



**Minutes of the
Winter Meeting of the
Board of Directors
of the
CHILI APPRECIATION SOCIETY INTERNATIONAL, INC.**

**PENDING APPROVAL
Statewide Remodeling
Irving, Texas
June 28, 2014**

Executive Director Richard Knight called the meeting to order at 8:12 am.

Secretary Darin Jester called the roll.

The following Directors were present:

Darin P. Jester, Secretary
Mary Ellen Gillen, Treasurer
Richard Knight, Executive Director
Kris Hudspeth, Vice-President
Lee Kroencke, Director
Robert Schrade, Director
Patti Meyers, Director
Tim Collier, Director
Randy Duke, Director

ED Richard Knight thanked everyone for coming and welcomed those in the gallery. He reminded those in the gallery that they could not speak at this meeting unless specifically called upon.

MOTION by Tim Collier to go into an Executive Session. The motion was seconded by Robert Schrade

Motion passed: Unanimous

Approval of Minutes from the September 6, 2013 Meeting.

Copies of the meeting minutes from the January 19, 2014 Board Meeting were distributed.

MOTION by Darin Jester to approve the Board Minutes of January 19, 2013. The motion was seconded by Kris Hudspeth.

Motion passed: Unanimous

Ratification of Board Action

1. Email Vote: January 27, 2014 – Trail Editor PC

Motion: by Patti Meyers and a second by Jim Ezell to: Purchase a computer for the Terlingua Trails Editor based upon the specifications by Dana Plocheck.

Motion Passed – 10 Votes - Yes

Randy Duke – Did not submit email vote

2. Email Vote: February 26, 2014 – Cell Tower Lease

Motion: by Jim Ezell and second by Richard Knight: To accept the new 2014 contract for the cell tower lease that is currently located on CASI Rancho de los Chisos.

Motion Passed – Unanimous

3. Email Vote: March 1, 2014 – North Texas Open Regional Championship

Motion: by Jenny Windsor and second by Patti Meyers: To accept the Championship Events Committee's recommendation to approve the application for the North East Texas Regional Open Championship.

Motion Passed – 10 Votes - Yes

Randy Duke – Did not submit email vote

4. Email Vote: March 5, 2014 – U.S. National Open Championship

Motion: by Jenny Windsor and second by Richard Knight: To accept the recommendation of the Championship Event Committee and approve the 2015 US National Open Championship, to be held in February 2015 in Buda, Texas.

Motion Passed – Unanimous – 11 votes cast

5. Email Vote: March 7, 2014 – CASI Non-Board Member Policy

Motion: was made by Robert Schrade, Chairman-Governance Committee, and seconded by Richard Knight: To accept the recommendation of the CASI Governance Committee and approve the CASI Non-Board Member policy.

The motions includes a statement to grand-father in the current recognized Non-Board members: Don Hoy - Krazy Flats Coordinator, Dana Plocheck - Trails Editor/Coordinator, Nancy Hewlett - Scholarship Coordinator, Dorathy Williams - Upcoming Events Coordinator, and Connie Collier - Membership Administrator.

Motion Passed – Unanimous – 11 votes cast

6. Email Vote: March 10, 2014 – Wine Country Regional Championship

Motion: by Jenny Windsor and a second by Richard Knight: To accept the Championship Events Committee recommendation to approve the change in name and location for the former PineTop Regional Championship. The new location will be Elgin, AZ and the name will become the Wine Country Regional Open Championship. This motion also includes a recommendation by the Events Committee to waive the 120 days deadline, Rule VI.B.2.a.2,

Motion Passed – Unanimous – 11 votes cast

7. Email Vote: March 14, 2014 – Safety Fence at Ranch de los Chisos

Motion: by Robert Schrade and a second by Kris Hudspeth: To accept the bid, not to exceed \$1,600, from David Jones to install a safety fence, approximately 1800 foot in length, at CASI Rancho de los Chisos; per instructions of CASI Ranch Manager.

Location of the fence will be about 3-4 feet from edge of the cliff with 2 inch metal post at each end and at turning points where needed incased in concrete these are call corner post and are the strength of the fence. then there will be the regular metal fence post driven at every 50 feet or less again depends on the terrain. A 2 strand metal wire will be attached to the top of each post with turnbuckles at needed locations .

Motion Passed – Unanimous – 11 votes cast

8. Email Vote: April 23, 2014

Motion: by Jim Ezell and second by Kris Hudspeth: The nominations cease for the office of CASI President and that Jenny Windsor be elected by acclamation.

Note: This motion was made after the floor was opened for nominations to fill the vacancy for the office of CASI President, after the resignation of Jim Ezell as President. Jenny Windsor was the only nomination received.

Motion Passed – 9 For the motion, 1 abstain, 1 did not submit vote

Jenny Windsor – Abstain

Randy Duke – Did not submit vote

9. Email Vote: April 30, 2014

After the election of Jenny Windsor as CASI President on April 23, 2014, the office of Vice President then became vacant. Richard Knight, CASI Executive Director opened the floor for nominations.

The following nominations were made:

Kris Hudspeth by Tim Collier

Robert Schrade by Mary Ellen Gillen

Darin Jester by Lee Kroencke

Patti Meyers by Jim Ezell

Each candidate was polled as to whether or not they would accept the nomination as Vice President. Darin Jester withdrew his name from the nominee list.

Electronic Ballots were distributed by email with the list of nominees to all voting Directors.

Following were the calculations of votes:

6 - Kris Hudspeth

4 - Robert Schrade

1 - Vote was not submitted – Randy Duke

Kris Hudspeth was elected to the office of CASI Vice President.

10. Email Vote: May 5, 2014

Motion: by Mary Ellen Gillen and a second by Richard Knight: To have the CASI Treasurer, Mary Ellen Gillen, to proceed with working with the accounting firm of Bennoch & Walker to complete the CASI Form 990 and any other needed forms to complete the Nonprofit IRS Requirements for tax year 2013. An extension may be filed before May 15 to extend the IRS deadline; but all efforts should be made to complete the tax return before the June 28 Board meeting. The first estimated cost will be between \$1600-\$1800; plus additional cost for any other tax forms that need to be filed.

Motion Passed – 9 Yes For the motion

- 1 No for the motion – Tim Collier

- 1 did not vote – Randy Duke

11. Email Vote: May 9, 2014

Motion: by Richard Knight and a second by Kris Hudspeth: The CASI insurance fee to be increased to \$2.00 per cook per cookoff, effective with all cookoffs held after July 1, 2014.

Motion Passed – 10 For the motion

Randy Duke – Did not cast vote

12. Email Vote: April 21, 2014

Motion: by Kris Hudspeth and second by Jenny Windsor: To fund the 2014 Scholarship program by the following:

\$20,000 - 5 National Scholarships @\$4000 each

\$ 2,000 - 1 National Trade Scholarship @\$2000 each

\$ 4,000 - Tex Schofield - Terlingua Valedictorian

\$ 4,000 - Terlingua Salutatorian

\$30,000 - Total award

Motion Passed – 10 For the motion

Randy Duke – Did not vote

13. Email Vote: 05/22/2014

Motion: by Jenny Windsor that we accept all the revised policies presented by the Champion's Committee.

Motion was seconded by Robert Schrade.

Motion Passed – 10 For the motion

Randy Duke – Did not vote

MOTION by Patti Meyers to accept the Ratification of Board Actions. The motion was seconded by Randy Duke.

Motion passed – unanimously

Executive Director's Report

ED Richard Knight discussed CASI's Accomplishments and Challenges:

Accomplishments / Challenges: Last 5+ months

1. **Continued to increase communications with the Great Peppers.** Upon suggestion of the Great Peppers developed a closed group Facebook page for information exchange and discussions by the leaders of CASI. Kris Hudspeth and I also became administrators of the CASI – Chili Appreciation Society International Facebook page and continue to use for announcements to general membership.

2. **Prepared and made available the application for Board of Director Candidates.** Revised the candidate application form. Contacted and confirmed that Pat Krenck will be the chairperson of the candidate committee and will coordinate the GPM round table event.

3. **Pod Annual Reports.** Revised the Pod Annual Report form and distributed to the Great Peppers. Report deadline to return to ED is August 10th.

4. **Recommended Rule Changes.** Revised the Proposed Rule Change form and distributed to the Great Peppers. Deadline for submitting proposed rule changes were June 10. Received 16 proposed rule changes, collated, and re-distributed to Great Peppers and Regional Referees. Also, started discussions on the Great Peppers Facebook page for each of the proposed rule changes.

5. **Poster Contest.** Concluded the poster contest with 3 entries. Committee is now reviewing entries for best fit into this year's celebration of the 25th anniversary of the CASI Rancho de los Chisos.

6. **Largest Challenge:** The largest challenge in the last few months is how to counteract the use of social media by people to attack and produce negativity about the CASI organization.

7. **Financial Committee Work:** Assisted the Treasurer to produce an analysis of the CASI Financial Reports and distribute to the Great Peppers.

Challenges/Opportunities for next 3 months:

- Assist Treasurer in final filing of Form 990
- Prepare for the Great Peppers Meeting
 - Finalize Pod reports and send to credential's committee
 - Finalize agenda for Friday and Saturday
 - Prepare, print, and collate reports for GPM
 - Prepare slide show for GPM
- Finalize poster design for TICC
- Prepare for transition of information to new Executive Director
- Continued communications with the Great Peppers and Regional
- Continued planning for TICC
- Make the CASI Facebook page a positive marketing media for the organization

Vice-President's/Sponsorship Report

Sponsorship-

- We have had two sponsors commit to TICC already, Bruce Foods and Woodbridge Wines. Per Jim's recommendation, contact with the Beer companies will begin following July 4th Holiday.
- FoC- A rumor has been being spread through FoC members that this Board, and myself in particular, are in favor of taking all FoC money and applying it directly to CASI General fund. I, personally, have never considered changing the allocation of FoC funds. It is my opinion that if anything was to be changed in FoC allocation, those that donate would be asked for their opinion.

Public Relations-

The negativity and public bashing on the CCH and other groups of Facebook has the potential to severely impact our Organization. Some FoC members are admittedly holding on to their funds to see if we get the ship straightened out. We as BOD members need to be posting positive things about CASI routinely in the CCH and on the CASI Facebook page. There is a grassroots effort by Jennifer Sherfield to really encourage people to post to our page directly. Please help encourage this movement, and let's turn around the negative buzz.

Dale Bullough has finished all of his meetings with about 10 former TICC champions. He is hoping to have the book finished and to the publisher by the end of July. It will be an e-book but will have the option for a physical book. We have a handshake agreement for him to become a FoC member if the book does well.

We need to determine how much radio marketing we are going to do for TICC. I would like for us to saturate the Midland/Odessa and Hobbs NM area due to the oil boom. There is big money in these areas due to the oil boom, and it is a prime environment to attract spectators. I believe that Lee can provide us better insight at the gate for the people who use our radio code, simply by asking if this is their first year to TICC. This will let us know if we are reaching a new group of people or if this is just spectators that normally come on the Ranch.

Band-

Here is the schedule that we have agreed to run with for entertainment:

Wednesday 8:00p-10:00p:

Men's & Women's Mixer following T.I.T.S./TR Parties

Trying to get same band as last year \$500.00

Thursday:

Local/Chili/Spectator Jam Session on Main Stage 8:00p-12:00a

We will provide beer behind the stage to the musicians and armbands to the Locals that come to play.

Friday 8:00-11:00p:

We are currently looking for a band to fill this spot. I spoke with Bill Lester at a cook-off this weekend. He and Glenda are going to provide some assistance finding a band. \$300-500

Saturday:

No Main Stage Entertainer. We could look at putting an iPod on the stage to provide a mix of music following announcements until the bar closes. Party will be pushed to the Flats and Richard has proposed contributing to the cost of Wally's band Saturday night (roughly \$1000.00)

President's/Tallymaster's Report

1. Statistics

Data as of 6/15	Change	2014	2013
Qualified Cooks	-13	245	258
Show Teams Qualified	-20	103	123
Cookoffs held	-29	352	381
Chili's judged*	-938	10,602	11,540
Money Raised	(11,572.62)	1,000,637.50	1,012,209.12

Treasurer's Report

Mary Ellen Gillen passed out copies of the Treasurer's Report.

The CASI balance sheet and Profit & Loss sheets are attached to these minutes as **Addendum A**.

MOTION by Patti Meyers to approve the Treasurer's Report. The motion was seconded by Lee Kroencke.

Motion passed: Unanimous

Membership Report

Connie Collier reported as of June 2014 Membership numbers are:

<u>DATE</u>	<u>ANNUAL</u>	<u>LIFE</u>	<u>CORPORATE</u>	<u>TOTAL</u>
JAN 2014	820	501	26	1347
MARCH 2014	839	505	23	1367
MAY 2014	806	504	27	1337
JUNE 2014	825	504	27	1356
New Members 2014 (to date)		102		

Terlingua Trails Report

Lee Kroencke reported he has been in contact with the Kerrville Daily Times pertaining to CASI's cost of shipping bulk trails. Several factors result in our cost; Weight, Shipping Distance, etc. Lee reported that CASI pays on an average of \$7.00 to \$8.00 per box. He also reported CASI mails out 1357 individual copies and approx. 18 bulk boxes per month.

Ranch Report

1. SAFETY FENCE – Was reported the installation of the safety fencing along the large ravine was completed
2. PUMP REPLACEMENT – Thanks to Randy Duke, a replacement pump has been donated and will be installed prior to TICC
3. MISC ELECTRICAL WORK – On going process
4. HONORS
5. WATER LINE TO THE END OF THE CONCESSION – Should be completed prior to TICC
6. KING ESTATE – Several past TICC posters will be on display for a silent auction at TICC this year.
7. SURPRISE FROM WAPPO – Will be unveiled at TICC
8. Trash and Portable Restrooms – Bids submitted.
 - a. Trash Bid: \$5222.00 plus fuel surcharge
MOTION to accept by Kris Hudspeth. Motion seconded by Patti Meyers

Motion passed: Unanimous

- b. Portable Restrooms Bid: \$ 18,810
 - i. 62 - Regular
 - ii. 2 – Handicap

MOTION to accept by Tim Collier. Motion seconded by Kris Hudspeth

Motion passed: Unanimous

Upcomings Report

In February, the CASI President, Jim Ezell, initiated a transfer of the Upcomings function from Lee Kroencke, CASI Director, to an off-board position to be held by Dorathy Williams. Also at this time I, Patti Meyers, was named as the CASI Director to coordinated with Dorathy Williams on the Upcomings.

A. Dorathy Williams reported to the Board that the following issues that had to be corrected after the transition:

1. Six cookoffs reported Upcomings data through emails to the past Upcomings Director and data was reported lost in the transition.

2. Eleven cookoffs entered before the transition reported that they had not received packets and had to have packets resent.

3. Two cookoffs reported wrong information entered before the transition and had to be corrected.

B. There have been two cookoffs placed on advertising probation during this period.

C. During the period of February 15 thru June 18, Dorathy has registered 221 events, all have received cookoff packets via email or US Mail.

D. In the 2012 CASI chili year there were 55 cookoffs reported cancelled. Through June of the 2013 chili year there have been 39 cookoffs cancelled.

	2013	Cancelled
October	82	6
November	34	1
December	37	11
	2014	
January	47	5
February	44	3
March	58	5
April	50	5
May	54	1
June	51	2
July	38	
August	39	
September	37	
	571	39

Based on current scheduled events we are up by 3 cook-offs

Last year total cancellations were 55

Krazy Flats Report

Don Hoy reported, shirts, hats, and other items have been ordered for this years TICC at Krazy Flats. Don will also have items for sale again this year at the Great Pepper's Meeting.

Directors Report from Darin P. Jester

Darin reported that shy of two (2) Work Instructions (President and Treasurer) he has completed all other TICC Director Work Instructions and each Director has copies. The goal is to have them completed prior to the Summer BOD meeting. Darin stated Mary Ellen is working to complete a draft outline of the Treasurer responsibilities so he can complete.

Darin has also requested to add TICC Work Instructions for the Krazy Flats Coordinator and the Director over Vendors. (Mary Ellen is currently working on the Vendor WI).

ED Richard Knight had also tasked Darin with re-working the CASI Procedures Manual which has been completed and given back to Richard for review.

Darin also reported he has spoken with the Brewster County Sherriff's Office in regards to providing off duty officers again this year for on-site Security at the ranch. The BCSO has agreed to again provide Security.

The Terlingua Fire and EMS crew will also be back on site again starting Wednesday night. Darin also confirmed the AED's will be on-site at the ranch starting Monday morning.

Old 320 Report

Ralph Hay reported in speaking with Wendall, Wendall will donate the stoves for the Old 320 area for a raffle. Still looking in to using a Sponsorship Gift Basket as another raffle item.

Ralph reported this is his last year as the Old 320 Alcalde. He stated he has been involved on and off the board for too many years. It's time to pass on to the next generation.

Scholarship Report

Program Administrator – Nancy Hewlett

Donations

\$4534.00 (02/01/14 – 06/25/14)

\$1975.00 Donations for TX Ladies State Scholarship

2014 Scholarships:

Dakota Hays – Arizona

Tanner Luttrull – Texas

Carolyn Cali – Florida

Sam David Gustavson – Louisiana

Jared Douglas – Texas

Trades:

Tyler Ites – Texas

Tex Scholfield:

George Garcia

Ancira – Friends of CASI:

Nicholas Hajek

Committee Reports

A. Events Committee:

1. Reviewed the Red River ROC. Held on July 4th at West Pecan Farm, Telephone TX. Comprised of North East Texas and Louisiana.
2. Reviewed the new Wine Country ROC in held April 12th in Elgin AZ.

B. Finance Committee:

Tim Collier reported turning an organization's financial position around requires a plan of action that the Board can implement quickly. Organizations profits fall for a variety of reasons, including decreases in demand, lowered margins and cost increases. Finding ways of increasing profits and lowering overhead costs are necessary in turning our organization around and making it profitable again.

Below is the plan from the CASI Finance Committee:

Step 1

Review income statements for the past year to distinguish areas where profits have fallen. Analyze balance sheets and P&L reports to determine reasons for lower profits. Review operations and administrative reports to indicate excessive spending or unrealistic budget expectations.

Update: In order to complete this step, the Financial Committee is in the process of reviewing entries and moving expenses and revenue into the correct accounts.

Step 2

Establish short- and long-term goals for increasing profits and reducing spending. Short-term goals can include budget cuts for supplies and materials, and increase revenue. Long-term goals can include introducing new revenue streams

Update: The Board has set a goal to review spending reductions by the June Board meeting

Step 3

Create a list of recommendations for reducing internal spending.

Update: The Board has started a review of a list of recommendations to reduce spending

Step 4

Create a list of potential increases in the CASI revenue stream

Update: The Board has moved in two different votes to increase revenue by increasing the annual membership fee and by increasing the insurance fee (part of the sanctioning fee). These two moves should add \$20,000+ in annual revenues.

Step 5

Develop long term business and marketing plans for increasing profits. Develop a marketing strategy for targeting new members and sponsorships.

Step 6

Increase communications with Great Peppers to gain suggestions and ideas.

Update: The Board has developed a Great Pepper Facebook page for interchange between the leaders of CASI. The Board has also sent to all Great Peppers the 2013 Financial Reports and analysis.

Step 7

Evaluate changes periodically, and implement additional changes for maintaining or increasing profits.

Also presented were the following Budget Cuts:

<u>Proposed cut</u>	<u>Agree</u>	<u>Estimated Savings</u>
1) Eliminate free food vouchers at GP Meeting	Patti, Richard, Lee, Tim, Jim, Robert	\$2,500
2) Limit Beverage hospitality to \$1000 over sponsor donated: Food hospitality \$500	Robert, Richard, Kris, Mary Ellen, Jenny, Darin, Lee, Tim, Patti	
3) Eliminate Bulk Trails	Waiting for Lee's research	
4) 20% of TICC Calcutta	Kris, Darin, Robert, Patti, Jim, Jenny, Richard, Tim, Mary Ellen	\$600
5) 10% of Friday events entry fees to cover expenses (adjustable)	Robert, Richard, Kris, Mary Ellen, Jenny, Darin, Tim, Patti	\$900
6) TICC contestant shirts		\$5,000
7) Donate Sponsor Basket for Old 320 incentive instead of 2 stoves	Lee, Kris, Darin, Patti, Wappo, Mary Ellen, Jenny, Tim, Richard, Jim	\$500
8) Eliminate TICC name badges for cooks, show teams, Old 320	Richard, Tim, Jenny, Lee, Robert, Patti, Darin, Mary Ellen	\$500
9) 1 new shirt for incoming Directors/support staff: Directors will use last year's Red shirt	Patti, Tim, Robert, Kris, Mary Ellen, Darin, Richard, Lee	\$500
10) Eliminate soft drinks for TICC judging, beer or water only	Kris, Richard, Mary Ellen, Robert, Patti, Darin, Tim	\$300

<u>Proposed cut</u>	<u>Agree</u>	<u>Estimated Savings</u>
11) Use Sul Ross Rodeo Students/local charity for Saturday only for Main Concession	on hold for Randy/Darin's report	\$1,250
12) Ranch Utilities-Disconnect-reconnect 2 meters -10 months per year	Robert, Kris, Tim, Richard, Mary Ellen	\$540
13) Cut back sponsor benefits (eliminate final table hats/limiting shirts)	Jim, Kris, Tim	\$1,500
14) Porta John Savings	Wappo's bid	\$3,000
	TOTAL	\$17,090

C. Winner's Committee:

Brian Spencer - TICC 2014 CCO

Attended

12/7/2013	KC's Great Toy Drive	Overland Park, KS	2nd
12/8/2013	KC's Great Food Drive	Overland Park, KS	1st
12/31/2013	Hoosier GP New Year's Eve	Indianapolis, IN	1st
1/1/2014	Hoosier Hangover	Indianapolis, IN	1st
1/25/2014	Chilly Willie Chili Challenge XIV	Orland Park, IL	10th
2/1/2014	Louisiana State Championship Southeast Regional Open	Minden, LA	~
2/8/2014	Championship	Orlando, FL	2nd
3/15/2014	38th Annual Cowtown Chili Cook Off	Ft. Worth, TX	7th
3/16/2014	Day after Cowtown	Ft. Worth, TX	~
5/3/2014	Country Inn & Suites CCO	Indianapolis, IN	4th
5/4/2014	Indiana Pepper Pod Pod Cookoff	Indianapolis, IN	1st
5/17/2014	La Casi Cajun Chili Fest	Lafayette, LA	2nd

5/18/2014	LA CASI Pod Cookoff SOUTHWEST OPEN CHILI	Lafayette, LA	~
5/24/2014	CHAMPIONSHIP	Durant, OK	~
5/25/2014	North of the Brazos Pod Cookoff	Durant, OK	~
5/31/2014	Three-I Regional Open Championship	Palos Park, IL	~
6/1/2014	Three-I Day After CCO	Palos Park, IL	2nd
6/7/2014	Beat the Heat CCO and Pool Party	Parsons, TN	~
6/8/2014	Hot Pod CCO	Parsons, TN	2nd

D. Great Pepper's Meeting Committee:

Location: Sheraton Arlington Hotel
1500 Convention Center Drive 76011

- Rate: \$99.00 per night
- Registration: Patti Meyers
- Meeting Rooms & Meals: Gil Hewlett
- Hospitality and Sponsors: Kris Hudspeth

Need to make reservations quickly as rooms will fill up due to two Ranger home games the same weekend.

As of the Summer BOD Meeting here are the numbers of registered GP, RR, and BOD members:

<u>2014 GP Registrations</u>	<u>Expected</u>	<u>Registered</u>
Directors	11	8
Spouses	7	4
Total	18	12
Great Peppers	68	18
Spouses	68	8
Total	136	26
Regional Refs	52	11
Spouses	52	4
Total	104	15
Guests		14
Non-Board Contributors		6
Total	0	20

Jenny Windsor, President

Date

Darin P. Jester, Secretary

Date