

Regional Presidents Report 2025 AANR Spring Interim Meeting May 31, 2025

As Regional Presidents, we are pleased with discussions and actions taken over the past year to increase membership. Such actions are needed to sustain AANR. However, we are concerned with regard to the lack of a Parliamentarian at AANR meetings, development and enforcement of the Confidentiality Agreement, along with the need to increase financial transparency and fiscal planning. These matters have become distractions to the Trustees and our core mission of membership growth.

To that end, we offer five recommendations, so that the Association's focus can return to the protection, promotion, provision, and preservation of nude recreation. This *can* and *will* happen by implementing the following actions to successfully resolve our concerns.

1. Vetting and appointing a parliamentarian to serve at AANR's Interim, Midwinter, and Summer Meetings.

This year there has been constant disputes about what is office policy and what is and is not proper procedure in decision-making. The use of a parliamentarian at AANR meetings negates these disputes and follows Article XD of the Bylaws that states, "In all matters not covered by the AANR Bylaws or Governance Manual, the Association shall be governed by Robert's Rules of Order Newly Revised."

Furthermore, Section 3.02.01.2b of the Governing Document states: "The President may, as appropriate, appoint a parliamentarian to assist with all interpretations of parliamentary rules, processes and debate and the proper presentation of motions."

Following our Governing Documents and using Robert's Rules of Order serves as a guide to meetings in a way that ensures fairness, efficiency, and democracy, while respecting the opinions of all participants. We, you, and our members deserve a structured process for presenting ideas, debating, and making decisions in an organized manner.

Furthermore, the parliamentarian is an important position. An individual should be carefully vetted instead of selected on site for a one-year appointment that is annually renewable. A conflict of interest agreement should also be signed by the parliamentarian on an annual basis to ensure objectivity and freedom from bias in decision-making.

2. Suspending the current Confidentiality Agreement, adopting a new one through AANR's legislative processes, and including it in the appropriate governing documents.

We support the need for a Confidentiality Agreement (CA). There is no refuting that protecting membership data is paramount.

However, a new CA should be developed in accordance with existing structures and processes, including a clear statement of need for the CA, what it applies to, and consequences for violation of it.

An unintended consequence of the current CA is the perception that it has become "a club" used against those who do not sign it, as opposed to a tool to protect sensitive data. We are also unclear due to discrepant reports on how many and what percentage of AANR, Regional Boards, and Committee Chairs have signed the current CA.

3. Increasing Financial Transparency between AANR and the Regional Presidents by sharing for informational purposes:

- a. AANR's annual 990's with the Regional Presidents.
- b. AANR's annual budget with the Regional Presidents and the Regional Budgets with the AANR President.

4. Engaging the Strategic Planning Committee in:

- a. Benchmarking to gain increased understanding of how AANR compares to other organizations of our structure, size, financial standings, etc.
- b. Providing representative(s) on a New Financial Planning and Transparency Committee (described below).
- c. Making empirically-based recommendations to ensure the viability and sustainability of our membership-based organization.
- 5. Forming a Financial Planning and Transparency Committee that includes representation from the Regional Trustees, Presidents, and staff to recommend transparent, mission-driven financial practices consistent with a declining but stabilizing membership base of 25,000.

To gain more members in an era of increased accountability and decreased discretionary spending, we must have more financial transparency to increase membership trust and confidence in their AANR investment. And, at the same time, we must take a hard look at expenses to uphold our fiduciary responsibilities.

While we all want to see increased revenue through increased membership and we are all taking steps to that end, historic membership trend data shows continual declines. It is empirically unrealistic to assume we can grow our way out of current financial confines. We need to simultaneously increase revenue and decrease expenses to advance the Association's mission, goals, and priorities.

Initial committee matters brought forth to the Board should include:

- a. Recommending protocol that follows the National Council of Nonprofits' <u>Twelve</u> additional ways nonprofits can demonstrate financial transparency. This includes:
 - i. Codifying timelines for the Board of Trustees review of budgets and IRS 990 filings.
 - Posting financial information on the AANR membership only website.
 Recommended materials include copy of the organization's recent IRS Form 990, audited or reviewed financial statements, and annual reports, as applicable.
 - iii. Adopting an internal complaint procedure for staff and volunteers, i.e., a whistleblower policy to demonstrate a commitment to fiscal accountability and transparency, while creating a safe space for staff and board members to raise concerns internally, so that AANR can be aware of and address concerns as appropriate. Such a policy also protects whistleblowers from retaliation if they

express concerns to charity regulators about a nonprofit's fiscal management (as required by federal law and the laws in most states).

b. Analyzing the appropriateness of and alignment with national benchmarks on non-profit fiscal management.

According to the Charities Review Council, at least 65% of funds from a non-profit should be spent on total annual expenses for programs, and no more than 35% on fundraising and administration combined—although there could be acceptable reasons for deviation from that standard.

AANR's FY22 990 shows salary expenses accounted for 54% of total expenditures (\$710,583/\$1,311,456), well above the 35% industry benchmark.

c. Determining a mission-consistent and fiscally sustainable funding model for Government Affairs activities shared between AANR and each of the Regions.

We all have a responsibility to preserve and protect nude recreation. One of the stated purposes of AANR in the Bylaws is to "work with legislative, administrative, judicial, and enforcement officials toward the clarification and elimination of restrictive laws which unreasonably limit the practice of social nudism," Likewise, and using the Florida Region's Bylaws as an example, "The purpose of AANR-Florida shall be to establish, maintain and foster the existence of public and private resorts, camps, parks, beaches, and other recreation areas for the enjoyment of nude recreation."

And the record number of proposed anti nude recreation bills across the country during this legislative season show that no one is immune from industry-damaging legislation. However, no one entity should have to bear the bulk of financing by virtue of location. This is a national issue. A sustainable and fair funding model for government affairs should be developed.

As implementation of our recommendations occurs, we look forward to hearing from the Board and its officers, on a national plan to promote club membership growth. The Regions have been tasked with attempting to achieve a 5% quarterly membership growth goal.

Work of the Dues Modernization and Streamlining Committee has taken many positive initial steps on increasing direct memberships. Their work and our work needs to follow your lead and take the next steps with direct and club memberships.

Respectfully submitted on behalf of the seven Regional Presidents

Joe Rives