Board of Directors Meeting Minutes

September 28, 2015

Meeting: Special Meeting — Business/Operations, Conference Call — September 28, 2015, 6:00 p.m. EDT

Board of Directors: Bonnie Potter, President
Scott Miller, Vice President
Laurel Shouvlin, Secretary
Mike Vigus, Treasurer
Julie Delaney, Director
Don Greene, Director
Steve Hull, Director
Norm Johnson, Director
Andy Merriwether, Director

Executive Director: Darby Vannier

Meeting opened at 6:02 p.m. EDT.

1.0 New Business:

1.1 Show System Handbook Presentation: SRC Co-Chairs Jeri Booher and Michelle Swango reviewed several documents with the Board relevant to the 2016 AOA Show System Handbook. They provided thorough explanations for any changes or edits and answered questions from the Board. The 4 documents presented were:

2016 Handbook New Rules or Changes

2016 Handbook Rule Clarifications

SRC Assigned Items From the Board — Strategic Plan Meeting 2015

2016 Welcome Page and Table of Contents

Delaney asked if an item she had brought forward had been discussed by the SRC. Swango recalled that the item was a question sent by email, and did not realize that it was a formal request for SRC review. The SRC will hold a special meeting on October 1 to discuss and will then present their recommendations to the Board via email.

Booher and Swango left the meeting at 7:04 p.m. EDT.

1.2 Show System Handbook Discussion: The Board discussed the recommendations of the SRC as presented by Booher and Swango. Show System Administrator Ault remained on the call to provide input and answer questions.

The motion to accept the 2016 Show System Handbook Rule Changes as recommended by the SRC was made by Shouvlin, seconded by Johnson, and passed unanimously (9–0).

The motion to accept the 2016 Rule Clarifications as recommended by the SRC was made by Shouvlin, seconded by Miller, and passed unanimously (9–0).

The motion to accept the recommendations of the SRC regarding items 2,3, and 4 from the document, "SRC Assigned Items From the Board — Strategic Plan Meeting 2015" was made by Shouvlin, seconded by Johnson, and passed unanimously (9–0).

There was Board discussion regarding item #1 in the document "SRC Assigned Items From the Board — Strategic Plan Meeting 2015" which related to reducing maximum class size so that the classes will be split when the class size exceeds a number smaller than the current 15 alpacas. It was the recommendation of the SRC and JAC to not change maximum class size for halter classes. The justification for changing class size is to enable exhibitors to receive more judge feedback regarding their alpacas at halter shows. Vigus made the motion to reduce maximum halter class size from 15 to 11, Johnson seconded, and the motion passed unanimously (9–0).

Shouvlin asked that the Board postpone their vote on the final document, 2016 Show Rules Handbook Table of Contents and Welcome, for Shouvlin and Ault have some recommendations for minor edits. Those suggestions will be emailed to the Board for their review and potential email vote, in the next few days.

Ault left the call at 7:40 p.m. EDT.

2.0 Ratify Email Votes:

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2.1.1 I move that we approve the minutes from the July 27th meeting. (Motion: Johnson / Second: Miller) Motion passed 8–0 (Vote not cast: Delaney).

2.1.2 I move that we approve the minutes from the August 10th meeting. (Motion: Miller / Second: Johnson) Motion passed 6–2–0 (Abstain: Vigus, Greene. Vote not cast: Delaney).

2.1.3 I move that we approve the minutes from the August 24th meeting. (Motion: Johnson / Second: Miller) Motion passed 8–1 (No: Delaney).

2.1.4 I move that we approve Potter's Letter for inclusion in the PNAA Show program updating the membership about AOA activities. (Motion: Shouvlin / Second: Johnson) Motion passed 9–0.

The motion to approve the above email votes was made by Hull, seconded by Miller, and passed unanimously (9–0).

3.0 Financial Report:

3.1 Financials: Vigus briefly reviewed the financials with the Board.

4.0 Old Business:

4.1 2017 National Show & Auction: Vannier reported that he is still researching facilities to host the National Halter Show in March of 2017.

4.2 Strategic Plan Strategy Priorities: This item was tabled because 3 of the Board members had not yet submitted their input to Darby.

4.3 Member Petition Response Letter: Motion to approve the petition response letter was made by Shouvlin, seconded by Johnson. Motion passed 6–2–1 (Abstain: Vigus and Greene. Against: Delaney).

4.4 Supreme Champion Award: Vannier reported that the cost to create the sculptures for the National Supreme Awards would be a onetime cost of $6000 ($3000 for the huacaya sculpture and $3000 for the suri sculpture). The trophies will be pewter castings each costing approximately $500, so that the annual cost for the 8 trophies (4 suri male and female, dark and light, and 4 huacaya male and female, dark and light) will be $4000. Johnson moved that we move forward with the trophies as described by Vannier, and Miller seconded. The motion passed 6–3 (For: Miller, Merriwether, Johnson, Hull, Potter, Shouvlin. Against: Greene, Vigus, Delaney). While the motion passed, the vote did not meet the criteria in the Bylaws for unbudgeted expenditures, so proceeding with development of the trophies will be on hold until Vannier can see if AOA can pay for part of the development in 2015 and the remainder in 2016. Vannier will keep the Board informed because the time frame for their creation is limited.

5.0 New Business:

5.1 Office Visit Update: Potter reported that she and Johnson met for Johnson's orientation in Lincoln earlier this month and both found it very helpful.

5.1 Voting Rights Discussion: Greene initiated a discussion regarding voting rights because the members he has spoken with are upset because they believe that voting should be a right of membership. Prior to merger, ARI members could purchase a voting membership which provided one vote per member. ARI provided a level of membership where an alpaca owner could be a non-voting member, and still be able to search the Registry. AOBA members acquired voting rights when they purchased the "Farm" membership and received 2 votes per membership. Because of these differing approaches to voting rights, the 2 memberships (AOBA and ARI) voted (when they approved the merger documents in late 2014) that voting rights could be purchased by AOA Association or Registry members for an additional $15 if a member was interested in voting. This $15 fee covers the cost to the organization for printing and mailing the voting materials, and hiring a CPA to count them. Currently, members who do not purchase voting rights, do not receive any voting materials and are not entitled to vote. Shouvlin related that the issue of voting rights was never mentioned in the Strategic Planning Conference, and in the past, if a member had raised a concern about paying for voting rights, it was her experience that they were satisfied with the explanation that not all members wanted the right to vote and that the additional $15 fee to purchase voting rights existed to cover the costs of the election. Concern was also expressed by Merriwether, Potter, and Shouvlin that currently, there are approximately 2500 total paid members (voting and non-voting) and that providing voting rights to all paid members would minimally cost AOA $25,000 to mail them voting packets in 2016. Greene suggested that in order to generate revenue to pay for the additional voting expenses, the Board could raise membership fees by 10% in 2016. Greene also

suggested eliminating the rights and privileges for the Registry class of membership, making that membership level inactive and moving those members to purchase an Association membership. The Board also discussed the option of finding ways to reduce printing and mailing costs.

Greene moved that AOA not charge a separate fee for voting rights and include those rights in the basic membership fee so that voting ballots will be sent to all AOA paid members. Vigus provided the second. The motion passed 5–4 (For: Delaney, Vigus, Greene, Hull, Miller. Against: Merriwether, Potter, Johnson, Shouvlin).

6.0 Committee & Other Reports:

6.1 Government and Industry Relations Committee (GIRCom): Potter reports that GIRCom met September 23rd. The committee discussed several information pieces for potential eBlasts to assist AOA members: one on USDA programs to help fire affected farmers; one on a scam alert for those selling alpacas; an article on lessons learned from IRS audits utilizing a piece by David Krebs that was published in the most recent *Alpacas Magazine*; and one on things to consider when starting an alpaca farm. Dr. Pat Long will be attending the USAHA meeting next month where he will be presenting information on camelid health issues. There is a vacancy on the committee (Erin Egan resigned) and applications are coming in from members that wish to be considered for the vacancy.

6.2 Judge Training and Certification Committee (JTCC): Miller had no report, for there was no meeting due to lack of quorum.

6.3 Judges Advisory Committee (JAC): Delaney had no report, for there was no meeting.

6.4 Show Rules Committee (SRC): See items 1.1 and 1.2 above.

6.5 Fiber and Fiber Products Committee: Johnson had no report for there was no meeting.

6.6 Alternative Products Committee: Miller reported that the committee did meet on September 14th, and is discussing requesting a place on www.alpacainfo.com to provide information to the membership relevant to alternative products. They are still investigating the possibility of doing research on the nutritional value of alpaca meat.

6.7 Revenue Task Force: Greene reminded the Board that he had sent the notes from the committee's three previous meetings.

6.8 Leadership Council: For several years, AOBA met 2 or 3 times a year with the AOBA affiliate presidents and committee chairs. The AOA Council met last year with AOA Board member Tom Petersen as the moderator. Potter would like to resume this form of membership communication and is willing to serve as the AOA Board representative. That idea was viewed favorably, and Potter and Vannier will begin to organize such a meeting.

6.9 AFCNA Update: Hull reported that he has attended some of their meetings and reports that socks are their biggest seller and paid AFCNA membership is up. There continues to be interest by the AFCNA Board in working with AOA.

6.10 Executive Director Update: Vannier is happy to report that National Alpaca Farm Days numbers were up from last year to 286 participants. There are also numerous farms that take advantage of the AOA marketing for the event, but do not sign up with AOA, making it difficult to track true participation. Participation in the *Alpaca Owners Guide* (AOG) is up dramatically this year from 250 to 470 participants. Because of this, the line item for advertising is going to be a slightly better than was budgeted for 2015. AOG will be published and mailed in early October. The 2016 Fleece Conference location is still being researched. Vannier received the final histogram report from Yocom-McColl for generating the EPDs, but the file is so large that it keeps crashing the system. The office is trying to work with Yocom-McColl to remedy this. The contracts for the 2016 Nationals Halter Show in Fort Wayne including those for barn manager, auctioneer, judges, and show superintendent have all been completed. The judges are Kristin Buhrmann, Dave Barboza, and Jude Anderson. Dianna Timmerman has kindly agreed to be available should a 4th judge be necessary. The hotel and facility agreements are also completed.

7.0 Meeting Wrap:

7.1 Contact the Board Update: Greene sent the Board information from a member who had some comments about the National Alpaca Farm Days, and he will send them a reply. Potter mentioned that a member suggested an added membership benefit would be for AOA to provide sample press releases on the website for members to access and utilize.

7.2 **Action Items:** Greene agreed to bring some ideas to the Board to identify revenue sources to pay for the costs associated with the motion made under item 5.2. Hull agreed to help.

Three board members need to fill out the form identifying their Strategic Plan priorities.

Potter will mail the response letter to the petitioners.

7.3 **Next Meetings:** October 6 (Budget) and October 20th.

7.4 **Adjournment:** Motion to adjourn was made by Miller.

Respectfully submitted, Laurel R. Shouvlin