

NIUAA Board of Directors Meeting, Wednesday, March 8, 2017
Human Resources Building, Room 100, 11:00 AM

Call to Order – 11:00

Attendance – Chris Atherton, Ferald Bryan, Sara Clayton, Cathy Cradduck, Norden Gilbert, Michael Gonzales, Joe Grush, Deborah Haliczer, Steven Johnson, James Lockard, Chuck Miller, Lynn Neeley, Margaret Phillips, Alan Voelker, Dan Wunsch

Lynn Neeley introduced John Hulseberg as a guest and hopeful new board member.

Approval of the Agenda with the following revisions: Report on SUAA Meeting replaces item on Town Hall Meeting; Jim Lockard will also have a brief comment from the Awards Committee. Motion to accept as revised made by Sara Clayton, seconded by Norden Gilbert, and carried.

Approval of Minutes of December 14, 2016, Board Meeting – Motion to accept was made by Norden Gilbert, seconded by Dan Wunsch, and carried.

President's Report

Joe Grush noted that Chicago and Springfield newspapers daily report on drastic actions that Illinois universities must take to address budget reductions in state funding and student tuition. Hiring freezes, furloughs, layoffs, and program eliminations are all being used to address the budget crisis. NIUAA is not immune to this problem. When NIU loses funding, it cannot support NIUAA at levels it provided in the past. At our last meeting, for example, Joe indicated that President Baker would no longer be able to provide a sit-down dinner and open bar for NIUAA members following our annual meeting in June.

In several meetings, Catherine Squires who is the new Executive Director of the NIU Foundation indicated that the Foundation would no longer be able to underwrite the full costs of NIUAA's newsletters. As Executive Director Squires put it, "If I can no longer afford to print and distribute my own newsletter, *Northern Today*, I can hardly afford to print and distribute NIUAA's newsletters." At the same time, various NIU division heads have warned Joe that free access to NIU facilities for meetings and outlets for messaging might have to give way to some sort of usage fees.

As disconcerting as these developments are, we should be encouraged that NIU administrators clearly indicate that they want to continue to support NIUAA, albeit at a reduced level. President Baker, for example, will sponsor a cocktail hour and cash bar following our annual meeting in June. Executive Director Squires will partner with us in sharing the cost of producing and distributing at least two news-letters a year. Acting Vice President for Facilities, John Heckman, is now in the process of determining which facilities and outlets we can use for free and which ones will charge modest fees for their usage.

In the most difficult of budget times, we are indeed fortunate that the highest ranking administrators at NIU remain committed to supporting NIUAA members and our programs.

Treasurer's Report

Betsy Hull could not attend today's board meeting but left a report for Joe Grush to distribute and explain. With few transactions since her last report, Betsy thought the financial conditions of NIUAA could best be communicated by the report our Treasurer has to submit to SUAA each year. As you can see from that report, NIUAA 2016 receipts (\$23,342) slightly exceeded its 2016 disbursements (\$22,874). The clearest testimony of NIUAA's financial health is to note that balances in our checking and savings accounts are \$13,721 and \$10,233, respectively.

Motion to accept report was made by Norden Gilbert, seconded by Chuck Miller, and carried.

Ongoing Committee Reports

Benefits: Sheri Spear could not attend today's meeting, but she left a report with Lynn Neeley. The report noted two concerns that the committee was in the process of investigating. One concern was the impact that collective bargaining agreements might have on employee benefits. The other concern focused on possible changes to parking fees. There is nothing more to report, however, because the committee is still seeking information on these matters.

Culture/Travel: Steve Johnson reported that NIUAA members just returned from a successful safari trip to Tanzania. During the trip, the group delivered several suitcases full of books to a school Professor Kurt Thurmaier (Public Administration) has been supporting for years. Steve also distributed a list of travel opportunities for the rest of 2017 as well as the first part of 2018. Lastly, Steve encouraged board members to recommend any trips our members might enjoy.

Education: Debbie Haliczer reported that her main focus has been on obtaining a table at NIU Wellness Fair: 10:00 to 2:00 on March 29 in the Duke Ellington Ballroom. To comply with changes for exhibitors, Debbie has prepared an activity that fair participants can enjoy and will provide forms that people can use to join SUAA/NIUAA. Board members who are willing to help at the fair should let Debbie know. She will offer some pre-retirement workshops this spring.

Awards: Jim Lockard – will be sending an email regarding the awards. The committee is Jim, John Engstrom, and Lee Ann Henry—the last three recipients of the award.

Legislation: Jim Lockard gave a status report on 13 bills that make up SB11. Jim noted that 5 bills have passed for (a) government consolidations, (b) funding of Chicago teacher pensions, (c) casino expansions, (d) the procurement code, and (e) FY17 funding for universities. Eight other bills are pending or have been referred back to committee. Jim also said that all 13 bills must pass together or be defeated. Jim then asked Joe Grush to comment on the pension reform bill.

Joe indicated that this bill forces employees to choose between two bad alternatives. One choice involves (1) a 10% refund of past contributions, (2) a reduction from 8.0% to 7.2% for future contributions, (3) counting future raises in final rate of earnings (FRE), (4) limiting automatic annual increases (AAI) to half the rate of inflation (5) but not compounded, and (6) waiting until age 67 or 5 years after retirement to receive an AAI. The other choice allows retirees to (1) keep 3% automatic annual increases but (2) freezes FREs at current levels. **If this bill were to become law, SUAA/NIUAA is likely to contest it in court.**

Membership: Cathy Cradduck reported that our membership count continues to float slightly above or below 1,860. While SUAA recently updated its files, Cathy said major holes remain in its lists. People who joined SUAA/NIUAA through payroll deduction in November, for example, are still not on SUAA's list. Others have asked Cathy or Pat Vary why they are not receiving NIUAA newsletter even though they are paying dues. Joe will pursue these issues at SUAA Executive Committee meeting on March 24.

Nomination: After those being nominated left the room, a list of nominees for officers and directors positions was distributed. Nominees for officers are: Lynn Neeley (President), Deborah Haliczer (Vice President), and Al Mueller (Treasurer). Nominees for directors are: Ferald Bryan, Michael Gonzales, John Hulseberg, Toni Tollerud, and Clair Williams.

Motion to endorse this slate was made by Chuck Miller, seconded by James Lockard, and approved by the board. Information on the nominees will be distributed at the annual meeting before members vote on them.

Social: Margaret Phillips indicated that 45 members attended the coffee hour at Faranda's on February 12. Margaret also announced that the NIU Foundation will be sponsoring a coffee hour for members on Monday, April 17, at the Alumni Association Building on Annie Glidden Road. The Foundation will also provide coffee, tea, and pastries during the social gathering that will last from 9:30 to 11:00. Parking is available behind the Alumni Association Building.

SUAAAction: Alan Voelker reported that the NIUAA chapter contributed the third greatest amount of money of all 52 SUAA chapters for political action in 2016. The only chapters to contribute more than NIUAA were the University of Illinois in Chicago and the University of Illinois in Champaign-Urbana. Because SUAAAction is now compiling data on the 2016 campaign, Alan encouraged board members to tell him of any information they might want to obtain.

SURS Report: John Engstrom could not attend today's meeting because he has a two-day SURS meeting in Champaign. Nevertheless, he asked Joe Grush to report the most recent financial figures for SURS. For this fiscal year that started July 1, SURS has earned 5.7 percent on its investments. SURS has a market funding ratio of 41.1 percent. In terms of total assets, SURS has 17.31 billion dollars. While John did not say so, Joe Grush indicated that SURS' rates of return and funding ratios have been the highest of the five Illinois pension systems.

SUAA Foundation: John Engstrom's report indicated that a program to provide emergency assistance for members will soon be available. This program will provide limited assistance to members experiencing temporary financial distress. Chapter presidents can nominate members for consideration, but the member's chapter also has to provide some support (e.g., \$500). If anyone knows of a member of ours who is in need, please talk to Joe Grush about the person.

Old Business

Joe Grush stated that he has yet to receive any nominees to serve on NIU's Benefit Committee or the SUAA Foundation Board. If appointed by the new president and confirmed by the new board, however, Joe has agreed to relieve John Engstrom from his long-standing service on the SUAA Foundation Board for one year. At the same time, Joe is hoping that some other board

member will volunteer to relieve Sheri Spear of her long-standing service on the NIU Benefits Committee

New Business

Joe Grush indicated that--unless there were consensus to the contrary—he would reduce the time for the annual meeting in June from 2.0 hours to 1.5 hours. Joe also asked the Board for input as to who should speak at the annual meeting. More specifically, Joe indicated that he planned to give our two official sponsors—President Baker and Director Squires—an opportunity to make brief presentations to our members as well as to answer a few questions from them. In the past, Representative Pritchard has also spoken at the meeting.

Joe then asked the Board for input on the reduced time allotted for the meeting as well as whom should be invited to speak. While no official vote was taken, the consensus of the Board was that it would be okay to shorten the annual meeting to 1.5 hours and to invite President Baker, Executive Director Squires, and Representative Pritchard to speak.

Adjournment – 12:30pm: Moved by Lynn Neeley, seconded by Sara Clayton, and carried.

Meeting Months: September, December, and March. Place: HR Building. Time: 11:00 a.m. to 12:30 p.m.