President Jim Lockard called the meeting to order at 10:01 a.m.

**Members Present:** Bill Blair, Sara Clayton, John Engstrom, Joe Grush, Lee Ann Henry, Steven Johnson, Sandy Jonker, Jim Lockard, Bill Lundberg, Jerry Meyer, Margaret Phillips, Sherilyn Spear, Elaine Spencer, Pat Vary, Clair Williams, Daniel Wunsch

**Approval of Agenda:** Jim Lockard submitted the agenda and a motion passed to approve the agenda after the addition of some new business topics such as: an annual audit, awards committee, nominating committee, the Wellness Fair, SUAA legal fund, and chapter liability issues.

**Approval of Minutes:** Jim also distributed the minutes of the October 9th meeting for approval and a motion passed to approve the minutes with one correction to the listed meeting date (from October 10th to October 9th).

**President’s Remarks:** No remarks except to introduce Pat Vary, new membership co-chair.

**Treasurer's Report:** Doug Moore was absent but Jim Lockard distributed and highlighted a written report of cash receipts and disbursements for the Board to review. It included receipts for SUAA dues of $978.44, and small interest income. The bank service charges were reversed adding back $60.00. Receipts from Carder Travel totaled $3721.65. A transfer payment of $3110.60 was for NIU bus rental. Disbursements included SUAA meeting expenses, holiday party expenses, coffee hour expenses, and newsletter design. The holiday party receipts were $2561.00 and holiday party disbursements were $2767.46 with net expenses at $206.46. The excess of receipts and transfers over disbursement was $897.43. The balance in checking account effective October 10, 2013 is $11911.63 and the balance in checking account effective January 8th, 2014 is $12809.06. Balance in Certificates of Deposits effective January 8th, 2014, is $15721.47. Total resources effective January 8th, 2014 are $28,530.53. If there are any questions, let Jim know and he can check with Doug.

**SURS Board and SUAA Foundation Reports:** John stated that everyone should have access to “Public Act 98-0599: Pension Reform in a Nutshell,” that was presented to SURSMAC in their most recent meeting. This information can be accessed through the most recent SUAA Mini-Briefing and is very helpful if you have questions.

SURT continues to report good investment results. As of November 30, 2013, the investment return for July-November, 2013 was 9.7%. As of that same date, SURS had investments of $16.2 billion. As of October 31, 2013, the funding ratio, based on market values, was 46.0%, compared with 43.7% as of July 1, 2013. (At the last meeting, John reported the funding ratio, using a smoothed method of valuing assets, used for state funding purposes.)

In recent months, SURS contracted with a new investment advisory firm, NEPC, after using Callan Associates for the past three years. During the next few months, SURS and NEPC will be conducting an asset-liability study. Also, after a search, SURS decided to award a new five-year contract to Gabriel Roeder Smith & Company as actuary. The audit by McGladry for 2013 was unqualified with only one minor comment. Financial statements for the year ended 6/30/2013 will be on-line on the SURS web site.
The next few months will be a challenge for both the Surs staff and board as they move toward implementation of the pension changes. Surs will be required to implement the new public act effective June 1st unless and until a court tells it not to. Records will be required to generate information on liabilities to each member to be paid or withheld, depending on the results of court action. Suaa will be a part of the court challenges along with the other systems involved. It is hard to determine at this point how long the lawsuits will take, some speculate after the next elections.

A flier was distributed regarding Illinois Public Act 98-0599 (SB 1) and Suaa fundraising efforts.

Clair Williams indicated that he would be willing to take over the Suaa Foundation representative duties. Jim Lockard will send a note to Bill Williamson (University of Illinois) to inform him.

Benefits: Sherilyn Spears indicated that the last benefits meeting was on November 24th before some of the laws had passed so there wasn’t much to report on and some information has already been covered. Communication and changes are not always clear and can be speculative about what might happen.

Although there was initial confusion and anxiety regarding health plans, most persons signed up for the Medicare Advantage plan. CMS did work hard so affected persons would not fall through the cracks. However, it is always appropriate for a person to contact their State Representative to report problems or express concerns and questions. It was recommended that a letter be drafted (by Jim Lockard) to send to CMS to offer congratulations for a job well done, and to encourage CMS to follow up with any persons who may not have responded.

Legislative: Jim indicated that there is nothing else to report on that we don’t know already; that the law passed, was signed, and is being challenged. That’s where we are at this point, and we will need to figure out where we are headed next with all of that.

Suaa Action: Alan Voelker was absent so Jim Lockard presented his written report. As of the date of this report, SuaaAction has not produced any more reports on the results of the 2013 fund raising campaign. $162,146 had been contributed statewide, an amount that exceeds the goal of $150,000. Members of the NIUAA have contributed $14,497. During the 2013 year, a non-election year, $50,143 was expended on fund raisers.

The SuaaAction Board will likely meet in February to determine what, if any, dollars should be contributed to candidates running in the primary. Chapters are urged to offer their views as to which candidates might be deserving of support. Dollars will also be available for fund raisers throughout the year.

Alan continues the analysis of NIUAA membership numbers in various legislative districts. This will enable us to identify representatives and senators who need to be contacted by our members during this election year. This would include calls, visits to offices, and attendance at fund raisers. Who are the incumbents or new candidates who warrant some support from SuaaAction funds? Nineteen state senators drew initial two year terms following re-districting and must run for office this election year. Two of the nineteen (Bivins and Murphy) have many NIUAA members in their districts. Alan believes that both of them voted in favor of “pension reform” in December of last year. (Note for the record, Bivins voted N, Murphy vote Y)

Alan will also identify the candidates for the various offices who have opposition. If the primary is likely to be “the election”, candidates who are likely to be our friends could get some support at this stage of the process.
It is requested that anyone share with Alan or Jim any names that you believe merit some SUAAction support. Obviously, we need more sympathetic voices in Springfield who understand the nature of public employment and its benefit structure. There are too many like Madigan, Biss, and Nekritz to name some obvious opponents, and too few friends like Linda Holmes of Aurora. There was mention of a person named Ken Anderson but more information is needed regarding him. We need to do all we can to help SUAAction use its limited funds to good advantage.

**Membership:** New membership co-chair Cathy Cradduck was unable to attend, but co-chair Pat Vary gave a brief report. They have met and would like to attain higher membership (currently 1860 of which 372 are current employees). It is hoped that by going through GroupWise email listings to find missing member email addresses more information can be distributed and more members can be reached, especially those currently employed. The problem is trying to reach all retirees who are not in the GW system, as well as the large number of potential members, both retirees and current employees. Any suggestions for reaching more possible members would be helpful.

Lee Ann Henry indicated that there is still a problem with some people not completing and updating the payroll deduction forms when there is a dues change. Jim Lockard will talk to payroll about a “permanent” payroll deduction form so no one will have to take time to track down people to sign new payroll deduction forms. The SURS deduction form already handles this.

**Public Relations/Events:** Steven Johnson reported that the fall Coffee Hour at Barnes and Nobles had a large attendance with lots of discussion regarding health care. The next coffee hour will be held sometime in late January or early February, and an e-mail will be sent out to members when a date is confirmed. Information was provided regarding past and upcoming trips. He will continue to provide trip information and dates via emails and the web site. He is always seeking input from the Board or members on suggested trips.

**Holiday party:** Margaret Phillips reported that the holiday lunch was nice with just a couple snags, and attendance was about the same as last year. It was suggested that perhaps a new venue might be worth checking into, particularly, a new banquet place called Faranda’s which has been getting good reviews plus the parking is good. This will be explored further.

**March Newsletter:** Jerry Meyer requested that all articles and information be submitted to him as soon as possible so the next newsletter (February) can go out on a timely basis. It will remind members about the annual June business meeting (which is always at 3:00 p.m. the first Wednesday of June). It is hoped that the President’s Office will fund the food for the event as in the past. Jim Lockard will check again with Ellen Anderson regarding this. Some monies will be used to send out the electronic newsletter in an easier to read single-column version. Only a small number of printed newsletters will be sent out to those who cannot be reached via e-mail.

**Old Business:**

The Constitution of NIUAA is outdated and needs revisions. A copy of the Constitution was distributed. It was pointed out that Article III (Officers and Board of Directors) may need to be revised changing term limits. Another sheet was distributed listing NIUAA 2013-2014 Board Members and Officers and terms, and Committee Chairs. Although Jim Lockard, Joe Grush, and Daniel Wunsch have volunteered to review and suggest possible changes to the Constitution, all members are asked to read over the information and offer any suggestions. They will meet soon and bring back a report to the next Board meeting.
New Business:

Annual audit: The Treasurer normally arranges to have an audit done, as required by the Constitution, and then it is reported at the annual meeting and newsletter. Since Doug Moore was not present Jim Lockard will contact him about this.

Awards Committee: Clair Williams will chair this committee and work with Lee Ann Henry with input from the Board to have awards ready for the June annual meeting.

Selection of a Nominating Committee. A nomination committee (consisting of Chair Joe Grush, Sara Clayton, and Margaret Phillips) will need to have nominations in place for the annual meeting replacing Clair Williams in a Director position, Sandy Jonker in the Secretary’s position, Doug Moore in the Treasurer’s position, and probably at least three other Director’s positions. The committee will report its slate of candidates at the April Board meeting.

Wellness Fair:  Pat Vary (co-chair of the membership committee), Cathy Cradduck (co-chair), Steven Johnson, Sherilyn Spears, and Margaret Phillips will man a booth at the Wellness Fair on March 26th (10-2) to provide information or answer questions, and will provide take-along printed information (with the NIUAA web link) and membership applications.

Chapter contribution to SUAA legal fund: The consensus was that it would be premature to make a chapter contribution to SUAA at this point as more information and clarification is needed, especially regarding the lawsuit, choice of attorneys, cooperation and coordination with other entities, and what happens to monies if lawsuits are won. Jim Lockard will contact Linda (at SUAA) to get more information, and to request a copy of the resolution establishing the legal fund from SUAA.

Chapter liability issues: Clair Williams recently attended the SUAA Fall Board meeting at ISU in Bloomington Normal, and the subject of the annual budget and insurance was discussed. Clair inquired as to whether local chapters were also covered in SUAA’s liability insurance and the answer was no. Therefore, there was concern that NIUAA could possibly be a party to lawsuits with a lack of liability insurance. It is recommended to ask SUAA about “endorsements” for NIUAA liabilities and how to get under their umbrella policy and what the costs would be. Jim will also check with some other chapters to see what they do regarding liability insurance.

There was a short discussion regarding the sheet entitled “Questions about SURS’ December 5, 2013 Summary of Public Act 98-599” along with a Summary of Public Act 98-599 (Pension Reform). The sheet listed questions regarding the AAI (Automatic Annual Increase), Pensionable Earnings Limitation, and Money Purchase Formula Changes. There was also discussion about “retirement under duress”. Jim Lockard, on behalf of the chapter, will send relevant questions to SURS regarding these issues.

The next board meeting is scheduled for Wednesday, April 16th, at 10 a.m. in room 178 of the Human Resources Building, west campus.

The meeting was adjourned at 12:20 p.m.

Respectfully submitted,

Sandy Jonker, Secretary