

# AWCI Board of Directors Conference Call Saturday 2/21/09

## Board Present:

- Joe Juaira, CW21, President
- Tamara Houk, CW21, Vice-President (IAB Director)
- Jack Kurdzionak, CW21, Treasurer
- Doug Thompson, CW21, Secretary
- Ron Iverson, CMC, Director
- Manuel Yazijian, CMW21, Director
- Jim Zimmerman, CMEW, CMC, CMW, Director
- Glenn Gardner, CMW, Director
- Mike Gainey, CC21, Director
- Ernest Tope, CMW21, Director
- Gene Bertram, CC, Affiliate Chapter Director
- Herman Mayer, CW21, REC Director
  
- Dennis Warner, CW21, Past President
- Paul Wadsworth, Parliamentarian

## Staff:

- James Lubic, CMW21, Executive Director
- Tom Pack, CPA, Operations Director

Meeting called to order at 11:00am EST.

President Juaira welcomed and thanked those participating in the conference call. He asked Pack to send the meeting reports to those not at the Executive Meeting.

**Motion # 33:** Glenn Gardner, second Mike Gainey  
To approve the November 25, 2008 conference call minutes.

Discussion: None.

**Voice Vote:** Ayes heard - Nays none  
Unanimous approval.

**Motion # 34:** From Executive Committee  
To remove from the Bylaws, Article 4, Section 3: In order to maintain certification, a holder of the certification must maintain membership in the Institute.

Discussion:

As explained by Wadsworth this section must be struck from the Bylaws due to legal concerns. Once a certification is granted, it may not be taken away based on membership. Bertram asked if this was a policy change. Lubic explained that it was not. In the future CEUs will be required to maintain certification recognition and this would be how certifications would be governed. AWCI classes and seminars for CEUs could be priced with a discount for members.

Gardner asked if Rolex was still requiring AWCI membership as a prerequisite for spare parts and they are. Tope questioned the idea of having an AWCI certified individual that was not a member of the Institute and therefore would not be required to observe the Code of Ethics. It was noted that a requirement of certification was to observe the AWCI Code of Ethics.

**Voice Vote:** Ayes heard - Nays none

Unanimous approval.

Motions from the Finance Committee

**Motion # 35:**

To have the Institute investigate the feasibility of converting a portion or all of its outstanding debt from the variable rate instrument we currently have into one with a fixed rate.

Kurdzionak stated committee concerns over the current LIBOR instrument with regards to market vulnerability. It is a variable weekly reset rate. By obtaining a low fixed rate, AWCI could limit its debt uncertainty, allowing more predicable budgeting.

**Voice Vote:** Ayes heard - Nays none

Unanimous approval.

**Motion # 36:**

To have the Institute formulate a long term plan for the Horological Times magazine with the goal of optimizing the Horological Times revenue.

No discussion.

**Voice Vote:** Ayes heard - Nays none

Unanimous approval.

**Motion # 37:**

To have the annual meeting and convention event budget separate from the main budget document.

Kurdzionak explained the ease of tracking this event's revenue and expenses if this motion were adopted. Currently due to the timing, expenses and revenues are divided over 2 fiscal budgets for the event. There would be no cost increase, simply a better way to track annual meeting expenses.

**Voice Vote:** Ayes heard - Nays none

Unanimous approval.

**Motion # 38:**

To prepare a contingency plan to operate the Institute with reduced income if there is substantial decrease (8% per annum or greater) in the income derived from the Perpetuation Fund.

Discussion: Kurdzionak noted the global financial decline of virtually all investments over the past year and our portfolio is no different: A drop of about \$1,000,000 in the Perpetuation Fund value. Thus when the fund is evaluated the next time (June 2009), the income from it used for operating expenses, will also decline.

It is assumed that the office staff (Lubic, Pack) will be responsible for this plan.

Bertram asked if the Portfolio report was in the meeting packet, it was not, but Juairé stated it would be available for the rest of the board. Lubic said Pack would be able to make that available. Pack stated that report, from Johnson Investment, was just presented the day before to the Executive Committee. It was the only report not yet online.

Tope felt the 8% figure should be eliminated from the motion, since it is assumed there will be a significant drop in investment income. Lubic stated the office would be working on a plan immediately regardless.

**Motion to amend # 38:** Tope, seconded Yazijian

To prepare a contingency plan to operate the Institute with reduced income if there is substantial decrease in the income derived from the Perpetuation Fund.

Discussion:

Yazijian asked what 'substantial' would be. Juairé stated \$2,400 a month.

Bertram felt there should be a trigger in the motion.

Roll Call Vote to Amend F:

**YES**

Tope

**NO**

Kurdzionak

Yazijian

Iverson

Gardner

Bertram

Zimmerman

Thompson

Gainey

Houk

Mayer

Motion to Amend fails: 1 to 10

**Voice Vote to Approve Original Motion # 38:** Ayes heard - Nays none  
Unanimous approval.

Meeting adjourned 11:33am EST.