



Liaison Report

by: Wade H. Baxley, Board of Governors Liaison

The Board of Governors met in Scottsdale, Arizona, on November 13-15, 2003, and the following report is submitted on actions taken during that meeting:

ABA Pension Plan - As you are aware, the Board of Governors had been considering several options concerning changes to the ABA Pension Plan for employees of the ABA. Past President A. P. Carlton had appointed members to a Pension Review Committee, which included seven (7) ABA employee representatives, to study the various options and come back to the Executive Committee and the Board of Governors with a recommendation. It is my understanding that the Pension Review Committee worked long and hard to try and resolve this matter in the best interests of both the ABA and its valued employees. A majority of the Pension Review Committee recommended that the Board of Governors adopt a resolution retaining the ABA Defined Benefit Plan with the modification that the benefit determination be changed from a Final Average Pay formula to a Career Average Pay formula going forward. A minority of the Pension Review Committee supported the adoption of a Defined Contribution Plan. At our meeting on November 13th, the Board heard arguments and reviewed documentation in support of both the majority and the minority recommendations. It should be noted that all of the ABA employee representatives on the Pension Review Committee supported the majority recommendation. After a thorough debate on the proposals with a period of questions and answers, the Board of Governors approved retaining the ABA Defined Benefit Plan as modified from a Final Average Pay formula to a Career Average Pay formula effective January 31, 2004. It appears to me that this was a good compromise solution to a potentially devastating financial problem.

ABA Museum of Law - An informational report on the ABA Museum of Law was presented by the President of the Board of Directors and the Museum's Director on the Museum's current and future projects and programs. There will be an American Lawyer-Presidents Exhibit which is scheduled to open in September of 2004 in the ABA's new headquarters at 321 North Clark Street, Chicago. Also, there is a possible television documentary which will be produced on America's lawyer-presidents which will hopefully air on the History Channel at some time in the near future.

Section of Family Law Bylaw Amendments - The Board approved the request of the Section of Family Law to amend its bylaws. As you are aware, the proposed amendments had been approved by the Section Council in June of 2003 and by the Section membership in August of 2003.

2010 and 2011 Midyear meeting sites - The Board approved Orlando, Florida, as the site of the 2010 Midyear Meeting (February 3-9) and Atlanta, Georgia, as the site of the 2011 Midyear Meeting (February 9-15).

Dues Structure Pilot Project - The board approved the request of the Study Committee on Membership to conduct a pilot study of 14,000 ABA members to test the viability of including the cost of one (1) Section membership with base ABA dues with the understanding that telemarketing is not required.

Finance Committee - As a member of the ABA Finance Committee, it is my opinion that the newly hired staff management personnel (CFO, CIO and Director of Financial Management and Control) have done and continue to do an excellent job in getting control of ABA finances. Unfortunately, due to the downturn in the economy over the past several years, the cost overrun in the technology initiative and other factors, our budgets for the next several years are going to be extremely tight. The ABA officers, Board of Governors and staff management intend to be good stewards of the moneys coming into and being spent by the ABA. Hopefully, we will be able to overcome the cutting of programs and/or staff personnel or at least such cuts will be minimal.

Membership Committee - As of August 31, 2003, the ABA had 405,000 members which is slightly down from last year's membership of 410,600. It was noted that members who belong to a Section usually retain their membership from year to year and, in fact, generally join more than one Section.

There were a number of other non-controversial or informational matters taken up at this Board of Governors meeting which are not included in this report. If anyone is aware of a particular item that he/she would like a further report, please let me know.