

**MINUTES OF COMBINED GRAYBEARD'S MEETING  
AND GENERAL MEMBERSHIP MEETING**

**Frasier Park, Kern County, CA 1/15/11**

Graybeards in attendance: GDR Joe Szot, Don Johnson, Clampatriarch Dale Charter, Steve Born, Keith Fraser, Steve Weaver, Bob Clemensson, Wes Kutzner, and Humbug Timbo Gillespie.

Non-Graybeard Members in attendance: VNGH Ron Naucke, GNR Mike Ramirez, Walter Stowe, Luis Bouza, Rick Hatch, Russ Chapman, Charles Topping, Tom Gray.

- I. The meeting was called to order by Humbug Timbo Gillespie at 11:04 a.m. He greeted and thanked all in attendance.
  
- II. The reading of past minutes:
  - a. Minutes from the Fort Tejon Graybeards' Meeting of March 20, 2010, were read by GNR Mike Ramirez. Bob Clemensson moved that they be entered into the record as read. The motion was seconded by Tom Gray, and the motion carried without objection.
  - b. Minutes from the Camp Whitsett Meeting of October 16, 2010, were also read by Mike. Steve Weaver moved that they be entered into the record as read. The motion was seconded by Humbug Timbo Gillespie and the motion carried without objection.
  
- III. GDR Joe Szot submitted a four page financial report on the year's activities, including our losses from the Leona Valley Fire of July 29, 2010. He also reported that our entire Hawker store, craft goods belonging to our PXL Widder volunteers, and all official copies of our corporate records were completely destroyed in the fire.
  - a. There are currently only three PXL accounts: General fund, Hawker Store and "insert" (aka "Receivenator") account. The CD was closed out and the proceeds rolled into the general fund earlier in the year.
  - b. As of the end of the fiscal year, the General Fund had a surplus of \$ 12,189.97, \$5365.20 of which came from the cancelled CD. Proceeds from our 2010 doin's totaled \$8654.12 with expenditures of \$6574.15. Total surplus attributable to our doin's for 2010 was \$2083.97.
  - c. The Hawker Fund had a surplus of \$2,178.75, for the year. Joe reported that after going through his expenditure and sales records for the period up to July 29, 2010, he estimated the losses to our store inventory and paraphernalia at \$7,524.98. He believes this to be accurate to within \$200. This estimate does not include the loss of our store canopy (discussed later in the meeting), or the loss of all but two pieces from our inventory of Receivenators (these last two were recently sold at Norton Day).
    - i. The total spent on inventory and supplies for the year was \$7,925.76, \$3816.56 of this was spent before the fire; \$3,481.20 was spent after the fire to restock, plus another \$626.00 was spent after the fire on license plate frames.
    - ii. Total proceeds for the year were \$7152.41, of which \$2501.00 came from sales at our own doin's, and the balance of \$4651.41, came from Hawking at other Doin's around ECV.
    - iii. Expenditures exceeded sales by \$773.35

- d. Joe moved to liquidate the insert fund which has a current balance of \$2,091.00 (\$1,952.00 as of the end of the fiscal year), and divide the proceeds among himself, Gene Duncker and Al Eastin. The three of them had advanced \$3,000 to the chapter for the purchase of the Receivenators with the intention that the chapter would eventually pay them back, but the entire inventory is now gone, almost all of it destroyed in the fire. This meant that these Graybeards would absorb the loss. Joe also proposed leaving the insert account open, funding it with the \$250 earned by the Widders' Hawking project, by moving that money out of the general fund.
  - e. On discussion Ron Naucke and others objected that this would be unfair to the Graybeards who advanced their money in good faith, that the other two were not present, and that the chapters should consider making good on the loan. The motion was tabled.
  - f. Discussion followed about the viability of a lawsuit against the company that started the fire that destroyed our assets. Mostly led by Tom Gray, the tenor of discussion was that it would be too expensive to hire a lawyer and the chances of recovery would be remote given the "foreseeability" of loss and the fact that there were others with bigger losses who would also likely be suing.
  - g. Joe also reported on our recent Hawker activity at the January 8<sup>th</sup> Norton Day, where several brothers went up to Colma to help Joe with Hawking at this YB1 event. Total proceeds were \$1,502.00, \$690.00 of which came from sales of the Hawker Relief Fund Pin. There were also brisk sales of our 50<sup>th</sup> Anniversary Pin.
  - h. Tom Gray, who Hawked the HRF Pin at the Columbo Dinner on January 6<sup>th</sup>, and to other ECV members, presented the chapter with \$800 from his sales. He reported that the cost for the initial order of 250 pins was about \$450, so the chapter has already made about \$1,000.00 towards fire relief from the sale of this pin. Sales efforts will continue.
- IV. Mike Ramirez gave a report on the need to reestablish a repository for our corporate records following the Leona Valley Fire. He stressed the need to maintain copies of our important corporate documents, financial reports and minutes in order to comply with state and federal regulations, and that failure to do so could jeopardize our corporate and nonprofit status. This status exempts us from individual tax liability and helps protect our members from lawsuits arising from any mishaps at our events.
- a. Discussion on this point followed, and Tom Gray emphasized that even with such status everyone on the board of Graybeards, PXL Officers and those directly involved in any mishap could become direct targets of any lawsuit especially if a court found that we were failing to follow the "corporate niceties" outlined in our bylaws, that legal defense could easily cost tens of thousands of dollars and that "joint and several liability" meant that a plaintiff would likely look to the losing members with the deepest pockets when enforcing any judgment.
  - b. Timbo Gillespie emphasized that these issues pointed to the need for "errors and omissions" and "directors and officers" insurance, and that cost of such insurance would be easily justified considering how expensive it would be if we had to hire lawyers to defend us. He then described the difference between these two policies.
  - c. Timbo Gillespie advised all that Gene Duncker had resigned from the Board of Directors.
  - d. Mike then went on to address the need to study and revise the current bylaws. The only surviving copy of the bylaws dates from 1980, and any proof that they had ever been revised was lost in the fire. He also stressed that while the "corporate niceties" may have been followed over the years, our chapter had out grown the bylaws in many

ways. The structure created by the original bylaws discouraged active planning and management by the Board of Directors. The rules created a strong Humbug but made it practically impossible to remove him if he mismanaged the chapter's affairs – particularly its money. To compensate for this, the Board strengthened the Gold Dust Receiver who is supposed to be subordinate to the Humbug. As a result the treasurer and Humbug invariably end up arguing with each other over how to spend the chapter's money. This is not only a poor substitute for planning, but it distracts those in charge from the long term goal of ensuring the survival of the chapter. Mike pointed out that our application for status as a charitable corporation assumed that PXL would be self-sufficient, with our fundraising coming from within the chapter and from the addition of new members. But taking this last year as an example, PXL added only four PBCs and if not for brothers from other chapters attending our doin's and outside Hawker sales to other ECV chapters, our chapter would have run at a loss.

- V. Ron Nauke then moved to establish a committee to study and revise the bylaws, and for that committee to report back in 90 days. It was seconded by Luis Bouza and it carried unanimously. Without objection the following members volunteered and were accepted as committee members: Steve Born, Bob Clemmenson, Tom Gray, Don Johnson, Mike Ramirez, Joe Szot, and Charles Topping.
- VI. Mike Ramirez then moved to readopt the 1980 Bylaws. Discussion followed. Tom Gray argued that this would disrupt our current governance which continued to exist despite having lost our records in the fire, and that it would make more sense to concentrate on rewriting the rules. There was general agreement on this point and Mike withdrew his motion.
  - a. Keith Fraser moved to have Joe Szot write a letter to the Humbug documenting the loss of our records and goods in the Leona Valley Fire and that a copy be forwarded by the Humbug to Grand Council. Rick Hatch seconded the motion and it carried unanimously.
  - b. Mike Ramirez volunteered to put together a binder with the currently available corporate documents. It was also suggested that we scan all important documents and store them in PDF form, possibly on our server. Mike will look into it.
  - c. Ron Nauke moved that we purchase E&O and D&O insurance for the chapter. It was seconded by Bob Clemmenson and it carried unanimously after discussion. Timbo will shop for a policy and advise the board as to his progress.
- VII. The issue of whether to return the Gold Dust Receiver to the rotation was tabled in light of the committee studying the revision of the bylaws.
- VIII. How the annual audit of our books was to be conducted was discussed next. The consensus was that it could be done internally or externally, but in light of the need to make sure that our records were set-up in a form that could be used for future planning, that reflected a clear "Profit and Loss" from each activity and that could be used for tax purposes, it was decided to look for professional help from outside of the chapter.
  - a. Several possibilities were discussed including hiring a local bookkeeper near Kernville. Tom Gray suggested that his wife, who is a professional comptroller, might be willing to donate her time for this purpose.

- b. It was suggested that all bank statements and receipts be scanned and put into PDF form to make them easier to provide to the auditor. GDR Joe Szot said he would consult with his son-in-law who is his computer guy.
  - c. This issue was tabled until the next meeting unless handled administratively.
- IX. Incoming Humbug Ron Naucke confirmed his appointment of officers, and went over events for the coming year.
- a. Incoming officers are: Mike “MGM” Ramirez-Mares, VNGH; Rick “Nimrod” Hatch, GNR; Joe “Roadrunner” Szot, GDR; Russ “Hole” Chapman, GIH; Luis Bouza, Barkeep; Tim “Ptomaine Timbo” Gillespie, Clampchef and Clampatriarch. Gene “DH” Duncker was nominated as Clampcrier, but it is unclear whether he will accept the appointment.
  - b. Our Spring Doin’s will be April 15, at Fort Tejon, when we should have the Clampsite to ourselves. The upcoming Procs will have further information.
  - c. We will again march in the Whiskey Flats Parade, Saturday February 19, in Kernville. Dale Charter will again organize and host our participation.
  - d. We will attend and Hawk at the Bean Feed, February 12, but we will not be competing because of past differences with the organizers. Tim, Tom and Ron will assist Joe.
  - e. Ron is preparing a proposal and presentation to the Buck Owens Organization to pitch a 50<sup>th</sup> Anniversary plaque adjacent to the Bakersfield arch. Ron wants a conspicuous “in the ground” monument and is requesting help drafting plaque language. Timbo said he would help with the language.
  - f. Ron addressed the lack of an overnight Clampsite in Bakersfield itself. All known possibilities are “day use only.” Wes Kutzner suggested that the Buck Owens people might have an alternative available and that securing a site through them could be part of our pitch. Another option would be a plaquing event followed by a 50<sup>th</sup> Anniversary Dinner at the Crystal Palace Best Western.
  - g. Ron is considering a joint Fall Doin’s with Doctor Samuel Greg George, possibly at Camp Whitsett. PXL Brothers in attendance were favorably impressed with the site, and Dale Charter indicated that the camp manager would like to have us come back, especially after the error they made draining the lake prematurely.
- X. New Business
- a. The chapter will buy a replacement pop-up for the Hawker. Ideally it should be clear of any center support and cost less than \$350.00.
  - b. The floor was opened for nominations for “PXL Widder of the Year.” JoLinda Naucke was nominated, nominations were closed and JoLinda was elected unanimously.
- XI. The official installation of PXL officers was adjourned to 6 p.m., January 31, 2011, at the Crystal Palace Best Western Hotel, Bakersfield, CA.

“...and so recorded!”

**Submitted by Michael Ramirez-Mares, Grand Noble Recorder**