

**From:** RMarruffo@TEP.Com [mailto:RMarruffo@TEP.Com]  
**Sent:** Monday, May 10, 2010 1:13 PM  
**To:** Banks Carolyn D (Chris); KSholly@GLENDALEAZ.com  
**Subject:** RE: Response to your questions regarding the IRWA 2010-2011 Budget

Good afternoon,

I've read most of what has come my way and would like to look at it more including revisiting the budget itself. Here are thoughts of mine as of right now.

The initial email Kathy sent out was to all the Chapter leaders, Board of Directors and Region Chairs, after reading this email below - I have not received all of the correspondence going back and forth and I'm worried that some of the other folks, Chapter leaders have not either. Have all the emails to the Chairs been shared with these folks? If not, this should be done and quickly since these folks have been included initially. This would include the responses from the IEC and Mark.

I think the questioning is great. But where I'm lost in all the responses is, what you're asking for Kathy. Are you asking for the entire budget to be revised? Portions of the budget revised? A car allowance to go away? No cost of increase for staff? And if some, all, none or something else is what you're asking for - what is it exactly? I'm not clear other than your concerns.

This is an annual budget but I believe it's based on more than a year's projection. Although, Mark has moved to a zero based budget format (which I totally agree with) allowing for realized income and cost, the budget is based off of, I believe, 5 year planning.

I would like to see Regional or even State, Provincial, International trends within the IRWA so we get a better global understanding of where everyone in the organization is moving, increasing, losing etc. As some of the responses state, some folks are doing well as others are not. I don't feel as though I have the whole picture to explain this generalized budget sheet. This could be a too cumbersome task, however, it could assist with any issues like this in the future.

Another question is what are the non-profit corporation requirements for an entity and the use of their budget? I have some familiarity with Arizona but not California, especially since all these chapters are reporting under California tax law.

I disagree with your position on your issue concerning staff. Are you asking for a more conservative approach and what would that number be? The increase in cost of health insurance alone is an impact to these numbers. Even though the staff is reported on the budget as an expense, I see them also as an asset. Regardless of a competitive employment market, I don't see it as feasible to incur the cost of training for new staff, to lose staff when the economy turns and incur additional cost for this attrition. Nor, do I want to lose the improvement in customer service, tools, training and assistance staff has realized. This has been the biggest beef with Chapter 73 in my short years as a member and in leadership service and has improved immensely. These people are being paid to do their jobs and are not volunteers. I believe many of the companies, and jurisdictions have been or are operating in the black. From what I've seen, IRWA is in the black nor will be. I understand that many folks are hurting so Kathy are you asking that IRWA staff should be included in those folks who have had cuts in benefits, salaries, and furlows? What do you want to see here?

It would be absolutely devastating to this organization not to incorporate online learning into the education process. My preference is to be in a classroom environment for the interaction, however, I feel H.Q. is doing its best to balance membership needs and education trends with the offering of core courses. Yes,

this is nerve racking for chapters because of the potential loss of revenue, but to ignore this new age of education would be outdated and suicidal. This approach is being used as a carrot. I know I would take an online class if I had to because of budget restrictions. I have done so for my conventional education because the feasibility of time, location, and cost.

It is important to note, the budget for the online courses are the reflection of the IRWA's education operating procedure, so any changes to the budget have to actually go back to the 5 year plan and be revised along with the many other tentacles in the education and especially the professional development plan. Just an FYI.

Where I'm at at this moment, is I'm please with the optimistic approach the H.Q. is taking and I am satisfied with the current and improving service. I also feel the current leadership and Mark have stepped up to the plate in taking this organization globally and adding more value to being a member and providing a long range approach to it's survival.

Time is of the essence here since we're less than a month away. I would like to know what the process would be if the budget didn't pass.

Renee Marruffo  
Region 1 Vice Chair

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**From:** Banks Carolyn D (Chris) [mailto:Chris.Banks@srpnet.com]  
**Sent:** Thursday, May 06, 2010 1:44 PM  
**To:** Wayne Goss  
**Cc:** Banks Carolyn D (Chris)  
**Subject:** Response to your questions regarding the IRWA 2010-2011 Budget

Good Afternoon, Everyone,

Wayne, since you were kind enough to ask and to include me on your email - I will step up to the soapbox. Feel free to forward this to anyone you think might want to get even with me. :-)

For the purpose of stopping a huge number of people hitting the "Reply All" button and overloading everyone's inboxes, I put the email list in the BCC category. **If anyone replies to me and wants everyone else to see it, I will post it on Region 1's website for all to read. If you want it kept private, please tell me.**

Let me begin by telling you a little about the person who is questioning these budget items. Kathie Sholly, SRWA, RW-AMC, is a dedicated, loyal and very active member of the IRWA in **Region 1** and has been a member of the IRWA for over 23 years. She has been involved in the real estate and right of way industries for more than 30 years. Kathie has served on the Executive Boards of both Kachina Chapter 28 (Phoenix) and Saguaro Chapter 73 (Tucson) and has twice been the recipient of the Special Services Award from Kachina Chapter 28. She has worked hard to promote the IRWA and recruit new members in Arizona and has earned the respect of her peers. She has no hidden motives or ambitions and is encouraging us to practice conservative budgeting policies that will allow us to continue operating during an uncertain economy by resisting the urge to gamble with the reserves that we have worked so hard to acquire. Her focus is on retaining the resources need to provide the services needed by our members. I don't see that as a bad thing. Would it hurt us to weather the storm by being more

conservative? I don't know – I have no way to see into the future and educated guesses are just that – guesses.

**Region 1** members have a reputation for questioning the status quo and the motives behind decisions being taken by their leaders (and I am among those who are being questioned so I am definitely not excluding myself). Sandy Grigg suggested that she ask me about the business strategy that went into this year's budget. Kathie did ask me. I am not a financial analyst and must rely on the expertise of our Finance Committee and the IEC. Therefore, I suggested that she address those questions directly to them.

Sometimes, questions such as these create a hostile response from those who worked so diligently to do what they think is the right thing. However, we should welcome those questions because they come from those people who will be both directly and indirectly affected by these plans and decisions. Her questions regarding the proposed budget reflect those concerns that many members in our organization have expressed. I applaud her dedication to the organization, and I admire her resilience (and bravado) and for standing up and asking these questions. It takes a lot of intestinal fortitude to make a stand for what we believe in especially when what we believe is contrary to what our leaders are telling us. And it hurts to be the recipient of criticism for doing what you think is right – I experienced quite a bit of that since taking on the job of Vice Chair and now Chair of Region 1. I applaud Kathie for taking the time to study the proposed budget. I honestly believe that her concern is not just for the organization as a whole, but for the chapters and the individual members who make up the chapters. Whether we believe that her opinions have merit, or we disagree, it is our job as members of the Governing Council of the IRWA to take her concerns seriously and answer her questions truthfully.

For those of you who haven't seen these questions that Kathie is asking, they are attached and I urge you to read them and digest them. At the Region 1 Forum a few of these questions were already asked and Mark Rieck responded to them. The proposed budget is posted on the HQ website as well as on the Region 1 website. The budget will be presented to us at the Region caucuses in Calgary and the Directors will be asked to approve it. It is critical that we remain informed so that we can make intelligent decisions.

My favorite bumper sticker reads, "A Closed Mind is a Wonderful Thing to Lose" and hopefully I have lost mine...?

*Chris Banks, SRWA*

**IR/WA Region 1 Chair**

**602-236-8175**

**602-677-9331 Cell**

**602-629-8499 FAX**