

MINUTES OF THE GENERAL MEMBERSHIP MEETING OCT. 8, 2004

President Sheila Cherry called the meeting to order at 12:15 p.m. About 90 Club members were in attendance.

Cherry said the Club is having a fantastic year. She thanked members, staff and board members for their efforts. As examples, she said there have been 41 Luncheons to date and many heads of state at Newsmakers; she thanked the chairs and vice chairs of both committees.

She also thanked Rick Dunham and Benfred Clement Smith for heading a successful 5K Run/Walk that raised money for the scholarship program, and Lolita Baldor and Jennifer Sergent for heading the awards program. She congratulated the Scholarship Committee.

Cherry said a jobs expo is scheduled for Nov. 12 and encouraged participation.

Membership Secretary Jerry Zremski reported that membership is down about 2 percent, largely because of the employers who have stopped paying NPC dues. He said a membership drive is scheduled for November, when the initiation fee will be waived.

On behalf of Treasurer Jonathan Salant, Cherry reported that the Club's year-to-date income is \$8.3 million and the member benefit had increased 43 percent to \$1.5 million. She said the trust funds are at \$7.4 million, including \$3.6 million in the pension fund. New cash flow is up \$1.1 million.

Also on behalf of Salant, Cherry moved approval of a 3.5 percent dues increase, capped at \$17. The motion referenced the importance of boosting income from dues so as not to rely excessively on catering operations. During discussion, Gov. Jerry Bastarache said he opposes any dues increase for affiliates and associates as long as members in those categories do not have voting representation on the Board of Governors. Gov. Alison Bethel agreed, and said the increase for non-resident active members is also too high. Rod Kuckro asked why a dues increase is needed if revenue is ahead. Cherry said she voted against the proposed increase in the Board meeting but that the rationale for it is that having more frequent, smaller increases is a smarter policy than having occasional, but much larger, increases.

Secretary Sylvia Smith said the response to Kuckro's question is that the cash flow is inflated because of the influx of money from the building settlement and that without that one-time payment, the Club would be breaking even. David Hess asked if the Club would be in a profit or loss situation without the settlement. Cherry said it would be at a slight profit.

Benfred Clement Smith asked why the Board concluded that a dues increase is the only alternative. Cherry said that for many years, the Club did not raise dues during hard financial times because of the pressure that would place on members. The 3.5 percent (capped at \$17) is a smaller amount that might be more palatable to members, she said. Suzanne Struglinski asked whether there would be an increase yearly. Zremski said there had been no increase for five years before the 3.5 percent increase of last year. The

original proposal last year was for a much higher amount, he said, but the Board decided to adopt a 3.5 percent increase with thought of another increase this year, breaking the needed increase over two years. Paul Krawzak asked about the rationale that catering income should not be emphasized so much. Cherry said that when the Club relies on catering to produce the income needed to operate the Club, it creates a conflict because rooms are then not always available for Club-sponsored events. If dues are a little higher, she said, it lessens the dependence on catering operations. John Shales suggested raising the cost of Luncheons by \$1. Cherry said it's already difficult getting NPC members to attend the Luncheons. Paul Dickson asked what percentage of members pay their own dues vs. those whose employers pay. Membership Director Julie School said about 15 to 20 percent, but that number is squishy because some members are later reimbursed by their employers.

Cherry called for the vote on increasing dues. It was approved by voice vote.

Smith moved approval of the June general membership meeting. The minutes were approved by voice vote.

Cherry announced the tentative date of the next meeting, Jan. 21, 2005.

There being no further business, the meeting was adjourned at 12:45 p.m.