

Teleconference - September 27, 2016 – 8:00 p.m.

President Bagley called the meeting to order. Roll call resulted in Ryan Mullen, Chuck Cryderman, Ken Airgood, Sierra Covell, Dave Hennen, Dennis Johnson, Greg Bagley, Shannon Cobbs, Andrew was not on right away, and Cathy Behn.

President Bagley began with the President's comments. He stated that he would like to reiterate the committee structure submitted before. He stated the board was spending too much time talking about things that could be done within committee. President Bagley stated the Board of Directors responsibility is to set policy, approve minutes, and make sure Association Business is conducted in proper order. He stated that the committee chairs need to work on adding members to committees and the Committee list and Structure would be worked on at the Lansing workshop and meeting.

President Bagley stated he had no conversation with Lisa Graham regarding securing a contract on a Trailer for the WCS. Sierra Covell stated she spoke to Lisa Graham and she stated she should have something at Lansing as Lisa had spoken to Josh. Sierra Covell stated Lisa Graham sounded like everything is a go and a trailer built for WCS. Ken Airgood asked if the trailer would be donated or if the Association or WCS would have to purchase the trailer? Sierra Covell said Lisa Graham was not clear but will have use of trailer for WCS promotion and when auctioned off at the WCS, Mr. Funk will get price of trailer back with all additional profit going to the WCS. Greg Bagley asked if the trailer would be auctioned off during the WCS. Sierra Covell said that is the way she understood it at this point. Ken Airgood asked who titles and insures the trailer. Sierra Covell said it will all be laid out in a contract for review at Lansing. Sierra Covell stated she will follow up with Lisa Graham prior to Lansing.

President Bagley moved onto the topic of the WCS Hat and Shirt promotion. Ryan Mullen reported the proposal is that the WCS hats will be a give-away for "Friends of WCS", given to anyone donating \$50 to \$299. He also stated the Team Member Shirts were to be given to Team Members donating \$300. Each team member would get two shirts. Mr. Mullen the intent was to not sell them, but to use them as sponsor giveaways. Ken Airgood stated he had talked to Lisa Graham and she was fine with both items and their purpose. Sierra Covell stated she felt the hats are a huge conflict as Lisa Graham is working on getting hats for the Clydesdale Store and More and that she is paying for the rights to have the store. She felt the hats would be a conflict under the current contract. Ken Airgood stated that during his conversation Lisa Graham had stated she had not been successful in getting hats for the store. Ken Airgood stated the Association has retained the rights to use the WCS logo also. Sierra Covell stated Lisa Graham is working on the product and feels it is wrong to compete with her. Shannon Cobbs stated he had briefly spoke to Lisa Graham the past week and part of the reason she doesn't have hats is that the logo is difficult to work with and she had it digitized three times without satisfaction. Lisa Graham stated she cannot get colors of the horse correct in the logo and had even worked with Robert Detweiler to get it correct enough to embroider it on hats and other items. Shannon Cobbs asked if Ryan Mullen and Ken Airgood had seen the digitized logo to be used on the hat. Ryan Mullen stated he had seen it and thought it was a good representation of the logo. Sierra Covell stated it would have been nice if the rest of the committee could see the logo. Ryan Mullen stated that it would be nice if the rest of the committee could communicate and had been involved in the conversation with Lisa Graham about the trailer and other issues. Shannon Cobbs stated the rest of the committee didn't even know about the shirts and hats and felt that was not fair to just get the hats and shirts without them knowing. Shannon Cobbs said he was against giving the WCS to anyone else as it was a loss of revenue but said Lisa Graham had said she told Ken Airgood and Ryan Mullen she was in the process of getting hats. Andrew Stalhiem came on the call at 8:15 p.m. Greg Bagley explained what discussion was being held. Greg Bagley asked what to do about hat and shirt issue. Shannon Cobbs why the shirts and hats were not purchased through Lisa Graham. Ken Airgood said when he talked to Lisa Graham he explained they were running out of time and Lisa said she was not sure she could have anything done by Lansing. Ryan Mullen explained that there was a different image to be used on the team shirts so they would not compete against what was in the Clyde Store. Shannon Cobbs stated that now there is two logos for the WCS. Shannon Cobbs related that he had no idea how Ryan Mullen and Ken Airgood thought that was okay to choose another image. Ken Airgood said the procedure was the same as the last WCS regarding the Team Member shirts. Shannon Cobbs asked if the

committee at the last WCS had approved the team member shirt. Shannon Cobbs stated that at the last WCS, the committee did not have the right to use a logo that had been submitted. Shannon Cobbs stated that there is only two people calling the shots for the WCS and it is supposed to belong to everyone. He stated that the WCS is 2 years from this month and no other board members had been given any information. Sierra Covell stated she had sent out emails and had not gotten any response. Greg Bagley made a comment prior that Ryan Mullen and Ken Airgood are chairs and it is their responsibility to communicate with WCS information. He stated that Sierra Covell, Shannon Cobbs, and Andrew Stalhiem wanted to be part of the committee and they are very frustrated with no communication. Ryan Mullen stated he can't go back and make things right from the beginning but he offered to step down as chair if anyone wanted to take over. Shannon Cobbs asked Sierra Covell if she would become chair of the WCS. Sierra Covell said there were people that would back her up, but she was uncertain. Greg Bagley stated that the option is open for her to take it over. Shannon Cobbs stated that he didn't necessarily want anyone to take over the chair, but there needs to be more involvement. Shannon Cobbs asked how the shirts were being paid for and Ryan Mullen stated that he was paying for the shirts and would be re-imbursed by WCS funds once Team Members were secured. Greg Bagley asked how the funds came out of WCS accounts without board approval. Ryan Mullen stated it will not be coming out of any funds until proper approval. Shannon Cobbs stated that the board voted on an official WCS logo. Shannon Cobbs stated he would be willing to make a motion to use one logo and nothing else. Shannon Cobbs stated that the shirts and hats should not have been ordered. Ryan Mullen stated that if every little detail had to be discussed, nothing will ever get approved for the WCS. Ryan Mullen again stated he would step down and he can't change it. He stated he would like to continue and would do better from here forward. Greg Bagley stated that if Ryan Mullen wanted to step down, the board could accept that. Greg Bagley stated more thought needs to be given to a chair and it doesn't have to be a board member. Ken Airgood would offer to step down also if someone else would like the position. Greg Bagley stated the board could accept Ryan Mullen and Ken Airgood offer to step down and go forward and try to find a chair person to try and continue on. Shannon Cobbs stated he felt bad as a Clyde member and friend of fellow board members and the fact that two board members step down because of lack of communication. Shannon Cobbs stated that from the outside looking in it would not send a unified front with two board members stepping down. Shannon Cobbs would make a motion to not use the other logo. Ken Airgood stated he felt the team shirts would be a promotion item and as incentive to become a team member with another shirt that cannot be reproduced. Shannon Cobbs stated that Ken Airgood had made a valid point, but the second logo should have been voted on as a board. Cathy Behn stated that this type of conflict had happened in 2007 and it was a negative thing for the Association, board, and WCS. She stated it was her job to market and promote and asked the board to try and resolve the conflict and become a working group. Shannon Cobbs stated the board can't promote the WCS as there has been no communication. Greg Bagley stated that as President is on all committees and he feels that he has failed at promoting communication. Greg Bagley stated he will call every committee chair from now to promote communication. Greg Bagley asked that as a compromise, could the hats and shirt be ordered through Lisa Graham even if it was not in time for Lansing. Ken Airgood asked if the board could review the existing proposal on the shirts and hats to see if it would work. Shannon Cobbs agreed that would be a good idea. Shannon Cobbs and Sierra Covell stated that it was still not right to exclude Lisa Graham as the board had been taken her on as a partner. Sierra Covell still related she felt the hats were not a good idea as it will take profit from Lisa Graham. Ken Airgood stated that the WCS also needed to be able to raise funds for the show. Greg Bagley stated the hats and shirts would be totally for promotional items. Sierra Covell stated she understood the theory of the team member logo, but still had a problem with the hats with the WCS logo as Lisa Graham is having hats made. Greg Bagley stated that Lisa Graham is a partner and would like to assist in the fundraising and promotion of the WCS. Shannon Cobbs asked if Ken Airgood or Ryan Mullen could send photos of the shirts and the board could decide. Ken Airgood asked Ryan Mullen if he had a proof of the shirts and Ryan said he could sent something out to the board for the shirts. Greg Bagley asked to set a timeframe for the process of receiving and voting on the team shirts. If the goal was having a booth at Lansing, Ken Airgood stated that help would be needed to promote the WCS. Greg Bagley asked if the vote on the team member shirts could be done by email with Ryan Mullen getting information to board and the board would vote via email. Greg Bagley stated it was his opinion to stay away from hats. Sierra Covell asked what the cost of the booth was at MGLI as Lisa Graham had

offered her booth space to promote the WCS. Ken Airgood stated the cost of the booth is \$200 but felt it was better to keep the WCS booth separate as it would get more individual attention than in the retail environment of the Clydesdale Store and More. Greg Bagley stated that the Clydesdale Store and More and the WCS are two separate entities. It was the consensus of the board to have Ryan Mullen email the proposed team member t-shirt to the board by the end of the week, and then to have board members vote with a yes or no to the Clydesdale office. **Chuck Cryderman moved that the team member shirt proposal to be emailed to the board by Friday – September 30th with the board members responding back to office by Tuesday October 4th – Andrew seconded the motion. Motion carried.**

President Bagley moved on with the agenda to USLGE trips. Ken Airgood stated he was still working on getting details put together on the trip to Australia. He stated a breeder in Australia was working on getting the final information on the Equitana booth fees and so forth. He stated that this same breeder in Australia was planning on bringing her stallion to America for the WCS. He also stated she was willing to help with the booth at Melbourne show. He related rough costs to send two people would be \$10,000. Cathy Behn reported that out of the \$30,000 granted by the USLGE, a Reverse trade mission had been done in the spring using approximately \$2000, and approximately \$5000 would be assigned to print material, leaving approximately \$13,000 for Toronto. She suggested splitting the remaining funds between the Australia trip and the Canada trip. Shannon Cobbs stated need to know how much money would be available for the Toronto trip before he could work up a budget for the mission. Cathy Behn stated that she would need a budget for both trips before the funding could be submitted to the USLGE for reallocation. Cathy Behn suggested that Ken Airgood and Shannon Cobbs get something in writing for the trips. Shannon Cobbs stated rooms in Toronto would be \$250 to \$300, so for three board members and a mission dinner would be over \$10,000. Shannon Cobbs stated he felt the USLGE is dragging and should not be continued if it can't be tweaked. Cathy Behn stated she had sent the forms to begin the budget for the Toronto trip to Shannon Cobbs and thought it would help him with his budget process. Shannon Cobbs said he just didn't know how to proceed. Cathy Behn said she welcomed questions on the process. Shannon Cobbs asked Sierra Covell is she was still interested in going to Canada, to which she answered possibly but she needed the dates. Shannon Cobbs said his intent was to split board members for both weekends. Greg Bagley stated he would be unable to go and asked any other board members if they were interested in going. Dave Hennen stated he could go for hitch weekend. Chuck Cryderman suggested offering the trip to general members at MGLI. Sierra Covell says that if some board members can go there would be no other funding left. Dave Hennen said if he goes he would not need reimbursement from USLGE funds as would Chuck Cryderman as they were planning on taking horses. Chuck Cryderman stated there needed to be more membership involvement in the program. Sierra Covell stated member are making statements that only certain people get to go. Greg Bagley suggested that Ken Airgood, Shannon Cobbs, and Cathy Behn could come up with plan to involve the membership. It was the consensus of the board to discuss the final plan at Lansing. Cathy Behn will email USLGE to see if reallocation can wait until Oct. 17th.

Greg Bagley moved on to the approval of the minutes of Sept. 13th, 2016. Greg Bagley asked for any questions, concerns, or changes. Greg Bagley stated the only thing he questioned was the payment of an un-named sponsor and then the Clydesdale Store and More was put in the minutes. He thought it should be reworded as vendor contract. **Ken Airgood moved to approve the September 13th, 2016 teleconference minutes. Dave Hennen seconded the motion and motion carried.**

President Bagley moved onto report and WCS budget. Ryan Mullen stated he would be forwarding the WCS to the entire board.

Sierra Covell discussed the proposed classes she had sent the board a report on for the WCS. She reported she had priced the class sponsorships based on other saddle classes and existing class sponsor structure. She stated she thought there would be two preliminary rounds of competitions in the second arena and the championship rounds could be done in the main arena. Ken Airgood asked if premiums would be paid for each round and how they would qualify for championship classes. Sierra Covell explained her proposal and stated she felt it could be the same for

the farm team races. Ken Airgood asked if there was too many classes being added for time constraints and that some of the classes seemed very similar. Discussion was held on the specifics of different classes. Ken Airgood asked if there would be enough interest in the dressage class. Sierra Covell stated that dressage was the number 3 pick on the additional classes pole. She stated over 40 people wanted dressage. Ken Airgood asked if there would be enough time for dressage classes and asked about judging criteria. Discussion was held on time constraints and that additional classes were being added to get more people at the WCS. Shannon Cobbs stated that people would like the dressage and it would be supported. Greg Bagley stated that he and Sierra Covell had talked and after looking at the additional classes, thought they are all good and they are opportunities that will open the WCS up to new people. Greg Bagley stated they need to be included and he would like to shoot for between 8 and 10 classes and make the best they can be and then if extra fun classes can be added that would be good also. Sierra Covell was instructed to bring the final proposal to Lansing so the board can make final decision.

Audit – Dennis Johnson explained procedure of audit and stated that most know that audit needs to be completed. Dennis Johnson presented about a year ago as the Association had never had an audit. He related it was important and needed to know what to do to improve Association. He stated an outside firm had been contracted to do the audit other than the one employed by the Association. The audit firm from Springfield, IL have done a lot of audits over the years. Mr. Johnson stated the auditor would have a rough draft to the board at Lansing. Questions can be accepted at Lansing for him. Mr. Johnson explained that the fiscal year ends on Sept. 30th so not all final information will be available and would not have to be submitted. Greg Bagley stated the schedule of audit would be for the auditor to be at the office Oct. 3rd until noon Oct. 7th with draft to board on the 15th at Lansing. Greg Bagley stated him and Dennis Johnson had set timeframe with the auditor and set up all the arrangements. The auditor had sent a list of items needed to Cathy Behn at the Office. Greg Bagley stated the only other time the auditor could do it was Nov. 15th or 16th. He felt that the information needs to be presented at Lansing. This will only be a rough draft presented at Lansing with just preliminary findings. Ken Airgood asked what type of audit was being done that would address changes and improvement to the Association. Greg Bagley stated an audit always reviews Association and business. Dennis Johnson stated the audit will report on all aspects of the Associations business and shared a lot of the things asked for on the list. Dennis Johnson related the auditor from Springfield, IL is a professional and has done it for many years. Dennis Johnson said if the rough draft is ready at Lansing, it would assist in the budget process for 2017. All this CPA does is audits. Ken Airgood asked timeframe for final audit. Dennis Johnson thought the final audit would be received by the end of the year of 2016. Greg Bagley he understood that the final report would be available sometime at the end of November. It was stated that the auditor will prepare tax reports for 2016 and he will notify the CPA we currently employ. Ken Airgood asked if the Lansing trip was included in the quote before and Dennis Johnson said it was in the quote. Greg Bagley asked for a motion on the timeframe of the audit. ***Dennis Johnson moved to continue the planned audit of the CBUSA commencing Oct. 3, 2016 through Oct. 7th, 2016 – a rough draft to be presented Oct. 15th to complete board of directors of the CBUSA. Sierra seconded the motion. Greg any further discussion. Motion carried.***

Any other business – Greg Bagley asked Cathy Behn to forward the agenda for the Board Meeting to be held in Lansing. Greg Bagley asked if there were any other topics for the agenda for MGLI. He stated the board would need to discuss chairman position for the WCS. ***Shannon Cobbs moved to adjourn the meeting. Sierra Covell seconded the motion and motion carried at 9:19 p.m.***

Respectfully Submitted,

Cathy Behn, Executive Director
Clydesdale Breeders of the U.S.A.