

MINUTES OF THE  
ANNUAL GREAT PEPPERS' MEETING  
OF THE  
CHILI APPRECIATION SOCIETY INTERNATIONAL, INC.

FIESTA INN RESORT  
TEMPE, ARIZONA

SEPTEMBER 7, 2002

President Mel FitzHenry called the meeting to order. Renee Moore, Secretary, recorded the minutes.

The following Directors were present:

Mel FitzHenry, President  
Jim Ezell, Vice-President  
Renee Moore, Secretary  
Jim Stateczny, Treasurer  
Mikie McGarity, Director  
Preston Nickle, Director  
Cindy Reed, Director  
Guy Smith, Director  
Mike Strack, Director  
Jimmy Taylor, Director  
Johnye Harriman, Executive Director

*Credentials Committee Report*

Johnye Harriman, Executive Director, presented the Credentials Committee Report stating 67 pods were present and none absent. Harriman stated that the Keystone State Pod requested seeding.

**Motion** by Sue Ann Greive to grant CASI affiliation to the Keystone State Pod. Motion was duly seconded.

*Motion passed: Unanimous*

Secretary Renee Moore called the roll, and President FitzHenry declared a quorum present.

*Welcome/Report of the 2002 Meeting Committee*

Tom Klug and Jerry Lee welcomed the delegates to the Great Peppers' Meeting. Klug and Lee expressed appreciation to all those who had assisted with preparations for the meeting.

**Response**

The President, on behalf of the Board of Directors and membership, thanked the CASA and Yavapai Pods for the excellent meetings, hospitality, and accommodations.

**BOARD REPORTS**

**President's Message**

President FitzHenry addressed the group and welcomed all delegates and guests to the meeting. FitzHenry commented that CASI was strong, the 2001 TICC event was a major success, and he looked forward to an even better event at TICC 2002.

**Minutes of Previous Meeting**

The Secretary presented the Minutes of the Great Peppers' Meeting held September 6, 2002, in League City, Texas.

**Motion** by Sally Lee to approve the minutes of the prior meeting. The motion was duly seconded.

*Motion passed: Unanimous*

**Rancho CASI de los Chisos**

Jimmy Taylor reported that while there have not been significant improvements this year; there is one to be highlighted. The old trailer located in the judging area has been moved and replaced by a new building to house tables, chairs, and other equipment and supplies. Dollies have been fabricated for moving the tables and chairs making for a much easier set-up and tear down.

Taylor expressed appreciation to Diane FitzHenry, Sue Caffey, Dorothy Williams, and Barbara Taylor for their assistance in organizing items in the new building.

Taylor further reported that CASI is again working with the Brewster County Commission to ensure water trucks will be on site to assist with dust control.

**Old 320**

Robert Schrade, Alcalde, reported that six Old 320 spaces have been donated back to CASI and sold to those on the waiting list. The waiting list currently contains 13 individuals who desire to purchase an Old 320 space.

The President thanked Mr. Schrade for the work he does at TICC.

**Terlingua International Chili Championship**

President FitzHenry thanked all those who have donated funds for the purchase of new tables. A sufficient number of rectangular tables have been purchased, and remaining funds will be used to purchase round tables for use in the pavilion, VIP and registration areas. FitzHenry expressed appreciation to Bruce Stewart for promoting this project.

FitzHenry reported that Diane FitzHenry would be having the plaques made for the tables. Please get with her as to the two-line wording you desire.

FitzHenry thanked David Manske for the excellent pricing afforded CASI for the shelving and dollies fabricated for the new building.

FitzHenry expressed appreciation to Vickie Childers for agreeing to again coordinate the school supplies, Christmas toys, and highway cleanup projects.

Water will be available at the Study Butte Water Corporation as reported in the September *Terlingua Trails*.

Parking space is limited, and everyone is encouraged to be considerate of others and park safely. Parking is on a first come, first serve basis with no saving of spaces for late week arrivals. Use of the parking area located just before entering the main arena area is encouraged.

**Tallymaster**

Guy Smith expressed appreciation to everyone for their support during his terms on the Board. Smith thanked Bill Pierson for the work performed as Tallymaster during the current chili year.

Bill Pierson stated that to date 455 cookoffs have been reported consisting of 14,400 cups of chili judged, raising funds of \$789,000. There are 376 qualified cooks and 130 qualified show teams.

Pierson thanked all the Great Peppers and Referees for the assistance in the timely reporting of cookoffs.

**Membership**

Mike Strack reported that we currently have 1,545 members and 37 corporate members.

Note: Refer to the CASI Membership Report provided at the Great Peppers' Meeting for more information.

Strack thanked the *Goat Gap Gazette* for assisting with address changes.

Strack thanked the membership for allowing him to participate as a CASI Director and announced that Mikie McGarity will be coordinating Membership.

**Sponsorship**

Jim Ezell and Cindy Reed announced the TICC 2002 sponsors:

Ancira Motor Homes and Travel Trailers – Gold  
Glazer's Distributors (Jim Beam, Tequila Sauza, Corona) – Gold  
Bruce Foods (Louisiana Hot Sauce and Mexene Chili Powder) – Silver  
Hill Country Software & Support – Silver  
Miller Brewing & Valley Distributing (Miller Lite & Genuine Draft) – Silver  
Novartis (Maalox & GasX) – Silver

Ezell announced the TICC 2002 Friends of CASI:

Desert Eagle Distributing (Budweiser) – Friday Events Sponsor  
Irving Elks Lodge  
Lajitas Resort  
Manske Material Handling  
Renfro Foods – Salsa Sponsor  
Tyson Foods – Hot Wings Sponsor

Reed presented the TICC 2002 official poster. Special thanks were extended to the poster's artist, Becky Smith of Houston, who designed the poster with no charge to CASI.

Reed stated she had decided to step down from the Board and thanked all for their support during her terms.

Ralph Hay thanked the outgoing Board members for their work for CASI.

**Motion** by Ralph Hay to recess for 20 minutes. The motion was duly seconded.

*Motion passed: Unanimous*

**Terlingua Trails**

Jim Stateczny presented a monogrammed shirt to Steve Nadeau for his contributions to the *Terlingua Trails* and CASI.

Stateczny reviewed the transition the *Terlingua Trails* has undergone since his becoming Editor and thanked those who have participated in its publication and distribution.

**Chilicity**

Mikie McGarity reported that 5,000 Terlingua Passports have been distributed, as well as numerous press releases.

McGarity stated a new CASI brochure has been developed to provide information to promoters and sponsors. An information kit is also being developed to provide to individuals interested in holding cookoffs.

McGarity reported she is currently working with the Texas Hot and Spicy Festival to have the TICC 2002 Champion appear at their 2003 Festival in Houston.

Preston Nickle advised he is working with the International Federation of Competitive Eating relative to their filming at TICC 2003.

**CASI Scholarships**

Hut Brown thanked the Scholarship Committee members for their assistance. Brown announced that Trudy Berry has resigned from the Committee and will be replaced by Nancy Klug.

There currently are 10 CASI scholarship recipients attending college.

Brown expressed appreciation to the Board for supporting the scholarship program and to the Great Peppers for distributing the scholarship applications to interested students.

**Memorial Board**

Renee Moore thanked Elton Homesley for his efforts in keeping the Memorial Board current. The Great Peppers were asked to review the Memorial Board listing provided in their packets and report corrections to Moore.

The President advised that current plans are for the TICC Memorial Board to be enclosed to blend with the surrounding environment.

**Financials**

Preston Shaw presented the annual Internal Audit of the 2001 financial records and the 2001 Great Peppers' Meeting.

Jim Stateczny presented the financial statements for the prior year and discussed income, expenses, revenue growth, sponsorships and charitable donations occurring in 2001.

Note: Refer to the Tax Statements and Reporting Documents Report provided at the Great Peppers' Meeting for more information.

Stateczny stated there have been several requests for an outside audit of the CASI books. An audit of this type would cost \$10,000 or more. How would it be funded? To audit properly, each cookoff promoter would have to be contacted to reaffirm the amount submitted to CASI. Based on the number of checks written each year, an outside audit would not be feasible.

The National Scholarship Fund monies are restricted as to their use, as are the Life Membership Funds. The Great Peppers' Meeting Fund maintains a balance of \$10,000 with excess funds transferred to the General Fund.

Tom Williams spoke to the impact of the CASI Scholarship Program in the Terlingua area. Williams reiterated that if it were not for CASI, the cooks, and the Scholarship Program, the students at the Terlingua High School would be unable to pursue higher education.

Harriman suggested that a Career Day be held at the school during TICC.

### Insurance

Stateczny advised that CASI currently has a liability policy that covers the Ranch and TICC. There was a rider on the policy that would allow a Pod to insure an event. This year prior to the insurance premium being due, a call was received from Ramey & King Insurance advising that our insurance rates for this rider were increasing dramatically. The new premium for the rider would be approximately \$50,000.

At the Marble Falls Cookoff this year, an individual stepped in a hole and broke her ankle and is contemplating filing lawsuits against CASI and the City of Marble Falls. Fortunately, the cookoff promoter had purchased the CASI liability insurance. As a result of this incident, the Board discussed this issue in depth and it was decided to bring it before you today.

The question is "Should CASI mandate that all cookoff promoters provide proof of insurance before the cookoff takes place?" The question then follows, "Are you as the cookoff promoter or the person responsible for running the cookoff prepared to jeopardize all that you own if legal action is brought against you as a result of an incident at a cookoff?"

There are several options: (1) A cookoff promoter must either provide proof that the property owner has liability insurance or the promoter must purchase liability insurance at a cost of \$275. (2) CASI will purchase a blanket liability insurance policy and each and every cookoff will be charged \$100 for coverage, in addition to the current \$5 sanctioning fee. (3) CASI will purchase a blanket liability insurance policy and promoters will be charged an additional \$4 (or an amount to be determined based on the policy premium) for each cook, which will have the effect of raising the \$2 sanctioning fee to \$6, more or less.

**Motion** by Wes Watson to adjourn for lunch. Motion was duly seconded.

*Motion passed: Unanimous*

Meeting reconvened at 1:00 p.m.

Stateczny introduced Jeff Wilhoit, Ramey & King Insurance, to address questions from the floor.

Wilhoit advised that CASI currently has a Directors and Officers Liability Policy in effect for the Board and a policy covering the Terlingua property. CASI also currently has a master policy that allows for cookoffs to be added at a cost of \$275 each.

Based on questions posed by Nick McGarity, Preston Shaw, Richard King, Coby Davis, Bob Essner, Bill Garbutt, and Sammie Plant, Wilhoit provided the following information.

Limits of liability are \$1,000,000 per occurrence and \$2,000,000 aggregate with a \$250 deductible per occurrence for bodily/property injury. Medical expenses are excluded; this is no fault coverage. The coverage is provided for the United States, Canada, and U.S. Territories. The policy will cover legal fees and protects anyone acting on the behalf of CASI. CASI is responsible for the deductible. If you are promoting a cookoff for a charity who has insurance coverage, you should request that CASI and the Pod be added to the policy as additional insured for the event.

Based on questions posed by Richard King, Bob Horan and Tom Klug, the following information was provided by Wilhoit.

This policy contains host liquor liability. If you are engaged in only serving liquor, then you are covered. It does cover food poisoning.

**Motion** by Alan Dean that we set a time limit for consideration of finding better premiums, and at the end of that period that the Board take the best offer and implement option number 3 proposed by the Board. Motion was duly seconded.

A lengthy discussion ensued.

**Motion** by Alan Dean to table the prior motion. Motion was duly seconded.

<i>Motion passed:</i>	<i>Aye</i>	<i>75</i>
	<i>Nay</i>	<i>1</i>
	<i>Abstain</i>	<i>0</i>

**Motion** by Wes Watson that every CASI cookoff should have insurance coverage. Motion was duly seconded.

*Motion passed:*

<i>Aye</i>	56
<i>Nay</i>	15
<i>Abstain</i>	5

After a lengthy discussion, **Motion** by Alan Dean that the Board be allowed three weeks to look for and consider options and pricing for insurance coverage, and at the end of that period the Board will choose the most cost-effective insurance and implement option number 3. Motion was duly seconded.

*Motion passed:*

<i>Aye</i>	62
<i>Nay</i>	10
<i>Abstain</i>	3

A discussion ensued.

**Motion** by Alan Dean that prior to the start of the chili year (October 1, 2002), the Board of Directors will purchase a blanket general liability insurance policy for one year at the lowest available cost, and it will be charged on a per cook basis, not to exceed \$4 per cook in addition to the present \$2 per cook, from each cookoff. Motion was duly seconded.

*Motion passed:*

<i>Aye</i>	41
<i>Nay</i>	34
<i>Abstain</i>	0

**Report of the Executive Director**

Johnye Harriman thanked her husband, Russ, for his support and understanding during her tenure as Executive Director. Harriman expressed appreciation to the CASI membership for their support, hard work, and dedication to CASI.

Harriman announced that effective immediately Dorathy Williams would be coordinating the Upcomings. Williams will monitor the 888-CASI-HOT number and fax machine, as well.

Harriman advised that Alan Dean would be responsible for the Almost Daily Email (AiDE).

Harriman clarified that all Great Peppers, Pod Officers, and Regional Referees must be members of and support CASI.

**CALL FOR UNFINISHED BUSINESS**

None



**CALL FOR NEW BUSINESS**

**Rules Change Proposals**

**Motion** by Bud Barrick that rules change proposals be postponed to the 2003 Great Peppers' Meeting due to the inordinate amount of time spent discussing the insurance issue. The motion was duly seconded.

*Motion passed:*

<i>Aye</i>	68
<i>Nay</i>	7
<i>Abstain</i>	0

**Motion** by Ken Peach that the rules change proposals be submitted to a Rules Committee, consisting of 7 members from various parts of the country.

*Motion failed due to lack of a second.*

**Site Selections**

Site selection for 2002 Opens, Regionals and Internationals, requests for waivers, and 2005 Great Peppers' Meeting location:

**Motion** by Scott Campbell that the Tri-State Open (Make-A-Wish Cookoff) be held in Amarillo, Texas, on January 12, 2003. Motion duly seconded.

*Motion passed:*

<i>Aye</i>	72
<i>Nay</i>	0
<i>Abstain</i>	3

**Motion** by Alan Dean to hold Eastern Regional Open on April 26, 2003, in Aberdeen, Maryland. Motion duly seconded.

*Motion passed: Unanimous*

**Motion** by Don Walker to hold the Southwest Regional Open on Memorial Weekend 2003 in Wichita Falls, Texas. Motion duly seconded.

*Motion passed: Unanimous*

**Motion** by Mike Benold to hold the Chilympiad North American Open in San Marcos, Texas, on the 3<sup>rd</sup> Saturday in September 2003. Motion duly seconded.

*Motion passed: Unanimous*

**Motion** by Bo Prewitt to hold the Mid-South Regional Open in Fort Smith, Arkansas, on June 21, 2003. Motion duly seconded.

*Motion passed: Unanimous*

**Motion** by Tom Klug to hold the 4 Corners Regional Open on August 16, 2003, in Alpine, Arizona. Motion duly seconded.

*Motion passed: Unanimous*

**Upcoming Great Peppers' Meetings**

**Motion** by Preston Nickle to deviate from the printed agenda to permit presentation by the Meeting Committees during ballot counting. Motion duly seconded.

*Motion passed: Unanimous*

**Audit Request**

Coby Davis prefaced his remarks by stating the request for an outside audit was in no way questioning the credibility of the Board. The feeling is it would be a good course of business to have an outside audit done of the books.

**Motion** by Nick McGarity that CASI employ an outside auditor to review the financial records. Motion duly seconded.

Stateczny advised that when he became Treasurer he sought advice, and still does, from one of his business clients, who is a CPA.

Richard King stated he has had many discussions with Stateczny in the past regarding the CASI books. King advised he feels confident in the record keeping after reviewing information provided today in the Tax Statements and Supporting Documents.

*Motion failed:*

<i>Aye</i>	5
<i>Nay</i>	62
<i>Abstain</i>	8

**Military Deferment**

Johnye Harriman advised the Board had considered the question of qualification for TICC of those CASI members called to active military duty and determined the issue would be best considered by the Great Peppers.

**Motion** by Ken Peach to grant a military deferment waiver to anyone called to active duty during the present military campaign. Motion duly seconded.

<i>Motion passed:</i>	<i>Aye</i>	74
	<i>Nay</i>	0
	<i>Abstain</i>	1

**Hall of Flame**

Keith Karaff reminded the Pods of the October 11 submission of nominees for the Hall of Flame.

**Other Business**

Randy Moore, 2001 TICC Champion, presented Jimmy Taylor with an Alabama state flag to be displayed at TICC.

President FitzHenry yielded the floor to Walter Caldwell who, on behalf of all the Texans in attendance, presented to Johnye Harriman a dozen yellow roses and a Certificate from the Governor of Texas naming Harriman a “Yellow Rose of Texas”.

FitzHenry called for the election of Directors.

**Motion** by Hut Brown to elect Alan Dean as Executive Director by acclamation. Motion duly seconded.

<i>Motion passed:</i>	<i>Unanimous</i>
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Preston Nickle, on behalf of the Arkansas Pods, invited the delegates to the 2003 Great Peppers' Meeting to be held in Little Rock, Arkansas. The Doubletree Hotel will be the host hotel for the event.

Alan Dean reported that the 2004 Great Peppers' Meeting would be held in Baltimore, Maryland. The Radisson Lord Baltimore will be the host hotel for the meeting.

Tom Klug and Jerry Lee presented the Great Peppers' Meeting banner to Bo Pruitt and Preston Nickle.

Debbie Turner reminded the delegates that the *Chili Register* is currently being updated.

Ms. Harriman thanked Turner for the assistance extended to her during her term as Executive Director.

Harriman announced that the Great Pepper of the Year is Ralph Hay, Pasadena Pod.

For the 2002/2003 CASI year, the following Directors were elected:

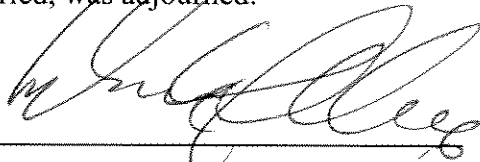
A recap of the vote totals:

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Renee Moore	75
Dorothy Williams	62
Ken Rodd	42
Garnier Albus	40
Bob Horan	36
Dixie Johnson	18
Anne Roberts	17
John Goforth	13

There being no further business, the meeting, on motion duly made, seconded and carried, was adjourned.



Mel FitzHenry, President



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Renee Moore, Secretary