

BOARD OF DIRECTORS MEETING MINUTES

A regular meeting of the Board of Directors of Family Motor Coaching, Inc. was held on Friday, October 29, 2021, in Cincinnati, Ohio, and via Zoom conference. The National President and Secretary were both present. National President Rett Porter called the meeting to order at 1:40 p.m.

Members present:

| | |
|----------------|---|
| Rett Porter | National President |
| Gary Milner | National Senior Vice President |
| Kathie Balogh | National Secretary |
| Barbara Smith | National Treasurer |
| Jamie Erickson | Board Member |
| Dennis Fox | Board Member |
| Bob Golk | Board Member |
| Ken Lewis | Board Member |
| Paul Mitchell | Board Member |
| Herman Mullins | Board Member |
| Don Schleuse | Board Member |
| John Traphagen | Board Member |
| Patricia Voyna | Board Member |
| Gaye Young | Board Member |
| Jon Walker | Immediate Past National President (non-voting member) |

Staff present:

| | |
|-------------------|--|
| Chris Smith | Chief Executive Officer (non-voting advisor) |
| Anne Baumgartner | Marketing Director |
| Penny Gortemiller | Director of Chapter Services & Governance |
| Pamela Kay | Director of Communications |
| Sherry Light | Project Manager |
| Larry Pennington | IT Manager |
| Aaron White | Director of Member Services |
| Doug Uhlenbrock | Director of Events |

Secretary Kathie Balogh reported that unless there was an objection, the reading of the minutes of the previous meetings would be waived. The minutes of the Board of Directors meetings held July 10, 2021, and August 26, 2021, were approved as distributed.

Barbara Smith presented the Treasurer's Report. (Attachments #1 and #2.)

Barbara noted that her report included October 1, 2020 (the beginning of the fiscal year) through August 2021. She reported the operating income was \$792,116. She noted that the figures in the written report do not match the figures from the year-to-date report, as the year-to-date report contains the most up-to-date figures. She noted that the fiscal year 2020 results reported in Gillette showed a gain of \$7,309. She noted that there are needed items to be funded with those gains. She noted membership is increasing; the FMC Assist Medical Emergency and Travel Assistance contract was

renegotiated; and there were two successful conventions held in 2021. She explained that FMCA was able to provide refunds for the Tucson 2020 convention, including credit card processing fees. She noted that the dues rollback to \$50 and marketing efforts made for an impressive increase. She reported that investments looked good as of October 26, 2021.

Barbara reviewed a chart showing the breakdown of the membership dues by category. (Attachment #3.) CEO Chris Smith shared that the salaries for the employees are noted within each category. Barbara reported that she was skeptical about the \$50 dues at first but has since been reassured after seeing the management controls in place.

Barbara encouraged the board to send proposals to the Finance Committee first to assess the impact on the budget and to seek the committee's recommendation. During this current fiscal year, which started on October 1, FMCA has spent \$91,000 in off-budget items. The items were deemed necessary and included such things as building maintenance. She noted that they will now list the rate of return for investments on the quarterly financials. Barbara asked for questions and there were none.

The Treasurer's Report was accepted for file.

Gary Milner presented the Convention Committee report. (Attachment #4.) Gary discussed the following events for the Tucson convention in 2022. The first item is a Silent Auction for charity. The goal is to open up the auction to both chapters and individuals to create boxes and/or baskets that will be displayed all week and allow members to place bids at the event to help raise money for charity. The auction will start on Wednesday and run until Friday at 5:00 p.m. The winners will be contacted Saturday morning to pick up their basket. We will recognize the winning entry that raises the most money for the charity. At evening entertainment on Saturday, the total amount raised will be announced, and the hope is to present a check in person to a representative of the charity.

The second item is a Chapter Fair decorating contest. Chapter tables would be judged for creativity and originality, fun, etc. On the first night of entertainment, the winning three chapters will be announced and presented a yet-to-be-determined award. The overall winning chapter members will receive a private BBQ dinner with featured entertainer Cale Moon on Friday evening along with up-front seating for the performance. The dinner will be funded by sponsorship.

The report was accepted for file.

Gary Milner moved to direct the Policy and Procedure Committee to amend P&P #3005, Area Rally Registration, to eliminate the rally registration fee charged to the areas. The motion was seconded.

Gary shared that he had asked Chris to try to negotiate the credit card charges to a reduced rate. Chris was successful, and that amount would more than make up the difference in eliminating the rally registration fees. Gary said he hopes this change will help the areas by eliminating the cost. A question was raised regarding mailing the confirmation packets. It was noted that there would be no change to that process, and the fee for that postage still applies. Ken Lewis stated his worry is that eliminating the rally registration fees charged to areas would result in about a \$20,000 effect on the budget. He noted that the areas have funds in their bank accounts and can afford to pay.

John Traphagen moved to amend the motion to cut the fee in half instead of eliminating it. The amendment died for lack of a second.

President Porter clarified that the motion on the floor is to direct the Policy and Procedure Committee to eliminate the registration fee charge listed in P&P # 3005, Area Rally Registration.

A roll call vote was taken:

Gary Milner voted yes.
Paul Mitchell voted yes.
Herman Mullins voted yes.
Barbara Smith voted yes.
Don Schleuse voted yes.
John Traphagen voted yes.
Patricia Voyna voted yes.
Gaye Young voted yes.
Kathie Balogh voted yes.
Jamie Erickson voted no.
Bob Golk voted yes.
Dennis Fox voted yes.
Ken Lewis voted no.

The motion carried with 11 votes “yes” and 2 votes “no.”

The minutes note that Patricia Voyna left the meeting.

Rett Porter moved to revise the employee manual to add that any new employees must be fully vaccinated or in the process of becoming fully vaccinated against COVID-19. The motion was seconded.

It was noted that this applies only to new employees. The FMCA Health Advisor was consulted on the COVID policy, but not this particular action. Chris reported that this question was discussed with the FMCA attorney and could be considered a requirement of employment. It was noted that this would be for any new employees hired.

A roll call vote was taken:

Paul Mitchell voted yes.
Herman Mullins voted yes.
Barbara Smith voted yes.
Don Schleuse voted yes.
John Traphagen voted yes.
Gaye Young voted yes.
Kathie Balogh voted yes.
Jamie Erickson voted no.
Bob Golk voted no.
Dennis Fox voted yes.
Ken Lewis voted no.
Gary Milner voted yes.

The motion carried with 9 votes “yes” and 3 votes “no.”

Rett Porter moved to add to the employee manual that the dates from December 24 to January 1st will be treated as paid time off for all employees, returning to the office on the first work day following January 1. The motion was seconded.

It was noted that for the past eight years, this has been current practice at the national office. This action officially adds to the employee manual that the time will be treated as this paid time off.

A roll call vote was taken:

Herman Mullins voted yes.
Barbara Smith voted yes.
Don Schleuse voted yes.
John Traphagen voted yes.
Gaye Young voted yes.
Kathie Balogh voted yes.
Jamie Erickson voted yes.
Bob Golk voted yes.
Dennis Fox voted yes.
Ken Lewis voted yes.
Gary Milner voted yes.
Paul Mitchell voted yes.

The motion carried with 12 votes “yes.”

Rett Porter moved that when Executive Board members are in town for meetings, FMC staff may not take paid time off. Exceptions would be made for emergencies. The motion was seconded.

A roll call vote was taken:

Barbara Smith voted yes.
Don Schleuse voted yes.
John Traphagen voted yes.
Gaye Young voted yes.
Kathie Balogh voted yes.
Jamie Erickson voted yes.
Bob Golk voted yes.
Dennis Fox voted yes.
Ken Lewis voted yes.
Gary Milner voted yes.
Paul Mitchell voted yes.
Herman Mullins voted yes.

The motion carried with 12 votes “yes.”

Chris noted that he received two additional requests for changes to the employee manual.

Rett Porter moved to remove the 401(k) percentage match figure from the employee handbook and state only that there is a match but not list a numeric amount. The motion was seconded.

Chris reported that the match is determined in the budget each year. Chris also clarified that just because an employee puts in a certain amount does not mean the company matches that entire amount put in.

A roll call vote was taken:

Don Schleuse voted yes.
John Traphagen voted yes.
Gaye Young voted yes.
Kathie Balogh voted yes.
Jamie Erickson voted yes.
Bob Golk voted yes.
Dennis Fox voted yes.
Ken Lewis voted yes.
Gary Milner voted yes.
Paul Mitchell voted yes.
Herman Mullins voted yes.
Barbara Smith voted yes.

The motion carried with 12 votes “yes.”

Rett Porter moved to include a “non-compete” clause in the employee manual, so that if an employee leaves, they cannot work for an RV association company for a six-month period. Chris noted that he needs to further research the wording that would work for our employee manual.

Herman Mullins raised the concern that a non-compete will not be upheld in a right-to-work state and recommended amending the wording to include a “non-disclosure” instead. It was suggested this subject needs to have more research before coming to a decision. Several questions were raised regarding the concept and best practices.

Don Schleuse moved to postpone the motion until more reserch is completed, and bring the subject back for the next Board of Directors meeting. The motion was seconded.

A roll call vote was taken:

John Traphagen voted yes.
Gaye Young voted yes.
Kathie Balogh voted yes.
Jamie Erickson voted yes.
Bob Golk voted yes.
Dennis Fox voted yes.
Ken Lewis voted yes.
Gary Milner voted yes.
Paul Mitchell voted yes.
Herman Mullins voted yes.
Barbara Smith voted yes.
Don Schleuse voted yes.

The motion carried with 12 votes “yes.”

President Porter asked Gaye Young to give an update on the RV show in Hersey, Pennsylvania. Gaye let the Board know that the volunteers worked about 12 hours a day. The show was successful, and they had 170 new members join at the show.

Herman Mullins moved to accept the stand-alone policy on the new COVID 19 guidelines. This policy will not be included in the employee manual. He noted the adjustments dated October 29, 2021, are as follows:

1. ***Masking-*** All employees and guests are encouraged to wear a mask if they are inside any FMCA building. The only exception would be if the employee is alone in their personal work area.
2. ***Distancing-*** Employees are encouraged to maintain a minimum of 6 feet social distancing from all other individuals while on FMCA property. Non-vaccinated employees will wear a mask and maintain 6 feet social distancing when gathering with others such as in a lunch/break room meeting rooms, FMCA social events or other communal areas.
3. ***Travel-*** Any employee who must travel on FMCA business will ensure a normal temperature and if showing any symptoms must present a negative COVID test within 72 hours before departure. Any FMCA employee required to travel to and work at an international convention must conform to local protocol.
4. ***Waiver Form-*** Any employee traveling on FMCA business must sign an “FMCA Convention Waiver and Release of Liability For Exposure to COVID-19” form.
5. ***Time Off-*** As of September 30, 2021, the IRS ended tax credits for employers to pay employees who contract COVID and must quarantine from home. Effective October 1, 2021, employees must use PTO for their time out. If they do not have PTO available, the time out would be unpaid.

The motion was seconded.

A roll call vote was taken:

Gaye Young voted yes.
Kathie Balogh voted yes.
Jamie Erickson voted yes.
Bob Golk voted yes.
Dennis Fox voted yes.
Ken Lewis voted yes.
Gary Milner voted yes.
Paul Mitchell voted yes.
Herman Mullins voted yes.
Barbara Smith voted yes.
Don Schleuse voted yes.
John Traphagen voted yes.

The motion carried with 12 votes “yes.”

President Porter noted that as circumstances change with the COVID-19 policy, he will inform the Board members.

Discussion was held on introducing a “dot system” as an option for Tuscon convention. The “dot system,” as Rett explained, was a three-colored dot sticker option: red, yellow and green, to mark participants’ badges to indicate the level of interaction they were comfortable with. They would choose the color dot they wanted on their badge.

It was explained that the red dot would mean that you would like to maintain a six-foot distance, with a mask on. The yellow dot would indicate caution; I’m ok with elbow bumps and masked conversations a little closer than the 6-foot rule. The green dot would indicate that person is open to any kind of interaction.

A question was raised regarding the validity of having the “dot system” on stand-by. Doug reported that he is able to get dots without issue; the size and dot location are still questioned. FMCA will be following the county guidelines in Pima, which do not currently require or request proof of vaccination. This could change if there is a drastic change in the area’s COVID regulations or an outbreak. Waivers will be used at Tuscon and are included in the enrollment forms.

Jamie Erickson reported that the “dot system” was shot down by the Rocky Mountain Area Board prior to the Rocky Mountain Area rally that was recently held at Pima County Fairgrounds in Tuscon. Jamie stated Tuscon is currently wide open, with no restrictions.

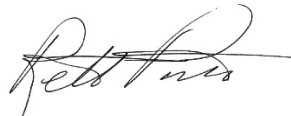
A question was raised regarding the requirement of registered attendees to be vaccinated. Rett reported that there would be no requirement. He also noted that the COVID waivers would be in place for the Tucson attendees, and would continue until the pandemic is over, or they receive other guidance.

President Porter extended official thanks to Claire Porter and Glenda Milner for assisting in setting up instructions for the point of sale system for the FMCA store.

With no further business, the meeting adjourned at 2:43 p.m.



Kathie Balogh
National Secretary



Rett Porter
National President

**FMCA
TREASURER'S REPORT
EXECUTIVE BOARD MEETING
October 29, 2021**

FMCA's financial status is one of cautious optimism. Inflation is on the horizon moving forward. However, the results for last fiscal year are very good. As of August 2021, our operating income was \$792,116. Fiscal year 2020 results reported in Gillette was a gain of \$7,309. We are seeing results not seen in a long time.

How did we get there? Membership is increasing; severe cuts to the budget; attention to cutting costs; renegotiating with the provider of the FMC Assist Medical Emergency and Travel Assistance program; positive results from conventions; and streamlining of processes to eliminate redundant work.

The Perry and Gillette conventions were profitable.

We were able to provide refunds for the canceled Tucson 2020 convention, including credit card processing fees.

With the dues rollback from \$75 to \$50 and marketing efforts, we saw an impressive increase in membership.

Investments are in good shape as of October 26, 2021:

Cash and cash equivalents are \$1,033,678

Investments are \$10,233,825 (after the withdrawal for Tucson refunds).

We have a constraint: dues set at \$50. From the reviews I have seen over the last 90 days, achieving this constraint is possible over this fiscal year if we continue to apply the management controls that we do now.

We are going to follow the rules. I encourage the board to send proposals to the Finance Committee to assess impact on the budget, and to seek their recommendation.

In the current fiscal year, we have spent \$59,092 in off-budget items deemed necessary: reinstating recruitment coupons; new plate design; face-to-face meetings; deferred buildings maintenance; and a COVID-19 medical advisor.

In sum, profits are good, and if we continue to apply money management controls, then our financial horizon is a good one.

A handwritten signature in cursive script that reads "Barbara M. Smith". The signature is written in black ink and is positioned above the printed name.

Barbara Smith

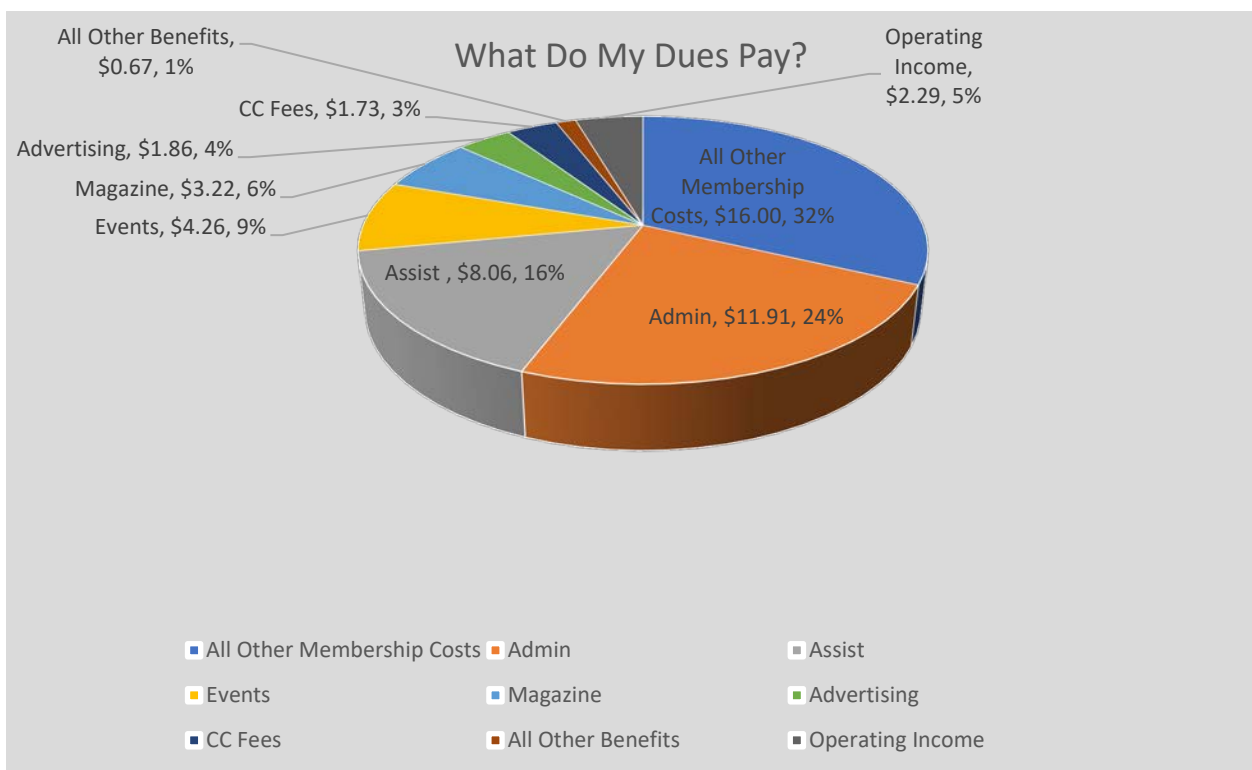
FMCA National Treasurer

FAMILY MOTOR COACH ASSOCIATION

ACTUAL vs BUDGET FISCAL YEAR 2020 FINAL

| | | | Actual Vs. Budget | Prior Year | Curent Year Vs. |
|---|------------------|------------------|--------------------|------------------|----------------------------|
| Revenue | <u>Actual</u> | <u>Budget</u> | <u>Variance</u> | <u>Actual</u> | <u>Prior Year Variance</u> |
| Membership/Commercial | 4,456,297 | 5,041,734 | (585,437) | 4,320,765 | 135,532 |
| Magazine/Web/Classifieds/ Digital/Enewsletter | 1,291,836 | 1,580,160 | (288,324) | 1,438,631 | (146,795) |
| Winter Convention | - | 1,495,415 | (1,495,415) | 1,407,278 | (1,407,278) |
| Summer Convention | - | 1,055,430 | (1,055,430) | 1,016,983 | (1,016,983) |
| PPP Grant | 545,623 | - | 545,623 | - | 545,623 |
| Total | <u>6,293,756</u> | <u>9,172,739</u> | <u>(2,878,983)</u> | <u>8,183,657</u> | <u>(1,889,901)</u> |
| Expenses | | | | | |
| Membership | 1,600,594 | 1,737,998 | (137,404) | 1,370,024 | 230,570 |
| Winter Convention | 104,655 | 938,795 | (834,140) | 932,512 | (827,857) |
| Summer Convention | - | 804,250 | (804,250) | 907,431 | (907,431) |
| Magazine | 757,126 | 911,300 | (154,174) | 769,130 | (12,004) |
| Travel | 79,534 | 313,266 | (233,732) | 312,629 | (233,095) |
| Administrative | 3,744,538 | 4,368,936 | (624,398) | 4,445,800 | (701,262) |
| Total | <u>6,286,447</u> | <u>9,074,545</u> | <u>(2,788,098)</u> | <u>8,737,526</u> | <u>(2,451,079)</u> |
| Operating income before depreciation/investments/taxes | <u>7,309</u> | <u>98,194</u> | <u>(90,885)</u> | <u>(553,869)</u> | <u>561,178</u> |
| Investment Results | | | | | |
| Interest/Dividends | 140,189 | - | - | 265,784 | (125,595) |
| Realized gains/loss | 563,532 | - | - | 178,848 | 384,684 |
| Unrealized gains/losses | 236,239 | - | - | (152,919) | 389,158 |
| Investment Fees | (36,900) | - | - | (32,665) | (4,235) |
| Taxes | <u>(146,544)</u> | <u>-</u> | <u>-</u> | <u>(40,270)</u> | <u>-</u> |
| Change in Net Assets | <u>763,825</u> | <u>98,194</u> | <u>665,631</u> | <u>(335,091)</u> | <u>1,205,190</u> |

| | | |
|----------------------------|--------------|-------|
| All Other Membership Costs | \$16.00 | 32.0% |
| Admin | \$11.91 | 23.8% |
| Assist | \$8.06 | 16.1% |
| Events | \$4.26 | 8.5% |
| Magazine | \$3.22 | 6.4% |
| Advertising | \$1.86 | 3.7% |
| CC Fees | \$1.73 | 3.5% |
| All Other Benefits | \$0.67 | 1.3% |
| Operating Income | \$2.29 | 4.6% |
| Total | 50.00 | |



**Convention Committee
Report to the Board of Directors
October 29, 2021**

A meeting of the Convention Committee of Family Motor Coaching, Inc. was held on October 27, 2021, in person and via teleconference.

The committee is recommending the following new activities for the Tucson, Arizona, event in March 2022:

Silent Auction for Charity

Currently, FMCA makes a donation to our selected charity from the proceeds of the Magic Mile Walk. We would also like to get the chapters involved by creating silent auction baskets/boxes that we would display and allow folks to bid on. The baskets could include whatever the chapter decides. The auction would run from Wednesday through Friday at 5:00 p.m. On Saturday morning we would contact those folks with the winning bids to come pick up the basket/box and pay. We would do something for the chapter that has the basket that sells for the highest amount. That evening at entertainment we would announce the amount raised through this and hopefully have someone from the charity there to accept the check. We would also announce the chapters involved and the winner.

Chapter Fair Decorating Contest

All chapters participating in the chapter fair will be judged for the originality, fun, etc., of their table. On the first night of entertainment, we will announce the top three chapters, and they will receive awards. The overall winner will also receive a barbecue dinner on Friday night with our featured entertainer that night along with front row seats to the show.