Board Meeting Minutes

Board of Directors:

Steve Aitchison, Director	Rhonda Deschner, Director	Andy Merriwether, Director
Karen Ball, Director	Wendy Dittbrenner, Director	Mike Vigus, Director
Shauna Brummet, Director	Patty Hasselbring, Director	Jeff Williamson, Director

Executive Director: Bud Synhorst

Corporate Counsel: Sheri Visani, via conference call

Meeting: Annual Face-to-Face Board Meeting – Wilson County Expo Center - Lebanon, TN
Thursday, July 17, 2019 **8:30 AM Central Time**

Vigus called meeting to order at 8:34 AM

1.0 Meeting Opening

1.1 Welcome

1.2 Introductions

1.3 Overview of meeting, retreat and planning day

2.0 Ratify Email Votes

2.1 Motion by Shouvlin; seconded by Aitchison to approve President's show book message and NFE welcome message. Approved 9-0.

2.2 Motion by Williamson; seconded by Hasselbring to approve June minutes. Approved 9-0.

Merriwether moved to accept the email votes, Williamson seconded. Approved 6-0-3 (new board members Brummet, Deschner, Dittbreener abstaining)

3.0 Duties & Responsibilities of AOA Board Members Visani

3.1 Discussion of Board Expectations (Roles & Responsibilities)

Legal Counsel, Sheri Visani, reviewed the legal duties of board members of a Colorado nonprofit corporation required by Colorado law.

3.2 Review Code of Conduct/Complete

All board members received a copy of the AOA Code of Conduct and signed their acknowledgement.

3.3 Conflict of Interest/Acknowledgment Forms to Complete

Visani covered the AOA's Conflict of Interest Policy, providing some examples, and the importance of board members presenting possible conflicts of interest to the board so it

can be assessed. Board members signed their acknowledgement of the Conflict of Interest Policy.

4.0 Election of Officers Synhorst

4.1 Election of President – Shauna Brummet (nominated by Merriwether): 5 votes (Ball, Merriwether, Dittbrenner, Hasselbring, Brummet). Mike Vigus (nominated by Aitchison): 4 votes (Aitchison, Deschner, Williamson, Vigus).

4.2 Election of Vice President – Jeff Williamson (nominated by Vigus) Vote: 9 (unopposed).

4.3 Election of Secretary – Aitchison (nominated by Ball) Vote: 9 (unopposed).

4.4 Election of Treasurer – Rhonda Deschner (nominated by Dittbrenner): 5 votes (Aitchison, Deschner, Dittbrenner, Williamson, Vigus). Karen Ball (nominated by Hasselbring): 4 votes (Ball, Brummet, Hasselbring, Merriwether).

5.0 Board Procedures Visani/Synorst

5.1 Email expectations, board agenda items, and other

Visani stated that the Board relies on email for a lot of communication, and Visani covered several legal concerns with using email for Board communications. Visani also reiterated the Board's policy that new topics for discussion should not be initiated by email unless they are time-sensitive.

Discussion continued to how to streamline emails for discussion and voting. The board agreed that a policy of new material being submitted via email should be allowed 72 hours for review, then the submitter would call for a vote after that period.

Visani reminded the board that when a board member communicates with the public, that there is a standard disclaimer to add to comments where you are expressing your personal viewpoint so that everyone is aware that you are not representing the AOA Board in your comments.

5.2 2019-2020 monthly meeting schedule

Meetings will be changed to be on the 4th Monday of each month at 6:00 p.m. Eastern.

6.0 Other discussion items for Attorney Visani

6.1 Judge contract review (old business)

Visani made some changes that the board approved. The contract will go back to the various judge committees for future use.

6.2 Avid Design contract review (old business)

Visani provided some revisions to the contract with Avid Design and asked the board to clarify who the point of contact would be in the office and the board agreed that should be Synhorst. The board discussed having some input into what goes out to the public so a group of three board members were assembled (Aitchison, Dittbrenner, Merriwether) to review the material published by Avid.

Hasselbring left meeting.

7.0 Financial Report

7.1 Financials

Income: Registration, annual halter show, and magazine ad revenues continue to be down in 2019, though the magazine revenue should equalize later in the year as all the contracted revenue comes in. Membership revenue is up 11%. Overall the organization is about 10% below on income.

Expenses: Overall, the organization is about 8% below on expenses.

7.2 Investments

The organization has about $1.1 million invested and it returned approximately 2% last year.

7.2 Checking Account

In 2019, the checking account balance ranged from $350,000 to $480,000, which, along with the investments, gives the organization nearly $1.5 million in available cash.

8.0 Committee Liaisons & Other

8.1 Review Committee Descriptions/Purposes/Function

8.1.1 Changes/Modifications, if necessary

Brummet asked each liaison to present a paragraph on their committee overview, both past experience (if pertinent) and a vision of where the committee should be going under the new Strategic Plan. Synhorst will have legal counsel prepare a Rules of Conduct document for the committees that will be presented to them annually.

8.2 Selection of Show Rules Committee Liaison – Deschner

8.2.1 Approve Dale Davis to serve on committee – Williamson moved to accept Davis as a member of the committee, Deschner seconded. Approved 8-0-1 (Hasselbring absent).

8.3 Selection of Judge Training & Certification Liaison – Williamson

8.4 Selection of Judges Advisory Committee Liaison – Vigus

8.5 Selection of Government & Industry Relations Committee Liaison – Merriwether

8.6 Selection of Fiber & Fiber Products Committee Liaison – Ball

8.7 Selection of Alternative Products Committee Liaison – Aitchison

8.7.1 Approve Vern Butler to serve on committee – Williamson moved to accept Butler as a member of the committee, Merriwether seconded. Approved 8-0-1 (Hasselbring absent).

8.8 Selection of Membership Committee Liaison – Hasselbring

8.9 Selection of Ad Hoc Fleece Show Committee Liaison – Ball

8.10 Selection of Affiliates Council Liaison – Brummet

8.11 Selection of Registry Petitions & Appeals Committee Representatives (3 board members) – Merriwether, Brummet, Dittbrenner

8.12 Selection of Grievance Review Committee Liaison – Hasselbring, Vigus, Brummet

8.12 Selection of Website/Tehnology Commitee Liaison – Williamson, Aitchison

9.0 Old Business

9.1 Investment Policy Synhorst

The membership passed changes to the Policies & Procedures on managing the organization's investment policy. Brummet asked some questions to clarify how funds would be managed and whether the board would have oversight. There is language in the document that accounts for the board's involvement. Williamson moved to approve the

new Investment Policy, Merriwether seconded. 8-0-1 (Hasselbring absent).

9.2 Employee Retirement and Investment Vendor — Synhorst

The organization will put out two RFPs, one to determine the best investment manager and a second for an employee retirement package manager. Deschner moved to commission Synhorst to issue RFPs, Ball seconded. 8-0-1 (Hasselbring absent).

9.3 Non-breeder discussion — President

Brummet will work with the AOA office to get reports on the number of non-breeders that show so the board can make a more informed decision about animal registrations going forward.

9.4 DDC Testing — Merriwether

Merriwether discussed the pros and cons of buccal (or "cheek swab") testing for DNA validation. Aitchison moved that the organization proceed with testing one-hundred (100) samples to verify the quality and consistency of buccal swabs, Merriwether seconded. Approved 8-0-1 (Hasselbring absent).

9.5 Other Old Business — President

Synhorst informed the board that Amanda Vandenbosch's new fleece show system would be presented at a private event, Education with a Destination, in Oregon in August and asked permission for AOA to officially be involved in this event as a "demonstration" event. The board agreed.

10.0 New Business

10.1 Member petitions received — Synhorst

Tabled for discussion on Thursday, July 18, 2019.

10.2 Board appointments, if necessary — President

No appointments.

10.3 Parade of Champions Presentation — Synhorst/Board

Tabled for discussion on Thursday, July 18, 2019.

10.4 Bookkeeping Services — Synhorst

Synhorst solicited proposals for new bookkeeping services rather than hiring a new in-house employee. Merriwether moved to go ahead with engaging the new bookkeeping service, Williamson seconded. Approved 8-0-1 (Hasselbring absent).

10.5 Other New Business — President

None.

11.0 Meeting Wrap

11.1 Review weekend schedule — Synhorst

11.2 Contact the Board Update — President

11.2.1 Show rules – Fleece Shows/Conflict of Interest — Synhorst

Synhorst presented an inquiry about the sensibility of having a conflict of interest with judges and fleece shows. The board recommended the matter be turned over to the Show Rules Committee for further investigation before making any decisions.

11.2.2 British Alpaca Society Inquiry — Synhorst

The British Alpaca Society inquired if AOA could recommend individuals to perform "screening" for interested parties in the UK for potential exports.

11.3 Action Items — Vice President

11.4 Select regular meeting time — President

12.0 Executive Director 2018-2019 Update/Outlook

12.1 AOA Staff Introductions

12.2 June 2019 Dashboard

Synhorst warned the 2019-2020 board that the activities ahead would test their comfort zone and help bring the board members together to be a better team. He asked that all the members do their best to be prepared in the coming year.

12.3 Looking back/looking forward

Tabled for discussion on Thursday, July 18, 2019.

13.0 Adjournment

Aitchison moved that we adjourn, Deschner seconded. Motion passed 8-0-1 (Hasselbring absent).

Meeting adjourned at 2:45 CST.