



SAME Executive Committee Meeting Notes

1400, Wednesday, Dec. 16, 2020

Attended			
Buddy Barnes	Mario Burgos	Mike Darrow	Mark Handley
Mike Huffstetler	Allison Ingram*	Bob Keyser	Miro Kurka
Cindy Lincicome*	Victoria Mechtly	Dave Newkirk	Charlie Perham
Jim Romasz	Hal Rosen*	Heather Wishart-Smith	Neal Wright
Joe Schroedel*			
Did Not Attend			
Craig Crotteau	Chris Knutson		

*Non-voting

Call to Order: 1405 hrs

A quorum was established. Heather Wishart-Smith, Chair of the XC, called the meeting to order. Joe led the presentation to the XC (Encl 1).

2020 Budget Update

Joe provided an overview of the execution of the 2020 Budget. Despite the immediate impact of COVID (total budgeted revenue loss of \$120,000 from Capital Week cancellation in March), we retooled our centennial year and ended the year in the black while delivering all XC approved National Office FY 2020 priorities. We started the year with a \$1.2 million cash position and ended the year with a \$1.2 million cash position. We not only survived, but we thrived!

- Major variances were due to virtual events.
- Advertising surpassed expectations.
- National Office leveraged Centennial and other incentives to keep SMs and dues revenue up.
- Deferred revenue is up which is an indication that the trend will continue.

National Office Priorities

The National Office Priorities are the basis for the National Office performance management system.

The XC approved the 2021 National Office Priorities.

- Implement Strategic Plan 2025.
- Plan and Implement Member Management System Improvements.
- Grow Foundation Fundraising and SAME Program Support. Foundation will *lead* efforts with SAME National Office administrative support.
- Enhance Communications and Marketing effectiveness.
- Complete the National Office Relocation.

2021 Budget Proposal

The 2021 Budget is a “Living Budget” due to the uncertainty and opportunity that we face in 2021. COVID will impact operations through 2021; we will continue current COVID policies (pay and hiring freeze, etc); budget expenses as if no COVID (pay raise, bonus, Pres travel, IC grant, SBC stipends). Major National events will be virtual at least through JETC (May 2021). We must assume that there will be no second round of PPP available for SAME. We cannot assume that we won’t have to pay back the

first round of PPP, although it is unlikely. SAME will continue to take care of staff as we have in the past.

The budget contains conservative revenue projections based on trends and 2020 experience. All desired expenses budgeted and decisions to execute will be made through the year with a modified QMR process (sustain weekly financial forecast discussions based on leading indicators to anticipate decisions). We will track uncertainties and their impacts as we execute the budget in 2021. **XC approved 2021 Budget.**

Along with uncertainties, there are several opportunities – three which require XC or BOD approval.

- Our financial reserves exceed needs. SAME would like to invest in an Enterprise Management System. We are currently in the process of procuring a system that meets the needs of our members and staff – this is long overdue.
 - Reserves will not be used for recurring costs.
 - Total cost to transition to new EMS would be \$868K.
 - Projected live launch in Nov. 2021.
 - **XC approved new EMS with reserve funds (NTE \$1M).**
- Additionally, to build on the concept that COIs are extensions of the National Office, we would like to hire two contracted COI Managers. These managers would allow us enhance our technical reach to support member needs, Post and National program needs, opportunities for technical participation in SAME even if only as a virtual member of a COI (expected cost \$150K). **The XC approved the hiring of two contracted COI managers.**
- SAME needs to diversify revenue streams which has been a long-standing issue. Consequently, it is time to increase individual membership dues in order to reduce event financial dependency.
 - Current dues do not cover the cost of serving members.
 - Last increase was 6 years ago – value and costs have increased since then.
 - Industry standard is to increase 2-3% annually.
 - Current structure is too complex compared to industry standard – very cumbersome for staff and for members to understand.
 - Discussion ensued about whether this is the right time to raise rates – most voicing the fact that there is no good time, yet it must be done sooner rather than later. The President and Treasurer stated that It may be uncomfortable, but is necessary.
 - Some felt that Young Professionals should not increase so dramatically as they often pay out of pocket like public sector members.
 - BOD must approve in May 2021.
 - **XC has asked for a refinement of the proposal to be provided in mid-January.**

Foundation Board

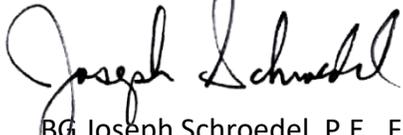
The XC approved the Foundation Board selections for 2021.

On August 5, 2020, a governance and management review of the Society and Foundation yielded the formation of a task force to review and operationalize the relationship between the Society and the Foundation. Part of their scope was to recommend the selection of new board members for the SAME Foundation to the XC, based on nominees forwarded to the task force by the Foundation's Governance and Nominations Committee (Encl 2).

- Randy Gardner
- Linda McKnight

- Sal Nodjomian

Adjourn: 1605 hrs.

A handwritten signature in black ink that reads "Joseph Schroedel". The signature is written in a cursive style with a large, looping initial "J".

BG Joseph Schroedel, P.E., F.SAME, USA (Ret.)
Executive Director

Encl 1: Budget Brief

Encl 2: Foundation Board Nominees