

AMERICAN ASSOCIATION OF WOODTURNERS
BOARD MEETING
Saturday, January 12 and Sunday, January 13, 2019

CALL TO ORDER

A regular meeting of the AAW Board of Directors convened at the Raleigh Marriott City Center hotel, in Raleigh, NC, on Saturday, January 12, 2019, at 8:30 a.m. eastern time, with President Greg Schramek presiding.

Board members present were Rick Baker, Jeff Brockett, Andy Cole, Joe Dickey, Kathleen Duncan, David Heim, Ken Ledeen, and Harvey Rogers, as well as staff members Linda Ferber, Phil McDonald, Kim Rymer, and Managing Editor Josh Friend.

APPROVAL OF MINUTES

The minutes of the December 19, 2018, Board meeting were reviewed. Greg Schramek asked the Board for corrections. There were none and the minutes were unanimously approved as written.

FINANCE COMMITTEE

December / Preliminary 2018 Y-E Financial Reports

Joe Dickey summarized the preliminary, unaudited year-end financial results and noted the following points:

- Unadjusted net income as of December 31 was \$216.6k, \$156k favorable to budget.
- The year-end forecast for net income is \$157k, \$96k favorable to budget.
- December 31 "Cash on Hand" was \$975k.

Joe also noted the following:

- The two endowment accounts combined experienced a \$13k loss in 2018, which has been added into the income statement forecast as an unrealized loss.
- In October, \$400k was invested from cash into in a three-month CD. That CD will mature on January 14. These funds will be reinvested in a second CD ladder incorporating six CDs spaced six months apart. This will effectively provide ongoing maturities at three month intervals.
- AAW unrestricted reserves are rising to healthier levels.
- Long range planning for information technology is critical and is a big financial issue.

MEMBERSHIP

2018 Membership Performance

Phil McDonald reported that AAW finished 2018 with an official membership count of 15,405, which is a decline of about 340 from 2017 to 2018.

Recruiting Incentives

Phil McDonald stated that AAW sees value in offering incentives. He explained that AAW gained 900 new members in nine-month period and retained about 60% as a result of an incentive. He indicated that AAW would have had a decline in membership without the incentive. Of 365 chapters, AAW received an average of six new members per chapter. He said members of larger chapters are more likely to become long-term members. Many chapters don't currently have the resources to recruit new members effectively. AAW could provide an incentive to help chapters recruit.

2019 Recruiting Planning

Phil McDonald explained that he approached the 2019 budget assuming no membership growth due to staff focus on technology vs. recruiting.

SYMPOSIUM COMMITTEE

2019 Raleigh Symposium

Noelle Grinley of Conference Direct joined the meeting.

Jeff Brockett stated the symposium timeline still needs attention. He has the POP panel information and is waiting for information on a CWA panel. He also indicated the following:

- Donations for the Youth Program have been requested.
- Powermatic will provide most lathes: lathes for the raffle, the demo rooms, and a bandsaw for the tool room, all will be for sale at a 20% discount. Brent English of Robust will provide one seated lathe.
- The preliminary assignment of demonstration rooms and the space schematics are in the Board packet.
- Existing AAW grinders should be sold and new grinders should be purchased for 2020.
- AAW may need to study demonstrator fees for 2020 in order to remain competitive.

Phil McDonald stated that AAW is currently at a good place with hotel pickup where expected for early January. The numbers become more meaningful by the end of February.

Noelle Grinley provided an overview of conference planning activities and noted the following points:

- The proximity of the hotels to the convention center is a plus. Both hotels are equally close. The Marriott has a tunnel to convention center, whereas the Sheraton is just across the street and attendees will walk outside.
- Most attendees will enter the convention center on level 3. Demonstration rooms will be located on level 3, registration and merchandise will be located on level 2, and the exhibitions and trade show will be located on level 1.
- The convention center has only one built-in concession space in Hall B and AAW has plans for an additional mini food court concession area.
- There will be bar service in the ballroom area for the Opening Ceremonies and there will be a plated dinner prior to the Award Ceremony.
- There is ample parking throughout the city and volunteers may park in any of the lots. The vendor/exhibitor parking is two blocks away in an open lot.
- Loading will be similar to last year with an additional day for unloading. There will be no Monday move-out available at the docks, so Sunday move-out will be extended to 10:00 p.m. We need to make sure that the move-out process does not take place until the trade show has officially ended on Sunday because the loading is adjacent to the attendee entrance to the hall.
- Spouse tours are expensive to arrange and guarantee. There are many Red Line tours and museums that are free. AAW is exploring arranging a guide to contain costs.
- There is not built-in EMT station at the convention center and we are considering a draped EMT area in Hall B.

Phil McDonald complimented Noelle's efforts. She has the onsite planning activities six months ahead of schedule, with all site services commitments already locked-in and confirmed. AAW will have plenty of time to react to unforeseeable events if they emerge.

2022 Symposium Site Selection

Jeff Brockett reported that prospective sites for 2022 were narrowed to two finalists. One is now no longer under consideration due to high hotel rates and lack of room proximate to the convention center. The remaining city finalist has provided a viable package and the convention center is downtown, right off interstate, and connected to the prospective host hotel. There are other hotels within a short walking distance. At the convention center, everything is on one level and attendees can walk end-to-end in only about five minutes. Hotel rates range from \$155 to \$170. Preliminary pro forma for all expected costs to produce the event suggest AAW can breakeven at 1,000 attendees. There are 6,000 AAW members within an 8-hour drive of the finalist city. Jeff recommended that the Board approve the 2022 recommendation.

Phil McDonald asked the Board for dialogue about how far in advance AAW should launch site selection for 2023, noting there is a benefit in allowing a longer lead time. Based on current demand and pricing, Conference Direct is recommending we wait and reassess later in 2019.

When discussing future concerns over recruiting enough volunteers, Jeff Brockett proposed that AAW eliminate demonstration assistants and ask for volunteer demo assistances from the demonstration attendees. Additionally, he advised that AAW vendor ambassador positions be reevaluated.

Jeff recommended that the Board approve a decision to move forward with the recommended finalist host city, pending contract approval.

Harvey Rogers made a motion to approve the symposium host city site for 2022, pending contract approval. David Heim seconded the motion, which was unanimously approved.

The meeting recessed for lunch, a volunteer meeting, and a tour of convention center. The Board meeting resumed at 1:48 p.m.

AAW BYLAWS REVISIONS

Harvey Rogers referenced the revised bylaws distributed by John Ellis. He indicated he was in agreement with the substantive changes and noted that Article 4 cannot be unilaterally revised by the Board due to the member vote requirement. Harvey asked the Board to approve the changes, except for changes to Article 4.

Board discussion followed.

Harvey Rogers made a motion to approve the draft of the revised bylaws distributed at the November Board meeting, with minor cleanup, and no changes to Article 4. David Heim seconded the motion and the motion was unanimously approved.

Harvey facilitated discussion about future revisions to Article 4. Harvey made a motion that AAW comply with the annual member meeting clause bylaws for the upcoming symposium and address any changes to Article 4 in the future. Jeff Brockett seconded the motion and Board discussion followed. The motion was put to vote: four ayes, 1 abstained, 2 nays. The motion was approved.

IT PROJECT IMPLEMENTATION

Phil McDonald reported that the software agreements have been executed and the developer has provided a timeline. There are two preliminary delivery dates when the site could be launched with an acceptable level of completion: August 1 or the end of May. He showed the Board an implementation checklist and indicated AAW will conduct weekly status meetings with consultants. AAW has plans to obtain feedback from focus group volunteers on process mapping.

Ken Ledeen indicated a clear project management process is needed and noted user experience experts: <https://www.nngroup.com/>

The meeting concluded for the day at 4:45 p.m. and resumed at 8:28 a.m. eastern time on Sunday, January 13, 2019.

NOMINATING COMMITTEE

Jeff Brockett reported that for the Nominating Committee, Molly Winton will serve as the past Board member and David Dudney will serve as the member-at-large. He noted the committee would like to have 8-9 nominees express an interest in running for the Board with a letter of intent. All nominees will be interviewed and evaluated, the top six will appear on the ballot, and three will be elected.

Harvey Rogers suggested devising an affirmative document that tells candidates what they can do; there is a document that says what candidates cannot do.

Board discussion about campaigning followed.

COMMITTEE MEMBERSHIP UPDATES

Greg Schramek indicated that committee members may be changed at any point in time. He suggested that committee members should be selected carefully and that a bigger committee is not necessarily a better committee.

COLLECTOR SEGMENT PLANNING WORK GROUP

Joe Dickey reported progress on the work group tasked in November to consult with the Collectors of Wood Art (CWA). He described various facets indicating the current status of CWA and general decline in demand for art by traditional collectors. Joe indicated that Tib Shaw, David Wahl, and he remain in communication with CWA.

Board discussion followed about raising the visibility of woodturning globally: exhibitions, publications, displays, chapter best practices, the need for a champion, rock star, ambassador, TV show, POP's role, AAW's role, CWA as another track, and money in Middle East and Singapore.

UNFINISHED BUSINESS

Jeff Brockett stated that there will be no Ornamental Turning demonstrations in Raleigh. It was offered to the Ornamental Turners, but they declined since they could not logistically handle it.

NEW BUSINESS

Rick Baker presented an idea to get new people involved in woodturning—put together a set of equipment that could be shipped to public places where the community could see something turned (other than a top or a pen). The set up could include samples of various turned objects. Rick asked if he

should develop the concept further. The Board suggested he review similar outreach activities conducted in the past.

UPCOMING BOARD MEETING SCHEDULE

February 20

March 20

April 17

May 22

June 19

July 8, 9, 15, (July 7 Fly-in Day) – Raleigh

August 21

September 18

October 23

November 16, 17 (November 15 Fly-in Day) – Saint Paul

December 18

CLOSING REMARKS

Greg Schramek indicated that Board members will be instructed which shirts to wear on specific days of the symposium. He suggested that Board members make flight arrangements and noted that Tuesday is the best day and three weeks ahead is the best time to make a reservation.

ADJOURNMENT

David Heim made a motion to adjourn the meeting. Andy Cole seconded the motion and the meeting was unanimously adjourned at 10:45 a.m. eastern time, on Sunday, January 13, 2019.

Respectfully submitted,
Kathleen Duncan, Secretary