to retirees eligible for the 13th Payment. This results in a percentage of the usual benefit amount. Because employer contributions and the number of retirees eligible for the 13th Payment change, the amount of the 13th Payment changes as well.

The *estimated* amount for the 2008 supplemental payment is 56% of your usual pension amount.

Q. Will this method of calculating the 13th Payment ever change?

A. Any change to the 13th Payment requires a change in legislation. However, the value of the 13th Payment has been declining because the number of retirees eligible for it has been increasing. Therefore, the IMRF Board of Trustees is pursuing a legislative change to fix the 13th Payment at 75% of your usual pension amount. ❖

Clear your clutter and clear your mind From page 1

The U of I Extension has created a “Clutter Emergency Card” that lists key questions to help you decide what to do with your stuff:

- **How long has it been since I used it?**
- **Do I like it? Does it fit?**
- **Does it work? Is it broken?**
- **Do I have more of these? How many do I need?**
- **If I keep this, what will I get rid of to make room for it?**
- **Can I locate this information somewhere else if I need it?**

How to get started

The first thing you need to do, Prasse recommended, is to get four large bags or containers, plus a laundry basket. The four containers are for:

1. Garbage
2. Recycling
3. Donations
4. Yard Sale (if you aren't planning to sell anything, you won't need a fourth container)

The laundry basket is for items you plan to keep, but need to put away. You need this basket so you have uninterrupted time to declutter. “Don't leave the room to put something away,” Prasse warned, “or you will get distracted.”

Now pick an area you want to work on. Prasse's advice is to think small. “Don't think about your whole house. It's overwhelming.” Instead, focus on a small area. “Choose a room, or even an area of a room, to tackle first,” she advised.

Next, set a timer. Prasse recommends 15 minutes. Then do as much as you can within this time frame.

And, perhaps most importantly, you need to make the process fun.

“Put on some lively music,” Prasse said smiling. “You need something peppy. Get some of your kid's or grandkid's music—it will drive you crazy, but you need something peppy. It will help you get it done.” She also recommends working with a buddy to make the task more enjoyable.

Now it's time to start. Pick up an item and immediately place it into the correct container.

“Pick up as many items as you can until your timer goes off,” said Prasse. Once your time is up, make one trip through the house with your laundry basket, and put all of the items away.

And you've just successfully decluttered!

While these steps sound simple, another issue can deter you from decluttering—indecision about what to do with your stuff. (The questions on the left of this page can help you decide whether to keep or toss questionable items.)

The emotional toll of clutter

Aside from taking up your living space, clutter can take an emotional toll as well. Lori Radun is a Certified Life Coach and owner of True to You Life Coaching. Radun presents programs on a variety of life management skills in Chicago's suburbs, and her *Take Time to Declutter* program focuses not only on how clutter affects your physical space, but how it can also affect your mental space.

"Everything is made of energy," Radun said. "When our energy is blocked, we get tired and run down. Clutter is both a symptom and a cause of blocked energy."

"Your environment and your space is a reflection of, and can affect, your physical and emotional well-being," said Radun.

She added that clutter can affect you even if it is "hidden" in a closet or seldom-used corner of the basement. "Even when it's behind closed doors, it gets stored up in your brain as clutter, a mess, that needs to be taken care of."

There are many reasons we avoid decluttering, including:

- Holding on to items we don't use due to sentimental or monetary value
- Fearing "what if I throw this away and then I need it?"
- The task seems overwhelming or tedious; difficult to get organized
- Not having the time; not making it a priority
- Not understanding the benefits of decluttering

"You need to understand the benefits of decluttering before you can get motivated to do it," said Radun. "When we get rid of clutter, we are lifting up our energy and our mood."

Once you've decluttered, Radun suggests the following

- Stop bringing unnecessary items into the house. If you bring in a new item, ask what *two* items you will get rid of. (A common piece of advice is to get rid of one old item for every new one, but Radun advised that by getting rid of two, you are actively decluttering rather than simply making an even exchange.)
 - Think twice before saving items you don't use. Ask yourself if you *really* need them.
 - Try to touch everything only once. Handle it, throw it out, or put it away.
 - Get in the habit of doing some decluttering at the end of every season.
- When your home is clutter-free, it can be your sanctuary rather than an additional source of stress. Radun added, "When you come home, you want to be nourished by your space, not drained by your space."

Building a Better Memory Workshops

| Spring 2008 | Fall 2008 |
|--|---|
| <p>Naperville, IL Wednesday, May 7, 2008 1:30 p.m. University of Illinois Extension office Naperville, IL</p> | <p>Tinley Park, IL Wednesday, September 10, 2008 10:00 a.m. Tinley Park Park District Tinley Park, IL</p> |
| <p>Belleville, IL Tuesday, May 13, 2008 10:00 a.m. University of Illinois Extension office Belleville, IL</p> | <p>Bartonville, IL Tuesday, September 16, 2008 10:00 a.m. Alpha Park Library Bartonville, IL</p> |
| <p>Rockford, IL Thursday, June 5, 2008 1:30 p.m. Clock Tower Resort and Conference Center Rockford, IL</p> | <p>Grayslake, IL Tuesday, September 30, 2008 10:00 a.m. University of Illinois Extension office Grayslake, IL</p> |
| <p>Please note: Exact addresses for the workshop locations will be mailed to you with your registration confirmation. (If you register online, you will need to print your confirmation page and directions.)</p> | <p>Springfield, IL Wednesday, October 8, 2008 10:00 a.m. University of Illinois Extension office Springfield, IL</p> |

2007 Trustee election results

Last year, IMRF employers cast their ballots to elect one Executive Trustee to the IMRF Board of Trustees. Election results were certified by the Board at their December 14, 2007, meeting.

2007 Executive Trustee election results

IMRF employers re-elected Ruth E. Faklis, Director of the Prairie Trails Public Library

District, as an Executive Trustee for a five-year term of office. This is Ms. Faklis' second term of office as an IMRF Executive Trustee. The five-year term will run from January 1, 2008, through December 31, 2012.

Detailed vote tallies are available in the Board area of IMRF *Online* (www.imrf.org).

The next Executive Trustee election will be held later this year.

Looking to improve your memory?

IMRF is pleased to announce our partnership with the University of Illinois Extension to offer the Extension's *Building a Better Memory* workshop for IMRF retirees throughout Illinois (see the schedule at the left to find a workshop near you). Below are some frequently asked questions about the workshops and information on how to register. We hope to see you there!

What is the workshop about? The workshop discusses what memory is and what some typical age-related memory changes are. It also offers tips and techniques on how to improve your memory.

How long is it? The workshop is about an hour long, with additional time for questions and answers after the presentation.

Is there a cost? No, the workshop is free for IMRF retirees or beneficiaries, and a guest of your choice.

Is registration required? Yes, you should register as soon as possible for the workshop you would like to attend.

How can I register?

- **Online** — Go to www.imrf.org and click on the "Retirees" button at the top of the page, then click on the "2008 Building a Better Memory Workshops" link and follow the instructions
- **By mail** — Fill out the form below and mail it to: Donna Cesario, Field Services Meeting Planner, IMRF, 2211 York Road, Suite 500, Oak Brook, IL 60523-2337
- **By phone** — Call 1-630-706-4536 to reach Donna Cesario, Field Services Meeting Planner. (You can also call 1-800-ASK-IMRF and ask for Donna.)

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Workshop Date:

Workshop Location (city):

IMRF Retiree or Beneficiary Name:

IMRF Retiree or Beneficiary Social Security Number:
(last 4 digits only)

Daytime Phone Number:

 X X X - X X - _____

Mailing Address:

City:

Zip:

Number attending:

**Breaking
news
regarding
your
Annuitant
Trustee!**

Show your support!

IMRF's legislative initiative to grant the Annuitant (Retiree) Trustee the right to vote was introduced in the Illinois Senate as Senate Bill 1957.

At the time this newsletter went to press, SB 1957 passed unanimously out of the Senate Pensions and Investments Committee. Next it will go before the full Senate floor for debate and a vote.

Only a small number of bills make it to this stage—and we'd like to see our bill go even farther.

If you turn to page 2, you can read IMRF's Executive Director's discussion regarding the importance of giving your Annuitant Trustee the right to vote.

For up-to-date information regarding SB 1957, visit the legislative area of IMRF's website at www.imrf.org.

Your voice is important! Contact your legislators and let them know you support SB 1957 and giving your Annuitant Trustee the right to vote.

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is published five times a year for retired IMRF members.
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