

**American Association of Woodturners
Board Meeting
September 19, 2018**

CALL TO ORDER

A regular meeting of the AAW Board of Directors convened by teleconference, on Wednesday, September 19, 2018, at 6:02 p.m. CST, with President Greg Schramek presiding.

Board members present were Rick Baker, Jeff Brockett, Joe Dickey, Kathleen Duncan, John Ellis, Wayne Furr, David Heim, and Molly Winton. Staff members participating were Linda Ferber, Phil McDonald, Kim Rymer, and Editor Josh Friend. Board member-elect Ken Ledeen monitored the call.

APPROVAL OF MINUTES

The minutes of the August 22, 2018, Board meeting were reviewed. Wayne Furr made a motion to approve the minutes. Molly Winton seconded the motion and the minutes were unanimously approved.

FINANCE COMMITTEE REPORT

August 2018 Financial Reports

Joe Dickey summarized the August 2018 financial reports and noted the following points:

- Unadjusted net income as of August 31 was \$291k, \$168k favorable to budget.
- Adjusted net income as of August was \$95k, \$54k favorable to budget.
- The year-end forecast for net income is \$177k, \$116k favorable to budget.
- August 31 "Cash on Hand" was \$852k.
- The year-end forecast for "Cash on Hand" is \$1,070k.

Joe Dickey indicated that the Finance Committee has recommended, and the ED has concurred, to set up a new CD ladder using cash balances as indicated under "Cash on Hand."

EXECUTIVE DIRECTOR REPORT

Resolution to Approve the 2017 Tax Returns

The Finance Committee reported that during its September meeting it performed a detailed review of the 2017 IRS Form 990 tax returns prepared on AAW's behalf by the independent auditor. As a result, the Finance Committee unanimously recommended Board approval of the annual tax returns and authorized the Executive Director to instruct AAW's auditor to finalize and submit the tax returns.

RESOLUTION

“Be it resolved that the AAW Finance Committee unanimously recommends the AAW Board of Directors approve the 2017 IRS Form 990 tax return as prepared and presented by Olsen-Thielen, our independent auditing firm.”

Wayne Furr made a motion to accept the resolution to approve the 2017 IRS Form 990 as prepared and presented by Olsen-Thielen. Jeff Brockett seconded the motion and the resolution was unanimously approved.

Membership Recruiting-Chapter & Rockler Partnership Workplan

Phil McDonald summarized the chapter membership recruiting work plan through the end of the year. He indicated that AAW will be mailing approximately 12,000 pieces of marketing collateral, at a cost of between \$3,000-\$3,500, to 130 of the most engaged chapters to support AAW recruiting efforts. Phil explained that the highest percentage of new members continue to be from chapters and AAW needs to continue to market to chapters.

He reported that AAW is working with Rockler on a marketing campaign that includes free Woodturning FUNdamentals digital access with the purchase of a Rockler products bundle. Sale of “General” AAW memberships will also be offered through Rockler. AAW is hoping to launch the campaign by year end and is working on tailoring communications to reach 750,000 prospects around the world. AAW expects the campaign to generate a significant number of leads and give AAW access to prospects outside of chapter boundaries. Phil noted that it is not possible to accurately forecast income from the Rockler campaign at this point. However, with the free “Guest” membership, the typical “Guest” to “General” membership conversion is about 20%. AAW hopes to convert 20-25% and target more women and millennials through the campaign with Rockler.

2019 Budget Development

Phil McDonald stated that the timeline for 2019 budget process planning and development is in the Board packet. He indicated that the first deadline is October 11 and asked all Committee Chairs to involve their Committee members in budget discussions.

Update on IT Planning

Phil McDonald explained that AAW has worked diligently to evaluate requirements and formulate a comprehensive technology plan, which should be viewed as much more than simply a new website. He indicated he expects to deliver an operational plan and cost estimate to the Board in October.

Raleigh Symposium Updates

Phil McDonald explained there is a loose correlation between trade show booth sales and attendance. AAW already has 110 booths committed for Raleigh though August, which is higher than we experienced for Portland and a good sign for Raleigh.

He reported there is now a third hotel, The Residence Inn, with 50 “on peak” rooms on hold through December. Most attendees will choose the Marriott or Sheraton. There are not very many less expensive options nearby.

SELECTION COMMITTEE

Raleigh Update

Jeff Brockett reported that the Committee has chosen 14 “selected” demonstrators for Raleigh from almost 50 applications to fill the 2019 lineup. All have confirmed by email, but contracts have not yet been signed and returned to the AAW office, so the names are confidential.

Louisville Update

The Committee has finalized the list of “invited” demonstrators for Louisville whose names should be kept confidential until the office is ready to release them. Each “invited” demonstrator will be required to submit their topic name and short demonstration description with their acceptance of the invitation.

WOODTURNING FUNDAMENTALS REPORT

Josh Friend reported that he would like to renew the contract with the editor of Woodturning FUNDamentals, John Kelsey. He would also like to request Symposium registration for the editor, as well as a \$500 increase per issue to be used to incent good authors and high-quality content.

In response to a question about gross advertising revenues, Phil McDonald stated that a 20% sales commission is only other direct cost associated with ads for Woodturning FUNDamentals.

WIT COMMITTEE EXCHANGE EVENT REPORT

Kathleen Duncan advised Board members that there is a WIT Exchange event summary in the Board packet. She reported that of 33 participants, she has received feedback from all but 6. Two of the attendees had not been AAW members previously.

Josh Friend stated that he has an article about the event planned for *American Woodturner*.

UNFINISHED BUSINESS

None

NEW BUSINESS

None

CALENDAR FOR 2018

- October 18 – Conference call (Note date change)
- November 17, 18 – St. Paul (November 16 fly-in day)
- December 19 – Conference call
- January 12 and 13 (January 11 fly-in day) **Tentative**

ADJOURNMENT

Jeff Brockett made a motion to adjourn the meeting. David Heim seconded the motion and the meeting concluded at 7:16 p.m. CST time on Wednesday, September 19, 2018.

Respectfully submitted,
Kathleen Duncan, Secretary