

**President Alan's Board Notes, Summary, and Secretary's Report**  
**of the Board Meeting of the Kiwanis Club and Foundation of Ann Arbor**  
**Meeting Date: June 20, 2017 at 6:30p**

Secretary Kathie Wilder reported that there was a quorum present with fifteen (15) Board members.  
*Quorum for Board Meetings is a simple majority. Board Officers and Directors = 15. Quorum = 8 or more.*

1. COMMENTS from GENERAL MEMBERSHIP and GUESTS:

*(30 minute Limit for Comments - Ten Minutes Each Topic)*

- a. Dale Leslie wrote to the Board to share his concerns about how all members are informed when an individual member is considering, planning, or announces either formally or informally to not renew their membership with our Club. Currently, once that member's plan is formally confirmed, Secretary Kathie includes this information in her monthly Secretary's report to the Board. Then the Secretary's report is shared with members on the Monday following a regular Board as an attachment to President Alan's Board Notes. *(Refer to page 5 and 6.)*

2. COMMITTEE REPORTS to the Board. (with Board Liaison Support as needed)

- a. **FOUNDATION TOPIC - Special Committee for the Sale/Lease of Real Estate.** Status of the signed Sales Agreement. The 60-day Inspection Period / Due Diligence through June 20, 2017 has ended with all contingencies removed. The buyer has placed an additional \$450,000 with the title company until after closing in January. This money is not available for our use until closing. The 3<sup>rd</sup> tenant, Servant System, Inc., moved on June 1<sup>st</sup> into about 1/3 of Area 1000 at the SW corner of KCW. Remodeling is still underway in Area 1000, additional walls, new carpeting, upgrade bathroom, install kitchenette. In Area 1400, a large open room, is being prepared for expanded sale floor space. It now has new lighting, improved floors, upgraded electrical. Next is painting the walls in Area 1400 and moving in sale items. Also, area 1153 which is for sorting clothing is almost ready to use.
- b. **FOUNDATION TOPIC - Bylaws Committee. Updating Foundation Bylaws.** The Bylaws committee continues to review comments and suggestions from members to prepare the next draft. **The Bylaws Committee is reviewing compliance to IRS, state, and federal reporting requirements since the last time we approved Foundation bylaws (2004) as well as concerns we have with some new controlling language from Kiwanis International (KI).** The current draft (#2.6) looks different from the first draft as follows. It is now a separate stand-alone document from the Club bylaws document. It does align for example, the Board size, length of Board service, and voting parameters with the Club bylaws. Currently the drafted Foundation bylaws will have its own unique language different from the Club bylaws regarding financial, revenue, and expenditure controls, processes for approval of leases, short term rentals, purchase and selling of property, control and use of investments, dissolution of assets, and our Foundation's relationship with Kiwanis International as our Michigan based 501(c)(3) organization. **After discussion at the Board meeting, the Board asked for an outside or 2<sup>nd</sup> legal opinion be obtained to provide guidance regarding KI required controlling language and the IRS current standards for non-profit 501(c)(3), which is our Foundation's legal status.**
- c. **CLUB & FOUNDATION TOPIC: Policy and Procedures Manual.** As part of an on-going process to update both our Club and Foundation Bylaws a list of current and new polices which are needed is being developed. These policies are important, but should not be in our Bylaws, but in our Policy Manual. Currently, the following policies and procedures need updates or to be created:
  - i. Non-discrimination Policy and Procedures, approved in 2008 as an Antidiscrimination Policy and it looks good, but it currently does not refer to our Foundation and our Foundation does need to have a non-discrimination statement and policy. The fix may well be to review the current policy and amend the 2008 policy to include references to our Foundation as well as our Club.
  - ii. Whistleblower policy. Currently we do not have.
  - iii. Conflict of Interest policy. Currently we do not have.
  - iv. Solicitation and/or Vendor policy. Currently we do not have.

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When ready these policies and their procedures will need to come before the Board for consideration. In the future, there may be other policies and procedures which will need a similar review and approval process. (Refer to these Board Notes, page 4, item 3.)

- d. **CLUB & FOUNDATION TOPIC – Nominating Committee.** The Annual Meeting and Election for our Club and Foundation was rescheduled to and held on May 22, 2017. **Congratulations to our incoming Officers and Board Directors effective October 1, 2017.**
- i. Immediate Past President Alan Burg
  - ii. President Gretchen Preston
  - iii. President-Elect William Hampton
  - iv. Treasurer Eloise Lavin
  - v. Secretary Kathie Wilder (appointed by the President-Elect and approved by the new Board).
  - vi. Directors:
    - 1. Deb Jones thru Sept. 2018
    - 2. Evan LeRoy thru Sept. 2018
    - 3. Greg Meisner thru Sept 2019
    - 4. Ellen Webb thru Sept 2019
    - 5. Marianne D'Angelo thru Sept 2020 (new to the Board)
    - 6. Margaret Krasnoff thru Sept 2020 (new to the Board)

**Thank you to our current Officers and Directors and very many thanks to those who complete their important service as Board members on September 30<sup>th</sup>.** They are: Past President Betsy Ford and Directors, Kathy Barden-Perlberg, Ray Argyle, George Gilligan, Joe Medrano, and Bill Robb.

Please recall that at the time of our Annual meeting and vote, that the members were informed that if the updated Foundation bylaws are not approved by the Board, our members, and KI prior to the start of the new Kiwanis year on October 1<sup>st</sup> or soon after, that a possible additional election process, or other solutions, may be needed to adjust the Board size to fill the 4 Foundation vacancies for conducting Foundation business back up to 10 Foundation Directors per current Foundation bylaws. Until our current Foundation Bylaws are updated, they do not align with our newly approved Club bylaws in regard to the number of Board Directors (10 directors to 6 directors) and term of Board service (2yr to 3yr).

- e. **FOUNDATION TOPIC – Warm the Children (WTC) Sub-Committee of the Children and Youth Committee.** On May 16<sup>th</sup>, the Board approved a motion to support Warm the Children (WTC) Project as a continuing multi-year project. The next step was to schedule a vote by the general membership. Members were provided a 14 day notice and information. On Monday, June 5, 2017 the WTC project proposal was approved by more than 2/3 of the members present and voting. **The vote results were as follows: The number of members in attendance was 71. A 2/3 majority vote of at least 48 members was required for passage. The number of members voting to approve was 61 (86%). The WTC multi-year continuing project was approved by members.**
3. Approved three sets of BOARD MINUTES. The Regular Board meeting of May 16, 2017, the Special Board meeting of May 22, 2017, and the Special Board meeting of May 30, 2017.
4. Received the SECRETARY'S REPORT for May 2017.
- Approved New Members and Leave of Absences (LOA) as follows:
- Three (3) New Members: Susan Smith, Christopher (Chris) Seeman, and Caroline M. Gracheck.
- Leave of Absence (LOA) Requests: Sally and Burt Lamkin (June 12 through September 4, 2017) and William Hampton (June 23 through July 31, 2017)

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5. Received the TREASURERS' REPORTS for our FOUNDATION, SALES, and CLUB.

6. BOARD LIAISONS' INFORMATION

Ellen Webb reported on Membership Recognition, KEEP Committees, and our Voucher Program. Deb Jones shared the minutes from the Membership Growth and Education Committee. The Membership Committee needs more members. Please let Lynne Lande know of your interest.

**PRESIDENT'S REPORTS**

- A. FOUNDATION TOPIC: - Status of our Line of Credit (LOC) with Chemical Bank. Request for a Long-Term extension through January 31, 2018, and an increase of \$250,000 in the total amount in the LOC has been requested from Chemical Ban. We expect to this request acted on by June 30.
- B. CLUB & FOUNDATION TOPIC - The "**Cost for Transition to West**" worksheet identifies projected and possible costs for the transition of all activities from Kiwanis Center Downtown to Kiwanis Center West. The following committees are working together to plan and project these costs. The Building & Equipment, Sales Management Oversight (SMOC), Space Allocation, Transition from KCD to KCW, Archives, and the Club Meeting and Office Relocation Committees. The planning list includes as many items that can be thought of with actual and/or projected costs. This worksheet continues to be developed.
- C. CLUB TOPIC: - Official Delegates for this year's Michigan District of Kiwanis International Convention at Crystal Mountain on September 7 – 10<sup>th</sup>. Our two official voting delegates will be William Hampton, as President-Elect designate and Kathie Wilder as Secretary. Our Club funds the convention registration, hotel, and meals for our two official delegates and their spouses.
- D. **POSSIBLE FUTURE BOARD TOPICS**:
- a. FOUNDATION TOPIC - **Future requests for funds** to implement required capital improvements for KCW expanded sale floor space, tenant improvements, moving costs from KCD, and/or other identified improvements. Currently many capital improvement and maintenance projects are underway
- b. CLUB & FOUNDATION TOPIC - **Review of the on-going and future Secretarial services** and the appropriate level of reimbursement for those important services for our Club and Foundation. Past President Betsy, President Alan President-Elect Gretchen, and Secretary Kathie have met to review the current and future responsibilities and overall work load. A report with recommendations will come to the Board in July with input for next year's budget development.
- c. CLUB TOPIC - **How Best to Honor Community Citizens** that have supported Kiwanis throughout the years. For example: Don Butcher, Jake Haas and others. Max Ziegler and Larry French will work with others to develop a recommendation for the Board's consideration at a future date.
- d. FOUNDATION and/or CLUB TOPIC – **Interim or Permanent Director of Operations or an Administrative Assistant or General Manager.** The concept of hiring a part-time and/or full time person to manage the day to day operations has been discussed for some time. Our Strategic Planning Committee discussed this topic at their last meeting and recommended delaying a decision until our financial status was improved. Our current model of relying totally on a list of key member volunteers to manage the buildings, the numerous capital improvement projects, on-going maintenance, the transition from KCD to KCW, staffing, the expansion needs of the Thrift Sale, and developing numerous operational processes has met its limit. While this work may be viewed as

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rewarding, it has also been and is an on-going, exhaustive experience for part time (almost full-time) volunteers. The recent addition of a new 30-hour Facilities Coordinator (Tanya), Nick Dever's daily volunteer work load, Gretchen's on-going coordination of the Transition to KCW project worksheet, and the important volunteer work of many others will continue to be monitored to determine the impact on how we are operating and maintaining our facilities and capital improvement projects both in the short-term and long-term. The Board asked for information to review of a draft list of responsibilities and duties as well as the budget impact of a possible paid position at the July 18<sup>th</sup> Board meeting.

**OLD BUSINESS** (None)

**NEW BUSINESS**

1. **CLUB TOPIC: Approved Jim Meretta as our Club's Official Chartered Organization Representative to Cub Scout Pack 131 at Lawton School, effective immediately.**

Background Information: Our Club has been the Chartered Organization for Cub Scout Pack 131 over the last 20 years. Sandy Eldon was our long-time representative between the Pack 131 and the Scout Council. Bill Lynn took on that role in later years and obtained our Board's approval to host the Scout's annual Pinewood Derby at KCD and recently at KCW. Jocelyn Wilder followed Bill and since Jocelyn's change of employment to the Lansing area this past year, this official representative position has been vacant. Jim has talked with Jocelyn and the local Scout council person, Rachal Carson about the responsibilities of this position and then contacted Alan to indicate his interest. The Pack needs a Chartered Organization Representative to stay in "good standing."

2. **CLUB TOPIC: Appointed Larry French to be our non-voting liaison member of the Kiwanis Michigan Foundation (KMF) per their bylaws.**

Background Information: Larry French is currently our Division 10 Kiwanis of Michigan Foundation (KMF) Trustee. Due to Michigan District reorganization, we will be in the new Division 6. Ron Hagen from Howell is the Trustee for the current Division 9, however, next year, the Howell Club will also be in the new Division 6 as we will be. This year Larry was on the nominating committee which recommended Ron for the Vice-President and eventual President. Therefore, Ron will be the KMF Trustee for Division 6 and Larry will not have a Trustee position. The KMF bylaws provide that since the Kiwanis Club of Ann Arbor was the founding Club for the hospital projects, the Kiwanis Club of Ann Arbor has the right to nominate a person as a non-voting liaison member of the KMF Board of Trustees. Larry was a Trustee before his current term serving 6 years including 2 1/2 years as KMF President. Larry is willing to serve in the non-voting liaison position. Larry has a lot of great history and knowledge of the KMF and its work supporting children hospitals in Michigan.

3. **CLUB & FOUNDATION TOPIC: The Board asked Board members Eloise Lavin and Joe Medrano to develop a draft Solicitation and/or Vendor policy and procedures for the Board's consideration at a future meeting.**

Background Information: Several weeks ago, a vendor from Ground Cover News showed up at KCW and set up a space near the base of our handicap ramp to sell newspapers. It was explained to the vendor that she was on private property and would need permission to operate, but to finish her vending for the day. She was instructed to not interfere with any customer and that in the future she would need prior approval. This situation pointed out that we in fact do not have any Board approved policy or procedure in place for solicitation or vendors. We could take a position that we

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do not allow solicitation or private vendors on our Kiwanis property, or we could develop some parameters of who and how we would permit someone to be on our property. Examples may include a hot dog vendor, another Club asking to be on our property to sell items, the Chelsea Kiwanis Club food trailer, a funding raising event at the KEEP. (Refer to page 1, item 2c of these Board Notes for related policy developments.)

4. CLUB & FOUNDATION TOPIC: Approved relocating up to five (5) of our Monday noon general membership noon meetings from KCD to KCW during July, August, and September 2017. Those dates will include July 17, July 24, August 21, August 28, and September 18, 2017.

Background Information: Last year we relocated two meetings in July near the time of the Ann Arbor Art Fairs from KCD to KCW. This year in addition to relocating meetings near the time of the Art Fair to KCW and in preparation of moving on a permanent basis by January 2018, it was proposed to move additional meetings to KCW in order to work out specific procedures, improvements, equipment needs, and space needs prior to our permanent move later in 2017 or early 2018. This will also be a good time to provide tours of the entire KCW building and improvements to the expanding sale floor space.

Approved the date, time, and the location of the next regularly scheduled monthly Kiwanis Board meeting for Tuesday, July 18, 2017, starting at 6:30 pm to be held at Kiwanis Center West (KCW).

Adjourned the Board Meeting as of 8:44 pm. The Secretary's Report for May 2017, follows.

## KIWANIS CLUB and FOUNDATION OF ANN ARBOR - SECRETARY'S REPORT - May 2017

1. Club Membership and Performance	<u>2017</u> *	<u>2016</u>	<u>2015</u>
Member count on May 31, 2017	146	158	164
Net change since October 1, 2016 = +10			
* Starting Oct. 1, 2016 Membership = 136			

2. **Reports:** The March monthly report to Kiwanis International was submitted June 10, 2017 and emailed to the Board.

3. **Minutes to be approved or corrected:** **Tues., May 16, 2017 Regular Board meeting.** **Mon., May 22, 2017 Special Board meeting** – changing date of annual meeting & election. **Mon., May 30, 2017 Special Board meeting** – request for funding capital improvements. Draft minutes of all May Board meetings will be distributed to Board members and after approval or corrections, will be posted to the members only section of website.

4. **Prospective Three (3) New Members for approval:**

- Susan Smith, sponsored by Robert Gray (spouse) and co-sponsored by William Robb, has been interviewed by past president, Kathy Barden-Perlberg, who recommends approving membership. Susan has been an active volunteer in our Club and Thrift Sale for many years.
- Christopher (Chris) Seeman, sponsored by Don Kossick and co-sponsored by William Hampton, has been interviewed by Past President Jerry Brown, who recommends approving membership. Chris is an active Circle K member, who intends to participate in Kiwanis Young Professional (KYP) satellite under Julianne Williams.
- Caroline Marie Grachek, sponsored by Julianne Williams. Past Circle K and District Circle K leadership. Graduated from UM.

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Sandra M. Rabidoux, sponsored by Gary Kavanagh, was approved at May Board meeting and will be inducted June 5, 2017.

**Membership Transitions:**

**Simon Eaglin** passed away May 7, 2017 and was removed from Kiwanis International roster.

Resignation: **Marianne Clauw** submitted resignation April 19, 2017 and will be taken off Kiwanis International roster at the end of fiscal year.

Pending non-renewal membership: **Bill Hallock, Bill Tasch, and Jim Wight**; all will remain on KI roster until end of fiscal year, pending further discussion.

**Membership info:** In the Michigan District, our club is ranked 7th of 170 for net growth (+10) and 55th of 170 in percentage growth (+8.1%).

**5. Leave of Absences:**

- **Sally and Burt Lamkin** request their usual leave of absence June 12 through Sept. 4, 2017.
- **William V. Hampton** requests leave of absence from June 23 through July 21.

**6. Interclubs:**

- **Manchester hosted an Interclub Tues., May 24<sup>th</sup>, attended by 6 of our members.**
- **Belleville will host a Super Interclub Tuesday, July 25, 2017 at 6:00 PM.**

**7. Election of Officers and new Board of Directors members** was held Monday, May 22, 2017. All officers were added to KI 2017-2018 directory of officers.

Officers:            Immediate Past President 2017-2018 – Alan Burg  
                          President 2017-2018: Gretchen Preston  
                          President Elect 2017-2018 – William V. Hampton  
                          Treasurer 2017-2018 – Eloise Lavin

Directors:  
                          2017-2018 Continuing with no election  
  Deb Jones and Evan LeRoy  
                          2017-2019 Current Directors to be elected for one (1) additional year:  
  Greg Meisner and Ellen Webb  
                          2017-2020 Directors for 3-year terms:  
  Marianne D'Angelo and Margaret Krasnoff

**8. Official Call to District Convention -- September 7-10, 2017 at Crystal Mountain in Thompsonville. Deadlines:**

- Delegate Certification Forms: Due before Aug. 6, 2017
- Registration Forms – All Attendees Must Register and Receive a Badge (including non-Kiwanian guests). Due BEFORE Aug. 23, 2017. Online registrations will remain open until August. 28.
- Housing Request – Room reservation deadline is Aug. 8, 2017.
- District Convention information available at: <http://mi.kiwanisone.org/Page/1074>

Please contact Secretary Kathie Wilder if any questions or assistance needed in registering.

Respectfully submitted,  
Kathie Wilder, Secretary