

Engineering Retirees Society

ERS Newsletter

Quarterly meeting

Join us on the web for our next all-member quarterly hybrid (both in-person and online) meeting at noon, Thursday, **Sept 7**. You are welcome to attend in person at SPEEA Tukwila or tune in on Zoom if preferred. We will email invitations and ask for an RSVP if attending in person so we can estimate food quantities. The email invite will include a Zoom link.

Quarterly meeting program

Rick Faunt has been a member of the Hearing Loss Association of America/Washington State Association since the mid-1990s and wears two hearing aids. He retired from Boeing after a 25-year career as a Machine Tool Maintenance Technician, formerly known as a Computer Numeric Control (CNC) technician. He will cover dementia, some misperceptions of dementia and the effects of hearing loss. He will also discuss over-the-counter hearing aids.

Investment meeting

Our speaker for our Sept. 21 noon investment meeting is Stephen Lach. He is a financial adviser at TD Ameritrade. His subject is: "Ideal Cash – What To Do With It!" Join us in person for lunch at the SPEEA Tukwila office or on Zoom for our first hybrid investment meeting. Bring your partner. The investment meetings are typically scheduled **at noon** on the third Thursday of odd months – if you'd like to save the date for future meetings.

President's Corner

I have experienced a computer hacking event that wiped out my computer data. Attempted recovery is under way. Contact in the short term might be best via my cell phone.

I have been communicating with the NRLN. The ERS pays a reduced *group* membership rate of \$3 per paid member as a major part of our NRLN partnership. You can also join the NRLN as individuals. ERS agrees to annually publish an invitation to add an individual membership and donation to NRLN. Below is the letter for this year.

-Dave Baine

ERS President

Dear Engineering Retirees Society Members,

August 2023

The Engineering Retirees Society (ERS) and the National Retirees Legislative Network (NRLN) are serving as your voice in Washington, D.C., to offer common-sense solutions protecting the interests of retirees. As part of this, ERS always has participated in NRLN Fly-Ins to speak out on Capitol Hill. Support is important now because Social Security and Medicare are under attack by certain members of Congress.

Social Security (SS) – Old-Age and Survivors Insurance will only be able to pay 100% of scheduled benefits until 2033. At that time, largely due to baby boomers retiring, the fund's reserves will become depleted, and SS will only be able to pay 77% of scheduled benefits. We urge Congress to strengthen SS funding.

Medicare

- The Hospital Insurance (HI) Trust Fund (Medicare Part A) will only be able to pay 100% of scheduled benefits until 2031. At that point, the fund's reserves will be depleted, and program income will only be able to pay 89% of scheduled benefits. We are urging Congress to strengthen funding for Medicare.

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Minutes from the June 1 all-member virtual meeting

ERS President Dave Baine called the virtual meeting to order at 12:05 p.m.

There were 27 attendees including Dave Baine, Dwight Rousu, Walt Ditlefsen, Steve Ellis, Bob Ferguson, Jessica Bonebright, John Neller, Dave Watt, Myrv and Joan Johansen, John Meeker, Ken Kuehnl, Roger Aisaka, Jeff Arnold, Phil Carey, Don Cook, Carolyn Brock, Randy Hillenbrand, Lee Kanning, Erich Koehler, Ron Nyborg, Patti Poulson, Ric Pierce, William Tsai and Stephen Wood.

Guest Speaker: Steve Bauck of Puget Sound Advocates for Retirement Action, www.PSARA.org, presented on the topic of Social Security's future. Despite dire warnings, Social Security is not going broke and does not add to the national debt. It provides security to seniors, children of deceased workers and disabled workers. Two-thirds of workers have no other disability insurance. Payments are made entirely from its Trust Fund and Federal Insurance Contributions Act (FICA) tax revenues. The projected shortfall should be solved by 'scrapping the cap' and requiring those with the highest earnings to pay their fair share – the same tax rate as everyone else. In 2023, those people earning more than \$160,200 per year stop paying FICA tax on earnings above that cap. Proposals in Congress would tax earnings above \$400,000 per year, creating a donut hole until the annually adjusted cap reached \$400,000. With this change, Social Security benefits could be expanded and enhanced instead of facing cuts which have been proposed, cuts like raising the retirement age. In contrast, a currently proposed three-year increase in full retirement age from 67 to 70 for future retirees would be an effective cut of more than 20%.

Secretary's Report: Jessica Bonebright's June 1 membership meeting minutes were approved as published.

President's Report: Dave Baine reported on discussions about holding hybrid meetings at SPEEA. ERS is rolling over our CDs at BÉCU for a higher yield. We're still looking into renewal of our non-profit status. The National Retiree Legislative Network (NRLN) is considering a fly-in Sept. 23-27 in Washington, D.C. We're

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hoping to send two ERS representatives. A memorial event for Joel Funfar will be held at SPEEA, Tukwila 3-5pm., June 2. Please contact Dave Baine for more information about volunteering to serve as ERS Pension & Insurance committee chair.

Vice President: Steve Ellis reported ERS cashed in CDs earning 0.2%, incurring a penalty of 90-days' interest and bought CDs earning 3.55%. On the same visit to BECU, we updated our officers and titles.

Treasurer: Bob Ferguson reported ERS balances. Checking: \$2,278.68; savings: \$25,057.54 and CDs: \$20,247.96 for a total of \$60,413.26. In March, we reported a total of \$62,929.26. A few more dues checks are coming in.

Steering Board Chair: Dwight Rousu reported our ERS newsletter was emailed, and it's on our website. The Steering Board met for three hours last week.

Committee and Rep Reports

Communications: Chair Walt Ditlefsen reported we're still using MailChimp – our issues were resolved.

Finance: Chair Steve Ellis reported our higher return, risk-free CD investments are good for ERS.

Governing Documents: Chair Walt Ditlefsen proposed three changes to our governing documents. The steering board has the authority and has approved two Policy changes:

- Policy manual section 4.4: Travel Expenses – changes reimbursement from 20 cents per mile to “the current standard IRS mileage rate.”
- Policy manual section 2.1: Badges Committee – simplify language to: “Each member will receive a badge after attending one general meeting.”

The steering board recommended to the membership changing bylaws section 3.1 Badges – to simplify attendance records by eliminating language about keeping a two-year record of attendees and add “in-person” prior to “general meeting” regarding providing a sign-in sheet.

Motion and second to approve this bylaws change was approved without objection.

Walt will consider process options for dealing with proposed resolutions prior to bringing them up at ERS meetings.

Insurance chair: The position is open, please contact Dave Baine if interested.

Investments: Cochair Dave Watt reminded us investment meetings are the third Thursdays of odd months. Future meetings are Sept. 21 and Nov. 16.

Membership: Chair John Neller reported we have 930 ERS members, 546 paid dues for

2023 and an additional 135 paid for 2022 or 2023. A total of 249 paid for 2021 or earlier. We need to coordinate with SPEEA to ensure our ‘invitation to join letter’ is getting out to new retirees. (Current members are encouraged to invite new retiree friends.)

National Retiree Legislative Network (NRLN): Dwight Rousu reported NRLN is tracking Social Security and Medicare issues. They're particularly concerned about proposals from U.S. House Speaker Kevin McCarthy. They are gauging interest in a fly-in to this fall. See the NRLN website at www.nlrn.org for more information on this and other national issues.

Program: Chair Dave Watt reported we were still confirming arrangements for a speaker for our Sept. 7 meeting. Get in touch with Dave if you have ideas for future guest speakers to invite.

Nominations and Elections: Chair Steve Ellis reported officer elections will be held at our Dec. 7 meeting.

Social & Refreshment chairs: John Meeker and Steve Ellis will need an approximate number of participants when we're able to start meeting in person again to know how much to purchase for refreshments.

SPEEA / ERS Liaison: Chair Dave Baine is coordinating with SPEEA on starting hybrid ERS meetings.

Legislative & Public Affairs: Chair Dwight Rousu reported candidates in local elections are seeking endorsements. SPEEA doesn't endorse candidates, but it's good to consider labor endorsements.

Sunshine Committee: Co-Chairs Myrv and Joan Johansen reported SPEEA notified us of three members who passed away. Condolence messages were posted on memorial websites for Lois Boyer and James L Beason. A sympathy card was mailed to Richard Etter's wife, Eloise.

Travel: Chair John Neller reported airfares and hotel rates have gone way up since last year.

No reports this meeting for Badges, Pensions, Travel or Service.

Old Business: None

New Business: Discussed above in governing documents.

Adjournment

The next quarterly membership meeting is scheduled for Sept. 7 at noon. The next investment meeting is at noon, Sept. 21. The next steering board meeting is scheduled for Aug. 24 at 11 a.m.

The meeting was adjourned at 2.30 p.m.

*Minutes respectfully submitted,
Jessica Bonebright, secretary*

Editor's Corner

The NRLN annual letter notes the political issues regarding federal financing of Social Security. Much of the urgency is due to the influx of baby boomers into the demographic ranks of retirees. I note the NRLN has not come out specifically advocating for “scrap the cap” legislation to address the problem of maintaining full payment of scheduled earned benefits. Most of us have pensions and savings, but SS is a big financial help, and it does have an inflation clause.

I personally think “scrap the cap” has strong arguments to support it. Here are some of those arguments.

- The legislation would expand Social Security's modest annual benefits by \$2,400 and ensure the program is fully funded for the next 75 years.
- The benefit boost under the Social Security Expansion Act would be funded by lifting the cap on the maximum amount of income subject to the Social Security payroll tax. This year the cap was \$147,000, meaning millionaires stopped paying into the program in late February.
- If passed, the expansion bill would apply the payroll tax to all income, including capital gains, above \$250,000 a year, a change that would only raise taxes on around 7% of U.S. households.

“At a time when half of older Americans have no retirement savings and millions of senior citizens are living in poverty, our job is not to cut Social Security,” said U.S. Sen. Bernie Sanders (I-Vt.), head of the Senate Budget Committee and a co-chair of the Expand Social Security Caucus, in a statement.

“Our job must be to expand Social Security so every senior citizen in America can retire with the dignity they deserve and every person with a disability can live with the security they need,” the senator continued. “And we will do that by demanding the wealthiest people in America finally pay their fair share of taxes. It is absurd that a billionaire in America today pays the same amount of Social Security taxes as someone making \$147,000 a year. It is time to scrap the cap, expand benefits and fully fund Social Security.”

The 2022 annual Social Security [trustees' report](#) showed, contrary to Republicans' claims that it is barreling toward insolvency, the program is positioned to fully fund benefits until 2035. Thereafter, even if Congress takes no action, the program is [projected](#) to be 90% funded for the next 25 years and 81% funded for the next 75 years.

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- Some lawmakers want to overturn the 2022 legislation that for the first time would allow Medicare to negotiate with drug companies for lower prices. We oppose overturning.
- The Centers for Medicare and Medicaid Services (CMS) squanders \$75 billion of tax-payer dollars in subsidies and rebates to private insurance companies rather than traditional Medicare. We support traditional Medicare and improvements.
- NRLN is advocating that Medicare increase the number of prescription drugs it will negotiate for price reductions.
- We want legislation to end pay-for-delay and other brand-name drugmakers' tactics.
- We support bills to allow Americans to import prescription drugs from licensed Canadian sellers.

Study committee – ERS and NRLN are opposing the 175-member Republican Study Committee's June 14 wrecking ball proposal for "fixing" Social Security and Medicare by shrinking them. We are against increasing the retirement age of those now 59 by three months per year beginning in 2026. The age for full Social Security benefits would reach 69 for those who turn 62 in 2033. We are fighting their "premium support model"

proposal for a voucher to subsidize seniors for private healthcare insurance to compete with traditional Medicare. A voucher will become insufficient and force seniors to pay out-of-pocket.

Pension plan de-risking – More employers are converting pension plans to insurance company annuities. When employers do this to reduce their pension cost risks, pension-plan participants lose federal legal protections. We are lobbying for laws requiring annuity contracts to include re-insurance to protect retirees if the primary insurer of the annuity fails.

NRLN proposals passed in 2022

- Improvements to pension plan Annual Funding Notice.
- Changes to Section 420 transfers that can protect retiree healthcare and life insurance.
- Limits to retirees' exposure to pension recoupment of over-payments.

How you can help – Make an annual contribution. See below for more information.



Dave Baine, ERS President



Bill Kadereit, NRLN President

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The scrap the cap legislation has been endorsed by [more than 50](#) advocacy organizations and labor unions.

In addition to increasing annual benefits and lifting the tax cap, the Social Security Expansion Act would also boost the program's cost-of-living adjustments by switching to a [more accurate measure](#) of inflation. [According to](#) the Social Security Administration, the average monthly Social Security benefit payment was around \$1,540 as of April 2022.

"With the cost of living at an all-time high, Social Security has never been more important, yet Congressional Republicans continue to play games with its funding," said U.S. Rep. Peter DeFazio (D-Ore.), the lead sponsor of a companion bill in the House.

"This legislation would ensure the Social Security Trust Fund remains solvent for another 75 years, increase monthly benefits for most recipients by \$200, and alter the cost-of-living-adjustment formula to meet the everyday needs of our nation's seniors," DeFazio added.

-Dwight

Join the NRLN

ERS has an organizational membership with the NRLN. Making an **Individual Membership** contribution in addition to this will help the NRLN to better advocate to protect retirement income security and to reduce health care costs. Please make a personal annual contribution of \$25, \$50, \$75 or more. Individual contributions provide 70% of the National Retiree Legislative Network's annual budget. The other 30% is annual dues paid by NRLN retiree associations. Any amount you contribute is appreciated. Write a check or money order and **mail it to: NRLN Inc., PO Box 69051, Baltimore, MD 21264-9051**. Or, make your contribution with a credit card at www.nrln.org, by clicking the tabs "Join Us" and "Support the NRLN."

NRLN MEMBERSHIP CONTRIBUTION

Engineering Retirees Society

The NRLN is a nonprofit, tax-exempt organization. Contributions are not tax deductible.

Name: _____ Age: ___ under 55; ___ 55 - 64; ___ 65 or over

Address: _____ City: _____ State: _____ ZIP code: _____

Phone: _____ Email Address (if available): _____

I draw my retirement benefits from _____ (name of company)

Mail this form with your check or money order (*no cash please*) for \$25, \$50, \$75 or more (any amount will be appreciated) payable to: **NRLN, Inc., P.O. Box 18757, Washington, D.C. 20036-8757**.

Elected officers



Appointed Committee Chairs and Reps

Badges Jessica Bonebright
Calling **OPEN** / Dave Watt
Communications (website) Walt Ditlefsen / Stan Lind
Discounts **OPEN**
Finance Stuart Buchan
Governing Documents Walt Ditlefsen
Insurance **OPEN** / Dave Who
Investments Dave Watt / Ken Kuehnl
Legislative & Public Affairs Dwight Rousu / Dave Watt
Membership John Neller
Nominations & Elections Steve Ellis
NRLN Liaison Steve Ellis

Pension David Westman
Programs **OPEN** / Dave Watt
Refreshments John Meeker / Steve Ellis
Service (Bluebills) Dick Beham
Social Steve Ellis
SPEEA Liaison Dave Baine
Sunshine Joan and Myrv Johansen
Travel John Neller

We need **VOLUNTEERS** for the chair **OPEN**-ings listed above as well as committee members for Calling and Refreshments if we meet again in person.

ERS SPEEA Contact Michelle Stanley
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