



HMGS EAST

Eastern Chapter Historical Miniatures Gaming Society

Tax ID # 52-1463458

4/17/2005

Minutes of Meeting of Board of Directors November 14, 2004

Call to Order

President Del Stover convened the meeting at 7:05 am on November 14, 2004 in the Board Room of the Eisenhower Convention Center in Gettysburg, PA.

Determination of Quorum

A quorum was established, with the following Directors and officers present:

President Del Stover

Executive Vice President and Vice President for Marketing and James Mattes (via telephone)

Vice President for Convention Operations Fred Hubig was absent.

Vice President for Education Rick Egtvedt

Vice President for Communications & Outreach Peter Panzeri

Director Michael Cosentino arrived at 8:00 am.

Fall In Director Mike Pierce was also present, as were James Curtis, Pat Shields, and Jay Hadley, all of whom were members of the Temporary Board Finance Committee established on 11 March.

Fall In Report

Mike Pierce provided preliminary numbers and dollar figures for Fall In that suggest that the convention did well both from perspective of attendance and of profitability. Mike will produce an after action report and distribute it to the Board before the next Board meeting (i.e., within a month).

The Board thanked Mike for his report and he then left the meeting.

Report of Temporary Board Finance Committee

Rick presented the Committee's findings:

Rick read the last paragraph of the report into the record; the report is attached in its entirety at Attachment 1.

The Committee then entertained questions from the Board. Pete asked each committee member where problems occurred to cause financial issues; the members replied:

- Convention spending; there's a need for a system to allow ad hoc convention spending while maintaining control over expenditures.
- The Board has identified issues with HMGS finances and is taking steps to address fiduciary responsibility.
- Previous Boards had not provided adequate guidance on how to handle money. The Board is now doing the right thing.
- The Board needs to carefully examine contracts to identify clauses and real costs.
- All expense reimbursement claims must be supported by proper documentation.
- HMGS has had its ups and downs in the area of financial management and record-keeping but the finding is that HMGS has executed due diligence in performing its fiduciary responsibilities.
- HMGS apparently did not have the exclusive use of the All-Star Sports Arena.
- The hotel restaurant was made unavailable to HMGS members on Friday morning while a youth group ate there.

Fred made and James seconded a motion that the Report of the Temporary Board Finance Committee be accepted as presented and that an executive summary appear in the newsletter with a full copy in the HMGS records. The motion passed unanimously.

Rick made and Del seconded a motion that the Board establish both an Audit Committee and a Finance Committee per the recommendations of the Committee. The motion passed unanimously.



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Del recommended postponing discussion of the FY2005 budget until the next Board meeting.

Pete recommended that FY 2005 marketing goals be established no later than 15 December.

Michael recommended that the draft FY2005 budget be based on the current pricing structure.

James made and Fred seconded a motion to accept the 30 September Statement of Financial Position presented by the Temporary Board Finance Committee as written and the entire report to be posted on the HMGS Issues Forum files area and also in the HMGS newsletter. The motion passed unanimously.

HMGS Convention Fee Structure

The Board discussed convention fees. Points raised during the discussion included:

- Member admission discounts should be retained.
- Membership rates are a separate issue that should be dealt with separately.

James made and Michael seconded a motion for the Board to accept the convention fee structure presented in Attachment 2. The motion passed unanimously.

HMGS Membership Rates

The Board discussed various membership rate structures, including Pete's presentation of an alternate dues structure.

James made and Michael seconded a motion to increase membership dues to \$20.00 per year, with \$5.00 of each membership to go directly to the HMGS Education Fund, effective immediately. The motion passed 6-0-1 with Pete abstaining.

The meeting recessed at 8:45 am, reconvening at 8:53 am.

Marketing

At 9:00 am Heather Blush was introduced to the Board as a member of the HMGS Marketing Team.

Fall In 2004 Over-Budget Spending

Fred discussed several topics:

- Better management control of cost overruns on convention budget items.
- Michael and Pete will look into alternatives to the current convention program and will report back to the Board no later than the next off-site Board meeting.

Communications at Fall In 2004

Ways to improve intra-staff communications were discussed.

HMGS Officer Elections

Del made and Bill seconded a motion that Rick be made HMGS East Treasurer.

Pete made and Michael seconded a motion to table the motion to elect Rick Treasurer. This motion passed 6-0-1 with Rick dissenting.

Pete made and Michael seconded a motion to vote on each officer for the following slate:

Fred: President
Del: Executive VP
Bill: Secretary
Rick: Treasurer
Michael: VP for Convention Operations
Pete: VP for Communications and Outreach
James: VP for Marketing



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After a recess from 10:47 am until 11:13 am, the vote was called and the motion passed 6-0-1 with Rick dissenting.

Del turned charimanship of the meeting over to James, in his role as EVP, to conduct the election. The following officers were elected by the following votes:

- James VP for Marketing: Passed 6-0-1 with Rick dissenting.
- Pete VP for Communications and Outreach: Passed 6-0-1 with Rick dissenting.
- Michael VP for Convention Operations: Passed 5-0-2 with Rick and Del dissenting.
- Bill Secretary: Passed 6-0-1 with Rick dissenting.
- Fred President: Passed 6-0-1 with Rick dissenting.
- Rick Treasurer: Passed 6-0-1 with Rick dissenting.
- Del Executive Vice President: Passed 6-0-1 with Rick dissenting.

Approval of Minutes

The Board minutes from 21 and 25 July, and 24 October, and the minutes of the Annual Membership Meeting of 24 July were all accepted as amended, and the Board minutes of 21 August were accepted as written.

Convention Themes

The Board discussed convention themes.

Finance Committee Composition

Rick discussed the composition of said committee with the Board and requested that Directors forward all SOPs dealing with finances and money to him for review.

Dealer PayPal Option

Michael presented an option whereby dealers could pay for tables, etc., using PayPal, to the Board.

Fred made closing comments to the Board, stressing the need for unity and teamwork.

James made and Michael seconded a motion to adjourn, which passed unanimously.

The meeting adjourned at 11:40 am.

APPROVED _____ DATE _____
Fred Hubig, President

APPROVED _____ DATE _____
Bill Rutherford, Secretary



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Attachment 1: Report of the Temporary Board Finance Committee

03/04 Financial Review:

The Special Board Committee Report – 13 November 2004

This report is provided in response to Board of Director tasking to review and report on the results of the Board's draft FALL IN! 2003 (FI03), COLD WAR 2004 (CW04), HISTORICON 2004 (H04) reports and overall (annual) financial draft 2003/2004 report.

After several hours of review and discussion, and without having access to original documents (located in the offices of our resident agent), this committee finds the draft documents to be both highly detailed and comprehensive in nature and content. Additionally, in light of the fact these records have been developed by a certified association management company in accordance with generally accepted accounting principles, and that the Board of Directors has taken action to execute a certified audit of the Corporations finances within the next 90 days, this committee specifically finds that the Board of Directors has executed "due diligence" in developing both comprehensive and accurate FI 03, CW04, H04 and annual financial reports.

The Board's new accounting process is superior to any previously used HMGS-East budgeting/financial system and in conjunction with the following recommendations bodes well for the continued future health of the corporations financial records.

Additional recommendations to the Board of Directors follow:

- 1) In order to execute continued due diligence, the Board needs to ensure Standard Operating procedures are established/documented to assist its directors, officers, staff members and volunteers to execute consistent implementation of its financial and cash handling procedures at least 30 days prior to the next convention.
- 2) The Board needs to take action to implement permanent Finance and Audit committees to assist the Board in performing their fiduciary responsibility to the corporation.
 - a. An Audit Committee should be appointed to develop the scope of any audit and to oversee and receive the final audit report.
 - b. A Finance Committee (up to seven members with Treasurer as chair) to meet not less than three times a year to oversee the financial health of the organization and to develop and prepare annual budgets.

In summary, these recommendations along with the scheduled audit alleviate any committee member concerns regarding the state of the corporations finances. These actions indicate that the Board of Directors has executed due diligence to fulfill their fiduciary responsibility. This committee (Chair, James Curtis, Dave Bonk, Jay Hadley, Del Stover, Pat Shields and also in attendance Amy Chetelat (KSG)) recommends that the Board approve the convention reports and September 30 2004 annual financial report.

Richard T. Egtvedt
Chairman, Special Board Committee



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Attachment 2: New Fee Structure for HMGS Events

Convention Admissions

Fall In/Cold Wars HMGS Member	\$20
Non Member	\$30

Historicon HMGS Member	\$25
Non Member	\$35

Flea Market table (all Conventions)	\$20
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Fall In/Cold Wars/Hcon one day	\$15
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Dealer Tables

Fall In!	\$75
Cold Wars	\$100
Historicon	\$125