

# Retirees Today

*Illinois State Employee Association Retirees*

Rudy J. Kink, Jr., Executive Director

John P. Coady, President

John Mundstock, Secretary of the Board

Philip Novak, Director

John Hartnett, Director

David Thompson, Director

Summer 2022

## **A Message From John Coady, ISEA Retirees Board President**

In the last few months, the Illinois State Employees Association Retirees has experienced a surge in the number of new members. We welcome our new members and sincerely appreciated those of you who have been with us for years – and for some of you who have been with us for decades!

Some advantages of ISEAR membership are long standing and others are newer. A brief review may remind members of some of the available benefits and introduce those benefits to new members for the first time.

**Fierce and vigilant protection of benefits:** Legislative and executive memories are often short ones that forget that constitutional and statutory protections of retirement benefits were to retain qualified and experienced state employees who give up higher state pay or higher pay in the private sector. ISEAR employs a full-time lobbyist who reports weekly to the association during legislative sessions on all proposed and pending legislation that may affect retirees' rights. The lobbyist and our Executive Director continually advocate and educate legislators and the governor's office on beneficial and harmful legislative proposals that affect retirees.

In the judicial arena, ISEAR prides itself with its successful and leading role in the Illinois Supreme Court cases that include the *Kanerva* case that overturned the imposition of insurance premiums on retirees and the Pension Reform case that overturned the dramatic decrease of the annual 3% COLA for State retirees. ISEAR retains the best and most experienced legal representation. We remain grateful to so many of you who contributed toward the costs of that legal representation.

**State Health Insurance Assistance:** With many years of expertise in the state health insurance field, the staff remains dedicated with assisting members who have difficulty getting their insurance claims paid. Various state health insurance questions can be answered, and assistance is available with filing claim appeals. Call 217-698-6070 should you need that assistance.

**Federal and State tax preparation:** Are you aware that ISEAR offers income tax preparation at discounted rate? Contact the office next income tax season at 217-698-6070 for details.

Our **Long Term Care Specialist** is easily accessed to discuss your long term care needs. If you are interested in Long Term Care Insurance, Daniel Heffernan (Northwestern Mutual) offers discounts to our members. You may call him at: 217-718-4107 or contact him at [www.nmfn.com/danielheffernan](http://www.nmfn.com/danielheffernan).

We offer a **Hearing Aid Battery Plan** with discounts on factory fresh batteries. Our members save money with fresh batteries that last longer. Call our office (217-698-6070) for the battery order forms or contact Kerr Hearing Aid Center with hearing aid questions at 217-793-3000 or [www.kerrhearingaid.com](http://www.kerrhearingaid.com).

**Keeping Membership Informed:** In addition to the *Illinois State Employees Association Retirees Today* newsletter, we issue additional news items to members as needs arise, as we did when the legislature imposed health insurance premiums on retirees and slashed the 3.0% COLA. We also post information on our website at <http://www.isearetirees.org/>

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**ISEAR Staff:** The experience, courtesy, and dedication to serving members is a significant plus to our association.

Rudy, J. Kink, Jr., ISEAR Executive Director and Retirement Director, arrived at the association having served with the State Employees Retirement System, as manager of the General Assembly Retirement System, and as the Deputy Director of the Judicial Retirement System. He has extensive experience with state health insurance. He is well-known and respected throughout the Illinois legislature and in key administrative agencies.

Susan Cooperider has served the association for years as the Office Manager. Besides running the day-to-day operations, Sue is generally the initial contact in the office. With her experience, she is often able to courteously assist members with the help they need. Rudy and Sue work to maintain open business hours in the office throughout the year.

**Together we are stronger:** Without a collective voice, state retirees are vulnerable to repeated legislative and executive assaults on pension benefits. Regardless if for well-intentioned proposals or for wasteful ones, the funding source must never come from the retirement benefits promised by the State and its constitution to state retirees and their survivors. Together we will battle such attempts and, in the process, enjoy the extra benefits our retirees' association is able to provide.

Wishing everyone the best,



John Coady, Illinois State Employees Association Retirees Board President  
Member JRS, IMRF, SURS

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**Come See Us at the Illinois State Fair August 11-21st!**

**We will be located inside the Senior Building once more this year. If you get a chance, please stop to say hello! We are there each day just to visit with you or to answer any questions you may have.**

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**ISEA Retirees Budget Tax Year 2021**

	Actual		
<b>Revenue</b>		Office Supplies	\$2,316
Dues	\$193,548	Rent	\$18,774
Investment Income	\$30,000	Miscellaneous	\$275
Miscellaneous Revenue	\$5,082	Printing and Reproductions	\$7,394
Cash Reserves	\$1,288	Seminars/Continuing Ed/Travel	\$284
<b>Total Revenue</b>	<b>\$229,918</b>	Postage	\$14,908
<b>Expenditures</b>		Telephone	\$3,637
Salaries	\$123,981	License & Fees	\$484
Payroll taxes	\$9,756	Legal and Accounting	\$450
Contractual Labor	\$33,706	Computer Repair and Maintenance	\$1,000
Maintenance and Repairs	\$75	Technology	\$1,200
Utilities	\$2,871	Contingency	\$902
Insurance	\$3,588	Board Meeting	\$1,389
Furn, Fixt, Equipment Rental	\$0	Tax Preparation	\$2,329
Dues & Subscriptions	\$599	<b>Total Expenditures</b>	<b>\$229,918</b>

The Illinois General Assembly finished an unusually accelerated and highly charged spring session in the early morning hours of Saturday, April 9. Most years, session runs from the beginning of January to May 31. This year, however, legislators abbreviated their session due to an unusual June primary because of pandemic-related delays in census data and the creation of new state and federal legislative districts through the constitutionally required remapping process that was contentiously debated for months. With legislators facing a late primary and contending for their seats in newly drawn districts, adjourning in April gives lawmakers more time to campaign in their new districts.

During the 2022 legislative session, members of the General Assembly filed 10,000 bills that could be active this spring, including bills introduced in the first of the two-year Assembly cycle. Legislators eventually passed more than 400 bills to the Governor's desk for his consideration this summer, including a \$45.6 billion state budget, but they adjourned with several large issues still looming.

Lawmakers will now focus on in-district work and the 2022 campaign cycle before convening again for the Fall Veto Session. It is anticipated that Leadership will also call session to order in early January for a "lame duck" session before inauguration of the new General Assembly and Governor. It is believed the Democrat-led General Assembly will take up more controversial issues after the November election.

### **FY 2023 Budget Enacted**

The General Assembly approved a budget in the waning hours of the spring legislative session before adjourning. With billions of dollars from the federal American Rescue Plan Act (ARPA) and record revenue increases, the Illinois budget process was much easier than in past years where difficult spending decisions were needed. This year, Democrats had excess revenue and were able to pass a budget with many one-time tax breaks for Illinois families that will occur in the middle of an election year.

Revenue in the FY23 budget totals \$46.543 billion against \$46.541 billion in spending. Illinois has recognized a record \$4.6 billion in increased general revenue over the past year with the Governor's Office of Management & Budget revising their revenue projections upward on three separate occasions.

***For state retirees, the budget includes the full required pension payment of \$9.6 billion and an additional \$200 million applied to the pension debt for FY 2023. Earlier in the session, the Governor and lawmakers passed a supplemental FY 2022 budget bill, which appropriated another \$300 million to the state's pension funds. In all, pensions were funded at \$500 million more than required, reducing long-term liabilities by an estimated \$1.8 billion.***

### **Notable New Law**

HB 4292, passed with bipartisan support and signed into law, extends the state's pension buyout program. State retirees now have until 2026 to take an accelerated direct pension payment in exchange for giving up the remainder of their pension benefit. The new law also comes with authorization for the state to borrow \$1 billion to pay for the extended pension buyout program using the same bonding method which originally funded the program in 2018 when it was introduced. State Employees' Retirement System has already paid out about \$250 million to employees who have chosen the buyout, reducing the state's pension debt by more than \$1.4 billion.

ISEA Retirees Board of Directors Election

ISEA Retirees will hold an election for current board members whose terms expire at the end of 2022. Those directors whose terms expire and are seeking reelection are President John Coady, Secretary John Mundstock and David Thompson who is seeking reelection as Vice-President. Also serving on the Board are Directors John Hartnett, Rudy Kink and Philip Novak.

To be eligible to serve, you must be a member in good standing with the Association, have been an ISEA Retirees member for four consecutive preceding years, and must not be a member of a competing retired public employees organization or association. ISEA Retirees asks those members who meet the criteria and are interested in serving as a Board of Director to fill out the nomination form complete with a biographical paragraph or history of yourself and return it to us by July 29, 2022. The elections will take place by September 30, 2022. If any questions, call ISEA Retirees at: (217) 698-6070.

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Springfield, IL 62704  
Phone 217/698-6070 Fax 217/698-6079

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**Nomination Form**

I wish to serve on the Board of Directors.

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone Number: (\_\_\_\_) \_\_\_\_\_

Membership began in the year: \_\_\_\_\_

Your History: (Please include a biological paragraph or history of yourself.)

Return the form to:

ISEA Retirees  
Attention: Nominations Committee  
2060 West Iles - Suite D  
Springfield, IL 62704