

BTA Retirement Committee Report December 19, 2013

Last month, I reported on the state of the TRS and ERS pension systems, and quite recently (October 2013) about the stock market rebound. I was hearing at the time that it was thought by some analysts that the market would break 16K and as of this morning, sure enough, it is 16,127. So the market is going well, the economy is supposedly improving, unemployment is down, the housing and industry indicators are good, etc. It looks like our financial woes are over-right? Not quite. In my opinion I am not sure that any of these economic improvements (other than our individual stock based portfolios, 403B's, TSA's, etc. have rebounded) are going to change much. Our salaries have basically flat lined over the past several years and for the next couple of years as well. We are still faced with an impossible tax cap squeezing the ability of school districts to raise needed funds, and the middle class (i.e. most of the taxpayers, we teachers included) are not really seeing much of the wealth from the supposed recovery. I think we all know who is benefitting and I guess we are all hoping for some sort of trickle-down effect.

So what does this mean for us? I think we all have to understand that there is no magic solution out there. You have to make good, conservative financial decisions and stick to the plan. Trim your excess spending and save as much as possible for life's necessities (home, college, and retirement). **General Good Advice:** Although retirement may be the very last thing on your mind right now, the key to a successful retirement is to plan carefully well in advance. Younger staff members are strongly encouraged to begin saving for retirement even in their earliest years. Over time, a small amount put away each pay period can grow to be quite a large amount in retirement. This money set aside will come in very handy when you find yourself on a fixed income for the remainder of your life. I have mentioned before that America is facing a looming retirement crisis. Most Americans have not planned effectively for potentially long retirements. Please do not be in the majority here. Your **defined benefit** pension plan will go a long way to helping you to be financially solvent in your golden years, **but you still have to be smart now!**

By now most of us have received the TRS Benefit Profile. Please save and check this document for accuracy. If you have any questions about your TRS Profile, shoot me an e-mail and I will gladly explain it to you.

TRS has published the winter/spring **Pre-Retirement or PREP** seminars. There are two in Mt. Kisco @ the Holiday Inn in 2014 on Friday, February 21 and Friday, April 4. Also, there is a seminar in Fishkill @ the Ramada Conference center (formerly the Holiday Inn) on Saturday, March 8. Please call 800-356-3128, ext. 6180 to make an appointment. So quite close to us you can go to a PREP seminar over the February break, on a Saturday, or on a school day by using a personal day.

Any questions, contact Kevin Crowley @ FLHS 241-6178, home @ (203) 454-9545, or via e-mail kcrowley0245@bcSDny.org.