



**Sons In Retirement Inc.
Draft Minutes of State Board Meeting
Chardonnay Golf Club,
2555 Jameson Canyon Road
American Canyon, California 94503**



Tuesday, 5 January, 2016 at 9:30am

State Board Members

President: Don Dill	Director, Region 3: Vic Mershon
Vice President: Jerry Strain	Director, Region 4: George Gorohoff
Secretary: Derek Southern	Director, Region 5: Robert Fox
Assistant Secretary: Dick DeVoe	Director, Region 6: Ed Benson
Treasurer: Karl Ryden	Director, Region 7: Patrick Misener
Assistant Treasurer: Jimmie Johnson	Director, Region 8: Ron Flagel
Director, Region 1: Bob Roberts	Director, Region 9: Mark Stuart
Director, Region 2: Jerry Morrow	Director, Region 10: Absent

Invited Participants

Past Presidents: Mel Augustine, Jim Donovan, Maynard Rodland, Bobbie Hairston
State Advisor, Parliamentarian and Past President: Dwight Sale
Tax exemption status: Mike Berry
INFOSYS: Dean Steichen
Insurance: Angelo Coero
State Audit Committee: Russ Jackson (Chairman), Don Messon (Member)

Call to Order, Welcome

President Don Dill called the meeting to order at 9:30 am and welcomed Board Members and invited guests including 5 Past Presidents (Dwight Sale, Mel Augustine, Jim Donovan, Maynard Rodland, and Bobbie Hairston) the State Auditors (Russ Jackson and Don Messon), Mike Berry and Dean Steichen. Secretary Derek Southern verified there was a quorum. President Dill lead the Pledge of Allegiance and Region 1 Director Bob Roberts gave the invocation.

Prior to the meeting President Dill swore in Derek Southern as the State Secretary. Dick DeVoe was elected as Assistant Secretary, M/S/A, then he and Ron Flagel (Region 8 Director) were sworn into their new offices.

The minutes of the November 18, 2015 meeting were approved as submitted M/S/A

President's remarks (see Appendix A for the full text)

President Dill emphasized the need to control our expenses in 2016. He attended several training sessions and was impressed with the attendance of branches and the competence of the presenters and Regional Directors but noted the involvement of Area Governors was minimal and hoped they would be more involved in 2016. He stated we cannot spend \$16,000 on Training in 2016, costs must be reduced significantly. The training must be followed up so the expenditure is not wasted. The costs of Regional and Area meetings must also be reduced. Regional Directors should know what Area Governors are spending.

Other Remarks

Vice President Jerry Strain thanked the Board for electing him and pledged to support President Dill.

Secretary Derek Southern also stated he would work to support President Dill in the coming year

Assistant Secretary Dick DeVoe noted that he was working with Dwight Sale and Ron Flagel to figure out how his iMac could work with Access data from the State database for the S100 reports. He may use a PC from Infosys instead.

Assistant Treasurer Jimmy Johnson stated he had started processing December Form 28's and had completed about 20. About one third of the forms had errors.

Treasurer Karl Ryden noted that 2015 had the highest expenses in at least 20 years, so much so that income fell ~\$17K behind revenue. Fall training (>\$7K) and R/A/B meetings (>5K) were the greatest items over budget. Uncategorized expenses (>\$3.5K) did not have a 2015 budget.

2016 revenue is expected to fall by \$11K as membership is decreasing, and the insurance cost is not expected to be known until May. He suggested that Area Governor's (AG) expenses have to be approved by Regional Director (RD) so the RD knows what is being spent in his region. Dwight Sale stated that a rule change could solve this problem. Most of the Regional expenses come from the AGs. Don Dill said that some Area expenses were getting out of control. Ed Benson suggested that RDs have a budget for their region.

Angelo Coero asked RDs to get branches which serve liquor to inform him of the revenue involved. The insurance renewal process takes about 4 months, it's a new company and he expects a 1-2% increase.

The bank now wants to charge \$30-\$40 a month for moving money in or out of the money Market account. Our checking account allows 240 check a month and we currently use about 120, so he plans to use the checking account rather than the money Market Account. He also suggested a move from a calendar year to a fiscal year (July-July) to enable the insurance changes to be included in the new budget.

His 2016 revenue forecast allows for us to lose 5 more branches in 2016 from the current 128.

Mark Stuart noted that if each branch had met the +1 target it would have realized an extra \$650 revenue. Ed Benson suggested that if an RD doesn't want to create a budget the State should set one for him, possibly based on the number of branches in his Region. It was noted that some Regions have greater distances than others, especially regions 1 and 8.

Vice President Strain reviewed possible costs for 3 sites for the Annual meeting (Concord, Roseville, and Modesto). President Dill reported that a suggestion from the field was to save money by using proxy voting by email; and not having a physical meeting. The byelaws would have to change to allow proxy voting at a smaller meeting. A comment was made that the 2015 meeting was not hyped properly, but we still had over 100 attendees from 130 branches. The 2016 prosed budget has more spent on Annual meeting than on Training (\$8.3K vs \$6.2K) and this was said to be ludicrous. Ed Benson asked why it was necessary to spend almost \$40K on insurance to protect \$75K of assets, should we self-insure? Dwight Sale reminded the Board that the State of California requires a corporation to carry this form of insurance. Insurance Chair Angelo Coero explained we carry a \$5 million umbrella, any lawsuit would be more than \$500K. A Sir branch must have a certificate of insurance for the meeting place, these are issued on request by the insurance company.

Branches were not assessed any cost for the 2015 Annual Meeting, it will be proposed that a \$15 fee be assessed on each branch for the 2016 meeting, thus reducing the cost to the State organization. Former President Rodland stated we are a social organization and he was against internet meetings replacing face-to-face meetings like luncheons

and annual meetings.

President Dill suggested we table the Annual meeting discussion until Jerry Strain and his committee review the costs.

A proposed budget of \$78,697 was put forward for a vote. M/S/A (2 nays).

Nominating Committee Chairman Bobbie Hairston announced his committee members (Dick DeVoe, Jim Filippo, Bob Mannell, Larry Powers and ex officio, Jerry Strain). He asked that nominations be made early, and before the deadline of April 15. Secretary Southern noted Rule 770 was modified by the State Executive Committee to ensure that the names of all nominees be made public, instead of just publishing the official slate with only one name per position. The President stated the rule would be brought forward at the next Board Meeting.

Mike Berry presented the latest report on the IRS situation. The long saga is over, the penalty has been rescinded, and we don't need to do anything. The 2013 and 2014 postcards are posted. The parent group 2014 return is also posted. In theory we have to post the returns for the previous calendar year by May 15, but once the 2015 books are closed we can post the parent return in March. We can post branch postcards even earlier as don't have to post financials, we only have to say they are under \$50K. Do it all earlier, use a company like Aplos to file by software with an instant response of accepted or not. It makes sense to post early so if there is a problem we have time to respond.

Some letters from the IRS refer to dead branches and can be ignored but some branches are 'not out of business' merely gone dormant with state Officers listed. When the number is reused (eg 164) the IRS objects if we have recorded that branch number as out of business.

President Dill thanked Mike for his diligence in getting this problem resolved. The Board showed its appreciation with a round of applause.

Regional Reports: see Appendix B

Form 27: Derek Southern reported that Form 27 has been circulated, the current version is dated 1/1/2016. If a member needs an Excel substitute a program called Kingsoft is the most compatible of the free products. Median age reduces the effect of outlier ages, and is available as a formula in Excel. Now the form has been simplified it is hoped that the compliance will improve, and that is the responsibility of the RD team. The Regional Director should be getting a copy of Form 27 from each Branch each month.

Project 2016 Ed Benson showed how the focus groups would be organized and 3 meetings of the team are arranged. A report to the Board is scheduled for April.

INFOSYS Committee Chairman Dean Steichen reported that 4 members had resigned from the committee. There was a denial of Service attack on a company sharing our server at HostMonster which prevented some branch's website from being accessed. We have paid an extra \$36/year for a more private server which should reduce the risks of a similar problem. There are ~50 updates a month to the State server, and 60-70 accesses a day. Dean has now completed the transfer of ownership of the State domains from Bill Winslow, he would prefer SIR Inc was the owner but this requires a credit card in that name. Dan Weller, Dean, and Dwight are working to achieve the objectives for an updated state database now that the work on Drupal/civi-crm is disbanded due to the resignation of the member doing that work.

President Dill noted that after previous discussion the Board should pass a resolution about AG expenses: "The State expenses of an Area Governor shall be approved by the

RD either by a signature on the report or by electronic approval such as email". The exec Committee should approve the resolution and convert it to a rule which will be presented at the next Board meeting for a vote. M/S/P

In subsequent discussion the Board was reminded by Dwight Sale that it has been a policy to only vote on a rule which is presented in writing. There have been problems in the past with votes on rules which were not written as different people had different understandings of what exactly was voted on.

Old Business: The State Bowling Committee provided tournament information. on or about the dates shown, for Board approval. A copy is attached as an appendix. M/S/P

New Business:

President Dill stated he had asked Rules Committee Chairman Larry Powers to write a rule concerning a Branch's responsibility for their representative's expenses relating to attendance at the Annual Meeting. It will be presented at the next Board meeting in April.

800 Phone number: VP Strain reported that he has contacted AT&T to transfer the account that was in Walt Schick's name. They would provide no information without proof of death so Jerry has obtained a death certificate from the executor of Walt's estate.

Motion to abandon the 800# that is on the front page of the website .M/S/P

Asst Secretary DeVoe introduced a discussion about making nominations for State Offices more open. Should the Annual Meeting involve voting by ballot, or should the proposed slate be the only names be considered? A Resolution advising the Nominating Committee was M/S/P as follows:

"Those candidates that apply for a State position who are not selected can have their name remain on the ballot if they so wish."

RV Committee proposed: We have not had an RV Chairman for some time and their webpage has been dormant for 4 years. Jim Botto has volunteered to be Chairman of an RV activity and would write a newsletter to all branches. President Dill appointed him as Chairman. Although the committee has been dormant it has never been deleted.

Online Training ("SIR University or SIR-U") Secretary Southern reported that he is investigating the possibility of providing Online self-training via a new website. He has located a program that is used in training and has established that it could work for SIR. The structure now exists, what we need is content, we need teachers from the branches. We need a team of Subject Matter Experts (SMEs). There was some discussion about how The Training Committee, G&M, and SIR U would work together.

Online Video Meetings: RD Mark Stuart suggested video meetings to reduce travel costs and travel time. He proposed using a product called GoToMeetings (Citrix). Committees could use this easily, but Board Meetings would stay face-to-face. The cost is \$700 - \$1000. Mark also proposed using more Social Media eg FaceBook and MeetUp.

Generic Video for SIR: RD Ed Benson suggested creating a generic SIR DVD for recruiting new members. He asked for \$1000 to create such a video. A motion was proposed: "Allow a budget of \$1000 to edit an approved script for a video and shoot it. The video would describe SIR and assist with recruitment." **M/S/F.**

State Auditors: Reported that they have examine the books and approved them

President Dill announced he would not make any closing remarks, he asked that they be published in the minutes (see Appendix A). He adjourned the meeting at 3:15 pm

The next Board meeting will be held on Tuesday, April 5, 2016 at Chez Shari Manteca Golf Club, Manteca @ 9:30am.

Appendix A: President's Remarks

SIR State Board Meeting: January 5, 2016, Chardonnay GC

Opening Remarks:

Last fall I attended and participated in approximately 6 or 7 Regional Training sessions and over-all I was pleased with the efforts put forth by the Presenters, The Regional Directors and with the participation rate.

- It renewed my faith in the Regional Directors' competence in teaching and I feel that we need to do more via the Regional Directors and expect more from the Regional Directors, instead of relying on specialized committees.
- The degree of involvement by the Area Governors, where we have some, was minimal to say the best, and for those AG's, they need to become far more involved in training and to be focused on the agreed upon programs such as RAMP, Form 27 & 28 compliance, Co-ed Activities etc. When the Branches see that we are talking and teaching with a unified message they will begin to get the message and get the job done.
- The major issue for 2016 will be to ensure that the training gets followed up and implemented. We cannot and will not spend 17 thousand dollars this year; in fact almost everything we do in the year 2016 will have to be done with involvement at the lowest possible costs. The three main targets for reduction will be **Meetings** by the State, Regions and Areas to dramatically reduce the costs over last year. Regional Directors should know what their Area Governors or appointed persons are spending. **Training:** come back to me with local training at free or minimal cost facilities which don't require expensive lunches; I highly recommend Subway. **Administrative** costs must be in line with our revenue and the way to raise Revenue is to assist in solving our problems.
- **Finally,** on to the reviews: **quarterly reviews, please don't recite the negatives and don't allow your Branches to do the same.** We will take the time to analyze the Branches that are in trouble and then come up with a solution/plan that **they, the Branches, will buy into** and diligently follow-up on and implement with positive results! AND THAT MEANS significant increases in membership.

Recruit & Retain and build Friends for Life.

Don Dill

Closing Remarks SSBM Jan 5' 2016

Project 2016: I have pledged to ask the Branches what they feel is needed to grow healthy Branches; we have surveyed the Branches and are now moving into phase two of the program and that is the focus groups. It is essential that we listen to the Branches throughout this process and not lose sight of what they think we need to make SIR grow again. Without their buy-in Project 2016 will just become another State idea and wither on the vine. I completed my survey, which was easy and simple to do, and urge you all to do the same. Although your input is important it isn't nearly as important as those at the Branch Level and I ask you to guard against becoming the authors of the agenda.

I appreciate all of your efforts and commitment to further our goals of turning SIR around by using the tools that we have all endorsed and agreed to make happen. It was less than six months ago that I pledged to support RAMP and make it happen throughout 2016. We spent thousands of dollars on teaching tools and many many hours to develop RAMP. Now it is time for all of us to become engaged and turn it into reality that will grow SIR! Every *day we must think* of how we as leaders can put the pieces into place that will Recruit, Retain and once again grow .

I want to thank those Regional Directors, Area Governors and Committee Chairmen who have given their time and money to support SIR in the past and who have volunteered to do it again. I truly believe that this is the year to make a serious change in the direction of SIR.

Thank You

Don Dill, President 2016