

AREA Board Meeting Minutes

10 March 2017

Overview

The Meeting was called to order at 13:00 hours, 10 March 2017 by Chuck Poffenbarger, President, AREA at the home of Ken and Pat Weaver. Chuck announced this is our first Board Meeting for the year...the next meeting is scheduled for October 2017.

President's Report

Chuck Poffenbarger asked all to review the Minutes for the last meeting of 28 October 2016 in their handout. At today's meeting we will have several reports and discussions to include the minutes of our last meeting.

- ✓ Chapter Survey on Dues Proposal
- ✓ 2017 Scholarship Program Funding Parameters and Motion
- ✓ Financial Report from Terry Corley
- ✓ Scholarship Program Report, Michelle Priester
- ✓ Newsletter April Status, Marcia Kane

In reference to the Newsletter there are several recurring features in the Newsletter for your interest. Director & CEO Article: January; COO Article: April (Deputy Director this year); Scholarship Program Results, July, Michele Priester; PRM&VEBA, Terry Corley, July; Community Recognition Program Results, Dick Fregoe, October.

Chuck also raised the issue of '*moving our meetings*' back to HQ. Our decision to relocate to Pat's home came about following a significant increase in security protocol, which resulted essentially in retirees being categorized as '*visitors*'. After discussion, all agreed moving back to HQ for future meetings would now be appropriate.

Review of Minutes

A discussion concerning the decline in '*overall*' donations in amounts given last year and potential solutions was considered. Marsha Kane, pointed out a survey taken suggesting we consider adding '*New Member AREA Membership*' as a part of Chapter Dues...Chuck provided a handout on pages 5-10 of the comments received from the individual chapters. Overall, the feedback was opposed to combining the two memberships, which will not be pursued any future. It was suggested consideration be given to including AREA Membership Applications in Retirement packages. The '*Privacy Issue*' came up indicating while the person's name is not covered in this protection, the address would be prohibited. Pat suggested we consider offering one year free membership with application. After discussion, Chuck suggested a review of the '*slide*' on the website...Marsha agreed to do so. All agreed on the minutes...

Scholarship Fund for 2017/Motion

We discussed the need to address the scholarship program financial system and annual awards at our 28th October 2016 meeting...Page 11 of the '*Read Ahead*'. It was stated that for several years, the awards have significantly exceeded the income from the previous year, which is the source of the current year's program. Annual Income is not expected to return to previous levels for various reasons and we will be severely depleting our reserves if changes are not made.

A motion was offered to re-structure the regular program consistent with option 'c', which is 1/\$5K and 8/\$3K Awards for a total of \$29K. All other program parameters remain unchanged. The motion was seconded and all voting members approved the motion. The motion read...

Motion for 2017/2018 program: That the '17/18' Scholarship Program be approved at 9 scholarships for \$29,000 with these dollar amounts:

- ✓ 1 @ \$5,000
- ✓ 8 @ \$3,000

Chuck asked Marsha to include the explanation of the program in the next Newsletter...Page 23 of the '*Read Ahead*'.

Financial Report

General Fund

The revenue source for this fund comes from members...this fund lost \$938.00 in 2016. This is an increase of 214% over last year. The General Fund's income continues to decline compared to previous years, due to continued decline in membership. With '*ordinary income*' declining, the control of expenses becomes crucial. One way to evaluate the overall management effectiveness of the General Fund, is to compare the rate of change in Total Income to the rate of change in Total Expense. This difference can be thought of as Operating Leverage. The General Fund experienced negative operating leverage in 2016 compared to 2015, which means income is decreasing at a faster rate than are expenses. Detailed notes on this fund are in pages 12 and 13 of the '*Read Ahead*'. In this regard, Terry Corley commented that this past period 656 retired and only 57 joined. The figure of those joining should be 600 joined and 56 not; it appears we still have not found the right approach or combination of approaches to reach retirees with the message of 'what AREA can do for them.' Chuck suggested he and Marsha go see HR-HQ to discuss potential avenues of achieving this.

Scholarship Fund

This fund lost money, but less than last year. For 2016 the Scholarship Fund incurred a Net Loss of \$5,642, 53.9% greater than 2015. Ordinary Income, \$14,707, continues to decline from past years because of lower scholarship donations from AREA and ALA Chapters. Compared to 2015, Scholarship Donations are 1% lower; compared to 2010, however, 59% lower, compared to 2005 42% lower. With declining Scholarship Donations, decreasing Scholarship Awards is necessary to protect the long-term viability of the Scholarship Fund. 2016 Total Expense of \$40,026 is 29% below 2015, driven mostly by lower awards. Once

again we need ideas on how to grow membership or loss will continue year after year. Chuck added that he will ask Rich Sheff to write an article for the Newsletter to all chapters asking for ideas on how to help. The details for this fund are at pages 13-14 and 20-22 of the '*Read Ahead*'. On the first page, we see that the values are up, yet Chuck pointed out the loss.

Scholarship Program 2017

Chuck handed out 'replacement' pages for pages 23-24 of the '*Read Ahead*', which updates the changes mentioned earlier. Michele Priester stated there have been seven applications and five qualify at this time. COO Dave Nelson will send out a message on the results. Page 24 (replacement) is a rewrite of the SAT changes.

Round Table

Darrell Hinshaw reported that due to health reasons he has not completed the audit, but will be able to do so soon. Dick Fregoe stated that since the Exchange pays the 1st year membership, we should pursue this as an avenue to call attention to AREA.

Close

There being no further business the meeting was adjourned.

AREA Board Meeting Minutes

28 October 2016

Overview

The Meeting was called to order at 13:00 hours, 28 October 2016 by Chuck Poffenbarger, President, AREA at the home of Ken and Pat Weaver. Chuck announced this is our last Board Meeting for the year. The next meeting is scheduled for the March–April 2017 time frame.

Review of Minutes

Chuck asked all to review the Minutes for the last meeting of 29 April 2016 in their handout. Tom Gallagher offered the motion to approve the minutes as written and Marcia Kane seconded the motion. All voting members approved the motion.

President's Report

Chuck stated that at today's meeting we will have several reports and discussions, two of which will be motions for a \$2 dues increase and a re-statement of the basic scholarship program. We then reviewed the '*Read Ahead*' handout provided where the '*order of business*' was outlined for this meeting.

Membership Program

A survey was included in the July Newsletter asking members for their views on converting the Newsletter to an electronic publication only. The results were:

1. Do you have a computer...YES: 20; NO: 11
2. Would you be amenable to receiving the Newsletter as an electronic document? YES: 14; NO: 17
3. If your answer is 'no' above, would you pay up to \$2 per copy: YES: 17; NO: 2

Most of the 'no' votes, i.e., not supporting an electronic edition only, were made by members who don't have a computer or feel they get too much email already. One member said, 'I hate electronic booklets.' After considerable discussion and a review of the General Fund Income Statement for the 3rd quarter, which reflects a Y-T-D loss of (\$3,090) we felt that notwithstanding the review of the means to distribute the Newsletter, that a modest membership increase of \$2.00 per year, beginning with the dues owed February 1st would be warranted. Dues were last increased on April 1, 2002. Tom Gallagher offered the motion to increase the dues and Dick Fregoe seconded the motion. All voting members approved the motion.

Financial Report

Attendees had reviewed the financials and commentary thru 30 September 2016 included in the *read-ahead* section prepared by Terry Corley, AREA Treasurer. The following comments were offered to further explain 2016 results compared to 2015.

General Fund

- The General Fund has an YTD Net Loss of \$3,090 which is less than 2015's YTD Net Loss of \$5,920.
- 2016 Membership Dues of \$7,150 is 14% below 2015.
- YTD 2016 Total Expense of \$11,535 is 26% below 2015, driven by lower Printing and Reproduction and Postage and Delivery costs.
- Cash flow to pay General Fund expenses comes from Membership Dues collected. General Fund investments act as reserves in the event Membership Dues are insufficient to cover expenses. \$3,500 of reserves has been cashed in YTD.
- Total Other Income, primarily Investment Income, is \$981, 23% below last year. Period investment income consists of dividends and interest payments on securities held, along with gains/losses when securities are sold.
- General Fund Total Assets are made up primarily of investments in stocks and bonds through Vanguard. The 30 September 2016 market value of those investments totaled \$57,810. The total 1-year rate of return is 9.4%. Three and five year rates of return are 6.2% and 8.3% respectively.

Scholarship Fund

- Scholarship Fund Income of \$5,257 is 46% below last year, driven by lower individual member donations.
- Scholarship Fund Expenses \$37,026 is 27% lower than last year, driven by reduced scholarships awarded, lower printing and mailing costs, and lower legal fees.
- As with the General Fund, Scholarship Fund Total Assets are made up primarily of investments in stocks and bonds through Vanguard. These investments act as Fund Reserves to provide a source of scholarship funding when donations are insufficient. Period investment income consists of dividends and interest payments on securities held, along with gains/losses when securities are sold.
- Total Other Income, primarily Investment Income, totaled \$13,223, 9% lower than last year. The 30 September 2016 market value of investments totaled \$434,136. The total 1-year rate of return on investment is 12%. Three and five year rates of return are 8.5% and 12.2% respectively.

Scholarship Program

A review of our scholarship financial parameters was made for the program going forward. For several years, donations covered the basic program of \$40,000 for 2/\$5M and 10/\$3M scholarships. For the last two years, these were the results:

1. 2015 for 16/17 academic year: Donations: \$14,625; from reserves: \$25,375
2. 2014 for 15/16 academic year: Donations: \$14,950; from reserves: \$25,050

Donations have fallen for several reasons:

1. Hampton Roads ALA chapter was \$10k. Program discontinued.
2. Scholarship Booklet was about \$500-\$1,000. Program discontinued.
3. Townsend Estate \$4,800 in 2014. Program finished.
4. Individual donations: Vary significantly from year to year.

In the October Newsletter, we said: Obviously, something has to give as the reserve funds will deteriorate rapidly at the current program and contribution levels. As it now stands, reserves are being used at a rate that will not allow the program to be sustained long term.

These are alternatives to the current program that more closely align awards with contributions.

1. Annual awards around \$30K;
2. One award higher than the others to distinguish the top vote-getter;
3. Options:
 - a) 10/ \$3K awards = \$30K;
 - b) 9/ \$3k and 1/4K awards = \$31K;
 - c) 1/\$5k and 8/3K awards = \$29K

A motion was offered by Marcia Kane to re-structure the regular program consistent with option “c”, i.e., 1/\$5k and 8/\$3k awards for a total of \$29k. All other program parameters remain unchanged. Tom Gallagher seconded the motion. All voting members approved the motion.

Membership Director

Pat Weaver reported that there are currently 963 members with 186 Email.

Close

There being no further business the meeting was adjourned.

AREA Board Meeting Minutes

29 April 2016

Overview

The Meeting was called to order at 13:00 hours, 29 April 2016 by Chuck Poffenbarger, President, AREA at the home of Ken and Pat Weaver. Chuck announced this is our first Board Meeting for the year...the next meeting is scheduled for October 2016.

Review of Minutes

Chuck asked all to review the Minutes for the last meeting of 26 February 2015 in their handout. We did not have a Board Meeting in October 2015 due to the illness of the President and the unavailability of the Vice President. At today's meeting we will have several reports and discussions, one of which will be the need for an 'ad hoc' committee to review a change to retiree association membership...page 4 and pages 7-8 of the February Minutes. Upon the conclusion of the review, we will vote to approve the minutes.

President's Report

As a follow on to his comments regarding review of the minutes, Chuck asked all to turn to page two of the 'Read Ahead' handout provided where he has outlined the 'order of business' for this meeting.

AREA Directory...Page 9

Disposition of AREA Convention Files

2016 Scholarship Program Funding Parameters and Motion...Page 10

2015 Financials and Commentary...Pages 11-22

Membership Program

Agenda Items for Review

Chuck announced that Milt Bergman resigned as Member-at-Large and that Tom Gallagher agreed to take this position by resigning himself from the Scholarship Committee. Michele Priester has agreed to take Tom's place as 'Chair' of the Scholarship Committee.

Membership Program

The proposed change to the 'Membership Program' is outlined in pages 7-9 of the 'Read Ahead' written by Tom Gallagher. In essence Tom is suggesting that the requirement to choose to belong to either or both the AREA and/or local Chapters be eliminated and its' place allow the member who chooses to join only the local Chapter to automatically become a member of AREA. In this regard, it is suggested that each Chapter include an additional \$15 in its' Annual Fee Schedule in support of AREA. If a member chooses to only join AREA alone this will be possible. Details are in the pages mentioned above.

After discussion, it was agreed to leave the recommendation in the report and ask the Chapters for opinions. The minutes as written were approved.

1st Tom Gallagher

2nd Chuck Poffenbarger

Approved

Membership Directory

Chuck raised the issue that the cost to print the Membership Directory had reached a point that it was not financially viable to print it. Initially we printed new directories every year, then because of a rise in cost we changed to every other year; today the cost to print exceeds \$5,600. We must ask ourselves why spend this money when we publish changes and new additions in the Newsletters. Since we are unable to maintain and publish the Directory electronically, it has been recommended that we discontinue the Membership Directory and continue updates through the Newsletter. Since this has been an ongoing discussion, all members agreed to discontinue the printing and release of the Membership Directory.

1st Pat Weaver

2nd Bob Haver

Approved

Scholarship Report

The Scholarship Income for Fiscal Year 2015 is at page 10 of the '*hand out*', which funds the program for the 2016/2017 Academic Year. The Basic Scholarship program each year is for 12 scholarships totaling \$40,000. The Policy for funding the Annual Scholarship Program was approved on January 20, 2004 by the AREA Board with revisions made on 30 November 2007.

The Boards intention on funding parameters was to establish a funding reserve contingency and then use any surplus to fund annual Basic Scholarship program shortfalls, as well as, award additional scholarships with the goal of bringing the award levels and reserve contingency fund target in line over a designated period of time.

Specifically, this action was designed to maintain a reserve contingency fund amount at \$160,000 based on up to (4) years of the annual scholarship grants and the current basic program of 12 scholarships @ \$40,000 per year. Further, that the awards determined by the Scholarship Committee be flexible in both number and amounts based on caliber of the applicants. And that a period of 8-15 years be established to bring the award levels and investment fund goals in line. Finally, that the funding reserve is made up of Cash, Stocks and Bonds. The MARKET VALUE of these investments as of December 31, 2015 was \$424,928. Deducting the Contingency Fund of \$160,000 leaves \$264,928 available over an 8-15 year period making available reserve funds from \$33,116 (8 years) to \$17,662 (15 years).

The Motion, therefore, is that the 2016/2017 Scholarship Program be approved at 12 Scholarships for \$40,000 and that the Scholarship Parameters outlined above continue to apply.

1st Bob Haver

2nd Pat Weaver

Approved

Financial Report

General Fund

Terry Corley provided that the General Fund has a YTD Net Loss of \$299 which is less than 2014's Net Loss of \$836.

Membership Dues Income totaled \$14,504, a healthy 19.7% above last year. However, the increase is not driven by increased membership, but rather results from timing differences when dues are collected. The increased Income was mostly offset by higher cost. Total expenses are \$16,978, 14.8% higher than last years. Most of the increase is driven by the membership database software development and an upgrade to our accounting software. Printing and reproduction costs were \$9,170, 14% above last year. Add to that postage and delivery, the total cost to produce and distribute the AREA Newsletter is close to \$12,000.

Cash flow to pay General Fund expenses comes from Membership Dues collected. General Fund Investments act as reserves in the event Membership Dues are insufficient to cover expenses. In November, \$2,000 in investments was sold to provide cash. Investment Income is \$2,176, 18 % above last year. General Fund Total Assets are made up primarily of investments in stocks and bonds through Vanguard. Interest and dividends earned are immediately reinvested in each of the funds and are recognized as investment income on the Income Statement. The 31 December 2015 market value of those investments totaled \$57,837. The total 1 year return on these investments was .9%

AREA Membership has been in a state of decline since the early 2000's. Absent any strategies for increasing membership, the future AREA as a going concern is certainly in doubt.

Scholarship Fund

Scholarship Fund donations totaled \$14,857, slightly lower than 2014 (\$14,950). While Chapter and ALA donations were down, individual member donations were substantially higher in 2015. Scholarship Fund expenses (\$50,620) are 9.5% lower than 2014, driven by reduced scholarships awarded, lower printing and mailing costs and lower legal fees.

As with the General Fund, Scholarship Fund Total Assets are made up primarily of investments in stocks and bonds through Vanguard. These investments act as Fund Reserves to provide a source of scholarship funding when donations are insufficient. Interest and dividends earned are immediately reinvested in each of the funds and are recognized as investment income on the Income Statement. Investment Income totaled \$23,534, 10% lower than earned in 2014. The 31 December 2015 market value of investments totaled \$424,928. The total 1 year return on investment was (1.1%).

In 2007 the AREA Board made a decision to establish a target Fund Reserve of \$160,000 (4 years, 12 scholarships per year @ \$40,000) and to bring the actual fund balance in line with the target over the following 8-15 years. Following this policy, the Fund reserve payout range is from \$20,149 (15 years) to \$37,780 (8 years). For 2015, there were 18 scholarships awarded totaling \$49,000. The Fund Reserve payout totaled \$34,143 which is in the policy payout range.

For the 2016 Scholarship Program, the Fund Reserve payout range is \$17,662 (15 years) to \$33,116 (8 years).

Details are at pages 13-24 of the '*read ahead*' handout given to members prior to the meeting.

Terry also summarized by offering the suggestion that we might research the possibility of developing our website outside the Exchange site, to give greater freedom in dispensing information. Chuck asked all to think about it and give suggestions.

Membership Director

Pat reported that there are currently 1,390 members with 656 by regular mail and 211 Email.

Round Table

Ron Compton reported that the '*Townson Estate*' disbursement is now complete.

Ken Weaver advised that the '*retirement fund*' was flat last year, but the good news is that is compared against a loss for the previous year.

Close

There being no further business the meeting was adjourned.

AREA Board Meeting Minutes

26 February 2015

Overview

The Meeting was called to order at 13:00 hours, 26 February 2015 by Chuck Poffenbarger, President, AREA at the home of Ken and Pat Weaver. This is our first board meeting for this calendar year. The second and final meeting in 2015 will be held in the October time frame.

Review of Minutes

Chuck asked all to review the Minutes for the previous meeting of 29 October 2014. There were no comments or changes to the minutes as provided.

Milt Bergman made the 1st Motion and Larry Phillips made the 2nd Motion. All Approved

President's Report

Chuck began the meeting by asking for a vote for Marcia Kane to join the board as the Information Director, effective June 1st. The motion was made by Tom Gallagher and seconded by Milt Bergman. All approved.

He next asked Tom Gallagher to review his paper on Proposed Change to AAFES Retirees Association Membership. (A copy is attached to these minutes.) A considerable discussion ensued and was expanded to include several ideas for alternatives to the Membership Directory. Tom proposed the formation of an adhoc committee to study these proposals and prepare an email to chapter presidents asking for the views on these and other items of concern. Tom agreed to be the adhoc chairman and Chuck Poffenbarger and Milt Bergman agreed to be members of the study group. The email will be coordinated with board members before it's sent.

Chuck then asked all to turn to page three of the *'Read Ahead'*, which outlines the *'order of business'* for this meeting.

He first reviewed proposed replies to three items he asked members to respond to in the January Newsletter.

- The first item had to do with the need for more general fund income. Two members responded that a \$5 increase in annual dues would be a reasonable way to sustain the income level needed for operations.
- The second item had to do with a replacement for Larry Phillips as the Information Director. Marcia Kane agreed to assume that responsibility and was voted in, effective June 1st, as previously mentioned.

- The third item related to the need for more members to sign up for receipt of the Newsletter via email, saving us considerable printing and mailing costs. This item will be addressed by the adhoc group.

Scholarship Program Funding

Chuck reviewed the parameters for funding the scholarship program and offered a motion for the 2015/16 academic year of 12 scholarships for \$40,000. Bob Haver seconded the motion. All approved.

Web Site

Our web site is now current for the first time in a long period of time. The site is at <http://www.aafes.com/about-exchange/retired-employees-association/>

Agenda Items for Review

- ✓ Review of Scholarship Fund; General Fund; 3rd Quarter Financial Statements; and Vanguard Portfolios
- ✓ VEBA Status
- ✓ Outline of 2015/2016 Scholarship Program Parameters
- ✓ Suspense for AREA Newsletter...March 3rd.
- ✓ Community Recognition Results
- ✓ Membership Totals

Financial Report

Terry Corley provided an overview of the '*Financial Report*' concerning the General and Scholarship Fund. He provided EOY and other documents to Daryl Hinshaw, Auditor, so he can begin the 2914 audit.

Copies of his financial reports are at pages 4 through 14 of the '*Read Ahead*'. A synopsis of his notes, follow:

General Fund

- The operating results of the general fund show a substantially lower loss YTD compared to 2013 (\$870 compared to \$6,614).
- The overall financial position of the fund remains strong (market value of assets exceeds \$59,000).
- Membership dues Income declined in 2014 nearly 14% (\$1,920) continuing the unfavorable trend of declining membership.
- Favorable market conditions drove Investment Income higher by 4.1%.
- Total expenses are down substantially compared to 2013 (\$5,744) driven by the Annual Directory production and mailing costs incurred in 2013 but not 2014.

Scholarship Fund

- The operating results for the Scholarship fund YTD 2014 show a New Loss of \$16,216, \$18,415 greater than in 2013.
- The overall financial position of the Fund remains strong (market value of assets exceeds \$462,000).
- Scholarship Donations are \$14,053 (49%) lower in 2014 compared to 2013. Hampton Roads ALA (\$6,000), DFW ALA (\$5,000) and Member donations (\$3,053) make up the shortfall.
- For 2014, 21 Scholarships have been paid totaling \$53,500 compared to 13 Scholarships totaling \$43,000 in 2013. The monies were paid in July.
- In 2014, the Scholarship Fund paid a portion of printing and reproduction costs associated with the July Newsletter since that Newsletter effectively takes the place of the Scholarship Booklet produced in past years.
- The Fund incurred legal expenses (\$688) in 2014 associated with the Townsend Estate Mineral Rights Lease that the Fund entered into. The mineral rights lease produced \$50 in income YTD 2014, but is unlikely to produce any additional income for 2014.
- Favorable market conditions drove 2014 YTD investment income higher by 47% (\$23,847 vs. \$16,196).
- Scholarship Donations plus Investment Income are less than Scholarships Paid. As a result, the following investments were sold to make up the shortfall.
 - Vanguard ST Bond Fund - \$5,000
 - Vanguard Total Market Index - \$16,000
 - Vanguard Wellington Fund - \$6,000
- There has been no Emergency Relief Fund activity YTD 2014.

VEBA

Overall the '*Retirement Program*' is extremely healthy and continues to be a rarity among other corporations. Specifically, virtually no corporation offers prepaid medical benefits. The program continues to be a valued benefit!

Scholarship Program

Tom Gallagher provided an '*overview*' of the program as a '*refresher*' and stated there are no proposed changes to the overall program. The '*overview*' of the program is at pages 15-16 in the '*Read Ahead*'.

Information Director

Larry Philipps set the deadline for the Newsletter at March 3rd. This was Larry's last meeting as he has stepped down as Information Director after 15 years. All commended Larry for the job he has done and wished success and happiness in his new home and endeavors.

Membership Director

Pat Weaver reported that at the current time there are about 1,400 members of AREA. Pat tracks the membership month by month and this year there have been more new members than any of the previous ten years.

Close

There being no further business the meeting was adjourned.

Visit our web site at
[HTTP://WWW.AAFES.COM/ABOUT-EXCHANGE/RETIRED-EMPLOYEES-ASSOCIATION/](http://www.aafes.com/about-exchange/retired-employees-association/)
AREA...JUST FOR YOU

**PROPOSED CHANGE TO
AAFES RETIREES
ASSOCIATION MEMBERSHIP**

Statement of Condition:

AAFES retirees may join an association by becoming a dues paying member of a local chapter... In order to participate fully however, members must also become associated with and pay additional dues to AREA, the national head of the employees' association...

Discussion:

By estimate there are about 3,600 members and spouses under the AFFES retiree association umbrella, AREA, but only 36% (Approximately 1,300) are members of AREA... AREA membership is made up of both chapter members and non-chapter members...

=====(Email from President of AREA
10/29/2014)=====

AREA/CHAPTER MEMBERSHIP CALCULATION

	<u>AREA</u>	<u>Chapters (18+7)</u>
AREA membership (members only):	1,329	850
Spouse Factor -165% (for spouses):	<u>x165%</u>	<u>x 165%</u>
Members & spouses:	2,192	1,402
Estimated AREA reach:		3,594
Pat reported 1,329 on Oct 29, '14: 182-mailed & 1,200 regular mail.		

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There exists confusion amongst retirees relative to membership status... Many believe that if they are members at a local chapter where dues are paid, it makes little sense to have to duplicate membership at AREA in order to be eligible for all retiree benefits, e.g., sibling scholarship eligibility... Further, few members see little additional benefit AREA membership...

AREA annual dues are modest at \$15.00: Local chapter dues vary but too are nominal...

Purposed Change:

Over the years AREA membership has shrunk and continues to shrink yearly... In order to improve the effectiveness of the "Retiree Bloc", there should be no requirement to have retirees separately join both a local chapters and AREA: When a retiree is a member of a local chapter, the retiree is a member of AREA... If a retiree opts to not be a member of a local chapter however, the retiree can join AREA alone... In either case, retirees are unified and membership confusion eliminated...

Regarding dues, we can ask each local chapter to include an additional \$15.00 in its' annual fee schedule in support of AREA... Chapters can provide a list of members for inclusion in the AREA rolls and at the same time process the corresponding \$15.00 fee to AREA... By doing so all local members are eligible for all retiree association benefits...

Suggested Process:

Appoint an adhoc committee from within the AREA BOD to:

- Poll local chapters:
 - Get membership count
 - Solicit comment on
 - Including a \$15.00 AREA assessment in local chapter annual dues schedules
 - Eliminating the need for dual memberships both in local chapter and AREA
 - Solicit additional comments about structure

Implement change by:

- Evaluating chapters' inputs and including them to the extent practical in a final proposal
- Preparing final proposal to AREA BOD
- Based on BOD's approval, prepare a change to AREA's charter