

Executive Committee Meeting Minutes, May 8, 2014

The meeting was called to order at 10am at Frank Waskowicz's home. In attendance were Dick Schonberger, Tony Smith, Jack Gordon, Anne Martin Tredway, Don Williams, Pete Kusek, and Frank Waskowicz. Participating via teleconference were Jack Bradshaw, Paul Ruud, Jim Hall and Pete Penczer. George Lawton also attended.

First Class Club. Tony Smith, fresh from a visit to USMA this past week, related that the covered patio extension works beautifully both in rain and shine. Tony said that the Superintendent has approved our proffer for furniture, which hopefully will be in place and ready for the turnover to the new First Class in August. Based on perspectives of the club manager, the additional beer tap for the patio was eliminated. There is a leak under the floor in the room housing the pool table causing some buckling of the floor. The DCA hopes to solve the problem and have remedial work accomplished during the summer.

In a related discussion later in the meeting, the EXCOM formally recorded its February decision to include additional furniture for the patio in the overall project. That initial decision of approval occurred in February through informal e-mails and telephone calls.

Tony told the EXCOM that he plans to step down from the EXCOM this year coincident with the end of his tour on the AOG Advisory Board. This led to an extended discussion regarding transfer of the club and responsibility for oversight to the Class of 1983. It has been thought that handover to USMA 1983 might occur at our 60th reunion in 2018. For a variety of reasons articulated by Jack Bradshaw, it appears advantageous to advance that date, accomplishing turnover to USMA 1983 this year, if possible, simultaneously with turnover of the club to the new First Class. The thinking goes that we should turn it over when it is in good physical shape — which it will be with acquisition of the new furniture. It would also ensure transmittal directly from the most knowledgeable member of our class (Tony), minimizing any potential for mis-information.

Jack Bradshaw agreed to discuss passing sponsorship to USMA 1983 with its class President, urging agreement with such an arrangement. Tony indicated that there is the potential for USMA 1983 to grow the site substantially, accommodating a larger number of First Class cadets.

Class Grandchildren. Tony also passed around one of the very attractive engraved pewter trays that will be presented during Graduation Week.

Reunions. Jack Gordon reported (from exchange with Peer Gerry and Faye Cook) that planning for the Gulf Shore mini is going well. The AOG website <http://www.westpointaog.org/1958MiniReunion> is available to register. Faye reported that AOG has a support package for reunion planning. Go to <http://www.westpointaog.org>, then events, then event planning, then Reunion Support Packages. The first three steps are free, after which a cost is involved.

Jack discussed his effort to collect information on past mini---reunions as an assist to those planning future mini's. He found that a lot of information is archived on our web site. Reference was made to a report Joe Luman made in 2012; Jim Hall will forward a copy to Jack. Don Williams questioned Jack Bradshaw if these old reports would be helpful to him and the team that will sponsor the Chicago mini in 2016. Jack responded that they would be interesting, but not essential for planning as each venue has its own peculiarities.

Potential class liability for the cost of mini---reunions remain a concern. It was felt that making available reunion guidelines and after---action reports to reunion organizers should help to prevent post---event liabilities. However it is a matter that will require on---going attention.

Jack also said that USMA 1954 used the Thayer Hotel for their 60th reunion. Garry Roosma will be contacting them about their experience as he finalizes plans for our own 60th.

Treasurer's Report, Pete Kusek submitted the Treasurer's Report, which showed a net worth of \$56,683.88 in our Class Operating Fund — comprised of \$3,335.38 in our USAA checking Account, and \$53,348.50 in our T. Rowe Price account. The decrease from the last report was due to the following expenses:

Late 55 th reunion cancellation refund to Jim Morgan	\$615.00
EXCOM teleconference cost	\$37.11
Advance to Austin mini	\$3,500.00
Flowers and memorial donations for Peters, Gietzen and Farr	\$324.97

Reunion Administration. Garry Roosma, who has coordinated the 5---year reunions since the 30th, provided a very positive report detailing the advantages of having the AOG coordinate such events. As we grow older, the tasks involved become increasingly difficult to staff with classmates. Several years ago Garry challenged AOG to get more involved in providing support for reunions , and it appears that they have responded very well. He said he used them for part of the 50th, and much more for the 55th, and plans to use WPAOG for the 60th as much as possible.

Garry argued for the establishment of an account at WPAOG to minimize delays in paying for the various services (hotel, buses, bands, decorations and venues, etc). Garry wrote: "By not having an account we have to send checks back and forth causing more work for the treasurer... causes delays, makes more work for the class treasurer and so on."

The EXCOM agreed with his recommendation to establish an admin account with the WPAOG to facilitate mailing and printing costs for both the five---year reunions and the minis if desired. Pete Kusek will take action to provide a modestly funded admin account, which can be enlarged at our discretion.

Outsourcing management of Class revenues and expenses to AOG. The EXCOM considered a report by Charlie Miller who had been asked to assess if turning our operating fund completely over to AOG for management would "make sense". Charlie discussed the issue with Mr. Carol Muccia, VP/CFO of the AOG Fund in determining the following:

- Virtually every class extant has an account with AOG for the purpose of using the umbrella of AOG's 501 (c)(3) non-profit tax exempt status. The Class of '58 is one of only two or three classes that have their own Non-Profit ID. Therefore using AOG for tax exempt status is not a benefit to us.
- A 1% surcharge is charged against the sum total of all classes' accounts on hand with the AOG, and then allocated back to the individual class accounts using some weighted basis.
- Turning management over to AOG would be cumbersome, duplicative, more time consuming and add an admin layer to the process. A vendor or classmate entitled to reimbursement from the Fund would submit the claim to the Class Treasurer or President for approval with appropriate documentation, who would then forward the request for payment to AOG with the bill. AOG would then cut the check.

Charlie recommended that we continue on the present course : not outsourcing management to the AOG, and the EXCOM concurred.

Management of Class Funds. The EXCOM reviewed the excellent paper provided by Jim Hall in response to Dick Schonberger's request in February to assess "what constitutes a major disposition of funds" (a term used but undefined in Article VI of the Class Constitution)." The issue is: when does the EXCOM need to refer a spending resolution to the class as a whole?

Jim's paper discussed the three funds of concern to the Class: (1) the Perpetual Endowment Fund, (2) the Class Gift Fund, and (3) the Class Operating Fund. Each was discussed in turn.

(1) All disbursements from the PEF are defined in detail in the Bylaws of the PEF as posted on the Class website, so there is no issue for the EXCOM which has no authority in governance of the fund.

(2) Regarding the Class Gift Fund, AOG holds and invests the contributions that were made by classmates for the Class of 1958 Gift Fund. Contributions are no longer sought for this fund whose primary objective was refurbishment and expansion of The First Class Club as our major gift to West Point. As it is our intent to transfer responsibility of the FCC to the Class of 1983 on an expedited basis (see earlier discussion), remaining funds will be used for necessary refurbishments in preparation for turn-over. With the funds exhausted, the Class Gift Fund expires.

(3) Class Operating Fund. Governed by Article VI of the Constitution, this fund routinely covers modest expenditures for flowers for deceased classmates and/or spouses, mailings, awards, Class flags, etc. On occasion, the EXCOM has assisted mini organizers by providing seed money – on the order of \$1,000 to \$3,500 and less than 10% of the operating fund —always with the expectation of reimbursement by reunion organizers. Reimbursement is still the expectation of the EXCOM, but some guideline regarding what constitutes a major expenditure is desirable. Jim recommended that a major expenditure be classified as one that exceeds 20% of the Operating Fund. Given our current value of approximately \$60,000, that would mean that the EXCOM could approve an expenditure of up to \$12,000 without seeking Class approval.

Jim's recommendations were approved by the EXCOM, namely:

- (1) Inform the Class and seek Class approval of the plan to utilize the remaining funds in the Class Gift Fund to refurbish the FCC prior to handover to the Class of 1983, and then to close out the Gift Fund.
- (2) Advise classmates to make any future donations to the PEF or the Superintendent's Fund, or the Long Gray Line Fund. Not to the Gift Fund; it has met its purpose.
- (3) Consider any future expenditure of greater than 20% of the Operating Fund a major expenditure requiring Class approval.

Last Toast. Tony Smith announced that he would be picking up a bottle of 1958 Armagnac approved for purchase by the EXCOM to be used for the Final Toast. It was agreed that a poster would be developed for display at all future reunions to preclude damage or loss of the bottle that might otherwise be incurred by moving the bottle around to various reunion sites. Paul Ruud agreed to take the lead on planning for this event.

Executive Committee (EXCOM) Standard Operating Procedures (SOP). The EXCOM continued to refine its operating procedures.

EXCOM Membership. Jim Hall announced he will be standing down, having completed his five years on the EXCOM. This will bring the EXCOM membership to seven, considered to be the optimal number. As Tony Smith will also step down this year, there is a need to identify a candidate for class approval at the next class meeting in October.

Nominations for AOG Directors and Advisors at Large. Tony Smith gave his frank view that AOG is not particularly anxious to have older classes apply. He did say, however, that a class must have a member during the three years preceding a 10---year reunion. That means we would have to propose a candidate in 2015.

Next EXCOM Meeting. The Chairman announced the next EXCOM meeting will be in conjunction with the October mini at Gulf Shores. An agenda will be coordinated prior to the reunion.

Respectfully Submitted, FAW