

Draft

Pacific Telecommunications Council
Executive Committee Meeting Minutes
Wednesday May 18, 2005
12:00 PM Honolulu, Hawaii Standard Time

Purpose of the Teleconference: Finalization 2005-2006 PTC Budget Adjustment Recommendations

Participants:

Executive Committee Members: Bruce Drake, Robert Walp, Tony Gardiner

Secretariat: Stephen Tom, Linda Ristow, Bob Bissell (recording)

Conference Commenced: 12:05 PM Honolulu Standard Time

1.0 Opening Comments:

- 1.1 Linda Ristow provided comments on the budget process timelines indicating that:
 - 1.1.1 The fiscal year for the Council begins on July 1st
 - 1.1.2 The budget should be finalized at least one to two weeks before July 1st so that it can be entered in final form into the PTC computer system.

2.0 Adjustments:

Reference is made to the email dated May 18, 2005, as provided by Linda Ristow, which specifies four adjustments to the proposed budget and outlines the monetary effects on the budget. The pertinent text of this email is as follows:

2.1 A part-time clerical position will become vacant as of 8/26/05 - we would like to upgrade this position to Membership Services Director (or Officer, or something along those lines) to a higher rate, and to full-time, which represents an increase of \$20,300.

2.2 a. We are proposing that Phase I and II of an upgrade to our iMIS database will take place before 6/30/05, which represents \$54,600 (\$21,800 in software and \$32,800 in technical services). In preparation for this project, we will need to upgrade our server, which will cost up to \$12,000.

2.2 b. Phase III will be implemented in 2005-06, for \$25,790 (\$15,000 for software and \$9,640 for professional services - training, website upgrade, etc.), which will require a slight adjustment to the \$25,000 budgeted in capital.

2.3 Regarding the non-iMIS hardware/software, we will need \$7,500 instead of the \$5,000 budgeted. This will allow for the replacement of two outdated laptops (used as work stations); and the upgrade of one laptop.

2.4 Regarding the midyear seminar, we suggest a more conservative stance: a reduction of revenues (both registration and sponsorship) by \$16,450, to give us a more modest profit of \$6,525 (instead of \$22,975).

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The net effect of these changes would mean a reduction to the draft budget's 2005-06 bottom line of \$46,390 (from a loss of \$60,880 to a loss of \$107,270); and a reduction of our 6/30/06 cash/investments balance of \$106,640 (from \$592,330 to \$485,690). \$66,600 of this pertains to the current year (unbudgeted); and \$40,040 pertains to changes to the 2005-06 draft budget.

3.0 Discussion:

- 3.1 Item 2.1: Stephen Tom centered on the need for the adjustment of work responsibilities and the opportunities provided as a result of recent the loss of one staff member. He stressed that the proposed changes are important in respect to the PTC's membership focus.
- 3.2 Item 2.2 a: Stephen Tom indicated that the 1990 vintage iMIS LAN system was purchased in 1997. It is heart of the PTC database management system as it is used to track members and membership, conference registrations and payment. Stephen noted that the interface between the on-line conference registration and the iMIS system is manual, i.e., the information received on-line is manually keyed into the database system. The desired upgrade will automate web-filed conference and membership registrations and eliminate the manual transfer of data. The system will also assign and manage unique usernames and passwords for each member and permit differing levels of information access. It also automates the payment process. This is a non-budgeted item for the 2004-05 fiscal year. Stephen notes that the proposed system will save some human resources but it is not expected to eliminate a full position. He did note that it will improve productivity and permit redeployment of human resources.
- 3.3 Item 2.2 b: Expenditure on Item 2.2 a above puts the PTC in the position of being able to spend the additional already budgeted \$25,000 in capital and professional services.
- 3.4 Item 2.3: Stephen indicated that in an effort to conserve funds, the IT infrastructure has suffered. He noted that three laptops are also used as desktops (Sharon, Claudine, Dolores).
- 3.5 Item 2.4: There was no discussion of this item.

4.0 Budget Amendment Approval

- 4.1 **The Executive Committee approved inclusion of these four expenditures in the proposed budget.**

5.0 Pension Plan

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- 5.1 At Anthony Gardiner's request, Linda Ristow confirmed that there are a few minor actions that must yet be taken including the completion (and filing) of some routine tax forms but there is no action remaining that requires the Board of Governor's approval. She confirmed that all of the corrected payments have been made to the current and former participants. She also confirmed that all of the current participants have been informed of the status of the plan.

Tony Gardiner indicated that he will sign and date the required plan sign-off documents and forward them by fax today. Tony will send the original signature documents to Linda by mail. He asked that Linda Ristow inform the PTC lawyer of the status of the pension plan to ensure that she is satisfied.

6.0 Budget General

- 6.1 Stephen Tom summarized the overall budget picture. He noted that it is conservative in terms of membership revenue as not all of the new tools and systems will be in place and there is a slight reduction in membership each month. On the other hand is indicates that he anticipates an increase in profit for both the mid-year and the conference. The committee indicated in view of the marginal increase in conference revenue last year, that a target of a 7 percent increase in revenue from the mid-year and the conference though aggressive is reasonable. Stephen noted that overall expenditures are not likely to shrink.
- 6.2 Stephen noted that the budget indicated a \$75,000 closing reception but this based on an assumption that there would be a sponsor for this event. He noted that if there is no sponsor, the event would be removed from the program and therefore removed from the budget as well. If a lesser sponsorship level was offered or available the event would be scaled appropriately or a partnership would be sought and if necessary, negotiated.
- 6.3 General discussion on the lunch format (formal sit-down vs informal in the exhibit hall) indicated a preference for an informal format as it encouraged networking. Stephen noted that last year's event format was dictated by the fact that the lunches were funded by the PTC. Unless a sponsor can be identified, this format will be maintained perhaps with improved menus.

7.0 Budget Approval Process:

- 7.1 The following process will be followed:

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- 7.1.1 Stephen Tom indicated that he will request that Linda Ristow incorporate the agreed changes and distribute the revised budget to the three Executive Committee members by email.
- 7.1.2 Tony Gardiner will present the final draft budget before the Board of Governor's by email under a covering note indicating the budgetary challenges the PTC faces and invite comments.
- 7.1.3 Bruce will reply to the note indicating endorsement and include indications of the broader strategic direction of the organization.
- 7.1.4 Once the draft budget is released to the Board of Governors, ten working days will be permitted for comment. Those not responding within ten days will be considered as having approved the budget.
- 7.1.5 The target for approval is mid-June, 2005.

Meeting Closed: 1:00 PM Honolulu Standard Time