

**Belgian Draft Horse Corporation of America
Board of Director Meeting – June 3, 2020**

The board meeting was called to order at 1:15 p.m. by Walter Schaefer, Jr. at the Farmstead Inn in Shipshewana, IN. The following were present for the meeting: Lewis Biddle, Jim Carey, Matt Frieden, Jenna Hovermale, Corbly Orndorff, Larry Piergallini, Walter Schaefer, Jr., Dean Woodbury, and Teresa Zube(Present by phone). Levi Beachy was not in attendance.

Minutes:

Minutes were presented for approval from the February 4, 2020 Conference Call.
Jim Carey moved to approve the minutes.
The motion carried unanimously.

Minutes were presented for approval from the April 9, 2020 Conference Call.
Lewis Biddle moved to approve the minutes.
The motion carried unanimously.

Financials:

Financial reports for the year to date were reviewed. Larry Piergallini reviewed the continued growth with the board. They will continue to monitor the accounts and the financial reports throughout a very different time in the industry, not knowing how COVID will affect the office in the near future. There are several Certificates of Deposits (CDs) coming due before the next board meeting. With less favorable and lower interest rates, the financial committee will work with the COO to find the best terms and banks to temporarily place the CDs that need to be moved.

Jenna Hovermale presented the interactive graphs that had been made in Power BI. She will work with the new COO and Kaitlin (project designer) to add trend lines on the summaries.

Jim Carey moved to accept the financial report.
The motion carried unanimously.

Teresa Zube opened up discussion on best practices for an audit. The board discussed the options and Teresa suggested that there be a best practices for an audit created.

President's report by Walter Schaefer, Jr.:

Walter Schaefer, Jr. thanked the group for making it the meeting during this interesting time we are facing. Walter welcomed Lewis Biddle to his first Spring Board meeting. He commended the group and past board members on how well they stay connected when they transition off the board. Walter thanked Jenna Hovermale for staying active in her role through the longer transition period. He reminded the group of the goal to provide an environment to be able to openly express ideas and opinions but still come together as a team.

Secretary's Report by Jenna Hovermale:

The office has gone through a very different winter and spring. They started with a new staff member, Jasmine Bolinger, who was hired in February. Jasmine and Leslie are both working well together in the office to make sure everything is processed in a timely manner. Leslie recommended Jasmine for the position and did a great job getting her trained. In March when the state of Indiana had a mandatory shut down the office staff started working from home. With many sales canceled or postponed it slowed work down in the office. When staff was able to return due to the lack of paperwork and social distancing guidelines the staff started trading 2 weeks off and 2 weeks on with unemployment until June. In June there was an increase in paperwork so staff returned to normal functions. Normally during slow time's office staff is able to complete other projects around the office but with the state unemployment rate and the need to change our office structure the rolling work schedule was the better option. Everything in the office is functioning smoothly and after the annual meeting the monitor/tv was installed in the conference room for board meetings and other special meetings.

Unfinished Business:

Jenna Hovermale reminded the board that during the last conference call they discussed the compensation for Leslie and the desire to have a bigger wage gap to reward her for her length of service and dedication. During the call the discussion was put on hold.

Matt Frieden moved to give Leslie Halverson a \$2000 bonus.
The motion carried unanimously.

Committee Reports:

Nominating committee by Corbly Orndorff:

The Nominating Committee selected the candidates and they will be announced in the summer newsletter. The candidates this year included four new names since Matt Frieden is not running for another term. Jim Carey- Sheridan, IN; Craig Hagemann- Stillman Valley, IL; Herman Miller- Ligonier, IN; Larry Piergallini- Dillonvale, OH; Henry V Raber- Baltic, OH; Jeffrey Simmons- Cuba City, WI

Marketing and Events:

Larry Piergallini moved for the Corporation Booth to be at Dover and Topeka sales.
Motion carried unanimously

Break in reports to Interview Michelle Keaffaber for COO position:

Corbly Orndorff moved to offer the COO position for the Belgian Draft Horse Corporation to Michelle at a starting wage of \$52,000/year, 3 weeks of PTO, and a \$75/month phone/internet stipend.
Motion carried unanimously

Presentation by Red Earth Financial

Jenna Hovermale and Walter Schaefer, Jr. introduced the group to the proposal of hiring an accountant to help manage the financials during the transition to the new COO. Jenna discussed that during her first 6 months Rea Logan handled all of the financials until she was able to transition into them and it was helpful for her to learn her roles before taking them over. Jenna recommended the office work with Red Earth. She has worked with them on other projects and thinks that Paul will be a good teacher and is great at improving processes to make them more efficient and easier.

Paul McCann joined virtually and had a proposal for 3 different levels of accounting services. All included getting the accounting services transferred over to QuickBooks, receipt banking services and include payroll services

Larry Piergallini moved that the Belgian Corp engage in a yearlong agreement with Red Earth Financial on the Book Keeper level for \$800/month including all subscription fees and setup fees.

Yes: Jim Carey, Matt Frieden, Corbly Orndorff, Larry Piergallini, Dean Woodbury, and Teresa Zube

No: Lewis Biddle

Motion Passed

Committee Reports Continued..

Annual Meeting Report:

Jenna Hovermale shared that plans are in place for the annual meeting to be held at the Best Western in Arcola, IL. Jenna reminded the board that in December it was decided to offer a free meal to the membership and a guest. The board discussed alternate options if IL will not allow the annual meeting. The board will have a conference call later in the summer if it looks like Illinois may not allow a large group to meet due to COVID to decide best options for the meeting.

Bylaws committee report by Teresa Zube:

The committee discussed Article II which deals with types of membership. What is in the bylaws doesn't align with the process utilized in the office and the forms that are utilized for ownership. The committee discussed in depth the pros and cons of changing the bylaws or the existing process. The committee decided to leave the bylaws and propose a change to the process in the office and the forms around ownership. By making this change, the committee feels that it better protects the Belgian Corp's interest and liability. The con of this change is that it could take longer to process registrations and transfers and members will need to be made aware of this so they can plan accordingly.

Lewis Biddle moved to approve the new Signature Authorization Forms.

Motion Passed unanimously

From a legal perspective, there were also several articles that the committee wanted to clean up. .

They are as follow:

Jim Carey moved to amend Article VI – Rules of Registration, Section 1. General Requirements to read: *Any person, persons or legal entity recognized by the Corporation, requesting registration of a Belgian horse must conform to all the requirements, rules and regulations of the Corporation pertaining thereto. To register a horse with the Belgian Draft Horse Corporation of America, the horse must be registered by and in the name of the owner of the dam at the time of foaling; provided further, that in order to register the horse, the dam and sire of said horse must be properly registered and transferred on the records of the Corporation. **No animal can be registered into a farm name which is not a legal entity recognized by the Corporation referenced in Article II, Section 1 of the Bylaws.***

Motion passed unanimously.

Corbly moved to add section 9 to Article VI – Rules of Registration, to read:

Section 9. Non-member Registrations

Registrations of horses by non-members are permitted provided the registration meets all requirements of these Bylaws. In particular, any person(s) or legal entity seeking to register a horse must be one that is recognized pursuant to Article II, Section 1 of these Bylaws.

Motion passed unanimously.

Larry Piergallini moved to amend Article VII – Rules of Transfer, Section 1. Application for Transfer to read:

*A record of all changes in ownership must be made on the records of the Corporation. A signed application for transfer, shall be forwarded promptly to the Secretary of the Corporation. Such application for transfer shall be signed in ink on the form furnished by the Corporation, which, when returned to the Secretary, shall be entered upon the records if found to be regular. Every space on the transfer form must be filled out in full, where necessary, in order to make the transfer acceptable. All animals must be transferred into a proper name or a legal entity recognized by the Corporation. No animal can be transferred into a farm name which is not a legal entity recognized by the Corporation **referenced in Article II, Section 1 of these Bylaws.** This restriction includes farm names or businesses which are state registered, unless that entity is properly filed and registered as a corporation, partnership, limited liability company, limited liability partnership or educational institution. In the case of bred mares, the application for transfer shall also carry the date of service and the name and registry number of the stallion to which the mare is bred. If a transfer or transfers have been skipped or neglected, the transfer applicant must procure the signature of the last recorded owner(s) and the horse in question must be DNA tested and parentage verified at the applicant's cost.*

Motion passed unanimously.

Matt Frieden moved to add section 7 to Article VII – Rules of Transfer, to read:

Section 7. Non-member Transfers

Transfer of horses to or from non-members are permitted provided the transfer meets all requirements of these Bylaws. In particular, any person(s) or legal entity seeking to transfer a horse or to which a horse is being transferred, must be one that is recognized as referenced in Article II, Section 1, of these Bylaws.

Motion passed unanimously.

Jim Carey moved to add section 5 to Article XII – Legal, to read:

Section 5. Non-Member Death or Dissolution of Non-Member Entity

In case of death of a non-member; death of a shareholder of a non-member corporation; the dissolution of a non-member partnership; death of a member or a non-member limited liability company; dissolution of a non-member limited liability partnership; the non-member shall have one year after the date of death or dissolution to register or transfer upon the books of the Corporation, each animal or the unregistered progeny thereof, upon payment to the Corporation of the fees of registration a referenced under these Bylaws.

Motion passed unanimously.

Farm/Pull Engagement Committee report by Corbly Orndorff:

This year is still unknown as to what events will happen. The Midwest Classic and St Jude's Pull had chairs. Corbly would like a budget for potential shows that might happen and the ad in the pulling calendar.

Larry Piergallini moved to budget \$3000 for director chairs and the ad for the pulling calendar.

Motion passed unanimously

Publications Committee:

The discount for turning ads in early worked well. The committee is planning to do that again. They are now working on distributing books due to the lack of places to sell them with the cancelation of events. They will be having a meeting soon to start getting details ready for 2020.

National Belgian Show Committee Report by Teresa Zube:

The committee discussed with Justin whether IN State Fair was going to happen with all the COVID activity. As of the meeting the fair board was having active discussion around the topic. Their intent was still to have the fair, but they were hoping to have a final decision by end of May/beginning of June. Trophies for the National show and sponsorship for those trophies was discussed. With the uncertainty looming on if the IN State Fair would happen, the committee decided to order all the trophies but not engrave them so that if the fair didn't happen this year, they could be repurpose for future years. As far as sponsorships, the committee decided to wait until a decision on the IN State Fair before reaching out to past sponsors. The last order of business for the committee was to talk about the National show bid for the next three years. Letters were sent to all participating merit shows earlier this year informing them that the show would be up for bid (2021 thru 2023) and guidelines around participation in the bidding process. From this, there was interest expressed from IA, IL, NY, OH and IN. The only two shows that officially submitted a bid were OH and IN. After the committee reviewed both bids, the recommendation was to move the National Belgian Show to OH State Fair for the 2021-2023 show seasons. The decision was based on the following:

- OH did an exceptional job on their bid package, they were very engaged in the process from the start, they had a passion for wanting the National show which was evidenced by their

commitment in the bid they provided and they provided their bid in the timeline identified in the guidelines sent out to all merit shows .

- IN bid package was less than impressive and lacked substance, the Belgian Corporation had to push them to submit a bid, communication from the fair was poor during the process, committee didn't feel that the fair had a passion any longer to host our National Show based on lack of engagement on the topic, there has been a history over the last few years with reoccurring issues that haven't been resolved, and they didn't provide their bid in the timeline identified in the guidelines sent out to all merit shows.

One area that the committee would like to spend more time on is a more robust checkoff for decision making around the winning bid. In this situation, they only had two bids and it was very clear by the guidelines they had to work with who the winner was, however, if there had multiple bids that weren't as clear cut, how would they make the decision.

National Belgian Futurity:

The National Belgian Futurity Committee is requesting a \$1500 sponsorship from the Belgian Corp.

Dean Woodbury moved to contribute \$1500 for a sponsorship for the National Belgian Futurity.

Motion Passed Unanimously

Hall of Fame report by Jim Carey:

This year Gary Nebergall will be writing the Hall of Fame article on Lee Eller.

Belgian Merit Program update by Teresa Zube:

The committee asked Jonathon Cush to join the last committee meeting to discuss concerns that he and other members had with the merit program last year. Larry Piergallini provided the history behind the program and what the original intent of the program was which was helpful to the committee members that weren't aware of how it came to fruition. Main concern voiced was that the program as it stands isn't recognizing consistency/merits of the animal and is more about who can go to the most shows and get points thus determining who places in the top three. There were some thoughts thrown out from Jonathon and the committee on how more credibility in the program could be created. They include ideas such as:

- Better articulating on the website the intent of the merit program as it stands today
- With the program being in existence as long as it has and halter shows and numbers at shows diminishing, should we consider changing show index's and/or multipliers for the existing shows
- Let people show at as many shows as they want but when it comes to points towards the merit program, only use 5 or 6 shows to determine placings
- If a show participates in the merit program, having a deadline on entry of animals into a class at that show. Example given of a show that went around last minute asking to enter horses in order to achieve an index level for that show

Ultimately the committee decided to solicit feedback from more membership during the show season to better understand if the program is working or if there is a need to make changes. The committee will

regroup after the season to bring all this information together and make a recommendation to the Alliance Board. After the meeting, Larry Piergallini did a nice analysis of a few horses that showed last year. The intent was to show how the placings might have changed if we were to recognize points for the program on a certain amount of shows as recommended above. The board reviewed his analysis.

New Business:

The board reviewed the contract with UC Davis for DNA, JEB and other lab testing.
Matt Frieden moved to approve the contract.

Motion passed unanimously

Lewis Biddle moved to adjourn.

Motion passed unanimously.

Meeting adjourned at 9:41 pm

Signed:

Jenna Hovermale

Secretary, Belgian Draft Horse Corporation of America