

American Association of Woodturners

Board Meeting

Wednesday, May 17, 2017

CALL TO ORDER

A regular meeting of the AAW Board of Directors was convened by teleconference at 6:00 p.m. central daylight time, on Wednesday, May 17, 2017, with President Greg Schramek presiding.

Board members in attendance were Jeff Brockett, Joe Dickey, Kathleen Duncan, John Ellis, Wayne Furr, David Heim, and Molly Winton. Louis Vadeboncoeur was absent. Staff members present were Linda Ferber, Phil McDonald, Kim Rymer, and Editor Josh Friend.

APPROVAL OF MINUTES

The minutes of the April 19, 2017, board meeting were reviewed. Wayne Furr moved to accept the minutes, as presented. David Heim seconded the motion and the minutes were unanimously accepted, as written.

FINANCE COMMITTEE REPORT

April 2017 Financial Reports

Joe Dickey summarized the April 2017 financial reports and noted the following points:

- Unadjusted net income as of April 30 was \$342.7k, which is \$184.5k favorable to budget.
- Seasonally adjusted net income as of April 30 was \$38k, which is \$17k favorable to budget.
- The year-end forecast for net income is \$42.3k, which is \$30.1k unfavorable to budget.
- April 30 "Cash on Hand" is \$819k.
- The year-end forecast for "Cash on Hand" is \$758k.

Joe noted that the year-end forecast for net income is sensitive to the KC symposium financial performance.

Acceptance of Preliminary 2016 Audit Reports

On behalf of the Finance Committee, Joe asked the Board to approve a resolution to accept the preliminary 2016 audit reports.

RESOLVED, upon recommendation of the Treasurer and with the consent of the Finance Committee, the AAW Board of Directors accepts the preliminary 2016 audited financial statements as presented by our independent auditor.

John Ellis made a motion to approve the resolution to accept the preliminary 2016 audit reports. Wayne Furr seconded the motion and the resolution to accept the preliminary 2016 audit reports was unanimously approved, as presented.

Approval of Corporate Resolution for Fidelity Investments

On behalf of the Finance Committee, Joe indicated that the Board needs to approve a resolution to open a brokerage trading account at Fidelity Investments and delegate individuals with authority to act on AAW's behalf with respect to the account.

RESOLVED, that the corporation has reviewed the terms of the Fidelity Investments Corporate Resolution and hereby approves the establishment and maintenance of a trading account with Fidelity Investments. Further, the corporation authorizes the AAW President, AAW Treasurer and Executive Director to act on behalf of the American Association of Woodturners to establish said trading account.

FURTHER RESOLVED, that the Executive Director be, and hereby is, authorized to execute and to take such other action, as shall be deemed necessary to fulfill the foregoing resolution.

John Ellis made a motion to accept the resolution to open a brokerage trading account at Fidelity Investments and delegate individuals with authority to act on AAW's behalf, as written. Jeff Brockett seconded the motion and the resolution to move forward with the brokerage trading account at Fidelity Investments was unanimously approved, as presented.

EXECUTIVE DIRECTORS REPORT

Kansas City Update

Phil McDonald reported that total current Symposium registrations are 906. He indicated that Symposium revenue and expense positions have been reforecast based on a lower attendance projection for all categories of 1,150 (from the budgeted 1,300). He confirmed that proactive steps have already been taken to reduce expenses.

Jeff Brockett stated that the team is taking a close look at the AV contract and is eliminating high-end equipment and labor costs where possible.

Phil reported that trade show booth sales are \$85k, compared with the \$75k budgeted goal. Almost all of the booth space is sold, which is better than expected. Approximately 95% of Symposium attendees make a purchase in the trade show, which is above the industry average.

Phil confirmed that registrations from the Furniture Society (FS) are being monitored separately and only a few have been received to-date.

Quad Graphics Printing Services Contract

Having also consulted with the Contracts Committee, Phil McDonald asked the Board for a motion to approve an amendment extending AAW's current contract with Quad Graphics for another two years. AAW contracts with Quad Graphics for the hard copy printing and digital app services for the Journal. The amendment retains the option to renew beyond 2019, as a mutual convenience.

David Heim made a motion to approve the amendment to the contract with Quad Graphics, as written. Molly Winton seconded the motion and the motion to approve the amendment was unanimously approved, as presented.

Preparations for June Board Meeting in Kansas City

Phil McDonald reported that hotel reservations have been made for all Board members in Kansas City. He noted that historically the Board has convened on Monday night for dinner. Instead of gathering Monday night, Phil recommended that the Tuesday Board meeting carry on into the evening as a working session.

Linda Ferber reminded Board members to pack their Board shirts and name tags.

SYMPOSIUM COMMITTEE

Jeff Brockett reported that Symposium plans are on target and that the Committee is focused on odds and ends. He noted that volunteer recruitment is behind schedule.

All of the lathe stands for the Youth Program are being stored at the Laverne warehouse until the lathes are shipped, at which time they will be held at "The Cave." Jeff indicated that Youth Program registration is below average, with only 18 kids signed up to date. He expects there will be a few registrations onsite.

MEMBER PRIVACY POLICY

John Ellis presented the Board with a revised draft of the AAW member privacy policy for approval, as discussed in the April 2017 Board meeting. He noted that the intent of the revision is to clarify the meaning of "AAW business only" to include exchange of member information with chapter officers for authorized activities that mutually benefit members, chapters, and the AAW.

The American Association of Woodturners (AAW) will use any personal information provided by or about its membership for AAW business only. This includes names, addresses, phone numbers, and email addresses. Any use of this information will be limited to activities directly sponsored by or related to the American Association of Woodturners, including activities by officers of its chartered local chapters when directly related to authorized AAW business. Personal information will never be loaned, sold, or provided to any other party for any other purpose. This revised policy will be integrated into all appropriate documents.

Kathleen Duncan made a motion to approve the revised AAW member privacy policy, as written. Wayne Furr seconded the motion and the revised AAW member privacy policy was unanimously approved, as presented.

POLICY ON FRACTAL BURNING

On behalf of the Safety Committee, John Ellis presented the Board with a new policy against the use of Fractal Burning for approval.

It is the policy of the American Association of Woodturners (AAW) that the process known as Fractal Burning is prohibited from being used in any AAW-sponsored events, including regional and national symposia, and that AAW-chartered chapters are strongly urged to refrain from demonstrating or featuring the process in chapter events. Further, the process of Fractal Burning shall not be featured in any written or online AAW publication, except for within articles that warn against its use. AAW publications will not accept advertisements for any products or supplies directly related to the process.

David Heim made a motion to approve the new policy against the use of Fractal Burning, as written. Jeff Brockett seconded the motion and the new policy against the use of Fractal Burning was unanimously approved, as presented.

NOMINATION COMMITTEE

Joe Dickey reported that the 2018 nominees for the AAW Board are as follows: Jeff Brockett (incumbent), Kathleen Duncan (incumbent), Ken Ledeen, Mike Summerer, Rick Baker, and Charles Sapp.

He noted that all candidates for the Board will be in attendance at the 2017 Symposium in Kansas City.

Josh Friend reported that a two-page spread on the nominees will be featured in the June 2017 issue of the *American Woodturner*.

Greg Schramek asked the Board to encourage members and chapters to vote, since voting has been extremely low in recent years.

John Ellis indicated that the voting period is too long and members forget to vote. He suggested that the Board consider a bylaws change to tighten up the voting period.

Wayne Furr will investigate the bylaws change process and report back at the June meeting.

UNFINISHED BUSINESS

None

NEW BUSINESS

Greg Schramek noted that general discussions have taken place about AAW's relationship with the Collectors Wood Art (CWA).

UPCOMING MEETINGS

- June 20, 21, and 26 in Kansas City
- July 19 - Teleconference
- August 23 - Teleconference
- September 20 - Teleconference
- October 18 - Teleconference
- November 18 and 19 in St. Paul
- December 13 - Teleconference

All teleconference meetings are scheduled for 6:00 p.m. central time.

ADJOURNMENT

Jeff Brockett made a motion to adjourn the meeting. Molly Winton seconded the motion and the meeting concluded at 7:21 p.m. central daylight time, on Wednesday, May 17, 2017.

Respectfully submitted,

Kathleen Duncan, Secretary

Attachment

MEETING OF THE BOARD OF DIRECTORS
May 17, 2017

Resolution Authorizing Establishment of Brokerage Trading Account

RESOLVED, that the corporation has reviewed the terms of the Fidelity Investments Corporate Resolution and hereby approves the establishment and maintenance of a trading account with Fidelity Investments. Further, the corporation authorizes the AAW President, AAW Treasurer and Executive Director to act on behalf of the American Association of Woodturners to establish said trading account.

FURTHER RESOLVED, that the Executive Director be, and hereby is, authorized to execute and to take such other action, as shall be deemed necessary to fulfill the foregoing resolution.

Purpose

This resolution establishes a means for purchasing interest-bearing investments, and it also will create a receiving account for donors to bequest hard assets to the AAW. This action is made necessary to authorize AAW approval of the Corporate Resolution required by Fidelity Investments which is a condition of opening a business brokerage trading account. Moreover, the resolution establishes that the foregoing individuals have been delegated authority to act on AAW's behalf with respect to the AAW account at Fidelity Investments.

Motion Summary

John Ellis made a motion to accept the resolution to open a brokerage trading account at Fidelity Investments and delegate individuals with authority to act on AAW's behalf, as written. Jeff Brockett seconded the motion and the resolution to move forward with the brokerage trading account at Fidelity Investments was unanimously approved, as presented.

Attested to:

/KS

Kathleen Duncan
AAW Executive Board Secretary