

Board Meeting – Saturday October 15, 2016 – Michigan Great Lakes International

Roll Call – Dave Hennen, Sierra Covell, Chuck Cryderman , Greg Bagley, Andrew Stalhiem, Shannon Cobbs, Ken Airgood, Dennis Johnson, and Cathy Behn. Guests present included Keith Mann and Lisa Graham.

Chuck Cryderman moved to approve the agenda as presented. Dennis Johnson 2nd the motion. Discussion resulted in Dave Hennen moving the finance and the budget be moved up to the first topic of discussion. Andrew Stalhiem 2nd the motion and motion carried

President Bagley began the agenda with Finance asking for a motion to approve the 2017 budget as presented. Ken Airgood related there were still some highlighted items on the budget that needed to be discussed. President Bagley related that the board would need to move into executive session for discussion on said items. He called upon Lisa Graham to address the board prior to the executive session.

Lisa Graham reported she had talked to Bob Funk about getting a custom trailer for the WCS. She reported it would be an Elite Trailer and shared all the selling points of the trailer that would be secured. She stated the trailer would come plain and could be customized for the WCS with decals or a logo wrap. Lisa Graham reported the trailer would sell for around \$26,000 but Mr. Funk could get it for \$18,000. Lisa Graham asked the board how they would like the issue of the trailer to be handled. She related a contract with Mr. Funk could be secured with the understanding the trailer would be auctioned off at the WCS. Lisa Graham asked for direction of the board on licensing, insurance, etc. It was noted that it was a law in Illinois that the truck pulling trailer would be responsible to insure the trailer.

The team member shirts were discussed and Lisa Graham presented a photo of a basic golf shirt with the logo on the chest and team member on the sleeve, along with dates and place on the sleeve. She stated each shirt would be silkscreened and would cost \$12. Sierra Covell stated that if the Team Member shirt was approved it could be included in a brochure with the WCS packaging. President Bagley asked if there were any further questions for Lisa Graham. Lisa Graham asked for any suggestions for WCS items. Lisa Graham stated she has been asked if she had a website. She stated Jack Parnell had asked if she had a website and she replied she did not as it would cost at least \$3000. She stated that Jack Parnell had sent her the funding for her website. Lisa Graham stated her goal is to promote the website on Black Friday. She stated that once she has the website completed it can be linked to other websites such as the Clydesdale Breeders website. Shannon Cobbs asked Lisa Graham if she accepted PayPal and she replied that she does accept PayPal.

The Board of Directors entered into Executive Session at 7:25 p.m.

President Bagley called the meeting back into regular session at 8:47 p.m. President Bagley related discussion was held by the board and the following items would be changed on the proposed budget: The \$6000 proposed for Board Expense had been removed from the budget; the \$5000 for the USLGE was removed from the budget with notation that sponsors would be sought to pay last quarter payment of \$1250; \$4000 secretary travel expense was removed from the budget along with the \$1500 mileage for secretary being removed from the budget, as well as the Part Time Position. There was \$1400 added to expense for the 2016 Queen stipend bringing that budgeted amount to \$2800 for 2016 and 2017. President Bagley reported \$215, 225 on expense and \$215,850 on income. President Bagley was related that there had been \$20,000 cut from the income side down to \$4000 on the budget for fundraising.

President Bagley stated that in view of the audit report the board would look into renegotiation the rent, and accounting fees. President Bagley reported that bills will be submitted once a month for approval by the executive committee of the board. He stated that the teleconferences would be moved up to the first week of the month. President Bagley reported that all signature accounts at the bank will be updated to include Cathy Behn and himself, Greg Bagley. He also stated that all itemized receipts would be submitted for all credit card transactions. He stated the budget would be reviewed at least semi-annually so amendments and adjustments could be made. Cathy Behn asked if she was to let the part time employee go and President Bagley stated that was correct. ***Dave Hennen moved to approve the 2016/2017 budget as presented, seconded by Sierra Covell. Motion carried with Dennis Johnson being in opposition.***

President Bagley asked those present if there was any public input and there was none.

Dave Hennen reported for the Sale Committee stating the Sale Committee had had a quick meeting. He stated that they would attempt to put a saddle horse section into sale with more definition in days to come. He stated discussion was held on removing the banquet from the mail arena area so set up was not so pressed for time. Mr. Hennen related they would leave the preview the same and would offer help to exhibitors with more than 3 horses. He reported they would be contacting clubs or Boy Scout organizations to help with clean up, bathrooms, shavings dispersal, etc. He stated food had been an issue every year and he will be talking to the Liz at the facility for a remedy. He stated there was concern that the in-transit stalls were not being bedded so they may add the price of two bags of shavings into the in-transit stall price for a cleaner appearance. Mr. Hennen stated the Feb. 1st date of ownership would be discussed and will probably be proposed to take that rule out of the rules. It was noted that when the National Sale Rules are updated, they would be proposed to the board for any changes in upcoming teleconferences.

Dennis Johnson reported for the Social Committee stating that the committee did not have any major changes and would be very similar. He stated the Happy Hour will be sponsored by the Anheuser Busch folks, with appetizers, and dinner to follow.

Sierra Covell was called upon to report for the Fundraising Committee. She stated she had a document prepared for different levels to sponsors and general fundraising, targeting corporate sponsorships. President Bagley asked if Sierra Covell could forward her sponsorship package to the entire board of directors in the next week or 10 days for consideration and approval on the next teleconference. Lisa Graham asked for clarification on the fundraising auction; stating it was her understanding that there would be items allocated for funds to go to the WCS and then allocated items to fund general Association funding. It was confirmed that Linda Harmon-Dodge and Lisa Graham will work at organizing the fundraising in that direction. Lisa Graham stated there would be 10 items for the WCS and 10 items for the general fund with all silent auction items to go into the general fund. Ken Airgood stated that a member would have a right to clarify where their donation would go.

President Bagley stated he wanted to make not that Ryan Mullen had resigned from the Board of Directors. ***Chuck Cryderman moved to appoint Pat Connors to the Board of Directors to fill Ryan Mullen's remaining term.*** He stated that he had been an asset to the board in the past with an excellent resume. He also stated Mr. Connors was the next higher vote when Ryan Mullen was elected. ***Andrew Stalhiem seconded the motion and motion carried.***

President Bagley reported there was a vacancy in the office of 1st Vice President. ***Andrew Stalhiem nominated Shannon Cobbs for 1st Vice President. Chuck Cryderman seconded the motion. Andrew Stalhiem asked if that was proper procedure or if there were any rules in the by-laws. President Bagley stated there were none and asked for a vote on the motion and motion carried. ***** After the meeting and review of Roberts Rules of Order, President Bagley emailed the board that the motion made was not within Roberts Rules of Order and that the 2nd Vice President automatically moves into the 1st Vice President position. He stated that would make Andrew Stalhiem 1st Vice President and Shannon Cobbs 2nd Vice President.***

Dave Hennen reported for the Show & exhibitions, reporting nothing was new for the National Show. Sierra Covell stated they were working adding some additional riding classes. Dave Hennen stated they would be working on those classes with the Indiana State Fair. He also reported funds had been received from Victoria McCullough and information on use of those funds would be given at a later date. President Bagley asked if there was a contract with Indiana State Fair for 2017. Dave Hennen stated there had been no contract since day one. President Bagley stated contracts were something that needed to be started and consistent. Chuck Cryderman asked if there was any other interest in hosting the National Show. Lisa Graham announced that both she and Gene Cooper had resigned from the Wisconsin State Fair staff along with three others. She stated that it was due to poor management. Dave Hennen stated that he would make a motion to keep it at the Indiana State Fair for the next three years. Lisa Graham stated the Percherons were moving to Iowa for 2017 and they will rotate their National Show. Dave Hennen stated that if the board wanted to look into moving the National Show that was fine, but he felt he was not interested in assisting with the process as the National Show is working well. He also stated he was okay for it being there year to year, but doing the research had been a lot of work with not a lot of results. Ken Airgood asked if the horse numbers were up or down. It was noted that the numbers remain about the same. Discussion was held on options on where the Show could go. Chuck Cryderman suggested sending a memo to surrounding fairs after 2017 to seek if there is any interest for 2018 and if nothing comes forward to stay at Indiana. President Bagley asked if there was a second on Dave Hennen's

motion and Dennis Johnson seconded the motion. President Bagley asked the board if they wanted to amend the motion or would like to vote on the motion. Chuck Cryderman stated he would like to support one year contract. Dave Hennen stated that if the contract would only be for one year, there was no need for his motion and he dropped his motion. Chuck Cryderman stated he would be willing to take on the task of communicating with the shows discussed to see if there was any interest in hosting the National Clydesdale Show. He stated all the results would be discussed at the April 2017 meeting for a decision for the 2018 National Show. It was the consensus of the board that Indiana State Fair had served well, but it was a responsibility of the board to research and report.

Shannon Cobbs related that a few people had commented and desired that the Board of Directors help select the judges for the National Show instead of the fair. Dave Hennen related that currently the sponsors of the classes give recommendations and then Linda Harmon-Dodge and he give Indiana State Fair the top three. At that point, Indiana contacts the judges for availability. Chuck Cryderman stated he liked Shannon Cobb's idea with board involvement. It was the consensus of the Board that the Board of Directors will make recommendations on the judge for National. Dave Hennen stated there would be three recommendations for a hitch judge and three recommendations for a halter judge and board will vote on top three of each. President Bagley will put the judge recommendations as an agenda item for the next teleconference.

Dave Hennen reported for the Show and Awards Committee stating all the awards for the National Show were great and would be even better for 2017. Lisa Graham stated that awards were purchased through the Clydesdale Store and More for support.

Ken Airgood reported for the National Queen. Keith Mann stated that the 2016 Queen works on his farm and had not received anything regarding her expenses. He stated he would get her to submit her costs for the 2016 Queen expenses. Ken Airgood would work on protocol for the Queens to get their expenses submitted by September 1st so it would be prior to the end of the fiscal year.

President Bagley reported that he had not talked to Cheri Moleski, so there was nothing to report for the National Futurity. He stated he would communicate with Mrs. Moleski and get the information to the Board via the next teleconference.

President Bagley reported for the By-laws stating that he did contact Mr. Vickery and several people regarding work on the By-Laws. He stated that the Belgian Corporation has 13 pages of By-Laws and the Percheron Association has many pages and we have a one page brochure. He stated with board's approval he would like to send out the Belgian and Percheron by-laws to the people on his committee and make a proposed recommendation back to the board for a total revision of the By-Laws. President Bagley stated he would report back to the board by January as it needs to be sent to the membership 60 days prior to the vote at the Annual Meeting.

President Bagley stated that he had talked to Ryan Mullen to see if there were any outstanding pedigree issues. Dennis Johnson has offered to chair the Pedigree Committee. Dennis Johnson corrected President Bagley that he would chair the Prefix Committee. President Bagley stated he would chair the Pedigree Committee.

President Bagley presented the one Prefix from the Board member folder. Dennis Johnson stated he would research the submission and get back to the board at the next teleconference

President Bagley moved onto the Nomination Committee report stating that Ryan Mullen, Chuck Cryderman, and Dennis Johnson were up for re-election. Dennis Johnson stated he would be seeking re-election, Chuck Cryderman stated he was undecided at the present time, and the board had appointed Pat Connors to fill the vacancy of Ryan Mullen until April.

President Bagley reported for the Policies and Procedures Committee stated that as per the auditor, there were procedures and policy that needed to be worked on. He stated that Cathy Behn has many ideas to present and asked with the Board approval that Cathy Behn work on that process. Dave Hennen agreed to assist Cathy Behn with the project

Keith Mann reported for the WCS update, stating he had a meeting with committee members Sierra Covell, Andrew Stalhiem, Shannon Cobbs, and Ken Airgood. He stated there were three goals to meet by November 1st those being; 1. Budget – 2. Class list to present to the board – 3. Create an ad for the Clyde News. Andrew Stalhiem asked if the board would like to approve a team member shirt. A photo and price was presented by Lisa Graham for the team members shirts. Keith Mann stated it was a good meeting and was very upbeat. Keith Mann stated he was asked why we on a 3 years rotation and he had an answer for that. He stated the Canadians would go back to 4 years if they were to host it again. Keith Mann stated he will talk to Cathy Behn on funds and sponsors. Chuck Cryderman presented a package that himself, Pat Connors, and Jake Shutt had proposed. The package would be for a \$30,000 brand new hitch wagon that will be done by June 1st. He stated the wagon would be customized with the WCS logo, etc. and would be available to display and take around the country for the next 18 months. Chuck Cryderman stated they would do the wagon and it would be at the Boards discretion on to raffle or auction it. Andrew Stalhiem questioned if Wayne Signs could wrap the wagon. Chuck Cryderman suggested a sign in the back of the wagon. Ken Airgood stated that the Association can't get a legal raffle license in Wisconsin. Chuck Cryderman suggested taking the wagon to all breed shows.

Ken Airgood reported for the Youth Novice Congress, stating they had approval to host the event at Dane Co. Fair for 2017. Ken Airgood asked Ryan Mullen if he would be part of the event and he declined, so he has some ideas and people who will possibly step up to the plate. He welcomed board involvement. Andrew Stalhiem offered to help prior to the show but could not commit to be at the show. Keith Mann asked if it was a money maker. Ken Airgood said it did make money as there were many sponsors. Ken Airgood reported the Percheron president said they would not be returning. It was his opinion that involvement with other breeds would be appropriate.

Ken Airgood reported that the USLGE had been removed from the 2017 budget. He stated that the board suggested seeking donations for the last quarter payment for the USLGE. If sponsorship could be obtained, funding could be used for website, printing, reverse trade missions, and other missions. He stated himself and Cathy Behn had been in contact with a client from Australia that wants to bring her stallion to the WCS, and that initial plans were to visit her in Australia.

Ken Airgood reported for the Publications committee. He stated that discussion had been held on getting a letter of agreement with Andy and Ali Behn so everyone understood how the process works. President Bagley stated that discussion on the second publication was held in the budget meeting. He stated that the book would be the same size as the Sale Catalog and ads would be kept lower. Lisa Graham stated she had just helped the Shire Association with a similar publications with the full page ads being \$250 and full page ads being \$500. President Bagley stated there were no details on the second publication. Dave Hennen stated that all ads will need to be submitted print ready and if they can't do that, provide names of people who could assist. Further details and information needed to be discussed and added as an Agenda item for teleconference.

Sierra Covell reported there was nothing new on Social Media. She stated she had put some polls on facebook. She felt that working with the Canadian Association on the WCS page or group and the possibility to merge the two pages to promote the WCS. Ken Airgood asked Sierra Covell if she had spoken to Andy Behn who had set up a WCS facebook page and she said she would be contacting him.

Ken Airgood talked about getting Flash drives that will provide information to the membership. Cathy Behn have nothing to report. Sierra Covell did get ahold of Matt in regards to some footage for a flash drive. Sierra also had gotten all the footage from John Northcote from last WCS in hopes to work with Matt to create useful data for the flash drive, website, and more.

Ken Airgood reported for the Education/Historical Committee stating he would approach CEF to take over seminars. President Bagley proposed for the CEF to become more involved in the seminars as far as scheduling, securing presenters and grants.

Hall of Fame – Andrew Stalhiem will go down list of nominations. He suggested a page ad in the Sale Book featuring recipients of the Hall of Fame. He stated he would have that information by the first of the year.

President Bagley stated he would try and relieve Linda Harmon-Dodge from the responsibility of Equine Health. He stated he would contact Steve Davidson and Terry Trepel to assist in that committee.

President Bagley stated that Ken Airgood had done a great power point presentation at the National Sale and Annual Meeting. He stated that they had talked about Cathy Behn doing a power point presentation regarding proper procedure for registrations and other Association forms. It was the consensus of the board that would be a good presentation for the National Sale seminars.

Sierra Covell asked for approval to proceed in get moving on corporate sponsorships and online applications. ***Shannon Cobbs moved to give the fundraising committee the go ahead to begin the corporate online applications for sponsorships. Dave Hennen seconded the motion and motion carried.*** It was noted that Sierra Covell's presentation should be sent to entire board and also to Keith Mann for the WCS portion.

Dennis Johnson reported on the Audit, stating the process has been completed and secured information has been obtained by Richard Grafton. He stated Richard Grafton had given a preliminary report and the board will receive final copy on or about December 1st. He stated Richard Grafton had presented the preliminary report to the board on Friday – Oct. 14th. He reported the internal audit would be for the Board of Directors responsibility to monitor business of the Association. Dennis Johnson on Mr. Grafton's report there were no major differences. He stated there were recommended actions to approve efficiency that that board should move on. Mr. Johnson stated it as important as per the audit that all transactions are supported by proper documentation. He stated it was suggested that all signature cards have dual signatures for protection. Mr. Grafton recommended that the Association should have an annual review, by the CPA they employ in Rockford and then consider an audit every three years or so. Mr. Johnson stated the Mr. Grafton was very pleased with Cathy Behn and Misty in the office with their cooperation.

Other business –Cathy Behn had passed along information on some breeders in Scotland that wants information on hosting the next WCS. Cathy Behn will send contact information to the board.

President Bagley stated there is no money in the budget for a new heavy horse program

President Bagley asked about the Video streaming project? Dave Hennen stated that the project has exhausted every means with current equipment. President Bagley asked where the equipment is and Cathy Behn stated most of it is in the office, unless Rene Petz has some of the equipment. It was noted the equipment was outdated and not of great value. Dave Hennen will be in contact with Rene Petz.

Shannon Cobbs asked if the topic of moving funds back into the WCS account from the general checking account would be addressed. ***Shannon Cobbs moved to transfer the \$17,731 loan from the CBUSA borrowed from WCS put back into WCS general fund. Andrew Stalhiem seconded the motion and motion carried.***

Shannon Cobbs moved that the \$15,000 approved breeder's incentive be transferred into WCS account from CBUSA general account. Andrew Stalhiem seconded the motion and motion carried.

Shannon Cobbs shared an email from Susan Quick. Ms. Quick stated she had sent two checks for the CEF to the Clydesdale Office in memory of her sister Mary Flinn. The checks had not cleared the bank and she had phoned and emailed the office with no response. Cathy Behn related she had only received one check and would forward that check to the CEF ad Polly Thomas.

Lisa Graham reminded Cathy Behn to invoice Pat Connors for PBR tickets from the fundraising auction \$1200. The original purchaser of the tickets could not use them and they were obtained by Pat Connors and he agreed to pay for them. This agreement was between Lisa Graham and Pat Connors and Cathy Behn will invoice Mr. Connors for said tickets. Lisa Graham asked if that money could be ear – tagged for her to obtain items for the 2017 fundraising auction items.

At 9:18 p.m. Chuck Cryderman moved to adjourn the meeting, seconded by Andrew Stalhiem and meeting was adjourned.

Respectfully Submitted,

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