**EC Conference Call**

**FY 2019/2020 Budget Approval**

**Friday, June 14, 2019**

**10am ET**

DRAFT MINUTES

Participants: Steve Holt, Curtis Lesslie, Ken Derksen, Joseph Marini, Bob Schreiber, Dan Nugent, Michelle Ferguson, Tim Matz, Michelle Lusk

I Chairman Holt called the conference call to order and reminded the group the call would be conducted in accordance with the CKRC Antitrust Policy and all other CKRC policies.

II M. Lusk noted that the proposed budget for FY 19/20, the CKRC dues report, and the current Budget versus Actual projected to 6/30/19 was distributed in advance of the call. M. Lusk presented the officer recommended proposed budget. Slight increases in website maintenance, insurance, payroll/retirement administration, and meetings line items are proposed to bring those areas in line with actual expenditures. Bookkeeping and Financial Review Tax line items were decreased as this is not a financial review year. T. Schlosser was unable to be on the call but communicated his support for the budget via email that morning. In his email, he raised one question on the proposed budget noting that “it does not appear that the salary has increased, shouldn’t we budget a 3% increase?” Chairman Holt raised his question on the call. D. Nugent expressed his concern about discussing this matter with staff present. After some discussion, D. Nugent moved the approval along by stating that the overall dollar amount was not too significant. C. Lesslie made a motion to approve the budget including a 3% increase in the compensation category. Bob Schreiber seconded the motion and the proposed budget was approved unanimously.

III Michelle Ferguson (EC Treasurer and Surplus Dues Rebate Task Force Co-Chair) presented the EC officer recommended Rebate Proposal. She presented a 3 year history of CKRC’s Budget versus Actual showing a 3 year average dues surplus of $26,972. She also presented a bar chart showing cash on hand, maintaining current dues vs. 5% rebate, assuming no changes in membership projecting out to 2024/25. She then outlined the proposed rebate plan as follows:

* A 5% rebate will be issued on renewing member invoices as a credit annually provided the following conditions are met:
  + Criteria to evaluate rebate issuance will occur immediately prior to FY end
  + Minimum projected cash on hand at FY end ≥ $525,000
    - $187,000 required to close association
    - $300,000 to address HWCMACT rule changes
    - $38,000 to preserve present value of funds
* In the event that the minimum cash on hand will not be met, the rebate will not be realized on the invoices, and rebate will be re-evaluated for the following FY.
* Total annual 5% rebate - $17,813
  + $2250 per cement company member
    - $562.50 per fuel blender member
    - $187.50 per associate member

In his email, Tim Schlosser stated his support for the Rebate proposal. He likes the approach and the fact that it allows us to evaluate our financial status and methodically adjust on an annual basis. C. Lesslie made a motion to approve the Surplus Dues Rebate plan as presented. D. Nugent seconded the motion. The motion was approved unanimously. M. Lusk noted that a review of this year’s financial status meets the criteria established to implement the 5% rebate on renewing member invoices as a credit for the upcoming FY19/20. C. Lesslie made a motion to issue the rebate on the July 1 invoices for this FY19/20. Michelle Ferguson seconded the motion. The motion passed unanimously.

IV M. Lusk reported on recent MSHA activity at the headquarters level. At the direction of shared member executives, Charles Franklin (PCA) and Michelle Lusk had a call with MSHA headquarters representatives (Ed Elliott, Senior Advisor and Harvey Lewis, Metal/Nonmetal Safety Division) last month. She explained that PCA continues to get inquiries about the hazardous waste side of the cement industry. PCA is working on other industry issues within its Alliance agreement with MSHA and MSHA continues to raise this issue as it is a “top priority.” M. Lusk explained that she used the call to introduce CKRC and let them know who we represent and what we do. She reviewed in detail our efforts last year that culminated in the December meeting with the South Central District. It was clear that the education effort didn’t make its way to DC. During the conversation, Ed Elliott said he would forward us a list of topics that came up during their May 1 internal meeting and encouraged us to come in and meet with them. MSHA made it clear they want to have an open dialogue with us and a consistent information exchange. Because the list provided is very consistent with the issues we addressed in our district presentation, M. Lusk recommend we set up a meeting here in DC and give the same presentation (with any necessary tweaks). M. Lusk expressed her thoughts that it would be valuable for the same group of presenters (with the addition of Chairman Holt) to participate in the meeting to ensure consistency.

Chairman Holt encouraged discussion to give staff a sense of direction. The group discussed the idea of setting up a meeting at the headquarters level and decided that was a good next step. M. Lusk said she would reach out to Chairman Holt and Vice Chairman Lesslie to identify potential dates and then cast a wider net to the CKRC MSHA presenters to find a time the majority of them could come to DC and give our presentation to Ed Elliott and Harvey Lewis.

V. No other issues were raised and the call was adjourned.