

BOARD OF DIRECTORS MEETING
Texas A&M AgriLife Research & Extension Center – Overton, Texas
May 6, 2017

FINANCE COMMITTEE – Jim Bob Trant

Jim Bob Trant presented the financial statement for the first quarter ending March 31, 2017. In comparison to the first quarter of 2016, ABBA is doing well. Total Registration and Transfer Income has a slight increase of \$8,449.23 primarily due to increases in transfers and DNA parent verifications. Communications income increased by \$12,956.46 due to new member fees and annual dues. Performance Income decreased by \$2,500.00 due to fewer bulls sold there are also some expenses associated with the Bull Development & Marketing Program that are expected to level out in time. Sales income which is basically the International Brahman Sale shows a decrease of about \$3500 due to a reduction in sale lots. Interest Income is basically the same which gives a Total income for the first quarter in 2017 of \$294,240.45 vs \$283,237 in 2016 a difference of about \$11,000. On the Expense side, Administrative/Office expenses are up \$109,000 versus \$105,000 compared to this time last year. There are many line items that account for that but this is a difference of about \$3,300. The Communications expense has increased significantly due to overtime fees for allotted time we contracted for in 2016 that were actually billed and paid the first part of this year. The Communications Committee is keeping a close tab on this for 2017. Total Communications Expenses is \$36,729 versus \$12,336 from last year. Membership Directory expense is significantly higher due to some of the ads not being paid for. Show expense difference is due to the 3 judge panel which we did not have this year, total Show Expense difference of \$9,600. Total Expenses this quarter are \$187,520.16 vs \$155,917.64. Net income for the first quarter is \$106,720.29 compared to \$127,319.60 in 2016. Basically Registrations/Transfers are pretty much the same. In the Balance Sheet under Checking and Savings we have a total of \$1,578,714.16. Total Current Assets \$1,638,135.63, Total Fixed Assets of \$2,500.00, Total Other Assets of \$17,892.00 with Total Assets of \$1,658,527.63. Under Liabilities and Equity we have Total Prepaid fees of \$43,527.72, Total Taxes Payable of \$2,945.21 with Total Liabilities of \$48,034.89. Under Equity we have a Total Net Worth of \$1,466,141.18, Total Equity of \$1,610,492.74 with a Total Liabilities & Equity of \$1,658,527.63. Investments handled by Chilton Capital are continuing to do extremely well. Ending value of Chilton account ending March 31, 2017 is \$694,393.02. This is a 13.78% return for the last 14 months.

Secretary/Treasurer pointed out that the DNA Parent Verification income line item reflects a total of \$13,191 for the first quarter in 2017 compared to \$4,413 in 2016. This is a net amount and the Executive Committee is going to pay close attention to this number. They feel it is their due diligence to make sure ABBA makes little to no money from DNA parent verifications. The goal with DNA is not to make any money from the membership. In future reports a DNA Parent Verification line item will be added to the Expense side of the financial statement. These accounts will be watched closely, however, he also noted that this does not take into account the man hours to get the DNA work processed.

COMMUNICATIONS COMMITTEE – Joe Ward

The Communications Committee is focusing on ways to better communicate with the ABBA membership. They are working the following areas and have initiated plans to better communicate with the membership.

1. Working on ABBA website to make it more user friendly
2. The ABBA Website Search Functions will be updated and fixed
3. The Report Problem feature currently on ABBA website will be made more prominent and easier to find on the ABBA Website
4. The Membership Database will be reviewed and standardized to streamline and facilitate the use of this information in the future
5. The possibility of streamlining future Event Coverage in an effort to cut costs are being investigated
6. iPhone and compatibility issues on the ABBA website are being investigated
7. Several methods to encourage Online Registration are underway. In the future, new members will receive a prominently displayed document with their Membership Packets explaining the Online Registration Process and the cost saving benefits, a Flash Banner will be added to the Website promoting online process, E-blasts will include this information and posts will be added to Social Media efforts.
8. An additional Ad in the Arkansas Cattle Business Magazine will be placed featuring ABBA Past President, Dr. Ricky Hughes.
9. Future Ad Campaigns focusing on Registered Purebred American Brahman genetics and their merits vs. other derivative breeds will be placed
10. Current Communications efforts are being reviewed and cost saving measures will be reviewed for future communication efforts.
11. Addition of other promotional items for the ABBA shopping cart are being looked at

SHOW COMMITTEE – Craig Fontenot

The Show Committee has selected the following sub-committees for 2017:

The Color Committee: Will Detering, Jerry Wood, and Steamer Swaner was selected.

The Judge Replacement Committee: Patricia Collins, Randall Tipp and Bill Nettles was selected.

The Committee discussed and reviewed the New Color Rule in effect, however, no changes were made. If the schedule permits, the Show Committee plans to host a Judging Seminar in conjunction with the 2017 National Brahman Show and ABBA International Field Day to be held in Hattiesburg, MS. Plans to invite the International Committee and Collegiate Judge teams in the area are will be made.

RESEARCH & BREED IMPROVEMENT COMMITTEE – Larry Barthle

The Research & Breed Improvement Committee reported a great meeting with the participation of 11 members, Gerald Young and Dr. Charles Long and Dr. Ron Randel of Texas A&M Research & Extension Center in Overton.

They reviewed the Ranch to Rail Program. There are 40 steers consigned by three breeders. The committee will look into dividing the pens by age, tightening the days for slaughter, increasing the size of sire groups for awards, and possibly moving the location. These items will be discussed at the September meeting for next year.

The committee reviewed the Bull Test. Dr. Ron Randel recommended that the age for scrotal measurements for yearling bulls for EPD data be changed to 4-16 months of age (420-480 days). This will be effective May 6, 2017.

The BHIR frame score formula will be used for the Bull Test. They will be working on each Index area of Bull Test to raise accuracy. ADG, IMF, REA, BW, and Scrotal. The bulls will be tagged with an ear tag with number and ABBA logo to be placed during the test.

The committee motioned and approved a Better Beef Contest to be held at the All American Show on July 4. Any scanning adjustments will reflect BHIR parameters and all results will be stored for possible ABBA use.

The awards will be presented as follows:

\$250 – high marbling quality & Yield Grade Bulls and heifers

\$250 – top retail product

\$500 – top scanning

Retail Product – REA, BF, Adj Wt./day of age

The Brahman Index Formulation sub-committee headed up by Dr. Mike MacNeil includes: Dr. David Riley, Dr. Joe Paschal, Jim Bob Trant and John Coleman Locke. They will work with Dr. Mac Neil on the Index to develop the parameters and weights that will go into the Index, however, the committee will focus on EPD's first.

The committee recommended that ABBA to create a Calving Ease EPD and to continue calculating BW Maternal EPD but not publish them.

The committee will work with Communications Chairman, Joe Ward to focus on making the ABBA website more user friendly. Presently members cannot pull up trait leaders on smart phones. Also they will work on facilitating the transfer of data into excel.

They will also work with the Marketing Committee to help promote the bull test sale.

The International Brahman Performance Summit was reviewed. It was agreed that we need better communication and better transfer of data.

The committee has initiated a process where ABBA will audit the Performance system by going through current calculations for accuracies. The committee appointed to work on this is: Dr. David Riley, Dr. Mauricio Elzo, Dr. Jim Sanders and Dr. Joe Paschal.

The committee has some concerns with the youngest class at the 2017 All American (Jan. 1 – Feb. 28, 2017) (127-185 days). It will be hard to record performance on these calves.

The committee will work together with the International Committee to develop a program to be held during the 2017 National Brahman Show.

YOUTH ACTIVITIES COMMITTEE – Carson Watkins

The ABBA Youth Activities Committee is working on the 2017 All American National Junior Show to be held in Texarkana, AR July 3-8, 2017. Plans are underway, the entry packets are available on the ABBA website www.brahman.org, everyone is encouraged to download the packet and submit entry forms to the ABBA office prior to the deadline of May 26, 2017.

In an effort to ensure that all juniors are given the opportunity to run for AJBA positions, the Committee recommends that each state elects a candidate to run for AJBA Officer and Director positions. They will be required to pass a test, interview process and election. These steps will be repeated at the All American for Officer and Director positions. Attendance at a Leadership Conference Camp will also be required.

The committee is working on a Napkin fundraiser. If you have not already done so, there are currently 125 spots available. Please contact the ABBA office or AJBA Director if you are interested in purchasing a spot at a fee of \$100.00.

The committee is looking at changing the All American possession date to June 1 for future All Junior shows. This will be discussed further at their September meeting.

The Australian Exchange Scholarship age was extended to 18-26 years of age.

The committee agreed that the 2 strike policy of Code of Conduct be required of all AJBA members not just AJBA Directors.

MARKETING COMMITTEE – Barry Smith

The Marketing Committee reviewed the 2017 ABBA National F1 & TBA sponsored Brahman Sale held March 18, 2017 in Caldwell, Texas. The committee is looking into the possibility of ABBA managing the F1 sale in the future. A sub-committee of: J.D. Sartwelle, Jr., Kenneth Allen and Terry Novak was appointed to investigate the feasibility of this and will report back to the committee.

The committee reviewed 10 years of F1 Program data. They reviewed the positive aspects of the program and the fee structure for the ear tag program. They will contact F1 producers to get information on the real value of the F1 tag and look further into the fees related to the F1 ear tags.

The Marketing Committee plans to meet with the Communications and Research & Breed Improvement Committees to determine what data we can use in the future and how we can plan to market and communicate this information better.

The Marketing Committee plans to review the ABBA International Brahman Sale. Chairman, Barry Smith will meet with the ABBA office and report back at next meeting.

The Marketing Committee plans to organize an event to be held sometime during the International Brahman Show in Houston, Texas where members will have an opportunity to take cattle for sale to a central location near Houston to be viewed by prospective buyers. A survey

to the membership will be mailed. Please be sure to be on the lookout for the survey and return to the ABBA with your comments and whether or not you would be interested to participate in this activity.

An F1 newsletter will be developed in the future, be sure to be on the lookout for the newsletter. Also, be sure that an email address is on file or added to your F1 membership so that you may receive the newsletter in the future.

INTERNATIONAL COMMITTEE – Dr. Scott Satterfield

The International Committee reviewed the highly successful International Brahman Performance Summit held May 5 at the Texas A&M AgriLife Research & Extension Center in Overton. Five international producers representing their respective countries of South American were invited to meet with the ABBA Research & Breed Improvement and International Committees. This meeting was well attended with about 50 people. ABBA staff, Officers, Directors, members and Texas A&M staff from College Station and Overton were in attendance. The Committee is very excited with the results of this meeting. Much discussion and dialogue took place which will assist the ABBA in efforts to expand and promote the globalization of ABBA's performance program and efforts. The Committee plans to continue to work together with the Research & Breed Improvement Committee on future measures to expand research and promotional efforts internationally. The committee thanks Dr. Long and the Texas A&M Extension Service at Overton for their assistance in providing the venue for this meeting. As a result of the meeting, the International Committee plans to host a joint field day in conjunction with the National Cebu Show in Panama, June 2-3. ABBA will organize a delegation to attend this event and will work together with CRICEPA President, Rodolfo Moreno and the National Cebu Show to host this event. Plans are underway to meet with government officials of IDEAP & CRICEPA for future plans on a joint Performance Study. Plans for another Performance Summit are being considered.

The committee will host an ABBA International Field Day to be held during the 2017 National Brahman Show in Hattiesburg, MS. Mrs. Carolyn Falgout of K-Bar Farms will host this event at her Mississippi Division location and everyone is invited to attend. A large international attendance is expected and we are looking forward to an exciting event.

October 2 – Cattle Arrive

October 4 – ABBA Intl. Field Day 1–6 PM

October 5-6 – National Brahman Show

The ABBA Trade Mission to Vietnam resulted in immediate results. A second shipment of 10 head of Red Brahman bulls were shipped to the A.I. center near Hanoi and a third shipment for another 10 head is underway. We received interest from a group of scientist and government officials on the development of a Breeding Center near Ho Chi Min City and Dr. Paschal has provided detailed information regarding basic information and infrastructure necessary for the development of this center. The International Committee plans to meet with Vietnam officials for further plans and reverse trade mission.

The committee reviewed the upcoming international events and are making plans to attend these events, provide ABBA judges, speakers and organize U.S. delegations.

The Genetic Development Center in Navasota hosted a highly successful International Field Day and the committee commended Gustavo Toro and his staff for helping us raise funds for the International Committee. To date the committee has a total of \$17,038 in the International Committee account.

MEMBERSHIP/MEMBER SERVICES COMMITTEE – Larry Ford

The ABBA Membership/Member Services Committee is continuing efforts to welcome new members by making personal phone calls or contacting them via email or a personal letter. Committee members take this opportunity to direct them to the ABBA website where they can find detailed association information, calendar of events, registration information and conduct animal searches. ABBA thanks the Membership/Member Services Committee for their extra effort.

The 2017 ABBA Membership Convention to be held at the Gaylord Palms Resort and Convention Hotel in Kissimmee, FL is underway. The convention will take place Sept 22-23. A Welcome reception hosted by the Florida Cattlemen's Museum will kick off the event. A unique tour of ranches will set this years' convention aside from all others. Plans to visit some of the most historic and largest cattle ranches in the state of Florida are being planned. Participants will load buses to tour Deseret Ranches, Double C Bar Ranch owned by former ABBA President, Jimmy Chapman and Kempfer Cattle Co. owned by ABBA President George Kempfer and Henry Kempfer. A representative from the University of Florida will be giving educational presentations on the buses between ranch visits. Mark your calendars.....this is a convention that you will not want to miss!!! Join us for a little bit of fun in the Florida Sunshine State, educational opportunity and much fellowship. For hotel information, registration and sponsorship opportunities, visit the ABBA website www.brahman.org.

The committee purchased and distributed ABBA Membership Convention t-shirts to ABBA Directors and Committeemen to help promote the convention, they will be worn at various Brahman events between now and the convention. The committee will also have a booth at the 2017 All American Show this summer with detailed information and registration forms. Make plans to attend this event!!

In an effort to facilitate registration and transfer information to ABBA members, the committee is working on updating and posting the Rules for Registering and Transferring Brahman Cattle booklet. It will be posted on the ABBA website and should be a helpful tool where members can easily find the requirements for registering and transferring cattle. This will also help defray frequently asked questions by members to the ABBA office.

The Membership Committee also recommended several other updates to the ABBA website. They will be working with Armelinda, AgTown and Joe Ward of the Communications Committee on these updates.

EXECUTIVE COMMITTEE – George Kempfer

The Executive Committee has met several times since the Annual Membership meeting in Houston regarding the Long Range Plans and Executive Vice President Search.

The ABBA Executive Vice President Search Committee interviewed two candidates and has made an offer to one of the applicants. The Committee will report back to the Board for final decision.

An ABBA Registry Workshop was held prior to the Committee and Board of Directors meeting. The workshop was focused to answer any questions regarding the Long Range Plans for ABBA. It was well attended and many questions were answered with great discussion. All ABBA Directors were informed of the upcoming deadlines, the reasons for considering the move of the ABBA registry to the Houston office, costs related to the move and fee increases necessary to make these changes. A major focus will be made to educate the membership on the online enhanced user procedures and registry. This service will be a more effective and efficient way for processing your work. All members are encouraged to SIGN UP as Enhanced Online Users. The application form can be found on the ABBA website under the BHIR/FORMS tab under FORMS.

The committee heard a DNA Rules Proposal from Barry Smith and Carl Lambert. The proposals were discussed with no action taken.

The financial status of the association was reviewed and the committee heard a report from Secretary/Treasurer, Jim Bob Trant.

In an effort to track DNA income and expenses the Committee has asked Armelinda to add an Expense line item to the financial statement as well as keep an hourly record of time spent on the processing of DNA work.

The Committee agreed to meet with the ABBA CPA to review the ABBA Tax Return.

The Executive Committee reviewed and approved a list of new ABBA Memberships for the month of April/May 2017.

The committee heard a report from Armelinda Ibarra on the new component added to the enhanced online system regarding the release of A.I. certificates. ABBA members now have the ability to view the number of A.I. certificates released to them as well as how many certificates have been used.

The committee heard a report from ABBA Interim Executive Vice President, Gerald Young on the 2017 All American National Junior Show. He and Dustin Black travelled to Texarkana to view the facility. Preparations are underway, due to some changes to the venue for the Public Speaking program, there will be a savings of about \$4,400. A night watchman will be added this year, lunch will be provided on Wednesday, Thursday, Friday and Saturday and name badges for staff will be prepared by Dustin to help identify staff. This will help identify key individuals that will provide information and assistance to junior members and parents during the show.

The committee heard a report on the 2017 ABBA Membership Convention.

The committee is looking into replacing the ABBA vehicle.

The committee discussed the DNA rules and unintended consequences of these rules. The DNA rules will stay as is, however, further investigation on the possibility of grandfathering in the old bulls and cows that met the blood typing requirements at the time of their collection will be conducted.