

California Garden Clubs, Inc.
Minutes of the 2018 Pre-Convention Board Meeting
Tuesday, June 5, 2018
The Hotel at Black Oak Casino Resort, Tuolumne, California
Host: Valley Lode District
President: Krystal K. Migliore

President Krystal Migliore called the meeting to order at 1:24 p.m.

Humboldt District Director Jeanne Johnson led the Pledge of Allegiance.

Sequoia Foothills District Director Linda Tucker gave the Inspiration.

President Krystal Migliore introduced the 2017-2019 Executive Committee, former CGCI Presidents in attendance Mary Lou Goodwin (1991-1993), Elisabeth Tufo (2005-2007), Robin Pokorski (2007-2009), Julie A. West (2011-2013), Rita Desilets (2013-2015), and Sue Bennett (2015-2017), members of the Circle of Poppies (Joan Craig and Myrtle Findley) and Pacific Region Garden Clubs, Inc. Director Peggy Olin.

Timekeeper Jeanne Desilets was introduced and explained the time limits for oral reports.

Recording Secretary Gail Vanderhorst called the roll and the Chair declared a quorum.

Excused: Lili Aram-Bost, Mary Brooks, Beverly Brune, Anne Capes, Pat Clayes, Janet Eyre, Helen Gates, Bob Gordon, Mike Gould, Mavis Hansen, Rosalie Hooper, Marjorie Johnson, Adele Kelly, Nancy McDougal, Joyce Parrott, Dorothy Roton, Terry Sampson, Hoberley Schuler, Bev Switzer, George Unrine, Judy Unrine and Pat York.

Parliamentarian Greg Pokorski reported that the Rules of Order were accepted at the Organizational Meeting June 3, 2017 for this entire term and can be found on pages 33 & 34 of the 2017-2019 *Yearbook, Manual & Roster*.

Parliamentarian Greg Pokorski moved to adopt the Minutes of the January 31-February 2, 2018 Winter Board Meeting in Thousand Oaks as distributed by Jane McKee for Gail Vanderhorst on March 9, 2018. **Motion Passed.**

Without objection the Chair appointed the Review Committee to review the minutes of this meeting: Greg Pokorski, Chairman, Judy Bates and Lynne Batchelor.

Treasurer George Perko presented the Financial Report as of April 30, 2018.

Financial Report: April 30, 2018

Net worth:

Total cash in checking /savings accounts	\$141,528.	
Total other assets	\$374,896.	
TOTAL ASSETS		\$516,424.
Of which restricted funds are	\$338,180	
Cash Balance Available		<u>\$178,244.</u>
See Attachment A.		

Officers' Reports

Parliamentarian, Communications Director, Treasurer, Financial Secretary, Recording Secretary and Corresponding Secretary deferred reports to the Convention.

3rd Vice-President Martha Smyser reported:

Current Membership

Number paid as of June 2, 2018

Clubs - 253 (15,123 members)

APS - 62 (4,688 members)

Affiliates-2

Total - 317 (19,811 members)

2017 Membership

as of May 18, 2017

Clubs - 271 (16,643 members)

APS - 60 (3,968 members)

Affiliates - 11

Total - (20,611 members)

3rd Vice-President Martha Smyser moved to ratify the following Clubs and APS joining CGCI, APS transferring from the membership type of APS to Club membership and a Club name change.

Clubs joining CGCI:

Diggers Garden Club - 40 members - Costa Verde District President: Sharon Ratterree
Escalon Farmington Community Garden Club - 15 members - Valley Lode District
Co-Presidents: Annmarie Freeseha and Joan Tavares
San Diego Bromeliad Society - 115 members - Palomar District President: Scott Sandel

Associate Plant Societies:

Gold Country Rose Society - 71 members - President: Cindy Phipps
La Mesa Beautiful, Inc. - 50 members President: Linda Morse

Change in membership type from APS to Club:

La Ballona Valley Bromeliad Society - 80 members - Greater Los Angeles District

Club name change:

Paso Robles Multiflora Garden Club to Multiflora Garden Club.

Motion Passed.

3rd Vice-President Martha Smyser moved to ratify the following Youth Garden Club:

Youth Garden Club – Girl Scouts (Juniors) - Rocklin - 5 members Sponsored by Roseville Better Gardens
Clubs - Golden Foothills District YAC: Anita Urie

Motion Passed.

2nd Vice-President, 1st Vice-President and President deferred reports to the Convention.

Executive Committee Recommendations

Recording Secretary Gail Vanderhorst, on behalf of the Executive Committee, moved to ratify or approve the following recommendations:

1. To accept with regret the resignation of Josie Goodenow, Bees Co-Chairman and California Consultants Chairman.
2. To ratify the appointment of Julie A. West as California Consultants Council Chairman.
3. To ratify the appointment of Alexis Slafer to the Board of Trustees for 2018-2024.
4. To ratify the appointment of Susan C. Bennett to the Board of Trustees for 2018-2024.

Motion Passed (items 1-4 processed jointly).

5. To ratify Cynthia Frederick as delegate to the Pacific Region Garden Clubs, Inc. Convention in Chena Hot Springs, Alaska. **Motion Passed.**

6. To ratify the 2018 Fall Board Meeting dates of September 11-13, 2018, to be held in Auburn at the Holiday Inn. To ratify the appointment of Winnie Zeppieri to the position of Board Meeting Treasurer. To ratify the appointment of Robin Pokorski as Registrar. To approve the registration fee of \$60 with an early registration fee of \$35. **Motion Passed.**

7. To accept the invitation from Southern California Garden Club to host the 2019 CGCI Convention to be held June 3-7, 2019 at the Airtel Plaza Hotel in Van Nuys. To ratify the appointment of Carol Vallens as the 2019 Convention Treasurer. To ratify the appointment of Robin Pokorski as 2019 Convention Registrar. To ratify the appointment of Greg Pokorski as 2019 Convention Credentials Chairman. **Motion Passed.**

8. To approve the appointment of Rita Desilets as 2019 Convention Chairman. To approve the appointment of Rita Desilets as Membership Assistant. To approve Rita Desilets to serve concurrently as San Fernando Valley District Director, 2019 Convention Chairman, Membership Assistant, Permanent Files Chairman, Hotel Contracts Review Chairman, and as a member of the Advisory Council. **Motion Passed.**

9. To ratify the following additions to the Official Calendar:

June 25, 2018: Tri-Refresher (for Environmental, Gardening and Landscape Design Consultants)
Southern California Garden Club, Encino Registrar: Robin Pokorski

Environmental School Courses 1, 2, 3, 4 Chula Vista Garden Club, Chula Vista

January 21-22, 2019 (1)

January 23-24, 2019 (2)

July 16-17, 2019 (3)

July 18-19, 2019 (4) Chairman: Michael Biedenbender

February 1-3, 2019: Flower Show Symposium

Crowne Plaza Hotel, San Diego (contract pending)

Co-Chairmen: Mary Arakelian and Lili Aram-Bost
Motion Passed.

10. To approve reimbursement to the Life Membership Committee Chairman of \$90.66 which is \$15.66 over the Financial Secretary's approval limit (LC 1535). **Motion Passed.**

11. To approve that the second signer on the CGCI MasterCard be the 1st Vice-President/President-Elect. **Motion Passed.**

12. To approve Blue Star Memorials Grant Applications in the amount of \$350.00 each submitted by Four Seasons Garden Club and Linden Community Garden Club. Monies to come from Blue Star Memorial LC 31001, a restricted fund without donor restrictions. Grants of \$350.00 are available for highway and memorial markers. **Motion Passed.**

13. To approve underwriting of up to \$1000.00, funds to come from the General Fund (LC 4017), a Pacific Region Garden Clubs, Inc. 2019 Convention dinner, a fundraiser to be held at the Vanderhorst residence. All proceeds from the fundraiser to go to Pacific Region Garden Clubs, Inc. **Motion Passed.**

14. To adopt the current convention and board meeting refund policy of National Garden Clubs, Inc. "I understand and accept CGCI's refund policy the NO REFUNDS will be issued after (the date) and that the remittance will be considered a donation". Please initial the box. **Motion Passed.**

15. That the 2019-2020 liability insurance rates remain the same: \$1.50 per member and \$25 late fee per club. **Motion Passed.**

Committee Reports

Board of Trustees Committee Chairman Julie A. West reported that hand-painted tote bags were available for a donation of \$100. Funds to be split between the CGCI and Scholarship Endowment Funds. Two tickets to a Golden State Warriors 2019 season game and one 1974 signed Golden State Warriors basketball are to be auctioned with proceeds to benefit the Scholarship Endowment Fund.

Board of Trustees Committee Chairman Julie A. West read and moved to attach the Board of Trustees Corrective Action Letter to CNA Insurance Company to the minutes of this meeting. See Attachment B. **Motion Passed.**

Life Membership Chairman Carlotta Wixon-Welker reported and moved to ratify the following new Life members. **Motion Passed.**

CGCI

Bettye Welsh	Ceres GC, Valley Lode District
Pamela Fish	Linden Community GC, Valley Lode District
Carol Vallens	Southern California GC, San Fernando Valley District
Nancy Faisant	Atherton GC, Bay Ocean District
Sue Deal	Petaluma GC, Luther Burbank District
Shirley Hodgson	Cherry Blossom GC, San Fernando Valley District
Mona Solimini	Merced GC, Yosemite Gateway District
Mary Berklich	Merced GC, Yosemite Gateway District
Ann de Ayora	Merced GC, Yosemite Gateway District
Iris Mayer	Merced GC, Yosemite Gateway District
Joyce Humbley	Merced GC, Yosemite Gateway District
Vivian Poach	Merced GC, Yosemite Gateway District

Pacific Region

Lois Brayton	Southern California GC, San Fernando Valley District
Mary Brooks	Merced GC, Yosemite Gateway District

NGC

Gail Vanderhorst	Southern California GC, San Fernando Valley District
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Meeting adjourned at 2:43 p.m.

Gail Vanderhorst _____ Date _____
CGCI Recording Secretary

3:55 PM

California Garden Clubs, Inc

Balance Sheet

As of April 30, 2018

05/07/18

Accrual Basis

	Apr 30, 18
ASSETS	
Current Assets	
Checking/Savings	
10100 · Cash in Checking Accounts	
10102a BofA CGCI Checking	25,147.39
10101 · BofA Business MMA .03%	101,749.32
10105 · Symposium BofA Checking 8298	9,351.51
10106 · Events BofA Checking	5,279.64
Total 10100 · Cash in Checking Accounts	141,527.86
Total Checking/Savings	141,527.86
Total Current Assets	141,527.86
Other Assets	
18500 · US Bank CD 3/8/19 1.49%	102,965.41
18600 · US Bank CD 12/24/21 1.49%	97,030.12
19000 · CGCI Endowment	
19110 · Vanguard Endowment-CGCI	50,126.00
19150 · Allowance for Change FMV Vgd	14,251.52
Total 19000 · CGCI Endowment	64,377.52
19500 · Scholarship Endowment	
19610 · Vanguard Endowment-Scholarship	85,599.01
19650 · Allowance for Change FMV Vngd	24,923.88
Total 19500 · Scholarship Endowment	110,522.89
Total Other Assets	374,895.94
TOTAL ASSETS	516,423.80
LIABILITIES & EQUITY	
Equity	
30500 · Net Assets w/o Donor Restrict'n	
30700 · General Activities	
30701 · Available General Activities	154,611.78
Total 30700 · General Activities	154,611.78
31000 · Board Designated Net Assets	
31001 · Blue Star Memorial	3,578.43
31002 · Educational Schools	5,099.66
31007 · Honor Book	6,665.67
31009 · Liability Insurance	61,927.60
31010 · Reforestation Fund	11,220.09
31011 · Symposium	
31011-1 · Symposium Reserve	13,270.62
31011-2 · Symposium Checking	9,351.51
Total 31011 · Symposium	22,622.13
31012 · Wildflower Conference	
31012-1 · Wildflower Conf Reserve	11,630.68
31012-2 · Wildflower Conf Checking	1,279.64
Total 31012 · Wildflower Conference	12,910.32
31013 · Youth Fund	1,842.48
31015 · Scholarship frm GoldGrd Transfr	1,483.98
31016 · CGCI Endowment	40,000.00
31017 · State Projects	8,000.00
31025 · Scholarship Endowment	15,000.00
Total 31000 · Board Designated Net Assets	190,350.36
Total 30500 · Net Assets w/o Donor Restrict'n	344,962.14

California Garden Clubs, Inc

Balance Sheet

As of April 30, 2018

05/07/18

Accrual Basis

	<u>Apr 30, 18</u>
31400 · Net Assets w/ Donor Restrict'ns	
31500 · Net Assets w/ Restriction--Temp	
31501 · Awards	7,591.95
31503 · E. Miller Memorial Fund	3,250.00
31504 · H. Minor Memorial Fund	3,213.65
31509 · Judges Council	1,299.47
31511 · Presidents Projects	
31511D · 2017-19 President's Project	3,378.00
Total 31511 · Presidents Projects	3,378.00
31512 · Project Mission Blue	1,609.53
31513 · Scholarship Donations Life Mbr	10,168.24
31514 · Endowment Marketing & Publicity	629.55
31516 · Anza-Borrego Desert Project	531.49
31517 · Scholarship Endowment Income	19,266.52
31518 · Sempervirens Fund	885.00
31519 · California Consultants Council	5,579.96
31521 · Rare Plant Treasure Hunt	505.00
31522 · Stagecoach Hill Azalea Project	3,409.73
Total 31500 · Net Assets w/ Restriction--Temp	61,318.09
31800 · Net Assets w/ Restrict'n--Perma	
31805 · Endowment - CGCI	10,126.00
31810 · Endowment -Scholarship	70,599.01
31811 · Endowment S/ship to Tnsf	5,786.02
Total 31800 · Net Assets w/ Restrict'n--Perma	86,511.03
Total 31400 · Net Assets w/ Donor Restrict'ns	147,829.12
Net Income	23,632.54
Total Equity	516,423.80
TOTAL LIABILITIES & EQUITY	516,423.80

California Garden Clubs, Inc

Profit & Loss

06/02/18

July 2017 through April 2018

Accrual Basis

	<u>Jul '17 - Apr 18</u>
Ordinary Income/Expense	
Income	
49900 · Uncategorized Income	0.01
5200 · Dues	
5201 · Dues - Affiliates	200.00
5202 · Dues - APS	11,136.50
5203 · Dues - Clubs	41,249.10
Total 5200 · Dues	52,585.60
5401 · Group Exemption Fees	1,590.00
5601 · Interest	2,491.53
5700 · Membership	
5701 · Membership Banners	84.08
5703 · Member Award of Distinction	150.00
Total 5700 · Membership	234.08
5800 · Miscellaneous Income	
5801 · Bad Check Fees Reimbursements	24.00
5803 · 3 Year Calendars	90.00
Total 5800 · Miscellaneous Income	114.00
6001 · Scholarship - Transfer Funds	4,000.00
6101 · State Pins and Misc. Sales	1,192.00
6301 · Yearbook Sales	1,041.72
Total Income	63,248.94
Gross Profit	63,248.94
Expense	
100 · Administration Expense	
1001 · Yearbook Printing	4,771.89
101 · Auditor	4,500.00
102 · External Treasurer	2,700.00
201 · Directors & Officers Ins	1,865.00
301 · Dues - NGC	20,611.00
302 · Dues - NGC Youth	10.00
303 · Dues - Pacific Region	360.00
500 · Filing Fees & Taxes	
501 · Attorney General	50.00
502 · Franchise Tax Board	10.00
503 · CA Dept of Tax & Fee Admin	288.00
Total 500 · Filing Fees & Taxes	348.00
801 · Vonage 888#	296.56
901 · Website	2,440.00
Total 100 · Administration Expense	37,902.45
1500 · Chairman Expenses	
1567 · Donation Administrator	68.79
1569 · Stamps	101.86
Total 1500 · Chairman Expenses	170.65
1600 · Chairman with Special Funding	
1601 · Awards	
1601.A · Awards Expense	9.40
Total 1601 · Awards	9.40

California Garden Clubs, Inc

Profit & Loss

06/02/18

July 2017 through April 2018

Accrual Basis

	Jul '17 - Apr 18
1602 · CGCI Chairman Coord.	51.63
1606 · Smokey Bear Poster Contest	67.47
1607 · State Pins & Misc Sales (50%)	460.00
1608 · Yearbook (incl. distd & mail)	291.88
Total 1600 · Chairman with Special Funding	880.38
1700 · District Directors	
1703 · Bay Ocean	125.00
1718 · Palms to Pines	21.64
1723 · Santa Clara Valley	67.28
1725 · Top O'the State	6.16
Total 1700 · District Directors	220.08
1800 · Membership Expense	
1802 · Membership Cards (printing)	721.06
Total 1800 · Membership Expense	721.06
1900 · Officers Expenses	
1903 · Financial Secretary	105.08
1905 · President-CA Tvl & Office	1,644.78
1906 · President-NGC & Pac Region	2,920.64
Total 1900 · Officers Expenses	4,670.50
2000 · Other Expenses	
3101 · Scholarship (2 at \$2000)	4,000.00
Total 2000 · Other Expenses	4,000.00
4000 · Miscellaneous Expenses	
4002 · Bank Charges	
4002A · PayPal merchant charges	25.60
Total 4002 · Bank Charges	25.60
4003 · Memorial Donations	100.00
4015 · NGC Awards #20	100.00
Total 4000 · Miscellaneous Expenses	225.60
Total Expense	48,790.72
Net Ordinary Income	14,458.22
Other Income/Expense	
Other Income	
7000 · Investment Income	
7001 · Investment Inc-Endowment CGCI	1,144.90
7002 · Investment Inc-Endowment S/Ship	1,920.20
Total 7000 · Investment Income	3,065.10
Total Other Income	3,065.10
Other Expense	
7500 · Investment Exp/(Gain)/Loss	
7501 · Investment(Gain)Loss-Endow CGCI	-2,372.43
7502 · Investment(Gain)Loss-Endow S/Sh	-3,736.79
Total 7500 · Investment Exp/(Gain)/Loss	-6,109.22
Total Other Expense	-6,109.22
Net Other Income	9,174.32
Net Income	23,632.54

**Attachment B, 2018 Pre-Convention Board Meeting Minutes
Corrective Action Letter**



California Garden Clubs, Inc.
Official Publication – *Golden Gardens eNews*
Website: CaliforniaGardenClubs.org
P.O. Box 75
Graton, CA 95444-0075

Julie A. West
Board of Trustees, Chairman
850 Grandview Road
Sebastopol, CA 95472-2930
707-829-9342
Email: JulieAWest@aol.com

March 26, 2018

CNA Insurance Company

Attention: Chadwick True, Underwriting Specialist

Re: Policy #287047627

Date of Expiration: 6/4/2018

Corrective Action Taken to Prevent a Recurrence

Dear Mr. True:

Thank you for your letter dated March 9, 2018 and the Notice of Conditional Renewal for the above policy. The completed renewal application and copy of the June 30, 2017 CPA Reviewed Financial Statements are both attached. As respects VII Claims History, item 5, please note the following corrective action has been taken since the June 20, 2016 wire transfer fraud experienced.

- ✓ Both financial officers resigned following the occurrence with a new Interim Financial Secretary and Treasurer (a CPA/MBA) appointed by the President and ratified by the Board of Directors at the September 8-9, 2016 Fall Board Meeting. They were both elected for the 2017-2019 term in those same positions.
- ✓ In July 2016, new bank accounts at Bank of America were opened so that the existing Bank of America accounts could be closed for security purposes.
- ✓ The President, Financial Secretary from 2011-2015 and myself met with Carolyn Mayes, CPA on August 1, 2016 who recommended a complete internal audit be performed for the July 1, 2015 through June 30, 2016 fiscal year.
- ✓ CGCI's Communications Director presented a PowerPoint on Internet Security at the business meeting of the September 8-9, 2016 Fall Board Meeting to the Board of Directors advising "everyone should learn to recognize suspicious and potentially dangerous attempts to obtain personal or sensitive information or disseminate malicious software." Similar information was included in the October 2016 issue of *Golden Gardens eNews* for all members and subscribers to be aware of.
- ✓ The Internal Audit Committee was approved by the Board of Directors at the September 8-9, 2016 Fall Board Meeting comprised of CGCI's Financial Advisor (a


CPA & MBA), Financial Secretary from 2011-2015 and myself as Chairman. All bank statements , cancelled checks, and deposits were downloaded from Bank of America's website. Cancelled checks, deposit slips and copies of cash receipts were compared to the Financial Secretary's spreadsheets and warrant register. Cancelled checks, deposit slips and copies of cash receipts were compared to the activity recorded in Quickbooks software. Last, the Financial Secretary's spreadsheet and warrant register were compared to the financial activity recorded in Quickbooks. The results of the Internal Audit Committee's report were presented to the Board of Directors at the January 31-February 2, 2017 Winter Board Meeting verifying that the only fraud that occurred was the wire transfer June 20, 2016 in the amount of \$12,890. \$11,890 of the claim was paid by CNA Insurance Company.

- ✓ Beginning with the July 1, 2016 to June 30, 2017 fiscal year, a member of the Board of Trustees performs a monthly review of the Financial Secretary's spreadsheets and warrant register as well as the Quickbooks activity from the Treasurer to confirm their records balance with each other every month. This is now a proposed Bylaw change to Article XIV - Board of Trustees to insure the ongoing monthly review of CGCI's financial records.
- ✓ CGCI's CPA, Carolyn Mayes, stated that CGCI's procedures (Bylaws Article V, Sec. 6 Financial Secretary and Sec. 7 Treasurer duties) do work when followed and we now have procedures in place to verify the financial officers follow their duties as outlined in the Bylaws to avoid a recurrence.

Please advise if any additional information is needed to complete the underwriting process for the California Garden Clubs, Inc. (CGCI) June 4, 2018 renewal. Thank you for your consideration in this matter.

Sincerely,

California Garden Clubs, Inc.



Julie A. West
Board of Trustees Chairman