

BBU BOARD OF DIRECTORS
August 25, 2015; 7:00 P.M.
Conference Call Meeting

President Mackie Bounds called the meeting to order.

Secretary Dan Gattis called roll with the following members on the call:

Mackie Bounds	Billy Welkener	Bob Siddons
Steve Carpenter	Davin Vaughn	Chris Kauffman
Dan A. Gattis	Melvin Scherer, Jr.	Sue Pierson
Dwight Bertrand	Jerry A. Davis	Tony Psencik
Steve Emmons	Clark Jones	Bill Pendergrass
Derek Frenzel	Tom Hood	Collin Osbourn

JC Thompson was not available for the call.

Bounds entertained a motion to approve the minutes of the previous meeting. **Dwight Bertrand made a motion to approve the minutes of the July 17, 2015, meeting as presented. Sue Pierson seconded and the minutes were approved.**

Treasurer Dwight Bertrand presented the **financial report**. July showed a budgeted loss for the month and CFO Collin Osbourn expounded on the differences being with bonuses approved by the board that were not put into the budget ahead of time. Osbourn also noted the ending balance for the year showed the association in the black but stated that the audit completion may mean some changes to that number. It should still be a positive number for the fiscal year end making this the third year in a row. Bounds and Bertrand praised Pendergrass and Osbourn for the great jobs they have been doing. **Dan Gattis made a motion to accept the financial report as presented with a second by Dwight Bertrand. With a vote the motion carried.** Osbourn spoke on the state of the association and the prospect of another good year. The cattle industry will go through some changes over the next months and year and Osbourn warned everyone to get ready. Calf prices will have to balance out. The supply will still be there for the bulls but they may not be willing to pay what they have in the recent past. We have new programs geared toward genomics. We are also offering advertising packages for our members to participate in. It appears we are getting ready for a really nice year and looking forward to increased registrations and more cows in our inventory. Osbourn thanked the board for their continued support.

OLD BUSINESS:

Bill Pendergrass updated the board on LGS, the new registry program. Progress has been slower than Pendergrass had hoped but reported that the staff has been in contact with Genho working on updates. The test herd participants were sent passwords to begin testing and exploring in the new system. Registration rules are substantially different than other associations and are slowing the development. Bill stated that he directed Genho to get the registry platform up and running first and then to concentrate on genetic evaluations. Pendergrass further explained that he feels the best course at this point is to use the numbers from the Spring genetic run rather than produce a fall run and try to explain the numbers that will come out in the new system. Bill told Genho that by the NCBA convention in

January, he wants the new numbers and the adjusted averages, the two indices and if at all possible, assuming we get enough genotypes in, genomic enhanced EPDs. Pendergrass entertained questions. Bounds reminded the board that it was similar transition situation when we moved the registry up to Kansas City. He stated that even though we want it done quickly, more importantly we want it right when we get it, so we just need to be patient as long as it is progressing.

NEW BUSINESS:

Gary Frenzel withdrew his name from the nominations presented by the Nominating Committee in July. Bounds stated that Gary Frenzel is a respected member and has served the association well and is a valued breeder but feels he must respectfully decline the nomination at this time. Bounds indicated that the By-Laws do not address such withdrawals and feels no need to ask for a By-Laws update to address such situations. The nominating committee has not had time to reconvene. When they meet and make a decision, the board will be notified of the committee's choice. Nominating Committee chairman, Steve Emmons stated that he will call a conference call of the committee to come up with another nomination for the director spot.

Trey Scherer, chairman of the Long Range Planning Committee indicated that the committee had been charged with looking at the convention awards and updating them, coming up with new criteria for selection. The old criteria was vague and gave no direction except for the EVP and others selecting the winners. The Long Range Planning Committee selected sub-committees to look at each award and came up with firm criteria and a point value per criteria to make the awards more objective than subjective. The sub-committees came back to the Long Range Planning Committee with their ideas in July and the Long Range Committee made edits and adjustments and came back to a consensus of where they think these awards should be. Scherer noted the overall criteria for the awards and went into the nomination process. Nominations were opened up to be received by other than just Satellites. Members cannot nominate themselves but may assist in the information for their nomination being made by someone else (answer the questions, provide information). Some years there may not be a qualified winner for the award. A minimum of 85 points must be received for each award for the award to be presented. The first part of the selection process will be for BBU Staff, EVP and field Services to do initial screening for nominations. The selection committee will get the nominees from the staff once they have screened them. The selection committee will consist of the current BBU President, the ex officio, two industry competent individuals from outside the breed (as selected by the EVP) and the most recent recipient of the award. If any feel that they have a conflict of interest, they may pass their spot onto another past winner or past president. The awards will be presented at the BBU Convention and will be kept confidential. The President or the EVP may select someone to present the award who has a personal relationship with the recipient to make the presentation more meaningful. Past winners are eligible to win an award again after seven years. The committee submitted the revised criteria and information on the Environmental, New Member of the year, Member of the year, Performance Breeder of the Year, and Breeder of the Year to look over and review. Trey noted some things that may need to be tweaked, such as new member of the year lacked mentioning their cattle program; breeder of the year was allotted seven points toward being in WHR and IBR and that is a high percentage for the required 85 total to be eligible. Bounds had the board review each award and ask questions of Scherer. The Environmental was first with no questions.

New Member of the Year in the past stated they had to be a member less than five years to be considered. The committee is recommending for less than eight years OR had an extensive ownership or management change for that membership number less than eight years ago. Trey indicated that he would like to add another criteria for their cattle program and future goals and take some of the points from the others to add this in. Bounds asked that this award be represented to the committee with the recommended changes and the board to approve it with the recommended changes. **Dwight Bertrand made a motion to accept the criteria and point allocation for the new member of the year award as amended by Trey Scherer once it is approved by the Long Range Planning Committee. Sue Pierson seconded and the motion carried. Once the committee approves the update, Trey will represent the final criteria as amended to the board.**

Member of the Year Award - Bertrand indicated that WHR and IBR should be required for Member of the Year. The member of the year should be supporting our programs. Scherer indicated that comprehensive weights and measures is also listed in the question and can be scored on if they are involved in reporting any data so it does allow for consideration of partial points on any type of performance data submissions.

Performance Breeder of the Year – As we are encouraging performance this award is important and mandates WHR and CUP data (ultrasound). This involves more on EPDs and scientific data of the industry and of our breed.

Breeder of the Year - This award was broken down into sections to include all areas as the award indicates. The intention of the committee was to encourage involvement in WHR or IBR but the seven points for that question is a big percentage of the 85 total required to be eligible. Scherer suggested that the seven be lessened for that question and increased for question two which involves reporting of weights and measures to BBU annually. Section four number three concerning a successful marketing program may be a little heavy also. Mackie noted that in section two of the Breeder of the Year Award Criteria, question one should have a possible point value of four instead of seven and question two should have a possible point value of ten instead of seven.

Dan Gattis made a motion to accept Breeder of the Year Award criteria with the committee approval of amendments of the points in section 2 question 1 from 7 to 4 and question 2 from 7 to 10. The motion was seconded by Melvin Scherer, Jr. and carried. Trey will see that the revised, final criteria is submitted to the board once approved by the committee.

Dwight Bertrand made a motion to accept the criteria for the Environmental Award, the Performance Breeder of the Year Award and the Member of the Year Award as presented by the Long Range Planning Committee. Clark Jones seconded the motion and with a vote it carried.

Mackie stated that the Satellites are not required to change their awards although they can and are challenged to set up a similar criteria. Their nominees will have to meet the criteria approved here to be nominated for or win a BBU Award.

Dwight Bertrand made a motion to accept the overall BBU award structure and Criteria (handout) as set forth by the Long Range Planning Committee. Melvin Scherer, Jr. seconded and the motion carried.

Bill Pendergrass reported on the relationship with the Mexican Beefmaster Association. The Mexican Beefmaster Association is now mandating DNA parent verification before registration of any cattle. The government is influencing this decision. The Mexican Association will no longer register multi sire cattle. The government has told the Mexican breed association the only seed stock purchases that they will subsidize are cattle that have EPDs. These major changes present a big opportunity for us to work with them, but we will first have to be able to recognize pedigrees and certificates from sister organizations. Sharing EPDs with the Mexican Association is of great interest to us.

JBBA - Allison Wells reported on the Heifer Purchase Certificates, awarded for All Around, that are awarded at Nationals each year. The certificates are restricted to be used to purchase a heifer. The Junior Adult Committee proposed that the certificate could also be used as scholarship money for graduating seniors or to purchase bulls or cows and not be limited to heifers. Clark Jones moved that the All Around Certificates may be used as the JBBA Adult Committee recommends - towards the purchase of a live Purebred registered Beefmaster animal. The animal may not be older than 5 years (60 months) of age at the time of purchase. The JBBA member is not allowed to purchase the animal from an immediate family member (mom, dad, brother, sister). The animal registration certificate/application must be submitted with the certificate. If the All Around winner has graduated from high school and is enrolled in college, they may request that the certificate be turned into a \$1,000 college scholarship. Steve Carpenter seconded the motion and it passed.

Wells also reported that the Junior Board has had trouble filling their director positions over the past several years. The JBBA Adult Committee has not discussed this issue. The Junior Board would like have the JBBA Adult Committee to amend the number of board members from twenty to fifteen. Currently the JBBA board consists of fifteen directors and five officers. The recommended change would be to ten directors and five officers. Bounds indicated that the JBBA Adult committee needs to discuss this first and then present it to the BBU Board for consideration. Allison indicated that she would have the committee meet to discuss their thoughts on it and come back to the BBU Board if they approve.

President's Report

Mackie reported on a program that was hosted by Melvin Scherer, Jr. Guests included packers, order buyers, sale barn operators, a feed lot operator and one who deals with these people quite a bit. We asked them to tell us where our weaknesses and negatives are and what we need to do to improve as a breed. The first thing they shared was that we need more data. The subject of paints (which they call clowns) came up. We also have an identity issue. Anytime an animal comes across that has color in it, it is automatically looked at as a Beefmaster cross. To improve, the guests told us, you must have an identity. Solid colors with mottle underline and white underline is fine. Just don't make it look like a paint factory. They provided some good information and some feedback we needed to hear. Bounds commended Melvin for a great program that was well presented. Bounds stated that he will challenge the Long Range Planning Committee to define paint for our breeders. He will also challenge them to determine how to increase the use of AI in our breed. We are way behind and it is hindering our success as a breed. He will challenge them to give us a roadmap to get to that point. Another agenda item will

be to present a roadmap to ensure all of our animals have EPDs moving forward. Trey Scherer also noted that quality grade improvement was also addressed by the guests at the program. Trey suggested Mackie add this to the charge for the Long Range Planning Committee. We have been told what we need to do to improve and we need to heed the message.

EVP Report

Bill Pendergrass reported on the progeny test from 2013. Results were mailed out to the sire owners in that test. Pendergrass noted that compared to the 2003 project at A & M McGregor we have areas of improvement and areas we have gone the wrong way in. We need to get a strategy going to get the negative areas turned around.

Pendergrass stated in closing that it has been a great summer, interest is high and we are looking forward to a great bull season.

Dwight Bertrand moved to adjourn the meeting and Sue Pierson seconded.