



MINUTES

**Meeting of the Governmental Affairs Committee
of the Board of Trustees of the
State Universities Retirement System
10:10 a.m., Friday, December 10, 2010
Northern Trust, 50 South LaSalle Street
London Room B9, Chicago, Illinois 60603**

The following Trustees were present: Dr. Marva Williams, Chair; Dr. Jeffrey Beaulieu, Mr. Matthew Berns, Ms. Patricia Cassidy, Dr. John Engstrom, Mr. Fred Giertz, Ms. Carrie Hightman, Ms. Dorinda Miller, Mr. Antonio Vasquez and Mr. Mitchell Vogel.

Others present were: Mr. William Mabe, Executive Director; Ms. Judith Parker, Associate Executive Director; Mr. Daniel L. Allen, Chief Investment Officer; Mr. Douglas Wesley, Deputy Chief Investment Officer; Ms. Stefanie Rice, Executive Assistant; Ms. Mary Pat Burns of Burke, Burns & Pinelli; Ms. Patti Somerville-Koulouris of The Northern Trust Company; Mr. Steve Zahn, Governmental Consulting Solutions; Mr. Jake Baggott of the State University Retirement System Member Advisory Committee (SURSMAC); Ms. Linda Brookhart of State Universities Annuitant Association (SUAA).

Roll call attendance was taken. Trustee Beaulieu, present; Trustee Berns, present; Trustee Cassidy, present; Trustee Engstrom, present; Trustee Giertz, present; Trustee Hightman, present; Trustee Miller, present; Trustee Rogers, absent; Trustee Vasquez, present; Trustee Vogel, present; Trustee Williams, present.

Trustee Williams called the meeting to order at approximately 10:10 a.m.

APPROVAL OF MINUTES

Trustee Williams presented the Minutes from the Governmental Affairs Committee meeting of September 3, 2010. Trustee Beaulieu moved that:

- The Minutes from the September 3, 2010, Governmental Affairs Committee meeting be approved as presented.

Motion seconded and carried with all Trustees present voting in favor.

CHAIRPERSON'S REPORT

Trustee Williams noted the Governmental Affairs Committee convened yesterday for the purpose of interviewing legislative liaison candidates. Trustee Williams informed that a contract will be offered to Governmental Consulting Solutions. Other lobbying firms will be interviewed in January to complement the services of Governmental Consulting Solutions. Other items for the January meeting include the review of legislative strategies for 2011 and the legislative outreach event for March 15 and 16, 2011, in Springfield. Trustee Williams recapped the organization's communication strategy.

LEGISLATIVE UPDATE

Mr. Steve Zahn provided a legislative update and indicated that a bill tracker will be provided to each of the Trustees. He presented the status of House Bill 1566 which requires the system to recertify the Fiscal Year 2011 contribution and well as a status on the trailer bill Senate Bill 550 which allows the system to administer the benefit reform changes adopted in Public Act 96-889. Mr. Zahn reported that the bond bill has not been called for a vote. He recapped the November election results and what impact they had on the pension systems. Mr. Zahn advised that they continue to educate the legislature and have developed some educational materials. Mr. William Mabe indicated that educational material packets will be sent to the Trustees for their review. He also provided an update towards building a campaign for funding.

A copy of the Legislative Platform is made a part of these Minutes as [Exhibit 1](#).

SURS RULEMAKING

Ms. Mary Pat Burns presented and discussed the draft Board of Trustees Election Rules. She recapped the effects P.A. 96-006 had on the composition of the SURS Board of Trustees. She noted the next election will take place in June 2012. Discussion regarding the rules followed. Ms. Burns reviewed the approval process of the proposed changes. The Board of Trustees Election Rules were tabled until the February 2011 Committee meeting date.

Trustee Williams and Ms. Burns presented the January 2011 Regulatory Agenda. Ms. Burns advised that this agenda is filed twice a year, January and July. The agenda notifies JCAR of potential items that may need addressed for the year. The regulatory agenda is not binding to the Board or staff.

Trustee Vogel moved that:

- The Regulatory Agenda be approved as presented.

Motion seconded and carried with all Trustees present voting in favor.

A copy of the SURS January 2011 Regulatory Agenda is made a part of these Minutes as [Exhibit 2](#).

UPDATE FROM SURSMAC

Mr. Jake Baggott presented an update from the State University Retirement System Member Advisory Committee (SURSMAC). The purpose of SURSMAC is to review legislative and benefit issues. He reviewed the events within the SURS organization for 2010. He mentioned his third nomination and re-election as Chair of SURSMAC and Ms. Janet Davis' nomination and re-election as Vice Chair. Mr. Baggott acknowledged his appreciation for Ms. Judy Parker's contribution to the system as Interim Executive Director.

A copy of a Report to SURS Board of Trustees from Mr. Jake Baggott is made a part of these Minutes as [Exhibit 3](#).

UPDATE FROM SUAA

Ms. Linda Brookhart provided an update from the State Universities Annuity Association (SUAA). She noted legislation that will allow Chicago City Colleges to participate in the College Insurance Program. Joliet Junior College is establishing an advisory committee to assist Central Management Services with making decisions towards the College Insurance Program. Discussion followed regarding the SUAA Legislative Platform.

A copy of a letter to the SURS Board of Trustees dated November 29, 2010, is made a part of these Minutes as [Exhibit 4](#). A copy of the SUAA Legislative Platform for 2011 is made a part of these Minutes as [Exhibit 5](#).

INFORMATIONAL ITEMS NOT REQUIRING COMMITTEE ACTION

The following items were provided for reference and are incorporated as a part of these Minutes:

1. [Exhibit 6](#) - Memorandum from Ms. Judy Parker to the Board of Trustees entitled "Tier 2 Legislative Implementation Update."

There being no further business to come before the Committee, the meeting adjourned.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "William E. Mabe".

Mr. William E. Mabe
Secretary, Board of Trustees

WEM:ssr