

Board of Directors Minutes February 26, 2021 1:00PM EST

I. Welcome & Call to order

- a. In Attendance: Dr. Rosanne Palermo, President, Marquis Laude, Vice President, Allison Thomas, Secretary, Eric Smith, Treasurer, Charlotte Dumford, Director, Mathew Jenkins, Director, Angie DePuydt, Director, Erin Miley, Director-Elect, Jason Tice, Executive Director
- b. Conflicts of Interest: None.

II. Correspondence

- a. **South Central Correspondence:** A letter was received from the South Central Friesian horse Association regarding territories listed on the website. No action was taken as the Board had previously decided to remove geographic areas from the website.

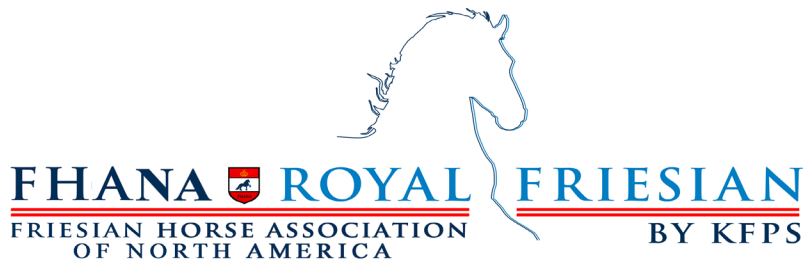
III. Treasurer's Report

- a. Mr. Smith presented the January 2021 Month-End Financials. The month looked very positive. He mentioned that the Balance Sheet has been renamed the Statement of Financials.
 - i. Statement of Financials
 - 1. Total Assets: \$509,252.60
 - 2. Total Liabilities: \$1,328.77
 - 3. Total Liabilities & Equity: \$509,252.60
 - ii. January Profit & Loss
 - 1. Total Income: \$80,902.05
 - 2. Total Expense: \$20,973.86
 - 3. Net Income: \$59,928.19
 - iii. **Motion made by Mr. Smith to accept the January Treasurer's report. Motion seconded by Mr. Jenkins. Motion passes unanimously.**

IV. Consent Agenda – Mr. Jenkins requested that the January Board Meeting Minutes be removed from the Consent Agenda. **Motion made by Mr. Smith to accept the Consent Agenda as amended. Motion seconded by Ms. DePuydt. Motion approved unanimously.**

V. Executive Director's Report

- a. **Membership:** The membership numbers are increasing significantly. As of February 1st, 2021, there were 939 members, however these numbers are climbing steadily.
- b. **DNA Issues:** None currently.
- c. **Registration Issues:** None currently.
- d. **Chapter Renewals:** These are coming in slowly. Some chapters are having issues which are being worked through.
- e. **PPP Loan:** This has been submitted for forgiveness. A response is expected in approximately 60 days.
- f. **Bank Accounts:** Jason has been working with Mr. Smith to correct the signor names on all FHANA bank accounts.



- g. **Email Accounts:** Jason has created FHANA email accounts for all of the current Board members. He would like to update the website and magazine to reflect these new emails. These emails can be forwarded to individual emails, but Ms. Thomas and Mr. Smith noted that board members will need to be careful to reply from their @fhana.com email address.
- h. **IFSHA:** A proposal from IFSHA came in, suggesting that FHANA and IFSHA share information between associations and publish monthly articles in each other's newsletters. The board received this idea enthusiastically. Jason will pass this on to the appropriate committees to ensure it is prepared on a monthly basis.
- i. **Elections:** The 2021 Board of Director elections had about a typical participation level from the membership at 24% of members voting.

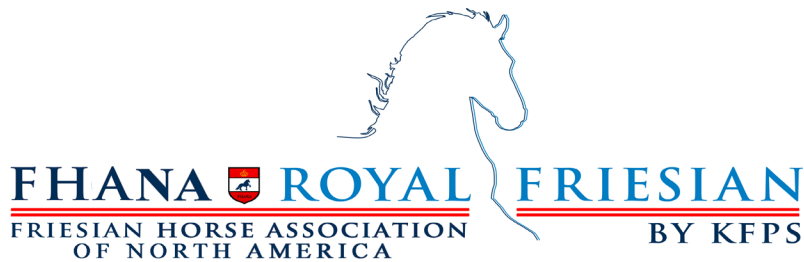
VI. Committee Reports

- a. **January Board of Directors Meeting Minutes:** Mr. Jenkins asked why the discussion in the January meeting about who was running for officer positions did not list names. Ms. Thomas clarified that the names were left off because indicating interest is not a commitment to run for a position, and no one is required to declare their interest for an officer position in advance. As Ms. Miley was not present for that meeting, she also did not have the opportunity to declare interest in a position. Ms. DePuydt and Mr. Smith agreed with this. This also led to a discussion regarding the whether the Vice President can be someone in their first year on the board. Dr. Palermo felt that a first year board member should not be Vice President because in the event of the President being unable to continue, the Vice President would become President. Mr. Smith noted that changing this would require a bylaw change and could pose a conflict of interest. **Mr. Jenkins motions to approve the January Board of Director Meeting Minutes as presented. Motion seconded by Ms. DePuydt.** Dr. Palermo suggested that in the future, if someone indicates interest in an officer position, they can request to have it included in the minutes. **Votes: Mr. Laude Aye, Mr. Smith Aye, Ms. Thomas Aye, Ms. DePuydt Aye, Ms. Dumford Aye, Mr. Jenkins Nay. Motion passes.**
- b. **Inspection Committee:** Mr. Laude presented the committee discussion about inspection appeals. The committee discussed this without realizing that the FHANA Board in February 2020 agreed to allow appeals. The inspection committee did not feel that it is fair to allow appeals due to the geographical difficulties of having members get to different inspections with a different set of judges as required by the KFPS rules.

The Board discussed what the KFPS Bylaws require, what the KFPS Rules & Regulations require, and what the KFPS procedure regarding appeals is. This led to some discussion as to what was required for FHANA to remain in line with the KFPS mandates. Upon further discussion, the Board felt it was best to review the Bylaws and the Rules and Regulations of the KFPS. It was clarified from the February 2020 Meeting Minutes that the board had requested that the Inspection Committee and the Finance Committee investigate whether allowing appeals in North America was a viable option and for the two committees to then present recommendations to the Board. This will be discussed further with a recommendation coming from the Inspection Committee. Mr. Smith noted that the Finance Committee will follow the recommendation of the Inspection Committee in this matter.

Ms. DePuydt suggested that in order to allow appeals with the geographical and timing challenges of the North American inspection circuit, it may be necessary for FHANA to prepare a procedure and have that submitted to and approved by the KFPS.

This issue will be sent back to the Inspection Committee to make a recommendation.



Motion made by Mr. Laude to approve the expenditure for the purchase of three extra microchip readers at \$250 apiece. Motion seconded by Mr. Smith. Motion passed unanimously.

Motion made by Mr. Laude to approve the Inspection Committee meeting minutes. Motion seconded by Ms. Dumford. Motion passes unanimously.

- c. **Sport Committee:** Ms. Dumford presented the Sports Committee's new Youth Performance Riding Award. This award was created to cover Youth riders who compete in areas besides dressage. **Ms. Dumford motioned to approve the Youth Performance Riding Award as presented. Motion seconded by Mr. Smith. Motion passed unanimously.**
- d. **Finance Committee:** Mr. Smith presented the 2020 financials and the 990 tax form. The committee is investigating what to do with the organization's currently strong cash position and how to invest the money wisely. He requested any suggestions the board had. Dr. Palermo noted that investing with interest rates so low may not be a strong option. **Motion made by Mr. Smith to accept the 2020 year end financials and 990T with the noted changes to page 36 Paragraph 3, and page 37 Life Time Members. Motion seconded by Ms. Thomas. Motion passed unanimously.**

VII. Review Items

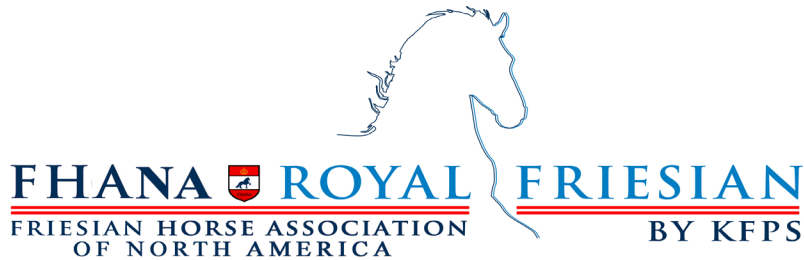
- a. **Logo:** Mr. Jenkins presented four logo designs. Logos 1 and 2 are shield logos with two different shields and crowns. Logo 3 is the chesspiece design that was originally presented in 2019. Logo 4 is an abstract design without the shield.

Each Director expressed their opinions on the logos. Mr. Jenkins prefers option 1. Ms. DePuydt also preferred option 1 and felt that option 2 looked like a perfume bottle. Mr. Laude felt that option 2 was too plain. Ms. Dumford preferred option 2. Mr. Smith wanted to see a merged concept between option 1 and 2. Ms. Thomas preferred option 1. Dr. Palermo preferred option 2. The board discussed these different options and decided to present three options to the membership – Logos 2, 3 and 4. Mr. Jenkins explained that these will be presented during the AGM to solicit feedback from the membership. Ms. Thomas suggested that a survey also be sent out to collect feedback, as not all members will be attending the AGM. It was agreed that Mr. Jenkins will present them at the AGM and then a survey will be sent out. Dr. Palermo suggested they also be put on the website and Facebook for viewing. Ms. DePuydt mentioned that we would need to be careful that wherever the logos are displayed is secure so that unauthorized copies are not made.

- b. **Code of Conduct:** Mr. Jenkins presented the shortened version of the Code of Conduct. It has been narrowed down to 5 pages. The Standards of Conduct is a single page, which references grievances, code of conduct, and the Rules and Regulations. Mr. Smith suggested that the word Intimidation be added into point 11. Ms. DePuydt felt that number 7 is complicated and needed to be reworded. The Board agreed and this point was discussed extensively. It was reworked numerous times before the Board decided to remove that line entirely as it is covered in point 8. Added as a final point was the following line:

Make known when representing FHANA in any capacity, one's personal opinions are not that of the organization.

Mr. Smith asked about the specific steps to be taken when a member violates the Code of Conduct. It currently does not include a method of having a verbal or written reprimand before sanctions are applied. This topic is covered in the Rules and Regulations and the applicable sections of the rules will be reworked by that committee. The board agreed that making these changes will not impact the ability to



vote on the proposed code of conduct. **Motion made by Mr. Jenkins to accept the FHANA Code of Conduct as amended. Motion seconded by Ms. Dumford. Motion passed unanimously.**

VIII. End of Old Business – 3:55 pm EST

- a. The board wishes Ms. DePuydt well and thanks her for her service.
- b. Ms. Miley is seated as a board member.

IX. Discussion Items

a. Officer Elections:

Dr. Palermo let the board know that they can not vote for officer elections at this meeting without being in violation of the 6.5 bylaw. Officer elections can not be done electronically and can only be done in person.

Dr. Palermo presented two options. The board can propose a bylaw change, which will then be sent to the membership for the required 14 days of voting. Assuming the bylaw change is passed, then the board can hold virtual meeting to vote. Alternately, the board can hold a meeting at a hub city where the directors can fly in, vote, then fly home. A third option would be to wait until the travel restrictions lift enough to meet in person later in the year, and hold officer elections at that time.

Jason had the bylaws reviewed by the lawyer and the parliamentary who said that the bylaws are clear that we must meet in person to elect officers. Bylaws 6.5 and 10.2 both reference this.

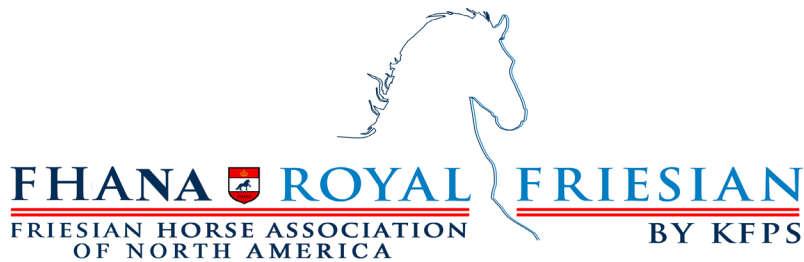
Dr. Palermo explained that she waited until the new meeting portion of the meeting to discuss this issue in order to allow Ms. Miley to have a vote in the decision as to how to proceed. Dr. Palermo requested input from each board member.

Mr. Laude felt that we should wait until the board members can meet.

Ms. Thomas requested verification to the timeline of changing the bylaws and then a vote. Dr. Palermo clarified that if the membership approves the bylaw change, the meeting could be held as soon as 30 days from the current date. Ms. Thomas noted that the board has previously allowed an absentee Board member to vote for officers in 2019 due to exceptional circumstances. Mr. Jenkins felt that this was not an issue as the board acted in good faith at the time.

Mr. Smith felt that there is a minimum of 6 weeks before the meeting could be held. He noted that the restrictions in place currently make travel difficult and we do not know how much longer we may have to wait in order for it to be an option to meet in person. Mr. Jenkins mentioned that there are two bylaws that effect this, 6.5 and 10.2. Bylaw 6.5 states that the Annual Meeting of the board must be in person. Bylaw 10.2 states that the officers of the board are to be elected at the Annual Meeting. If a bylaw change is the decision made, the board will need to decide which bylaw to change and ensure they do not contradict each other. Mr. Jenkins also suggested that if we are going to wok on bylaw changes that we should consider fixing a number of our bylaws rather than just one.

The board discussed the 2019 vote when Ms. DePuydt voted electronically as she was deployed at the time. Ms. DePuydt noted that she brought up this bylaw at the time and the board decided that allowing her to vote electronically due to exceptional circumstances was acceptable. Ms. Thomas noted that concerns about voting at this meeting had been brought up in previous meetings this year due to the bylaw and the board had again decided that exceptional circumstances allowed it. Dr. Palermo clarified that originally there would have been enough board members present to have a quorum, but that earlier in the week it was determined that this would not be possible.



Ms. Dumford felt that it was important to adjust the bylaws to account for extreme circumstances. She also noted that when the bylaws were originally written, the writers could not foresee the technological options for video conferencing that are now available to ensure that a virtual vote can be conducted securely.

Dr. Palermo noted that Robert's Rules of Order also do not allow officer votes via teleconference. A change to the FHANA Bylaws will supercede this.

Ms. Miley agreed that the bylaws as written are out of date with the current world.

Mr. Jenkins mentioned that the US government requires in person voting and does not allow telephonic or proxy voting.

Mr. Smith was not in favor of changing the bylaw to allow out of person voting. He felt that it introduces the possibility of manipulation and that in person voting is important.

Ms. Dumford noted that this is one of the reasons we had previously discussed changing the bylaw in question.

Ms. Thomas mentioned that if we had not previous changed the bylaw regarding timing requirements of the Annual General Meeting, we would soon be in violation of it by not holding the in person Annual meeting in the first quarter of the year.

Dr. Palermo noted that the board still had time to meet in the first quarter of the year by announcing the annual meeting in 30 days and the board all travelling to a hub city to vote. Ms. Miley asked how that would be impacted by current travel requirements. Ms. Thomas noted that travel restrictions to and from Canada would not allow her to attend in person for the foreseeable future. Mr. Smith felt that most of the board could attend in person with the possible exception of Ms. Thomas. Dr. Palermo noted that this would still allow the presence of a quorum of the board. Mr. Smith stated that this narrowed it down to a problem with the difficulties of travel and making a decision between attempting to meet within 30 days or pushing it out further in hopes of the travel restrictions easing.

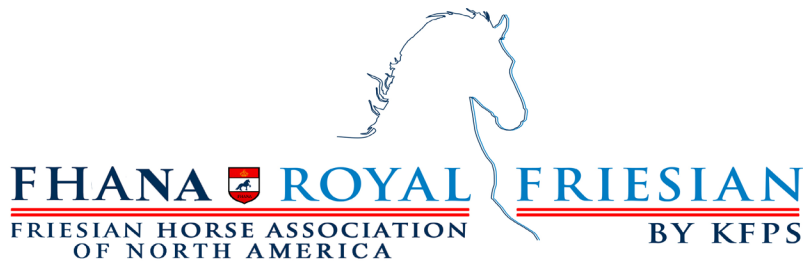
Mr. Laude asked what the reasons were for not notifying the rest of the board about this sooner. Dr. Palermo stated that she had heard back from the lawyer and parliamentarian on Thursday, February 25th. Mr. Jenkins stated that he had brought this to Dr. Palermo's attention on the afternoon of Tuesday, February 23rd and suggested that it be verified whether the board could vote or not. Dr. Palermo then sent it to the lawyer and parliamentarian to verify what the board was able to do.

Ms. Thomas asked what the legal definition of in person is, and whether a live video conference would count. Dr. Palermo said that the lawyer felt that it did not fit for in person. Mr. Jenkins also noted that voting via Boardeffects even if we were in person would not be considered a valid way to elect officers. Mr. Jenkins noted that there is not a set length for the officer terms. Ms. Thomas mentioned that the board has discussed correcting that oversight in the past and changing the term of an officer away from being connected to the annual meeting and instead connected to the seating of new officers in the first quarter of the year.

Mr. Jenkins mentioned that the Annual Meeting and the General Meeting were separate meetings and did not have to be conducted together based on the bylaws. Mr. Smith noted that it is possible to have two General Meetings in a year.

Ms. Dumford felt that the appearance of not electing officers would appear bad to the membership. Ms. Thomas noted that not voting on officers could appear as an attempt to extend officer terms, a concern that was raised regarding the bylaw change in 2020 to allow the Annual General Meeting to be held at different times of year.

Dr. Palermo suggested holding the meeting in 30 days in person. Ms. Miley asked who would be able and willing to travel in that time frame. Dr. Palermo, Ms. Miley, and Mr. Smith said they are able to travel.



Ms. Dumford said she is not vaccinated. Mr. Jenkins mentioned that with foaling and breeding season fast approaching, travel would become more difficult. Dr. Palermo suggested a meeting where the Board just flies in and flies out all in one day. Mr. Laude mentioned it could be done right in the airport. Ms. Thomas said that the current international travel restrictions from Canada would not allow her to fly in and fly out. The restrictions would require negative Covid-19 tests before entering the USA, before leaving the USA, and then a minimum of three days of government run quarantine upon returning to Canada. As there is no guarantee that those restrictions will loosen in a reasonable timeframe to have the officer elections, Ms. Thomas would not be able to attend an in person meeting. She noted that this would still allow a quorum to meet as long as everyone else could attend.

Jason mentioned that if there is an even number of board members present, that our existing bylaws do not specify how a tie vote for officers would be handled. Mr. Jenkins said that Robert's Rules of Order do, which would be a role call vote until someone wins or someone concedes.

Ms. Dumford noted that as she is currently not eligible for the Covid-19 vaccine travelling by air poses significant risks for her. Mr. Jenkins noted that Dallas could be selected as the hub where the meeting would take place, which would allow Ms. Dumford to drive rather than fly. Dr. Palermo emphasized that she did not want anyone to travel if they were not comfortable doing so. Mr. Smith noted that he will be eligible to be vaccinated soon. Mr. Jenkins stated he is willing to travel and that only his back injury prevented from him attending in Lexington. Ms. Miley stated that she is willing to travel but would prefer a quick meeting due to busy schedules.

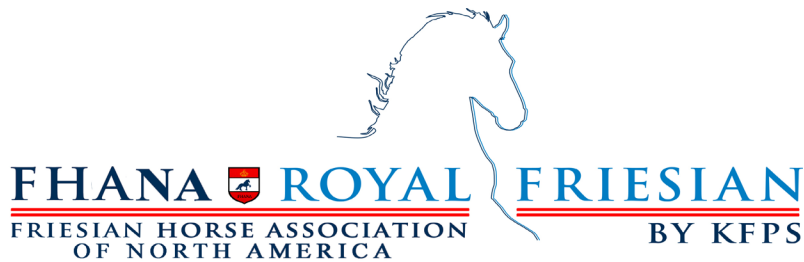
Dr. Palermo asked if the Canadian restrictions for travel only covered the USA or if they extended to other countries as well. Ms. Thomas said they cover all international travel. She also mentioned that crossing the border by car is restricted as well.

Ms. Thomas felt that the bylaw requiring officers be elected in person is strange, considering that the membership can elect Board members by electronic vote.

Dr. Palermo suggested that another option would be to send the bylaw change to the membership, allow the 14 days for voting, and then meet virtually. She noted that she could set the date for the meeting at 30 days from this meeting, which would allow the membership time to vote and then officers could be elected at that meeting. This would still allow the officer elections to happen in the first quarter of the year. If the bylaw change is voted down, the board would need to meet in person as previously discussed. This option puts the decision in the hands of the membership and ensures that the bylaws are properly followed. Ms. Dumford noted that when these bylaws were written, it would have been difficult to envision both the current world situation as well as the options we currently have to meet via virtual means. Mr. Jenkins stated he is not in favor of changing the Annual Meeting away from being an in person meeting. He would rather change the bylaws to let the board make exceptions in the case of a severe global pandemic but not for situation of lesser importance.

Dr. Palermo offered the suggested changes from the parliamentarian to bylaw 6.5 to allow for the Annual Meeting to not be in person. Mr. Jenkins suggested changes to 10.2 instead, leaving the wording for the Annual Meeting as is and changing the wording so that Officer Elections can happen at a meeting other than the Annual Meeting. All board members agreed that the wording should be specific so that any allowances made would be only for a severe situation that impacted national and international travel. Mr. Jenkins requested that the wording also require a super majority vote of the board in order to change the officer elections to a virtual meeting.

Jason mentioned that when this bylaw was adopted in 2009, and the spirit of the bylaw was to ensure that all Board Members needs to attend an in person meeting and no one could abstain.



Dates were discussed for which day would work as a potential meeting for this. It must be 30 days from the current date. Dr. Palermo suggested it be held on a weekend in case there needs to be an in person meeting. The first weekend after the 30 days would be Easter weekend. Mr. Laude suggested March 30 or 31st. Ms. Miley noted that this would give a few extra days in case of time needed to get the bylaw vote correct and sent to the membership.

The board decided that March 31st would be the intended date for the Annual Meeting or the officer elections depending on the bylaw changed. It will be held virtually if the bylaw change is approved, and in person, likely in Lexington, if the bylaw change is not approved.

Mr. Jenkins suggested that the bylaw change be made to allow the voting of officers in an emergency situation be virtual, and make the change in 10.2, rather than allow the Annual Meeting to be virtual. The board agreed.

Ms. Thomas asked whether the wording of 10.2 would allow the officers to resign as officers, then those vacancies could be filled at any meeting. The option was discussed but the existing bylaws do not offer a way to vote for officers outside of the Annual Meeting.

The wording of 10.2 was discussed extensively. The wording agreed upon is as follows:

In the event of government imposed travel restrictions in the USA and Canada, the election of officer positions for the association may be conducted via video conferencing. Enacting this exception requires a super majority (two thirds) vote of the current Board of Directors.

X. Board Round Table

- a. Mr. Jenkins brought up his concerns about active participation from the Board. He would like to see more Board members participate in things like Webinars and the Virtual Show.
- b. Mr. Jenkins expressed concerns about Board members being prepared for meetings.
- c. The Board discussed presentations for the AGM. A few committee chairs will not be able to be present so the Board Liaisons should be prepared to give those committee reports. The event begins at 1pm EST, and the banquet beings at 7:30pm EST.
- d. Jason extended an invitation to the entire board to reach out to him and Lauren at the office at any time to talk about any concerns or simply to chat.

XI. Good of the Order

- a. Next meeting March 31st, 2021. The time for this meeting will be set once it is determined whether it will be in person or virtual. Future meeting on April 20th, 2021, at 6:00PM EST via teleconference, subject to change.

XII. Adjourn

- a. Mr. Laude motioned to adjourn. Motion seconded by Mr. Smith. Meeting adjourned at 5:40 pm EST.