

**JJCAA Insurance Committee Meeting Minutes by Sandy Hooper
August 13, 2012**

Members Present: John Peterson, Mel Oetter, Pat Neff, Maureen Peterson, Jerry Zeborowski, Chuck Kramer, Sandy Hopper, Jerry Lewis

Call to Order: John Peterson called the meeting to order at 12:30 p.m.

Approval of Minutes: A motion to approve the April 23rd minutes (taken by Karen Erb) was made by Pat Neff and seconded by Jerry Zeborowski. The motion carried.

Resignation/Introduction: John announced the resignation of former committee member Karen Erb and thanked her for her past committee work. New member, Maureen Peterson who has recently retired from the JJC physical plant, was then introduced and welcomed as a new member.

Insurance Committee Report (pages 509-12):

- **SB 6209 and 6210:** Introduced by (D) Elaine Nekritz, a member of the pension reform committee. This bill spreads out the implementation over 15 years, and Sen. Nekritz is attempting to recruit Republican support.
- **SB 1673** removes the States's 25% contribution to CIP, leaving funding to current employees, the community college districts, and retirees.

John's take is that SB 1673 will pass after the elections and will eventually go to the Supreme Court. This bill would force a decision on taking CIP and a reduced COLA or taking the 3% compounded COLA and no CIP.

Jerry Lewis reported that Senator Radogno thinks that SB1673 won't pass because the Chicago Civic Club wants the bill to be even more punitive than it is currently written. The current COLA adds 24% to the unfunded liability.

John's recommendation is that retirees shop, shop, shop for cheaper insurance options to CIP. The CIP drug coverage is similar to Medicare

Part D, and overall coverage is similar to supplemental insurance Plan G. CIP's deductible is \$750 and out-of-pocket expenses of \$1,500.

- **HJRCA 49 is the real problem.** If passed, this resolution will diminish public pensions. It would create a constitutional requirement that any pension benefit increases would require a 3/5 approval by both houses of the General Assembly, making it much more difficult to enhance retirement benefits for public workers in Illinois.
- Article 13, Sec. 5.0 of the constitution currently guarantees our pension benefits. If HJRCA 49 passes, Dick Lockhart believes it will become Article 13, Sec. 5.1 and that it will replace Sec. 5.0, losing our pension guarantee. If 5.1 replaces 5.0, the legislature can do whatever they wish. Attorneys do not agree as to whether 5.1 will in fact replace 5.0. HJRCA 49 will go to a public vote on a separate ballot initiative in November, and mailing out information to the voters beforehand will be extremely expensive. This constitutional amendment must be voted down.

Legislative Report: Pat Neff reported that six legislative visits have already been completed with additional visits to Larry Walsh, Rene Kozol, and Mattie Hunter scheduled. Linda Holmes was the only legislator responding very positively to our concerns. Pat also provided information on an upcoming fund-raiser for Pat McGuire.

Old and New Business:

- John Peterson will retire from the insurance committee, JJCAA, and SUAA by June 2013. Sandy Hopper will also be retiring from the insurance committee and the Executive Board by June 2013.
- JJCAA SUAA Executive Board will be meeting September 5th
- Picnic is also scheduled for September 5.
- SUAA Action will meet October 3rd (Old Fashioned Pancake House at 8:30 a.m.).
- Insurance Committee meetings on 10/22/12 and 12/10/12
- SUAA Fall Meeting at ISU, October 10, 2012. Contact Jerry Lewis if interested in attending.

Adjournment: Motion to adjourn was made by Mel Oetter and seconded by Chuck Kramer. The motion passed, and the meeting adjourned at 1:30.