

SIR, Inc.
State Board Meeting Minutes
Conducted via Electronic Video (Zoom) Conference
Thursday, February 10, 2022 at 2 pm

State Board Members Present

President: Rick Kindle	Director, Region 1: Hugh Thompson
Vice President: Dave Gonzales	Director, Region 2: Dale Decker
State Secretary: Dick DeVoe	Director, Region 3: Dennis Pangburn
State Asst. Secretary: Ed Benson*	Director, Region 4: Patrick Reed
Treasurer: Roy Hodgkinson	Director, Region 5: John Haffner
State Asst. Treasurer: Ron Saltgaver	Chief Admin Officer: Dean Steichen

* Past President

Invited Participants and Guests Present

Area Governors: Mark Stuart-AG1&2; Kevin Mahoney-AG3;
Jack Reefer-AG4; Paul Squeri-AG5; Foster Kinney-AG13;
Richard Provost-AG18.

Branches: Gary Hornberger-5; Michael Sommer-7;
Tom Tompkins-14; Jay Gordon/Richard Balovich-19;
JD Bamfield-23; Andy Danver-Br.35; Gerry Shebar-51;
Craig House-76; Stephen Eastman-98;
Dennis Gately/Ted Schaefer-101; Gary Adams-102;
Terry Hartman-106; Lee Lamp-Br.129; Jerry Kaplan-146;
Gary Corbell-163.
Gordon Boulton; Larry Sitzman; James Stein; Sturuth.

Standing Committees: **Bocce:** Dan Weller; **Golf:** Mark Stuart;
RV: Travel: Milt Smith; **Insurance:** Craig Hoffhines;
Audit: Ron Cassano; **Growth & Membership:** Tony de Losada;
Policy & Procedures: Dale Decker.

Other State Leaders:

Parliamentarian: Stu Williams*; **Legal Advisor:** Alan Melnicoe;
Website: Alan Baker; **Zoom:** Derek Southern*.

Call to Order. President Rick Kindle called the meeting to order at 2pm, and verified a quorum. Vice President Dave Gonzales gave the invocation and had the attendees join him in pledging allegiance to the flag. The Minutes from the State Board Meeting January 12, 2022 were approved as written.

2021 Audit Committee Financial Review- Audit Committee Chairman Ron Cassano found the books of SIRInc, the Golf Committee, and the Bowling Committee in excellent shape. The records were complete, up to date, and professional in their preparation.

Treasurer's Report/CA Attorney General Issues- State Treasurer Roy Hodgkinson reported that the latest quarterly assessment payments totaling \$18,436 have been received; Branches 73, 89, 133, and 142 are still in arrears. Three of the branches have not responded to messages; Br. 133 is in the throes of disbanding and merging with another branch.

He then reviewed a chart reflecting information on ten separate government forms required from each of 130 active and inactive corporations comprising SIRInc. (4- IRS; 2- CA Attorney General; 3-CA Franchise Tax Board; 1- CA Secretary of State). The State Treasurer files them all, except the SSI-100's by the State Assistant Secretary.

Treasurer Hodgkinson reported that the CA Attorney General's Office has issued delinquency notices on the 2020 RRF-1 filings. Since that Office never processed them, they must be refiled. Unfortunately, the forms and the annual \$25 corporation fee must be refiled **separately** for each of the 130 SIR corporations (total \$3250 annually).

Administrative requirements for the many government filings due to SIR's multi-corporation structure are about 130 times greater than a one-corporation structure. Treasurer Hodgkinson requested the State Board to consider the option to eliminate branch corporations in favor of a one-corporation model. Pros and cons were discussed, and no action was taken.

President Kindle requested that Legal Advisor Alan Melnicoe prepare a letter to be sent to Governor Newsom to request his office's assistance in providing administrative relief not only for the delinquency issue above but also for multi-corporation entities like SIRInc. currently requiring separate forms/fee payments for each subsidiary corporation.

The RRF-1 filing had been free, but the CA Attorney General's Office now requires a \$25 filing fee for each of our corporations (branches). SIR had not been notified of the new fee from the AG's Office, and only learned of it from the delinquency notice. A motion was made to add a variance increase of \$6500 to the 2022 budget (\$3250 to pay for each year 2020 and 2021). The motion was made by Dave Gonzales, seconded by Pat Reed, and passed.

Form 15 Mileage Rate Review- State Treasurer Hodgkinson reported that the current mileage rate for Form 15 State expense reimbursement is \$0.20/mile (branches establish their own rate). Requests had been made to review this rate due particularly to the significant increase in the cost of gasoline.

The rate was \$0.35/mile a few years back. The change to \$.20/mile had been approved at a time when gasoline prices had decreased significantly at the same time that State expenses overall were higher than wished; also, the higher rate was perceived to include too much toward fixed and other costs of the vehicle. After discussion, a motion was made to increase the rate once again to \$0.35/mile. The motion was made by Dick DeVoe, seconded by Dennis Pangburn, and passed.

Form 6 Update; Sr. Certificates Control Change- Regional Director Dale Decker stated that the State Board had voted in January to allow branches to prepare and print Senior Certificates for members 90, 95, and 100 years of age. Since these are designated "Presidential" awards, they have the signature of the current State President.

Just as there is a template for Form 7- Certificate of Appreciation on the SIR website for use of branches, templates for Forms 6A (age 90), 6B (age 95), and 6C (age 100) are now on the SIR website for branches to prepare and print.

“I’m Doing My Part” Pin Review- G&M Chairman Tony de Losada reviewed that 1000 pins had been distributed to the AG’s for use by the branches. He has contacted vendors to establish where to order them for the future based on quality, cost and delivery.

Discussion then centered on criteria individual branches would use for awarding the pins to members. The original basis was to reward those who had proven to be strong recruiters for the branch, and/or who made exceptional/extraordinary contributions to the branch. Most of the comments agreed that the pin be worthy of special recognition, encouraging branch leadership to ensure there are strict requirements and high standards for the award; otherwise, it would not remain a particularly meaningful award.

President Kindle requested that the AG’s request from their branches how many additional pins if any they anticipate ordering this year, so RD’s will know by the April Board meeting.

Task Force Planning Report- Vice President Dave Gonzales summarized the status of the SIR Planning Task Force that was established in October 2021 by then-President Stu Williams at Vice President Rick Kindle’s request. Its purpose was to evaluate the policy and operational needs of SIR going into the calendar year 2022. A transition plan was developed to identify issues and recommended actions over 3-5 years depending on the issue- with new issues to be added as they are identified.

The issues are now segregated into Groupings with assigned Coordinator(s) as follows:

- Marketing Grouping- Rich Kindle.
- Internal Communications Grouping- Derek Southern.
- Member Growth Research Grouping- Andy Danver.
- AG and RD Grouping- Dave Gonzales and Hugh Thompson.
- Operational Training Grouping- Jim Walton.
- State Board Grouping- Roy Hodgkinson.
- Policies & Procedures Grouping- Dale Decker.

Branch Dissolutions Action Plan- State Secretary Dick DeVoe stated that SIRInc. has 179 branches, each with a number from 1 to 179 within one of three categories:

- 97 active branches, which are also State of CA corporations.
- 34 inactive/closed branches, which remain as CA corporations.
- 48 dissolved/closed branches, which are no longer corporations.

The number of inactive branches have increased each year for some time as branches close, because (1) SIR has not been diligent in recent years to complete the paperwork to dissolve them, and because (2) a new branch starting up will be assigned the number of an inactive/closed branch; a simple name change filing to the CA Secretary of State establishes the branch as a corporation.

To eliminate the administrative work and governmental fees involved with an inactive branch/corporation, it was recommended that most of the inactive branches be dissolved- leaving only a few for future branch startups. A motion was made by Dick DeVoe, seconded by Dean Steichen and passed to dissolve 25 branches.

Inactive Br. 154's Remaining Funds Disbursement- President Kindle stated that closed Branch 154 (Mt. Shasta) sent closing checks totaling about \$1500 to the State Secretary in 2021. The State Board has sole discretion to approve the disbursement of those funds. Because of Branch 129's proximity to Branch 154 and its ongoing efforts to recruit its members, a motion was made by Dave Gonzales, seconded by Dennis Pangburn, and passed to transfer those funds to Branch 129.

2022 SIR/MCO Associates Memo of Understanding- Vice President Gonzales presented background on contract services provided by Mary Odbert of MCO Associates since 2020. The following summary was taken from his summary as well as from an early MCO report.

MCO in 2020 completed a study of SIR, Inc. and its branches with a focus on establishing a Membership Marketing and Image Plan. Interviews (held with a variety of leaders representing State and Branch level leaders) and interview analysis/results were then used to assist in the development and

implementation of a membership survey. The responses were analyzed to identify member interests, likes, and dislikes to help identify findings for attracting new members and retaining existing members. The MCO report was comprehensive- involving background; initial findings including Competition, Strengths and Weaknesses; and a comprehensive summary of strategies for establishing an effective Marketing and Image Plan with a Timeline.

COVID-19 had shut down the economy and SIR social activities/luncheons; plus ZOOM meetings became essentially the only contact that members had with other members. In spite of these significant setbacks, MCO and the Task Force continued to work as best they could under those difficult circumstances.

Vice President Gonzales referred to his report titled “Introduction: Why We Need Second Year Contract with Mary Odbert” which had been sent to Board members a few days before the meeting. It details the work MCO completed during 2021. The planned work, including the planned hours estimated for that year fell far short of the 2021 Memorandum of Understanding (MOU) due to COVID.

The 2022 MOU was also sent to Board members well before this Board Meeting summarizing the work being contracted for. The \$9,500 estimated cost is- like 2021- based on actual hours expended, and includes costs associated with travel, advertising and design. SIR provides approval for MCO work and directs MCO’s activities.

Vice President Gonzales strongly recommended using MCO for 2022 as described in its MOU. There is a great need to do things differently and MCO has the expertise to help make that happen. He made a motion to approve the MOU at a maximum cost of \$9,500. It was seconded by Dick DeVoe, and passed.

COVID Branch Protocols on the SIR Website- Branch 129 Big Sir Lee Lamp asked about self-administered test results being acceptable. His comment was in light of a statement mentioned in the SIR Happenings

newsletter that the State Board would provide an answer within the near future.

It was clarified that the Protocols already address self-administered testing. However, discussion ensued whether unvaccinated members/guests should continue to be allowed to attend indoor activities after a negative self-administered test that was not certified by telehealth or other certified lab.

A motion was made to reaffirm the Protocols as currently approved on the Home page of the SIR website. Dick DeVoe made the motion, Ed Benson seconded, and it was passed. President Kindle requested Dick to consolidate the Protocols found on the Home page of the SIR website. The consolidated Protocols will be distributed to the Branch and State leaders by Constant Contact.

Adjournment. President Kindle adjourned the meeting at 5:15pm.

Minutes submitted for approval by:
Dick DeVoe, State Secretary
Date: 2/12/22

Next Scheduled Board Meeting: April 14, 2022, 2 pm- to be conducted via electronic video (Zoom).