Board of Directors Meeting Minutes

March 28, 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 — March 28, 2017, 6:00 p.m. EDT

Absent: Bonnie Potter

Others Present: Pat Myer (HBE Becker Meyer Love LLP, auditing agency)

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

1.0 Discussion with Auditors:

1.1 Review of Audit: Pat Myer presented a powerpoint slideshow to review the results of the annual audit. The details of the audit will be available in the 2016 audit report on the AOA website The question was raised as to whether the for profit entity (Alpaca Livestock Company, Inc.) should continue as an AOA entity. Pat Myer stated that the minimal cost associated with this company more than offsets the potential financial protection it could provide if needed.

Pat Myer left the meeting at 06:20 p.m EDT.

Hull made a motion to approve the form 990 prepared by the auditors, Butler seconded the motion. The motion passed by unanimous vote 8–0 (Potter absent). Greene made a motion to approve the audit report, Crocco seconded the motion. The motion passed by unanimous report 8–0 (Potter absent).

2.0 Ratify Email Votes:

2.1 Approve the Peoria, Illinois, Civic Center as National Show site, March 22–25, 2018. Motion by Greene, second by Vigus. Approved 6–2 (Potter and Shouvlin voted no; Hull vote not cast).

2.2 Approve new policies for embryo transfer and artificial insemination (following membership approved changes in bylaws) and certificates for recording/tracking. Motion by Greene, second by Butler. Approved 8–0 (Hull vote not cast).

2.3 Approve the appointment of the chair and secretary of the Alternative Products Committee. Motion by Johnson, second by Greene. Approved 8–0 (Hull vote not cast).

2.4 Approve the "What's Going On–Info from the Board" message to membership. Motion by Vigus, second by Butler. Approved 8–0 (Hull vote not cast).

2.5 Approve the January 24, 2017, minutes. Motion by Shouvlin, second by Johnson. Approved 9–0.

Shouvlin made a motion to ratify the email votes listed above, Butler seconded the motion. The motion passed by unanimous vote 8–0 (Potter absent).

3.0 Financial Report:

3.1 Financials: Crocco reviewed the profit and loss statement with the board. He stated that we are doing better than expected in both income and expense categories. A board member asked if the board could get a preliminary view of how we did at the Denver National Show. Synhorst predicted that we will, at worst, meet our revenue budget and will probably exceed that number by 10–15%. A board member asked for clarification of the expected profit from the National Show. Synhorst gave brief explanation of the revenue components for the show which answered the board member's question. There was another question about the significantly higher revenue for last year's National Show which included a live animal auction. Crocco stated that the revenue was substantially higher but the expenses associated with a live animal auction were also considerably higher.

3.2 Investments: The board reviewed an investment report produced at the end of the year (2016). Synhorst discussed the intended activity for the investment accounts over the next few months.

3.3 Dashboard: Johnson stated that we are trending a little down as far as registration and transfers. Synhorst reviewed information about the different categories of AOA accounts. He suggested that some time in the near future we should discuss changes in how we classify accounts to give a more accurate picture of our membership makeup. The suggestion was made that we don't need to keep track of voting members as all paid members that own an alpaca are eligible to vote. A question was raised about the consistency of membership counts. Synhorst stated that he would look into this.

4.0 Old Business:

4.1 Update from Discussion with Suri Network: Johnson and Shouvlin had a meeting with the Suri Network Board of Trustees to discuss AOA use of the Suri Breed Standard. The Suri Network is adamant about not having a comment period for the Suri Breed Standard. The Suri Network feels that we should have an education period before we ask our member to comment on a Breed Standard. The Suri Network feels that we should focus on the Huacaya Breed Standard first as it will most likely take much longer than we anticipate. The board agrees that we need to have a formal agreement with the Suri Network before we use the Suri Breed Standard. It was suggested that we work on approval of the Huacaya Breed Standard for now and when that has made significant progress we could revisit the Suri Breed Standard. As a result of the above conversations Greene made a motion to submit a draft of the AOA Huacaya Breed Standard to the membership with education for a 30 day period, then the board will make adjustments as necessary and submit to our membership for a vote to adopt the standard. Hull seconded the motion. Discussion followed as to whether the Huacaya Breed Standard will be ready in time for the ballot this year. Synhorst reviewed the election timeline with the board. The board agreed that the Huacaya Breed Standard may not be ready for the election ballot but could possibly be included in a second electronic vote. The motion passed by unanimous vote 8–0 (Potter absent). A board member suggested that we draft something for the board members to communicate to the membership. Another board member suggested that we should use caution in how and when we present this information. Johnson asked Shouvlin to create some educational material for board members as reference material.

4.2 2017 National Show Summary: Synhorst reviewed the update that was posted for board member review. The vendors felt that the show was very good. The combination of the home show, media coverage, and excellent promotion led to a great show. The public turnout and vendor feedback was exceptional. A board member asked if we could get the same type of promotion for the Sacramento National Fleece Show. A discussion followed about the success of the selfie booth and overall attendance of the National Show. The show made national news all over the country. This was great accomplishment for AOA and its reputation.

4.3 Affiliate Application Update: Synhorst gave an update on the recent application for a new AOA Affiliate that was received last month and reviewed by the AOA Board. He shared the response from Sheri Visani (AOA Legal Counsel) which asked for clarification of a couple issues relating to the AOA's non-profit status and the applicants for profit status. The current policies and procedures require an affiliate to be a non-profit organization. The suggestion was made that this might be a better fit for a benefactor membership rather than becoming an affiliate. Johnson asked Synhorst to reach out to the applicant and get more details about why they are trying to become and affiliate and discuss membership options that might be a better fit.

5.0 New Business:

5.1 Membership Levels: Johnson tabled this item until a future meeting when Potter can participate in this discussion as she chairs the Membership Committee.

5.2 James G King Award: Johnson reminded the board that this deadline is fast approaching and nominations should be presented in the very near future.

6.0 Executive Director Update:

6.1 Executive Director Update: The board was provided with a report to review before the meeting. Synhorst introduced the topic of deciding whether the National Show should be held in a single location or moved east/west every other year. He asked that this topic be added a board meeting agenda in the near future. Synhorst contacted a clipping service as a way to measure the effectiveness of our marketing efforts for the National Show. A sample report was provided to the board for their review. This services allows AOA to keep track of how effective our marketing efforts are along with giving us the ability to keep track of any alpaca related media events. We can be proactive about promoting alpaca related news and share this information via social media (if copyrights allow). The cost of subscribing to this service is about $5100/year. Shouvlin made a motion that AOA subscribes to the clipping service as recommended by Synhorst pending legal approval,

Greene seconded the motion. During the discussion a board member asked if this covered media events in all of the United States. Synhorst stated that this service will actually cover all media events in the United States and web related events anywhere in the world. The motion passed by unanimous vote 8–0 (Potter absent). The suggestion was made that results from this service could be added as a member benefit for certain membership levels.

7.0 Committee and Other Reports:

7.1 Government and Industry Relations Committee (GIRCom): Potter's report provided to the board via Dropbox.

The Government and Industry Relations Committee met on March 15, 2017. There was not much new to report from the USAHA Health Alerts. BVDV in cattle continues to be a problem and Dr. Long recommends that the alpaca industry continue to require negative BVDV certification for our shows to avoid developing a problem. BVDV testing was discussed. The committee is continuing to work on a document about Estate Planning and Preparedness.

7.2 Judge Training and Certification Committee (JTCC): No report, board liaison was not present at the meeting.

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

7.4 Show Rules Committee (SRC): No report, no meeting.

7.5 Fiber and Fiber Products Committee: Johnson stated the committee has started looking at the survey results to provide recommendations for the Nation Fleece Conference.

Johnson's report provided to the board via Dropbox.

The fiber and fiber product committee met on March 6, 2017. The committee was focused on defining potential educational seminar topics for the AOA National Fleece Conference. Initial 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 Conference. The student design competition effort is moving forward with students and colleges actively engaged.

7.6 Alternative Products Committee: No report, no meeting.

7.7 Leadership Council: Johnson stated that there was good participation by the affiliates for this committee meeting. The AOA staff gave the committee an update of current activities and events.

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

7.9 Ad Hoc Membership Committee: Potter's report provided to the board via Dropbox.

The Membership Committee met on March 8, 2017. Feedback was given on the results of the discussion of the committee recommendations made to the AOA Board on February 14, 2017. Bonnie Potter and Laurel Shouvlin met with the ILR Camelid Companion Certification Committee on March 9 to begin the development of a proposal to establish a similar program for AOA. There was continued discussion of ideas to promote Registry and Association memberships.

7.10 US Alpaca Fiber Council: Johnson's report provided to the board via Dropbox.

The US Alpaca Fiber Council continues to meet weekly. The initial release of the website has been published and supported by a recent press release. Focus points now are how to generate revenue for this organization and expanded content that add value to the targeted audience.

8.0 Meeting Wrap:

8.1 Contact the Board Update: A member sent a text message to at least one board member commending an AOA judge on their job at the Rail Splitter Show.

A board member was contacted about a halter class change that happened in a recent show. The related information will be forwarded to the Show Rules Committee for their review.

8.2 Action Items Review: Greene reviewed the action items generated by the meeting. The board discussed how the election timeline should be communicated to the membership.

8.3 Next Meeting: April 11, 2017—Strategic Plan/Special Topic Meeting

8.4 Adjournment: 8:30 p.m. EDT Hull made a motion to adjourn the meeting, Butler seconded the motion. The motion passed by unanimous vote 8–0 (Potter absent).

Submitted by Vern Butler, Secretary