

MINUTES OF 14 October 2015

ARIZONA STATE UNIVERSITY RETIREES ASSOCIATION

BOARD MEETING

Board Members Present: Barry Bruns, Bev Buddee, Larry Carlson, James Fordemwalt, Bob Francis, Karen Hammann, Joyce Hartman Diaz, Jo Madonna, Larry Mankin, Jeannette Robson, Barbara White, Hal White.

Board Members Absent: Glenn Irvin, Ruth Kingsley, Trudy Perez, Jan Thompson.

Ex-Officio Members Present: Katie Aguilar.

Committee Chairs Present: Sue Blumer, John Brock, Jeri Meeks, David Scheatzle, Dave Schwalm.

Executive Staff Present:

Guests Present: Alan Johnson, Steve Ramos, Thomas Schildgen, Linda Somo.

I. Call to Order

Jim Fordemwalt called the meeting to order at 10:04 a.m.

II. Introductions and Welcome to Guests

Jim welcomed the Board members, staff, and guests.

III. Adoption of Today's Agenda

MSPassed to adopt the 14 October 2015 Agenda.

IV. Special Presentation by Government Liaison

Jeri Meeks introduced guest speakers Steve Ramos and Linda Somo (bios attached) from the Arizona Education Association (AEA) to discuss the legislation proposed by ASU and the Arizona Board of Regents that would move ASU employees out of the Arizona State Retirement System, a defined benefit plan, into a defined contribution plan. Upside for ASU is reduced cost.

The speakers pointed out that a **defined benefit plan** provides a retirement income for the life of the participating retiree and 0% of the investment risk. Additionally health insurance options are also available to state retirees at group rate costs. A **defined contribution plan** has NO assurance that funds won't run out before the life of the retiree and the participant bears 100% of the risk associated with the investment strategy of the investment company as well as 100% of the fees associated with the defined contribution plans. An abbreviated version of the video, [Frontline:](#)

The Retirement Gamble, was shown that speaks to the costs associated with the defined contribution plans. The Board was urged to watch the video in its entirety on the web.

Currently ASRS is 76% funded and has 24% liability. This liability was caused by the downturn in the economy. ASRS estimates a liability of removing ASU employees at \$66M. Who pays? ASRS members, ASRS employers, and ASRS retirees via lower cost of living increases. ASU owes \$30M to the fund. If the legislation passes, it is suspected that ASU will push to pay the \$30M over time where ASRS would seek the funds upfront. AEA lobbyists are working with “friendly” legislators and moderate republicans to defeat the legislation or, if it passes, to receive those funds in a lump sum.

The speakers pointed out that both Utah and West Virginia moved to defined contribution plans and found the system to have failed. Utah has noticed an increase in the cost of social services to retirees who have outlived their retirement incomes.

V. Review and Approval of the Minutes of 09 September 2015 Board Meeting

Draft Minutes of 09 September 2015 were inadvertently excluded from distribution of Board Materials. Approval of the September Minutes was moved to the December meeting.

VI. Financial Report / Treasurer’s Report - Barry Bruns

Barry Bruns spoke briefly on the Cash Reserve Analysis. He noted that the reserves are diminishing. Currently expenses exceed income so income needs to increase whether by increased membership or fund raising functions or both. Following a Finance Committee meeting, an additional report will be given at the December meeting.

VII. Ex-Officio Reports (5 minutes or less please)

- **ASU Alumni Association – Rhonda McClintock**
No report.
- **Emeritus College Liaison – Elmer Gooding**
No report.
- **Human Resources - Sheree Barron or designee**
No report
- **University Club Liaison - Jim Fordemwalt**
Jim reported that the ASURA is the host of the Tri-University Meeting in November. Due to a high bid cost from the University Club, the event was confirmed at the Memorial Union. Tom Schildgen, President of the University Club Board, said internal discussions had ensued at the University Club about the importance of this event and how better to bid future ASURA events. Tom urged ASURA to keep them in mind for future events.
- **University Liaison – Barbara Shaw-Snyder or Abby Polito**
No report.
- **University Senate – TBD**
No report.
- **University Staff Council – Katie Aguilar**
Katie informed the Board that the first University Staff Council meeting is later today. A report will be given at the December meeting.

VIII. Standing Committee Reports (5 minutes or less please)

A. Community Outreach Committee - Subcommittee Reports

- **Adopt-A-Family - Joan Leard**

No report.

- **Scholarship Committee - Sue Blumer, Joy Shearman**

Sue reported that this year's recipient, Kazuko Niimi, is very appreciative of the scholarship.

Since the Board approved the funding for the 2015-2016 scholarship at the October Board Meeting, the webpage has been updated to reflect the new information. The Scholarship Office has been able to create a portal to the ASURA Scholarship webpage enabling students to easily access the information.

- **Video History Project – Dave Scheatzle**

Dave reported that the process of uploading the Video History files to the library archives continues. He asked the Board for recommendations of potential interviewees for the Video History Committee to consider.

B. Events Committee & Subcommittee Reports

- **Events Committee Coordination – Barry McNeill**

No report.

- **Luncheons & Special Events – Joyce Hartman Diaz**

Joyce reported that there were 80 registrants but only 40 people who attended the September Meet and Greet event. The Committee is considering ideas to avoid this situation next year.

The Pre-Retirement Seminar was a huge success with 49 people attending the event. The attendees loved the on-campus location and the topic of financial planning. Much interest was shown in the ASURA.

Fall Luncheon information will be disseminated soon. The date is Friday, November 13 at Shalimar Golf Club. Mike Chamberlain is the entertainer, and the cost is \$22pp for a 3 course lunch.

- **Seminars – Jan Thompson**

Karen Hammann reported for Jan Thompson that the Committee had met and plans were underway for the spring seminars. The Committee sought the Board's advice for adding a second seminar to the January schedule to which the Board had no objections.

The Oct. 22 seminar on Health Care will take place at the Tempe History Museum from 10:00 AM to Noon. The 3 speakers represent AARP, ASRS and ADOA. There are 80+ folks signed up to attend.

The spring seminar schedule is: Jan. 14 – Volunteerism; Jan. 28 – Sleep Seminar; Feb. 18 – Wills, Trusts and Probate; and March 17 – Scammers. Invitations to present at the sleep seminar will be extended to ASU and Mayo faculty.

- **Travel – John Brock**

John reported that the Dolly Steamboat trip to Canyon Lake had been cancelled due to lack of participation by the deadline set by the travel company.

The Spirit of Phoenix Chorus: Harmony for the Holidays program is scheduled for 05 December from 2-6 PM at Mesa Skyline High School.

Other upcoming events include a Grand Circle trip to Cuba in March, tour of Tovrea Castle in April, and a potential "check it out" trip to the ASU Downtown Campus.

A survey seeking travel suggestions from ASURA members will be going out.

C. Finance Committee – Barry Bruns

No report.

D. Book Collection – Mary Stevens

No report.

E. Government Liaison Council

• **ASRS General – Larry Carlson**

Larry indicated he plans to meet with today's guest speakers to get further information on the proposed change in retirement pension plans of ASU and the effect it would have on ASRS.

• **Legislature – Hal White, Jeri Meeks**

Jeri reported that the ASRS External Affairs Committee meeting in October has been cancelled; the next meeting will be held in November.

Jeri indicated that she will keep track of AZ House and Senate bills and will keep the Board informed; she will seek the Board's advice as to which bills to watch most closely. One bill of particular importance for tracking is SB1379: ASU; Public Enterprise University– Arizona State University is designated "the Arizona Public Enterprise University " (defined) and the Arizona Board of Regents is authorized to modify the governing structure of ASU to reestablish it as an autonomous, quasi-public, nonprofit corporate entity. ASU is authorized to establish its own personnel system and its own health insurance plan for employees.

Larry Carlson and Jeri will work on an article regarding updates on legislative bills and related meetings for the *Prime times* and submit to Jeannette

F. Health Insurance Liaison Council

• **ADOA – Larry Carlson**

Open enrollment is upcoming.

• **ASRS – Joyce Hartman Diaz**

G. Membership and Communications Committee – Subcommittee Reports

• **Membership Update – Dave Schwalm**

Dave mentioned that membership had increased by 59 new members following a 3rd membership solicitation. The new membership figure is 489. Discussion ensued about the need to increase membership and retain existing members.

• ***Prime Times* – Wilma Mathews, Jeannette Robson**

Jeannette reported that the deadline for article submission for the Fall edition of *Prime Times* is November 18.

• **Obituaries – Becky Reiss**

No report.

• **Web Site and Database – Connie McNeill**

No report.

IX. Unfinished Business

- **Report on 22 September Faculty/Staff Fair – Jim Fordemwalt, Jeri Meeks**

The Faculty/Staff Fair was a very successful event with lots of interested folks stopping by the ASURA table. While many questions revolved around retirement basics from ASU and ASRS/ADOA benefits, interest was also shown in the Retirees Association.

Jeri noted the need to resupply some of the “give-aways” and was reassured there was a \$1,000 line item in the budget to support the resupply.

X. New Business

- **Government Liaison Council - Legislation**

Hal White indicated his continued interest in serving on this Council.

- **Suggestions for Annual Keynote Speaker**

Jim asked the Board for suggestions for a speaker at the April Annual Meeting. Suggestions included Mike Chamberlain, Pat McMahan, Channel 8, Dean Callahan from the ASU Cronkite School, ASU faculty of interest, and Kyrsten Sinema. Jim will work on lining up the speaker.

- **ENews Reports**

Jo Madonna mentioned that she sends out ENews blasts to the membership and expressed a need for 2 topics for this month’s edition. Joyce indicated she would provide the information on the Fall luncheon and seminar dates. A reminder for the benefits Open Enrollment dates was also suggested.

XI. Announcements

- Next Meeting – 09 December 2015

XII. Meeting Adjournment

Jim Fordemwalt adjourned the meeting at 11:26 a.m.

Steve Ramos

I was born in Indiana. I Contracted polio at age 2 and moved with my family to Arizona at age 3. I Attended Tempe Elementary schools and graduated from Tempe Union High School in 1968. I Attended ASU from 1969-73, earning a BA in History and Art. In 1974 I was married to Donita Ramos and I was hired to teach social studies at Mesa High School in Mesa Az. I taught psychology, government and politics and started the MHS soccer team, coaching for 10 years. I retired from Mesa High after 32 years in the classroom. I have been a member of the National Education Association since college and continue to serve on the board of the Arizona Education Association Retired. I have been the Arizona State Retirement System coordinator for the AEA Retired for the past 9 years.

I worked for ASU in the Property Control Department, while attending college. My father worked for ASU in the Engineering Dept. My mother worked at ASU in the Foreign Language Department and my wife worked at ASU in the Engineering Copy Service.

Linda Somo

Linda Somo retired from her counseling position in the Mesa Public School District in 2000 after a 29 year career as an English teacher and counselor. She received her Bachelor's Degree from Youngstown State University, and a Master's from ASU in 1976. Linda served 6 years as president of the AEA-Retired association, and is currently the past-president. While working in Mesa, she served as president of the Mesa Education Association, and has served many years on the Arizona Education Association Board of Directors, as well as the National Education Association Board of Directors. She is married to Gary Somo, who received his Ph.D. from ASU in 1976. The couple have two sons (both graduates of ASU), and six grandchildren, one of whom is an ASU graduate.

Account Categories	Proposed Budget	Actual YTD Amount	COMMENTS
ASURA Operations			
ASURA Operations - Income			
Balance Forward	25,548	25,548	
Current Year Revenue			
Event Registration Fees & Donations Collected	2,000	0	
Membership Dues	12,000	4,020	Total donations - \$4,335
General Operations Donations	1,500	315	Total donations cleared - \$4,275
Holiday Bake Sale 2015	100	0	
Transfer in from History Book	444	0	
5% Gift Assessment	-750	-214	Based on total donations cleared
Total ASURA Operations Current Year Revenue	13,294	4,121	
ASURA Operations - Expenses			
<i>Printing and Mailing Costs</i>			
Annual Report	100	0	
Bylaws & Ballots	200	0	
Member Survey Report	0	0	
Membership Drive	1,000	727	
Prime Times Summer	2,000	0	
<i>Event Costs</i>			
Paid Events	2,000	0	
Meet & Greet	360	417	
Seminars	250	120	
Annual Meeting	600	0	
Holiday Potluck & Fundraiser	50	0	
<i>Other Operations Costs</i>			
Scholarship Award	10,000	10,000	
Business Luncheons & Service Appreciation	550	0	
Technology Services	1,500	240	Pantheon Web Hosting
Office Equipment & Supplies	3,000	1,322	
Marketing Tools	550	510	
AROHE Membership Dues	120	0	
Lobbyist Registration Fee	25	0	
Foundation Transaction Fees	170	0	
Total ASURA Operations Expenses	22,475	13,336	
Increase (Decrease) in Fund Balance for Current Year	-9,181	-9,215	
Uncommitted ASURA Operations Funds	16,367	16,333	

Human Resources Income			
Transfer in from Public Affairs	755	755	For marketing tools
Current Year Allocation	7000	7000	
Total Human Resources Current Year Revenue	7,755	7,755	
Expenses Charged to Allocation			
Office Supplies	1,200	0	
Transfer out to Public Affairs	672	672	Marketing tools
Prime Times Fall & Spring	2,100	319	
Room Fees	100	50	
Copier/FAX Equipment Annual Lease	1,200	1,203	
Membership Drive	1,883	37	
8.5% Administrative Service Charges	600	137	
Total Subsidized Expenses	7,755	2,418	
Uncommitted HR Funds For Operations	0	5,337	

Special Projects			
Special Projects - Income			
Balance Forward	1,508	1,508	
Current Year Revenue			
Friends/Phx Library Book Sale Net Income	1,500	0	
Transfer In		0	
5% Gift Assessment		0	
Total Special Projects Current Year Revenue	1,500	0	
Special Projects - Expenses			
Transfer out 1/2 of Book Sale Income to Scholarship	750	571	From FY 2015 income
Transfer out 1/2 of Book Sale Income to Video History	750	571	From FY 2015 income
Foundation Transaction Fees		0	
Total Special Projects Expenses	1,500	1,142	
Increase (Decrease) in Fund Balance for Current Year	0	-1,142	
Uncommitted Special Projects Funds	1,508	366	

Adopt-A-Family			
Adopt-a-Family - Income			
Balance Forward	1,151	1,151	
Current Year Revenue			
Adopt-A-Family Donations	1,200	240	
5% Gift Assessment	-63	-12	
Transfer from Special Projects			
Total Adopt-A-Family Current Year Revenue	1,137	228	
Adopt-A-Family - Expenses			
Adopt-A-Family	2,000	0	
Foundation Transaction Fees	15	0	
Total Adopt-A-Family Expenses	2,015	0	
Increase (Decrease) in Fund Balance for Current Year	-878		
Uncommitted Adopt-A-Family Funds	273	1,379	

Video History			
Video History - Income			
Balance Forward	6,173	6,173	
Current Year Revenue			
Video History Donations	1,200	190	
Transfer in 1/2 of Book Drive Proceeds from Spec Proj	750	571	
5% Gift Assessment	-60	-10	
Total Video History Current Year Revenue	1,890	751	
Video History - Expenses			
Production	5,600	0	
Equipment	990	119	
Foundation Transaction Fees	100	0	
Total Video History Expenses	6,690	119	
Increase (Decrease) in Fund Balance for Current Year	-4,800	633	
Uncommitted Video History	1,373	6,806	

History Book		
History Book - Income		
Balance Forward	444	444
Current Year Revenue		
History Book Donations	0	0
5% Gift Assessment	0	0
Total History Book Current Year Revenue	0	0
History Book - Expenses		
Transfer out to Operations	444	0
Foundation Management Fees	0	0
Total History Book Expenses	444	0
Increase (Decrease) in Fund Balance for Current Year	-444	0
Uncommitted History Book	0	444

Scholarship Endowment Fund		
Scholarship Endowment - Principal		
Endowment Balance July 1	53,428	53,428
Invested Funds Gain (-Loss)	600	-2,070
Transfer to Scholarship Endowment - Spending	-1,500	0
Foundation Management Fees	-600	-672
Transfer from Spending Account	1,785	193
Current-Year Contributions	2,200	490
5% Gift Assessment	-110	-25
Total Scholarship Endowment Principal	55,803	51,344
Scholarship Endowment - Spending		
Balance July 1	1,785	1,785
Transfer in 1/2 of Book Drive Proceeds from Spec Proj	750	0
Payout from Endowment	1,500	0
Reinvest in Endowment	-1,785	0
Management Fees		0
Total Scholarship Endowment Spending	2,250	1,785
Total Scholarship Endowment	58,053	53,129

ASURA Cash Reserve Analysis

	2015-16 Projected	2014-15 Actual	2013-14 Actual	2012-13 Actual	2011-12 Actual	2010-11 Actual	2009-10 Actual	2008-09 Actual
Financial Health								
Income	24,821	35,657	26,216	36,648	24,922	24,293	23,297	895
Expense	40,879	41,721	32,485	35,604	11,641	38,640	30,261	2,071
Gain/Loss for Year	-16,058	-6,064	-6,269	1,044	13,281	-14,347	-6,964	-1,176
Balance Forward - Start of Year	35,579	34,851	40,916	47,184	46,139	32,858	47,206	54,171
Cash Reserve Analysis								
Scholarship	10,000	10,000						
1/2 prior year adjusted expenses	20,861	16,243						
Total To Reserve	30,861	26,243						
Excess Funds Analysis								
Balance Forward FY 2016	35,579	34,855						
Less Cash Reserve FY 2016	30,861	26,243						
Net Excess Funds	4,719	8,613						
Endowed Scholarship Fund -start of year	53,428	51,354	43,286	36,715	37,193	21,550	19,738	20,568

ASURA Event Report

9/30/2015

Event	Date	Registration Fees		Event Costs				
		Collected	Refunded	Travel & Related	Food, Entertainment & Related	Lodging & Related	Other	Net Gain/Loss
Meet & Greet Luncheon	09/09/15	0.00	0.00	0.00	417.27	0.00	0.00	-417.27
Canyon Lake Cruise	10/06/15	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fall Luncheon	11/13/15	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Spirit of Phoenix Chorus	12/05/15	0.00	0.00	0.00	0.00	0.00	0.00	0.00
*Fundraiser Holiday Potluck	12/18/14	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cuba	03/05/16	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Tovrea Castle Tour	04/01/16	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net gain (loss) - all <u>completed</u> non-fundraising events								-417.27
Net gain (loss) - all non-fundraising events								0.00

*Proceeds from Bake Sale

ASURA MEMBERSHIP TOTALS

2014 Membership Year

Counts	As of 10/4/2015	As of 10/4/2014	This Yr -Last Yr	More Counts	As of 10/4/2015	As of 10/4/2014
Current-year Members	468	506	-38	By Former Employment Category		
Renewals from prior years (any prior year)	432	469	-37	Faculty and Faculty w/ Admin Appt	212	233
Introductory members	36	37	-1	Academic Professional	30	34
Paid for the current year, now deceased	2	1	1	Staff	134	148
				University Staff (Service Professional)	63	65
Last Year's Members - Not Renewed	157	156	1	Administrative	29	26
Members last year, now deceased	11	8	3			
				Having an Arizona Address	431	464
By Retired-from Organization				Level of Activity		
Retired from ASU	456	490	N/A	Checked at least one volunteer area	105	95
Retired from another university	0	0	N/A	Attended at least one event this year	59	58
Former ASU employee, retired elsewhere	3	2	N/A	Attended an event ever	253	252
Still employed at ASU	9	14	N/A	Logged in to Members-only Site (ever)	107	88
				Made an additional donation this yr	135	148
By (Approx.) Time Since First Joining				Non-members in Database		
Members for 0-2 Years	53	67	-14	Was a member at some time	275	346
Members for 3-5 Years	80	80	0	Never a member	623	680
Members for 6-10 Years	152	158	-6			
Members for more than 10 Years	183	201	-18			
By Communications They Want to Receive¹						
Upcoming Event Announcements (e-mail)	351	369	-18			
Obituary Notices (e-mail)	284	303	-19			
Prime Times (US Post)	414	472	-58			
Other ASURA Communications (e-mail)	304	345	-41			
None of The Above	8	10	-2			

¹All members receive the annual Board of Directors ballot, and membership renewal notices. Those with e-mail addresses also receive confirmation notices (by e-mail) renewal, event registrations, and donations.

Note: Since membership enrollment forms are mailed in May, we begin processing them, with associated dues and donations, before the start of the membership/fiscal year. Therefore it is not possible to use these counts to determine the correct dollar value of membership dues in the current fiscal year.

ASURA MEMBERSHIP TOTALS
2014 Membership Year

This Yr
-Last Yr

-21
-4
-14
-2
3

-33

10
1
1
19
-13

-71
-57

about

al year.
