

# NSEA-RETIRED

# ADVOCATE

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## A good number, a great association, another great year!



Roger Rea

**SEVEN.** That's a number associated with good luck in gambling, good luck to the Irish (being the seventh son of a seventh son), and many other good things about life. Ancients knew the good fortune of the number seven, and deliberately looked for and named the Seven Hills of Rome, the Seven Hills of Athens, and the seven virtues. They knew of seven heavenly bodies (sun, moon, Mars, Mercury, Jupiter, Venus, and Saturn), and looked for seven continents. There are seven colors in the rainbow (red, orange, yellow, green, blue, indigo and violet), seven holes in your head, and seven seas to navigate around the world. Heptagrams (seven-sided figures) ward off evil, so many sheriff badges have seven points. There are seven habits of highly effective people, seven books in the Harry Potter series, and seven pitches in the musical scale. And there have been seven Presidents for NSEA-Retired (Val Pullen, Fern Burtwhistle, Dale Rathe, Lorraine Giles, Tom Black, Joe Higgins, and Roger Rea). If I complete two terms as your President, I will be in my seventh decade of life. Yes, seven is a good number!

NSEA-Retired is a great association. We've been around for more than 25 years now, and are beginning to "come of age." We partner with NSEA to lobby the Unicameral for bills that improve working conditions for active teachers and enhance retirement benefits for retirees. We sponsor seminars around the state that describe the benefits as well as the changes in Medicare to our members. We provide training on retirement planning for active members across the state, helping them make informed decisions on when to retire and describing what to expect during retirement. We partner with the Student Education Association of Nebraska (SEAN) to provide mentors for first-year teachers, helping them make the transition from full-time student to full-time teacher. And we provide mini-meetings and newsletters for our members across the state to bring topics of interest to them for both information and discussion.

I look forward to another great year for NSEA-Retired. We need to remain active in the political arena to ensure that elected officials are aware of the needs of educators (both active and retired) in the November elections. Health care reform is of prime importance, not only to retirees, but also to active members and members of society in general. Most states provide some tax relief for pension income, and we need to work with the Nebraska Legislature to bring this needed reform to Nebraska. Did you realize that Nebraska is the only state in the seven-state area (Nebraska, Iowa, South Dakota, Wyoming, Colorado, Kansas, and Missouri) that does not provide some relief to retirees from the burden of

(See **President**, Page 2.)

(President, from Page 1.)

state income tax? Until three years ago, there was one guaranteed position for retirees on the Public Employee Retirement Board (the board that provides oversight for your retirement benefits.)

That guarantee was removed when the Board was expanded to include representatives from the five retirement systems that are governed by

PERB (school employees, state patrol, state judges, state workers, and county workers.) With more than 14,000 retired school employees, the retired school employees constitute the second largest group of members in the Nebraska Public Employee Retirement Systems (only the active school employees have more members.) I believe it is time to add a retired school employee as a permanent member of PERB.

These are some of the issues and topics that NSEA-Retired will deal with in the coming months and years. I know that I can continue to count on you to help politicians and policy-makers begin to tackle and solve these issues. The slogan of NEA-Retired and NSEA-Retired is very appropriate: "Now, more than ever, the commitment continues."

**To another GREAT YEAR!**

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## EHA Blue Cross rates change in September

Retirees under age 65 who are still insured through the Educators Health Alliance (EHA) Blue Cross program will have more coverage options from which to choose this fall. Starting September 1, 2008, EHA will offer retiree only; retiree and spouse; retiree and children; and retiree, spouse, and children coverage instead of the former single and family coverage options. Married retirees still have the option to choose two single policies after they retire if they wish to do that, and all current retirees who had two single policies (to cover themselves and their spouse) will continue to have two single policies. If you had a family policy last year, Blue Cross used your claim history to determine if you might benefit from moving to a different coverage level and made that change automatically. Retirees with family coverage who appeared to qualify for a different coverage level received a letter from Blue Cross in August informing them of the various options and the coverage that seemed most appropriate for them. If you received such a letter and agree that the option that

Blue Cross pre-selected for you was appropriate, you did not need to take further action. If you want to change coverage levels, you need to notify Blue Cross by September 30, 2008.

Below are the monthly renewal premiums for EHA health insurance that are effective starting in September 2008. Included in the rates are the dental rates for each coverage level. All retiree coverage is for \$550 deductible policies.

Coverage Type	Monthly Premium
Retiree only + dental	\$489.84
Retiree and spouse + dental	\$1,028.67
Retiree and children + dental	\$906.22
Retiree, spouse, children + dental	\$1,113.87

This year EHA will also offer a \$5,000 deductible policy to school districts. The \$5,000 deductible policy is designed to protect

against catastrophic losses, but puts the individual at risk for the first \$5,000 of medical claims each year. After the deductible has been met, there is no co-insurance for the remainder of the year for covered services – the insurance plan will pay all covered expenses after you have paid the first \$5,000 in covered claims. The premium for the \$5,000 deductible plan is lower – from \$190 to \$500 less per month, depending on both the current deductible for a school district and the coverage type selected. Discussion about whether or not EHA should offer this option to retirees will occur this school year, with a decision sometime next spring. This high deductible policy is not appropriate for all retirees, and you will want to become fully informed about the plan during the coming year if you think the plan might be appropriate for you. For additional information on health insurance, consult the Educators Health Alliance web site, [www.educatorshealthalliance.org](http://www.educatorshealthalliance.org).

—By Roger Rea,  
NSEA-Retired President

## Medicare Seminars to be held in November

Medicare provides an on-going medical benefit to all retired school employees. NSEA-Retired is committed to helping you make informed decisions about this vital part of your retirement. To help those who are about to become eligible for Medicare make the transition to Medicare, and to assist those who are currently on Medicare understand any changes for 2009 and make a good decision for continuing coverage for prescription drugs (Medicare Part D), NSEA-Retired will team with Blue Cross of Nebraska to host three Medicare seminars across the state in November. The exact dates and locations have not been determined as of this writing, but the tentative schedule will bring the Medicare seminars to members during the week of November 17-21. NSEA-Retired members who are over the age of 61 will receive a letter later this fall giving the dates, locations, and times for the seminars.

The three Medicare information seminars are being planned for Norfolk, Omaha, and Lincoln. The seminar to be held in Lincoln will also be simulcast across the state to various ESU or Community College locations so that

members who do not live close to a live seminar can receive the information closer to where they live. You will need to travel to the simulcast location nearest you to take advantage of the information. Last year NSEA-Retired members who did not live close to one of the six Medicare presentation locations asked that the session be made available through their local ESU or community college campus, so NSEA-Retired and Blue Cross are working to meet that request.

The seminars have three objectives: (a) to help members understand Medicare benefits and the process for making the transition to Medicare; (b) to answer members' questions about Medicare supplemental insurance products and help members understand Medicare Part D, the prescription drug benefit that was added to Medicare three years ago; and (c) to promote enrollment in NSEA-Retired BlueSenior Classic, a Medicare supplemental policy that is endorsed by NSEA-Retired and provided to retired school employees by Blue Cross.

NSEA-Retired members are urged to use caution when selecting a Medicare supplement. Enrollment in a Medicare supplement

that is not endorsed by NSEA-Retired may limit your future choices about selecting a Medicare supplement that is endorsed by NSEA-Retired. NSEA-Retired BlueSenior Classic has dental coverage that is identical to the dental coverage that is available to active employees insured under the Educators Health Alliance (EHA) Blue Cross products. If you decline the dental coverage when you make your initial enrollment, you cannot change your mind and purchase the dental coverage in the future. And if you select a Medicare supplement that is not endorsed by NSEA-Retired, you will be subject to medical underwriting if you later decide that you want to enroll in NSEA-Retired BlueSenior Classic.

Watch the mail for additional information regarding the dates, locations, and times for these seminars. Mark your calendar now to reserve some time during the third week in November to become better informed about Medicare benefits and the changes that will be effective for Medicare for 2009.

—By Roger Rea, NSEA-Retired  
President

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## Retirement planning seminars available for local associations

NSEA-Retired has made retirement planning seminars available to local associations for the past five years. More than 100 sessions have been held statewide. More than 4,000 NSEA members served. The retirement planning seminar covers these topics: benefits you will receive from the School Employees Retirement System; how your retirement benefit is calculated; tips on the eight payment options and naming your primary beneficiary; health insurance after retirement; and answers to your questions. The session generally lasts about 75-90 minutes.

NSEA-Retired is cooperating with NSEA Districts to make presentations to local associations who want to provide retirement planning information to their members. The Districts are helping to underwrite the costs of bringing the sessions to members in those districts.

If you are an active teacher, or if you know of a need in your area to have retirement planning information in a specific local, contact your District President to learn more about the process for accessing help to bring the information to members in your local. District Presidents and their contact information are listed in the NSEA pocket calendar, or you can find contact information on the NSEA web page, [www.nsea.org/members/districts](http://www.nsea.org/members/districts). You may also contact Roger Rea, NSEA-Retired President, by email at [rrea68154@yahoo.com](mailto:rrea68154@yahoo.com). In the subject line of the email, please put "Retirement presentation for XXX (name of your local)."

—By Roger Rea, NSEA-Retired President

## NSEA Recommends Candidates for the Unicameral

01 Jerry Joy	13 Tanya Cook	25 Kathy Campbell	37 Jim George
03 Sen. Gail Kopplin	15 Charlie Janssen	Travis Wagner	39 Rex Moats
05 Heath Mello	17 Bob Giese	27 Dan Marvin	41 Kate Sullivan
07 Jeremy Nordquist	18 Carl Lorenzen	29 Sen. Tony Fulton	43 Sen. Deb Fischer
09 Sen. Gwen Howard	19 Mike Flood	30 Chuck Shoemaker	45 Sen. Abbie Cornett
11 Brenda Council	21 Ken Haar	35 Mike Gloor	47 Bernard Fehring

## ....and the State Board of Education

SB 1    Bob Evnen

SB 3    Jim Scheer

SB 4    Rebecca Valdez

These men and women who went through the NSEA interview process emerged as “Friends of Nebraska Public Education.” They deserve, they earned, the support of NSEA and NSEA-Retired members!

Voting for them bolsters support for students, teachers, retired and senior citizens, and families. They will have the opportunities to act next year on increasing teachers’ salaries, providing state tax relief to the retired, and setting the

standards of quality education.

November 4 is an important day for them, an even more important day for you to vote for them. Voting is your right, your responsibility, your opportunity to make a difference. USE IT !!!

## NEA Delegates Recommend Senator Obama

Education, Health Care, and Social Security issues drove the NEA recommendation of Barack Obama for President. Nearly 9,000 educators attending the NEA Representative Assembly in July recommended the election of Illinois Senator Barack Obama as President of the United States.

Education issues, of course, dominated the discussion. All educators, active or retired, are keenly interested in the candidates stand on providing access to a great public school for every child. Undoing the harmful impact of No Child Left Behind is a priority for educators across the nation. Insuring an outstanding teacher for every classroom will require a resetting of our nation’s education priorities. Only a real change in leadership at the top will result in a change in America’s basic education policy. Senator John McCain’s efforts to privatize our education system through a voucher system that will remove funding from our public schools and channel tax dollars to American’s private schools will do little to help the nearly 90% of our students who currently attend public school. Senator Obama is committed to increasing resources for early childhood education, improving America’s urban schools, eliminating the graduation rate disparity that exists for many of our students, and preparing all students for life in the 21<sup>st</sup> Century.

Retired educators and those nearing retirement are deeply concerned about retiree health care costs that are spiraling out of control. All educators between the

ages of 50 and 65, active and retired, have deep concerns about the cost of health care premiums during their retirement years. Senator Obama is committed to the advancement of a health care system that will permit those nearing retirement age to retire with dignity and confidence that health care costs will not erode their pensions and plans for retirement.

Senator John McCain’s plan to privatize our Social Security system is also a major concern of all retirees. Since its inception in the 1930/s Social Security has provided a modest economic safety net for the elderly. Social Security was never intended to be the total of a retiree’s economic plan for their retirement years. Keeping the commitment of a national effort to provide survivor benefits for children and spouses upon the death of the family wage earner during the working years and maintaining a modest economic safety net during the retirement years remains an obligation that all Americans share.

Senator Obama’s plan to reform the system while maintaining that commitment far into the future was an important consideration for the delegates attending the NEA Representative Assembly.

As we examined the issues surrounding education, health care, and social security, and compared the proposals of both Senator McCain and Senator Obama the overwhelming majority of the 9,000 NEA representatives chose Senator Obama. Changing the way our Federal government has been addressing this issues demands a change in those representing us in Washington. The necessary change starts at the top

—By Joe Higgins,  
Past NSEA-Retired President

# NEA Outreach to Teach

Wakefield High School, Arlington, Virginia

## A New Look for the Old School

Wakefield High School was chosen for a makeover this year as part of the National Education Association's annual Representative Assembly. Every year for the past 13, the NEA has chosen a public school to pamper for a day as part of the NEA Student Program's "Outreach to Teach."

When students returned to Wakefield High School, they found the likeness of a giant panda on the cafeteria wall. They were greeted by a new dressing room for the theater department, freshly planted trees across the campus and hallways lined with college-themed bulletin boards. One showed a rabbit, fashioned

in 3-D, reading a newspaper. Another depicted a giant football field with the words "Go for the goal."

And all it took was more than 350 aspiring and retired volunteer educators, 800 bottles of water, 300 pairs of latex gloves, 40 shovels, 20 ladders, 15 dustpans and brooms—and one day.

More than 50 flowering plants and shrubs were planted. At least 11 stairwells were painted, along with 10 murals throughout the school, 40 spruced-up bulletin boards, a redesigned teachers' lounge, cafeteria, and press box at the football stadium

—By Theresa Vargas,  
Washington Post Staff Writer



## SEAN Second Annual Outreach to Teach

Jefferson and Lincoln Elementary Schools, Norfolk, Nebraska



Tom Black, retired; Melinda Schneider, student; Irene Burnside, retired; Barbara Matteson; NEA-Retired President, John Jensen, retired

**9:00 AM:** Brunch with speakers at the

Lifelong Learning Center (LLLC) on the Northeast Community College Campus. T-shirt distribution. (Attendance at the brunch is optional for retirees who may want to report for the 10:30 AM loading of the buses instead-)

**10:30 AM:** Ride buses to Jefferson Elementary

**11:00 AM:** Opening celebration, job assignments, T-shirt distribution to those who did not attend the brunch. Lincoln Elementary workers will ride buses to that school after the celebration and will return when their work is finished. Lunch

**4:00 PM:** Begin cleanup.

**4:30 PM:** Closing celebration for Outreach AND SEAN Fall Conference with pizza and snacks provided by the district.

**5:00 PM:** Buses return to LLLC. Day is done. Thanks to all!!

Outreach to Teach is coming to **Norfolk on October 18, 2008**, as a part of our annual Student Education Association of Nebraska's (SEAN's) Fall Conference. It's a day where future, present and retired teachers come into a school and help clean, fix, build, paint and/or organize items. The staff makes a wish list of anything that it would like to have done. We take the list and do what we can in our time frame.

This year's locations for Outreach to Teach are Lincoln and Jefferson Elementary Schools. Our main location is Jefferson Elementary that needs the most work. Jefferson has some indoor work to do but most of the project are going to be outside; fixing up the playground, building benches, creating an outside classroom. and at Lincoln where there are a few things that would like to get done is the teacher's lounge, staff bathroom and some painting.

—By Michelle Hansen, SEAN Outreach Coordinator

**October 5 DEADLINE for Ordering T-shirts!!!!!!**

**BOTH NSEA-Retired and NSEA Active members welcome.** Register your participation, brunch attendance, and T-shirt size at [http://nsea.org/members/retired/Outreach\\_Registrat.htm](http://nsea.org/members/retired/Outreach_Registrat.htm).

**Or call Mo Nickels at 1-800-742-0047**



## NEA-Retired Annual Meeting, Washington, D.C.

This past summer, Joe Higgins, Roger Rea, Tom Black, and John Jensen served as delegates to the NEA Representative Assembly in Washington, D.C. Just prior to the Representative Assembly, NEA-Retired held its Annual meeting where Irene Burnside, and Ruby Davis joined Joe, Roger, Tom, and John.

### NEA-Retired Annual meeting

At the NEA-Retired Annual meeting, Barbara Matteson from Arizona was re-elected President and NSEA-Retired once again garnered awards for journalism.

Congratulations to Tom Black as the NSEA-Retired editor for adding to our growing list of national awards! Black received two awards: the NEA-Retired Spotlight Journalism Award for his *NSEA-Retired Corner*, a monthly insert in *The Voice*. He has won either the runner-up or first place award seven times since he began editing the *Corner* in 1999. Black also received the Beginning State Retired Newsletter Award for the *NSEA-Retired Advocate*, an 8-page news magazine now in its third year. He also won the first place award in 2006 and the runner-up award in 2007 as its editor.

John Jensen, chair of the NEA-Retired Grants Committee, reported on almost 40 grants totaling \$150,000 awarded to retired state affiliates (NSEA-Retired received two grants.)

Due to a proposal made in 2007 by then NSEA-Retired President Joe Higgins, and after a year of work by NEA-Retired, final strategies were planned to support an NEA Bylaws amendment at the NEA RA that gives NEA-Retired control over its own Bylaws. The RA did approve the adoption of the amendment.

Finally, in 2008, NEA-Retired members raised \$51,724 for the NEA Fund for Children and Public Education to help elect pro-public education Congressional candidates and to help state affiliates fight anti-teacher initiatives. Just two years ago, NSEA received \$700,000 from the NEA Fund to help defeat the Initiative 423 Campaign..

### NEA Representative Assembly

The highlight of the Representative Assembly was a live feed of Barack Obama from Montana where he spoke to the almost 10,000 delegates and answered questions posed by NEA President Reg Weaver.

Dennis Van Roekel, a LeMars, Iowa, native, and a former president of the Arizona Education Association, was elected as the new NEA president, following Reg Weaver. Also, Lily Eskelsen was elected as the new NEA vice president.

Almost 10,000 delegates debated and voted on dozens of amendments and new business items. A long list of motions were passed including directing NEA to review and disseminate research and best practices for dropout prevention, comparing the historical rates of return of selected small public sector defined benefit pension plans to those of selected larger public defined benefit pension plans, and publishing the findings of Educational Testing Service (ETS), studies which show that low test scores are often a function of socioeconomic conditions beyond school control, and have little or nothing to do with school effectiveness.

—By John Jensen, NEA-Retired Advisory Council and NSEA-Retired Treasurer.



Dennis Van Roekel and Lily Eskelsen, elected NEA leaders, 2008-2011



NEA President Reg Weaver, presiding over his last RA



Nearly 10,000 assembled delegates



Eskelsen draws the winner of the NEA-Retired Quilt that raised \$13,970 for the NEA Fund for Children

## **BEWARE** of wolves in sheep's clothing —er I mean—of Dangerous Viruses in Email Messages!!

I've had an E-bay account for more than seven years and have never used it. However, I got e-mail from both E-Bay and Pay Pal (the payment method used by E-bay sellers,) asking me to update my accounts. The notices often contain some urgent message that I will no longer be able to use either account if I don't respond. In fact, some of the messages indicate that my account may have been compromised, and that I need to verify a password or other personal information or the account will be closed. I ignored most of those messages, but the tenth time I got an e-mail on the subject, I clicked "reply" to correct their records. Big mistake! As I filled out an on-line form, I noticed that the screen image flickered a bit each time I tabbed to enter a new piece of information. It quickly dawned on me that the site was collecting my personal information immediately after I entered each item, even though I had not clicked "Submit." That is not normal! Fortunately, I realized after entering the third piece of requested information that this was a scam. I stopped the message before it was complete.

Here's a summary of their response on what to do if this happens to you. NEVER reply to any email you get from either E-bay or Pay Pal unless you have actually bought or sold something. Neither E-bay nor Pay Pal sends unsolicited e-mail to their users. While the e-mail may look OK, with the proper E-bay or Pay Pal logo, it is a scam. Never click on the "reply" link in the email. That will take you to the scammer's account, and he will have your personal and financial information, so he can steal your money or your identity. When you want to contact E-bay or Pay Pal, type its web address directly into your Internet Explorer address bar, and use its official web page to contact the corporation. If you do get this kind of unsolicited, scam e-mail, forward it to either E-bay or Pay Pal so they can track down the culprits and go after them. The forwarding address is: **spoof@ebay.com** or **spoof@paypal.com**. Help stamp out fraud on the Internet, and forward this kind of scam message so proper legal action can be taken.

—Roger Rea, NSEA-Retired President

I received an email offering me a free download of Adobe Flash Player. I use Adobe in my writing and this offer had look of the real Adobe web page. I wanted it and hit the download button. Big Mistake. What I got was a vicious virus that even my three virus protectors could not delete. This was MALWARE. Result—I paid my local tech guy \$94 to kill it.

Every day it is possible to receive email with dangerous consequences if you click the "Click Here" or "Reply" button. Or open the attachment. There are offers of "in the home" work promising thousands of dollars if you "Click Here;" offers of free or cheap cameras, computers, and other merchandise if you "Click Here." They are designed to look so authentic that you can be easily convinced to take advantage of the offers. The reality is that you are the victim of phishing—the use of sophisticated lures to "fish" for your personal and financial information which the scammers use for their own gain. The scam artist creates a fake web page that looks like the real one.

The last few weeks, I have received these emails:

1. From Amazon.com and Passive Google Profits offers to earn large incomes working at home. Get a free kit, "Click Here."
2. From Microsoft.com offers of free downloads of Internet Explorer 7, windows XP and Vista, and antivirus programs, "Click Here."
3. Download latest PDF software, "Click Here;" "Let the government solve your problems," "Click Here" for U.S. grants.
4. An official notice from my credit card company telling me that I needed to "Click Here" to reconfirm my account information because my account was about to close.
5. From CNN News, "Click Here" and you will get MALWARE.
6. From UPS and FedEx messages of a package delivery failure, "Click Here" to print a copy of the invoice—and get a virus.
7. Several notices that "Your message to the following recipients cannot be delivered, "Click Here" for the original message open the attachment—and get a virus. I did not know nor did I write the

recipients.

8. Several with identical working from Panama. "Thank you for choosing us." You received this because you asked for it.

9. Finally, an email from NEA Member Benefits warns us of five fraudulent emails going to Bank of America account holders asking for personal information. BOA runs several NEA programs. Watch out for these look-alikes.

Examples of alluring language to entice you to 'Click Here.'

"We have received a request on your behalf to —, "Click Here." You were recently appointed to represent your industry. We are pleased that your candidacy was approved. We do need additional information to complete the process. "Click Here." Both were proposals I never initiated and thus were to be deleted.

### **SO WHAT TO DO????**

Immediately **DELETE** everything from anyone you don't know, anyone you didn't write or contact, any business with which you do not already have an account with a password. **NEVER** click on "Unsubscribe." That just tells the scammer that he has a live one on line.

Corporations and banks like Microsoft, Amazon, Adobe, Bank of America **DO NOT** solicit information from their members and customers by email.

If in doubt, **ALWAYS** go to the company's website, click on Contact and Customer Service and telephone or email to check on the authenticity of your email. I recently called Amazon.com, NEA Member Benefits, and American Express to check on suspicious emails. They appreciated my calls. One said there were 5 scams circulating with its logo

At least one corporation is fighting back. An email for Adobe Photoshop Elements 7 advised me to "Click Here," or telephone the company or go to the Adobe web page to download.

Other web pages you can access to check on possible scams are

www.snopes.com and  
urbanlegends.about.com

—By Tom Black,  
NSEA-Retired Director/Editor



# GREATER NEBRASKA FALL CONFERENCE

October 7, 2008

Kearney Country Club 2800 19th Avenue



## Tentative Agenda

- 8:30 Registration, Coffee & rolls
- 9:00 Welcome & Guest Speaker
- 10:00 General Meeting of the Association
- 10:45 Legislative Update by Herb Schimek & Brian Mikkelsen
- 11:15 'Table Talk' Breakout Session
- 12:15 Luncheon w/Guest Speaker
- 1:15 'Table Talk' Breakout Session
- 2:15 Ice Cream Social w/NSEA Recommended Candidates
- 3:00 Door Prizes, Adjournment



**Register On-line [www.nsea.org](http://www.nsea.org).**

Click on 'For Members'.....then click NSEA-Retired **OR** call Rebecca at 1.800.742.0047. There is no cost for members. Spouses & guests are welcome with a \$10 registration fee to cover their lunch (payment at the door.) **Country Club Directions:** West of UNK Campus on Highway 30. North on 19<sup>th</sup> Ave.

## **PENDING** Table Talk Sessions:

**(See Updates on the website beginning October 1)**

- Elderhostel
- Scrapbooking 101 & 102: Bring pictures. You'll learn all the basics & create a page and/or postcard.
- Antiques, Trash or Treasure? Bring one treasure you would like appraised. Tom is back by popular demand!
- Blue Cross Blue Shield: Pre-65 EHA Insurance & Medicare Supplemental Insurance for 65+
- Wellness (TBA)
- Estate Planning: How to control what happens to your estate. (Back by popular demand!)
- Wine 101 Barb is back to share wine essentials & what wines to match with your favorite foods.



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## Restoring the “Three-legged stool”

The most stable chair, or stool, has three legs. The physics behind that is very simple: three points always define a single plane (remember from basic geometry that two points define a straight line, and any three points define a plane in three-dimensional space). A three-legged stool will never tilt or wobble: its three legs provide the most solid support possible for anyone sitting on the stool.

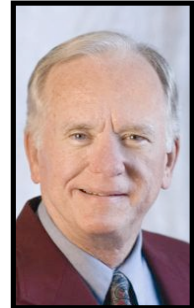
Most retirees know that their economic security is also provided by a “three-legged stool.” Unfortunately, many younger people have never heard the phrase “three-legged stool” when it comes to economic security. That’s because

many of them do not have all three legs of support at retirement. The three legs of economic security/stability for retired school employees are: (a) their defined-benefit pension; (b) their Social Security benefit; and (c) their personal savings accounts. The first two legs I mentioned, the defined-benefit pension and Social Security, depend on how long you worked and how much you earned while you worked. Social Security uses the highest 35 years of earnings to calculate your benefit, while the defined-benefit pension uses the actual number of years that you worked to calculate your benefit. Fluctuations in the stock market that affect the earnings of savings or investment accounts are not material in determining your ultimate benefit from either Social Security or your defined-benefit pension.

The unknown economic factor for many retirees is the amount of their personal savings. School employees typically have a 403(b) retirement savings plan, commonly known as a tax-sheltered annuity or tax-deferred annuity. The 403(b) retirement accounts are only available to public employees, and are the public-sector equivalent of the private-sector 401(k) retirement accounts. How much money you save in your 403(b) account is one factor in determining how much you will receive from this kind of savings account, but the earnings on your investments are an even more important piece to that puzzle.

Retirement security for individuals who do not have a defined-benefit pension often resides solely on the performance of their savings in a 401(k) account. Given the recent fall in stock and bond prices, many 401(k) accounts as well as 403(b) accounts may now be worth 30 percent less than they were a year ago. Depending solely on the stock market returns for your retirement security has been likened not to sitting on a three-legged stool, but to riding a pogo stick! You hope that you retire at the top of the pogo-jump, and that your pogo stick never comes back to earth.

Most states acknowledge that retirement security for their elderly citizens is important, and they do not tax the benefits that retirees receive from either Social Security or any public pension paid by a retirement system that is guaranteed by state law. That is not the case in Nebraska. (See **President**, page 2)



Roger Rea

(President, continued from page 1)

Nebraska is one of only five states that taxes Social Security benefits to the full extent that is allowed by the federal government, and one of only four states that does not provide either an exemption or tax credit for retirement income received from public retirement systems. In effect, the income tax that you pay on your pension and Social Security benefit “shortens” those two legs of your “retirement security stool.” I say that it is high time to restore those two legs of your retirement income security to what they were intended to be. It is time to stop taxing Social Security and public pension income in Nebraska.

A number of governors, when signing bills which removed state income tax from retirement income, have made this statement: “Social Security and public pensions were intended to keep our elderly and disabled citizens out of poverty. They were never intended to be a source of revenue for the states.” I call for you to join me in working to remove state income tax from the two major sources of economic security for retirees. Let’s restore the “three-legged retirement stool” to its full height.

## Another successful Outreach to Teach activity, October 18, 2008 Jefferson and Lincoln Elementary Schools, Norfolk, Nebraska



At its Fall Conference, the Student Education Association of Nebraska (SEAN) selects a school to spruce up with paint and sod and service to community. This year the SEAN crew (above) painted and painted and painted—a staff lounge and bathroom at Lincoln Elementary and 11 classrooms, the kitchen, bathrooms, and, well, replaced 560 ceiling tiles at Jefferson Elementary.



Retirees and Actives (L-R:) Dave Shrader, Marlene Petersen, Geri Benton, Tom Black, and Leann Widhalm, NEA Director



SEAN Executive Committee and Anthony Daniels, NEA Student Program Chair

Re-tiling the ceiling



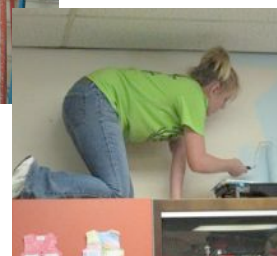
... and painting ...



Steps to success



Painting ...



... and painting!!!



## NSEA-Retired Lobby Day is February 10, 2009

The NSEA Board has adopted a single Legislative Goal for 2009: *“To secure additional state funding for programs that will enhance Nebraska’s ability to recruit and retain quality teachers, faculty and education support professionals. These programs shall include legislation that will improve compensation, benefits, and working conditions.”* Behind that single goal is a list of eleven sub-categories, one of which is to exempt Social Security/pension benefits from state income tax. A bill will be introduced this session to reduce state income tax for retirees.

**Tuesday, February 10**, is the day that NSEA-Retired members from around the state will gather in Lincoln to speak with State Senators about important education and retirement issues, including the need to provide some

form of tax relief for retirees. There will be a training session prior to visiting with Senators to familiarize members with the bills that are under consideration by the Legislature this year. Registration and issue awareness training will take place in **Room 1126** of the Capitol building.

The tentative agenda for the Lobby Day is:

- 8:30 Registration (rolls and coffee)
- 9:00 Issue awareness training
- 10:15 Observe Unicameral session and visit with your Senators
- 12:00 Lunch and Guest Speaker at Governor’s mansion (1425 “H” Street)
- 1:30 Attend Committee Hearings (optional)

There is no fee for members to at-

tend Lobby Day. Nonmembers and guests are welcome at \$10 per person. Our goal is to have NSEA-Retired members attend from every Legislative District. You can register on-line by logging onto the NSEA-Retired web page, [www.nsea.org/members/retired](http://www.nsea.org/members/retired) and completing the registration form, or you can call Rebecca Smith at the NSEA at 1-800-742-0047. The deadline for registration to attend the luncheon at the Governor’s mansion is Friday, February 6.

NSEA-Retired members who attend Lobby Day may park on the **East Side** of the Trinity Lutheran Church parking lot at 12<sup>th</sup> and “H” Streets, about three blocks from the Capitol. The church requests that you do NOT park in a space marked “Reserved.”

—Roger Rea,  
NSEA-Retired President

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## NSEA-Retired Spring Elections for the NSEA-Board, the NSEA Delegate Assembly, and the NEA Representative Assembly

NSEA-Retired spring elections are scheduled for March to elect one additional member to the NSEA-Retired Board of Directors from Metro District and to elect retired delegates to NSEA’s Delegate Assembly and NEA’s Representative Assembly.

The new Metro District Director will serve a three-year term beginning Sept. 1, 2009.

NSEA-Retired will have fifteen (15) delegates to NSEA Delegate Assembly, set for April 24-25 at Lincoln’s Cornhusker Hotel. The NSEA-Retired President is an automatic delegate (as provided by the NSEA-Retired Bylaws). The remaining fourteen retired delegates to the NSEA Delegate Assembly will be elected by NSEA District as fol-

lows: Metro—5 delegates; Capitol—3 delegates; Elkhorn—1 delegate; Tri Valley—2 delegates; Sandhills—1 delegate; Panhandle—1 delegate; At-Large—1 delegate.

NSEA-Retired will have five (5) delegates to the NEA-Retired Annual Meeting and NEA Representative Assembly, set for June 27-July 6, 2009 in San Diego, CA. The NSEA-Retired President is an automatic delegate (as provided by the NSEA-Retired Bylaws). The remaining four retired delegates will be elected as follows: Metro—1 delegate; the combined membership of Capitol, Elkhorn, Panhandle, Sandhills and Tri Valley—1 delegate; At-Large—2 delegates.

Members interested in seeking

election as the Metro District Director and/or to the NSEA Delegate Assembly or the NEA Representative Assembly must complete and submit the **nomination form (s) on pages 19 and 21 of the January 2009 issue of the VOICE by February 14**. Candidates may file for election as both a District candidate and an at-large candidate. Candidates for Metro District Director and NEA Representative Assembly are asked to submit a 50-word biography. The collected biographies will be mailed to NSEA-Retired members with their ballots in early March. If possible, email your 50-word biography to Rebecca Smith at: [rebecca.smith@nsea.org](mailto:rebecca.smith@nsea.org)

If you have questions, contact Rebecca at 1.800.742.0047.



# NSEA-Retired Intergenerational Mentoring 2008-2009



Students/Mentees: (L-R) Front row: Jen Hicks, Ashley Kaufman, Brenda Gundvaldson; 2nd row: Rita Vogel, Hein Nguyen, Laura Steinke, Renee Fisk; 3rd row Ross Janovec, Jody Nielson, Laura Robbins, Rachel Weber; 4th row: Annie Peters, Wendy Nicklin



Retired/Mentors: (l-R) Seated: Marla Barbec, Kathie Uhrmacher, Doni Hirt, Tom Black, De Tonack; Standing: Linda Dahlstrom, Arlyn Uhrmacher, Ella Epp, Sharon Telich, Susan Smith, Jan Barnason, Jim McDermott

## **“The exuberance of youth; the experience of age.”**

This is the motto of the highly-successful, nationally-recognized NSEA-Retired Intergenerational Mentoring activity. It brings together retired and student NSEA members. NSEA-Retired members act as mentors to the student SEAN members from their junior year through their senior student teaching semester and their first year as professional teachers. The activity began in 2003 when then-NSEA-Retired President Tom Black authorized its inception in Nebraska

The relationship between mentor and student is a non-judgmental, non-evaluative one. The mentor can help the prospective teacher get through the tough day-to-day moments and challenging situations that every student teacher and every first-year teacher faces. Through telephone, e-mail, and face-to-face conversations, the student knows he or she has an experienced mentor to ask for an idea for a lesson, a hint for handling a discipline problem, or a trusting shoulder to lean on.



As one of the concluding events of the October 5-6 organizational meeting for the 2008-2009 year, the mentors led their mentees to the Goodie Table where they gathered all sorts of supplies for their student teaching experiences. Students come from UNK, UNL, Wesleyan, and Hastings



Mentors and mentees—all together—ready to roll.

All those involved in the program, both past and present, agree the experience is fun, exciting, and challenging. To the mentors, the youthful exuberance of the students re-invigorates their minds and bodies. To the students, the experience of the retirees enhances their confidence.

To continue this project, the Team needs retired teachers who still want to work with young people and continue their contributions to public education.

If you want to be part of the 2009-2010 Team, contact Maureen Nickels, [maureen.nickels@nsea.org](mailto:maureen.nickels@nsea.org), or call **1-800-742-0047**, for application brochures.

## Electronic meeting language considered for Bylaws

*Robert's Rules of Order* was first written in 1876, the same year that Alexander Graham Bell invented the telephone. It comes as no surprise that *Robert's Rules of Order* did not provide for other than face-to-face meetings. The advent of wide usage of the telephone, internet, and other electronic methods of communication has made it rather common for meetings now to occur in which the attendees participate by electronic or remote means. Recent editions of *Robert's Rules of Order* now stipulate that electronic meetings are permissible. It is also recommended that the Bylaws of an organization specifically state that electronic meetings are permissible. *Robert's Rules of Order* governs any items that are not specifically addressed in the NSEA-Retired Bylaws.

NSEA-Retired Bylaws stipulate that there shall be at least three Board meetings per year. Some matters considered by NSEA-Retired are time-sensitive and require attention between

meetings. In the past, those matters have been resolved by conference telephone call, email ballot, or some other electronic method of conducting the meeting. Winter weather in Nebraska can wreak havoc with travel plans, and it may be necessary for some Board members to participate by conference call in order to have a quorum to conduct business. To address these needs, I asked the Committee that revised the NSEA-Retired Bylaws last year to draft permissive language for electronic meetings for NSEA-Retired. It is not envisioned that electronic meetings would be commonplace. However, it is necessary to accommodate the occasional need for remote participation at Board meetings. Therefore, the Committee is recommending the following change to Bylaw IX. The change is the underlined language.

### ARTICLE IX – MEETINGS

**Section 1.** There may be one or more annual meetings of the Association. There shall be a time for members to conduct association

business at each meeting.

**Section 2.** The Board of Directors shall meet at least three times per year. The format for Board meetings and/or voting at the meetings may include conference calls, electronic meetings via the Internet, or other formats that include remote participation by Board members.

Current NSEA-Retired Bylaws stipulate that any changes to the Bylaws must be submitted to the NSEA-Retired Board for discussion at one meeting, with a two-thirds majority vote at a subsequent Board meeting required to approve the change. If you have comments or suggestions for changes in the proposed language, please contact me by email at [rrea68154@yahoo.com](mailto:rrea68154@yahoo.com), or send a letter to me: Roger Rea, 12914 Pacific Street, Omaha, NE 68154. The Board will consider the proposal at the February 9 meeting, and will vote on the proposed change at the April 23 meeting.

—Roger Rea,  
NSEA-Retired President

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## Medicare Seminars a success!

Medicare gives retirees considerable security against catastrophic losses from medical expenses. To help NSEA-Retired members make informed decisions about the options that Medicare offers, NSEA-Retired and Blue Cross of Nebraska teamed to present seminars on Medicare to our members for the past four years. Seminars were held in Kearney, Norfolk, Omaha and Lincoln during November this year, with a total attendance of 186 NSEA-Retired members and/or spouses. The sessions covered four topics: (a) basic understanding of Medicare and making the transition from retiree coverage to Medicare at age 65; (b) an overview of **NSEA-Retired BlueSenior Classic** Medicare Supplemental coverage, the Medicare supplement underwritten by Blue Cross of Nebraska that NSEA-Retired endorses and recommends to its members; (c) an overview of Medicare Part D, the prescription drug benefit for Medicare; and (d) how to use the Internet to find a low-cost and appropriate Medicare Part D provider.

NSEA-Retired has been actively engaged in bringing vital information about Medicare to its members for several years. To help members who are not able to attend the seminars in person, the seminar handouts have been made available on the NSEA-Retired web site, [www.nsea.org/members/retired](http://www.nsea.org/members/retired). Scroll down the page and click on the links provided to find information on making the transition to Medicare, the 2009 rates for NSEA-Retired BlueSenior Classic Medicare supplement, and general information on Medicare Part D.

Retirees will enroll in Medicare when they reach age 65. If you are already receiving Social Security payments prior to age 65, Medicare will automatically send you your Medicare enrollment card about three months prior to the month you turn 65. If you are participating in Educators Health Alliance (EHA) Blue Cross insurance, you will receive information about NSEA-Retired BlueSenior Classic about 4-6 weeks prior to your 65<sup>th</sup> birthday. If you call Blue Cross regarding the Medicare supplement, be sure to specify that you want information on **NSEA-Retired BlueSenior Classic**. Blue Cross has another Medicare supplement named simply "BlueSenior Classic" that is not endorsed by NSEA-Retired.

—Roger Rea, NSEA-Retired President



# The NSEA-Retired Greater Nebraska Fall Conference

Each year, NSEA-Retired presents two conferences—one in the fall in central Nebraska and one in the spring in eastern Nebraska. Each program offers an entertaining or informative presentation, an Association general business meeting, a lunch, two sessions of “Table Talks,” and ends with an ice cream social and door prizes. And it is all FREE to members. Over the years, table talks have included Blue Cross Pre-65 EHA Insurance and 65+ Medicare Supplement Insurance, estate planning, exercise wellness, scrapbooking, crafts, e-Bay, photography, antique appraisal, wine tasting, Elderhostel, and hobbies. **If you have ideas for future table talks, share with Maureen Nickels at [maureen.nickels@nsea.org](mailto:maureen.nickels@nsea.org) or call 1-800-742-0047.**



Jim and Dee Van Marter



Chuck and Glenda Frasier



Margie Nowak, Donna Frederick



Jill Fox—a peace Corps Experience in Timbuktu, Africa

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**October 7,  
2008**



George Probasco, Linda Dahlstrom, Glenda Frasier, Sue Warner, Kent Trelford-Thompson



Laverna Epp, Betty Weiser, Jan Greenland



Steve Delay, Jan Mashino, Lavern and Rod Epp, Marilyn Adam



Glenda Frasier, Jan Greenland, Chris Hehner, Marilyn Adam



Lawrence Wendelin, Doyle Howitt, Marilyn Hodge

## Protecting our Pensions

Across America worries about retirement security abound. Families fear that they won't have enough to support an adequate retirement income as home values and financial markets plummet. Governments are concerned about delivering on the promises that they have made to their citizens and to their employees as tax revenues shrink amid a weakening economy.

In this environment, some in other states have proposed replacing traditional defined benefit (DB) pensions with 401(k)-type defined contribution (DC) retirement savings plans in an effort to save money.

But if some Nebraska state senator decides that Nebraska should abandon our DB plans, they would be wise to know the facts.

If such a proposal is made, then it will be up to us educate them to a simple truth:

**To deliver the same level of retirement benefits, a DB plan can do the job at almost half the cost of a DC plan.** That means that a DB plan provides a better bang for the buck and that is a strong selling point to our state senators.

Why?

**First**, DB plans better manage longevity risk, or the chance of running out of money in retirement. By pooling the longevity risks of large numbers of individuals, DB plans avoid the "over saving" dilemma – that is, saving more than people need on average to avoid running out of cash – that is inherent in DC plans. Consequently, DB plans are able to do more with less.

Specifically, longevity risk pooling in a DB plan saves 15 percent compared to a DC plan.

**Second**, because DB plans, unlike the individuals in them, do not age, they are able to take advantage of the enhanced investment returns that come from a balanced portfolio

throughout an individual's lifetime.

Specifically, maintaining of a balanced portfolio diversification in a DB plan saves 5 percent, compared to a DC plan.

**Third**, DB plans, which are professionally managed, achieve greater investment returns as compared with DC plans that are made up of individual accounts. A retirement system that achieves higher investment returns can deliver any given level of benefit at a lower cost.

Specifically, a DB plan's superior investment returns saves 26 percent compared to a DC plan.

Add the savings: 15 percent + 5 percent + 27 percent = 47 percent. That indeed is a better bang for the buck!

If we in Nebraska ever face this threat, we must fight it with passion – and with facts.

—John Jensen,  
NSEA-Retired Treasurer

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## Liability insurance while retired: what does it cover?

I've had several questions about the liability insurance that retirees get with their lifetime membership in NEA-Retired. Although most members understand their benefits, others have expressed some confusion.

When you retire and join NEA-Retired (part of the unified membership requirement for membership in NSEA-Retired), you have the same liability insurance from NEA that you had as an active member – with one important exception. Your retiree liability insurance covers you only when you work as an occasional, part-time substitute teacher. NEA has a policy that requires NEA membership with the "*highest level of governance rights.*" What that means is that if you are under contract to work as something other than an occasional, part-time substitute teacher, you must become an active member of NEA and the state and local affiliates in order to activate your liability insurance and the other member benefits available to active teachers.

If you sign a contract to teach in any capacity other than as an "occasional, part-time substitute teacher" after you retire, then you are considered to be an "active teacher." As an active teacher, you will need to join NSEA/NEA and your local affiliate as an active member in order to get liability insurance. Retired membership benefits do not replace active membership benefits when you go back to the classroom full-time.

—Roger Rea,  
NSEA-Retired President

**SAVE THE  
DATE**

**April 23, 2009**

**NSEA-Retired Annual Meeting**  
**Boys Town**  
Conference Center

**NO COST  
TO  
MEMBERS**

**Guest speakers, table talks,  
business meeting, museum  
tours, and more!**

Register: Use on-line registration forms at  
**[www.nsea.org/members/retired](http://www.nsea.org/members/retired)**  
Or  
E-mail Rebecca Smith at **[rebecca.smith@nsea.org](mailto:rebecca.smith@nsea.org)**  
Or Call **1-800-742-0047**  
Guests and non-members are welcome at \$10 per person  
Full agenda available on-line about April 1, 2009

Join us for a step-back in time and have “Dinner with Father Flanagan” on Wednesday evening, April 22, 2009, with the meal starting at 6 p.m. The dinner will feature an appearance by “Father Flanagan,” who will address the group as though they were residents of Boys Town in the 1940s. The cost of the meal is \$20, and includes a tour of Boys Town (either from 4 – 6 p.m. or after the meal—details later) Reservations and checks for the meal function (payable to Boys Town) should be mailed to Rebecca Smith, NSEA, 605 South 14th Street. The deadline for dinner reservations is April 17.

Need housing for the conference? Book your room at the Regency Lodge, 1-900-617-8310. Ask for the “Boys Town Discount” to get the \$72 rate. The Regency Lodge is located at 909 107th Avenue, Omaha. Directions: take Pacific Street Exit off I-680, and turn east onto Pacific. Drive to the second stop light. Turn left to the hotel.

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**NSEA-RETIRE**  
Nebraska State Education Association-Retired • 605 S. 14th St. Suite 200  
Lincoln, NE 68508 • (800) 742-0047 • [www.nsea.org](http://www.nsea.org)

Mailing Address Label

# NSEA-RETIRED

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June 2009  
Volume 4: Issue 3

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## What is “social” about Social Security and taxes?

The number one fear of retired individuals is running out of money before they run out of life. There are many reasons that retired individuals might run out of money, including experiencing unexpected and catastrophic medical expenses; having your purchasing power erode due to uncontrolled inflation; and investing in a volatile stock market and having your investments end up worthless. The term “social protection” refers to a set of benefits designed to prevent wide-spread poverty and multi-dimensional deprivation. All civilizations have developed programs or policies that provide assistance to the elderly and unfortunate in their time of need. In America, one arm of this “social contract” is Social Security.



Roger Rea  
President

Social Security started in 1935 while America suffered from the economic turmoil of the Great Depression. From the outset, Social Security was a redistribution of income intended to provide a “safety net” for the elderly as well as for the disabled, surviving spouses, dependent children and the unemployed. The belief from the beginning of Social Security was that even in times of deep economic crisis, those who had jobs bore some responsibility for those who could not work or whose family had lost their breadwinner. In his second inaugural address in January 1937, Franklin Roosevelt said this about his programs to provide economic security for those in need: *“The test of our progress is not whether we add more to the abundance of those have much, it is whether we provide enough for those who have too little.”*

The 1935 National Labor Relations Act and the 1938 Fair Labor Standards Act did more to create the American middle class than any other effort. Together these laws created conditions for workers to effectively organize; guaranteed a minimum wage and a 40-hour work week, and greatly restricted child labor. Workers bargained contracts that created cost-of-living increases; improved health, pension, and vacation benefits; and provided access to unemployment payments. For more than two generations labor agreements served as “social contracts” by which wealth was shared more evenly than in the past. With the help of organized labor, the working class became the “middle class.” To create the middle class, wealth had to flow from the wealthiest individuals to the “middle,” and that was accomplished through contract negotiations.

But the social contract to create a “middle class” is changing. According to a 2004 report from the *Economic Policy Institute*, the wealth of the top 1% of Americans was 125 times the median wealth in 1962, but grew to 190 times the median wealth by 2004. In 2004, the top 1% of Americans held 34.3% of all wealth while the bottom 90% held only 28.7%. How can this shift of wealth to the wealthiest be reversed? The greatest tool available to the government for redistributing wealth is tax policy. Payroll tax generates a little more than one-third of federal tax revenue, and approximately half of

(See **President**, P. 2)

(**President**, cont'd from P. 1)

this comes from the bottom 80% of income earners, according to the Brookings Institute. The richest 1% of taxpayers contributes only 4.8% of the revenue generated by payroll taxes.

The “social contract” to maintain a middle class is not just a federal issue. State tax policy is also used to redistribute wealth within the state. Nebraska is now at a crossroads regarding public pension and Social Security. Most states recognize the “social contract” with their elderly and disabled citizens, and either have not instituted taxes on pension income or have recently changed taxes that unfairly raise revenue from those

least able to pay taxes. To the contrary, Nebraska remains one of only five states that fully taxes public pension income and also taxes Social Security income to the full extent allowed by federal law. Nebraska tax policy can be changed, but only if there is the political will to act.

The Unicameral will conduct an interim study on ways to make Nebraska more “retiree friendly” after the 2009 legislative session has ended. Workers have constituted the “middle class” of society for several generations. As those workers retire, they deserve to remain in the “middle class.” The “social contract” with retirees in Nebraska can be reset in the next legislative session.

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## **Economic stimulus plan results in lower withholding tax —but not lower tax liability for retirees**

Your pension check for April may have increased a bit. The increase in take-home pay is a result of new withholding tables that the IRS implemented on April 1, 2009.

Part of the economic stimulus plan, called the American Recovery and Reinvestment Act, is a tax credit on earned income. The tax credit is known as the “Making Work Pay Tax Credit.” Pension income is **not** earned income, and is **not** subject to the “Making Work Pay Tax Credit.” That means that the tax liability for retirees will not be lower this year than it was last year, and that retirees who have not owed additional tax in the past will likely owe additional tax next April 15. The NEA informed the IRS and members of Congress about the unintended consequence of the new withholding tables, that the result of applying the new withholding tables to pension income will be widespread under-withholding on pension income causing many retirees to owe additional tax next year.

Despite the suggestions made by NEA and various other groups representing both retirees and retirement systems that withholding tables not be changed for retirees, the IRS issued Publication 15-T, which states, “*For the calculation of income tax withholding on pensions, the new withholding tables*

*also apply.*” Retirement systems had no choice, and applied the new withholding tables to pension income. In May 2009, the IRS issued further guidance to retirement systems regarding the withholding tables. The new regulations made changing to the new withholding tables optional. Since both the Nebraska School Employees Retirement System and the Omaha School Employees Retirement System have already implemented the new withholding tables, and have had hundreds of retirees adjust their withholding taxes, representatives from both retirement systems indicated that they would not apply the new, optional withholding rates. Both retirement systems will continue to monitor this situation and will make any necessary changes when they deem those changes appropriate. About half of the retired school employees have been affected by the new withholding tables. The remainder of the retirees either do not have federal income tax withheld from their pensions, or have pensions that are below the income threshold for the new tax tables.

Retirees can choose from several options for action. If you have been getting large refunds in the past, the new withholding tables may result in your getting a lower or no refund next year, and you may choose to do nothing. If you have not had to pay additional tax in the past, and did not

get a refund last year, you may wish to save the increase in your pension check to pay the additional tax that will be due next year. If your extra tax liability next year is large, you may be subject to a penalty. To avoid paying additional tax next year, you will probably need to increase your withholding amount now.

Unfortunately, there is no easy way to calculate the exact amount that you will need to have withheld to avoid needing to pay additional tax next year. A general “rule of thumb” would be to increase your withholding by the increase in your “take-home” retirement check. You should consult your tax preparer to make the best decision for you. Your tax liability is not likely to change next year, so you should plan accordingly. Contact the retirement system to file a new W-4P form if you decide to change your withholding tax.

The “Making Work Pay Tax Credit” is scheduled to sunset in 2010. If you adjust your withholding now to avoid having to pay additional taxes next April, you will need to consider adjusting your withholding again in 2011 because the tax tables for 2011 will no longer incorporate the “Making Work Pay Tax Credit.”

—By Roger Rea,  
NSEA-Retired President



## Stimulus bill will provide \$250 to Social Security recipients

The American Recovery and Reinvestment Act of 2009, Public Law 111-5 (commonly called the Economic Stimulus bill) includes a one-time payment of \$250 to all individuals who receive either Social Security or Supplemental Security Income (SSI) from Social Security. The money will be paid to anyone who received a Social Security benefit payment in January 2009, and will be paid in the same manner as your normal Social Security benefit. You do not need to do anything to receive your payment. If you have your Social Security benefit directly deposited into your checking or savings account, the stimulus payment will be direct-deposited, too. You will receive

the additional money as a separate payment sometime during May 2009, but the payment date will not be the same for all retirees. Since the payment date is not the same for everyone receiving Social Security, the Social Security Administration asks that you wait until June 4, 2009, before contacting the Social Security Administration if you did not receive your payment. If you have your Social Security check deposited directly into your financial institution, be sure to check the account to see if the deposit has been made before deciding to contact Social Security.

Retirees who are under the age of 62, individuals who did not receive a Social Security check in January

2009, and those who have elected not to receive Social Security payments until age 67 or later are not eligible for a stimulus check. However, if you are still working and have earned income in 2009, you will be eligible for a tax credit of 6.2% of your earned income. The tax credit is called the "Making Work Pay Credit." The tax credit will come when you file your 2009 tax return. The credit will have a maximum value of \$400 per individual if you had earned income of at least \$8,100 in 2009. Check the Social Security web site, [www.ssa.gov](http://www.ssa.gov), for more information.

—By Roger Rea  
NSEA-Retired President



## Retired Delegation to the NSEA Delegate Assembly

April 24-25 in Lincoln, more than 300 delegates met for the 148th business meeting of the Association. Stars were NEA President Dennis Van Roekel, Governor Dave Heineman, and Senator Greg Adams. Retired members were represented by (L-R) Liz Rea, Jim McDermott, Pat Etherton, Joe Higgins, Lorene Behrends, Ruby Davis, Sharon Nore, Jan Barnason, Walta Sue Dodd, Roger Rea, Tom Black, John Kruse, Lorraine Giles. Not pictured: Guy Roggenkamp.

## SEAN/NSEA-RETIRED Scholarship Winners

At the SEAN Delegate Assembly, April 4, Vice President Jim McDermott presented the SEAN/NSEA-Retired scholarships to the winners. Each year NSEA-Retired funds four \$750 scholarships for SEAN members for use during their student-teaching semesters.

(L-R:) Rita Vogel; UNK; Jim McDermott, NSEA-Retired Vice President; Cody Waldman, UNK; and Annie Peters, Hastings. Not Pictured: Mandy Sanders, CSM.



## Health insurance benefit and rate changes announced for 2009-2010

Retirees under the age of 65 who are insured with the Educators Health Alliance Blue Cross plan (EHA) will have several changes starting in September 2009. Medical costs continue to increase at almost twice the rate of general inflation. Several changes in EHA coverage will keep the overall increase in EHA health insurance premiums at an average of 7.7% next year, but the percentage increase in premiums will not be the same for all four tiers of coverage.

The four tiers of coverage are: (a) retiree only; (b) retiree and children; (c) retiree and spouse; and (d) retiree, spouse and children. The deductible amounts for all plans will be increased by \$50, and the rates for all of the plans will be adjusted to reflect the actuarial value of the benefits in each plan. In addition, increases in the full-family rates for all plans are being phased in over the next two years to levels that reflect an appropriate price for full-family coverage. This means family rate increases will exceed 7.7%.

Changes in benefits that are effective in September will affect retirees as well as active employees. The deductible for all plans will be increased by \$50, so retiree coverage will have a \$600 de-

ductible starting in September. If you have already met the current \$550 deductible by August 31, then you will need to satisfy an additional \$50 in deductible starting September 1, 2009 before the insurance plan will share costs on an 80/20 basis. Preventive care coverage will be increased to a maximum of \$500 for routine care, and will be subject to the deductible and coinsurance except for mammograms, pap smears, PSA tests and routine immunizations (which will be first-dollar coverage).

Other changes for 2009-2010 include:

1. Out-of-network coverage will be subject to a \$1200 deductible, and co-insurance will be 40% (i.e. you will be responsible for 40% of the out-of-network provider bill after meeting the higher deductible amount).
2. Office visit co-pay will increase to \$35 per visit.
3. Co-insurance maximum out-of-pocket expenses will be \$2,000 for individual and \$4,000 for family coverage.
4. Prescription drug co-pays will be \$30 (minimum) to \$60 (maximum) for formulary drugs, and non-formulary drug co-pays will be \$60 (minimum) to \$90 (maximum). There is no change in generic or specialty pharmacy

drug co-pay.

The EHA Board issued this statement about the changes in coverage that will start in September. *"The EHA Board approved the benefit changes to address the concerns expressed by constituents relating to maintaining affordability while at the same time providing quality coverage. The changes are designed to lower the otherwise needed premium increase while limiting the burden on any particular individual. Additionally, the preventative benefits were increased to encourage use of these services in order to promote health and lower long-term health care cost."*

Starting September 1, 2009, the monthly rates for retiree coverage (including single dental) will be: retiree only = \$521.31; retiree & children = \$907.82; retiree & spouse = \$1,071.52; retiree, spouse & children = \$1,248.86. If you have more than single dental coverage, your premiums will be higher to reflect the additional coverage. Complete details on the changes in the EHA plans, including rates for all tiers and all levels of dental coverage, can be found on the EHA web site, [www.ehapan.org](http://www.ehapan.org).

—By Roger Rea,  
NSEA-Retired President

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### STROKE IDENTIFICATION: Remember The 1st Three Letters: S T R + T

After a stroke, getting the victim medical help within three hours of the stroke's onset might make it possible to completely reverse its effects. Sometimes evidence that a stroke has occurred is not easy to recognize. Here is a way to identify a stroke occurrence. Remember the 1st Three Letters of the word **STR**oke.

**S** -Ask the individual to **SMILE**.

**T** -Ask the person to **TALK** and speak a simple sentence coherently.

**R** -Ask him or her to **RAISE BOTH ARMS**.

**T** -One additional test: have the person stick out his or her **TONGUE**. If it is crooked or goes to one side or the other, that is also an indication of a stroke.

If he or she has trouble with any one of these tasks, call 911 immediately and describe the symptoms to the dispatcher.



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# Intergenerational Mentoring

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**1.5 Day Training  
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Go ON-LINE at  
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or contact:

**Maureen Nickels  
1.800.742.0047  
OR**

[maureen.nickels@nsea.org](mailto:maureen.nickels@nsea.org)



**2008 Intergenerational Mentoring Class**

### Mentors Needed!

This is NSEA-Retired's 7th year of this program. Funding and support comes from NSEA-Retired, NEA-Retired and NSEA. Students in the program are members of SEAN and come from various campuses across the state. Mentors come from all areas of the state as well.

This is a great opportunity for you as a retired teacher to continue your commitment to the teaching profession and making a difference in the lives of these young people joining our profession.



*Right after Annie & I were assigned to each other, I asked her to be our local reading council's student ambassador. She was very willing when she heard that she could attend the state reading conference for FREE, just by being a 'go-fer' for the people in charge. We had a BLAST! That weekend last February turned out to be the best mentoring I could have done for this awesome future teacher. This match was made in heaven for sure!* *Linda Dahlstrom, Grand Island*





The NSEA-Retired Eastern Conference was held at Boys Town April 22-23. It started with a dinner with Father Flannigan (an impersonator) who took the guests back to 1943 where each one portrayed one of the residents at that time. The next day 90 retired members enjoyed a presentation by Dr. Richard O'Brien, Creighton Medical College, pictured on the left, who spoke on "Health Care in America: Where Are We Going?"

During the business meeting, John Jensen, NSEA-Retired Treasurer, gave the latest membership numbers: Life members: 3,135; Annual members: 1,060; Total 4,195. Pre-retired: 1,196.



Among the outstanding "Table Talks" were Tom Bassett's ever-popular "Antique Appraisal" and Don Knauss's "Wood-carving for fun." Others touched on Health Insurance, Genealogy, e-Bay, and digital cameras.



Left to right: John Jensen, Pat Etherton, Jan Barnason, Tom Black, Ruby Davis, Jim McDermott, Kent Harvey, Liz Rea, Roger Rea



Tom Black, Pat Etherton, NEA President Dennis Van Roekel, Jan Barnason, Maureen Nickels

## NEA-Retired West Region Conference

Nine NSEA-Retired leaders attended the conference with Nebraska's John Jensen, NSEA-Retired Treasurer, presenting his nationally-recognized "Public Education Employee Pensions: Truths, Myths, and Outright Lies" session. Pat Etherton said, "It was great, and the presentation and handouts contained information that every educator needs to know." She also found very valuable a presentation by Snookie Krumbiegel, NEA Staff, in "Balancing Your Money," with suggestions on credit card use, the importance of getting your credit ratings, and keeping track of your expenses.

Jim McDermott enjoyed "Surf's Up On Cyber Security" that provided the basics of cyber terminology, information on the most common threats, preventative measure options, and security tools and tips.

Kent Harvey found "The Elder Law difference: An Estate Planning" workshop especially useful. Along with several hundred participants, Harvey was inspired by the message of Dennis Van Roekel, the NEA President. "He was wonderful and very clever."



John Jensen

## Interim Study to address making Nebraska more “retiree friendly”

Nebraska is the only state in the seven-state area (Nebraska, Iowa, Missouri, Kansas, Colorado, Wyoming, and South Dakota) that fully taxes both public pension income and Social Security income. LB538 provided for public pensions to be exempt from Nebraska state income tax. The bill would have phased that exemption in over the next five years. LB303 would have done a similar phase-in to exempt Social Security income from Nebraska state income tax. Both bills were heard before the Revenue Committee of the Unicameral on February 4<sup>th</sup>.

The Revenue Committee, chaired by Senator Abby Cornett (Bellevue), held an executive session on March 9 to consider which bills would be moved to the full legislature for debate. During the executive session, both

LB 538 and LB 303 were indefinitely postponed. Bills that are indefinitely postponed are essentially dead for the remainder of the legislative session.

The Nebraska Department of Revenue prepares an estimate of the cost of any bill that would reduce tax revenue to the state. The estimate is called a “fiscal note” for the bill. For the 2010 tax year, the fiscal note for LB538 was \$61 million and the fiscal note for LB 303 was \$62 million.

On April 30 Senator Cornett introduced LR106 which calls for a study of the ways that Nebraska might become more “retiree friendly.” Interim studies are conducted after the Unicameral adjourns for the year and before it reconvenes the next year.

LR106 asks for an examination of the economic impact of retire-

ment income on Nebraska as well as the most appropriate way to tax such income. LR106 suggests six components to the study: (1) what impact do retirees have on Nebraska, both economically and culturally; (2) what are alternative ways to tax and exempt retirement income, and how would such measures impact the state; (3) how do surrounding states tax and exempt retirement income; (4) what measures are other states taking to attract retirees into their state, and what are the stated policy reasons for such measures; (5) why do retirees leave the state, including the role taxes play in that decision; and (6) an examination of the tax-related steps that the state could take to become more attractive to retirees.

—By Roger Rea,  
NSEA-Retired President

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## A simple equation for weight loss —By Roger Rea, NSEA-Retired President

While BMI (Body Mass Index) is not a perfect measure of obesity, it does provide a simple determination of whether or not you are carrying extra poundage that could affect your health. Extra weight not only puts your joints under additional stress, it also is responsible for high blood pressure, increased risk of stroke, certain cancers, heart disease, elevated cholesterol, and increased risk of Type II diabetes.

The good news about BMI is that it determines the ideal weight for any size body – BMI is only dependent on your height and weight. Doctors prefer that you have a BMI under 27, but recommend a BMI under 25 for ideal health.

The formula to determine your BMI is:

$$\text{BMI} = \frac{(\text{weight in pounds}) \times 703}{(\text{height in inches}) \times (\text{height in inches})}$$

For example, if you weighed 175 pounds and you were 5’6” (66”) tall. You figure your BMI by multiplying 175 times 703 which equals 123,025. Multiple your height in inches by itself.: 66 times 66 equals 4,356. Now divide 123,025 by 4,356 which equals gives you a BMI of 28.24. To achieve a BMI of under 25, you should weigh 155 pounds. Thus you are 20 pounds overweight.

To achieve a BMI of less than 25, you would need to weigh 119 if you were 4’10”; 128 if you were

5’0”; 136 if you were 5’2”; 145 if you were 5’4”; 155 if you were 5’6”; 164 if you were 5’8”; 174 if you were 5’10”; 184 if you were 6’0”; 194 if you were 6’2”; and 205 if you were 6’4”.

I’ve lost about 35 pounds in this process, and did it by applying the simple equation above. To lose weight you need to eat less, exercise more, or preferably do both. Eat the same foods; just eat less of them, and exercise more. The benefits of losing weight are feeling better and having less “aches and pains of age.” Try it!

Stay active, stay healthy, and stay alive!

$$\text{Weight change} = \text{calories consumed} - \text{calories burned}$$



## Retired Cat Promotes “Read Across America.”

To celebrate “Read Across America” and Dr. Seuss’ birthday, Pat Etherton, NSEA-Retired board member, was asked to represent the Lincoln Education Association by portraying the Cat in the Hat at Lincoln schools and Barnes & Noble Bookstore. For five days in March, Pat, as the Cat in the Hat, visited several elementary classrooms, as well as one middle and high school, reading Dr. Seuss books and promoting the love of books and reading to 2,475 children. Pat said, “I had so much fun being the Cat at all of the schools, but the highlight was probably getting to be the Cat at my daughter and grandchildren’s schools, Arnold and Rousseau.”



Roger Rea, NSEA-Retired President, reads to children at the Saratoga Elementary School, Omaha



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