

Minutes of the 2006 Annual Meeting

of the

Wright State University Retirees Association Board of Directors

The OCHER Representatives presented an important report of the most recent OCHER meeting:

The STRS staff made reference to the 2006 health care premium increase. They were able to cap this year's increase at 3% and avoid a projected 12% increase by using the Medicare Part D rebate. However, the 3% cap is for this year only. Premiums should increase more next year. STRS is studying how to deal with the adverse selection issue. (Healthy persons avoid more expensive health insurance.) STRS is looking at a number of alternatives including possible surcharges, length of enrollment period, increasing the spouse premium, and claim design change.

STRS has attempted to educate active teachers and employers to the Health Insurance Fund's need for an additional infusion of money. They are suggesting an increase of contributions of an additional .5% per year over five years for an eventual amount from teachers and schools each of 2.5%. A majority of the 10,000 active teachers sampled indicated that they would oppose such an increase. OSBA also opposed it; university administrations have not given an answer.

The STRS pension fund is 75% funded. The unfunded liability period is 55 years. The law mandates a maximum unfunded liability period of 30 years. The STRS staff was asked if there are plans to eliminate the increased pension benefit formula for 35 years of service. There are no plans at the present for such action. It was noted that OPERS has pending problems, and the other systems are in dire situations.

Concern was expressed about a proposed constitutional amendment that has since been withdrawn. The STRS Board was given a preliminary estimate of double digit increases in health insurance premiums at the March meeting.

Although there is an apparent reduction in the number of faculty electing the Alternative Retirement Plan, STRS has been notified of a possible bill to extend such a plan to K-12 employees. It was also reported that the 3% COLA is vulnerable, and a compounded COLA does not seem feasible.

New Business consisted of forwarding the request for assistance with the Fall Student's Move-in.

Old Business consisted of

1. Discussing the tie in of the STRS and OPERS representatives' visit to the Health Fair with programs on retirement benefits.

2. Approval of using the Annual Dues Fund for a luncheon with prospective retirees.
3. Approval of the amended Bylaws as circulated to the membership.

The meeting was adjourned, and members proceeded to the Annual Picnic.
Congratulations to Gerry on the arrangements.