

# CSUS EMERITUS NEWS

Fall 1991

Editor: Duane Spitsbury

## Annual Emeritus Dinner

Saturday, December 14  
Redwood Room  
University Union

Social half-hour 5:45 pm  
Dinner 6:15 to 9 pm

Always a lively affair, this is a time to enjoy meeting friends and catching up on everybody's activities, this year scheduled for the pre-Christmas season. (See attached reservation form.)

## Time To Renew Your Membership

Dues are \$5.00 per year, and can be added to your dinner reservation check.

## What Is Happening In The PERS Lawsuit (in brief)

A coalition of public employee and retiree organizations filed suit on August 1 in the 3rd District Court of Appeal. The statewide Emeritus association (CSU-ERFA), with which we are affiliated, is one of the petitioners. One of the major arguments is that the expropriation of \$1.6 billion of PERS money was in violation of the State Constitution, which requires that PERS assets which are trust funds must be used for the exclusive purposes of providing benefits to participants in the pension and retirement system and their beneficiaries and defraying reasonable expenses of administering the system." Art. XVI, Sec. 17. This money was used to reduce

## Emeritus Society Meeting

Friday, November 15  
Alumni Room  
University Union

Election of Officers Nominees are:

President: Wilma Krebs  
Vice-President: Jim Saum  
Secretary: Elgie Fuson  
Treasurer: James Jolly

Program Wilma Krebs, Legislative chair of the statewide emeritus society (CSU-ERFA), will report on the latest developments in the PERS lawsuit and respond to your questions.

Social half-hour at 12:30 pm. Meeting starts at 1 pm, finishes at 2:30. Coffee and cookies provided.

employer contributions to PERS.

AS 702 also took key powers away from the elected PERS Board and turns them over to an actuary appointed by the Governor, who can be fired without cause on 30 days notice. It also requires new state employees to go into a Tier 2 retirement system, which is non-contributory, but which has about half the benefits of Tier 1. Over time, the employee contribution fund, the earnings of which are to finance the major part of the program to replace the repealed IDDA/EPDA, will thereby be depleted.

The Governor's response argues that the AB 702 scheme is superior to IDDA/EPDA because it is a permanently funded program with a similar goal of restoring pensions up to 75% of their initial purchasing power, funding this with 1.1% of the

net earnings on employee contributions, plus a lower interest rate on contributions of those who leave before retirement.

Plaintiffs counter this by pointing to the fact that the program will fall far short of 75% if inflation exceeds 5%, and that the funds will be greatly depleted by the impact of Tier 2. Also, if the court rules the expropriation of funds to be unconstitutional, AS 702 repeals the inflation compensation program. A further concern is the possible loss of tax-exempt status for the employer contributions, which would then have to be included in the gross income of the employee for federal tax purposes.

Oral arguments are expected in January, with a decision in late spring.

### Emeritus Faculty News

Congratulations to Elizabeth and Paschal Monk, who recently celebrated 60 years of married life. Paschal was on the music faculty for 24 years,

and he and Elizabeth directed the choirs for First United Methodist Church for two decades. They're still active in music: Paschal teaches; Elizabeth is on the Crocker Art Museum's Music Board.

### Campus News

Edwin Kado, a highly regarded Sacramento architect, has been named consulting architect at California State University, Sacramento.

Kado's firm, E.M. Kado Associates-AIA, Inc., will assist the University in the design and development of its \$214 million master building plan. One portion of that plan, the new classroom building on the northeast side of the campus, was designed by Kado.

The firm, established in 1970, has received many honors and awards, including the Governor's Design Award for the Crossroads Shopping Center in Sacramento and an Air Force Honor Award for the commissary at McClellan Air Force Base.

## 1991 FALL DINNER RESERVATION FORM

**\$12.50 Per Person**

**Return** postmarked before December 1, 1991, to:

Wilma Krebs  
2731 Morley Way  
Sacramento, CA 95864

Yes! We'll be at the dinner on Dec. 14, 1991

5:45 pm Social Hour  
6:15 pm Dinner

Name(s)	_____	_____	Baked Chicken	-	<b>Beef</b> Stroganoff
			Baked Chicken	-	<b>Beef</b> Stroganoff

i\_Enclosed find check payable to Emeritus Association of CSUS @ \$12.50 per person

- To renew membership (or join), enclose check for \$5.00 payable to Emeritus Association of CSUS