

# VETERANS OF FOREIGN WARS OF THE UNITED STATES

## DEPARTMENT OF FLORIDA COUNCIL OF ADMINISTRATION MEETING RENAISSANCE ORLANDO SEAWORLD HOTEL THURSDAY, JUNE 21, 2018

The Council of Administration met at the Renaissance Orlando SeaWorld Hotel, 6677 Sea Harbor Drive, Orlando, Florida on Thursday, June 21, 2018 with State Commander Ken Corr opening the meeting according to the Ritual; including the Prayer led by State Chaplain Harry Seiler and the Pledge of Allegiance to the Flag led by State Commander Corr.

Roll Call of Officers was taken by State Adjutant/Quartermaster Gene Perrino with all present, represented or excused.

State Commander Corr recognized all Past National C-I-C and Past Department Commanders. Commander Corr thanked everyone for their hard work and support throughout the year.

National Council Member Dan Duffy spoke briefly on the Press 7 Program throughout the VA Hospitals and VA Clinics in the State of Florida. Dan spoke in regards to the conditions at VA Retirement Homes. Dan thanked everyone for their support during his four (4) years as the National Council Member for the Department of Florida.

State Commander Corr recognized and welcomed National Council Member from Georgia Al Lipphardt who is a candidate for Jr. Vice Commander-in-Chief.

**National Sr. Vice Commander-in-Chief B.J. Lawrence** spoke briefly to the District Commanders and the need for 206 members to reach 100%. He appealed to the District Commanders to reach out to their Post and see what can be done to get the Department to 100% with nine (9) left for the term.

State Commander Corr stated the Department is at 99.06% and if each District Commander pledged fifteen (15) members (approximately 2 members per post) the Department would reach the 100%.

### **Budget and Finance Report by Chairman Dan Duffy:**

We, the members of the Budget and Finance Committee of the Department of Florida, Veterans of Foreign Wars, do hereby certify that we have this June 21, 2018 examined all books and records of the State Quartermaster and find them to be in order.

Reconciled bank balances as of May 31, 2018, have been verified by bank certification as follows:

### ASSETS

Operating Account	\$	172,297.29
Money Market Account		243,442.23
Petty Cash		100.00
Dues Reserve (Savings)		107,850.73
DR, Youth, BWC		
Temp and Board Restricted – Disaster Relief		111,543.43
Temp and Board Restricted – Youth Fund		61,787.37
Temp and Board Restricted – BWC		<u>47,222.61</u>

**Budget & Finance Report Continued:**

Total DR, Youth Fund, BWC	220,553.41
Accounts Receivable	9,155.00
Fixed Assets	120,198.25
Retirement Home	2,314,509.89
Other Assets – Prepaid Expenses	7,913.72
Investments	<u>5,005,592.14</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 8,201,612.66</u></b>

**LIABILITIES AND EQUITY**

Current Liabilities	31,527.46
Retirement Home M/P Regions	379,132.13
Fund Balance	7,147,706.18
Net Income	<u>643,246.89</u>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b><u>\$ 8,201,612.66</u></b>

Motion made by District 18 Commander Kurt Schuh seconded by State Inspector Don Bult, motion passed.

**Old Business:** None

**New Business:** Motion made by State Adjutant/Quartermaster Gene Perrino to accept the meeting minutes of the Council of Administration Meeting at the Mid-Winter Conference as published on the Department website. Motion seconded by State Sr. Vice Commander Danny Anderson, Motion Passed.

Motion made by State Adjutant/Quartermaster Gene Perrino to accept the General Meeting minutes from the Mid-Winter Conference as published on the Department website. Motion seconded by State Inspector Don Bult, Motion Passed.

**Good of the Order:**

State Adjutant/Quartermaster Gene Perrino spoke in regards of the Veterans Village. The first major issue is the roof. It will cost approximately \$850,000 to replace the roof not counting fees, interest the department will lose and other expenses that may arise which could bring the cost to \$1,000,000.00 or more. That is one half of the property value of the Home and it also has a mortgage of \$375,000 plus. Gene stated how hard Al Lugo (the Director) has worked to keep the Home going. Gene stated it needs to be treated like a business because that is what it is. Issues such as the aged plumbing and the cost to fix it, the cost of a hurricane even with insurance it will still cost at least 5%, where will the money come from. The Home needs to become more self-sufficient and things need to change such as the rent being increased. The insurance on the Home is approximately \$25,000 a year and is paid by the donations of the golf tournament and picnic which was \$30,000 plus donations. Donations are what are used for the Christmas party. What happens if there is no golf tournament or picnic where is the money going to come from.

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**State Adjutant/Quartermaster Contined:**

Gene stated after 25 years we must look at the overall picture and decide what is the best route to take as a department. Gene stated the Veterans Village is owned by the Department, why is there a separate board for the Home. The Department and Council only get involved when large amounts of money are needed and a separate set of By-Laws are not the answer. Either the Department owns the Home and controls it and the Department Quartermaster has control of the funds like the Service Office or it becomes a separate organization and supports itself to include repairs. On average only 50 or 60 residents a year benefit from the Home. Gene stated he loves the Home and his Riders Group goes out there every year. Over the years between the then Ladies Auxiliary, Men's Auxiliary and VFW Post donations plus projects millions of dollars have been donated to the Home. After 25 plus years of existence we have to say to ourselves we cannot continue to do business as we are. The money spent on the Home for a small amount of veterans could be used to help hundreds of thousands of veterans such as hiring more service officers for the Service Office which helps hundreds of veterans get the benefits they deserve, hire more service officers throughout the state, more donations for VAVS program that cost the VFW thousands of dollars each year. Gene stated Al has done an outstanding job and he feels his pain. Gene stated he understands why other departments don't have a facility like the Department of Florida. As the facility needs more and more repairs and becomes older and older and if the Department investments take a hit the Department could be in financial trouble. These are the facts, we gave it 25 plus years and if we are going to continue we need to come up with a plan that will not jeopardize the Department financially.

Some discussion took place. District 18 Commander Kurt Schuh voiced his concerns and would like to see the records and expenses. Director of the Home Al Lugo has to present a profit and loss statement every quarter.

State Chaplain Harry Seiler a member of the Home Board stated the Home means a lot to him and his father was a resident there before he passed, but the roof has to be fixed. Regardless if we keep the Home or sell the Home we still need to fix the roof. Increasing the rent needs to be done as soon as possible and Harry suggested we give the Home and the board a couple of years to see what can be done to raise income and then assess the situation.

District 6 Commander suggested shutting the doors of the Home. State Commander stated that would be a long process and not an option at this time.

Board Member Chester Pyatt spoke briefly on roof situation, raising of the rent and what the board members do and try to do. The Home Board hired an engineer to check out the roof situation. The roof is leaking and those issues were corrected but a roof is needed.

More discussion took place and provisions need to be made for future problems. State Adjutant/Quartermaster Gene Perrino stated the Department has put forth funds for the Home and the Department currently holds the note on the Home. If we walk away from the Home or if something were to happen it would cost the Department 1.5 million dollars. If the Department is going to be responsible for the Home then the Department should have more say in what takes place at the Home not just the Board. The Home must become self-sufficient and not depend on the Department every time a major repair or project needs to be done. More discussion took place. Motion made by District 5 Commander Ozzy Perez to pay the \$850,000 for the replacement of the roof, seconded by State Sr. Vice Commander Danny Anderson. Five bids were acquired for the roof. Monies donated by the Post and Auxiliary supports the day to day operations of the Home.

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Chester Pyatt stated new air conditioners are part of the \$850,000. The original motion was amended by Ozzy Perez to pay the replacement of the roof but not to exceed \$1,000,000.00 (one million dollars). If it exceeds the million dollars it must come before the Council again. Motion was seconded, motion passed.

State Adjutant/Quartermaster Gene Perrino informed the Council Incoming State Commander Danny Anderson and incoming Department Auxiliary President Linda Seiler have made the roof project their Special Project.

Director Al Lugo made a few statements.

State Commander Corr thanked the Board Members for their due diligence in securing the bids for the new roof and the work they due for the Home.

Motion made by District 18 Commander Kurt Schuh to have a financial statement of the Veterans Village presented at each Council Meeting, motion seconded by State Inspector Don Bult, motion passed.

State Adjutant/Quartermaster Gene Perrino read the announcements for the remainder of the Convention.

Comments from the Council were taken.

There being no further business meeting was closed.