



PRESIDENT'S MESSAGE

THE IMPORTANCE OF MAINTAINING PERSPECTIVE

By David A. Stella, CEBS, NCTR President



Every New Year we usually look ahead, count the many issues that face us, and gird ourselves for these challenges. While I think that is an important exercise, it is also important to look back and gain some perspective. It is sometimes said that we cannot really know where we are going without knowing where we have been and how we got where we are. I hope that this message will help provide some positive perspective.

Looking Back

Jim Mosman will be retiring this year after ten years as NCTR Executive Director. This gives us an opportunity to look back at NCTR's and Jim's many accomplishments. Under Jim's leadership we have achieved a great deal. We are financially strong, and have a talented and hard-working staff, including Robyn Gonzales, Leslie Kranz, and Don Miller. Our Federal Relations Director, Leigh Snell, has done a masterful job represent-

ing NCTR's legislative and regulatory interests in Washington, DC.

In addition to a well constructed statement of organizational goals and principles, NCTR has an effective and forward-looking strategic plan, a new and improved communication plan, and strong, cooperative relationships with many stakeholder organizations in the public pension industry.

NCTR stepped up its social media this year, building on efforts begun in late 2010. The "Federal-E-News" blog has earned a devoted following; and the Federal Webinars, hosted by Leigh Snell and often featuring topical experts, have garnered such a tremendous response that they are now offered bi-monthly. I encourage you to take advantage of both of these free instant communication tools that let you keep up with the issues without leaving your office. The ongoing blog, webinars, and an NCTR Facebook page are all part of our efforts to strengthen NCTR's "brand."

NCTR is one the original founders of the National Institute for Retirement Security (NIRS). NIRS is now a highly respected element of the effective research and communication framework that has been established to promote and support retirement security for teachers and other public employees.

Finally, NCTR's educational programs

are top notch and continually improving. 2011 marks the 25th Annual Meeting for System Directors and the 12th Annual Workshop for Trustees.

In perspective, NCTR has come a long way in the past ten years under Jim Mosman's guidance, the leadership provided by the Executive Committee, the efforts of staff, and the active support and involvement of our members.

Looking Ahead

As we enter 2012, there are many challenges to address. First and foremost, the Executive Committee must select a new Executive Director to help lead NCTR. Second, we must maintain a knowledgeable and effective staff that will be critical to the operation and effectiveness of the organization. Third, we must continue to enhance our communication efforts, not only to assist our members, but also to combat the increasing attacks against teacher and other public employee pension plans.

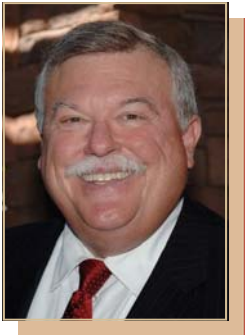
Finally, we must find even more effective ways to tell our important story, to win over public opinion, and to gain the support of decision makers at the local, state, and federal levels. An important piece of that effort will be to collaborate with our allies in the pension and labor community to advance the cause of retirement security for our members and for all Americans. ❖



CAPITOL COMMENTARY

IMMODEST PROPOSALS

By Leigh Snell, NCTR Federal Relations Director



The 18th-Century satirist Jonathan Swift begins his famous essay, "A Modest Proposal," by documenting the dire state of the Irish poor. Then, much to the shock of his readers, Swift proposes that these beggars could solve their economic woes if they would only consider selling their children as food to "persons of quality and fortune."

The average American facing retirement is in an equally dire state, with the majority woefully ill-prepared. For example, almost half of all private-sector workers do not even have access to employer-provided retirement savings plans, and of those who do, the median household headed by a person aged 60 to 62 with a 401(k) account has less than one-quarter of what is needed in that account to maintain the household's standard of living in retirement, according to data compiled by the Federal Reserve and analyzed by the Center for Retirement Research at Boston College.

Consequently, many older American workers (age 50 and over) now say they expect to never retire, according to the nonpartisan Employee Benefit Research Institute (EBRI). Furthermore, in addition to postponing retire-

ment, many people are "moving to cheaper housing, buying less-expensive food, cutting back on travel, taking bigger risks with their investments and making other sacrifices they never imagined," according to *The Wall Street Journal* (2/19/11).

The solution to this problem—as proposed by some academics and politicians—is as shocking as Swift's: Americans should essentially sell out friends and neighbors who teach their children, bus them to and from school, repair the roads over which they travel, prepare their lunches, guard them as they cross busy highways,

"Americans in the private sector should impose their precarious situation on public sector workers..."

and protect them from drug dealers and worse. Instead of demanding better retirement security for them-

selves, Americans in the private sector should impose their precarious situation on public sector workers, according to the modest proposals made by Andrew G. Biggs and Jason Richwine, in their opinion piece, "Why Public Pensions Are So Rich" (*The Wall Street Journal*, 1/4/12); and, most recently, by US Senator Orrin Hatch (R-UT), whose January 2012 Finance Committee report, "State and Local Government Defined Benefit Pension Plans: The Pension Debt Crisis that Threatens America," claims that defined benefit plans are "Inappropriate" for State and local governments.

Specifically, these gentlemen argue

that the public sector's model of retirement security—based on mandatory participation, shared employer-employee financing, benefit adequacy, pooled investment and longevity risks, and lifetime payouts—should be abandoned and replaced with 401(k)-style defined contribution plans or some other Federally-designed solution.

There is no good reason private-sector Americans should receive retirement benefits that are less reliable and less adequate than those of public employees. But the path to addressing this problem need not begin with the destruction of pension adequacy for governmental workers. The consequences, in terms of necessary public services and the cost of providing them, will be harmful to taxpayers, and will do nothing to help all Americans obtain the secure retirement they so desperately need.

Employee compensation, whether public or private, that does not help ensure adequate retirement security should not be seen as "fair market" compensation, but rather as a real invitation to poverty and economic ruin, as equally appalling as Jonathan Swift's ironic invitation to cannibalism.

ON THE WEB
MONITOR DC activities with LEIGH SNELL in his FEDERAL E-NEWS BLOG and NCTR WEBINARS
Visit www.nctr.org for blog link and webinar notices.



2012 NCTR COMMITTEES

LEGISLATIVE



CHAIR: DEAN KENDERDINE
EXECUTIVE DIRECTOR
 MARYLAND STATE RETIREMENT
 AND PENSION SYSTEM

Vice-Chair: James Wilbanks, Administrator, Oklahoma
Susan Brown, Trustee, Alabama
Dana Dillon, Trustee, CalSTRS
Paul Doane, Administrator, St. Paul
Brian Guthrie, Administrator, Texas
Michael Kraus, Trustee, New York
Tom Mann, Administrator, Kansas City, Missouri
Tim Myers, Trustee, Ohio
Pat Robertson, Administrator, Mississippi
Melva Vogler, Trustee, Pennsylvania
Carole Wright, Trustee, Colorado
Exec. Committee Liaison:
Roger Rea, Trustee, Omaha

UPCOMING MEETINGS

On Sunday, March 4, the Legislative, Trustee Education, and Administrator Education committees gather in Washington, DC, to strategize for 2012. Meeting schedules:

- 8:30 am to 9:30 am—Trustee Education Committee
- 10 am to Noon—Legislative Committee
- Noon to 1:00 pm—Administrator Education Committee

The Legislative Committee meets again on Monday, March 5, 7:45 am to 1:00 pm, in a joint Legislative Conference with NASRA.

All meetings will be held in the Dupont Hotel, 1500 New Hampshire Ave., Washington, DC, 20036.

RESOLUTIONS



CHAIR: DAVID KEEFE
TRUSTEE
 NEW YORK STATE TEACHERS'
 RETIREMENT SYSTEM

Steve Boyers, Administrator, Georgia
Charlotte Clifton, Trustee, Texas
Curtis Rogers, Trustee, Kansas City, Missouri
Executive Committee Liaison:
Jim Sando, Trustee, Pennsylvania

ADMINISTRATOR EDUCATION



CHAIR: ROB WYLIE
EXECUTIVE DIRECTOR
 SOUTH DAKOTA
 RETIREMENT SYSTEM

Paul Cleary, Oregon
Jeff Ezell, Georgia
Meredith Williams, Colorado
Executive Committee Liaison:
Jill Bachus, Tennessee

TRUSTEE EDUCATION



CHAIR: ROBIN NICHOLS
TRUSTEE
 ARKANSAS TEACHER
 RETIREMENT SYSTEM

Vice-Chair: Theresa Lochte, Maryland
Virgil Belue, Mississippi
Hazel Coleman, Arkansas
Gayle Harbo, Alaska
Yvonne Heath, Missouri
Caroline Helmkamp, Kansas City, Missouri
Amy Nichols, Colorado
Mike Simpson, Oklahoma
Bob Stein, Ohio
Mavis Whiteman, Duluth
Marti Zins, Minnesota
Special Advisor: Clare Barnett, Connecticut
Exec. Committee Liaison: Leonard Bumbaca, ERFC

CREDENTIALS



CHAIR: LANCE PURDY
TRUSTEE
 OMAHA SCHOOL EMPLOYEES'
 RETIREMENT SYSTEM

Appointments pending

President & President-Elect are ex-officio members of all NCTR Standing and Special Committees.



On the move SHIFTS IN SYSTEM DIRECTORS



ROBERT J. CONLIN has moved from Deputy Secretary to Secretary of the Wisconsin Department of Employee Trust Funds (ETF), replacing retired Dave Stella. Conlin was ETF's Chief Operating Officer since 2007, and the Fund's Director of Legislation, Communications and Planning for two years prior to that.



JEFFREY E. FLECK is the new Executive Director of the West Virginia Consolidated Public Retirement Board (CPRB). Fleck was CPRB's Chief Compliance Officer since 2007. Prior to that, he worked as the Business Development Coordinator/Compliance officer and as Director of Surgical Services for Pleasant Valley Hospital in West Virginia.

NCTR SEEKS NEW EXECUTIVE DIRECTOR

The National Council on Teacher Retirement is accepting applications (by email only) through February 10, 2012, for the Executive Director position, which opens upon the June retirement of current director Jim Mosman. The selected candidate, who must be knowledgeable of all types of retirement systems, will serve as CEO and spokesperson, plan meetings, and promote and sustain effective alliances. Visit the Pension Fund Job Opportunities page at www.nctr.org for complete information.



Started in 2007, the national campaign, America Saves Week, is an annual opportunity for organizations to promote good savings behavior and a chance for individuals to assess their own saving status. For more information, promotional materials, and resource kits, visit www.americasavesweek.org.

2012 NCTR Events

Administrative Assistant
Workshop

May 16-18

Warwick Denver Hotel
Denver, Colorado



Deputy Director &
Communications Specialist
Workshops

Tentative for May 14-16



25th Annual
System Directors' Meeting

June 10-12

Warwick Denver Hotel
Denver, Colorado



12th Annual Trustee Workshop

OPTIONAL INSTITUTE: July 23

WORKSHOP: July 24-25

Stanford University
Palo Alto, California



90th Annual Convention

October 6-11

Loews Ventana Canyon
Tucson, Arizona



For more current information,
visit www.nctr.org

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