## Delegates were Misinformed.

# Cheryl Desforge, Delegate, former President Houston Geological Society Bill DeMis, Foreman Houston Delegation HOD

Many Delegates have been told the May 31<sup>st</sup> HOD vote is AAPG's "last, best hope." But President Hackbarth admits in her latest video the Bylaws changes do not target AAPG finances and likens cash losses to an iceberg (May Reimagine Video, 7-9 minutes).

We have never heard of a failing company using an "iceberg analogy" to ignore cash hemorrhaging. Companies going bankrupt make stopping cash losses the top priority.

A "Yes" vote on May 31<sup>st</sup> does not fix AAPG's financial problems. It only defers solutions. Moreover, the Executive Committee already has 100% authority over all AAPG finances and paid staff in Tulsa per Article 5 of AAPG's current Bylaws. It does not need you to vote to fix AAPG's finances.

Reimagine Bylaw changes are an unaffordable disruption. AAPG's financial life is now measured in months. In as soon as 36 months, AAPG can be effectively bankrupt. AAPG does not have the finances to indulge in months- to year-long chaos of restructuring. Doubly so with AAPG's Executive Director now leaving

Please vote against the proposed Bylaw changes on May 31 and send a message that Members want real change today. Not cosmetic changes that kick the problems to a new board.

A "Yes" Vote on May 31 Immediately Triggers a General Member Vote on June 3<sup>rd</sup> Members have not had one Member Town Hall to hear both sides of the issues.

#### **International Members Disadvantaged in Petition Candidacy**

Repeated changes to the bylaws created unintended consequences that disfavor international petition candidates. Members in Regions will be required to get 50 signatures from 4 Regions or Sections. Texas has 2 Sections. Everyone in Texas knows someone in Oklahoma (3<sup>rd</sup> Section). Latin America or Australia Members can get signatures from 5 adjoining countries; that only counts for one Region. Even under the current bylaws, it took 3 weeks for a Dallas' petition candidate to qualify.

## Perceptions Would be Different if All Facts were Presented

Members are being gaslighted on Cost of Governance. Perceptions of AAPG's Cost of Governance problem would be very different if the Ad Hoc Committee told Members of the perpetual losses of \$300,000 for the international Business Units (BU), exclusive of international conferences losses or Tulsa G&A costs.

Instead, reimagine videos and FAQs give the House of Delegate as exemplary of the cost problem, as if Vicki Beighle's meager salary is the source of AAPG's demise.

The London BU lost money every year since it was opened in 2009, except 2013 and 2014. It has lost 80,000 British pounds per year for last 6 years. Since 2015, the Dubai BU has lost on average \$178,000/year. The Lagos Business Unit has lost an averaged \$45,000 every year since it was opened in 2014 and never made a profit. (Byran Haws, 11/30/2023).

London BU also lost an additional \$300,000 in 2018 and \$600,000 in 2023 on APEX/BEOS.

## Cost of Governance Regions vs Sections Not Being Told

We feel Delegates' perception of AAPG Cost of Governance problem would be very different if they knew Region governance costs are 7 times Sections' cost. Governance in Sections is \$23/member/year. Governance cost in Regions is \$278/member/year. These numbers were fact-checked by Robert Archer with AAPG's accountant, Bryan Haws and David Curtiss.

We love our international Members. They are not the problem. AAPG needs a better business model for International Members. Too bad Ad Hoc did not work on this.

## **HOD Volunteered to New Bylaws Changes - No Reply.**

I asked President Hackbarth and Jeff Lund in the HOD:

"What Bylaw changes has the EC ever proposed that would make AAPG more profitable, increase membership, or cut costs, but the HOD opposed?"

"What changes do you need today to fix AAPG?"

"We will pass the legislation to help fix AAPG right now. What changes do you need?"

No reply from President Hackbarth, or any of the supporters for bylaw change. Not one President or former President could tell me what they would change in the bylaws.

#### You are Probably What We Have Suggested to Fix AAPG?

Two years ago, Plan E was presented which described surgical changes to governance (e.g., move the AC to the HOD) and a focus cutting cash losses in Tulsa. The plan's authors include several AAPG past Presidents and President-Elect Sacrey, and several others.

The plan was delivered to Steve Goolsby on April 17, 2022. That was \$3 million in AAPG losses ago. The plan was again given to President Hackbarth in August and again in December, 2023.

The Plan's intention was to keep Bylaws changes minimal because: 1) with multiple changes at one time, if something goes wrong, it's impossible to isolate which problem was caused by what change; 2) we recognized AAPG's bylaws are not its main problem. Spending exceeding income is.

Our goal was to move AAPG to its basic core functions in a step-wise fashion: further changes could be considered and implemented.

#### Plan E's main points are:

1) fold the AC into the HOD, 2) reduced the number of Delegates, 3) right-size the Event Staff and HQ staff in general. Today, AAPG's paid staff is 40 for about 8,700 voting members. (For guidance, HGS had two paid staff when its Membership crested at 5,500).

Please vote No on the reimagine Bylaw Changes so that AAPG can start real change today.

Please contact either one of us for more information.