

# Minutes

## IBBA Board of Directors Meeting via Conference Call

2-12-2020

President Eddy Roberts called the meeting to order at 6:04 p.m., CST.

Secretary/Treasurer Mike Weathers called roll. The following members were present: Eddy Roberts, Mike Weathers, Troy Floyd, Shiloh Hall, Danny Farris, Allen Goode, Doyle Miller, Lee Alford, Darrel Law, Greg Romans, Chris Heptinstall, Vern Suhn.

Mr. Davis had previously advised D. Wilkes that he would be unable to attend the meeting.

Mr. Weathers declared the presence of a quorum.

IBBA Staff present: Darrell Wilkes

President Roberts called for additions to the agenda. None were offered.

The minutes of the December 11, 2019 meeting were reviewed. Eddy Roberts pointed out that the number of Board seats for the East Region was not specified and needed to be corrected. **A motion was made by Troy Floyd, seconded by Allen Goode, to approve the minutes of the December 11, 2019 meeting with the correction noted above. The motion passed by voice vote without dissent.**

Secretary/Treasurer Mike Weathers presented the draft audit for 2019 and noted that adjustments were still being made. Mr. Weathers drew attention to the IJBBA cash balance, which is believed to still be in error after many adjustments were made to bring the IBBA records in line with the IJBBA. A few more adjustments are pending.

Mr. Weathers highlighted the Change In Net Assets, which is fundamentally equivalent to a Net Income number, in the amount -\$96,098.

D. Wilkes expounded on the differences between what IJBBA believes they have as cash reserve and what IBBA's books show for this account. At the end of 2017, IJBBA's records suggest a balance of \$125,000. IBBA records show a balance of \$107,000 for IJBBA. There is an \$18,000 difference going back to 2017 and perhaps earlier. This difference needs to be resolved one way or another, but it is unrealistic to go back further than 2017 in attempts to find the discrepancies.

Danny Farris mentioned that the Junior Board is meeting in Houston at 4:00 p.m. on March 5. D. Wilkes committed to contact Tyler Dean to seek an invitation to attend the Jr. Board meeting.

Mr. Weathers drew attention to the Accounts Receivable, noting that much of this is still due to delayed THR collections. D. Wilkes pointed out that corrected invoices have been sent out for the remaining THR

receivables. It was agreed that the THR receivables must be discussed again at the Houston meeting and action taken to collect the balance of the collectable amounts.

Mr. Weathers highlighted some of the Auditor's comments on internal controls, acknowledging that a small staff makes it difficult to involve multiple people in the process of receiving incoming payments. D. Wilkes committed to reviewing internal processes to ensure there is adequate control of funds flowing in and funds flowing out.

**Doyle Miller moved, seconded by Mike Weathers, to accept the auditor's draft, acknowledging that minor changes could still happen. The motion passed without dissent.**

Troy Floyd suggested that specific action be taken to address the internal control issues so that the Auditor's report next year does not raise any red flags on this item.

Mr. Weathers requested that monthly financial statements be promptly sent to the Board and Finance Committee each month. D. Wilkes committed to send timely statements.

D. Wilkes presented 5 parentage cases that had been scored using the parentage over-ride scorecard. All 5 scored above zero which, by precedent, have been approved without exception. **A motion was made by Vern Suhm to approve the 5 parentage cases, seconded by Shiloh Hall. The motion passed without dissent.**

D. Wilkes then presented an appeal made by a member to allow two older cows to be used as donors even though neither of them can feasibly be parent-verified because one is 12 years old and the other is 10 years old. Their parents are no longer available for testing. They were purchased at a dispersal sale by a new member who was unaware of the IBBA parent verification rule. The member has committed to do a 50K test on each donor and to test for all known genetic conditions.

D. Wilkes noted that exceptions have been made, mostly due to unfortunate timing and usually involving a new member. Wilkes pointed out that the primary objective of the parent verification rule is two-fold: 1) to prevent parentage errors, and 2) to prevent undesirable genetic mutations from propagating throughout the gene pool.

Danny Farris pointed out that it is not unusual for a breeder to wait until a cow is over 10-years of age before the breeder decides to flush her. In some of those cases, the parents are not available for DNA testing and do not have a DNA sample on file. This will eventually work its way out of the system but in the meantime there will be requests for exceptions and if the Board feels that the reasons are legitimate and that the risks to the Brangus gene pool are miniscule, they should be considered.

**Doyle Miller moved, seconded by Greg Romans, to allow the two older cows in question to be used as donors with the progeny eligible for IBBA registration on the condition that the breeder complete the 50K test and the tests for all known genetic conditions. The motion passed without dissent.**

Mr. Goode mentioned a situation with an animal that is entered in the Houston show. The donor dam of the animal is parent verified, but the A.I. sire of the animal is not. The show animal itself is parent verified (but is not grandparent-verified on the sire side). The registration system should have denied registration to the animal. It should have assigned a DNA prefix rather than an R prefix. D. Wilkes noted that the coding to prevent such erroneous registrations is not perfected and that such things have to be corrected manually. In this case, the animal was registered and the owner had every reason to believe that it was eligible to show. D. Wilkes committed to working with the member to see if the A.I. sire could at least be sire-verified, in which case it would likely score high enough on the parentage over-ride scorecard to be allowed.

Discussion ensued on the re-districting of Board electoral areas. There will be three Districts; East, West and Texas. The East will have 4 seats, Texas will have 4 and the West will have 3. Current membership numbers using these districts are as follows: East = 508; West = 153 and Texas = 634.

A transition plan would be to convert the seats in Areas 8 and 10 to At-Large seats as the current directors finish their terms. This creates a smooth transition.

Mr. Weathers suggested we finalize all transition plans at the Houston Board meeting and then present it at the Houston membership meeting.

**Moved by Mike Weathers, second by Chris Heptinstall, that a presentation of the final plan be made to the Board and the membership at the March meetings. Motion passed without dissent.**

Mr. Goode reported on actions from the Show Committee. The committee has been discussing the concept of a Foundation Show, which would include Ultras and Certified animals, all of which are considered "foundation" animals for breeding up to Brangus. The Show Committee approved a motion to proceed with having a Foundation show. The show would thus include Ultra-1's, Ultra-2's,  $\frac{1}{4}$ ,  $\frac{1}{2}$  and  $\frac{3}{4}$  blood cattle.

Several board members mentioned that they had received calls and e-mails ahead of the Board meeting in opposition to the idea of a Foundation Show. Concerns were expressed about the variation in type that would be displayed together under this scenario, possibly creating great confusion about what Brangus foundation animals really are.

Questions were raised about whether there would even be enough Certified  $\frac{1}{4}$ ,  $\frac{1}{2}$  and  $\frac{3}{4}$  blood cattle to convince the major shows to agree to even have the classes. It was pointed out that some of the major shows have minimum headcounts, and doubts were expressed that the certified animals would ever total enough to have a show.

Mr. Suhn asked about registration numbers currently. In 2018, there were 4,888 Ultrablacks, 41 Ultrareds and 98 Certified cattle recorded. Fewer than 1% are being shown in Houston, for example. If this math holds, there would be one animal exhibited in the Certified category. It seems like a lot of consternation for a non-issue.

**Vern Suhn moved to decline the Show Committee's request to form a Foundation Show pending a more convincing case from the Committee. Danny Farris seconded the motion. Motion passed without dissent.**

Doyle Miller, Immediate Past President, reported on the deliberations of the Officer Nominating Committee, which included Mr. Miller, Brandon Belt and Mike Vorel. The Committee placed in nomination the following slate of officers: Mike Weathers, Secretary-Treasurer; Second VP Vern Suhn; First VP Allen Goode; and President Chris Heptinstall.

**Danny Farris moved, Troy Floyd seconded, to accept the Officer Nominating Committee's report in which Chris Heptinstall is nominated to be President, Allen Goode is nominated to be First VP, Vern Suhn is nominated to be Second VP and Mike Weathers is nominated to be Secretary-Treasurer. Motion passed without dissent.**

Chris Heptinstall reported on his work to recruit and confirm committee chairpersons. Intentions are to ask Mike Weathers to chair the Finance Committee; Allen Goode to chair the International Committee and the Show Committee; Joe Fuller to chair the Promotions Committee, and Tracy Holbert to chair the Long Term Planning Committee. Mr. Heptinstall said he is still working on the Commercial Marketing Committee, the Breed Improvement Committee and the Membership and Education Committee.

D. Wilkes updated the Board on the IBBF. All formation documents have been located. According to the information available, the IBBF was led by Traci Middleton as President, Tommy Perkins as Vice President, Brandon Belt as Secretary-Treasurer with Board members Bill Davis, Steve Densmore, Allen Goode and Johnny Vines (deceased). Wilkes reported that he had visited with Traci to request that she call a meeting of the Board for the purpose of electing new officers, and she said that she had resigned as President of IBBF. There is no record of her resignation on file. Wilkes suggested that Traci be asked to chair one more meeting for the purpose of electing at least three officers. The officers can then recruit and secure new Board members. The IBBF can have up to 15 Board members and they are elected by the current members of the IBBF Board.

D. Wilkes updated the Board on the issue of potential liability associated with the implied breed composition of Brangus now that a DNA test is available to pinpoint the percent Taurus vs. Bos Indicus. Staff has been unable to secure time from lawyer John Henderson. Meanwhile, Wilkes reported on his review and suggested several changes that have been presented to the Breed Improvement Committee for review.

D. Wilkes discussed the conflicting definitions of Ultrablack (or Ultrared) that exist in different IBBA publications. The Breeder's Handbook defines Ultra as being between 12.5% and 87.5% Brangus – with the balance being Angus. Conversely, a Board motion in August of 2015, and the by-laws, describe Ultras as being a minimum of 50% Brangus – with the balance being Angus. Computer programmers have used the Breeder's Handbook as the basis for the business rules programmed into the system and, hence, some cattle with less than 50% Brangus breeding have been registered as Ultras. This presumably occurred with the predecessor Portal system also since the Breeders Handbook has not been recently updated. Moving forward, these inconsistencies need to be addressed. The Breed

Improvement Committee has been challenged to address the Ultra percent Brangus issue and, in particular, to make a recommendation as to whether or not an animal that falls below 50% Brangus can be the parent of an Ultra so long as the progeny of that animal is at least 50% Brangus.

President Roberts asked for any further business. None was mentioned,

Troy Floyd made a motion to adjourn, Mike Weathers seconded the motion. Motion passed without dissent.