



THE NATIONAL GUARD ASSOCIATION OF ARKANSAS

P.O. BOX 663

NORTH LITTLE ROCK, ARKANSAS 72115

MEMORANDUM FOR RECORD

Officers Present: COL Damon Cluck (Exec Dir), MAJ Sharetta Glover (1st Vice President), Lt Col Ryan Workman (2nd Vice President), LTC Anthony Sanders (Past President, Phone), MAJ Adam Warford, CPT Alex Miller, CPT Dalton Shannon, MAJ Melissa Shipman (Phone), 1LT Garrett Miller (Phone), Maj Jason Kulaga (Phone), CPT Garrett Nelson (phone), MAJ John Chase, CPT Uneeda Blackwell (Phone), CPT Brandon Renfro (Phone), WO1 Jerry McDowell (Phone), CPT Beth Simpson (Phone)

Others Present: Eric Lothian (CPA from PH&A) MAJ Trey Marable (Phone), 1SGT Derrick Young (EAANG 1VP), Mrs. Amber Warford (ANGAA President), Christel Combs (Director of Insurance), Barbara Scott (Office Manager)

SUBJECT: Minutes from the December 10, 2019 NGAA Board of Directors Meeting

1. The National Guard Association of Arkansas (NGAA) Board of Directors convened 10 December 2019 after a quorum was confirmed to be in attendance.
2. Board Members were given copies of the following before the meeting.
 - a. Minutes from the 10 September meeting
 - b. December meeting agenda
 - c. December Budget update
 - d. December Insurance report
 - e. ANGF 2 Oct 2019 Meeting minutes
 - f. Tentative 2020 conference committee list (attached includes the updates post-meeting)
3. MAJ Glover asked if anyone had any discussion of the previous meeting's minutes and noted that they had already been approved by the executive committee.

Old Business

4. Insurance Report – Ms. Christel Combs reported the death claims to date and also provided a comparison of the last 10 years of claims so that more information could be seen. She also noted over the years from 2015-2019 how many policies in force were held with the Association and how much was earned in administrative fees in those years.
 - a. She also provided that of the current policies the breakdowns of how many of each product is in force as of now.
 - b. If anyone has any questions, they can reach out to Ms. Combs at the NGAA office or by email, insurancetech1@ngaa.org
5. Budget & Finance Report – COL Cluck (based on the updated format of budget report (see attached))

- a. Over the last 10 FYs numbers have been inconsistently documented in different categories from year to year. This has skewed the budget numbers in several areas. COL Cluck said that he and Barbara spent 2 weeks sorting out the numbers as much as possible.
 - b. On average over the last 10 FYs the SSLI program produced around \$150k in income for the association. It is projected that this year may only reach \$120k.
 - c. Staffing is only covering 2 FT employees and 1 PT and that will take about \$124k to cover. Insurance is barely sustaining or not quite sustaining the staff as is.
 - d. COL Cluck stated that we need to consider what the income will be from a joint conference this year. He said that if we maintain the same registration fee of \$65 that has been in place for a number of years, with the estimated attendance of 500 registration may bring in 32,500 dollars. Combined with the estimated exhibitor fees from nonmembers we hope to bring in 35,000.
 - e. From the updated projections, new total of \$228,000, there is a possible \$61k loss from the projected 2020 budget. With only \$36k in the set aside account that's going to impact planning for state conference. After reviewing the cost of the conference over the last 10 years, COL Cluck stated that the goal is to not have to raise the registration fee for the state conference.
6. Audit Report – Mr. Eric Lothian, he briefed the Executive committee before the general meeting. Mr. Lothian reminded the board that the Audit report and 990 are available by request at the NGAA office and that if anyone has any questions to call or email him at Priddy, Hollified, & Ables CPA and he will gladly explain anything from the reports.
- a. The executive committee and executive director decided to upload the 990 and audit reports to the NGAA website so that they are more publicly available as well.
 - b. The audit completed as of 06/30/2019, was done with an un-modified or “clean opinion” and found to be accurate. Based upon new accounting nonprofit guidance, nonprofits have to follow ASU-2016-14 which is the formalized financial reporting process that all nonprofits (regardless of public or private status) have to use now, so that people that want to donate to any of these organizations can see what is being done. Mr. Lothian reported that it does not impact the association very much because of the money in NGAA being classified as nonrestricted.
7. Major Glover asked if there were any other questions or concerns about the Audit report and budget update.
- a. Major Warford asked if there is a committee within conference planning that supervises the budget for each committee of the conference. Major Chase also suggested having either a committee set and monitor a budget for the conference or that someone (exec committee or ED) set an itemized budget for the conference this year.

- b. COL Cluck explained that over the last two years there has been more spent that was never previously budgeted for (Lobbyist \$54k over two years) and in the last 10 years no one has changed the preset \$25,000 budget for the conference or even followed that number. And lead into, yes, there needs to be more attention paid to the itemized spending on the conference, especially this year with a joint event.
- c. Major Chase asked, what is nonessential that can be cut from the budget now.
 - i. He asked about NGAUS- COL Cluck said that members of the staff and executive committee will be attending NGEDA in January and will be better able to estimate the costs of NGAUS in 2020 for the association
 - ii. MAJ Chase offered to consider the idea of the association looking at ways to help incorporate the idea of retention in the Guard at the state conference that way we could possibly request funds from other entities
- 8. Major Glover asked if there were any other questions about the audit, budget, or financials. She then asked if there would be a motion.
 - a. Major Warford made a motion to accept the budget and audit reports
 - b. Captain Shannon seconded the motion. The board approved the motion unanimously.

New Business

- 9. Conference Committee assignments: MAJ Glover, the board filled in the missing slots from the sent-out list before the meeting and completed the assignments with the assistance of 1SGT Young for the EAANG side. (the updated listing is attached to these minutes)
 - a. COL Cluck and MAJ Glover clarified which committees will have joint representation because the events are combined and which will remain separate.
 - b. CPT Shannon asked about possible establishing a budget committee for the conference.
 - i. COL Cluck recommended that the two presidents go through the research and meetings that happen before plans are set and they work with COL Cluck to create a budget for each committee/category for the conference.
 - c. 1SGT Young brought up that Survivor Outreach has requested that we start involving the Gold Star Families in conferences more similar to other states at both the officer and enlisted levels.
 - i. COL Cluck recommended that a joint committee be created to explore the possibility of involving the Gold Star Families more so that they can determine how and what is needed.
 - d. LTC Sanders asked if any of the negotiations have been made with the hotel as far as prep for hospitality and the ability to bring in outside food/beverage/liquor/beer.

- i. COL Cluck said he was not sure on what had been negotiated yet. Barbara said that some things had been worked out with the hotel but not everything. We will be able to bring in those things but only in certain rooms/spaces due to the coverage of the hotel's ABC licenses.
 - ii. COL Cluck also brought up the possibility of figuring out alternatives to the traditional hospitality rooms for both nights.
 - e. MAJ Glover and Lt Col Workman asked COL Cluck if a time and date had been determined for a Board site visit to the Marriott for conference
 - i. A small team was suggested of several chairs including: MAJ Warford, MAJ Marable, MAJ Glover, CPT Shannon, COL Cluck, 1SGT Young, MSgt Mays, CMS (Ret) Green, and Barbara to visit the hotel.
 - ii. They selected 16 December to visit
10. Arkansas National Guard Foundation (ANGF) Update: COL Cluck briefed the minutes from their last meeting. He mentioned that that board is comprised of the NGAA ED (ex officio), three officer members, two enlisted members, and both NGAA and EAANG presidents.
- a. COL Cluck was one of the elected officers to the board but now has transitioned roles into the ex officio capacity for that board and NGAA needs to fill the vacancy from his changing roles.
 - b. His suggestion is someone that is interested in investment/finances and interested in the mission of NGAA, EAANG, & the ANGF
11. COL Cluck recommended to the executive committee that the association hire someone to help with corporate fundraising; his suggestion was that the association use \$20k of funds out of the NGAA Endowment that is managed by the ANGF to accomplish that. The executive committee agreed but still needed a motion from the Board.
- a. Maj Kulaga made a motion that NGAA sends a letter to the ANGF Board requesting the money from the NGAA Endowment to pay for the fundraiser.
 - b. MAJ Chase seconded the motion. The board approved the motion unanimously.
12. CFC Update- COL Cluck the ANGF has a CFC account that can be donated to. He stated that any donations made to the foundation through CFC goes to the scholarship fund.
- a. We will publish the information for donating to that on our website and social media
13. Membership Campaign- Reminder that the dues structure was changed in September by the Board (electronic vote) to mirror the new NGAUS dues structure. Membership drive continues through the end of March
- a. CPT Miller asked when is the cut off for dues to have 100% units and the deadline for **NGAA 100% units conference is 16 March 2020**
14. ANGAA Update- MAJ Warford from Mrs. Amber Warford, they raised approximately \$4500 at the auction, they will use that to help 4-6 Guard families with Christmas and the

remainder will purchase gift cards that Chaplain Miller will give out on an as-needed basis throughout the year

- a. ANGAA is planning a pre-conference event to help teach newer Guard spouses etiquette for the military events
 - b. ANGAA also has a new logo, designed by Mr. Greg Eason (spouse of the current NGAA president)
15. 1SGT Young thanked the Board for inviting him and updated that EANGUS 2020 fundraising has a goal of \$80k and is up to approximately \$30k as of that day.
16. MAJ Glover reminded that the Scholarship application period is open and available until 16 January and that it can be applied for completely online this year.
17. MAJ Glover began discussion to set the next Board of Directors meeting 4 February 2020 at 1700.
- a. COL Cluck suggested that the conference committees meet before the next full board meeting. MAJ Glover concurred.
18. MAJ Chase made a motion to adjourn. CPT Shannon seconded. There was no discussion and the motion passed unanimously.

Next Board of Directors meeting is 4 February 2020 at 1700 at the NGAA Building (8100-Camp Robinson)

Attachments:

1. Agenda
2. Insurance Report
3. Budget/Financial Report
4. Committee assignments (updated post-meeting)
5. ANGF mins

Attachment 1

10 December NGAA Board of Directors meeting agenda

- Old Business
 - Review September meeting minutes (already approved by Exec Board)
 - Insurance report – Ms. Christel Combs
 - Budget/Finance Report – COL Cluck
- New Business
 - Review Committee Assignments (Confirm Leads/assistants and finish assignments) – MAJ Glover/Maj Eason
 - Suggest tentative date options for Board site visit to hotel
 - ANGF update – COL Russell Betts or COL Cluck
 - CFC Campaign brief
 - Membership campaign brief
 - ANGAA update – Mrs. Amber Warford
 - Set Next meeting date

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Claim amount	9	24	20	9	6	19	10	4	6	6
Cost of Claims	\$104,500.00	\$396,500.00	\$390,000.00	\$123,000.00	\$115,000.00	\$323,000.00	\$170,000.00	\$57,500.00	\$70,000.00	\$100,000.00
Status Mem	3	16	14	7	4	11	7	2	4	5
Status Dep	6	8	6	2	2	8	3	2	2	1

**MONTH POLICIES IN ADMIN FEES
FORCE EARNED**

JANUARY (2015)	6268	\$14,160.90
FEBRUARY	6268	\$13,275.55
MARCH	6279	\$13,591.21
APRIL	6346	\$13,381.89
MAY	6314	\$13,135.25
JUNE	6319	\$12,953.01
JULY	6307	\$13,498.31
AUGUST	6279	\$14,347.22
SEPTEMBER	6276	\$12,915.49
OCTOBER	6259	\$13,353.77
NOVEMBER	6231	\$13,608.75
DECEMBER	6211	\$13,212.77
JANUARY (2016)	6237	\$13,480.69
FEBRUARY	6255	\$12,949.05
MARCH	6231	\$13,559.52
APRIL	6238	\$13,081.61
MAY	6189	\$12,462.38
JUNE	6151	\$12,554.88
JULY	6174	\$13,724.07
AUGUST	6097	\$12,857.23
SEPTEMBER	6093	\$13,280.12
OCTOBER	6158	\$11,101.61
NOVEMBER	6155	\$14,462.00
DECEMBER	6113	\$13,179.72

JANUARY (2017)	6113	\$12,979.91	JANUARY (2019)	5863	\$10,901.92
FEBRUARY	6030	\$13,126.17	FEBRUARY	5901	\$10,764.97
MARCH	6095	\$13,211.28	MARCH	6080	\$10,867.55
APRIL	6073	\$12,832.64	APRIL	5010	\$10,513.60
MAY	6002	\$12,727.35	MAY	5125	\$10,685.62
JUNE	5918	\$12,365.30	JUNE	5141	\$10,196.83
JULY	5918	\$12,569.73	JULY	5200	\$9,366.77
AUGUST	5787	\$12,023.79	AUGUST	5241	\$9,562.57
SEPTEMBER	5748	\$13,112.27	SEPTEMBER	5269	\$10,914.20
OCTOBER	5689	\$11,741.74	OCTOBER	5289	\$9,889.85
NOVEMBER	5610	\$11,655.27	NOVEMBER	5382	\$8,570.92
DECEMBER	5542	\$11,465.37	DECEMBER	5406	
JANUARY (2018)	5578	\$11,213.96			
FEBRUARY	4855	\$11,839.14	PRODUCT	COUNT	
MARCH	4708	\$11,582.89	IND 10K	3614	DEP.
APRIL	5845	\$12,762.74	IND 15K	200	5K 202
MAY	5362	\$13,056.77	IND 20K	375	10K 953
JUNE	5176	\$12,158.18	IND 25K	140	
JULY	5872	\$11,105.17	IND 30K	133	SPOUSE
AUGUST	5886	\$11,306.04	IND 35K	39	10K 269
SEPTEMBER	5876	\$10,770.72	IND 40K	41	15K 59
OCTOBER	5871	\$11,346.33	IND 45K	5	20K 73
NOVEMBER	5851	\$10,186.30	IND 50K	785	25K 409
DECEMBER	5842	\$11,721.61			

Attachment 3:

	Budget	Actual & Projected	Budget	Actual & Projected
	2019	2019	2020	2020
Income				
NGAA Dues	\$14,000.00	\$11,014.36	\$14,000.00	\$10,400.00
NGAUS Rebates	\$15,000.00	\$14,830.95	\$15,000.00	\$15,000.00
Conference income	\$28,800.00	\$20,756.52	\$28,800.00	\$35,200.00
Corporate program	\$50,000.00	\$36,457.90	\$55,000.00	\$38,000.00
Alt product Insurance fees & Commissions	\$29,700.00	\$15,750.00	\$15,300.00	\$3,300.00
Interest, Rev, & Misc	\$2,050.00	\$8,800.86	\$2,050.00	\$1,020.00
Endowment	\$9,600.00	\$23,193.47	\$12,000.00	\$5,800.00
Experience refund	\$0.00	\$32,720.77	\$0.00	\$0.00
Group Life Ins Fees & Com	\$165,000.00	\$130,180.36	\$150,000.00	\$120,000.00
Total Income	\$314,150.00	\$293,705.19	\$292,150.00	\$228,720.00
Expenses				
Staff	\$165,900.00	\$158,671.00	\$142,400.00	\$124,400.00
Building	\$11,100.00	\$8,345.48	\$10,450.00	\$10,650.00
Insurance	\$22,800.00	\$24,135.40	\$20,500.00	\$19,500.00
Office Supplies	\$26,850.00	\$24,492.64	\$24,700.00	\$21,500.00
Legislative	\$30,000.00	\$24,000.00	\$0.00	\$0.00
General Conf	\$39,500.00	\$33,200.00	\$39,500.00	\$64,500.00
Accounting/Audit	\$10,500.00	\$10,425.00	\$10,500.00	\$10,500.00
NGAUS Conf	\$25,000.00	\$29,300.00	\$25,000.00	\$21,000.00
Board	\$9,600.00	\$9,251.72	\$9,600.00	\$9,600.00
AG Activity Fund	\$7,000.00	\$54.00	\$6,000.00	\$6,000.00
Miscellaneous	\$1,000.00	\$2,500.00	\$1,000.00	\$2,647.00
Experience Ref Distr	\$0.00	\$3,750.00	\$0.00	\$0.00
Group Life Commissions	\$4,000.00	\$1,035.65	\$1,500.00	\$0.00
Training - Insurance	\$0.00	\$17,300.14	\$0.00	\$0.00
Total	\$353,250.00	\$346,461.03	\$291,150.00	\$290,297.00
Profit/Loss	-\$39,100.00	-\$52,755.84	\$1,000.00	-\$61,577.00

Attachment 3 cont:

Clarification of each combined category

(some categories are a single line item from the budget)

- NGAA Dues= annual and life dues
- Conf Income = State Conference registration, exhibitor fees, outside donations and golf tournament fees
- Alt product Insurance fees & Com = commissions from everything that is not SSLI program
 - Interest, Rev, & Misc = Interest, Revenue, & Miscellaneous incomes
- Group Life Ins Fees & Com = SSLI/Group Life commissions

- Staff = Salaries, FICA, SUTA, FUTA, Admin Travel, Insurance (worker's comp & etc.), payroll admin fees
- Building = janitorial, lawn & grounds, building repair, equipment repair, building insurance, equipment/furniture purchase
- Insurance = insurance travel, ACH fees, promotion activity, all alternate product commissions outside of SSLI/Group life
- Office supplies = membership fees (for NGAA), office supplies, telephone, postage & mailing, printing and photocopying, IT services
- General Conf = awards, corp member cost, golf tournament, general conference expenses
- Board = board travel, board meetings
- Group Life Commissions = SSLI/Group Life Commissions

Attachment 4:

Committee	NGAA Chair	Co-Chair	EAANG Chair	EAANG Co-Chair
Gen Conf	Maj Eason		MSgt Mays	CSM (R) Green
NGAUS	MAJ Glover			
Awards	CPT Moser	MAJ Shipman		
Banquet	MAJ Marable	MAJ Warford	MSgt Mays	1SG Young
CGO Awards	Lt Col Needham			
Speakers/Entertainment	COL Cluck	Barbara Scott	MSgt Mays	CSM (R) Green
Corp Activities/Member	Barbara	Elizabeth Jara		
Exhibits	MAJ Battle-Smith	Barbara Scott	Scott Manamon	
Golf Tournament	CPT Miller		MSgt Faulkner	1SG Young
Hospitality	CPT Shannon		MSgt Mays	
Legislative	COL Cluck			
Nominations	LTC Sanders			
Sgt at Arms Business	MAJ Warford		SSgt Joshua Barry	
Sgt at Arms Banquet	MAJ Warford		SSgt Joshua Barry	
Parade of Commands	MAJ Shipman		SrA Ashlyn Henderson	
Retirees/Past Pres	LTC Sanders		CSM (R) Green	
Registration	James Lamb		CSM (R) Green	
Resolutions	Lt Col Workman	MAJ Glover		
Scholarships	Maj Kulaga	CPT Shannon		
2021 Conf	MAJ Glover	COL Cluck		
VIP Escort	LTC Phillips			
Gold Star Families	LTC Schultz		1SG Young	
ANGAA	Mrs. Warford			
Aux EAANG			Mrs. Young	

Attachment 5:

Minutes of Foundation board, 2 Oct 2019

Attendees:

INFORMAL SESSION

- Priddy and Holifield Audit Report
 - o Given by Eric Lothian and attended by Jeremy Ables, Partner
 - o Clean report
 - o Audit was good Gary Motion, Damon 2nd, no discussion, voice vote passed.

- James will get gift cards to Survivor Outreach, \$1214
- Spend plan discussion
 - o Because of expenses last FY looking to change spend plan from 5% to 4% to keep Foundation from being in the negative for current FY.
 - o \$1000 to Minuteman Youth Camp and Survivor Outreach each
 - o \$1500-\$1373=\$127. 1000-127=\$873 this year to Minuteman Youth Camp
- Bass and Bell briefing
- Board members were provided a handout showing investments were the same as Schwab
 - o Much discussion about how to invest the funds. Most likely have to go to stocks to create income

NEW BUSINESS

- Motion made by Russell Betts to recommend to form a potential by laws change committee in order to potential increase the board of directors structure. To be chaired by Damon Cluck. Barbara/ voice passed
- Motion made by James Treece take Kendall Penn off of the Bass and Bell account and add James Lamb on as control person and when the new Executive Director is hired, he or she can be added to the account. 2nd barbara
-
- Motion by Russell Betts to Develop and communication and marketing plan for the Arkansas Nation /Guard Foundation using funds using budget appropriation for the annual subscription from peer to peer fundraising, \$1668.00. Barbara 2nd/ voice passed
- The investment committee recommends to the Foundation Board that in light of current abnormal interest rate conditions in the bond market that we increase the Portfolio's equity exposure from 60% to 65% and decrease the exposure to the bond market from 30% to 25% with no change in the cash allocation of 10%. Of the 65% equity position, the investment committee, in consultation with the Investment Advisor, recommends decreasing exposure to small CAP equities and increasing investments in Dividend producing large CAP equities to 55% and 10% to Real Estate in order to increase income to the Foundation. First, russell/second to gary. Voice OK

- After receiving the audit report from Priddy and Holifield CPA and reviewing the Portfolio performance for FY 19, a motion was made by COL Cluck to adopt a spend plan of 4% for the foundations assets and endowments. This spend plan produces \$52,861. This results in the following allocation of funds:
 - o Diamond Fund \$47,923
 - o NGAA Fund \$1,602
 - o EAANG Fund \$703
 - o Arkansas National Guard Museum Fund \$2,633
 - o 2nd by Russell/ all carried

Col Cluck made a motion to appropriate funds from the Diamond Fund to the endowments in the following manner.

The Scholarship Fund for FY 20 Scholarships	\$37,500
Additional Donation to the NGAA Fund	\$4,212
Additional Donation to the EAANG Fund	\$4,212
Additional Donation to the Minuteman Youth Camp	\$1,000
Additional Donation to the Survivors Outreach Services	\$1,000

2nd Jim/ voice vote passed

- Motion made to only pay \$873 Minuteman Youth Camp because they were overpaid \$127 last FY. Motion, Gary/ 2nd Damon/ voice vote passed
- Simmons Bank can now receive money directly from Bass and Bell.
- Motion by Russell Betts to work to develop a logo for the ANGF. Barbara/ voice OK
- Motion was made by Damon Cluck to keep the slate of officers for another FY. 2nd Russell Betts/voice passed

Old business

- Change to Bass and Bell has been completed.
- Need to replace Kendall Penn as control at Bass and Bell
- Name change from Endowment to Foundation
- Gary Wynn will take on the web site design which was voted on in Feb 2019
- Per MG Penn regarding Arkansas Legislature for Arkansas Component Emergency Relief fund will be available in July 2020