President Jim Lockard called the meeting to order at 10:04 a.m.


Approval of Agenda: Jim Lockard submitted the agenda and a motion passed to approve it.

Approval of Minutes: Jim also distributed the minutes of the July 10th meeting for approval and a motion passed to approve them.

President’s Remarks: Jim announced the upcoming meeting at UIC on October 14th with the President of UIUC on the panel. Since John Engstrom was not able to attend the Board meeting, Jim would present the SURS Board and SUAA Foundation report.

SURS Board and SUAA Foundation Reports: Jim Lockard was given the written report by John Engstrom to present to the Board. As of August 31, 2013, SURS has a 1.5% rate of return (for July and August) and a funding ratio of 42.9%, which is slightly up from 42.8% on July 1, 2013, the beginning of the fiscal year. It is likely that next months’ numbers will be somewhat lower, as September was a rough month in the stock market. As of August 31, SURS had $14.9 billion in assets and $34.7 billion in estimated liabilities. Overall earnings were 12.5% for FY 2013.

SURS has been receiving monthly payments on the FY 2014 state appropriation of $1,509 billion. If this continues during FY 2014, this will be the third year in a row that SURS received full statutory state funding. The number of SURS active/inactive members has been decreasing slightly the past few years, while the number of benefit recipients has been growing steadily.

SURS processed a record number of retirement claims in June-July, 2012. That number decreased somewhat this past year. It is likely that many are waiting to see the details of pension reform when it is finally passed before making a decision regarding retirement.

A number of proposals have been introduced for “pension reform.” SURS has been working with the legislature to help cost out the proposals. These actuarial studies continue to cost SURS significant appropriated funds.

SURS is finalizing a search process for an investment advisor and beginning a search for an actuarial services provider. John has been actively involved as the voting trustee in the SURS Claims Panel during the past four years and has turned those duties over to another elected trustee.

John indicated that he would like someone else to take over the SUAA Foundation representative duties.
**Treasurer’s Report:** Doug Moore presented a written report of cash receipts and disbursements for the Board to review. It included receipts for SUAA dues and small interest income. There is no interest on the checking account, just CD’s. Receipts from Carder Travel totaled $9436.93. A transfer payment of $10109.46 was for NIU bus rental. Disbursements included the bank service charges (which should be gone by the next report), SUAA annual meeting expenses, and two coffee hour expenses. The excess of receipts and transfers over disbursements was $711.25. The balance in checking effective July 11, 2013 was $11200.38 and effective October 9, 2013 was $11911.63. Balance in Certificates of Deposits effective October 9, 2013, was $15707.46. Total resources effective October 9th, 2013, were $27,619.09. There were no questions and Doug stated that anyone can call him if they think of any.

**Benefits:** Sherilynn Spears indicated that many annuitants were required to submit dependent verification. Due to the government shutdown the reporting deadline was extended.

**Legislative:** Jim reported that there is nothing new to report on as no bills have been passed. There continues to be discussion and debate but things are at a standstill. There is some interest in the Universities’ six-point solution, but the Legislature would like actuarial data and review which will take some time.

Healthcare has taken the stage alongside the perennial issue of pension reform. The goal of every proposed reform is to cut the state’s costs and long-term pension liabilities. The key is how to do so without violating the Illinois Constitution to avoid lawsuits. When the committee failed to produce a plan by the deadline set by Gov. Quinn, he tried to withhold legislators’ pay, which the courts rejected as unconstitutional in consideration of a lawsuit brought by Cullerton and Madigan. Quinn’s appeal is pending. The notion continues that any plan has to be constitutional while using common sense. Speculation is that since legislators are concerned with re-election, there won’t be any changes until late 2014. It continues to be important to keep abreast of changes and to communicate with legislators and to help educate individuals in the private sector who may believe the anti-public employee propaganda out there.

Regarding the health care premium lawsuit, a ruling is not expected until spring.

**SUAA Action report** from Alan Voelker: The SUAAction Board changed the usual procedure for soliciting funds for the 2013 campaign. Usually, chapters were asked whether they wanted to prepare a letter for distribution to members. A generic letter was prepared by the Board of Directors for the other chapters. This year the Board prepared a generic letter that was sent to the entire SUAA membership. The upside was that the Board didn’t have to contact the chapters for their letters and the state office could maintain a better schedule for mailings. The downside was that chapters had no input into the content of the letter. Historically, those chapters who did their own letters got a better rate of return than the other chapters.

As of the end of September approximately 3500 SUAA members had contributed more than $150,000 to the campaign. NIU chapter members contributed nearly $14,000. Approximately 20% of the NIUAA members (335) contributed an average of $40 a person.

Preliminary reports showed the number of contributors and the dollars contributed per chapter. Without information about the number of chapter members, it was not possible to make chapter comparisons. Chapters also received a list of the 2012 contributors who had not contributed in 2013. Additional information was to be forthcoming.
The changes in legislative districts resulted in new representatives and senators. It is recommended that the NIUAA identify an expanded list of General Assembly members and focus on building relationships with members of the defined group. It is recommended that the chapter expand the list of contacts so it has involvement in several legislative districts across all of northern Illinois. (Teaming with other chapters would be a benefit). This list of contacts can be based on an analysis of the members in the legislative districts. The monies (several thousand dollars) that the chapter raised for grassroots involvement would allow members to get involved in fundraisers, etc. in several legislative districts.

**Membership:** There have been two suggestions regarding co-chairs for Membership Chair but waiting to get confirmation. Membership is stable but still should be increased due to the potential number of persons who are eligible to join but have not. Lee Ann Henry reported that dues increased slightly and there was a problem with some people not filling out the new payroll deduction. She will provide a list of delinquent persons and Joe Grush volunteered to send out reminders.

**Public Relations/Events:** Steven Johnson reported that the summer Coffee Hour at Barnes and Nobles had around 50 attendees and the back to school coffee hour had about 30. There was lots of discussion regarding health care. The next coffee hour will be held in the spring. The summer trips were well attended and enjoyed. Information was distributed regarding 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.

**November Newsletter:** Jerry Meyer requested that all articles and information be submitted to him as soon as possible so the next newsletter can go out on a timely basis. There was discussion of trying to use electronic distribution instead of written material. It is more cost-effective, timely, and efficient to deliver e-mail updates. Most persons are good with the e-mail communication, however, there is a small population who do not participate via e-mail.

**VOICES: School District 428 Intergenerational Volunteer Program:** Bennetta Stearnes has submitted an article for the November newsletter regarding the need for volunteers to revitalize the VOICES program in the school district. Superintendent Briscoe pledged some monies for background checks.

**Old Business:**

Jim Lockard met with President Baker in late August and offered a free membership to the NIU Annuitants Association, but as of this date, the President had not joined.

Margaret Phillips has volunteered to assist with the upcoming Holiday party. There was a slight deficit from last year ($200.00). Last year’s fee for the luncheon was $23.00.

**New Business:**

Clair Williams and Sara Clayton will attend the SUAA Fall Board Meeting at ISU in Bloomington on October 29th.

Jim Lockard stated that the NIUAA Constitution is somewhat outdated and will need to be updated and he and Clair Williams will be working on it in the near future.

Discussions continue regarding complex healthcare changes and there is still confusion about details and communication needs to be improved. More information will be forthcoming regarding the Medicare Advantage Plan and Supplemental plans. Central Management Services will release more information
soon via meetings and updating their website. The NIU Annuitants Association will put an article in the November newsletter and send out e-mails.

Future NIUAA Board meetings will be January 15\textsuperscript{th}, April 16\textsuperscript{th}, and June 4\textsuperscript{th} (annual meeting).

The next board meeting is scheduled for Wednesday, January 15\textsuperscript{th}, at 10 a.m. in room 178 of the Human Resources Building, west campus.

The meeting was adjourned at 11:58 a.m.

Respectfully submitted,

Sandy Jonker, Secretary