Chief Commander Ernest G. Marshburn, SN, convened the meeting at 0800.

USPS Chaplain Herbert M. Groce, P, delivered the invocation, which was followed by the Pledge of Allegiance led by N/F/Lt Jamie McCurry, AP, and the singing of the national anthem.

**Introduction of Past Chief Commanders**

P/C/C G. Leslie Johnson, SN, introduced the other past chief commanders who were present in the order of their terms:

- P/C/C Raymond A. Finley Jr., SN, 1982-1983 (Lackawanna/4)
- P/C/C L.M. Barnes III, SN, 1996-1997 (Rocky Mount/27)
- P/C/C Lance J. Jensen, SN, 2000-2001 (Bellevue/16)


R/C William E. Husted, SN, chairman of the Government and Partner Relations Committee, read a welcome letter from New York City Mayor Michael R. Bloomberg.

R/C Husted introduced honored guests:
R/C Husted introduced Paul Laudato, who read a letter from Bernadette Castro, New York State Parks and Recreation and Historic Preservation Commissioner.

The national secretary declared a quorum present.

The chief commander announced an attendance of 546.

**Report of the Chief Commander**

C/C Marshburn began by giving special recognition to 14 female members who will become the first female life members upon earning their 25th merit mark in 2006. They are among the first women who joined USPS in 1982.

The chief said that USPS is a great organization that like most others faces a variety of challenges. He said that USPS often operates like a think tank. USPS should be more proactive and guided by the rules of “C,” he said. The first “C” is for construction, which is about creating programs and adventures. Constructions involves thinking outside of the box, personally recruiting and retaining members through reach out and touch opportunities, and building dreams.
for today’s and tomorrow’s recreational boaters by expanding USPS’ educational opportunities through innovative concepts like “USPS University.” The second “C” is for conflict, which is about a willingness to make change. The chief noted that change is not bad, but is just a part of evolution. The third “C” is correction, which is process, procedure, and organizational alignment. He said that adjustments to the USPS mission, vision and direction are constantly required for the organization that we represent to remain vital and vibrant. He said communication will play a key role, and he hoped to promote open access for members and minimize things defined as closed. The last “C” is commitment. The chief ended his remarks by saying that without members, there is no USPS. He encouraged members to keep the faith and noted that success will follow.

Report of the Committee on Rules

R/C Allan W. Lakin, SN, designated P/C Benjamin J. Sooy III, AP, as the parliamentarian for the meeting and explained the voting rules.

R/C Lakin reported that the Committee on Rules had chartered three new squadrons since the January 2006 Annual Meeting in Orlando. Kanawha River Power Squadron was chartered on 24 Feb. 2006, Lake Mohave Power Squadron was chartered on 21 Feb. 2006 and Point Wilson Sail and Power Squadron was chartered on 22 March 2006. He stated that the Governing Board must approve the district assignments for new squadrons and that the Committee on Rules recommended that the Governing Board assign Kanawha River to District 7, Lake Mohave to District 28 and Point Wilson to District 16. The Governing Board ADOPTED the motion. (2006-GB-10)

R/C Lakin reported that Sections 5.2.7 and 5.2.12 of the Bylaws allow the Governing Board to create and staff the national departmental committees. He said that these provisions duplicate each other and that the Governing Board has not been making these assignments. Current practice is that committee chairmen propose members to their respective committees subject to approval by the departmental vice commander. He said that the Committee on Rules recommended amending section 5.2.7 of the Bylaws (duties of the Governing Board) to reflect the actual method for staffing committees and deleting the redundant language of section 5.2.12 as follows:
Moved: to amend section 5.2 of the USPS Bylaws by
a. striking the word “make” and inserting “provide for” in subsection 5.2.7, so that subsection would then read:

5.2.7 Establish committees of the Governing Board and of the departments and provide for appointments thereto, and establish offices to be held and designate rank for the holders of such offices;
and by
b. striking the entirety of subsection 5.2.12 and marking that subsection as [Reserved]

R/C Lakin stated that after the Notice of the Governing Board Meeting was published, the Committee on Rules recognized that the last phrase of section 5.2.7 duplicates other sections of the Bylaws establishing the rear commander and staff commander offices and ranks. He moved that the Governing Board amend the main motion to strike the duplicate language “and establish offices to be held and designate rank for the holders of such offices;” so that it now reads,

5.2.7 Establish committees of the Governing Board and of the departments and provide for appointments thereto,

The Governing Board ADOPTED the amendment to the original motion. (2006-GB-11)

The Governing Board ADOPTED the original motion as amended. (2006-GB-12)

R/C Lakin stated that the Governing Board needs a standing policy for departmental committee appointments. He said that the Committee on Rules recommends the following policy:

Members of the departmental committees shall be appointed by the respective vice commanders upon the recommendation of the committee chairmen, and the Governing Board hereby ratifies the committee appointments made in this manner prior to today’s amendments of USPS Bylaws section 5.2.

The Governing Board ADOPTED the motion. (2006-GB-13)

R/C Lakin reported that the USPS Operations Manual calls for election of the three
general committees of each squadron and district, specifically Nominating, Audit and Rules. He stated that this practice reflects the widely held belief that these committees should be accountable to the membership at large. He said that several districts and squadrons had suggested renaming the audit committee to the “financial review committee” to better describe its function. R/C Lakin noted the Committee on Rules had allowed this substitution on a case-by-case basis and that any amendment to the USPS Bylaws should allow either name.

R/C Lakin moved that the Governing Board amend sections 6.13 and 7.12 of the USPS Bylaws as follows:

Moved: to amend sections 6.13 and 7.12 of the USPS Bylaws identically by inserting in each section “an audit (or financial review) committee and a rules committee:” after “nominating committee” and replacing in each the words “all of whose members” with “The members of these committees,” so that upon amendment the sections would read:

Section 6.13 Each district shall have a nominating committee, an audit (or financial review) committee, and a rules committee. The members of these committees shall be elected by the district conference.

Section 7.12 Each squadron shall have a nominating committee, an audit (or financial review) committee, and a rules committee. The members of these committees shall be elected at the squadron's annual meeting.

The Governing Board ADOPTED the motion. (2006-GB-14)

R/C Lakin continued by stating that the Committee on Rules was directed by the delegates to the 2006 Annual Meeting to prepare amendments to the USPS Bylaws making the voluntary headquarters annual billing program permanent. He said that the VHQAB test program was conducted on a district-by-district basis, but ComRules believes that squadrons should make the choice on participation in a permanent program. He said that ComRules learned that some squadrons would prefer to handle district assessments and contributions to the Educational Fund and Century Fund from the squadron treasury. He said that these amendments would allow this option. The committee also reviewed the problem of member transfers from a VHQAB squadron to a non-VHQAB squadron. A member on anniversary billing would not fit
the new squadron’s 1 June billing system. The member will have paid for an overlapping period. The amendment allows the national treasurer to waive a partial year’s national dues in such cases. Squadron dues and district assessments would continue to be collected according to the squadron and district bylaws.

R/C Lakin moved that the Governing Board amend the USPS Bylaws to provide a permanent system for headquarters annual billing as follows:

In section 5.17, among the duties of the national treasurer, amend sections 5.17.3 and 5.17.4, and add a new section 5.17.5, so that upon amendment the sections would read:

5.17.3 Keep and preserve an accurate record of all moneys received and disbursed;

5.17.4 Give bond with sureties or corporate surety as required and

5.17.5 Upon the request of any squadron, collect dues and other fees customarily collected with dues from the members of that squadron, retain the member’s national dues, and promptly remit the balance as directed by the member.

Insert an explanatory phrase and add a new sentence to the end of section 7.14:

Section 7.14 Each squadron’s annual squadron dues and other fees as determined by the squadron executive committee shall be payable on the same date as USPS annual dues. Bills for the subsequent year’s dues shall be mailed to members by the national headquarters of USPS no later than 30 days before the end of the current dues year. Dues for family members and the dues category of “additional active member” shall be billed to the associated active member. A squadron may make an irrevocable election to have dues and other fees collected on its behalf by the national treasurer. Notice of such election must be received by the National Treasurer by 31 December and shall take effect on the 1st day of June in the following year. Notwithstanding such election, the squadron may collect dues and other fees from new members, transferring members and reinstating members and remains responsible for settling district assessments with the district treasurer.

Insert a new sentence in section 7.15:
Section 7.15 Annually, no later than 30 days after the beginning of the dues year, each squadron treasurer shall report to the national treasurer the names of all members of the squadron and their year-end dues status. The squadron treasurer need not report if the national treasurer collects dues for the squadron. The national treasurer shall take such steps as may be necessary to effect collection and protect the interests of USPS. The national treasurer may at any time necessary render bills directly to members for money due.

Change section 12.5 to a subject heading “National Dues,” renumber existing section 12.5 as section 12.5.1 and add language regarding non-electing squadrons, so that after amendment sections 12.5 and 12.5.1 would read:

Section 12.5 National Dues

Section 12.5.1 If a squadron treasurer collects dues for the squadron, the dues year shall begin on 1 June and end on 31 May of the following year. In such squadrons, national dues for persons joining USPS during the first nine months of the dues year shall be prorated on a monthly basis from the first day of the month in which the application to membership is accepted. The initial “membership year” for persons joining USPS during the last three months of the dues year shall consist of the remainder of that dues year plus the subsequent dues year and national dues for this initial membership year shall be the same as the usual annual dues. Dues for any subsequent dues year shall be payable annually on or before the beginning of that subsequent year.

Add a new subsection 12.5.2:

Section 12.5.2 If the national treasurer collects dues on behalf of the member’s squadron:

The dues year for all members joining before the effective date of the irrevocable election shall begin on 1 June and end on 31 May of the following year, and the dues year for all members joining after the effective date of the irrevocable election
shall begin on the first day of the month in which the member joined, and shall end on the last day of the twelfth month thereafter.

Add a new subsection 12.5.3:

Section 12.5.3. The national treasurer may waive up to one year of national dues for any member whose anniversary-based dues were fully paid at the time of transfer into a squadron which has not elected to have the national treasurer collect dues. On completion of the waiver period, the member’s dues year shall begin on 1 June and end on 31 May of the following year.

Delete section 12.12 in its entirety:

Section 12.12. Notwithstanding any contrary provision contained in Articles 3, 5 and 12 of these Bylaws, the Governing Board may authorize the National Treasurer to design a voluntary alternative dues collection program, with the approval of the Operating Committee, and to test such program for a period of five years.

R/C Lakin stated that the Operating Committee requested that the Committee on Rules prepare amendments to the USPS Bylaws to allow a three-year suspension of the examination requirement for USPS membership. He said that these amendments will expire automatically if no further action is taken. He moved that the USPS Bylaws be amended by adding a new section 3.12:

Section 3.12. Notwithstanding contrary language in sections 3.6, 3.7.2, 3.8 and 7.11.6, applicants who have not passed an approved examination may be admitted between 1 December 2006 and 1 December 2009 to any class of membership, and may take and be examined in any USPS course.

V/C Dick Kyle, SN, stated that the Educational Department needed additional time to respond to questions about the examination waiver. He recommended postponing the motion to allow for a three-year suspension of the examination requirement for USPS membership until the 2007 Annual Meeting in Jacksonville, Fla. The Governing Board ADOPTED the motion to
R/C Lakin stated that district and squadron bylaws generally provide for a few committees reporting to the commander and that there is not a corresponding provision in the USPS Bylaws. He reported that ComRules is working on a proposal to authorize a Chief Commander’s Department. He said that the proposal should be ready for the 2007 Annual Meeting in Jacksonville, Fla.

He stated that the ad-hoc Restructuring Committee made some preliminary recommendations on streamlining the USPS Bylaws. He said that ComRules is waiting to hear final recommendations before proceeding.

R/C Lakin stated that the Committee on Rules had reviewed bylaws for two provisional squadrons, 40 chartered squadrons and two districts. He encouraged all squadrons to review their bylaws to make sure that they are in compliance.

He closed by saying that Model Bylaws for Squadrons and the Model Bylaws for Districts will require revisions to accommodate headquarters anniversary billing. The Committee on Rules will publish the revisions on its website before 31 Dec. 2006, which is the enrollment deadline.

Approval of the Minutes

C/C Marshburn asked for corrections or additions to the minutes of the Operating Committee meetings held on 25 Feb., 31 March and 9 - 10 June 2006. Hearing none, he declared the minutes approved as distributed.

The Governing Board ADOPTED a motion entertained by C/C Marshburn to confirm the 7 Jan. 2006 ratification of Operating Committee actions reflected in the minutes of its 4-7 Jan. 2006 meetings. (2006-GB-16)

Report of the Committee on Nominations

R/C Shirley Y. Van Rhee, SN, reported that in accordance with the USPS Bylaws,
Section 5.5.1, the Committee on Nominations recommended the election of the following members:

For General Members of the Governing Board:

- Ann T. Bailey, AP, Raleigh Sail &/27
- Joseph Cartwright, SN, Bellevue/16
- Barbara Erickson, AP, Seattle/16
- J. Kenneth Guscott, JN, Anna Maria Island/22
- Hector L. Marquez, AP, Carolina Sail &/33
- Albert Hess, AP, Toledo/29
- Mary Johnson-Garr, Erie/11
- Katharine S. Law, SN, San Diego Sail &/28
- Fred E. Mangelsdorf, SN, Mid-Hudson/2
- Peter W. Mitchelson, SN, Sebastian Inlet Sail &/8
- John Nason, SN, Springfield/1
- Ronald Osburn, AP, Golden Corner Lakes Sail &/26
- Donald E. Stone, AP, Charles River Sail &/12
- Daniel R. Tomkins, JN, Atlanta Sail &/17
- Scott Wallace, JN, Niagara/6

The Governing Board ADOPTED the motion. (2006-GB-17)

R/C Van Rhee continued by saying that in accordance with USPS Bylaws 5.3.4, the Operating Committee can fill vacancies created between governing boards, with the term expiring at the next governing board meeting. The Committee on Nominations recommended the following for election:

- Assistant Chairmen of the Boat Handling Committee
  - P/C Lawrence A. Rathbun, AP
  - P/D/C John C. Bennett, SN

- Assistant Chairman of the Auditing Committee
  - P/C Irving J. Van Slyke Jr., AP

- Assistant Chairman for the Squadron Development Committee
  - P/C Hank T. Willis, AP

- Assistant Chairman for Instructor Development
  - D/Lt/C Leslie W. Williams Jr., JN
The Governing Board ADOPTED the motion. (2006-GB-18)

Report of the National Law Officer

R/C James D. Richlak, SN, reported that LawCom had reviewed several agreements relating to national activities and assisted various districts and squadrons relating to risk management, insurance coverage and other issues.

R/C Richlak reported that Law Com reviewed and approved an agreement with Boater’s World in which members receive a 5 percent discount for online purchases and USPS receives a 2 percent royalty on those purchases.

The national law officer reported that all provisional squadrons should be incorporated as nonprofit corporations. He said that when a provisional squadron is chartered, the articles of incorporation should be amended by deleting “provisional” from the name. LawCom also recommends that all districts and squadrons be incorporated as nonprofit corporations.

R/C Richlak reported that LawCom had received inquiries concerning copyright infringement for printing articles in squadron newsletters. He stated that copyright is a form of property created by federal law; it can be bought, sold or given away, and includes the right to prevent “trespass” (infringement) by an unauthorized user. He noted that a copyright position paper is posted on the committee’s website at www.usps.org/national/lawcom.

Report of the Planning Committee

R/C Alan F. Wentworth, SN, stated that a vision statement must be publicized before it can influence the direction and accomplishments of an organization. The USPS Vision Statement, which was approved by the Operating Committee at its March 2006 meeting, is posted on the Planning Committee’s website www.usps.org/national/plancom/vision.

R/C Wentworth reported that the Planning Committee continues to review the goals of the USPS Strategic Plan originally approved by the Governing Board in April 2001. He reported that the committee had added goals for government and partner relations and awareness as
follows:

**Strategic Plan for Government and Partner Relations**

**GOAL**
Be proactive on governmental issues and regulations, as well as partnerships, which impact USPS and the boating public. Assume a leading role in monitoring and responding to proposed recreational boating legislation, expand recreational boating and governmental alliances, and continue to garner educational and organizational memoranda of understanding.

The Government and Partner Relations Committee of USPS will ultimately be responsible for the development of the strategies and plans for achieving these goals, and for working with USPS officers and personnel as appropriate.

Suggestions in support of the Government and Partner Relations efforts are included as a separate document, but are not a part of the USPS Strategic Plan for the Government and Partner Relations Committee.

**Strategic Plan for Awareness**

**GOAL**
Increase public and business awareness of the United States Power Squadrons by expanding partnership relations with governmental agencies, for-profit and non-profit boating organizations, the boating manufacturing industry, and retail aftermarket outlets for the purposes of satisfying the mission of USPS, and to share the benefits accrued in conjunction with partnering and membership in USPS.

The Marketing and Public Relations committee(s) of USPS will ultimately be responsible for the development of the strategies and plans for the awareness program, and for working with other departments and committees of USPS to identify need.

Suggestions in support of the awareness effort are included as separate documents, but are not a part of the USPS Strategic Plan for the Marketing and Public Relations Committee.
R/C Wentworth made a motion to revise the USPS Strategic Plan by adding goals for Government and Partner Relations and Awareness. The Governing Board ADOPTED the motion. (2006-GB-19)

R/C Wentworth reported that the Planning Committee Manual is being revised. The revised manual will include guidelines on how districts and squadrons can create their own strategic plans.

Report of the Marketing and Public Relations Committee

R/C Allison reported on the 2005 Marketing and Public Relations awards: the Charles F. Chapman Scrapbook Award; the Carl Mahnken Commander’s Cup Award, for an outstanding squadron PowerPoint® presentation; and the Roger Upton Award, which goes to the squadron with the best video presentation.

For the Carl Mahnken Commander’s Cup Award
2nd place Coastal Bend Sail/21
1st place - Possession Sound/16

For the Roger Upton Video Award
3rd place - Crystal River/22
2nd place - Possession Sound/16
1st place - Austin/21

For the Charles F. Chapman Scrapbook Award
3rd place - Cincinnati Sail/24
2nd place - Grand Lakes Sail/31
1st place - Peace River/22.

R/C Allison reported that the Marketing and Public Relations Committee and the Educational Department encouraged all squadrons to teach a safe boating class during the 2006 National Safe Boating Week in May. As a result, 155 squadrons reported that they taught 182 public boating courses. He reported that radio spots promoting NSBW were sent to 50 markets.
and distributed to five radio stations selected by the DEO in each area.

He reported that USPS boating-safety messages ran on Goodyear Airships flying over Los Angeles; Phoenix; Pompano Beach, Fla.; and Akron, Ohio, during the month of May publicizing the 2006 National Safe Boating Week. R/C Allison thanked D/C Brian Logan, SN, District 7, for organizing this public relations opportunity.

R/C Allison reported that media releases are posted on the committee’s website at www.usps.org/national/pr/media3.html. The releases are available for local and regional use by PRO’s as well as district and squadron editors.

R/C Allison reported that the updated copies of the *PRO Manual* and copies will be available on CD-ROM and posted on the committee’s website. He reported that Popeye poster and “Wear a PFD” artwork is available on the committee’s website. Copies are also available from headquarters on CD-ROM.

He reported that DVD copies of the National Safe Boating Test II will be distributed to USPS squadrons and United States Coast Guard Auxiliary flotillas.

R/C Allison reminded squadrons that the deadlines for submitting applications for Cooperative Advertising funds are 31 March, 31 July and 31 Oct. The district public relations officer must approve requests before submitting to the national coordinator. Additional information is available on the committee’s website at www.usps.org/national/pr/ideas3.

**Report of the National Secretary**

V/C Robert A. Baldridge, SN, reported that the contents of the New York Governing Board seat packets are posted on the National Secretary’s Department website at www.usps.org/national/natsec/seatpacket.

V/C Baldridge reported that headquarters mailed 16,103 traditional and 33,366 headquarters anniversary billing invoices in April 2006. He reported that both dues collection methods produced an identical 81 percent renewal rate. Seventeen percent of members in
headquarters anniversary billing renewed with a credit card. He reminded squadrons to check their member status reports regularly because thousands of members have anniversary dates other than 1 June. Status reports are available online at www.usps.org/dues/reports.

The national secretary reported that as of 17 July, $760,749 had been distributed to districts, squadrons, the Educational Fund, and the Century Fund through HQAB renewals and new member vouchers.

V/C Baldridge reported that headquarters and THE ENSIGN staff have been leading the way in the effort to reduce expenses. Headquarters staff has been cut by 23 percent. There will be two fewer issues of THE ENSIGN in 2006, and six issues will be published in 2007. Cuts at headquarters total $172,575 for fiscal 2006 and $241,715 for 2007. He said that this is all during a time when many fixed, uncontrollable costs are rising. He said that these cuts have impacted members. He stated that headquarters and THE ENSIGN staffs have worked diligently to lessen that impact by becoming more efficient and productive. He encouraged members to appreciate the efforts of the staff and understand that there may be some delays in membership and exam processing.

THE ENSIGN Committee continues to work with THE ENSIGN staff to add content and advertising. V/C Baldridge reported that the committee and THE ENSIGN staff completed a readership survey. Results from the survey will be used to help redesign the magazine and develop a new USPS electronic publication. Survey results are posted at www.theensign.org/feature.

The Publications Committee is looking for content from other committees and is experimenting with a newsletter editor weblog as a means to distribute content to squadron editors.

The Information Technology Committee is creating a program for electronic merit mark submission. A beta version of the program will be tested by select districts and departments this fall with the goal of launching a final version in 2007. The committee continues to assist in integrating the Ship’s Store website with headquarters’ systems and developing a new server.
The Operations Manual Committee reminds members that updates can be found on the committee’s website at www.usps.org/national/om. Individual chapters can be viewed or downloaded and a “What’s Changed” document is available.

A new Ship’s Store catalog will be published in the September/October 2006 issue of THE ENSIGN. The Ship’s Store Committee has a new website at www.shopusps.org. V/C Baldridge announced that beginning in January 2007, when a member orders online or by telephone (888-FOR-USPS), 5 percent of the purchase price will be split between the member’s district and squadron.

V/C Baldridge stated that the Flag and Etiquette Committee reviews squadron burgees, district flags and 50- and 75-year recognitions. V/C Baldridge presented new flags for District 22 and District 23, which he approved. He presented burgees for District 32; Kanawha River/7; Lake Mohave/28; 75th - Middletown/1; 50th - Agate Pass/16; Banana River/23; Lansing/9; Newport/14; Niagara/6, which were approved by the Flag and Etiquette Committee.

V/C Baldridge introduced the headquarters staff present: Mary Catherine Berube, headquarters director, and Lena Padro, manager, membership services.

**Report of the National Treasurer**

V/C Joseph R. Mesenburg, SN, reported that USPS’ financial situation is improving because of drastic expense reductions and financial sacrifices throughout USPS, as well as contributions from Century Fund contributors and Life Members. He reported that as of 30 June 2006 operating revenue exceeded operating expenses by $30,402, compared with a $131,789 deficit for the same period one year ago and a $100,599 deficit for the same period two years ago.

V/C Mesenburg noted that dues and fees are $12,278 less than one year ago; net educational sales are up $15,460; net ship’s store sales is -$2,561 compared to $28,167 one year ago. He reported that THE ENSIGN operating expenses were $208,051 on 30 June 2006 compared to $262,692 on 30 June 2005; headquarters operating expense were $517,952 compared to $531,591.
The national treasurer stated that decreases in revenue have been the major financial problem for the past several years. He said that fixed operating expenses have increased substantially faster than general inflation, for example, the 2006 liability insurance premium was $164,000, an increase of almost 10 percent over the previous year. In 2000, the premium was $78,694. He reported that he is considering a revenue supporting initiative whereby districts and squadrons would pay a portion of the premium based upon their membership numbers.

Report of the Finance Committee

R/C Michael J. Horowitz, JN, reported that Section 5.7.2a of the USPS Bylaws requires that after a budget is adopted by the Governing Board it will be final, except that special supplementary appropriations may be approved as follows: “All special requests for subsequent appropriations shall be submitted to the Finance Committee, in writing whenever possible, and with full reasons in support thereof. Thereafter, the Finance Committee shall report promptly its recommendations to the Governing Board.”

R/C Horowitz reported that the Finance Committee received a request from the Marketing and Public Relations Committee for a supplemental appropriation in the amount of $8,590 to reprint 100,000 copies of the brochure This is USPS. He said that the Finance Committee unanimously agreed that this important promotional piece needs to be reprinted. In addition, this is a revenue neutral expenditure, because USPS recovers the cost of printing from the sale of brochures. He moved approval of the supplemental appropriation of $8,590 for the Marketing and Public Relation Committee’s 2006 budget to reprint 100,000 copies of This is USPS. The Governing Board ADOPTED the motion. (2006-GB-20)

R/C Horowitz stated that at the 2005 Fall Governing Board in Portland, Ore., the Governing Board approved a five-year nominal dues increase that would be equal to the annual Consumer Price Index. Effective 1 June 2006 dues were increased by $1.80 for active members, $.90 for additional active members, and $.45 for adult family members. He reported that the CPI rose at 5.2 percent during the first five months of 2006. He stated that USPS Bylaws Section 5.7.2b requires that annual dues increases must be presented at the Fall Governing Board and proposed the following:

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That the dues for the primary active member total $33.60 (a $1.80 increase), that the dues for each additional active member total $16.80 (a $.90 increase), and that the dues for each adult family member total $8.40 (a $.45 increase), effective in the spring of 2007 for the 2008 dues year.

He reported that the national treasurer, the Finance and Budget committees, the headquarters staff and the national bridge had put in considerable time and effort to produce the 2007 budget. R/C Horowitz presented the 2007 budget for approval, and the Governing Board ADOPTED a motion to approve it. (2006-GB-21)

R/C Horowitz invited V/C Baldridge to present a proposal to simplify the dues categories to two: single and family unit. V/C Baldridge explained that the current dues structure is complicated with different amounts charged for active, additional active, adult family and junior family members. Under the proposed structure, a single member would pay full dues, and a family unit, including all of the members of a family sharing a household, would pay full dues plus 50 percent regardless of the number of members in the unit. He said that simplification is a goal in itself, but the new structure would also encourage more family members to join and become active.

The national secretary stated that family unit members who had taken the boating class could automatically become active members and family unit members who had not taken the class could become family members. The selling point would be that the whole family can join for just 50 percent more. He said that although the proposal is for national dues only, it is hoped that squadrons and districts would adjust their dues structures to mirror national.

R/C Horowitz proposed the following motion:

That the dues amount for primary active, sustaining and life members with attached family or additional active members be set to the amount of the same category without attached members plus 50 percent of the current dues amount for regular active members. Further, that the dues amount for family and additional active members be set to zero.
The Governing Board ADOPTED the motion. (2006-GB-22)

R/C Horowitz reported that currently each new active member, new primary active member, new additional active member, new adult family member or new junior family member, is subject to the payment of a nonprorated entrance fee. He said that when new active members are subsequently added to an existing household they are also subject to the payment of a nonprorated entrance fee. He noted that a simpler entrance fee structure would be easy to present and administer, would provide incentives to becoming an additional member, and would cover the costs associated with new member processing. In accordance with USPS Bylaws sections 3.5, 5.2.18 and 12.2, R/C Horowitz presented the following motion:

The establishment of one entrance fee for active membership, that this fee be paid by the primary active member, that this fee be twenty five dollars ($25), and that this fee shall also satisfy the entrance fee(s) of all qualified individuals of the household who become additional active members, so long as the primary active member remains a member in good standing.

The Governing Board ADOPTED the motion. (2006-GB-23)

R/C Horowitz reported that the Finance Committee currently manages $2,811,022.07, which is divided into three major portfolios. He said that investment portfolio has been affected by increased market volatility during the past two months. He reported that unrestricted investments totaled $841,980.82 as of 30 June 2006 and that liquid assets continue to be at a dangerously low level. He said that the funds are invested in 75 percent in equities and 25 percent in fixed income investments. The total investment return for the first seven months in 2006 was $13,183.45, or a 1.55 percent rate of return. He noted that $200,000 was transferred from the investment portfolio to the headquarters checking account in 2006.

He reported that the balance in the Endowment Fund was $917,819.91 as of 30 June 2006. The fund’s asset allocation was $240,100.25 invested in three mutual funds; $399,000 invested in four certificates of deposit; and a balance of $278,719.66 in a money market fund. He reported a return of $75.15, or .03 percent. The fund’s target asset allocation mix is 35 percent equity and 65 percent fixed income investments.
The Finance Committee managed $1,031,221.34 in district and squadron funds as of 30 June 2006. These funds are invested in 10 certificates of deposit totaling $975,000, with staggered maturity dates, and money market funds totaling $56,221.34.

R/C Horowitz said that the financial alarm test at the end of FY2005 totaled $2,464,172, or $535,828.00 below the $3 million control limit. He said that as of 30 June, due to seasonal factors, the total improved to $2,567,935, which is still $432,065 below the control limit.

Report of the National Administrative Officer

V/C Frank A. Dvorak, SN, reported that recent membership numbers suggest that the membership decline is beginning to bottom out. The Membership Committee reported that as of 31 May 2006, 94 squadrons reported membership growth of more than 1 percent; 30 squadrons have held their own or gained less than 1 percent; and 2 districts have gained more than 1 percent in membership since 1 May 2005.

V/C Dvorak reported that he would present a proposal for a corporate membership category to the governing board for its consideration.

The Auxiliary Advisory Committee reported that 1,558 copies of the USPS cookbook *By Land or by Sea* have been sold to date and that 1,762 copies remain in inventory. Individual copies can be purchased for $25; cases of 12 can be purchased for $18 per book; and cases of 6 can be purchased for $19 per book. The 2006-2007 Directory of USPS Approved Auxiliaries has been printed and distributed.

The Leadership Development Committee has developed the second in a series of Leadership Seminars “Ten Ways to Get the Best Out of Your Squadron.” This seminar will be available for presentation at the 2006 Fall District Conferences. The revised *Leadership Development Program Student Manual* and the Presenter’s Guide on CD-ROM are available at headquarters.

V/C Dvorak reported that the decision by St. Paul Insurance Co. to cancel insurance policies for boats older than 10 years or over $100,000.00 in value in the Gulf region from
Florida to Texas and along the southeastern Atlantic coast has caused a great deal of concern. USPS has 954 members who live in the affected areas. V/C Dvorak said that representatives from McGriff, Seibels and Williams have promised to do what they can to find alternative sources of insurance for those members affected. Zurich Insurance has agreed to insure members living in the Gulf region other than Florida.

The Squadron Activities Committee reported that the Port Captain’s database contains 509 USPS port captains and 17 Canadian port captains. The Amateur Radio directory has been updated and lists 366 USPS and 93 Canadian amateur radio operators.

The national administrative officer reported that he accompanied members of the Membership Committee and Sea Vester on a visit to The Children’s Hospital of Montefiore in New York.

V/C Dvorak invited D/C Lee Popham, AP, who, assisted by P/C/C Finley, presented the 2006 P/C/C Raymond A. Finley Jr., SN, Sea Scout Service Award to: Thomas Ballew, AP, Patuxent River Sail/5 and Wes Gleason, JN, Patuxent River Sail/5.

V/C Dvorak invited P/R/C Priscilla Clarke, AP, to present the 2005 P/C/C William D. Selden IV Member Involvement Retention awards. These awards are given to three districts and squadrons that submitted membership success stories:

Squadron Awards
- 3rd place - Knoxville/17
- 2nd place - Raritan Bay/4
- 1st place - Cape Cod/14

District Awards
- 3rd place - District 28
- 2nd place - District 5
- 1st place - District 16.
The national administrative officer reported that the OCom approved extending the Power of One Program through 30 Sept. 2007. At the 2007 Annual Meeting, any squadron that experienced a growth of 25 percent or more between 1 Oct. 2005 and 30 Sept. 2006 will be recognized. V/C Dvorak invited Stf/C Lyle Rea, SN, to present Power of One awards. He presented special Power of One pins to 96 members who influenced 10 members to join; 22 members who influenced 20 members to join; and seven members who influence 30 members to join.

Report of the National Educational Officer

V/C Dick Kyle, SN, reported that USPS University will provide access to almost any boating subject through courses, seminars, books, guides and printed tips. He said that students will receive credits toward the Boat Operator Certification Program that will be recognized throughout the boating industry. The Boat Operator Certification Program will offer four certification levels including Inshore, Coastal, Advanced Coastal and Offshore. V/C Kyle reported that the Educational Department is working with the marine industry to ensure that these certificates are widely recognized. He noted that the USCG Office of Boating Safety is tracking the department’s progress.

The national educational officer reported that many boat clubs and charter companies recognize that certification is key before allowing people to join or use their boats. He said that a key element will be skills demonstrations including on-the-water demonstration. The Educational Department is discussing potential partnerships with the insurance industry and organizations that perform on-the-water training.

V/C Kyle reported that a core component of USPS University is the new seminar series. Each seminar will focus on a single topic. Seminars will be added as necessary to cover emerging topics as well as topics of high interest to boaters. Four seminars will be available by the end of September 2006: Using VHF & VHF/DSC Marine Radio, Using GPS, How to Read a Chart and Onboard Weather Forecasting. Seminars on Knots, Bends and Hitches for Mariners; Boat Handling Under Power, Emergencies at Sea, Sail Trim and Heavy Weather Sailing will be available soon. Additional seminars are being developed on trailering, anchoring, locking, digital charting, chart plotters and radar. Each student kit includes a high quality guide covering the
seminar topic, a student notebook including copies of the presentation and a certificate. The instructor’s kit includes the seminar series CD with a PowerPoint® presentation, instructor’s lesson plans and a seminar presentation.

The national educational officer reported that Seamanship, Junior Navigation and Engine Maintenance have been rewritten and are being beta tested. The final versions will be available in January 2007. Marine Electronics will be expanded into three full elective courses; Offshore Weather and Advanced Seamanship electives are being developed. He said that completion of any six electives plus all advanced courses will qualify a member for a full certificate.

V/C Kyle reported that Boating ‘07 should be available in late 2007, depending upon the depletion of current inventories. Boat Smart 2006 has been revised to include prior updates. He reported that the Squadron Boating Course 2004 has been approved by NASBLA through 2006 and will be recertified for 2007. America’s Boating Course 2005 continues as a home study course in partnership with the USCG Auxiliary. Chart Smart will be replaced by seminars.

The national educational officer reminded squadrons of HQ800, the online listing of courses, which has been expanded to allow students to register online. HQ800 sends an e-mail to the appropriate squadron to enter into a workbook, which can then be used after the class to report attendee completion information back to headquarters. He said that form ED-27, which lists the number of students who registered and passed a boating course, can only be submitted online as of 1 Sept. 2006. Instructions for using the online HQ800 and ED27 are on the Educational Department website at www.usps.org/national/eddept.

He reported that USPS will become an issuing agency for the Maritime Mobile Service Identity numbers required for Digital Selective Calling radios. The Federal Communications Commission has allocated a block of 5,000 numbers to USPS that will be released after signing a Memorandum of Understanding.

Report of the National Executive Officer

V/C Creighton C. Maynard Jr., SN, reported that Long Valley/4, Ashtabula/11, Santana/13, River Valley/31 and Little Rock/31 are in the process of dissolving.
V/C Maynard reported receiving a resolution from District 2 that reads as follows:

*Be it resolved, that the Governing Board shall authorize the Chief Commander to make all necessary arrangements to properly celebrate the 25th anniversary of elective membership of women in USPS and the consequent presentation for the first time to women members of a 25th merit mark awarded by the Chief Commander. Such arrangements might include a presentation at the Annual Meeting in 2007 of a commemorative plaque recognizing this event and the historical contributions of women to the mission of USPS and acknowledging the efforts, achievements and leadership of all members regardless of gender; the plaque to be later mounted at a suitable place in the HQ building and The Ensign to publish a photograph or other copy of the plaque for all members to see.*

V/C Maynard recommended that this resolution be assigned to the Operating Committee and the Governing Board ADOPTED the motion. (2006-GB-24)

The Government and Partner Relations Committee reported that committee members attended the 2006 International Boating and Water Safety Summit in Palm Harbor, Fla., and highlighted USPS University. The committee is working on an MOU with the Citizen Corps, an organization that encourages citizens to get training in first aid and emergency skills, and to volunteer to support local emergency responders, disaster relief and community safety.

The Squadron Development Committee continues to support members, squadrons, and districts developing new squadrons. It also provides support for squadrons at risk. The committee reported that three squadrons were chartered since the 2006 Annual Meeting: Lake Mohave/28, Kanawha River/7, and Point Wilson/16. Kankakee Valley Provisional Squadron was approved by the OCom in May 2006.

V/C Maynard reported that the National Meetings Committee received a proposed contract proposal from the Hyatt Regency Crown Center in Kansas City, Mo., to host the 2009 Governing Board Meeting. The Governing Board ADOPTED a motion to hold the 2009 Governing Board Meeting at the Hyatt Regency Crown Center, Kansas City, Mo., from 6 to 15 Sept. 2009, at a rate of $124 per day. (2006-GB-25)
The Recreational Boating Safety Committee has contacted the National Oceanic and Atmospheric Administration concerning the Weather Initiative MOU.

The Cooperative Charting Committee reported that Cooperative Charting efforts are off to a slow start due to weather, fuel costs and changes in the Geodetic program. The committee is seeking funding to continue the Geodetic Charting program. The committee is updating the Cooperative Charting Manual, which should be available by the 2007 Annual Meeting in Jacksonville, Fla.

The Vessel Safety Check Committee reported that as of 7 July 2006, 2,308 vessel examiners had performed 13,668 vessel safety checks, 1,600 more checks than last year. The increase may be attributed to the online reporting process. Since 1 Jan. 2006, 103 members have passed the online VSC exam.

The USPS Environmental Committee submitted a $16,651 grant request to the USPS Educational Fund for printing the *Environmental Best Practices for Boaters* brochure. The committee is producing a squadron guide on environmental projects.

**Report of the Past Chief Commander**

P/C/C G. Leslie Johnson, SN, reviewed the actions taken by the OCom during its meetings held from 16 to 19 Aug. 2006.

APPROVED

1) A motion to approve the minutes of the 8 - 9 June 2006 OCom meeting. (2006-OC-39)

2) A motion to approve a Lifesaving Award for Cdr Russ Kaiser, P, Sacramento/25 and John Hardin, USCG Auxiliary. (2006-OC-40)

3) A motion to approve a Lifesaving Award for Cdr Dwain L. Rodman, AP, and Lt Michael Johnson, S, Virginia Beach/5. (2006-OC-41)
4) A motion to recommend that the Governing Board approve a Governing Board Meeting at the Hyatt Regency Crown Center, Kansas City, Mo., from 6 -15 Sept. 2009, at a rate of $124 per day. (2006-OC-42)

5) A motion to register the USPS University trademark. (2006-OC-43)

6) A motion to approve a third staff commander position for the Membership Committee. (2006-OC-44)

7) A motion to continue the Power of One Program through 30 Sept. 2007. (2006-OC-45)

8) A motion to eliminate one staff commander position on the Squadron Activities Committee, effective January 2007. (2006-OC-46)

9) A motion to rescind the OCom action on 7 Sept. 2005 to adopt a new revenue-sharing program for the Chase Bank affinity credit card program. The revenue-sharing program will continue as it has in the past based on a percentage formula of 50 percent to squadrons, 5 percent to districts and 45 percent to national. (2006-OC-47)

10) A motion to approve a $907 appropriation from Century Fund earnings to distribute solicitation letters. (2006-OC-48)

11) A motion requesting that the Governing Board authorize producing 50,000 copies of the brochure _This is USPS_ at a cost of $5,293. (2006-OC-49)

**Report of the Chief Commander**

C/C Marshburn presented a 2006 honorary membership to C/C Serge St-Martin, JN.

The chief stated that since the 2006 Annual Meeting, the national organization has focused on how to more effectively _Reach out and Touch_ members and the public by emphasizing the Power of One and Experienced Boater programs. Other objectives are to
simplify organizational bureaucracy, increase the effectiveness of electronic communications, reduce organizational expenses, and revitalize and consolidate the USPS educational program through the USPS University initiative.

The chief said that squadrons must teach more classes. He encouraged squadrons to contact local yacht clubs, social clubs and churches to offer boating classes or to teach a seminar. He noted that the Experienced Boater Program is intended to make it easier for squadron members to recruit friends, relatives and other acquaintances who are experienced boaters by not requiring them to take a basic boating course.

The chief said that USPS’ greatest strength is its squadrons. He reported on an initiative to promote participation at national meetings. Local members will present seminars on topics such as “Conference Success Stories” and “Seven Steps to Boat Docking.”

C/C Marshburn reported on an initiative to simplify and reduce the number of district and squadron forms. He also reported that in fall 2006, national committees and volunteer districts will participate in a test of an electronic merit mark submission program.

The chief stated that USPS University will offer an extensive and diversified boating education curriculum tailored to meet the needs of novice boaters while building skill levels of experienced boaters. He reported that marketing and public relations plans will be implemented by December 2006 and the program will be launched by January 2007. He noted that USPS University will give members the flexibility to design their own educational curriculum.

Report of the USPS Educational Fund

Wayne Spraggins, treasurer, USPS Educational Fund, reported that the fund has assets totaling $2 million. He encouraged all members to contribute $1 to the Educational Fund to qualify for squadron honor roll status.
Report of the National Safe Boating Council

P/C John Malatak, AP, presented a report on behalf of USPS representative P/R/C Joyce Shaw, AP.

P/C Malatak reported that the National Safe Boating Council serves as a forum for the advancement of safe and enjoyable recreational boating and fosters the common interests of those who seek the goal of safer boating through education.

The National Safe Boating Council sponsors several awards and grants. The Lake Pontchartrain Sail & Power Squadron/15 and the Bellevue Sail & Power Squadron/16 were among the 22 recipients of the Recreational Boating Safety Grant Program. This grant is funded from the Wallop-Breaux Aquatic Resources Trust Fund. The NSBC will award $14,300 in 2007, and applications will be accepted between 25 Oct. 2006 and 25 Jan. 2007.

The Boating Education Advancement Award, sponsored by Coors Brewing Co., recognizes successfully implemented grassroots programs. Each of four regional winners is awarded $1,000 plus a free trip to IBWSS and an opportunity to compete for the $1,500 national prize.

The Boating Safety Youth Program Award sponsored by BoatU.S. rewards the program that most successfully targets youth. The award carries a $2,500 prize and includes an all-expense paid trip to IBWSS.

The “Take ‘em Boating” grant is sponsored by Outboard Marine Corp. This $5,000 grant was created to honor and remember former OMC employees.

Visit the National Safe Boating Council website at www.safeboatingcouncil.org for details on these grants and other NSBC initiatives.

USPS Chaplain Father Louis M. Reitz, AP, delivered the benediction; the colors were retired; and C/C Marshburn adjourned the meeting at 1430.

V/C Robert A. Baldridge, SN
National Secretary
A motion to assign Kanawha River to District 7, Lake Mohave to District 28 and Point Wilson to District 16. (2006-GB-10)

A motion to amend section 5.2.7 of the Bylaws to reflect the actual method for staffing committees and deleting the redundant language of section 5.2.12. (2006-GB-11)

A motion to strike the duplicate language in section 5.2.7 “and establish offices to be held and designate rank for the holders of such offices...” (2006-GB-12)

A motion to amend USPS Bylaws section 5.2 so that members of the departmental committees are appointed by the respective vice commanders upon the recommendation of the committee chairmen and ratified by the Governing Board. (2006-GB-13)

A motion to amend USPS Bylaws sections 6.13 and 7.12 of the USPS Bylaws by inserting in each section “an audit (or financial review) committee and a rules committee:” after “nominating committee” and replacing in each the words “all of whose members” with “The members of these committees...” (2006-GB-14)

A motion postponing the vote for a three-year suspension of the examination requirement for USPS membership until the 2007 Annual Meeting in Jacksonville, Fla. (2006-GB-15)

A motion to confirm the 7 Jan. 2006 ratification of Operating Committee actions reflected in the minutes of its 4 - 7 Jan. 2006 meetings. (2006-GB-16)

A motion to elect general members of the Governing Board. (2006-GB-17)
9. A motion to elect two assistant Chairmen of the Boat Handling Committee, an Assistant Chairman of the Auditing Committee, an Assistant Chairman for the Squadron Development Committee, and an Assistant Chairman for Instructor Development. (2006-GB-18)

10. A motion to revise the USPS Strategic Plan by adding goals for Government and Partner Relations and Awareness. (2006-GB-19)

11. A motion to approve a supplemental appropriation of $5,293 for the Marketing and Public Relation Committee’s 2006 budget to reprint 50,000 copies of *This is USPS*. (2006-GB-20)

12. A motion to approve the 2007 budget. (2006-GB-21)

13. A motion approving a new dues structure for primary active, sustaining and life members with attached family or additional active members. (2006-GB-22)

14. A motion establishing a $25 entrance fee for primary active members only. (2006-GB-23)

15. A motion assigning the District 2 resolution, which recognizes the first women members to attain life membership, to the Operating Committee. (2006-GB-24)

16. A motion to hold the 2009 Governing Board Meeting at the Hyatt Regency Crown Center, Kansas City, Mo., from 6 to 15 Sept. 2009, at a rate of $124 per day. (2006-GB-25)