

EXECUTIVE BOARD MINUTES

A regular meeting of the Executive Board of the Family Motor Coach Association was held on Saturday, August 19, 2023, in Gillette, Wyoming. The National President and Secretary were both present. National President Rett Porter called the meeting to order at 9:10 a.m.

Members present:

Rett Porter	National President
Gary Milner	National Senior Vice President
Kathie Balogh	National Secretary
Barbara Smith	National Treasurer
Phyllis Britz	National Vice President, Eastern Area
Bob Golk	National Vice President, Western Area
Dianna Huff	National Vice President, South Central Area
John Jacobs	National Vice President, Midwest Area
Connie Jones	National Vice President, Rocky Mountain Area
Ken Lewis	National Vice President, Great Lakes Area
Dennis Martin	National Vice President, Northwest Area
Paul Mitchell	National Vice President, International Area
John Traphagen	National Vice President, Northeast Area
Jon Walker	Immediate Past National President (non-voting member)

Members present via Zoom teleconference:

Patricia Voyna	National Vice President, Southeast Area
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Guest present via Zoom teleconference:

Farrell Long	Chairman, Risk Management Committee
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Staff present:

Chris Smith	Chief Executive Officer (non-voting advisor)
Anne Baumgartner	Director of Marketing
Penny Gortemiller	Director of Chapters and Governance
Pamela Kay	Director of Communications (via Zoom)
Larry Pennington	Director of IT
Danielle Powell	Chapter Services Coordinator
Aaron White	Director of Membership

National Secretary Kathie Balogh reported that unless there were any objections, the reading of the minutes of the previous meetings would be waived. The minutes of the Executive Board meetings held, May 19, 2023, and June 29, 2023, were approved as distributed.

National President Rett Porter called on National Treasurer Barbara Smith for the Treasurer's report.

Treasurer Smith stated current interest rates are at a 22-year high. She commented that it is possible the rise in interest rates will pause, depending on inflation. She noted that there will be long-term modest gains for the investment account in the new year. She mentioned the RV Industry Association report that said year to date in 2023, shipments to dealers were the lowest in 23 years. Barbara reviewed the monthly gains and losses with FMCA's Tech Connect+ program. She reminded everyone that FMCA's quarterly financial results are posted to the Treasurer's section of the FMCA website. At the end of the third quarter, total revenue was \$1,938,105, and the total expenses were \$2,389,104. Operating income equaled (\$450,000), most of which occurred over a 3-month period. Non-operating expenses of \$144,081 include educational pieces in the magazine and at national and area rallies, as well as marketing expenses for the long-range plan and research done by Marketing General Incorporated. The change in net assets is (\$306,916), and this is an update from May 2023. Barbara reported as of July 31, 2023, from our investment firm: our investments in the Fidelity account were \$6,821,569 and earned a rate of return of 10.46%. Year to date dollar gains were \$683,159. Our other account was \$592,302, for a total of \$7,413,871. Barbara also mentioned FMCA cannot touch the prepaid dues, which exceed \$3,000,000.

Ken Lewis moved to accept the Treasurer's report for file.

A roll call vote was taken:

Phyllis Britz voted yes.
Bob Golk voted yes.
Dianna Huff voted yes.
John Jacobs voted yes.
Ken Lewis voted yes.
Connie Jones voted yes.
Dennis Martin voted yes.
Gary Milner voted yes.
Paul Mitchell voted yes.
Barbara Smith voted yes.
John Traphagen voted yes.
Patricia Voyna voted yes.
Kathie Balogh voted yes.

The motion was carried unanimously.

The Treasurer's report was accepted for file.

President Porter called on Chris Smith, Chief Executive Officer, for the CEO report.

Chris noted his report was distributed via email ahead of time and that he would be happy to answer any questions. Chris announced a new discount for FMCA members: Pilot Flying J with an offer of \$0.10 off per gallon of fuel. He noted that this is a much easier process than using the Circle K discount. Chris encouraged the Executive Board members to use this discount, which would be in effect until September

5, 2023. He said that if results were favorable, Pilot Flying J would be open to a more involved partnership that could entail a more substantial discount. There are transaction limits but no gallon limits, and you cannot stack discounts. The discount is for both gas and diesel.

The CEO report was accepted for file.

Under unfinished business, Paul Mitchell reported he would like the Area Vice Presidents to call on expired members to try to encourage them to renew their membership. This would not be required, nor would it interrupt the national office staff's processes. Paul stated this effort would provide valuable information for FMCA to know why there are so many members not renewing. He said that if anything, this is a chance to call and thank members. Paul stated taking the time to make these calls shows the members we care. This is not something that would be mandatory and if someone is not comfortable making these types of calls, they would not have to.

CEO Chris Smith shared that MCA recommended making welcome calls to new members versus making another attempt to get members to renew, as it might be more effective since welcome calls could help with retention.

Membership director Aaron White mentioned this could potentially be 10 or 11 attempts at contacting renewing members including the Area Vice President's phone call.

A question was raised whether a script could be provided. It was reported that it could and would be beneficial.

Paul Mitchell moved that the national office provide to the Area Presidents a list of members in their area who have not renewed once the national office has completed all attempts to contact. The motion was seconded.

A roll call vote was taken:

Bob Golk voted yes.
Dianna Huff voted yes.
John Jacobs voted yes.
Ken Lewis voted yes.
Connie Jones voted yes.
Dennis Martin voted no.
Gary Milner voted yes.
Paul Mitchell voted yes.
Barbara Smith voted yes.
John Traphagen voted yes.
Patricia Voyna voted yes.
Kathie Balogh voted yes.
Phyllis Britz voted yes.

The motion carried with 12 votes "yes" and 1 vote "no."

Under new business, President Porter read through the list of remaining area rallies for 2023 and the list of 2024 area rallies as well as international conventions. Convention hosts were also discussed.

A question was raised regarding coming back to the CAM-PLEX in 2025 and 2027 and whether there is a possibility of breaking the contract if plans change. CEO Chris Smith mentioned there would be a fee to break the contract.

Connie Jones reported the 2024 Rocky Mountain Area Rally is still to be determined.

Bob Golk referred to Policy and Procedure #2007, Annual Budget. The Policy and Procedure states, "All proposals that require approval of the Executive Board and will result in an increase to an expense budget if enacted are to be accompanied by the following cost projection information (items one through seven as stated in the Policy and Procedure #2007). Bob stated he has never seen this information during his time as an Executive Board member. It was recommended that the paragraph be rewritten.

Treasurer Smith mentioned it is the responsibility of whoever is presenting the proposal to provide the information requested.

Bob noted Board members need something that shows the fiscal impact of any proposal.

Treasurer Smith led an open discussion on the FMC Assist Medical Emergency and Travel Assistance Program. She said that as we look forward, the net loss ratio is approaching 100% and she is concerned what the cost will be at renewal. Barbara called on Farrell Long, Risk Management Committee Chairman, who joined the meeting via Zoom, for an overview.

Chairman Farrell Long explained that data from October 22, 2022, through July 1, 2023, was used as a point of reference. Our largest single expense is case fees. This is what Chubb uses for FMC Assist. This is not controllable. Farrell reviewed claims and coverage benefits by line item. Farrell's recommendation is to investigate education, implement a safety series for members, and investigate the way the benefits in the policy are structured. The claims are steadily rising. FMCA could possibly charge more, reduce the benefits, or do an opt-in option for the illness portion.

Paul Mitchell asked about the current loss percentage at this time and reminded the Board that the goal was to keep the loss percentage under 60%. CEO Chris Smith reported the claims percentage was at 96% through July 1, 2023, and could possibly go up. President Porter noted that if the membership grows, this will help balance the cost.

Farrell explained some of the examples of what is covered and what FMCA will pay in those cases. The expense numbers are not avoidable. It would be beneficial to offer a base platform and an option to buy additional coverage.

Treasurer Smith thanked Farrell and the Risk Management Committee for the overview.

Treasurer Smith led a discussion regarding chapter EINs and chapters' non-profit status with the IRS. Currently, 26 chapters have lost their non-profit status. Barbara noted the importance of the Area Vice Presidents getting involved with their chapters on this subject.

John Jacobs said this is a real concern for our chapters and FMCA and something should be done to help them keep their status. John proposed that someone knowledgeable within FMCA, specifically Chapter Services, should take this task and help the chapters make sure they are able to file and be reinstated if necessary.

Dennis Martin mentioned he had this same issue in the Northwest Area. One chapter within the Northwest Area had to call the IRS and try to get reinstated, and the cost was going to be \$600.

John Jacobs moved to recommend that FMCA designate one knowledgeable resource in Chapter Services to work with all chapters to resolve and maintain their IRS non-profit status on a continuous basis. The motion was seconded.

Paul Mitchell mentioned that chapters have their Area President and Area Treasurer for help in this process.

John Traphagen noted it would take time and resources to get this done and questioned if this would cause the Chapter Services team to need another employee.

Paul Mitchell moved to amend the motion to include that Chapter Services would communicate with the Area Vice Presidents and Treasurers as the primary point of contact. The amendment was seconded.

Paul mentioned this would help keep the Chapter Services Department from being tied up.

CEO Chris Smith stated this would be difficult for the Chapter Services team as no one in the department is a tax expert. This falls under the guidelines of the Chapter Treasurers. Chris stated he is available for help along with the National Treasurer Barbara Smith and that this should not be a part of Chapter Services duties. Area Presidents and Treasurers are resource as well.

The original motion and amendment were withdrawn.

John Jacobs moved to recommend that FMCA designate one knowledgeable resource to work with all chapters to help them maintain their IRS non-profit status on a continuous basis. The motion was seconded.

A roll call vote was taken:

Dianna Huff voted no.

John Jacobs voted yes.

Ken Lewis voted yes.

Connie Jones voted yes.

Dennis Martin voted yes.

Gary Milner voted yes.

Paul Mitchell voted no.

Barbara Smith voted no.
John Traphagen voted no.
Patricia Voyna voted yes.
Kathie Balogh voted no.
Phyllis Britz voted no.
Bob Golk voted no.

The motion failed with seven votes “no” and six votes “yes.”

Paul Mitchell provided an update on FMCA’s affiliate program, noting there are 94 affiliates participating and that he would like to see the program grow.

Under new business, CEO Chris Smith referred to Policy and Procedure #2033, Chapter Rallies. Chris reported that back in May, a reduction in magazine pages was implemented as a cost-saving measure. Chapter rallies were part of the page reductions. The first sentence in the Policy and Procedure mentions chapter rallies being listed in the magazine. A decision needs to be made whether to remove this information from the Policy and Procedure.

Ken Lewis moved to strike the words Family RVing magazine and replace it with FMCA website in paragraph one of Policy and Procedure #2033. The motion was seconded.

Pamela Kay, director of communications, noted that the policy and procedure says rallies will be listed for three months. We have been telling chapters they can place their rallies on the website for up to a year in advance.

Ken restated his motion as follows:

Ken Lewis moved to recommend striking the words “Family RVing magazine three months” and replacing it with “FMCA website prior to the rally date” in Policy and Procedure #2033.

A roll call vote was taken:

John Jacobs voted yes.
Ken Lewis voted yes.
Connie Jones voted yes.
Dennis Martin voted yes.
Gary Milner voted yes.
Paul Mitchell voted yes.
Barbara Smith voted yes.
John Traphagen voted yes.
Patricia Voyna voted no.
Kathie Balogh voted yes.
Phyllis Britz voted yes.
Bob Golk voted yes.
Dianna Huff voted yes.

The motion carried with 12 votes “yes” and one vote “no.”

The meeting was adjourned at 12:02 p.m.



Kathie Balogh
National Secretary



Rett Porter
National President