NIUAA Annual Meeting Minutes
June 6, 2018

Call to Order and Welcome: Lynn Neeley opened the meeting at 3:32 pm

Approval of Agenda: Motion made to accept agenda by Joe Grush, seconded by Clair Williams, and carried.

Approval of Minutes from June 2017 Meeting: (Lynn Neeley noted that the original ones were draft and were available online.) Lynn Neeley noted a correction to her last name. Motion to accept minutes as amended made by Robert Self, seconded by Norden Gilbert and carried.

Introductions: Lynn Neeley, President, asked officers, chairs and board members that were present to stand and be recognized.

Treasurer's Report: Report made by Al Mueller
Changed our bank account and moved to First National Bank and posted our statement on the website. We have changed to having 2 years of totals so that they can be compared. Another change was to separate amounts so they were easier to read. We had a CD that expired and the one CD was reinvested into 2 at almost double the rate than we had before.

Committee Reports
  Audit: Report made by Clair Williams
  Gave statement that they met with the treasurer on February 21, 2018. Committee consists of Linda Holderman, Sara Lamberty, and Clair Williams.

  Culture & Travel: Report made by Steve Johnson
  Alaska trip is happening for the 10th time on June 13. Information on upcoming trips is available. December trip to Chicago will also include a trip to the Book of Mormon.

  Education: No report

  Legislation: Jim Lockard out of town and did not have a report

  Social: No report

  SURS Board: Report submitted by John Engstrom who was at a SURS meeting
  Report was sent to Lynn Neeley who went over the report and is attached to these minutes. Make sure to check the SURS website often for updates and information – www.surs.org.

Election of Officers and Directors: Deborah Haliczer presented the slate of nominees.
Background of Nominees: We had one officer position and three director positions open and they have agreed to be renewed. Deborah gave a synopsis of the slate of candidates.

Officers: Chris Atherton, Secretary

Directors: Norden Gilbert, Charles Miller, Leroy Mitchell

Vote on Slate of Nominees: Motion made by Lois Self, seconded by Jeanette Biava, and carried. All nominees were approved.

Appreciation Award: Steven Johnson presented the awards this year, in place of Jim Lockard who couldn’t be here. Representative Robert Pritchard, Joseph Grush, Jerry Meyer, Carole Minor, Margaret Phillips were recipients.

Presentations

Catherine Squires, President and CEO of NIU Foundation: Lynn Neeley thanked Catherine for her support over the past year. Catherine talked about the importance of philanthropy as well as update on University Advancement and the Foundation. Catherine also talked about the importance of unrestricted funds.

Matthew Streb, Liaison to NIUAA and the President’s Office and Chief of Staff, Office of the President: Matt thanked Bob Pritchard for his full support of the university. We are entering FY19 with a budget with a 2% increase over FY18, still down 8%. Matt talked about the great things happening on campus – the Stevens Building is open after being renovated, the Library is in the process of an addition in the lower level, and the Holmes Student Center is starting renovations now. Matt also highlighted the Presidential Search. Matt then opened the floor to any questions.

Robert Pritchard, 70th District Representative: Representative Pritchard highlighted areas from this past legislative term, particularly in the last 2 weeks. Highlights included a new program called AIM High, which is a state matching grant as well as the 4-year MAP prioritization.

Parking Update: Report by Michael Rothamer
A reminder that parking permit renewal is happening now. There is no change to the $10 fee for retirees.

Concluding Remarks: Lynn Neeley gave a few short remarks.

Attendance: Count was 55 in attendance

Adjournment: Motion to adjourn made by Clair Williams, seconded by Robert Self, carried and adjourned at 5:05pm.
Respectively submitted by Christina Atherton, Secretary, NIUAA Board
Report of the Audit Committee at the Annual Meeting

The Association’s Bylaws call for the Audit Committee to conduct an annual audit of the records of the Treasurer. The committee consisting of myself, Linda Holderman, and Sara Lamberty met with the treasurer on February 21, 2018 and issued a report of the same date which outlined our work and belief that the Treasurer prepared statement, which has now been published, fairly reflected the association’s financial activity.

I thank the members of the committee for their service and on their behalf express our appreciation for the treasurer’s cooperation and openness to suggestions.
I won’t be able to attend the NIUAA Annual Meeting this year due to a conflict with the June SURS Board Meeting. Here is a report that summarizes some of the activities that have taken place since last year.

1. The fiscal year-to-date earnings are 7.7% from July 1, 2017 through April 30, 2018. The assets are $19.01 billion and the present value of the liabilities for benefits is $42.94 billion, resulting in unfunded liabilities of $23.93 billion. The market value funded ratio is 44.3%, about the same as the $44.2% at the beginning of the fiscal year.

2. Board elections were held in the Spring, and Steve Rock of Western Illinois University was re-elected and Collin VanMeter of SIU Edwardsville was elected for the first time, both as Active Members. I was automatically re-elected as Annuitant Trustee since no one else qualified.

3. The Board selected a new Investment Advisor, Pension Consulting Alliance (PCA), for the defined benefit plan. A separate advisor will be selected for the defined contribution plan. We are in the process of preparing a new asset allocation with the help of PCA. In terms of investments, this is the most important thing we do.

4. A number of senior staff have retired, and they have been replaced. This includes the Chief Financial Officer, the Chief Benefits Officer, and the Chief Technology officer.

5. The legislature passed a number of bills that will impact SURS. I’m sure Jim Lockard and Rep. Prichard will report more detail on the legislation. SURS is required to offer buy-outs to inactive, vested members at 60% of the present value of their future benefits. SURS is also required to offer buy-outs to Tier 1 active members at 70% of the difference between the 3% increments and increments at 1 and ½ percent. Legislation also requires the campuses to pay benefits related to last-minute raises of 3% (the amount was previously 6%. Also, legislation requires that SURS offer a supplemental
defined contribution plan to certain employees. All of these will require considerable work by SURS staff. None of this will affect annuitants.

6. For those of you who are active employees and who anticipate retiring on the money purchase plan, the effective rate of interest will change on July 2, 2019. You should check the detail in the article in the SURS Advocate found on the SURS website.

7. I urge you to access the SURS website (SERS.org). On that website is a copy of the Advocate, the article on the money purchase change, several other articles, and a copy of the Comprehensive Annual Financial Report.

I look forward to continuing representing you on the SURS Board.

John Engstrom