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**UNIVERSITY OF ILLINOIS URBANA-CHAMPAIGN SENATE**

State Universities Retirement System Members Advisory Committee  
(Final; Information)

**SUR.20.01 Report on SURSMAC\* Meeting November 15, 2019**

SURSMAC held its Fall Meeting at the State Universities Retirement System (SURS) headquarters in Champaign, Illinois, beginning at 10 a.m. on November 15, 2019. Those attending were welcomed by Roger Spayer, SURSMAC Chair. The agenda included SURS updates and the Annual Meeting of SURSMAC.

The first speaker was Executive Director Martin Noven. He discussed several issues that he presented in his article “Adding Options, Maintaining Outstanding Service” on page two of the July 2019 issue of *The Advocate* newsletter from SURS. These will include revamping the Self-Managed Plan, creating a new supplemental plan open to all members, and a new supplemental plan for Tier II members to enhance their future monthly retirement income. They are also creating additional tools to help new hires make their initial plan election.

He also described the actions they are taking given that the expiration date for the two optional buyouts plans being offered by the state has been extended through 2024. Of particular interest is the new tool available on their website allowing individuals to compare their lifetime monthly benefit against the value of the voluntary buyout. It will show the estimated total dollar amount an individual would be giving up by electing a buyout. As he noted, it is the fiduciary obligation of the SURS to provide the most accurate information to help those eligible to make the best decision for their long-term financial benefit.

The second speaker was Doug Wesley, the Chief Investment Officer, who provided an investment update. As of September 30, 2019, the SURS investment performance for the year of 12.1% was similar to SURS’ market goal as had been the case for each longer interval reported from three years to 20 years). The funding ratio is 44%. He noted that they had effectively implemented their Manager Diversity Program with MWDB (Minority-, Women-, and Persons with Disability-owned business) managers representing 33% of all managers and managing 33.9% of the total fund. He concluded by discussing some of the steps being taken to change the composition of the SURS investment portfolio.

The final speaker was Kristen Houch, Legislative Liaison, who presented a legislative update. She noted that (a) the FY 2020 budget included the \$1.855 billion certified contribution required under Illinois law and (b) the bill repealing retroactively eliminating the “6% to 3% Rule” was passed so that the University’s pension liability during the period of time used to calculate an employee’s pension would be for salary increases exceeding 6% rather than 3%.

When asked about the status of “Tier III” she noted that though it was the law, it could not be put into effect until clarifications had been made.

Chair Spayer thanked the speakers for their presentations and called the SURSMAC Annual Meeting to order. The minutes for the May 9, 2019 meeting were approved as amended. Larry Curtis, SURS Employer Services Manager, presented a summary of the SURSMAC Member Survey. A majority felt that SURSMAC was important and a good use of their time but felt that there could be improvements in its operations. There was a discussion of what steps might be taken to improve the effectiveness of SURSMAC. The final action of the Committee was to elect as officers for the next two years Roger Spayer to serve as Chair and Melanie Lewis to serve as Vice Chair.

There being no further new business, the meeting was adjourned sine die at approximately 12:15 p.m.

Respectfully Submitted, H.F. (Bill) Williamson, John Kindt, UIUC Senate Representatives

\* SURSMAC is the State Universities Retirement System Members Advisory Committee to the SURS Board of Trustees. Members are faculty and staff representing the various institutions and agencies affected by SURS: public universities, community colleges, state surveys, and retiree organizations. It normally meets twice a year in Champaign, Illinois.