Welcome and General Remarks: NIUAA Outgoing President Jerry Meyer opened with an introduction and welcome. He emphasized that we all need to work to preserve our benefits, and to stay informed as there continue to be on-going problems and difficulties for retirees that need to be solved fairly. NIUAA and others, especially President Peters and Steve Cunningham, have worked diligently on pension reform.

Approval of the Agenda: One change included the addition of Guest Speaker Representative Robert Pritchard and Guest Speaker SPS Council Representative Todd Latham. Accepted and approved with change.

Approval of Minutes: (June 6, 2012). Motion to accept, seconded, and minutes approved.

Recognition of Officers, Directors, and Members of Board of NIU Annuitants Association: Outgoing President Jerry Meyer recognized Vice President and Legislative Chair Jim Lockard, Treasurer Doug Moore, Secretary Sandy Jonker, Past President Linda Schwarz, Committee Chair for SUAAction Alan Voelker, SUAA Foundation and SURS Representative John Engstrom, Membership Chair Joe Koch, Benefits Chair Sherilyn Spear, University Advancement Liaison Lee Ann Henry, Public Relations/Events Chair Steven Johnson, Communications Chair Gary Gresholdt, Newsletter Editor Jerry Meyer, Directors Bill Blair, Joe Grush, Bill Lundberg, Margaret Phillips, Elaine Spencer, Ralph Wallis (outgoing), Clair Williams, and Holiday Party Co-Chairs Bennetta Stearns and Marge Rey. Bennetta is also the Liaison with School District 428 V.O.I.C.E.S: Volunteers Offering Intergenerational Collaborative Experience with Students.

Treasurer’s Report: Treasurer Doug Moore reviewed the Schedule of Cash Receipts and Disbursements (listed in detail on the back of the Agenda). The information covered the time period of May 27, 2012-May 26, 2013.

Receipts included SUAA dues, interest income, the holiday party, and travel trips (less payments) for bus rental.

Disbursements included expenses for the holiday party, meeting travel, newsletters, NIUAA coffee hours, outside speaker, contribution to SUAA Foundation and SUAA Constitutional Amendment Initiative. The total resources as of May 26, 2013 were $28,209.57, which will be carried over to the new year. Since there were no questions or comments, a motion to accept was seconded and approved.
**Membership Report:** Committee Chair Joe Koch reported that the NIU Annuitants Association had a current membership of 1895; currently working members total 408, surviving spouses 103, and 37 members had passed during the year.

**Public Relations/Events Report:** Events Chair Steven Johnson reported that regular coffee get togethers are very popular and well attended. Coffee hours are held at Barnes and Nobles throughout the year and advertised in e-mails, the newsletter, and the Annuitants web site. He described the various field trips and encouraged attendance and welcomed recommendations or requests.

**Legislative Report:** Legislative Chair Jim Lockard reported that nothing much had happened. Emails are sent out on a regular basis informing everyone regarding bills, etc. There are a couple more speakers on the agenda who can add any relevant information or insights.

**SURS Report:** John Engstrom will send information via the newsletter regarding the Foundation at a later date. There is a new Chair on the SURS Board, Lindsey Anderson (who has been a part of the Governor’s staff). John briefly reported on the April numbers: Asset valuation is $15.1 billion, funding ratio was at 44.1%, in comparison to 41.3% at the beginning of the fiscal year. This fiscal year so far has earned 14.9% on investments. Appropriation request for FY14 is funded in the amount of $1,509,766,000. SURS is geared up to deduct 1% and 2% for health insurance for annuitants, and is developing a new benefit estimator.

**Presentation of Candidates for Officers and Board of Directors:** Three positions on the NIUAA Board are open -- the Vice President and two Director positions. Clair Williams presented names and background information of candidates: President Jim Lockard (as outgoing Vice President, Jim Lockard moves to President). Vice President candidate Joe Grush began his long NIU career in 1974, and has served as the Chair of the Department of Psychology, Associate Dean of the College of Liberal Arts and Sciences, Acting Dean of LA&S, and retired in May 2010 as Vice Provost for Personnel and Budgets. Two-year term Director position: Dan Wunsch began his employment at NIU in 1980, and served as chair of three different departments within the College of Business, and is currently the College’s Associate Dean for Administration. Two-year term Director position: Sara Clayton served the University for a total of thirty-nine years in a variety of civil service positions and has served on many different committees. She retired in 2011 as the Administrative Assistant to the Associate Provost for International Programs. Motion to accept nominations, seconded, and passed.

**Presentation of Appreciation Award:** a Certificate of Appreciation was presented to President Peters from the NIU Annuitants Association with sincere thanks and appreciation for his many years of service and dedication to NIU. A touching DVD presentation (put together by NIU students) was shown thanking President Peters for his efforts in helping to provide NIU students with the best educational experience possible.

**Introduction of Guests:**

President Peters greeted the audience and expressed appreciation for the talented presentation and recognition. He gave a short overview of what has been happening in the State and at NIU. The state
funding and the status of public pensions and the general economic climate are still not good. The General Assembly had been meeting but adjourned without any action. The State’s bond rating was downgraded again. The challenges and responsibilities facing the state are enormous. Cuts continue regarding programs and services along with the revisions to healthcare plans. Sensible changes need to be made as it will be hard to attract employees to work for the State of Illinois. Concerned parties continue to work together to promote the IGPA (six-step) pension reform plan. President Peters reiterated that it’s hard to be optimistic, but stay active and involved.

President Peters expressed thanks to the Annuitants Association, and especially Legislative Chair Jim Lockard, for the excellent involvement and communication for Annuitants. He provided an update regarding NIU and was glad to report that the fiscal year budget was basically okay, considering the cuts. Although the concealed carry law was passed (allowing certain individuals to carry firearms), schools and colleges are exempt and guns are prohibited on campuses. Even with all of the difficulties and restrictions, there are many things to be optimistic about due to the hard work of the faculty, staff, administrators, annuitants, and donors, and we can look forward to a bright future. There is the Vision for Excellence 2020 program, the transformation of the beautiful residence halls, the renovation of the outdoor Recreation Complex (behind the Convocation Center), the Kenneth and Ellen Chessick Practice Center is in the final stages, with other needed projects to be completed this summer. There has been record growth in the University Honors program, and increased accomplishments and resources regarding academics, research, and outreach. NIU and the community were excited to see the football team play in the Orange Bowl. NIU is fortunate to acquire a wonderful new President, Dr. Douglas Baker, along with his spouse Dana Stover. They will do a great job and get everyone’s support, so NIU will be in good hands. NIU continues to make steady progress toward the University’s vision, and will continue to make great strides in the future, moving Forward Together Forward for a stronger University. “Until we meet again, thank you, and may God Bless you and Northern Illinois University.”

Vice President of Human Resources and Compliance Steve Cunningham: Steve summarized information pertaining to the pension crisis. At this point, the plan is 41% funded, and there is a 3 to 1 ratio of retirees to active employees. There has been a lot of discussion and work done by many, especially regarding the IGPA six-step proposal. To summarize, the steps involve reducing the COLA, reducing the Effective Rate of Interest (would lower pensions under the Money Purchase Formula), shifting the annual normal costs to the campuses, increasing contributions of current employees, re-amortizing the unfunded liabilities to make them more affordable, creating a new hybrid pension plan to replace Tier II and the Self-Managed Plan for new employees, with current employees able to opt into the plan. There have been bills with variations of the six steps but nothing has been passed as of this date. There obviously need to be long-term solutions that are realistic and guaranteed, constitutionally sound, financially sustainable, fair, and which will still be able to attract and retain employees. There will continue to be information sharing and workshops regarding pension and health insurance changes. Steve expressed thanks to the Annuitants Association for its work and focus.

State Representative Bob Pritchard: Representative Pritchard expressed his appreciation to President Peters for his many years of service and leadership to NIU and the community. He also conveyed his thanks for the opportunity to represent this area in the state legislature. His goal is to contribute to
shaping good public policy, to listen to the needs and advice of constituents, and then to advocate for the best long-term solutions. Every year is different and besides the pressing issues of pension reform, some of the legislative sessions focused on issues such as; the concealed carry law, telecommunication reform, natural gas modernization, fracking, and funding of education. All involved parties need to come together in negotiation to get a fair and workable solution to problems within the State of Illinois, including the health care issues. Voters have to step up in 2014 and be visible, as legislators do listen and good things are happening with some of these challenges. We need to focus on the positive and continue to work together for progress, and to speak up. Representative Pritchard pledged his on-going help.

**Manager of Insurance and Employee Benefits Dennis Davito:** With all the changes going on, especially CIGNA and Medicare and new health care costs, deductibles, and exclusions, Dennis advised everyone to be alert and active. He highly recommended that interested parties read page 19 of the benefits choice handbook, and also page 16 which listed planned exclusions. He also strongly suggested calling CIGNA for information and approvals, and to keep abreast of changes.

**SPS Council President Todd Latham:** Todd spoke briefly regarding the SPS Council and its scholarship fund for SPS dependents, starting in the fall semester. SPS Council hopes to raise enough funds for an endowment. More detailed information is listed on the SPS website.

**Motion to Adjourn:** Moved and seconded to adjourn the meeting. Motion passed by acclamation. Adjournment: 4:50 p.m.

*Respectfully submitted,*

*Sandy Jonker, Secretary*