

AMERICAN ASSOCIATION OF WOODTURNERS

Board of Directors Meeting

October 24, 2019

CALL TO ORDER

A regular meeting of the AAW Board of Directors convened via video conference, at 2:01 p.m. CDT on Thursday, October 24, 2019, with President Greg Schramek presiding.

The following Board members participated in the conference: Rick Baker, Jeff Brockett, Andy Cole, Janet Collins, Joe Dickey, Kathleen Duncan, David Heim, and Ken Ledeen. 2020 Board member-elect John Beechwood III monitored the call. Additionally, Managing Editor Josh Friend and the following staff members joined: Linda Ferber, Phil McDonald, and Kim Rymer.

APPROVAL OF MINUTES

Greg Schramek called for corrections to the minutes of the September 19, 2019, Board meeting. Andy Cole noted one correction. Kathleen Duncan made a motion to approve the minutes with one correction and David Heim seconded the motion. The minutes of the September meeting were unanimously approved with one correction.

FINANCIAL REPORT

Financial Reports

Joe Dickey summarized the financial reports for September 2019 and noted the following points:

- Income Statement unadjusted year-to-date: \$263k (\$170k favorable to budget)
- Income Statement adjusted year-to-date: \$137k (\$56k favorable to budget)
- Income Statement, 2019 year-end forecast: \$186k (\$78k favorable to budget)
- September 30 "Cash-on-Hand": \$912k
- Year-end Forecast "Cash-on-Hand": \$1,205k

He explained the Finance Committee is expected to present a recommended reserves guideline at the November for Board approval.

2020 Budget

Joe Dickey stated the preliminary budget for 2020 has been reviewed by the Finance Committee and will be discussed in detail at the November face-to-face Board meeting.

Phil McDonald indicated that vetting the preliminary budget proposal through Finance Committee early is the first step in the process. He stated that any concerns with the preliminary budget should be submitted as soon as possible so they may be documented and addressed ahead of discussion with board in November.

EXECUTIVE DIRECTOR REPORT

Chapter Affiliate Program

Phil McDonald requested feedback and reactions to the Chapter Affiliate Program information outline in the Board packet. He noted that the Chapter Affiliate program offers a good indication of what prospective members will get with AAW membership. Phil explained the program will have a significant impact on dues income and that AAW will see a delay in the receipt of the dues. He projects a dues target for 2020 of \$910k based on new assumptions associated with acquisition targets under the chapter affiliate program. The conversion rate is estimated at 35%, based on 8 new affiliates per chapter. Phil noted that we will work with Chapters willing to voluntarily coordinate their membership lists with us. the Chapter Affiliate program encourages Chapter leaders to make their lists available.

Linda Ferber reported that AAW is no longer promoting the test six-month incentive, but the incentive will be honored on an individual basis.

Chapter Scholarships

Phil McDonald explained that no funding for Chapter Scholarships was included in the 2019 budget. He discussed the scholarships with the Finance Committee, who is in favor of using money to support it because the value of goodwill outweighs the imbalance between the number of people served. The forecasted positive variances in the current year mean the funding impact would be nominal. The Finance Committee was also highly supportive of changing the terms of the program by eliminating the current progressive limits on the number of nominations chapters can forward, thereby opening eligibility to all AAW members in chapters. Phil noted that the scholarships are included in the proposed budget for 2020 and asked that the Board decide to allocate 2019 funds for the scholarships in 2019.

Joe Dickey made a motion to approve 2019 funds for scholarships in 2019 and Kathleen Duncan seconded the motion. The motion to approve 2019 funds for scholarships in 2019 was unanimous.

IT Project

Phil McDonald explained that testing of the new technology is in process. Testing to date has included 22 individuals and the Vision 2020 Committee. He noted that the webpage buildout is underway: 450 pages already built, 600 pages in backlog, 500 pages are obsolete or are not critical to launch, and 150 pages remain. An early December launch is anticipated with an advance communication plan similar to the 2014 plan.

Onsite Meeting

Phil McDonald explained that the preliminary 2020 budget proposal will be central to the agenda for the November face-to-face meeting. He referenced other agenda items noted in the October ED report and noted that any additional agenda items for the November meeting should be submitted by November 8.

DEMONSTRATOR SELECTION FOR OMAHA

Ken Ledeen explained that the Demonstrator Selection Committee has 12 top demonstrator picks for Omaha and the Committee plans to regroup in about a week. He noted that current Committee members are Ken Ledeen, Andy Cole, David Wahl, Kristin Levier, and Max Brosi.

Greg Schramek stated that Janet Collins and Jeff Brockett of the Symposium Committee will be full members of the Demonstrator Selection Committee. He explained that the people responsible for Symposium performance must be on the Demonstrator Selection Committee.

Jeff Brockett asked Ken to send a list of prospective demonstrators to Janet Collins and himself.

WOODTURNING FUNDAMENTALS

Josh Friend reported that the editor for Woodturning Fundamentals, John Kelsey, has health issues which will interfere with his ability to meet deadlines. John feels he would like to step down as the chief editor for the publication. Josh referenced his recommendation for Don McIvor to replace John. Both the recommendation and Don McIvor's resume are in the Board packet. He explained that Don McIvor will be shadowing John for the next issue of Woodturning Fundamentals and will ultimately take over for John. There will be no impact on the budget.

After discussion and suggestions, which included potentially broadening the pool of editor candidates, Josh indicated he will be moving forward with Don McIvor.

ETHICS COMMITTEE

Greg Schramek stated that the governance documentation may not be as clear as required.

He noted there is a competitive environment between regional symposiums and the AAW Symposium.

The Ethics Committee provided a letter (included in the Board packet) with an edit to question #1 of the Conflict of Interest Questionnaire. The Committee recommended adding, "including but not limited to, AAW Chapters and regional woodturning symposiums," so that it reads, "Please list all corporations, partnerships, associations or other organizations of which you are an officer, director, trustee, partner, or employee (including but not limited to, AAW Chapters and regional woodturning symposiums), and describe your affiliation with such entity."

UNFINISHED BUSINESS

Committee Assignments

Greg Schramek reported he is working on Committee assignments. Effort earlier in the year to oversee revisions to the Board handbook, bylaws, and conflict of interest statement will be revisited.

Jeff Brockett stated that he sent several updates to the bylaws to John Ellis some time ago and would like those changes back.

Phil McDonald indicated that he will develop a draft of the disclosure statement and would like Rick Baker to partner with him to complete it.

Extra Hotel Nights in January

If additional rooming night will be required for the January meeting in Louisville, let Phil McDonald know.

UPCOMING MEETINGS

(All Times Eastern)

- November 16 & 17 (November 15 Fly-in Day)
- December 19, p.m. 2:00 p.m. EST
- January 17, 18, 19 in Louisville (January 17 Fly-in Day)

ADJOURNMENT

Andy Cole made a motion to adjourn the meeting. Rick Baker seconded the motion and the meeting was unanimously adjourned at 3:22 p.m. CDT, on Thursday, October 24, 2019.

Respectfully submitted,
Kathleen Duncan, Secretary