

BBU BOARD OF DIRECTORS MEETING
FRIDAY, JULY 8, 2016 – 8:00 A.M.
SAN ANTONIO, TX DRURY PLAZA N STONEOAK

Call to Order – President Mackie Bounds

Opening Prayer – Chris Kauffman

Roll Call – Dan A. Gattis Secretary – absent Clark Jones, Steve Dodds and James Skelton

Present:

Mackie Bounds

Bill Pendergrass

JC Thompson

Steve Carpenter

Jerry A Davis

Trey Scherer

Dan A Gattis

Tom Hood

Ronnie Teague

Chris Kauffman

Bob Siddons

Dalton Skinner

Steve Emmons

Sue Pierson

Collin Osbourn

Tony Psencik

Steve Carpenter made a motion to approve the minutes of the April 26, 2016 Board of Directors Meeting as presented. Chris Kauffman Seconded and the motion carried.

Financial Report – Treasurer Chris Kauffman presented the June Financial report and the year to date budget versus actual report. CFO Collin Osbourn joined Kauffman in brief explanations of income and expenses in various areas and then entertained questions on the reports. **JC Thompson made a motion to accept the Financial Reports as presented with a second by Steve Carpenter. The motion passed.**

JBBA Committee Report – Charlotte Reeves and JBBA President Laramie Naumann reported on upcoming Junior Nationals in West Monroe, Louisiana. Oklahoma is a possibility being explored for 2018 Nationals. The request for a reduction of JBBA Board size was approved in San Diego by the BBU Board and now needs to go back to the JBBA Adult Committee for approval and vote to change their By-Laws accordingly.

Finance and Audit Committee Report – Treasurer Chris Kauffman presented the Proposed Budget for 2017 noting it was much like the 2016 with a few edits. ProServices will be a new line item under Promotional Income. This also means an addition under Promotional Expense for the expense side of ProServices. Salary for a new field staff position was added. Kauffman highlighted a few other items and asked for any questions. **Dan A. Gattis moved to approve the 2017 budget as presented. Bob Siddons seconded. The motion passed.**

Kauffman stated that the Finance and Audit Committee proposes a change in the rush fee for office transactions and certs and other administrative materials from \$5 per transaction to \$25 per transaction. Bounds asked staff to comment on the proposed change. Osbourn noted the

time and timing of rush transaction requests puts the staff under strain and stress to keep up with the regular workload and duties assigned and the current fee is not enough to warrant expedition of processing paperwork ahead of those members that have submitted their paperwork in a timely manner and get pushed back. **Sue Pierson made a motion to approve the Finance and Audit Committee's proposal to change rush fees from \$5 per transaction to \$25 per transaction beginning August 1, 2016. Steve Carpenter seconded and the motion carried with a vote.**

A new Validation Fee was proposed and discussed but no decision was made. Bounds sent the proposal back to the staff to re-examine and present at a later date.

EXECUTIVE SESSION – Steve Carpenter made a motion to move the meeting into executive session with a second by Chris Kauffman. Bounds excused all guests and moved the meeting into executive session to discuss contract issues on Office Location and The Beefmaster Cowman publication.

After a brief recess the meeting returned to regular session. **Bounds announced that in executive session the Board had approved:**

- 1. To move into a ten year contract with Gulf Coast Publishing for publication of The Beefmaster Cowman.**
- 2. To contract for the purchase of a property/building in Boerne, Texas for a new association office location, dependent upon satisfactory inspections of said property.**

ADVERTISING AND PUBLIC RELATIONS COMMITTEE REPORT – Jeralyn Novak reported in the absence of Clark Jones. The proposed newly designed website was presented for approval. **Dan Gattis made a motion to approve the new website design as presented. JC Thompson seconded the motion and the motion carried.**

BREED IMPROVEMENT COMMITTEE REPORT – JC Thompson (Co-chair) spoke on terminal and maternal indices and the development and notations for on the records including \$M and \$T symbols. **The committee asked the board to consider a shift in our basis for ribeye area, intramuscular fat and rib fat to reflect the new breed averages and be more in line with BIF standards and be more competitive with other breeds. Bob Siddons moved to accept the Breed Improvement Committee's request. Jerry Davis seconded and the motion carried.**

The committee also recommended to the board that the Genotype information we have been sent to the University of Missouri (with no dates or certificate numbers) for use in their project. JC Thompson made this into a motion and Steve Carpenter seconded. The motion passed.

The Breed Improvement Committee also ask the board to allow staff to research and explore where we are and what we still need to get a calving ease EPD developed. The geneticist would require more money for the development. Such projects is where B.E.E.F. and the endowment will be helpful. **JC Thompson made the motion to allow staff to research and explore the development of a calving ease EPD. Sue Pierson seconded the motion and it carried.**

COMMERCIAL MARKETING COMMITTEE REPORT – Melvin Scherer, Jr. stated that the committee had discussed the influence of Beefmasters on the commercial breeder and what makes or breaks us with them. Ear tag programs were discussed - why they didn't work in the past and whether they could work now. The E6 and upgrading programs were discussed and debated. The committee felt it best to leave building a connection with the Noble Foundation to staff.

CONVENTION COMMITTEE REPORT – Dave Loftin (co-Chair) updated the board on the upcoming 2016 Convention. The Magic of Beefmasters will be held in Branson, Missouri, October 27-29. The President's Council Sale will be a video sale with no live cattle at the convention. The particulars were still being worked out by the sale managers, Green and Robbins. The convention will host a skeet shoot and a wall of fame with more information on each to follow. The total meal cost per person is \$232. The committee suggested a registration fee of \$240 per person this year. **JC Thompson moved to set the BBU Convention registration fee at \$240 per person this year. Tom Hood seconded the motion and it carried.**

SEBBA has agreed to sponsor the 2018 Convention. Amber Leatherwood will chair the committee and is currently working on possible locations in Nashville. **JC Thompson and Tom Hood moved simultaneously to accept the proposal for SEBBA to host the 2018 BBU Convention in Nashville. Chris Kauffman seconded and the motion passed.**

ETHICS COMMITTEE REPORT – Chairman Mike Collier could not attend the board meeting. Mackie Bounds reported that the committee is reviewing the By-laws concerning their committee and will be working with the By-Laws Committee in the future to update their purpose and directive.

EXECUTIVE SALES COMMITTEE REPORT – Tony Psencik (co-chair) stated that the committee had addressed several directives given them. They discussed renaming their committee to appropriately describe their purpose and the plans to work through the By-Laws Committee to accomplish that when they are ready. They indicated the need for the President's Council Sale to become a prime sale with top quality animals selling. There is an ongoing need for breeder consigners and satellites to be educated on what they need to do in order to move forward.

BY-LAWS COMMITTEE REPORT – Chairman Bill Carr stated that the committee spent their time reviewing items other committees had submitted. Carr addressed the relation of the satellites and Beefmaster Breeders United.

INTERNATIONAL COMMITTEE REPORT – Bill Pendergrass reported in the absence of Chairman Lauren Lyssy. The committee had requested to have International incorporated into the name of our Breed association. The concern was ending up with the same initials as another breed so the request was returned to the committee with a recommendation to go back to our original Beefmaster Breeders Universal. The committee felt this would cause more confusion and withdrew their request completely.

LONG RANGE PLANNING COMMITTEE REPORT – Co-chair Trey Scherer stated that the committee had submitted an outline to every committee to work through them to accomplish long term goals. Trey noted that creating a positive identity and image is at the top of their list of goals for the breed.

MEMBERSHIP COMMITTEE REPORT – Co-Chair John Pierson discussed the membership renewals and the calls made by the committee to the non-renewals, noting that even with the calls we had 243 members that didn't renew. One directive of the committee was to establish partnerships with businesses that give perks/incentives to our members. O'Reilly Auto parts proposed and agreement that was presented to the board for member discounts. **Dan A Gattis made a motion to allow the membership committee in cooperation with staff to continue the negotiations with O'Reilly Auto Parts to come to an agreement that we can share membership information to the point that we feel like we are not compromising our membership list. Tony Psencik seconded the motion and it carried.**

SOUTH 40 COMMITTEE REPORT – Co-chair Justin Williams stated that there was minimal attendance at their meeting. The group plans to help with the BBU Convention again.

NOMINATING COMMITTEE REPORT – Chairman Steve Emmons presented the following slate to be voted on at the General Membership Meeting in Branson Missouri:

PRESIDENT – STEVE CARPENTER

VICE PRESIDENT – BOB SIDONS

DIRECTOR TO FILL UNEXPIRED 2017 TERM – STEVE DODDS

DIRECTORS FOR TERM EXPIRING 2019

KENDALL MC KENZIE

JUSTIN WILLIAMS

DEREK FRENZEL

GARY HALEPESKA

EXECUTIVE VICE-PRESIDENT REPORT – Bill Pendergrass thanked the staff, board and committees for their hard work. Maternal efficiency is going to be proven with our new indices. We have the product and soon we will have the data to back it up. Bill stated that he is excited about what the future holds for us with B.E.E.F. and soon the endowment to provide research funding.

PRESIDENT’S REPORT – Mackie Bounds thanked the staff. He also expressed excitement for the future of the breed. Bounds thanked the board and committees for their work during the past year.

NEW BUSINESS –

Annual Meeting Change Discussion – Mackie Bounds asked for discussion and thoughts on changing the July meetings to a different time frame. The majority expressed an interest in April, working between spring sales. Some indicated May and some thought the middle of the FY (January) would be better. Staff was asked to consider the discussion in planning.

B.E.E.F. Board Vacancy – President Dave Loftin announced that the Western District Director position of the B.E.E.F. Board had been vacated and the B.E.E.F. Board recommends Alex Lasater to fill the unexpired term. **Bob Siddons made a motion that Alex Lasater be appointed to fill the unexpired term for the Western District on the B.E.E.F. Board. Steve Carpenter and Dan Gattis seconded and the motion carried.**

Endowment Campaign – Mackie Bounds and Bob Siddons reported that the endowment will be a huge boost for our breed and allow us to move forward faster. B.E.E.F. and the BBU Board must remain on the same page and get ready for growth. Roger Fuller expressed his gratitude to the board and others for the vision involving B.E.E.F. and the endowment. EC Larkin noted that the Cowman Cover that is donated each year will be donated to B.E.E.F. this year.

EXECUTIVE SESSION – The meeting went into executive session and was adjourned right after.