

MEETING MINUTES
FRA PRE-CONVENTION NATIONAL BOARD OF DIRECTORS
October 11, 2016
Lexington Hotel
Jacksonville, FL

National President (NP) Virgil Courneya called the meeting to order at 1300 on Tuesday, October 11, 2016. Following the National Chaplain's prayer and the Pledge of Allegiance to the Flag, National Executive Director Thomas Snee called the roll, the following were present:

NP Virgil P. Courneya, NVP Donald Larson, JrPNP John Ippert, RPNE/NEng Donna Jansky, Shipmate RPEC Penny Collins, RPSE Dave Davis, RPNC Marcia Cunningham, RPSC Donald Gibson, RPSW Don Kelley, RPWC Pat LeClaire, and RPNW J.J. Wynn.

The NP then introduced National Parliamentarian PRPNE William Starkey, (Starkey seated due to Parliamentarian Muecheck being affected by Hurricane Matthew and unable to attend). National Chaplain Dana L. Wallace, Annapolis Branch 24; and Finance Officer Nora Graham.

The NP then introduced NHQ staff members present: Lauren L. Armstrong, Communications Director; Shipmate John R. Davis, Director, Legislative Programs; Shipmate Penny Collins, Director, Membership Development; Chairman, Membership and Retention Committee; Shipmate PRPEC Chris Slawinski, National Service Director; Chairman Steering Committee; and Shipmate PRPEC Robert Washington, Sr., Legislative Program Healthcare Advisor, William Stevenson, Director of Communications & Marketing, and Victoria Duran, Manager of Communications & Marketing.

The National President declared a quorum present in compliance with Section 802(1).

The NP indicated that the meeting was not being recorded. NED Thomas Snee reported on the status of the Directors' voting on National Board Resolutions 1-16 through 27-16.

NED Snee proceeded to address unfinished business and new business. Actions were taken by the National Board of Directors are as follows:

NBR 27-16 OF OCTOBER 11, 2016

Resolved, That the minutes from the mid-year meeting of the National Board of Directors (April 2016) be approved.

Vote: 12 affirmative

NBR 28-16 OF OCTOBER 11, 2016

Resolved, That Lifeline Screening be allowed to market their services to FRA members.

Vote: 10 affirmative, 2 negative

Under New Business, JrPNP Ippert read the recommendations made by the group of PNPs that met at FRA NHQ in September. The following are the suggestion were made:

1. **Recommendation 1:** Direct the National Standing Committee on Budget and Finance to author a Constitution and Bylaws resolution to remove references of the Widows Benefit Trust as it

doesn't exist any longer and the current C&BL reference the Trust as the source of revenue for Reserve funds.

NP stated: this action is not possible due to 14 widows still on the Role's and the Association has an obligation to continue coverage.

2. **Recommendation 2:** Direct the Finance Officer to present the budget to the National Standing Committee on Budget and Finance, National Board of Directors, and the delegates at National Convention in a double-line format and renumber line items to show revenue next to expenditure. An example would be to list all the programs funded by the Restricted Reserve next to the balance of the Restricted Reserve.
3. **Recommendation 3:** Direct the National Finance Officer to apply the entire rental payment of our tenant to the SunTrust loan. Estimated revenue from the rental of the 3rd floor of our building is \$163,068.04 this year but we're only repaying SunTrust \$96,683.12 against the principle and \$13,288.72 interest on this loan. Unless the remaining \$53,096.20 was added to the Capital Improvement Reserve Fund for imminent repairs to the building, it should be applied to our loan balance in order to pay off the loan early and reduce the amount of interest paid.

NP stated: N.P. Confirmed that this action has been the practice since renting out the 3rd floor for past 2 years.

4. **Recommendation 4:** Direct the National Executive Director to end the print edition of FRA Today. Our flagship publication, FRA Today, brought in \$350,000.00 from subscriptions and advertising for 2016 but it cost \$737,000 to publish the magazine for the same year. Over the past 3 years, we've only brought in \$1,086,000 but spent \$2,036,700. It is time to end the print issue and rely on the electronic edition. The Association simply can't afford to lose more than \$380,000 a year on a print newsletter.

NP stated: Has directed a study, along with a survey of members to ensure this is a desirable change.

5. **Recommendation 5:** Direct the National Standing Committee of Budget and Finance to irrevocably link membership revenue to salaries. Estimated revenue for 2016 from Members-At-Large and Branch members' due is \$977,000 but salaries outlay is budgeted at \$1,046,167.11. The remedy isn't to increase dues. Asking for more money from fewer people, most on a limited income is a recipe for membership to drop even faster than it is now.

NP stated: This will occur with the attrition of new hires, and putting a cap on salaries of new future hires with a five year plan.

6. **Recommendation 6:** Direct the National Standing committee of Budget and Finance to author a resolution to reinstate former standing Rule 14 which stated each time Life Membership dues are revised, the National Finance Officer shall prepare and promulgate a table of Life Membership dues for ages 15 through 110 using the factors from the actuary table and the fee calculation shall be based on the actuary table maintained by the National Financial Secretary expressly for this purpose.

NP stated: Research has been done and actual study doesn't have to be done and F.O. will follow all federal laws.

7. **Recommendation 7:** Direct the National Executive Director to grant iMIS access to all Branch Presidents and Secretaries at a minimum. Regardless of the caution our lawyers present (they work for us, not we them), all Branch Presidents and Branch Secretaries are duly elected, installed, and bonded by our insurance policy to which each Branch pays a premium.

NP stated: This will not occur due to Liability and Privacy Laws.

8. **Recommendation 8:** Stop being so generous with employee benefits. Currently, the FRA contributes 5% of the employee's salary, regardless if the employee decides to contribute. The federal government only contributes 1% of the employee's salary. The federal government does match up to 5% of employee contributes with an employee contribution ceiling of \$16, 500 a year or \$22,000 if the employee is over 50 years of age. Please explain how 401(k) 5% auto-Employer contributions and 3% matching contributions to employees fall under the provisions governing the Experience Reserve Fund. What other companies offer medical, dental, vision, life both short and long term disability insurance? Does the federal Affordable Healthcare Act affect us and how does it compare to our offering? We're not the federal government spending taxpayer money here.

NP stated: Employee's benefit packet to include health package meets the minimum federal standards and no requirement to change.

9. **Recommendation 9:** Become legislatively aggressive to establish a niche guaranteed to garner media attention and veterans approval: Replace the Veterans health Administration with veterans insurance. This issue is very popular with the Concerned Veterans of America. We can leverage our business partner's knowledge to help craft a bill and shop it to Congressmen and Senators friendly to the Association. We do not take this to the Military Coalition until it has been publically branded as a Fleet Reserve Association issue.

NP stated: Will be acted on by the 2016-2017 NP for review along with Future Planning Committee.

10. **Recommendation 10:** Redirect the efforts of the Association's VA/VSO. Our VA expert should be personally helping veterans shepherd their claims through the labyrinth that is the Veterans Administration instead of punting the veteran to a different Veterans Service Officer. It should be a bullet in our monthly newsletter as to how many VA claims our VA/VSO has personally brought to successful completion. Publicize his successes to put a face on who has solved thorny VA cases. Kill the newly formed National Standing Committee on Veterans Service. There is no written guidance won who is eligible to be a member of said committee and the only thing which is sure, is who the permanent chairman will be. Our Association isn't big enough and doesn't have enough money to properly address this issue. It's hard enough to fill the established National Standing Committees.

NP stated: All regions are satisfied with guidance and following V.A. regulations.

11. **Recommendation 11:** Initiate a full-court press throughout the Association to sell the idea of the National Executive Director being a hired employee vice an elected official. If the elected Shipmate turns out to be the wrong Shipmate for the job, the Association has to either endure three years of stewardship or file an Article V to remove him from office. An employee can be fired by action of the National Board of Directors. When soliciting a candidate to stand for election to the office of National Executive Director, the Shipmate must be willing to uproot his family and relocate to the Washington DC area from his already established life in another part of

the country, away from family and friends. What remains is a much more finite pool of applicants who are either current employees or members of one of handful branches. This limits the available pool of applicants. Association leadership must also dispel the notion the National Executive Director is the Chief Executive Officer of the Association. The National President is the Chief Executive Officer. As the lion's share of Capital Hill shoe leather is expended by the Director of Legislative Services, the National Executive Director is more of an office manager. Serious consideration should be given to reverting to the term National Executive Secretary to underscore this reality.

NP stated: This will require a national resolution and will be considered by the 2016-2017 National President for action.

NBR 29-16 OF OCTOBER 11, 2016

Resolved, That the charter of Branch 386 (Dothan, Ala.) be surrendered.

Vote: 12 affirmative

NBR 30-16 OF OCTOBER 11, 2016

Resolved, That the charter of Branch 376 (Madison, Wisc.) be surrendered.

Vote: 12 affirmative

NBR 31-16 OF OCTOBER 11, 2016

Resolved, That Branch 284 (Lexington, Ky.) and Branch 177 (Louisville, Ky.) merge.

Vote: 12 affirmative

NBR 32-16 OF OCTOBER 11, 2016

Resolved, That the charter of Branch 327 (Dayton, Ohio) be suspended.

Vote: 12 affirmative

NBR 33-16 OF OCTOBER 11, 2016

Resolved, That changes to the North Central Region's bylaws be approved.

Vote: 12 affirmative

NBR 34-16 OF OCTOBER 11, 2016

Resolved, That changes to the Northeast/New England Region's bylaws be approved.

Vote: 12 affirmative

The NP then proceeded to Good of the Order, followed by the National Chaplain's prayer, and Salute of the Colors.

The NBOD meeting adjourned.