



## WISCONSIN NATIONAL GUARD ASSOCIATION, INC.

2400 Wright Street, Room 208, Madison, WI 53704-2572

Tel: (608) 242-3114

Fax: (608) 242-3513

email: wingainc@terracom.net

March 20, 2006

### MINUTES OF THE WINGA BOARD OF DIRECTORS MEETING Kalahari Resort and Convention Center Wisconsin Dells, WI – March 15, 2006

Meeting called to order by President Nehls at 5:45 p.m.

Roll call showed the following:

President Nehls	Present	Director Bensed	Deployed
Executive VP Olson	Present	CPT Hartley ILO Director Rice	Present
Vice President Seaholm	Excused	Director Pulvermacher	Present
Treasurer Lewis	Present	Director Leckel	Present
Secretary Russell	Present	Director Alvarez	Present
Exec Director Wagner	Present	Director Neumann	Present
Director Dew	Present	Director Sheskey	Present
Director Kappus	Present	Director Green	Present
Director Sweet	Present	Director Stultz	Present
Director Feucht	Present	Director Lukaszewicz	Excused
Director Taves	Deployed	Director DeGroot	Present
Director Seifer	Deployed	Director Schmitz	Present

Other Guests: Brian Buhler – Chair Investment Committee, Representatives Wisconsin Capital Management – Mr. David Duchow, Mr. Ken Cavalluzzo, and Ms. Theresa R. Van Horn

Business meeting began with the Pledge of Allegiance led by Secretary Russell.

The December 7, 2005 Board of Director meeting minutes were approved on a motion by Director Dew and second by Director Neumann. The January 19, 2006 Executive Committee meeting minutes were approved on a motion by Director Neumann and second by Director Dew.

**TREASURER'S REPORT:** Treasurer Lewis presented the Treasurer's Report highlighting Line 000 – Checkbook Balance, which reflects a balance of over \$15,000. This is the result of the annual dues collection and will be paid to NGAUS the end of March. In January WINGA withdrew \$60,000 from investments. Of this amount, \$35,000 paid off the line of credit loan from October 2005. WINGA used \$19,500 for operating expenses and \$5,500 remained in the Insurance Trust. To minimize the impact on investments, we have asked Wisconsin Capital Management to make withdrawals periodically over the course of the year - March 27, \$30,000, June 15, \$30,000 and September 1, \$40,000. Line 205 – NGAUS National Conference reflects an expenditure of \$4,700, which are room deposits for the September conference. Line 232 – Utilities reflects an expense of \$1,400, which are all of 2005 utility costs. The Treasurer's Report was approved on a motion by Director Dew and second by Director Neumann.

**PRESIDENT'S COMMENTS:** Legislative Reception – President Nehls briefed the Directors on the annual Zenith trip to Washington DC. This year the senior Army and Air Guard officers visited all of Wisconsin's Congressional Delegation and for the first time met with all of the elected officials. WINGA hosted a breakfast at the NGAUS building for the Congressional Liaisons and the Congressional Delegation. The breakfast was well attended by seven staffers and Congressman Ron Kind. The message to our elected officials was to keep current authorization levels for both the Army and Air National Guard and reject the President's budget to draw down National Guard forces. President Nehls commented that, at a state level, WINGA needs to revitalize the State Legislative Reception.

**56<sup>th</sup> ANNUAL WINGA CONFERENCE:** Director Feucht briefed the Board on the progress of the Conference Committee. Planning is on track with 180 people registered of which 22 are first time attendees. The conference will kick off with an Icebreaker Friday evening. The theme being Southwestern as a draw to the National Conference in Albuquerque, NM. Childcare was cut back from last year and more of the costs passed on to the users. The golf outing will be at Trappers Turn with a shotgun start. The banquet will feature the 32d Army Band. The committee is having its next meeting at the Kalahari on April 10<sup>th</sup>.

**INVESTMENT COMMITTEE REPORT:** President Nehls asked Committee Chair Buhler to introduce the Wisconsin Capital Management representatives. Theresa Van Horn introduced herself, David Duchow and Ken Cavalluzzo and gave an overview of their firm. Ken Cavalluzzo briefed the philosophy of Wisconsin Capital Management was to purchase high quality companies at discount values. They accomplish this with highly experienced portfolio managers and a disciplined approach resulting in a solid long-term performance. Wisconsin Capital Management specializes in medium to large domestic corporations with market capitalization of over \$1 billion. They focus on above average quality growth companies that exhibit high returns on equity without excessive debt, consistent operating history, high profit margins, attractive long term growth rate, and sustainable competitive advantage. They also focus on the value of potential investments, which is summarized as present value of future free cash flows; based on sustainable margins and growth rates; and purchase when price is less than value. Over the past ten years, this investment philosophy has yielded an additional return, to the WINGA portfolio, of \$119,892 compared to the S&P 500 index. Theresa Van Horn briefed that since inception, the WINGA account has had a total rate of return of 271.2% or an average annual rate of return of 10.6%. Currently the account has 1% in cash and equivalents, 69.1 % in Equities and 29.9% in fixed income. Director Dew asked that the Investment Committee look at the guidance we have given Wisconsin Capital Management for the management of our account to ensure it is still current.

**INSURANCE COMMITTEE REPORT:** Director Stultz briefed that the Insurance Trust has paid 510 claims with a total value of \$8,500,000 since the program inception in 1971. Last year, the program paid 23 claims amounting to over \$462,000 with an average age of the deceased being 49. Last year the Insurance Program averaged just fewer than 100 free policies a month. This year, over 250 free policies have already been issued. The Insurance Committee report was approved on a motion by Director DeGroot and second by Director Leckel.

**EXECUTIVE DIRECTOR'S COMMENTS:** Elections – The Nominations Committee submitted the following names as candidates for WINGA officers. For President, Dave Olson and Steven Lewis, For VP-Army, Daniel Sailer, For VP-Air, George Bacik and Gary Ebben, For Secretary, June Dykstra, For Treasurer, Eric Leckel. Ballots will be taken to the printer on the 22 and mailed not later than March 27<sup>th</sup>. Ballots will be counted on April 26. Director Terms – Directors Dew and Sweet have terms that end this year. I have sent a notice to the respective units but have not had a response. Director Alvarez has been reelected. Paul Lukaszewicz's term expires this year also. His position will be filled during the retiree caucus. Membership – For the 26<sup>th</sup> consecutive year Wisconsin has achieved 100% membership. We estimate we will be at 116% by the end of the month. Included in this number are over 100 officers who

are deployed in support of the war effort. WINGA will be paying over \$8,200 to ensure these officers do not have a lapse in their membership. WINGA Recognition Award – Two candidates, Jacob Leinenkugel and Bill White have been nominated. After reviewing the nominations, the Board voted Mr. Bill White to be recognized as the 2006 WINGA Recognition Award winner. 128<sup>th</sup> Annual NGAUS Conference – Albuquerque, 16 – 19 September. The Wisconsin Delegation will be staying at the Hilton. The Hotel is a nice property and has lots of room. The Hilton is about a 15-minute ride to the convention center. The hosts will be running busses for all events and each hotel will have a van for those emergencies that arise. If you attended the conference in 1997, things may be familiar to you as they are dusting off the '97 plans and pressing forward. Wisconsin has 45 rooms reserved along with a large hospitality room. We can bring both food and beverage into the room.

**OLD BUSINESS:** None

**NEW BUSINESS:** Director Neumann briefed that the resolutions Committee met on the proposed resolutions. They will be submitted to the senior Wisconsin National Guard leadership for review. Director Neumann also briefed on the NGAUS Board of Directors Meeting. Force Structure is the major issue; however, TRICARE continues to be a current topic. Nationally membership in NGAUS is 66%.

President Nehls briefed his intentions to ask the membership at the WINGA Conference to sponsor a professional development weekend for enlisted guard members who are eligible for a commission. He stated he had a source for matching funds. Wisconsin Army Guard officer strength is over 100 short.

Director DeGroot made a motion that the WINGA Board of Directors recommends that the professional development weekend, as described by President Nehls, be supported by this association in the amount of \$2500. Secretary Russell seconded the motion. The motion carried.

Wisconsin has five National Guard soldiers who have lost their lives in the war on terrorism. Michelle Witmer has been added to the Guard Muster, but the other four have not. Executive Director Wagner asked for the authority to spend \$160 to have the remaining guardsmen added to the Guard Muster. On a motion by Vice President Olson and second by Director Sheskey the expenditure was approved.

Next Director's meeting is scheduled for 10:30 a.m., April 29, 2006, at the Kalahari in Wisconsin Dells.

A motion to adjourn by Director Neumann and second by Secretary Russell was approved. The meeting adjourned at 8:20 p.m.



Ronald R. Wagner  
Executive Director

1 Atch  
Treasurer's Report

TREASURER'S REPORT - MARCH 2006

Subcategory	Actual	Budget	Difference	
<b>INCOME CATEGORIES</b>				
000 - Checkbook Balance	\$ 15,361.18	\$ 745.00	\$ 14,616.18	2061.9%
102 - Dues WINGA, Inc.	\$ 1,512.00	\$ 4,700.00	\$ (3,188.00)	32.2%
107A - WINGA, Inc.	\$ 19,500.00	\$ 101,220.00	\$ (81,720.00)	19.3%
110 - Miscellaneous Receipts	\$ 2,870.15	\$ 13,700.00	\$ (10,829.85)	21.0%
<b>TOTAL INCOME CATEGORIES</b>	<b>\$ 39,243.33</b>	<b>\$ 120,365.00</b>	<b>\$ (95,737.85)</b>	<b>32.6%</b>
<b>EXPENSE CATEGORIES</b>				
201B - Free First Year Dues	\$ -	\$ 300.00	\$ 300.00	0.0%
204 - NGEDA (NG Exec Dir Assoc)	\$ 395.48	\$ 3,500.00	\$ 3,104.52	11.3%
205 - NGAUS National Conference	\$ 4,700.00	\$ 15,000.00	\$ 10,300.00	31.3%
206 - President's Expenses	\$ -	\$ 2,000.00	\$ 2,000.00	0.0%
209 - Communicator	\$ 977.87	\$ 3,700.00	\$ 2,722.13	26.4%
210 - Printing	\$ -	\$ 750.00	\$ 750.00	0.0%
211 - Promotional Items	\$ 27.74	\$ 500.00	\$ 472.26	5.5%
213 - WI NG Retiree Council	\$ -	\$ 325.00	\$ 325.00	0.0%
214 - Telephone Charges	\$ -	\$ 10.00	\$ 10.00	0.0%
215 - Postage & Envelopes	\$ 403.46	\$ 950.00	\$ 546.54	42.5%
216 - Corporation Filing Fee	\$ 10.00	\$ 10.00	\$ -	100.0%
217 - Bank Fees	\$ -	\$ 50.00	\$ 50.00	0.0%
218 - Liability Insurance	\$ -	\$ 2,200.00	\$ 2,200.00	0.0%
219 - State Conference	\$ 5,000.00	\$ 4,500.00	\$ (500.00)	111.1%
220 - Director/Officer Meetings	\$ -	\$ 2,000.00	\$ 2,000.00	0.0%
221 - Bond Insurance	\$ 194.00	\$ 160.00	\$ (34.00)	121.3%
222 - Office Supplies	\$ 24.90	\$ 700.00	\$ 675.10	3.6%
223 - Publications	\$ -	\$ 150.00	\$ 150.00	0.0%
224 - TAG Contingency Fund	\$ 2,500.00	\$ 2,500.00	\$ -	100.0%
225 - Tax Consultant	\$ -	\$ 1,250.00	\$ 1,250.00	0.0%
226 - WINGA Awards	\$ -	\$ 500.00	\$ 500.00	0.0%
227 - Executive Director's Exp	\$ 36.63	\$ 2,500.00	\$ 2,463.37	1.5%
229 - WINGA Conference Expense	\$ -	\$ 1,000.00	\$ 1,000.00	0.0%
230 - Office Equipment/Furniture	\$ -	\$ 500.00	\$ 500.00	0.0%
232 - Utilities	\$ 1,411.78	\$ 1,900.00	\$ 488.22	74.3%
233 - Wisconsin Income Tax	\$ -	\$ 500.00	\$ 500.00	0.0%
234 - Elan Merchant Services	\$ -	\$ 400.00	\$ 400.00	0.0%
235 - Legislative Visit Wash DC	\$ -	\$ 2,000.00	\$ 2,000.00	0.0%
236 - Committee Expenses	\$ -	\$ 600.00	\$ 600.00	0.0%
240 - Annual O-6 - O-8 Briefing	\$ -	\$ 1,000.00	\$ 1,000.00	0.0%
241 - Federal Income Tax	\$ -	\$ 1,000.00	\$ 1,000.00	0.0%
242 - Legislative Reception	\$ -	\$ 500.00	\$ 500.00	0.0%
243 - Contingency Fund	\$ -	\$ 5,000.00	\$ 5,000.00	0.0%
250 - Awards Gifts & Grants	\$ 200.00	\$ 19,000.00	\$ 18,800.00	1.1%
400 - Salaries	\$ 6,588.96	\$ 43,410.00	\$ 36,821.04	15.2%
<b>TOTAL EXPENSE CATEGORIE</b>	<b>\$ 22,470.82</b>	<b>\$ 120,365.00</b>	<b>\$ 97,894.18</b>	<b>18.7%</b>
<b>Difference Revenue vs Expenses</b>	<b>\$ 16,772.51</b>			