



# ASSOCIATION OF OREGON FACULTIES

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## EXECUTIVE BOARD MEETING January 13, 2007

### AGENDA

- I. CALL TO ORDER
- II. APPROVAL OF MINUTES
- III. REPORTS OF OFFICERS
  - A. President
  - B. Vice-President
  - C. Secretary-Treasurer
- IV. EXECUTIVE DIRECTOR'S REPORT
  - A. Campus reports
  - B. Legislative report
    - 1. Legislative organization
      - a) Senate leadership
        - i. President Peter Courtney
        - ii. Majority Leader Kate Brown
        - iii. Republican Leader Ted Ferrioli
      - b) House leadership
        - i. Speaker Jeff Merkley
        - ii. Majority Leader Dave Hunt
        - iii. Republican Leader Wayne Scott
      - c) Review committee assignments
        - i. Senate Education and General Government
        - ii. Senate Finance and Revenue
        - iii. Joint Ways and Means Committee
          - i. Education subcommittee
        - iv. House Education Committee
          - i. Subcommittee on Higher Education

- v. House Revenue Committee
  - d) Review committee schedules
- 2. Recap of Governor's budget proposal for higher education
  - a) State General Fund - 17% increase from \$706.5 million to \$827.1 million
    - i. \$8 million for faculty salaries
    - ii. \$9 million for regional campuses
    - iii. \$6.9 million to reduce faculty/student ratios
    - iv. \$14.6 million for enrollment increases
    - v. Tuition increases limited to 3.4% each year
  - b) Other funds
    - i. \$594.5 million for 45 capital projects and repair expenses
    - ii. \$25 million for renewable energy demonstration projects
  - c) Public services
    - i. Proposal for extension service, Ag experiment station and forest research lab up 16.2% or \$15.3 million
  - d) Revenue shifts
    - i. \$19.1 million in other funds to reflect expected interest earnings OUS will now receive
    - ii. Lottery increase of \$4.9 million offset by General Fund reduction
  - e) OUS Reaction
    - i. "It's a good start and we are happy"
- 3. Substantive legislation
  - a) OUS freedom from PEBB - dropped
  - b) Uncoupling of ORP from PERS rates - dropped
  - c) "Step" legislation - will be pursued by AOF and others
  - d) PERS board legislation
- C. Update on 403(b) and ORP plans
  - 1. November 11 summary
  - 2. Letter to Frohnmayer
  - 3. Vitulli and Troxel emails regarding November 29 appearance by Chancellor at U of O Senate
  - 4. Latest developments
- D. ORP rates for 2007-2009 (subject to change)

1. Tier 1 and Tier 2 - 22.01% (16.01% + 6%)
2. OPSRP - 11.82% (5.82% +6%)
  - a) OUS hired independent actuary to verify and obtained AG opinion

#### E. PERS litigation

1. Strunk - attorney fee hearing on January 10
2. City of Eugene - attorney fee hearing pending
3. Arken - motions pending before Judge Kantor
4. Robinson - motions pending before Judge Kantor
5. Henderson - pending in US District Court
6. Robertson - Ninth Circuit ruled in favor of PERS and employers - CASE OVER
7. Bell - test case on question of whether PERS can be sued for providing incorrect information to members
8. White - discovery underway
9. Murray - pending before Court of Appeals. Involves issue of allocating administrative expenses to the variable account in years when the account has no earnings
10. 2007 - Bennett Hartman rates

#### F. Other PERS

1. PERS - Oregon Investment Council meetings
2. Hartman letter regarding actuarial reduction method under Strunk and PERS response
3. HB 3349 letter

#### G. Website

1. Format updated
2. Content in process of being updated

#### H. Membership

#### I. Other Business

1. PERS: by the numbers
2. AFT "FACE" project