

Riesentöter Region, Porsche Club of America, Inc.
(a Pennsylvania Nonprofit Corporation)

Minutes of a Meeting of the Executive Board
Held
8 October 2009

A meeting of the Executive Board of Riesentöter Region, Porsche Club of America, Inc. commenced on Thursday, October 9, 2009, at 6:45 PM EDT at the home of Robin Zelinskie. The voting members present in person or by conference telephone were Graham Knight, Joe Asher, Chris Karras, Allison Dollery, Robin Zelinskie, Maureen Sangiorgio, Myles Diamond, Larry Herman and Peter Majka, constituting a quorum. Brian Minkin joined the meeting at 7:00 PM EDT. The voting members absent were Marty Kocse, Steve McMorn and Francine Knochenhauer. Also present for all or part of the meeting were the following Appointed Officer members: Steve Meenan Mike Andrews and John Heckman.

Graham Knight called the meeting to order and welcomed the members.

Graham Knight moved the adoption of the minutes of the Board Meetings held September 13, 2009, which had been distributed to the Board in advance of the meeting. Myles Diamond seconded the motion and it carried unanimously. (Knight, Asher, Karras, Dollery, Zelinskie, Sangiorgio, Diamond, Herman and Majka in favor; no one opposed; no one abstained)

Peter Majka moved the adoption of an amendment to the Bylaws which had been distributed to the Board in advance of the meeting. The current Bylaws read as follows:

4.3.3. Election Procedures.

4.3.3.1. The Officers shall be elected by secret ballot of the active and family-active members at the October meeting of the Members.

4.3.3.2. Active and family-active members may vote in person or by proxy.

4.3.3.3. The candidate who receives the greatest number of votes cast for the office for which he or she is a candidate shall be declared elected.

4.3.4. Notice of Election Results. The names of the Officers shall be announced at the October meeting and written notice shall be given to the members.

The amendment changed them to read as follows:

4.3.3. Election Procedures.

4.3.3.1. The Officers shall be elected by the vote of the active and family-active members cast at the October meeting of the Members by proxy or by secret ballot in person.

4.3.3.2. The candidate who receives the greatest number of votes cast for the office for which he or she is a candidate shall be declared elected. and shall serve for the next succeeding fiscal year.

4.3.4. Notice of Election Results. Written notice of the names of the Officers elected at the October meeting shall be given to the members promptly.

The effect of the change was to acknowledge that the results of an election may not be available at the October member meeting and to reaffirm the longstanding practice that the Officers hold office for a fiscal year, which is currently the calendar year. Graham Knight seconded the motion and it carried unanimously and attained the required 2/3 vote of the entire Board. (Knight, Asher, Karras, Dollery, Zelinskie, Sangiorgio, Diamond, Herman and Majka in favor; no one opposed; no one abstained)

Betsi Lyle, a longstanding member of the Club, raised a concern at the September member meeting that the adoption by the Board of the Expense Reimbursement and Discount Policy at the September Board meeting may have been flawed because the Policy granted discounts for DE events to all members of the Board. The Club's Conflict of Interest Policy requires a Board member with a conflict to abstain from voting to approve the conflicting transaction or arrangement. When the Board approved the Expense Reimbursement and Discount Policy no members abstained and all would be eligible to benefit from the DE discount. To address this concern, Chris Karras moved that the Expense Reimbursement and Discount Policy be ratified and confirmed by those members of the Board who voluntarily gave up any discount for DE events as an Officer. Brian Minkin seconded the motion and it carried by a unanimous vote of the disinterested members. (Knight, Karras, Herman and Minkin in favor; no one opposed; Asher, Dollery, Zelinskie, Sangiorgio, Diamond and Majka, abstained)

Larry Herman reported on the cost of a four drawer fireproof filing cabinet to hold the Club's records. The lowest price for a new cabinet that he could find was about \$1,400. Steve Meenan contacted Steve Hoagland during the meeting who volunteered to keep his eyes open for a used cabinet in good condition. Graham Knight moved that Larry Herman be authorized to purchase a cabinet for the Club at a price not to exceed \$500. Joe Asher seconded the motion and it carried unanimously. (Knight, Asher, Karras, Dollery, Zelinskie, Sangiorgio, Diamond, Herman, Majka and Minkin in favor; no one opposed; no one abstained)

Graham Knight reviewed the status of the Club's response to the Commonwealth of Pennsylvania's investigative subpoena and noted that Marty Kocse had previously informed the Board by e-mail that he had received a letter dated September 30, 2009, from Stephen F. Mankowski

enclosing a check for \$1,728. In his letter Mr. Mankowski described the check as reimbursement of the balance of any transactions that he was aware were questionable. Marty delivered the check to Graham Knight who deposited it in the Club's bank account. Graham had also sent copies of the letter and the check to the Club's counsel, Creed Black, and Mr. Black delivered copies of them to the Commonwealth under cover of a letter dated October 7, 2009. There has not been further communication from the Commonwealth since that delivery.

Allison Dollery reported on the Club's financial position and noted that she had brought the most recent bank statements and list of transactions with her for review by other Board members. Graham Knight and Steve Meenan volunteered to review them following the meeting.

Allison Dollery summarized the suggestions to improve the Club's financial controls made by the Club's independent accountants in a letter dated October 7, 2009, which had previously been distributed to the Board in advance of the meeting. After discussion, Graham Knight moved that the Club institute the following financial controls:

1. On a monthly basis at least two members of the Board other than the Treasurer will review the bank reconciliation, bank statement and detail of transactions recorded in Quickbooks.
2. Inventory held by the Goodie Store will be tracked and compared to the cash receipts frequently.
4. All invoices will be approved by an Officer other than the Treasurer prior to payment (*e.g.*, Track Chair approves track invoices, Der Gasser Editor approves payments to the printer, etc.).
5. Cash receipts should be deposited to the Club's bank account or delivered to the Treasurer promptly, but not later than the date of the next Board meeting. The Treasurer will give a receipt to any Officer delivering cash to the Treasurer.

At some point in the future the Club should consider implementing the final recommendation of the outside accountants:

6. An Officer other than the Treasurer should receive payments, endorse checks and prepare a listing of the receipts prior to depositing the checks. When the deposit is received from the bank the Treasurer should compare the deposit detail to the bank records.

Peter Majka seconded the motion and it carried unanimously. (Knight, Asher, Karras, Dollery, Zelinskie, Sangiorgio, Diamond, Herman, Majka and Minkin in favor; no one opposed; no one abstained)

Allison Dollery described the updates and corrections that should be made to the 2008 Federal Tax Returns on Form 990-EZ and Form 990-T prepared by the independent accounting firm which had previously been distributed to the Board in advance of the meeting. Chris Karras

moved that approval of the tax returns, with the updates and corrections Allison described, be signed on behalf of the Club and filed with the Internal Revenue Service by the October 15, 2009, due date. Myles Diamond seconded the motion and it carried unanimously. (Knight, Asher, Karras, Dollery, Zelinskie, Sangiorgio, Diamond, Herman, Majka and Minkin in favor; no one opposed; no one abstained)

Joe Asher reported on the plans for the Make-A-Wish fundraiser to be held in conjunction with the Thunderbolt DE event, including plans for Taste-of-the-Track, silent auction, garage rentals, dinner plans and the other details.

Chris Karras reviewed the timetable and procedure for election of the Board for 2010. He noted that Debbie Cooper had suggested that the timeliness of proxy cards be judged not by receipt but by postmark date. After discussion of the timing and precedent for voting mechanics no one made a motion to change the procedures that had previously been announced to the members of the Club.

John Heckman reviewed the several awards that the Club makes annually and the manner in which the recipients are chosen. There are eight awards: (1) The Riesentöter Award (Der Beste Riesentöter das Jahr). Chosen by the three last recipients and awarded to that member or couple that best exemplifies the title. The most prestigious award of our Club. (2) High Speed Driver of the Year. Chosen by the Track Chairman and (with flexibility) awarded to the driver who has most improved over the year. (3) Instructor of the Year. Chosen by the Chief Instructor and awarded to the most deserving Instructor. (4) Mighty Nitto. Chosen by the Executive Committee and awarded to the member who makes the best of a bad situation. (5) Tattered Helmet. Chosen by the Executive Committee and awarded to the member who presents himself or herself in a less than flattering manner. (6) Broken Crankshaft. Chosen by the AX chairman and presented to the most improved autocrosser. (7) Door Prize. Chosen by the Membership Chairman and presented to the most active new member. (8) Press on Regardless. The rally award presented by the Rally Master to the most deserving rallyist.

Myles Diamond reported on the DE program. Current financial projections show the program may break even for the year if the Make-A-Wish DE at Thunderbolt continues to fill.

Graham Knight read a report from Steve McMorn on the autocross program and the presentation of the ceremonial check to ALS for \$6,000.

Peter Majka reported on web site developments. With the assistance of an additional volunteer the new web site may go on line shortly.

Graham Knight outlined his goals for an upgraded member communications volunteer and suggested that Dan Newton may fill that role.

Joe Asher reminded the Board of the next member meeting to be held on October 25th at Bear Creek.

Myles Diamond volunteered to host the next Board meeting in November at a time in the late afternoon to be determined.

Graham Knight asked Robin Zelinskie about the plans for the annual dinner. Robin noted that she was considering a charge of \$50 per person and a subsidy from the Club of around \$5,000 but not more than \$9,000 depending on the results of the DE program. There developed discussion of the size of the subsidy in view of the Club's reduced revenues in 2009. Chris Karras read a provision from the minutes of the Board meeting held February 7, 2009 as follows: "Joe Asher moved that the Board authorize and direct Robin to (i) reserve the Crowne Plaza (by having the Club make a \$500 deposit) for a dinner to be held on Saturday, December 5, 2009, (ii) develop a plan intended to attract at least 125 members and their guests to the dinner at a targeted price to the members of \$35/person and a subsidy cost to the Club of not more than \$5,000 total and 100% of the price per person (the targeted total cost not to exceed \$70/person, half paid by the member and half by the Club) and (iii) conduct an on-line survey of the membership to solicit additional thoughts for planning the picnic, dinner and other social activities in 2009. Graham Knight seconded the motion and it carried unanimously. (Knight, Asher, Karras, Mankowski, Zelinskie, Kocse, Sangiorgio, McMorn and Minkin in favor; no one opposed; no one abstained)" It developed that the date for the dinner has now been set for December 12, 2009. Brian Minkin moved that the plan for the dinner be changed from that set out in February so that the per person charge would be \$50 and the total subsidy from the Club, regardless of the number of persons who attend, be \$2,500. Peter Majka seconded the motion and it carried unanimously. (Knight, Asher, Karras, Dollery, Zelinskie, Sangiorgio, Diamond, Herman, Majka and Minkin in favor; no one opposed; no one abstained)

The meeting adjourned at 8:55 PM EDT.

Submitted:



Christopher G. Karras
Secretary