UNIVERSITY BENEFITS COMMITTEE
MINUTES, MAY 2, 2013

Members Present: Meredith Ayers, Terry Borg, Deborah Haliczer, Sue Mini, Pam Rosenberg, Gina Shannon, Sherilynn Spear

Guest: Jim Lockard

The meeting was called to order by Haliczer at 10:05. Agenda was approved (Spear, Shannon) and Minutes from the March 28 meeting were approved (Borg, Spear).

Old Business:

- **Pension Issues:** The committee members discussed the status of pension reform proposals. Lockard and Spear led discussion of Speaker Madigan’s reform proposal. The Committee felt that none of the proposals adequately resolves the major problem of the pension crisis, i.e. the unfunded liability. Most of the proposals appear to have an impact on current employees as well as retirees, and most of the legislative reform proposals significantly impair the quality of benefits for new employees. Of all the proposals to date, the Presidents’ 6 point plan seems to attempt to spread the impact, have less of a disadvantage to new employees, and attempts to preserve as much as possible the benefits for current employees and retirees. Extensive discussion ensued.

- **Annuitants Association update:** The annual SUAA meeting will be held June 5, with representation by various state legislators.

- **Other benefits updates:**
  1. **Benefits Choice:** The Benefits Choice period is underway, to end May 31. CMS materials have been sent out and employees can change plans, add or drop dependents, sign up for flexible spending plans, join the Sick Leave Bank or sign up for 9 over 12 pay.
  2. **Retiree health insurance:** Retirees will begin paying a premium for their health insurance starting July 1. Materials have been sent to all annuitants explaining the new charges.
  3. **Other issues:** Starting January 1, 2014, there will be changes to options for retirees who are eligible for Medicare. Information will be forthcoming in the fall from CMS and SURS.

- **HB 4996:** Public Act: Return to Work. Efforts have been made to push back the start date of the new law, but have failed. The new restrictions on rehiring university or community college retirees will take effect on August 1, 2013. Individual retirees will need to know their individual SURS maximum earnings limitations, and will have to sign
an affidavit if re-hired by a public higher education institution. Universities will be able to pay a retiree no more than 40% of the retiree’s highest rate of earnings. If an employee earns more than the limit, they become an “Affected Annuitant” and the employing institution will need to pay SURS the full annual amount of the individual’s pension earnings thenceforth.

- **Morale and Workloads:** The group discussed what they are hearing from colleagues about general concerns at all points of the campus, in all employee categories of the impact of workloads and work stress on employee morale. As employees have left the university and not been replaced, the workload increases, and, combined with concerns over pensions and benefits, morale has declined. The committee fears more departures.

- **403(b)’s and 457 plans:** No updates.

- **Letter to President Peters re:** pensions and cost of parking. Borg and Haliczer will work on this for the group.

- **Health care parity for women’s health issues:** Situation was discussed and will be referred to HR for follow up.

- **Taxes and tuition waivers:** This is an ongoing issue, and the committee is concerned that legislators will take steps to eliminate the dependent tuition waiver. New employees, on the other hand, are more often asking about the availability of spousal tuition waivers.

**New Business:**

- **April 30 CMS Benefits Fair:** HR Benefits reports that the fair had approximately 700 visitors, and was well-received.

- **Annual Report:** will be prepared in time for the fall meeting.

- **Other issues:**

  1. **Parking:** There are campus-wide complaints of the cost of employee parking. With no raises, not filling positions after employee departures, and higher payments for benefits and pensions, the committee felt that this is an area where the university can provide relief to employees. This will be addressed in a letter to the President and to the Campus Parking Committee. (Referred to Borg and Haliczer)

  2. **Faculty Senate representative:** The Faculty Senate, Committee on the Economic Status of the Profession, which holds a standing position on this committee, did not send a representative for the entire year. This loses a potential faculty voice and vote to the committee. Haliczer was asked to address this with the President of the Faculty Senate and strive to fill this position next year.

  3. **Next meeting:** Late August or early September. Likely date was September 5.

Respectfully submitted, Deborah Haliczer and Pam Rosenberg