

AMERICAN ASSOCIATION OF WOODTURNERS

Regular Meeting of the Board of Directors

Thursday, May 21, 2020

CALL TO ORDER

A regular meeting of the AAW Board of Directors convened via Zoom teleconference, at 3:11 p.m. Central Time on Thursday, May 21, 2020, with President Greg Schramek presiding.

The following Board members were present: Rick Baker, John Beechwood III, Jeff Brockett, Andy Cole, Janet Collins, Joe Dickey, Kathleen Duncan, and Ken Ledeen. Also, in attendance were Managing Editor Josh Friend and staff members Phil McDonald and Kim Rymer.

The meeting was monitored by several AAW members.

APPROVAL OF MINUTES

Greg Schramek called for corrections to the minutes of the regular Board meeting held on April 23, 2020. There was one correction. Rick Baker made a motion to approve the minutes and Janet Collins seconded the motion, which was unanimously approved with one correction.

Greg Schramek called for corrections to the minutes of the special Board meeting held on April 29, 2020. Jeff Brockett made a motion to approve the minutes and Rick Baker seconded the motions, which was unanimously approved.

FINANCE COMMITTEE

Financial Reports

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

- Income Statement, unadjusted year-to-date: \$136.8k (\$283.0k unfavorable to budget)
- Income statement, adjusted year-to-date: \$42.0k (\$6.1k unfavorable to budget)
- Income Statement, 2020 year-end forecast: \$222.0 (\$77.8k favorable to budget)
- April 30 "Cash-on-Hand": \$983.0k
- Year-end Forecast "Cash-on-Hand": \$1,048.0k

Joe mentioned the following points:

- The \$235k appraised value (by certified IRS appraiser) of the Kaplan collection donation will be recorded to the income statement, however this is non-cash contribution with future monetization potential.
- The insurance company has recognized and triggered the policy covering the 2020 AAW Symposium cancellation. AAW is now in the damage documentation phase. Insurance coverage for the cancellation of the event is estimated at about \$200k.

Endowment Trust Committee

On May 21, the Board approved appointments to the AAW Memorial Endowment Trust and Daphne Osolnik Endowment Trust (the “Endowment Trust Committee”) (see attached resolution).

- Joel A. Rakower was appointed a Trustee of the Endowment Trust Committee to fill the remainder of the term of Philip Hauser.
- David Wahl resigned from the Endowment Trust Committee to serve on the Finance Committee.
- Joe Dickey was appointed to the Endowment Trust Committee to fill the remainder of the term of David Wahl.

Kathleen Duncan made a motion to approve access to the Fidelity investment account for Joel Rakower and Joe Dickey. Janet Collins seconded the motion, which was approved unanimously.

SBA Loan Banking Resolution

The following resolution was presented ahead of the May Board meeting to facilitate an approval action taken by the Treasurer. This action will memorialize the approval of the bank’s resolution CARES SBA loan authority language.

EXHIBIT A

RESOLUTIONS

I. AUTHORITY FOR LOAN TRANSACTIONS

Be it Resolved, that any proper officer of this Organization, including without limitation, the [TITLE] (collectively, and including without limitation, any subsequent holder of any such office with the same title, the “Authorized Officers”) are hereby authorized to act individually for and on behalf of this Organization as described below:

- A. To enter into a Loan Transactions with Bremer Bank, National Association (the “Bank”). A “Loan Transaction” shall include a loan made by the Bank to the Organization pursuant to, and subject to all the terms, conditions and requirements of the Small Business Administration (“SBA”) Paycheck Protection Program under Section 7(a) of the Small Business Act loan program (the “Paycheck Protection Program”); to make, execute, and deliver to the Bank, from time to time, a promissory note and loan application evidencing such debts in such amounts, with such maturities, at such rates of interest and upon such other terms and conditions as the Authorized Officers may approve; subject to the terms below, to pledge, assign, mortgage or otherwise grant a security interest in any or all real property, fixtures, tangible or intangible personal property, or any other assets of Organization, to execute and deliver to Bank such agreements as may be requested by Bank from time to time with such promises, warranties, representations and conditions as the Authorized Officer(s) deem(s) proper to fully effectuate the intent hereof, and to perform such acts required of the Organization in such agreements;

- B. To take any and all action permitted or contemplated by any of the foregoing agreements and/or services, all as any Authorized Officer in his/her sole discretion deems advisable; and to execute such additional documents, instruments and agreements and take such other actions as may be requested by the Bank, or are required or necessary to effectuate the foregoing, all such other additional documents, instruments, agreements and actions being hereby approved, ratified and confirmed in all respects. The signature(s) of said Authorized Officer(s) appearing on any such document, instrument or agreement shall be conclusive evidence of such Authorized Officer(s) approval thereof, and the Bank shall be entitled to conclusively rely thereon.

II. PAYCHECK PROTECTION PROGRAM LOAN

Be it Resolved, that for so long as the Loan Transaction remains qualified and is in good standing under the Paycheck Protection Program, the Loan Transaction, including any note delivered in connection therewith, shall be unsecured and unsupported by any other guaranty or other collateral provided to the Bank; provided, however, that in the event the Loan Transaction is no longer subject to the benefits of the Paycheck Protection Program, or if as a result of the action or inaction of the Organization any portion of the Loan Transaction is no longer capable of being forgiven pursuant to the Paycheck Protection Program or is no longer subject to the benefits or restrictions thereof, then the Loan Transaction shall, without further action automatically be cross-collateralized, secured and guaranteed by all collateral and guaranties granted to the Bank to secure or guaranty other indebtedness, obligations and liabilities ("Obligations") to the Bank, and all other Obligations of the Organization to the Bank shall be subordinated and postponed to the prior payment and satisfaction in full of all other Obligations of the Organization to the Bank. The Bank is irrevocably entitled to rely on this Resolution, which not be amended or revoked by the Organization, but the benefits hereof may be waived, in whole or in part, in the sole and absolute discretion of the Bank.

III. GENERAL

Be it Resolved, that the actions of any officers of the Organization heretofore taken in entering into Loan Transactions with the Bank, be and the same hereby are in all respects ratified, confirmed and approved; and Be It Further Resolved that the Bank shall be entitled to conclusively presume that the persons certified to act on this Organization's behalf pursuant to these Resolutions continue to be authorized to so act until otherwise notified in writing by an officer of this Organization and the authority granted to such Authorized Officers in these Resolutions continues in full force and effect until actual receipt by Bank of written notice of termination or revocation, and the Bank has had a reasonable time to act thereon.

Ken Ledeen made a motion to accept and approve the SBA Loan Banking Resolution. John Beechwood, III, seconded the motion, which was unanimously approved.

ED REPORT

Membership

Phil McDonald reported that membership acquisitions were below target for April while dues revenues were slightly higher than budget. AAW is experiencing month to month fluctuations on member acquisitions. This might be due to the impact of COVID and its disruption to physical chapter meetings, which are AAW's primary feeder of new memberships. AAW's third party partnerships are on hold. When AAW is back to full staff, membership retention, recruiting, and referrals will be a top priority. Chapters are a leading indicator for AAW and we are using the new Higher Logic Online Communities software to obtain real-time information from them.

Staffing

Phil McDonald stated that the AAW has two staff vacancies. Rather than recruit to fill the positions as previously defined, he said emphasis has been applied on the skills and responsibilities required to support our ongoing strategies for the future. Phil noted that staff expertise will be supplemented by the support of third-party experts. Position descriptions are being drafted with emphasis on technology skills and will be finalized in about a week. Phil indicated there are excellent nonprofit resources available locally and he plans to contact a recruiting resource has worked with in the past to fill the vacancies.

Connected Online Communities

Phil McDonald indicated that Board members have been sent an invitation to experience the online communities platform, which is currently being tested with selected Chapter leaders. The next step is to expand the Chapter Leadership community to all 1,100 chapter officers. There are a few items that still need to be completed, including linking the site to the main website and branding. A benefit of the new platform is that registered AAW Symposium attendees will be automatically entered into a community where they can connect with others who are attending the symposium.

VIRTUAL SYMPOSIUM

Janet Collins reported that the Virtual Symposium is scheduled for July 10-12, 2020, and noted the following details:

- Timeline has not been determined but will be between about 11 a.m. and 7 p.m.
- Six live remote demonstrations of 90-minutes each, presented by experienced remote demonstrators. All demonstrators have made commitments to participate.
- Three panel discussions. Panelist commitments are in progress.
- Three special interest topics, each one-hour in length.
- Cost will be \$20.20.
- Kathleen Duncan and Phil McDonald are working on the Virtual Trade Show.
- Any other Board members who would like to participate in Virtual Symposium planning should contact Janet.

WIT COMMITTEE

WIT Presents

Kathleen Duncan explained “WIT Presents” is a series of presentations (webinars) by women artists about art and/or inspiration, ideas, techniques, etc. Each session will be recorded, is limited to 100 participants, and includes a shop tour and Q & A. Invited women presenters receive a \$100 honorarium, which is available in the budget due to cancellation of the WIT eXchange. The first WIT Presents session featured Beth Ireland and registration filled in just two days. Kathleen noted that, in preparation for the first WIT Presents session, Tib Shaw delivered a presentation of the specifics of Zoom.

Janet Collins left the meeting.

NOMINATING COMMITTEE

Kathleen Duncan indicated there are six nominees for 2021 Board positions and she is working with a volunteer to record video interviews with the nominees using Zoom.

UNFINISHED BUSINESS

September Board Meeting

John Beechwood III asked about potentially rescheduling the September Board meeting due to a personal conflict. Greg Schramek indicated that the meeting cannot be rescheduled due to the Finance Committee schedule.

NEW BUSINESS

Demonstrator Pay-Per-View

Kathleen Duncan indicated that many demonstrators are devising “pay-per-view” demonstrations. She said it would be advantageous for AAW to devise a way to promote demonstrators’ pay-per-view videos in exchange for the demonstrator promoting AAW. She said AAW needs to act quickly.

Ken Ledeen left the meeting.

Greg Schramek stated the Board should devise concepts and discuss the topic again in June.

Phil McDonald suggested that Kathleen discuss the topic with Kim Rymer and him since the new online communities platform may have functionality that can be utilized.

UPCOMING BOARD MEETINGS

All remote sessions at 4:00PM Eastern Time.

- June 18, remote
- July 9, remote
- August 20, remote (alternatively live, if possible)
- September 17, remote
- October 22, remote
- November 14 & 15 (live, if possible)
- December 17, remote

ADJOURNMENT

Andy Cole made a motion to adjourn the meeting. Kathleen Duncan seconded the motion and the meeting was unanimously adjourned at 4:45 p.m. Central Time, on Thursday, May 21, 2020.

Respectfully submitted,
Kathleen Duncan, Secretary

**RESOLUTION FOR ADOPTION BY THE BOARD OF DIRECTORS
OF AMERICAN ASSOCIATION OF WOODTURNERS**

MEETING OF THE BOARD OF DIRECTORS

May 21, 2020

Resolution to make appointments to the AAW Memorial Endowment Trust and Daphne Osolnik Endowment Trust.

RESOLVED, The Board of Directors of the American Association of Woodturners appoints Joel A. Rakower as trustee for the AAW Memorial Endowment and the Daphne Osolnik Endowment to fill out the remainder of the term of Philip Hauser that ends July 25, 2020 and further appoints him as a trustee for three additional years to expire July 25, 2023.

FURTHER RESOLVED, the Board of Directors accepts the resignation of David Wahl as trustee for the AAW Memorial Endowment and the Daphne Osolnik Endowment and appoints the current AAW treasurer, Joe Dickey to fill the remainder of the term of David Wahl. At such time as a new Treasurer is elected to AAW by the board, the current treasurer/trustee will resign and be replaced as trustee by the new treasurer, subject to recommendation by the AAW President and approval by the Board of Directors.

FURTHER RESOLVED, The AAW Board of Directors further authorizes John R. Hill, Joel A. Rakower, and Joe Dickey as the sole parties authorized to conduct all transactions on the accounts of the American Association of Woodturners at Vanguard. This includes all mutual fund accounts and brokerage service accounts.

I FURTHER CERTIFY that the Board of Directors of the American Association of Woodturners has full power and lawful authority to adopt the foregoing resolutions and to confer the powers therein granted to the persons names.

AS ATTESTED TO hereunder I subscribe my name this 21 May 2020.

//KD

Kathleen Duncan, AAW Corporate Secretary