



Minutes of the 2024 Spring Interim meeting

Called to order by Mitch at 12:07.

Function	Name	Position	Present	Absent
Officers	Mitch London	President	X	
	Tim Mullins	Vice President	X	
	David Levine	Secretary/Treasurer	X	
	Erich Schuttauf	Executive Director	X	
Trustees	Sandra Cordell	East Trustee	X	
	Joan Harris	Florida Trustee	X	
	Richard Quigly	Midwest Trustee		X
	Karen Lahey	Northwest Trustee	X	
	Hearth Cheney	Southwest Trustee		X
	Kathy Watzel	West Trustee	X	
	Bob Dixon	Western Canada Trustee	X	

Mitch declared a quorum.

Executive Directors Report

Elections are currently open. Independent contractor Vote Now. Had 1107 members cast ballot so far. Contact Carolyn need any questions.

Thank clubs that held membership drive.

Star Ranch
Bare Necessities
WINR
Cyprus Cove
Suwannee Valley
Meet and Greet

Fun raiser during the summer Raffle.

Presidents Report

Mitch part of Star Ranch 5 K and Nude Cruise 2023 membership drives.

Vice Presidents Report

Defer to GAT report.

Secretary/Treasurers Report – David Levine

Budget passed.

New budget process and template to be explained in New Business.

Internal Affairs- Bob Dixon

One inquiry resulting in no investigation.

GAT Report – Tim Mullins\Eric Schuttauf

Submitted a report for the reports package.

Successful in delaying Hawaii bills.

Anticipate some action next year in Wisconsin.

Mayland bill being watched.

Florida added a clause that expressly exempted AANR chartered by Clubs from the massage bill HB197.

Membership/Marketing/PR – Karen Lahey

Submitted a report for the reports package.

Two discussion panels on nudity at a meeting of social scientists.

Asked for more membership data to do some analysis as to why we are losing members.

Meet and greets going well.

Legislation – Jim Lahey

One motion to be voted on.

Governance manual updated.

Glen Miller – Mike Parker

Submitted a report for the reports package.

No applications over the winter.

Planning – BG Parkes

Need more clubs to get members.

Finance – Kathy Watzel

Approved budget in the reports package.

The yearly audit has been completed.

Research and Education – Paul LaValley

No report.

AANR Youth – Susan Cappa/Rick Markel

No report.

Hall of Fame – Terry Meeks

No report.

Nominations – Richard Quigly

No report.

WINR – Andee Rodgers

Submitted a report for the reports package.

Very successful trip.

WOW in 2nd year.

If anyone wants the financial report, contact Andee.

Regional presidents

AANR East

Florida

WINR meeting in May at Bare RV, new club.

Midwest

Northwest

Sponsoring campout June 27th to June 30.

Southwest

West

Western Canada

Opening for Summer seasons.

New Business**Candidate filing date**

The actual date is the 15th. Motion moved to summer meeting.

Staffing discussion sent to executive committee.

Staffing discussion

A question came up about employee reviews for the office staff.

Karen stated that this discussion should be moved to an executive session which was done.

Bob Dixon read a message about office staffing. The letter is attached to these minutes.

Member access for Regional Presidents

Motion 1

Replace 2.02.05 of the AANR Governance manual with the following.

Maker: Sandra Cordell Second: Karen Lahey
Signed by Jim Lahey, legislation chairman.

Purpose: To allow the region to contact its members at all times, to resolve problems, to actively monitor its members. And to support the recruitment and retention of members. To reconcile governance manual 2.02.05 with 2.02.03.

Fiscal Impact: None

Discussion: Below

Disposition: Passed, 4 Yes, 2 No

Sandra Cordell	Yes
Kathy Watzel	No
Joan Harris	No
Bob Dixon	Yes
Karen Lahey	Yes
Richard Quigley	Not present
Heather Cheney	Yes

Motion discussion:

Considerable discussion on the pros and cons of this motion.

Sandra wants her club back to 100% but doesn't know who is no longer a member. Also, names of members of clubs close are unavailable.

Kathy stated that she has had no problem getting the office to send out emails when asked.

Mitch also has had no problem having the office send out emails.

Karen stated that some Northwest members have not gotten their newsletter. Office is not reliable. She also mentioned that contacting the office is limited to the mornings on the west coast due to the time difference which delays the help to the member. No access to the office during the weekends.

Jeff stated he has sent over 23 different emails to east region members.

Sandra responded that the sending of emails is not the problem. The problem is responding to a member's specific question such as am I still a member when the office is closed.

BG stated that AANR states they protect member info so it shouldn't be in the hands of anyone except the AANR office.

Kathy agreed with BG that we would lose members if they know their data is being sent to others. She also has contacted the office in the evenings and on the weekends and is amazed that she gets answers back, especially from Jeff. When she asks for information, she doesn't get the info, the office contacts the member directly with the answers.

David stated in the chat that Simon couldn't believe that in the day and age AANR didn't have a working AMS system. David then explained that this option was being included in the Conetics rewrite. He also stated that he didn't know of any organization even this size that didn't have the option for the officers and/or people running the organization to access the data when needed. Not having this information available is very 19th century.

Ralph stated he can send questions to the office and has had no delays in getting the answers sent to the members.

Karen stated the Northwest has had issues due to the time difference. The computer option is the best way but until that is completed a list is needed.

Bob stated that he likes the computer solution and assumed that there would be tracking to see who has been accessing the database.

Kathy called the motion.

Joan asked if there were safeguards in place to prevent the data from being lost.

Kathy stated that there were no safeguards in this motion.

Motion

Motion to stop discussion.

Maker: Kathy Watzal Second:

Purpose: To stop discussion on motion 1.

Fiscal Impact: None

Discussion: None

Disposition: Passed 3 Yes, 2 No

Sandra Cordell	Yes
Kathy Watzel	Yes
Joan Harris	Yes
Bob Dixon	No
Karen Lahey	No
Richard Quigley	Not present
Heather Cheney	Not present

Vote taken and the motion passed.

BG stated that she was done with AANR, but her attorneys were not done.

Budget procedure changes

David explained the new process. Passing the budget 2024 was a painful process. The by-laws state that the fiscal year is a calendar year. Ours is from February thru the next January.

The process:

- 1) Numbers for the budget will be a full year, August 1st thru July 31st of the next year.
- 2) Budget prepared during August and September.
- 3) Budget committee to meet at the end of September to finalize the budget.
- 4) The board will get the budget at the beginning of October.
- 5) Schedule interim during the 1st 2 weeks of November to let the board comment and vote on the budget.
- 6) Comments will be due 1 week before the interim meeting giving the board a bout a month to review and comment.
- 7) If the budget passes during the interim meeting, good. If not changes can be made and another budget vote will be made in December. If it passes the 2nd time we'll have a budget by January as we're supposed to do.

Judy commented that this is a workable schedule.

David also proposed changing the budget template to make it easier to understand. A copy is included in the reports package.

- 1) Grouped all income and expenses together.
- 2) Added, deleted or combined some line items.
- 3) Moved all investments to the bottom and will include the current amount, the rate of return and maturity date.
- 4) A balance sheet will also be included.

Bob stated that he agreed with the idea but had 2 comments on the template.

- 1) The addition of the investment data is a positive.
- 2) Removal of the manpower allocation is a step backwards. We need to know what our labor costs are.

David responded that he took that out because there were a lot of questions as to what that line item was.

Kathy stated that she has sent out the investment information separately from the budget twice this fiscal year, the most recent about 3 weeks ago.

Joan stated she took umbrage with the comment that late questions were going to be ignored.

David responded that what he meant was not that they would be ignored but that they would not be addressed in that version of the budget. The reason for this statement is that for the 2024 budget we asked for questions weeks before the mid-winter meeting but received a list of questions the day before.

Peter questioned the change of months being considered for next year's budget.

David responded that our process is not like other organizations where the budget is put together in the same room. We can't just go to a conference room and hash out changes because all our contact needs to be made through email or on zoom because we are scattered all over the country. One objection to the original 2024 budget was that it was created using actual numbers from January through October. November and December numbers were estimates. Using August 1st through July 31st gives us a full year of actual data upon which to start with. If we wait for the numbers January 1st thru December 31st, we'll never get the budget done in time.

Peter then asked why for 2024 didn't we use October to October numbers to get a full year.

Kathy responded that those were the dates we used.

Peter then asked what if something happened during the end of the year that would cause the approved budget to be wrong causing us to run a deficit.

Kathy replied that she and Judy always said the budget is an estimation and can be changed at any time.

David then stated that no one knew what was going to happen during the budget year. A crisis can happen any time.

Peter then stated that he'd accept David point if he would accept that we could have used a full year for 2024.

David agreed. We did the budget for 2024 as we did and that didn't work which is why he is suggesting this new method.

Eric stated that there was opposition to using 10 months instead of 12 but as long as we agree that 6 months would be from the previous year that was fine.

Tim mentioned that as long as we use a year, we should be fine.

Karen stated with this process we'd actually have a budget passed before the start of the next year.

Bob read a statement to be included in the minutes which is presented at the end of these minutes.

Old Business

Internal controls audit

Bob asked at the mid-winter meeting if we did any risk analysis on our operation. There has been lots of email traffic on this but many board members haven't responded so Bob asked them if they thought we had a good enough handle on this topic. Questions.

- 1) What are our privacy policies?
- 2) How do they differ regarding membership info, information about staff, any other information?
- 3) Are they appropriate?
- 4) Are they written or just understood?
- 5) How does the board know they are followed?
- 6) Is the email server secured? How do we know?
- 7) What are our guidelines or rules regarding separation of duties? Are they written or just understood? Are they appropriate? How do we know they are followed?
- 8) What are the policies for backing up corporate information, both physical and electronic? How do we know these practices and policies are in place?
- 9) Have we ever done risk assessment of our processes?

Bob mentioned that many organizations have an outside organization to do a risk analysis. If we don't have the assessment and something comes along and bites us, we're responsible.

Kathy stated she looked at the website Bob mentioned, and every other sentence was about fraud. She interpreted this as he didn't trust Judy or Kathy that they were doing things correctly. Judy approached several companies about such a review. Many didn't reply and those that did asked why we wanted one since we just had an audit for \$11,000 done so we didn't need another one. One company did say they would do this audit for us at a price of \$9,000. That company also asked why we wanted the audit. We were also told most organizations our size didn't ask for a risk audit.

Bob stated that a financial audit and a risk audit were very different.

Kathy replied that we didn't have \$9,000 in our budget and suggested he provide a list of questions to the office, and they research the answers and respond.

Karen mentioned that she thought AANR was at risk due to membership loss. She doesn't think we should look at fraud but perhaps we need to look at our operations.

David mentioned that our email was Google which was an HTTPS site and give them size of Google and the number of organizations using it we can assume that it's secure. He also mentioned that the NSA and CIA were hacked and given their security what can we do? He wouldn't worry much about the email server.

Sandy stated we were not questioning Fraud or the office staff if they were right or wrong we just want the questions answered. She sees that some people have become very defensive when asked these questions.

Kathy stated she wanted to know the specific questions. She also said that that because the website mentioned fraud the office thought the board was implying fraud of some kind.

Bob wants to bring in an expert, internal risk analysis, to determine the answers we don't know enough about.

Peter stated that there were many types of fraud, financial is just one. In our case information fraud is more critical to us. As an example, of some organization attempting to buy our membership list to blackmail the members. The board just voted to make our information less secure.

Karen is concerned that Kathy seems to act as if she were an office staff. Kathy responded that she was in constant communication with the office and was trying to support them. She also thought Al's suggestion of doing a SWAT analysis was a good idea. We can do this ourselves.

Concerning the membership motion passed she said the sometimes you need to balance risk with reward. Peter disagreed and said the in the case of our membership list, the risk outweighs the reward.

David mentioned that our responsibility is to support our members and adding too many roadblocks hinders that. He mentioned that the State of Indiana has put so many restrictions on the development database, not even production, that it is getting harder for the developers to get their work done so there has to be a balance between serving our members and security.

Charging clubs with low member rates.

Mitch mentioned we passed a motion to charge clubs without the minimum number of members a fee until they reach the minimum. This will start January 1st, 2025, but what was not mentioned what happened if they a club reaches the minimum and the drops below later. The original motion says they would not be charged because it doesn't specifically state that they would. Mitch originally proposed the idea, and his thinking is that the fee is not a penalty but a membership fee which the clubs don't have to pay if they meet the minimum number of members. These clubs are getting all the benefits of AANR but they don't have to get their membership numbers up.

Karen felt Mitch had an inflated opinion about how clubs feel about AANR. The clubs don't value AANR. She doesn't agree with the fee because clubs will leave and the number of clubs declines.

Ronna asked what outreach we are doing to help those clubs.

Eric said that the office does reach out to those clubs. Mentioned that some clubs don't have the personnel to signup members and "boots on the ground" seems to work.

Ronna said that clubs who are charged will think this is a fine.

Joan stated we need to a better working relationship with the clubs.

Peter disagreed with Mitches' comment that clubs are lazy in recruiting members. He feels that the clubs have reached the point where they don't care anymore.

Mitch stated that lazy may have not been the right word, it's just they may not know how to signup members or they don't have the staff to do so.

Charles said that AANR East does have a assistance program and is trying to assist clubs.

David mentioned that there are no lists.

Ralph mentioned that motion does allow regional presidents to have lists. He also said we have over 200 clubs which means we have over 200 people marketing AANR but we don't support them. We should have a packet of information to give them. He doesn't see much AANR in the clubs.

Karen said that in the Northwest every club sends a representative to the board.

Sandra said that clubs don't want to spend the time and money to sell AANR so we need to let the clubs that they can call the office for that material.

Trailblazer award

Karen doesn't like to be held hostage. Giving money for a award isn't a good reason. Second, we don't name awards after people, and this was submitted as the Trailblazer Award in memory of Bev Price. Also, the criteria for the award is that only Bev Price can receive it. She's not in favor.

Kathy said this has been defeated twice before and there is no motion on the floor, so she wants to move on.

Joan agrees with Karten but feels that Len does deserve an answer.

Karen says it was tabled and not defeated so it could come back.

Kathy Smith said that the name was defeated but the award was sent back to committee to see about another name.

Mitch looked at the Midwinter 2022 minutes and found that it was referred to the legislation committee by motion 10.

Will be brought out of committee.

Good of the Order

Mitch, be sure to vote.

Karen said we have 164 clubs.

Peter thanked the people who said on.

Announcements

Executive session

Motion

I move to go to executive session.

Maker: Mitch London Second: None needed

Purpose: To discuss personal issues.

Fiscal Impact: None

Discussion: None

Disposition: Passed 5 Yes, 2 Not present

Sandra Cordell	Yes
Kathy Watzel	Yes
Joan Harris	Yes
Bob Dixon	Yes
Karen Lahey	Yes
Richard Quigley	Not present
Heather Cheney	Not present

Vote taken and the motion passed.

Statement from Bob Dixon

My topic today is staff performance

Currently, the only formal method for Board members to have input on staff performance is through the Performance Review of the Executive Director. There is no other means.

At best, the Performance Review of the Executive Director is an indirect means of feedback. If an employee is performing superbly or underwhelmingly, the Board has no input other than by assessing through the Executive Director evaluation.

In addition, the Performance Review of the Executive Director is conducted by a small committee, to the exclusion of most Board members. It is done once per year – that's too much lag time for timely employee notification.

Is this what we really want?

There are some ad hoc processes in place. The Executive Director converses regularly with the President. In my experience, the contents of those discussions, with regard to staff activities and performance, have only very rarely been shared with the Board (although possibly with selected individual Board members).

This Board is elected to have oversight of the operations of the organization. We are charged with looking out for the members of AANR.

As a Board, and as individual Board members, we have options. We can act as hands-off. Alternatively, we can get more actively involved. When we see that 60% of all of our expenditures are for staff, how can we maintain a hands-off approach and still call ourselves good custodians for our organization?

We have to develop better, more comprehensive processes. I'm speaking of processes that involve the entire Board (or at least those Board members that care to be involved). One on one discussions between a Board member and the Executive Director are possible, but that keeps all others out of the loop.