

**Minutes**  
**IBBA Board of Directors Meeting**  
**Conference Call**  
**6-10-2020**

Vice President Allen Goode called the meeting to order at 7:14 p.m. CDT.

Secretary/Treasurer Mike Weathers called roll. The following members were present: Chris Heptinstall, Mike Weathers, Shiloh Hall, Mary Douglass, Allen Goode, Vern Suhn, Jeremy Jackson, Rob Singleton, Troy Floyd, Darrel Law and Doyle Miller.

Board members not in attendance:, Lee Alford, Greg Romans.

Mr. Weathers declared the presence of a quorum.

IBBA Staff present: Darrell Wilkes

D. Wilkes called for additions to the agenda. None were offered.

The minutes of the April 15, 2020 meeting were reviewed. **A motion was made by Vern Suhn, seconded by Troy Floyd, to approve the minutes of the April 15, 2020 meeting. The motion passed by voice vote without dissention.**

D. Wilkes presented the May 2020 financial statements. Year to date net income of -\$294,720 vs budget of -\$166,181, creating a difference of \$128,539 negative to budget. Several major items explain most of the difference: 1) \$85,000 income was budgeted for Summit, which was not received. All Summit expense was budgeted in June; 2) Approximately \$21K is due to DNA timing; 3) Approximately \$10k in futurity entries was budgeted in May but was not received due to uncertainty of whether the Futurity would be held. Of the 128 k below budget, these three items alone explain approximately \$116K of it.

Wilkes noted one correction on the income statement. The amount of \$9,414 in THR revenue (line 4000-01), should be in the Prior year THR (line 4000-06). This will be re-coded and will show up in the June financials. This will create a Prior Year THR balance of -\$26,244 through May which, when added to the \$32,400 which was written off in 2019 to account for anticipated write-offs, totals a write-down of 2019 THR of \$58,644. Mr. Weathers pointed out that the total stands at approximately \$80,000 below the original invoiced amount for 2019 THR. This takes into account the THR invoices that were paid in 2019 but at a lower amount than the invoice amount. Wilkes said there will be further 2019 THR write-offs as accounts which are still considered hopeful are not collected.

Wilkes noted that the reason for negative numbers in the revenue section (dues and transfers for instance) are due to write offs of hopeless accounts. There will be additional write-offs in these areas moving forward but should be fairly well settled out by the end of June.

D. Wilkes reviewed the Balance Sheet, noting that cash in the checking account of \$239,407 is considered adequate to cover cash flow until THR revenue begins coming in July. Mr. Weathers noted that \$109,500 of that is from the PPP loan, which has not and may not be forgiven. In future years, such funding is not anticipated and, therefore, suggests that cash flow through the first 6 months of the year may be inadequate without drawing on invested reserves. Wilkes noted that if receivables are under tighter control, it could cover approximately the same amount.

Invested Reserves on the balance sheet are now presented more clearly, with the principal amounts and the earned interest now separated on the balance sheet.

Wilkes highlighted the legacy fund and noted that it is slightly higher than last month because IJBBA had more income than expense.

Wilkes suggested that line 1900-02 on the Balance Sheet, which is the Foundation, should probably not be reported on the IBBA Balance Sheet. It is a separate entity and the money does not belong to IBBA so it should not be on the balance sheet at all. This will be brought up with the auditors at the end of 2020.

Mr. Weathers suggested that the Board of Directors should receive a copy of past due balances that are older than 120 days.

**Mr. Weathers moved, second by Jeremy Jackson, to instruct staff to provide a report to the Board on accounts receivable older than 120 days. The motion passed without dissent.**

D. Wilkes called attention to the BPI financials, noting that the current operating deficit of nearly \$10K will be made up with the remaining Brangus Journals, which net between \$5K and \$6K per issue. The September Frontline will be managed to a break-even.

The Board was presented with 6 cases for parentage override, five of which scored zero or above and, by precedent, have been approved by the Board. One case scored -4 and therefore would be denied override per precedent.

**Mike Weathers moved, seconded by Mary Douglass, to accept the parentage override cases as presented. Following discussion detailed below, the motion passed without dissent.**

M. Douglass questioned the animal that scored -4 and subject to rejection, and asked if we had additional information about the member. She was critical of the way in which the date for having DNA testing done was poorly communicated in 2016. Ms. Douglass suggested that the animal scored for rejection be tabled. Mr. Jackson expressed concern that this would open the floodgates for all rejected animals to be presented to the Board and ask for an exception. Mr. Suhn expressed his view that we need to be consistent with all parentage considerations.

D. Wilkes commented on the letter of appeal in which a member asked for an exception to the parentage override. In this case, it appears that the donor dam in question can be sire-verified and will then probably achieve a passing score on the parentage scorecard. The member will be advised that the request is rejected and that the member should attempt to sire-verify the donor.

**Mr. Weathers moved, Shiloh Hall seconded, to advise the member in the previous case to seek sire verification and to have the animal re-scored and brought back to the Board. The motion passed without dissent.**

Mr. Weathers updated the Board on the Finance Committee, noting that several members have been added including Messrs. Jackson and Hall representing the Board. Ms. Douglass asked if she could listen in to the Finance Committee calls. Mr. Weathers agreed to inform her of Finance Committee meetings.

Mr. Jackson reported on his progress on putting together a clearly-written policy book, with a goal of having this done in the Fall. President Heptinstall thanked him for the extra effort involved in this project.

Mr. Hall updated on the work of the Promotion Committee, noting that the mailing list for the Frontline Beef Producer would be reduced and focused on people who have purchased Brangus bulls. He indicated that pages will be dedicated to card ads and state ads to entice more people to participate.

D. Wilkes updated the Board on the THR processes. Preliminary Herd Inventories (aka pending assessments) were mailed out and posted on the website on June 2. For about three weeks prior to this, registry staff worked with a group of volunteers to check the accuracy of the pending assessments list against the breeder's records. In all cases, accuracy was very high – with an occasional animal not being listed, usually due to a quirk in the “primary owner” designation.

Several video tutorials have been produced to help members make efficient use of the THR Disposal Page. Feedback from members using the system has been very positive.

The target date to freeze the lists and produce invoices is July 1. We have every reason to anticipate that some members will not have their THR completed by that date. In that case, they will need to work through staff to complete their THR reconciliation which requires entries in registr and QuickBooks. It essentially doubles or triples the work to complete THR, which is a topic for future discussion. The Board will probably be asked to consider, for future years, some sort of price increase on THR that is not done by the deadline.

D. Wilkes updated on the status of the on-line DNA test order form. A major hurdle to clear before release is to arrive at a final number of potential carriers of the OH genetic condition. We started with over one million potential carriers following the initial propagation. We have fixed some erroneous pedigrees and have uploaded current genetic condition statuses from the Angus Association and have brought the number down to about 250,000-hd. We have located semen on an old influential sire. If he tests free for OH, the number of potential carriers will fall below 100,000.

President Heptinstall called for old or new business. None was brought forward.

Mike Weathers moved, Troy Floyd seconded, to adjourn. Motion passed without dissent.

The meeting was adjourned at 8:38 pm.