Board of Directors Meeting Minutes

April 25, 2017

Board of Directors: Norm Johnson, President; Don Greene, Vice President; Vern Butler, Secretary; Joe Crocco, Treasurer; Steve Hull, Director; Andy Merriwether, Director; Bonnie Potter, Director; Laurel Shouvlin, Director; Mike Vigus, Director

Executive Director: Bud Synhorst

Meeting: Monthly Business Meeting
Conference Call—April 25, 2017, 6:00 p.m. EDT

Proceedings: Meeting called to order at 6:02 p.m. EDT by President Johnson.

1.0 Ratify Email Votes:

1.1 Approve the February 14, 2017, minutes. Motion by Butler, second by Greene. Approved 9–0.

1.2 Approve the president's letter for the summer issue of *Alpacas Magazine*. Motion by Shouvlin, second by Greene. Approved 9–0.

1.3 Approval of the president's message for the AOA Newsletter. Motion by Greene, second by Hull. Approved 9–0.

Shouvlin made a motion to ratify the email votes listed above, Potter seconded the motion. The motion passed by unanimous vote 9–0.

2.0 Financial Report:

2.1 Financials: Crocco reviewed the financials. Registration revenue is up compared to the budget, as is the National Conference income. Income is above budget and expenses are below budget.

2.2 Investments: Synhorst and Crocco presented the status of AOA's investments. Many of the CDs are reaching maturity. The board discussed looking at future CD maturity dates and a review of banking diversification for full FDIC coverage.

2.3 Dashboard: Johnson reported that we are still in a downward trend in many areas, but we are in alignment with what we budgeted. Looking at the P&L, we are doing better than expected.

3.0 Old Business:

3.1 Membership Levels: The board discussed a proposed bylaw change as it pertains to the "Alpaca Owners" class of membership, bylaw 3.2 as it applies to membership dues. Currently this class of non-paying members has access to the website to manage their herd, the EPD program, etc. There is value received there but no membership revenue to support these services. Potter raised the point that there is a substantial amount of income derived from unpaid memberships through purchased services, i.e. registrations and transfers.

The Membership committee is focused on reviewing each membership level to ensure they contain appropriate services for the value of the membership they are paying for. The committee suggested altering the amount of information accessible to non-paying members and non-members. Potter expressed concern that the committee has made recommendations and and no action has been taken related to these recommendations. The Membership Committee would like to see AOA highlight the value of the digital *Alpaca Magazine* to encourage more people to become paid members. Higher membership numbers help with government advocacy, and recognition of the value of membership. Concern was expressed regarding increasing the $15 level as it may negatively alter the membership numbers to a point where it will lower membership and will negatively affect clout with government agencies, etc. Concern was also expressed about how altering the membership levels may affect our databases for email addresses, etc., where we could potentially lose contact with those who are currently non-paying members.

The board recommended reevaluating the impact changing membership levels would have on the organization, and will follow up on this discussion in a few months.

3.2 Breed Standard: Shouvlin and Johnson reported on their meeting with the Suri Network. As a result of that meeting they recommended Sheri Visani (AOA Legal Counsel) draft an agreement between the two organizations as to how the Suri Network breed standard would be used to facilitate the Huacaya Standard.

The board discussed individual views the intellectual property used to create the Suri Breed Standard. Questions were raised whether the Suri Network breed standard is in fact copyrighted. Sheri Visani will be asked to research copyright details.

Concern was expressed by the Board that an agreement with the Suri Network requiring AOA to seek their approval to make changes to the breed standard would hobble future boards, however the board agreed it was important to find a way for both organizations work together amicably.

The board agreed to continue discussions with the Suri Network, however there will be a time limit established to conclude discussions. If this time limit is reached without a resolution the board will decide how to proceed with the AOA Breed Standards.

3.3 Meeting Minutes: Concern was expressed that the minutes for board meetings are not being completed in a timely manner and concern that the current sitting board should have time to review and vote on the minutes prior to the end of their term. Secretary reassured the Board that all minutes will be distributed and completed prior to the end of the current board terms.

4.0 New Business:

4.1 AOA Printed Newsletter: A board member expressed concern that the printing of the newsletter is both costly and redundant to what is currently being distributed by email and posted on the website. The point was raised that the newsletter is mailed to paid members and many people don't read emails so this may be the only way this information will reach some members. Should AOA discontinue the practice of mailing printed newsletters? A suggestion was made that a survey be sent to membership.

4.2 Transformation of Member Letter to Education: The suggestion was made that recent correspondence to a member could be used as an educational tool for the entire membership. The board discussed how best to offer this information to the membership. A suggestion was made to present the material in two or three segments to be posted to the website as part of member education or in a question/answer format, and possibly be sent as an "Alpaca Gram." Merriwether stated that he will have time to completed this task after spring schedules wind down.

4.3 POC — Pathways to Profitability Seminar: The board discussed whether there is a way to capture the seminar content for potential AOA use with Lynn Eden's (owner of Little Creek Farm) approval. AOA owns the technology to record the presentation, does it make sense to send staff to record. Synhorst will research how this can be accomplished.

4.4 James G. King Award: Potter made a motion to go into executive session, Hull seconded the motion. The motion passed by unanimous vote 9–0.

The board entered executive session at 7:59 p.m. EDT.

The board exited executive session at 8:18 p.m. EDT.

Merriwether made a motion to approve the unanimously selected candidate for the James G. King Award. Seconded by Hull. The motion passed by unanimous vote 9–0.

Johnson will reach out to the award recipient to ensure their attendance at the Fleece Conference.

5.0 Executive Director Update:

5.1 Executive Director Update: Synhorst reported on potential future dates and locations for the National Show through 2024. Synhorst requested board approval to move forward, with Sheri Visani's assistance, to secure contracts for the dates/location. Potter made a motion to accept the proposed dates and locations, Hull seconded the motion. The motion passed by unanimous vote 9–0.

Synhorst updated Board on schedule for National Fleece Conference and annual meeting. He anticipates having recommendations for location of 2019 Fleece Conference and possibly 2020 within the next few months.

Synhorst is working with Sheri Visani on an agreement for Margie Ault and Becky Farley to work remotely by the end of May. AOA will be closing the physical office in Nashville as soon as this transition is complete.

Greene commented on and praised the recent AlpacaGram distributed by staff/Executive Director focused on voting.

6.0 Committee and Other Reports:

6.1 Government and Industry Relations Committee (GIRCom): Potter reported on the Massachusetts S490 proposed bill re: exotic animals. The bill is currently sitting in Committee. The bill was discussed at the committee meeting as it affects a few shows and Massachusetts members. The committee recommended reaching out to all Massachusetts members to educate them on the bill and to contact their legislators. Synhorst reported he has been updated by a NEAOBA board member as to actions taken so far, the date of the hearing and where the bill currently stands. Synhorst will reach out to Massachusetts membership as suggested.

Potter's report is as follows.

USAHA is undergoing some changes to organizational structure. Camelids have been included with cattle and horses, but the proposal is to move them to the sheep and goat group. Dr. Long thinks this makes sense and has been offered the co-chair position of that committee. There is continuing concern about antibiotic resistance. MD passed a bill to reduce use of antibiotics in livestock, similar to what has been passed in CA. The agriculture census will be done in end of 2017. It is important for alpaca owners to fill out and submit their census information to support that we are a livestock industry, and the committee recommends that AOA promote completing the census when it is available. Work is continuing on the Estate Planning/Preparedness document. The committee was pleased that AOA responded to Senator Flake's negative report in such a timely and thoughtful manner. MA Senate Bill 490—Wild and Exotic Animal Performance Prohibition was reviewed/discussed and unless it fails to pass, or is modified to define alpacas as farm animals, could negatively impact alpaca owners and alpaca shows/events in MA. GIRCom recommends that AOA contact all MA members and affected Affiliates to lobby for changes to the bill.

6.2 Judge Training and Certification Committee (JTCC): The committee discussed walking fleece classes and how to make them better. One of the goals is to aim for consistency in providing commentary to exhibitors. Overall, walking fleece is being reported to be a resounding success.

6.3 Judges Advisory Committee (JAC): No report, no meeting.

6.4 Show Rules Committee (SRC): SRC had a question from MOPACA regarding a clerical error and how best to proceed to correct the error.

The SRC addressed questions about the show handbook and additions (i.e., rules regarding missing your class, etc).

Crocco asked about small breeder guidelines and should there be parameters established by SRC as to what determines a small breeder? Synhorst to meet with Margie to discuss this and suggestions on how best to address this will be referred to the board.

Greene asked for clarification regarding order of production and halter classes. Currently there is confusion and appears to be inconsistent from show to show. Can SRC offer more clarity as to the order in which classes are to be shown.

6.5 Fiber and Fiber Products Committee: The Student Design Competition has over 100 entries, up from prior years. Johnson stressed how critical support of the student design is to the industry. Shouvlin requested that the results of survey be posted for Board to review. Potter asked for a schedule as to what educational offerings will be at the National Fleece Conference and when the Board can notify membership. Synhorst stated he will update asap.

Johnson's report is as follows.

The Fiber and Fiber Products Committee met on April 3, 2017. The committee focused on the AOA National Fleece Conference to define potential educational seminar topics. The focus areas based on the survey results received include, fiber education, end results, and fiber as a business. The committee also discussed potential signage opportunities for the National Fleece Conference. The student design competition effort is progressing nicely with students and colleges actively engaged.

6.6 Alternative Products Committee: No report, no meeting.

6.7 Leadership Council: No report, no meeting.

6.8 Ad Hoc Youth Committee: No report, no meeting.

6.9 Ad Hoc Membership Committee: Potter presented the progress related to the Camelid Companion Certification program: The International Llama Registry already has a program. The committee suggested partnering with ILR to put this program together for AOA while recognizing ILR cooperation in establishing the program. AOA will establish guidelines whereby members can participate if they are dues paying AOA members and that the alpacas being certified are registered with AOA. Potter made a motion to approve the

proposed ground rules, and if ILR also approves them, to send them to Sheri Visani to use to draft a formal agreement, Butler seconded the motion. The motion passed by unanimous vote 9–0.

Potter's report is as follows.

The Membership Committee met on April 12th. Feedback was given on the results of the meeting with the ILR Camelid Companion Certification Committee on March 9. Based on the discussion Potter began the development of a proposal to establish a similar program for AOA. The proposed Ground Rules were presented and the Committee members endorsed taking them to the next CCC meeting for discussion, and if approved, to the AOA Board for review/approval. There was a discussion of items that Association members might receive when they pay their dues to add value to their membership. Items that might be considered for inclusion in a Welcome/Thanks for Joining Package include a copy of Fun Facts, Meet the Alpaca, Fiber to Fashion, the industry DVD and/or a Pocket Folder along with a letter of Thank You for your membership and a notation that additional copies are available for purchase. Other items that might be made available include a sign and/or sticker that indicates you are a member of AOA, a checklist of things for your website including the fact that you are an AOA member, and the ability to link to the AOA website from a farm website. It is important to update information/brochures/NAFD material to include changing the photos so the information remains fresh/relevant. It was suggested that photos from the photo contest be used.

6.10 US Alpaca Fiber Council: No report, no meeting.

7.0 Meeting Wrap:

7.1 Contact the Board Update: There have been no contacts since the last meeting.

7.2 Action Items Review: Greene reviewed the action items generated by the meeting.

7.3 Next Meeting: May 9, 2017 — Strategic Plan/Special Topic Meeting

7.4 Adjournment: 9:05 p.m. EDT Hull made a motion to adjourn the meeting. Butler seconded the motion. The motion passed by unanimous vote 9–0.

Submitted by Vern Butler, Secretary