

# Coalition of Oak Ridge Retired Employees (CORRE)

Annual Membership Meeting  
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Presentation by  
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## “2008 to 2013 in Perspective”

### Introduction

I have been president of this Board for the past five years. During those five years, CORRE has had to deal with a myriad of complex situations. At times, I felt as if we were trying to go Up on a Down escalator. This is my last opportunity to talk with you about the events and situations that shaped our efforts since 2008. I want to give you some of my perspectives about these years. The operative word there is “my.” These are my perspectives after five years on the job. Not the Board’s. Not DOE’s. Not the contractors’. Mine!

### Perspective No. 1. It’s Dishonorable

There is an ad that runs frequently in the papers and on the TV that really grabs my attention. I know you have seen it. It shows an elderly gentleman in a chair, staring at the floor with this downcast look on his face. The background message says: “He worked for 21 years in the nuclear weapons plants in Oak Ridge. He helped end the Cold War, and sacrificed his health in the process. America is honoring his sacrifice by providing free home care...” Now, I don’t begrudge that man or that program, but every time I see that ad, it reminds me that you and I worked for many more years than 21, in the same facilities, helping to end WWII, Korea, Vietnam, and the Cold War. We made significant sacrifices too. So, where is our honor?

I believe that we are dishonored when DOE fails to provide reasonable cost-of-living adjustments to the pensions of retirees of its management contractor organizations. Not just local retirees...retirees throughout the entire DOE Complex. I also believe that it is a dishonor when our representatives fail to insist that DOE provide reasonable cost-of-living adjustments for contractor retirees. Think about it. Public service retirees get adjustments; veterans get adjustments; congressmen and congressional retirees get adjustments, and DOE retirees themselves get adjustments. They get theirs. They may consider us as quasi-government employees, but the fact is that we did the work and we also made sacrifices for the country’s good. We deserve to be honored, not dishonored, by the country that we served.

### Perspective No. 2. It’s Reasonable

Times were good in 2008. The economy was good, the stock market was healthy, funding of our retirement trusts was well above the 100% level, and the contractors had not had to add money to our trusts in 20-plus years. It was reasonable for us to ask for and expect to get a significant adjustment to our pensions to compensate for inflationary erosion in purchasing power. We

were led to believe that Senator Alexander was working for us. We were optimistic. But, you know what happened next. The economy went into recession; the stock market went south; trust funding fell well below the 100% level; the contractors began to add money to our trusts to maintain their integrity; and Senator Alexander struck out. CORRE realized that it was not reasonable to ask for a cost-of-living adjustment under those circumstances. As an alternative, CORRE decided to put that request on hold and focus on a more affordable course of action, namely, leveling the cost of the Surviving-Spouse Option. This is not to say that a pension adjustment was not needed. It was and it still is. But, at the time, leveling the cost of the Surviving-Spouse Option offered a way to provide significant benefit for the older retirees at much less cost. We believe that this was a reasonable course of action.

My perception is that CORRE has always been reasonable in what it requests of the contractors and when it makes those requests. CORRE has always tried to work things out.

### Perception No. 3. It's Doable

Leveling the cost of the Surviving-Spouse Option would not be a pension increase...it would simply allow impacted retirees to keep more of their original pension. However, it would feel like a raise, because their take-home pay would go up. We estimate that it would provide increases of 6 to 8% for about 80% of the retiree population that retired before April 1, 2004. These are the people who need it most. No one denies that this inequity should be resolved, but there seems to be two obstacles. One is cost to the pension trusts. We believe that, in today's world, the cost would have little impact on trust funding levels. The second obstacle, which is the determining factor, is that the contractors would have to get DOE's approval. The contractors are reluctant to ask, because they believe DOE will turn them down. It is difficult to understand why the contractors are so reluctant, when resolving this inequity is clearly the right thing to do.

My perception is that CORRE's proposal to eliminate that inequity in costing the SSO is not only reasonable, it is doable. I believe it would be a win-win situation for the retirees and the contractors if they worked with DOE to grant this request. The operative words are "worked with." Not simply request. Work with!

### Perspective No. 4. It's Time

How different it is today compared with 2008. In 2008, retirees depended on three rather well established administrators of their retirement plans: Wackenhut, Bechtel Jacobs, and Y-12. Y-12 handled both ORNL and Y-12 at that time. Today, Wackenhut retirees are divided between NSPS and Y-12, UCOR has replaced Bechtel Jacobs, and Y-12 and ORNL administer separate pension trusts. We can only guess what will happen when the chaos surrounding the Y-12/Pantex contract is settled. However, we should not minimize the fact that the contractors have contributed significant funding to our trusts during the recession. They assured that the funding levels of our trusts remained above the 80% level and our pensions remained stable. But now, with the stock market operating at record highs and marked improvement in our trust funding levels, it is time for the contractors to become proactive on behalf of their retirees. The ball is in their court.

My perception is that this is a time for us to be grateful for what we have and optimistic about the future. We are entering a time period when contract issues will be resolved, when trust funding levels will be restored, when retiree needs can be taken seriously. It's time to honor retirees of the country's nuclear facilities for their service to the nation. **It's time!!**

#### Perspective No. 5. It's an Honor

There is an old cliché that goes “The best thing about being President is that you get to become Past President.” That is clever, but I don't agree with it. It implies that being President is an unpleasant task. The truth is that I have enjoyed the past five years as President of CORRE. It has been a privilege to work with so many fine people within CORRE and within DOE and within the various contractor organizations.

My perspective as incoming Past President is that the officers and Board that you just elected are among the strongest ever. This, plus the possibility that things will return to normalcy around here in the near term, bodes well for the future. It will be interesting and fun to be a part of it as Past President. I thank you for the privilege of serving as your President for the past five years.

From my perspective it has been an honor.