



Northern Illinois
University

THE NIU ANNUITANT

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May 2022

President's Report

By Andy Small, NIUAA President

Hello, my fellow annuitants:

The NIUAA Executive Board continues to work for the benefit of our members. Two recent initiatives were a meeting with the State Universities Annuitant Association's Executive Director, Linda Brookhart. Director Brookhart visited NIU for our NIUAA Board meeting held on March 9, 2022. NIU continues to have the second highest membership in SUAA in the state, behind only the University of Illinois. Linda continues to report that there are not any movements on pension or benefit reductions being talked about in Springfield. This is great news, and we will continue to monitor this area.

The second initiative was a recent meeting with NIU's Chief of Staff, Matt Streb. Matt has now become a member of NIUAA, joining President Freeman. The Chief of Staff position will now be added as an ex officio member to the NIUAA Board. This will give us direct communication to the NIU administration and provide meeting space on campus for future board meetings.

Please join the NIUAA for two upcoming Back-to-Campus events. First is the annual meeting on June 15 from 1:00 to 3:00 p.m. in the HSC Skyroom. I am pleased to announce that NIU President Lisa Freeman and Chief of Staff Matt Streb will be attending the meeting. President Freeman is scheduled to address the membership at 1:15 p.m. Second, please join NIUAA this Fall as we attend multiple events during Homecoming week. More information to follow. It will be great to get back together again!

Hope to see everyone soon!

Andy

Legislative Report

By Jim Lockard, Legislative Committee



Springfield has been mostly quiet since my last Legislative Report. There have been no truly significant actions by the General Assembly (GA) that affect most NIUAA members, to the best of my knowledge. Perhaps the following information items will be of interest. Of primary concern to most members are issues and actions related to pensions. Legislatively, there has been little to report for months. A couple of developments are worth noting.

First, the state's financial picture benefitted greatly from federal "covid relief" funding, such that the governor projected a \$1.7 billion surplus for the fiscal year, the first in 25 years. The state also has received credit upgrades for the first time in at least 20 years. Gov. Pritzker plans to add an additional \$500 million to the state's payments to the state retirement systems, over and beyond the normal "full" (or more accurately, minimal) funding. That's hardly a major dent in the state's unfunded liabilities, but still worth noting and appreciating. Due to the strength of investments, the unfunded liabilities decreased from \$144 billion at the end of 2020 to "only" \$130 billion last year.

Source: Chicago Tribune

Second, Gov. Pritzker has repeatedly stated that he will not support any effort to amend the Pension Protection Clause of the Illinois Constitution. That is precisely the change constantly demanded by groups like Wirepoints and the Illinois Policy Institute. The latter, in particular, disseminates anti-pension, anti-union, anti-covid-mitigation, and anti-General Assembly reports and messages regularly. Its proposed "hold harmless" pension reform plan would "not hurt retirees" and is described as follows:

A "hold harmless" pension plan developed by the Illinois Policy Institute can save taxpayers nearly \$2.4 billion in its first year

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and nearly \$50 billion through 2045. The plan is modeled off the 2013 legislation and reduces future benefit growth for current workers and retirees. It still treats benefits earned for work already performed as an inviolable contract. What changes is adjustments can be made going forward to ensure pensions are sustainable and affordable in the long term, with a goal of being 100% funded as opposed to the current state goal of 90%. The plan would replace the 3% compounding post-retirement increase with a measure attached to inflation. This allows the state to fully fund employee pensions and keep its promise to young workers far from retirement. Polling showed 61% of voters across party lines support the plan. Hold-harmless reform is the best chance at controlling Illinois' growing pension debt.

Perhaps I missed the documentation for that final claim about voter support for the plan, but I have to wonder how the poll was conducted, presumably by the IPI. I find its claim of being a "nonpartisan 501(c)(3) research organization" amusing, at best, though it has convinced the IRS that it deserves that tax-advantaged categorization. Third, despite relatively modest participation, the governor and the General Assembly are contemplating extending the pension buyout program to 2026, while borrowing another \$1 billion to fund it. HB4292 passed the House on Feb 24, 2022 and is under consideration in the Senate. Organizations like the IPI that clamor for "pension reform" seem to be unaware of the reforms that already have taken place, notably the Tier II pension plan that has applied to all new-hires since 2011. Yet to be implemented by SURS is Tier III, an optional, hybrid combination of Defined Benefit and Defined Contribution plans, which became law in 2017 as Public Act 100-0023. Implementation of the plan was to be "as soon as possible" for each retirement system. Thus far, only two small Chicago pension systems have implemented Tier III. For your information, in its July 2021 report (starting on page 9) the Commission On Government Forecasting and Accountability summarized the plan's benefits:

Tier 3 Benefit Summary

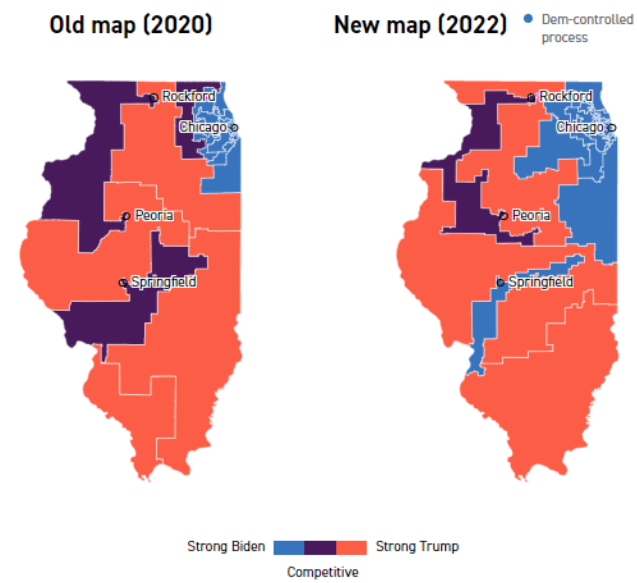
- Retirement Annuity: 1.25% for each year of service credit multiplied by final average salary
- Normal Retirement: determined by Social Security Administration, but no earlier than 67 years of age with at least 10 years of service COLA: Beginning 1 year after annuity start date and equal to 50% of the CPI-W
- Survivor's/Widow's Annuity: 66 2/3% of participant's retirement annuity
- Employee Contribution for the DB component: 6.2% of salary (cannot exceed normal cost)

- Employee Contribution for the DC component: 4% minimum
- Employer Contributions for the DC component: between 2% and 6% of salary o Employer contributions vest when they are paid into a participant's account. o Employee and employer contributions are transferrable into other qualified plans.
- For SURS and TRS o Employer Contribution: DB Normal Cost - Employee Contribution + 2% (expressed as a % of payroll)

I have not been able to determine where implementation of Tier III within SURS stands, but if/when that happens, a comparison of the Tiers will be warranted. Tier II

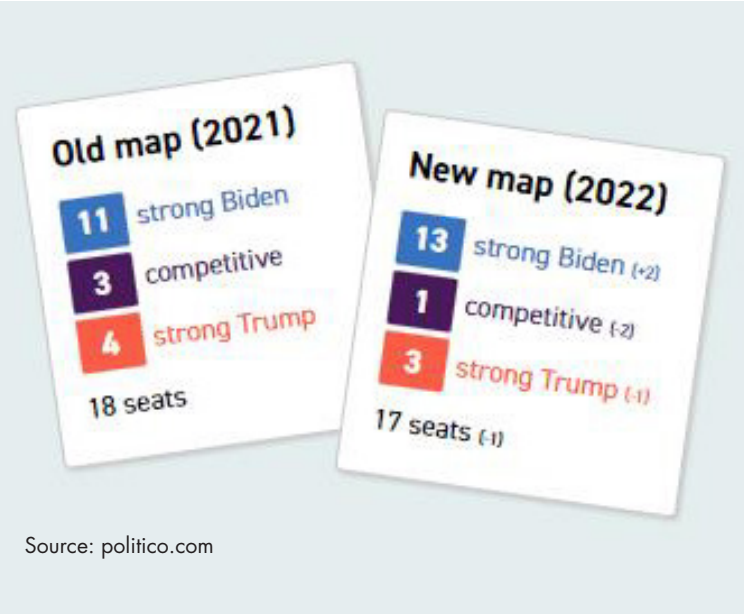
In my last report, I wrote about the 2020 Census. Among my points was this: "While there will be much talk of the evils of gerrymandering, you can expect that those in power in Springfield will do everything possible to maintain, even increase their hold on state government and in DC.... A Federal court invalidated a new map drawn in June and will be looking at another drawn in September." The revised map was challenged as "racially gerrymandered" because it broke up "a cohesive Black community in the East St. Louis area" among other districts. However, a federal court in late December 2021 upheld the map.

The old (2010) and new (2020) maps are shown below, with the 2022 map reflecting the loss of one house seat in Congress due, not to population loss in Illinois, but slower growth than in states such as Texas and Florida. Clearly, Illinois is not a blue state geographically.



(Continued on next page)

The impact on Illinois' Congressional seats is shown in this graphic:



Previously I wrote about the little-known Health Care Right of Conscience Act (HCRCA), which was being used to justify refusal to take the COVID vaccine. The General Assembly did amend the Act (with the governor's signature) to clarify that employers may adopt and enforce measures to reduce COVID spread in the workplace, effective June 1, 2022. Until then, employees can still avoid vaccination for "conscience-based objections." With the constantly changing landscape of COVID, the long-term significance of the amendment is unclear. Source: jdsupra.com

In the interest of keeping our membership informed, I will continue to share the kinds of information provided above and will watch closely for any pension attacks that seem to be gaining traction. We must be prepared to support measures that will be helpful to the state and the pension systems and to fight

In Memoriam

- | | |
|------------------|-----------------|
| Atique Ahmed | Theodore Kisiel |
| Judd Baker | Gary Olsen |
| Georgiann Baird | Sandra Petit |
| James Blair | Antoinette Reed |
| Deborah Blakeley | Mary Reed |
| Donald Buckner | Robert Reeves |
| Robert Buggert | Dolores Rossing |
| Donetta Domina | Edward Schramm |
| Betty Drake | Ina Simon |
| James Fluckey | Barbara Steg |
| Arlene Hampa | Nancy Vedral |
| Lois Harding | John Wrenn |
| Wendell Harris | Gary Ziegler |
| Winifred Holman | |

against proposals that would harm the future well-being of all public employees. If you are not receiving my periodic Google Groups emails with the most up-to-date information, please alert me (jalockard@gmail.com) and I'll be sure you are on my special email list. (There have been no such emails for a number of months now, due to lack of information to share.)

Jim Lockard
Legislative Committee

Nominations Committee Report

Officers/Directors	Person	Started:	2021 - 2022 Term, Year
President	Andy Small	2021 - 2023	First Term, First Year
Vice President	Toni Tollerud	2021 - 2023	First Term, First Year
* Secretary	* Diane Johns	2020 - 2022	First Term, Second Year
Treasurer	Linda Holderman	2021 - 2023	First Term, First Year
Past President	Deborah Haliczzer	2021 - 2023	First Term, First Year
University Liaison	Chris Atherton Doe		

Faculty	Person	Started:	2021 - 2022 Term, Year
	Ferald Bryan	2021 - 2023	First Term, First Year
	Michael Fortner	2019 - 2021	
		2021 - 2023	Second Term, First Year
	* Michael Peddle #	2020 - 2022	First Term, Second Year
	Paul Stoddard	2021 - 2023	First Term, First Year

Staff	Person	Started:	2021 - 2022 Term, Year
	Terry Borg	2021 - 2023	First Term, First Year
	Cynthia Nelson	2021 - 2023	First Term, First Year
	* Holly Nicholson	2020 - 2022	First Term, Second Year
	Clair Williams	2021 - 2023	First Term, First Year

1. * An asterisk signifies that a member’s current term is ending in June. This year, the three members with an asterisk are eligible for election to a second term.
2. # Dr. Peddle also served two years as chair of the Political Involvement Committee prior to his election to a position as a Director on the Board.
3. Directors Nicholson and Peddle would agree to serving a second two-year term. Our Secretary, Dr. Johns, declines a second term as Secretary but is willing to continue to serve as the Newsletter Editor on the Communications Committee.
4. The Nominations Committee proposes a candidate for nomination to the position as Secretary to the Board. Pat Wielert, a chapter member, is a former employee in the College of Education and has extensive experience in the role of Secretary.

2022-2023 Trips and Travel Schedule

Organized by Steven Johnson, Culture and Travel Committee Chair
Director, LA&S External Programming (retired)

Travel Report

By Steven Johnson, Culture and Travel Committee Chair

Our group recently returned after enjoying a visit to Lucerne, Switzerland and a cruise on the Rhine to Amsterdam, where we enjoyed the tulips. The weather cooperated better there than here.

2022 Travel Schedule

- May 30 - June 3: Nashville Show trip
(value trip, \$743)
- June: Alaska and the Yukon
- June: Oberammergau and the Best of Germany
- June 6 - 11: Lancaster & the Dutch Country
(value trip, \$649)
- June 25 - 29: Stratford Festival of Canada
- August 2 - 27: Canada, New England and Iceland
(cruise from Boston)
- Sept 7 - 16: The Best of Scandinavia
(Sweden/Norway/Denmark)
- Oct 15 - Nov 3: Red Rocks to the Rockies
(Rocky Mountaineer and National Parks)
- Dec 3: Christmas Shopping trip
(\$20.22)

2023 Schedule

- Jan 5: Panama Canal Cruise
- Jan 30: Circle Hawaii Cruise
- March: India and Nepal
- Oct: Colorado Historic Trains



Group photo at statue in Klobenz, Germany.



Where in the world is Steven?

Benefits Choice Update

Representatives from the University Benefits Committee met with the State recently and learned that we will not have any new plans or providers this year. Like last year, Medical and Dental rates will increase and there will be some plan design changes such as increases in prescription copays.

Terry Borg, Benefits Committee Chair

Audit and Finance Committee Update

On January 13, 2022, the Audit and Finance Committee members completed our annual audit of the Association’s financial statement for the year ending December 31, 2021.

We found the statement fairly reflected the financial activity of the association. As of the end of 2021, the cash balance totaled \$34,708, comprised of \$8,114 in the association’s checking account and four certificates of deposit totaling \$26,594. The committee's complete report can be found on the association’s web page.

Audit and Finance Committee
Clair Williams, Chair
Al Mueller
Mike Fortner



Dam Square, Amsterdam.

Please Join Us!

NIUAA Annual Meeting

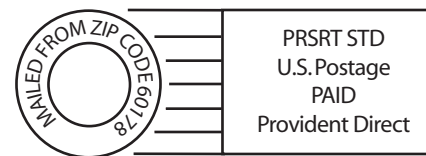
Wednesday, June 15

1:00 pm to 3:00 pm

Skyroom on NIU Campus

Holmes Student Center

NIUAA Officers and Directors in Transition
June 2022 – Nominations for Election for 2022 - 2024 Term



NIUAA 2022-2023 Officers, Directors, and Committee Chairs

Officers

President	Andy Small	1512 N 1st St, DeKalb, IL 60115	(815) 762-5971	asmall2@niu.edu
Vice-President	Toni Tollerud	1622 Carlisle Lane, DeKalb, IL 60115	(815) 501-4784	tonitollerud@gmail.com
Treasurer	Linda Holderman			lholderman1@niu.com
Secretary	Diane Johns	226 Windsor Dr., DeKalb, IL 60115	(815) 758-6259	ladybugdgj@aol.com
Past President	Deborah Haliczzer	108 McCormick Dr., DeKalb, IL 60115	(815) 739-1487	dhhaliczer@gmail.com

Directors

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TBA

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Cynthia Nelson
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