



Board of Directors Minutes

May 16th, 2017, 1:30PM EDT via Teleconference

A. Welcome & Call to Order - Jack Vanderkooy, President

i. In attendance: Jack Vanderkooy, President, Dr. Rosanne Palermo, Vice President, Jennifer McClelland, Treasurer, Eric Smith, Secretary, Amy Austin, Director, Barb Renico, Director, Gerben Steenbeek, Director, Jason Tice, Executive Director

ii. Identify conflict of agenda: No conflicts were identified

B. Secretary's Report - Eric Smith, Secretary

i. Mr. Smith presented the minutes dated April 18th, 2017. **Motion made by Mr. Smith to accept the minutes. Motion seconded by Ms. Austin.** Mr. Vanderkooy requested a change under Item G section vii be reworded to reflect FHANA Member Council. It was determined Ms. Renico would submit changes to the language. **Motion approved to accept the minutes as changed.**

C. Matters arising from the Minutes

i. Mr. Vanderkooy submitted one item under G i. Regarding the Inspection Committee from April 5. The FHANA Board has not had a chance to review these minutes and would request these minutes be submitted for review during the June meeting.

D. Correspondence

i. Response to Julee Kula letter (Jack) Mr. Vanderkooy reported that a response to Ms. Kula was sent on behalf of the FHANA Board and the other Board members have reviewed this letter. Dr. Palermo asked if a response was necessary for the letter written by Mr. Kelnhofer. Mr. Vanderkooy reported that he has had a conversation with Mr. Kelnhofer that a response was given to Ms. Kula.

E. Treasurer's Report-Jennifer McClelland, Treasurer

i. Ms. McClelland presented the financial statement for April 2017

Balance Sheet:

Total Assets: \$419,639.29

Total Liabilities: \$2,114.66

Total Liabilities & Equity: \$419,639.29

April 2017 P & L

Total Income: \$52,687.91

Total Expense: \$36,045.71



Net Income: \$16,045.71

Year to Date P & L

Total Income: \$232,930.73

Total Expense: 120,031.39

Net Income: \$112,899.34

Ms. McClelland reported foal registrations are up. Mr. Smith asked if we have seen a rise or fall of members from Texas. Mr. Tice responded that he has not seen an increase from members from the Texas region and more specifically the Lone Star Friesian Club. Dr. Palermo asked if we have seen a decrease from the South Central Friesian Horse Association. Mr. Tice reported that this is impossible to report on because we don't know if they are members of a chapter. Mr. Smith asked about the ABFP line item on expenses being \$0 while we are accepting income. Mr. Tice reported the expense side of this is budgeted for October when the event will take place. **Motion made by Ms. McClelland to accept the treasurer's report as presented. Motion seconded by Dr. Palermo. Motion approved unanimously.**

F. Executive Director's Report - Jason

Mr. Tice reported our current membership count is 1238 which is about 12% below 2016 for this same point. However, we are gaining ground on our budget for 2017 for memberships. The ROLEX event was another successful event. Good crowds followed the Friesians around the park. The inspection handbook has been printed and is ready for distribution. Mr. Tice has sent a copy to each board member and it is posted on the website for the membership. Mr. Tice reported on discussion with the lease with the Pony Club. We are discussing a switch of offices with the Kentucky Equine Educational Project (KEEP) which is next door. The Pony club does not feel this will be resolved by June 1 at which point the Pony Club is willing to extend our reduced rent until Aug. 1. The thought is that FHANA would switch offices and split the rent for both office spaces in half. FHANA would be paying less, how much he was not sure, and KEEP would be paying more while the Pony Club would continue to receive the full rent from both spaces. The one issue with this office space is there is no private office for Mr. Tice to conduct meetings in. Mr. Vanderkooy asked how Mr. Tice plans to resolve this? Mr. Tice reported that he would conduct meetings (teleconference) at home as long as the FHANA Board was ok with this. The Board reported that they were ok with this option. This is the best option for us now. Ms. Austin thought this was a good option and was happy the Pony club is trying to work this out with FHANA. Mr. Tice reported Inspection registrations are starting to slowly come in.

G. Committee Reports

i. Inspection Committee (Eric) Mr. Smith presented the minutes dated 5.9.17. Dr. Palermo reported that she has the jury information for the upcoming inspections and she will send this out to the board for review. A brief discussion took place regarding the idea of presenting a premium change to the KFPS. It was reported that this is only a discussion item for the committee now, but no recommendations have been given at this point. It was determined that Mr. Smith would amend the Inspection Committee Minutes and forwarding them to Mr. Tice to be posted on the FHANA website.

ii. Central Mare Show Committee (Rosanne) Dr. Palermo presented the minutes dated 5.4.17. Dr. Palermo reported that there are several corrections that need to be changed on the Central Mare Show entry form. Dr. Palermo reported that she would make these changes and forward them to Mr. Tice. Ms. Austin inquired about the clothing line the committee is discussing and if this would harm our relationship with our current vendor. Mr. Smith commented that he felt that trying to take on sales can be very difficult and prohibiting. FHANA will need to determine if these items will be available at the show or if orders will be taken. Mr. Smith cautioned the board on this approach of building inventory of sales apparel. Mr. Smith also requested that the entry list for the event not be shared until it is available to be shared with all parties. Dr. Palermo asked the board's opinion about a possible conflict of interest. The board recommendations no change be made.

iii. ABFP/Stallion Testing Committee (Rosanne) Dr. Palermo presented the minutes dated 5.1.17. Mr. Vanderkooy reported that he has changed the structure of the committee and going forward the committee will consist of Dr. Palermo, Sharon Bechler, and Mr. Vanderkooy. This decision was well received by the two parties who have been excused from committee. Mr. Vanderkooy thought this decision is in the best interest of FHANA, The FHANA Board, and ABFP program. Dr. Palermo reported that sites in both California and Michigan are almost confirmed and the trainers have been confirmed for both locations. A FHANA Board member inquired about the skill level of the trainers and the KFPS should endorse them. A Board member also inquired about the one week time between the ABFP and the Stallion testing for the jury. The KFPS mandates these are two different judging teams. Ms. McClelland wanted to make sure that the committee pays close attention to finances so budget adherence is better than previous years.

iv. Health/Education Committee (Rosanne) Dr. Palermo presented the minutes dated 5.5.17 along with the plan for 2017 regarding educational sessions and webinars. The education week is being planned to occur Oct. 3-6 just before the Central Mare Show. More details will be released as soon as they are known.



v. AGM Committee (Jennifer) Mc. McClelland presented the minutes dated 5.10.17. Ms. McClelland reported that everything is very tentative at this point. Dr. Palermo inquired if Dr. Fox was going to be invited to speak. Ms. McClelland reported that it is too early in the planning stages to determine who is going to be invited, but the committee will keep her name under consideration. Ms. Austin inquired about airports to fly into for the event. Ms. McClelland reported that she is working with a local member to help with this issue and will report back. Mr. Smith offered that if stallions are invited to participate, that an invitation be sent to all stallions in North America. Ms. McClelland reported that this direction is being followed.

vi. 35th Anniversary Committee (Jack) Mr. Vanderkooy presented the minutes dated 5.3.17. Mr. Vanderkooy reported that he has shared these minutes with individuals in the Netherlands and he will also be meeting with individuals from the Netherlands to discuss logistics and details while he is in the Netherlands in June. Mr. Steenbeek asked about the use of the Sjees. Mr. Vanderkooy responded that it is in the best interest of the event to see how many of these Sjees we can find in North America for use before we know if we need to transport Sjees over from the Netherlands.

vii. Rules & Regulations Committee (Eric) Mr. Smith presented changes to Rules & Regulations section 4. **Motion made by Mr. Smith to accept the changes to the Rules & Regulations section 4. Motion seconded by Ms. Renico.** Mr. Steenbeek asked about 4.7.2 in returning registration papers to the FHANA office on a deceased horse. Mr. Tice reported that the KFPS charges a deposit on the papers, even though FHANA does not charge the deposit except for BBII papers, it is the KFPS rules to have the papers returned. This normally only occurs when an insurance company sends them back to FHANA. Mr. Smith reported that the papers are the property of the KFPS and they can request them back. After additional discussion, it was determined the word "requested" be entered regarding the death of a horse. **Motion Approved Unanimously.**

H. Review Items

i. Summer Meeting in Canada (Jack)



Mr. Vanderkooy reported on possible dates for a second face to face Board meeting Aug. 18-20 or 25-27. Hotel Expense estimated at \$109 per person per night at the Hampton Inn. Board members will pay for their own gas and hotel rooms. It was determined Ms. Austin's flight will come from Board expenses. Mr. Vanderkooy reported the tentative Schedule would be as follows: Mr. Vanderkooy's House Friday evening. Board meeting/Strategic Planning Saturday Morning. Mr. Steenbeek's house with Ontario Friesian Horse Club Saturday afternoon/evening. Dr. Palermo was in favor of this proposal. Ms. Austin reported that she is not in favor of the proposal due to other previous engagements during that time frame and she felt she would not be able to attend. Ms. Renico felt that strategic planning should be added on to the AGM meeting and she was not in favor of the additional meeting and expense for 2017. Ms. McClelland is in favor of the meeting. Mr. Tice reported that he was in favor of the meeting because it is always better to get more things accomplished in a face to face setting without the distractions of the AGM. Mr. Tice was concerned about the extra expense this might cause to FHANA and understand the time constraints for each member. Mr. Smith reported that he does not have great airport access so travel requires an extra day for him which is a concern. Mr. Smith thanked Mr. Vanderkooy and Mr. Steenbeek for their offer of hospitality, but wants to make sure that the FHANA finances are positive before extra events such as this are planned. He is concerned how the membership will view this due to the finances of FHANA. Based on the discussion, Mr. Vanderkooy thought it would be best not to bring this item to a vote and this item will be dropped from future agenda's. Ms. Austin would like to see Strategic Planning added to the AGM schedule for 2018.

I. Discussion Items

i. Certificate of Deposit (Jennifer) Ms. McClelland reported that we have a CD that will mature 5/14/2017 in the amount of \$76,257.71. It was determined prior to the meeting that FHANA would follow the direction of past boards and roll over the CD back with Farm Bureau for an additional 3-year term. Mr. Smith felt the option to cash in the less than inflation CD and move it to a savings account created liquidity and better future investment. Mr. Steenbeek felt the same. Ms. McClelland reported that we do have the ability to cash in on our William Blair Investment with no penalties and this helped with the decision that was made.



ii. KFPS Clothing Line (Jennifer) Ms. McClelland reported that she has had several discussions with members and there is a great demand for FHANA to start carrying KFPS clothing. Many members do not have the means to travel to the Netherlands to obtain the clothing and they are uncomfortable with ordering overseas. Ms. McClelland thought this is a great way to help brand the KFPS and give the members benefit in helping them acquire this clothing line. Ms. McClelland is requesting feedback from the board. Ms. Austin reported that she was in favor of this but is curious where the initial seed money will come from. She thought this would be a big benefit for the membership. Dr. Palermo inquired about discounts. Ms. McClelland reported that in the initial discussions the KFPS is willing to give us a 25% discount but quantities are still being discussed. Mr. Steenbeek felt FHANA would lose money on the endeavor. Ms. Renico felt this is a great idea, but the membership will need to be educated on the European sizing, but there are other items that we can certainly sell as well such as saddle pads. Mr. Tice asked if the FHANA Board was in favor of the FHANA office becoming a retail outlet. He estimated that in the beginning 25% of the office time would be dedicated to sales. The other option was to utilize Carriage House Promotions, but she would want 20% of the sales. Mr. Tice also reported that with the relocation of the office would hinder our availability of space to store items. Mr. Vanderkooy suggested that the Marketing Committee discuss this further and come back with a proper proposal for discussion. Ms. Smith reported that he really likes the idea, but wanted to caution the board on inventory. Inventory becomes dated and destroys free cash. He thought we should consider various forms of shipping before we start bringing in inventory. Dr. Palermo suggested a test run and let the membership place an order through FHANA and then FHANA place the order and distribute. Mr. Vanderkooy requested the committee to take the proposal back for further discussion.

iii. Breeders Calendar (Jack) Mr. Tice reported that we have received 10 breeders who are committed to participating on the calendar. Mr. Tice thought it would be best if he and Mr. Vanderkooy would reach out to other individuals to see if they could get them to commit. Mr. Vanderkooy presented the budget for the calendar and went into detail regarding the budget. It was reported that a second quote would be acquired from a print house in the United States to make the project cost neutral. Mr. Smith asked how this might hurt or compete with the chapters that are already producing calendars. Mr. Vanderkooy responded that this is a breeder's calendar and he felt this would not compete with the chapters that are currently doing this and he looks forward to this becoming a tradition for FHANA. Ms. Renico reported that she envisions this calendar as a promotional item that could be distributed at various events. Mr. Vanderkooy asked about the chapters with calendars if they charge a fee to be in the calendar. Mr. Smith reported that they typically are distributed with the memberships and then they were available for purchase. Mr. Vanderkooy reported that the intention is the calendars only be sent out as part of our membership packets as a member benefit. Mr. Tice responded that with only printing 2000, there will be no extra calendars to be distributed at events. The board agreed to pursue this as planned and budgeted.



J. Board Round Table Discussion

i. Mr. Steenbeek inquired about the website and how it is not up to date with the KFPS. Mr. Tice felt it was best to allow Mr. Vanderkooy to address this concern with the KFPS with his conversations that he will have with them. Mr. Steenbeek agreed.

K. Good of the Order

- i. Next Meeting June 20th, 2017 at 1:30PM EST
- ii. Future Meeting July 18th, 2017 at 1:30PM EDT

L. Adjourn

Dr. Palermo made the motion to adjourn.