

Minutes of the
Summer Board Meeting of the
Board of Directors
Of the
CHILI APPRECIATION SOCIETY INTERNATIONAL, INC.
PENDING APPROVAL
San Antonio Elks Lodge
San Antonio, TX
June 25, 2016

Executive Director Ted Fichtl called the meeting to order at 8:00 a.m.

Secretary Cindy Noe called the roll.

The following Directors were present:

Richard Knight, President
Kris Hudspeth, Vice President
Harvey West, Vice President
Ted Fichtl, Executive Director
Mary Ellen Gillen, Treasurer
Cindy Noe, Secretary
Tim Collier, Director
David Manske, Director
Susan Armand, Director
Keith Longabaugh, Director
Don Hoy, Director.

President Richard Knight opened the meeting. "Welcome to the summer board meeting of the CASI organization. We have a full agenda today and I anticipate some healthy discussions.

On behalf of the board members, I wanted to say thanks to the San Antonio Elks lodge for their hospitality and to the San Antonio Area Pods for their support; especially Cindy and Randy Pittman and Sue Ann Brooks for their support in keeping the board members and guest with nourishments.

It is particularly exciting to see our Executive Director back up and involved, after his interlude to mend his heart.

I want to remind the board that we have two major CASI events left in the 2016 chili year. We are less than 80 days from the Great Pepper's meeting and less than 120 days from the 50th TICC celebration. The Great Pepper's meeting will be a crucial meeting this year with election of 4 directors and an Executive Director. And our 50th will be in everyone's mind very quickly.

I am happy to see that the financial reports still show the organization's finances to be in a very healthy state.

So, let's get on with the agenda items, the planning, and the things necessary to carry this great organization forward."

Executive Director Ted Fichtl gave a heartfelt thanks to the board members and others for being supportive during his recovery. He said there will be an Executive Session following the board meeting.

Ratification of Board Action

The following motions were conducted in the ratifications of the previous actions of the board:

(Each of these votes were taken in accordance to the CASI Email Voting Policy)

3/1/16

Kris Hudspeth made a motion the board approve the application for the Georgia State Open, seconded by Susan Armand.

Motion passed: *Unanimous*

3/8/16

Tim Collier made a motion the board approve the Life Membership Fund Policy, seconded by Don Hoy.

Motion passed: *Unanimous*

3/15/16

Kris Hudspeth made a motion to approve the drafts for both the Special Officers Election Meeting on 9/12/15 and the Winter Board Meeting on 2/21/16, seconded by Cindy Noe.

Motion passed: *Unanimous*

3/17/16

Tim Collier made a motion to approve the Membership Contest discussed at the 2/21/16 CASI Board Meeting, seconded by Kris Hudspeth.

Motion passed: *Unanimous*

4/26/16

Kris Hudspeth made a motion to rescind the vote taken in the Winter Board meeting to award the bid for the Ranch wall work and review alternative bids for work on the wall and handicap ramp, seconded by Susan Armand.

Motion passed: *Unanimous*

4/27/16

Don Hoy made a motion to have the wall around the dance floor and concession area rebuilt by Richard Irwin, at a cost not to exceed \$2,000.00. The cost will include construction, equipment rental and stucco type finish. Don Hoy and volunteers will accomplish final painting, seconded by Ted Fichtl.

Motion passed: *Unanimous*

5/4/16

Ted Fichtl made a motion that the Board of Directors approve both the 2015 IRS 990 and the 2015 IRS 990T and authorize their release by Cindy Noe on Monday May 9, 2016, seconded by Mary Ellen Gillen.

Motion passed: *Unanimous*

5/17/16

Kris Hudspeth made a motion that the Board of Directors approves the application for the 2017 U.S. Open to be held in Waco, TX, seconded by Keith Longabaugh.

Motion passed: *Unanimous*

5/24/16

Kris Hudspeth made a motion that the Board of Directors approves the West Texas Open based on the recommendation of the Events Committee, seconded by Ted Fichtl.

Motion passed: *Unanimous*

Motion by Kris Hudspeth to affirm the 9 electronic email votes taken since the last CASI Board of Director's Meeting, seconded by Susan Armand.

Motion passed: *Unanimous*

Compliance Matrix Report

Review of the compliance matrix of trademarks, designs and logos has been completed. Richard Knight reported that the CASI domain casichili.net has been renewed for one year from 9/1/2016 and the casichili.com has been renewed for five years. That is the development site. Other domains on automatic renewal are casicookoff.com, .net and .org. The 990 and 990T have both been filed for 2015. The matrix will be updated with the new renewal dates.

Ted Fichtl took a poll of the Directors on whether to vote on each report individually or at the end of all reports. The Directors elected to take one vote at the end of all the reports.

Finance Committee Report

Cindy Noe reported that Cindy Hoey had completed the review of the 2015 financials. Her findings are in the following report:

Report from Finance Committee:

2015 CASI Financials Review

June 15, 2016

On behalf of the Board of Directors, the Finance Committee thanks Cindy Hoey for her service and time to review the CASI 2015 financial reports. Cindy is an accountant at TBK Management, Inc, with 30 years of service in the accounting field. These are the findings that Cindy reported to the Finance Committee for review:

- During the Financial Review, the reviewer had some questions about some invoices paid to a few individuals and some companies and whether they should have received a 2015 tax Form 1099. After discussion with the CASI Treasurer and review of invoice copies, there was a corporation that was sent a 1099, in error. A correction was not filed with the IRS for this error. The reviewer recommends that a W-9 be sent for each individual and company that CASI purchases from at the time of the purchase to eliminate such errors in the future.

- Review of the December 2015 bank statement reconciliation for the Frost checking account and the Scholarship fund, showed the paper reconciliation did not match the financial statements in QuickBooks.

In researching the Checking account, a check was written for the 2015 Sales Tax, which is always dated 12/31/XX of the previous year so it is included in the correct year. There was also a deposit of \$100 for the Port-A-Potty donation that needed to be reflected in 2015.

In researching the Scholarship Fund, there were two checks written in January 2016 but dated 12/31/15 because they needed to be reported in 2015 and were not shown as outstanding on the paper reconciliation, but were correct in QuickBooks.

The reviewer recommends that all paper copies be reconciled to QuickBooks prior to preparing the financial statements for each month.

- Review of a few 2015 receipts, reimbursed to individuals, revealed that several had sales tax charges on them. The reviewer suggests that a sales tax exemption letter be made available and turned in at the time purchases are made.

-Reviewer also suggested that the A/R Aging schedule be cleaned up. There are some items on the schedule from prior years and one from 2015. It was determined that the error made in June 2015 was corrected with a journal entry and therefore that is why it remained in the A/R Aging schedule. It is recommended that the Finance Chairman research the proper method for correcting this error and the previous year's errors. Once a solution to correcting the schedule has been found, the Treasurer should be trained on the proper methods to prevent future errors.

- Financial Reviewer verified with the CASI Treasurer that all sales tax filings were completed on time and all 1099s were timely mailed to the contractors and IRS. Reviewer also verified with Cindy Noe that the IRS 990 and 990T were filed timely.

Cindy Noe informed the board that Cindy Hoey has decided to step down as reviewer. She has enjoyed the position and the opportunity to serve CASI. Ted Fichtl asked the Directors to participate in finding a new reviewer for 2016.

Treasurer's Report

Richard Knight reviewed the following Statement of Financial Position as of May 31, 2016.

CASI-Chili Appreciation Society International, Inc. STATEMENT OF FINANCIAL POSITION As of May 31, 2016

	Total
ASSETS	
Current Assets	
Bank Accounts	
100000 Cash in Banks	
100100 Ranch Property Self-Insurance Fund	10,000.38
100101 West Texas National Bank MMA	10,001.54
100110 Capital One Checking	8,550.70
100115 Frost Bank Checking	94,795.66
100116 Frost Bank - LMIF	100,000.00
100117 Frost Bank - Scholarship Fund	142,462.07
Total 100000 Cash in Banks	\$365,810.35
102000 Cash on Hand - TICC	0.00
Total Bank Accounts	\$365,810.35
Other current assets	
Total Other current assets	\$0.00
Total Current Assets	\$365,810.35
Fixed Assets	
110209 Net Office Equipment	
110200 Office Equipment	17,642.67
110205 Accumulated Depreciation Off Eq	-14,569.00
Total 110209 Net Office Equipment	\$3,073.67
110219 Net Ice Merchandiser	
110210 Ice Merchandiser	2,574.68
110215 Accum Depr - Ice Merchandiser	-999.00

Total 110219 Net Ice Merchandiser	\$1,575.68
110229 Net Trailer	
110220 Trailer	0.00
110225 Accumulated Depr - Trailer	0.00
Total 110229 Net Trailer	\$0.00
110239 Net Sign & Plaque	
110230 Sign & Plaque	7,717.03
110235 Accumulated Depr - Sign & Plaq	-7,717.03
Total 110239 Net Sign & Plaque	\$0.00
110319 Net Land & Buildings	
110300 Land	39,968.00
110303 Land Improvements	71,847.00
110310 Buildings	204,561.42
110315 Accumulated Depr - Bldgs	-81,529.00
Total 110319 Net Land & Buildings	\$234,847.42
Total Fixed Assets	\$239,496.77
Other Assets	
190100 Postage Deposit	1,500.00
192000 Trademark Fees	3,870.00
Total Other Assets	\$5,370.00
TOTAL ASSETS	\$610,677.12
LIABILITIES AND EQUITY	
Liabilities	
Total Liabilities	
Equity	
300000 Opening Balance Equity	0.00
303000 Unrestricted Net Assets	0.00
310000 General Op Fund Balance	301,183.51
320000 GP Meeting Fund Balance	10,000.00
330000 Life Member Fund Balance	109,425.00
340000 CASI Schol Fund Balance	156,507.71
350000 CASI Liab Ins Fund (CLIF) Bal	610.82
Net Income	32,950.08
Total Equity	\$610,677.12
TOTAL LIABILITIES AND EQUITY	\$610,677.12

Financially, CASI is doing well. However, TICC expenses have not been incurred yet. The following Statement of Activities compares January-May 31, 2016 to January-May 31, 2015.

CASI-Chili Appreciation Society International, Inc.
Statement of Activity
January - May, 2016

	Total			
	Jan - May, 2016	Jan - May, 2015 (PY)	Change	% Change
Revenue				
300-000 TICC Revenues			0.00	
300-135 Bar Sales - Crazy Flats - Taxable Sales		-500.00	500.00	100.00%
300-171 CASI Store - Square Sales - Taxable Sales		85.89	-85.89	-100.00%
300-172 Post/Pre TICC CASI Store Sales - Taxable	555.00	542.42	12.58	2.32%
300-190 Miscellaneous Income	205.00		205.00	
Total 300-000 TICC Revenues	760.00	128.31	631.69	492.32%
310-000 Membership			0.00	
310-200 Annual Membership Dues	4,600.00	5,125.00	-525.00	-10.24%
310-205 Corporate Membership Dues	625.00	850.00	-225.00	-26.47%
310-210 Life Membership Dues	1,325.00	900.00	425.00	47.22%
Total 310-000 Membership	6,550.00	6,875.00	-325.00	-4.73%
320-000 Sponsorships			0.00	
320-001 Sponsorships - Gross			0.00	
320-310 Bruce Foods		11,500.00	-11,500.00	-100.00%
320-335 Pendery's Inc.	2,000.00	2,000.00	0.00	0.00%
320-360 Friends of CASI	2,750.00	3,500.00	-750.00	-21.43%
320-401 Choctaw Nation	2,000.00	2,000.00	0.00	0.00%
320-402 Forever Resorts, LLC		1,000.00	-1,000.00	-100.00%
Total 320-001 Sponsorships - Gross	6,750.00	20,000.00	-13,250.00	-66.25%
Total 320-000 Sponsorships	6,750.00	20,000.00	-13,250.00	-66.25%
330-000 Terlingua Trails			0.00	
330-400 Advertisements	991.00	517.00	474.00	91.68%
Total 330-000 Terlingua Trails	991.00	517.00	474.00	91.68%
340-000 Miscellaneous Income	0.00		0.00	
340-500 Cooking for CASI	1,564.00		1,564.00	
340-515 Online Store	2,525.00		2,525.00	
340-525 Cell Tower Lease Payments	2,400.00	3,000.00	-600.00	-20.00%
340-580 TICC Memorial Board Donations		200.00	-200.00	-100.00%
340-585 Donations to General Fund	122.57	3,335.00	-3,212.43	-96.32%
340-586 AmazonSmile	63.70	36.61	27.09	74.00%
340-590 Miscellaneous	20.00		20.00	
Total 340-000 Miscellaneous Income	6,695.27	6,571.61	123.66	1.88%
355-000 Cookoff Fees			0.00	

355-100 CLIF Premium per Cook \$2	10,834.00	12,968.00	-2,134.00	-16.46%
355-200 GP Meeting Cook's Charge \$1	5,417.00	6,484.00	-1,067.00	-16.46%
355-300 Registration Fee - \$25	4,425.00	5,200.00	-775.00	-14.90%
355-400 Sanctioning Fee per Cook \$1	5,417.00	6,484.00	-1,067.00	-16.46%
Total 355-000 Cookoff Fees	26,093.00	31,136.00	-5,043.00	-16.20%
370-000 CASI Scholarship Fund Income			0.00	
370-100 CASI Scholarship General Contributions	6,331.15	18,755.00	-12,423.85	-66.24%
370-140 CASI Scholarship - Pendery's	8,000.00		8,000.00	
Total 370-000 CASI Scholarship Fund Income	14,331.15	18,755.00	-4,423.85	-23.59%
390-000 Interest Income		2.23	-2.23	-100.00%
Total Revenue	62,170.42	83,985.15	-21,814.73	-25.97%
Gross Profit	62,170.42	83,985.15	-21,814.73	-25.97%
Expenditures				
400-000 TICC Expenses			0.00	
400-100 Band & Sound System - Main		1,750.00	-1,750.00	-100.00%
400-145 Jacket Purchases	79.49		79.49	
400-209 Post/Pre TICC CASI Store - Taxable Sales	402.35		402.35	
400-210 CASI Store Purchases - Main	4,546.71	2,980.10	1,566.61	52.57%
400-211 CASI Store Purchases - KF	1,434.98		1,434.98	
400-212 Square - Credit Card Fees - CASI Store		6.96	-6.96	-100.00%
400-213 Post/Pre TICC CASI Store S&H		249.31	-249.31	-100.00%
400-299 Miscellaneous Exp	382.00	402.28	-20.28	-5.04%
Total 400-000 TICC Expenses	6,845.53	5,388.65	1,456.88	27.04%
410-000 Terlingua Trails Expenses			0.00	
410-300 KDT - Printing Costs	3,706.86	3,200.00	506.86	15.84%
410-305 KDT - Parcel Post	1,205.90	962.34	243.56	25.31%
410-310 KDT - Bulk Mail	3,772.86	3,185.17	587.69	18.45%
410-330 Editor Computer Related Expense	269.54		269.54	
410-340 Editor Supplies		338.25	-338.25	-100.00%
Total 410-000 Terlingua Trails Expenses	8,955.16	7,685.76	1,269.40	16.52%
430-000 IT Expenses			0.00	
430-100 Recurring IT Expenses	975.06		975.06	
Total 430-000 IT Expenses	975.06	0.00	975.06	
440-000 Chilicity Expenses			0.00	
440-510 Chilicity Postage Expense		55.30	-55.30	-100.00%
440-515 Chilicity Misc Expense		25.20	-25.20	-100.00%
440-525 TICC Winner's Travel	1,503.37	2,068.38	-565.01	-27.32%
Total 440-000 Chilicity Expenses	1,503.37	2,148.88	-645.51	-30.04%
450-000 CASI Director Expenses			0.00	
450-569 Total Secretary's Expenses			0.00	
450-567 Secretary Miscellaneous Expense		54.11	-54.11	-100.00%
Total 450-569 Total Secretary's Expenses	0.00	54.11	-54.11	-100.00%

450-579 Total Treasurer Expenses			0.00	
450-575 Treasurer Postage Expense	50.30	50.30	0.00	0.00%
450-577 Treasurer Miscellaneous Expense	91.41	268.61	-177.20	-65.97%
Total 450-579 Total Treasurer Expenses	141.71	318.91	-177.20	-55.56%
450-599 Total Other Director Expenses			0.00	
450-592 Directors Travel Expenses	763.60	1,651.00	-887.40	-53.75%
450-593 Directors' Meeting Expense	300.00	300.00	0.00	0.00%
450-595 Other Directors Postage Exp	256.99		256.99	
Total 450-599 Total Other Director Expenses	1,320.59	1,951.00	-630.41	-32.31%
Total 450-000 CASI Director Expenses	1,462.30	2,324.02	-861.72	-37.08%
460-000 Membership Expenses			0.00	
460-625 Membership Corporate Plaques		360.00	-360.00	-100.00%
Total 460-000 Membership Expenses	0.00	360.00	-360.00	-100.00%
470-000 Rancho CASI de Los Chisos Exp			0.00	
470-700 Ranch Improvements	1,850.00		1,850.00	
470-715 Ranch Telephone Expense	-298.41	589.63	-888.04	-150.61%
470-720 Ranch Utilities Expense	632.39	718.85	-86.46	-12.03%
470-725 Ranch Miscellaneous Expense	331.00		331.00	
470-730 Ranch Property Taxes		-14.94	14.94	100.00%
Total 470-000 Rancho CASI de Los Chisos Exp	2,514.98	1,293.54	1,221.44	94.43%
475-000 Scholarship Administrative Exp			0.00	
475-100 Postage	148.30	129.70	18.60	14.34%
475-200 Printing	449.99	627.29	-177.30	-28.26%
Total 475-000 Scholarship Administrative Exp	598.29	756.99	-158.70	-20.96%
490-000 Rules & Sanctioning Expenses			0.00	
490-750 Supplies	90.92		90.92	
490-760 Printing & Copies		3,154.66	-3,154.66	-100.00%
490-765 Postage	197.69	470.28	-272.59	-57.96%
490-770 Miscellaneous Expense	22.09		22.09	
490-775 CASI 888 Telephone bill	335.95	317.55	18.40	5.79%
Total 490-000 Rules & Sanctioning Expenses	646.65	3,942.49	-3,295.84	-83.60%
495-000 Miscellaneous Expenses			0.00	
495-915 Online Store	3,084.15	6,576.13	-3,491.98	-53.10%
495-923 990 & 990T Taxes Due	299.00		299.00	
495-954 Credit Card Fees	605.05	1,120.74	-515.69	-46.01%
495-960 Sponsorship Expenses		39.00	-39.00	-100.00%
Total 495-000 Miscellaneous Expenses	3,988.20	7,735.87	-3,747.67	-48.45%
700-000 CLIF Expenses			0.00	
700-100 General Liability		-798.37	798.37	100.00%
700-160 Volunteers Insurance	506.06	486.78	19.28	3.96%
Total 700-000 CLIF Expenses	506.06	-311.59	817.65	262.41%
Total Expenditures	27,995.60	31,324.61	-3,329.01	-10.63%

Net Operating Revenue	34,174.82	52,660.54	-18,485.72	-35.10%
Other Expenditures				
950-000 CASI Scholarships			0.00	
950-100 CASI Scholarship Program	500.00	0.00	500.00	
950-140 CASI Scholarship - Pendery's	724.74		724.74	
950-150 CASI/Tex Schofield Scholarship		500.00	-500.00	-100.00%
Total 950-000 CASI Scholarships	1,224.74	500.00	724.74	144.95%
999-100 Call the Bank		107.06	-107.06	-100.00%
Total Other Expenditures	1,224.74	607.06	617.68	101.75%
Net Other Revenue	-1,224.74	-607.06	-617.68	-101.75%
Net Revenue	32,950.08	52,053.48	-19,103.40	-36.70%

Ted Fichtl asked if these were the reports that will be presented at the Great Peppers meeting in September. Richard Knight said they really don't show any expenses and a later date would show a better picture. It was decided that the reports for the Great Peppers will be as of August 1, 2016.

Tally Master Report

Harvey West reported that we were 535 chili's down and money is down. We are 6 down on qualified cooks and 8 down on qualified show as of June 15, 2016 compared to the same time last year.

	Cook-offs Held	Chili's Judged	Money Raised	Qualified Cooks	Qualified Show
June 15 2015	352	10,737	1,113,781.67	264	115
June 15 2016	341	10,202	932,634.13	258	107
Difference	-11	-535.00	191,047.54	-6	-8

Events Committee Report

Kris Hudspeth said that applications were received for the New Mexico Men's and Women's State and that these have to be voted on by the Great Peppers.

The committee approved the West Texas ROC, the Georgia State and the USNO which will be held in Waco in June of 2017.

The committee is working well together and would like to see more information put on the applications. The committee tries hard to define what a regional open is and that it should be unique and prestigious.

Sponsorship Report

Richard Knight said that the committee is working hard on obtaining the final 2016 commitments from the sponsors. A full report will be made at the Great Pepper's Meeting. It is still too early to announce all the returning sponsors, but he is excited to announce a new Gold Sponsor:

Teasdale Foods; new owner of Mexene and CASA Fiesta products and an increase in support from Statewide Remodeling. (A special thanks to two of the committee members: Jim Ezell in working with Teasdale and Kris Hudspeth for working with Statewide Remodeling)

We currently have full commitments from Woodbridge Wines, Southeastern Mills/Louisiana Hot Sauce, Tyson Foods/HEB, Hill Country Software, Renfro Foods, Choctaw RV Resort & Casino, Pendery's, and Big Bend Resorts.

Of course, our Legacy Sponsors will also be involved in helping us celebrate the 50th: Ancira, Bruce Foods, and Southeastern Mills.

He said, "It is not too late, if anyone has a suggested company/name to follow up with, please contact one of the Sponsorship committee members."

Kris Hudspeth is working with Donna Conrad on a soda and water sponsorship for the TICC bars.

Friends of CASI Report

Kris Hudspeth reported that the Friends of CASI (FOC) as of June 13th there are 16 paid members, totaling \$10,000 and 14 pledges totaling \$7,500. There are some members that he has not been able to reach or secure firm commitments from. There are a few that will continue to provide in kind donations and one will increase to Silver sponsor (Statewide Remodeling) and he is working on securing product and a cash donation with Bloody Revolution. July will be Friends of CASI month, and the Trails will run the same Friends of CASI ad that was run in 2015 with minimal changes. He said that if everyone pays that was on last year's list we should be on target to be about \$1,000 more than last year.

He and Susan Armand have approached more members that are considering joining. Currently we are at \$11,000 more than this same time last year.

Ranch Report

Don Hoy reported that the wall in front of the main stage has been taken down and rebuilt. It will be painted next week. The ramp has been built and handrails will be installed next Tuesday as well as the new gate into the judging area.

The new power has been installed at City Hall and the underground conduit has been run across the road to the new band parking area and to the Sheriffs pavilion. Re-ran underground to the Main gate and will finish pulling wire in July. He has also installed power to the Sheriffs pavilion at Krazy Flats. Items are being order for the concession at the Flats as well. Don publicly thanked Scotty for all his help at the ranch.

Don said he has contacted B and S for a quote on the port a potties but has not heard back as of this meeting. He said he understands Sally is out of the country. He is waiting to hear back from Texas Disposal for a quote on trash pick up.

Don reported he has spent about \$4,000 of the budgeted \$6,500 for the projects so far. He discussed a trailer that needs to be moved from the property. Ted Fichtl said he will work on that. Ted also said that the new speakers are in and Bob Steinle will get with Don on when they can get those put up.

Don said the city hall sign and some others are being touched up. The big sign is ready but not installed yet. Richard Knight asked about an exhaust fan in the building behind the stage. Don said that is in the budget and will be done. He said he plans to make one last trip to complete everything.

Richard Knight asked about the sign that would go on the hill by the two stone pillars. The banner that goes between the pillars is torn. Discussion ensued. It was agreed that the sign would be 6 foot wide and eight to ten foot high and be installed in between the two stone pillars. Ted Fichtl made the motion that the costs not exceed \$1,500 for the creation and installation of the sign to be used from the Life Membership fund and be paid back in two years in two equal payments, seconded by Susan Armand.

Motion passed: *Unanimous*

Tim Collier asked about the signs for the handgun law. Richard Knight will get the no open carry signs ordered.

Ted Fichtl discussed getting more pennants from the beer companies. Kris Hudspeth said he will work on that next month.

Membership Report

Connie Collier said that annual membership is down and life is up because of the change in life membership cost last year and corporate has stayed the same. She said that there has not been a lot of response from the Pod competition. Ted Fichtl asked the Directors to reach out to their Pods and get people to join.

Connie said that she has been training Keith Longabaugh to take over Membership and getting ready for the July 1st transition.

(As of June 13, 2016)

	JUNE 2011	JUNE 2012	JUNE 2014	JUNE 2015	JUNE 2016
ANNUAL	899	881	825	788	726
LIFE	502	500	504	508	541
CORPORATE	38	21	27	24	20
TOTAL	1439	1402	1356	1320	1287

Trails Report

Ted Fichtl said that Pam Clark and Mary Ellen Gillen are tracking the cost of the trails and the advertising revenues.

Her report included the following: The number of boxes of 25 requested by promoters has averaged 22 over the last six months. The papers mailed out to members, sponsors etc., varied from 1209 to 1299 over the past year. She thanked Dana Plocheck and Carol Knight for assisting in the editing and proofreading. She suggested that eliminating the turn-by-turn directions in the Upcomings would save a lot of space.

Dana is downloading the Tallymaster report each month which contains the Winner's List, Cook-Off Statistics report and the list of Qualified Cooks and Show Teams and formatting each report for the Trails. She will continue to do so until the new system is in place.

Ted said that Pam is doing a good job and won't be able to complete the transition, from Dana to her, until next month. She was late to the printers one month and was very apologetic. Ted will discuss front page articles and placement of Regional, Open and State cook off articles with Pam.

Upcomings Report

David Manske reported that Dorathy Williams has registered 389 cook offs from October 2015 through February 15, 2016. This total covers all events registered from October 2015 to September 2016. An additional 96 cook offs have been registered from Feb 16 to May 31, 2016 for a total of 485.

Ted Fichtl said that Dorathy and the IT committee have been facing challenges with the trails software and it is being sorted out. Richard Knight said that he would have liked to see a comparison of where we are now versus last year to see if we are up or down. Ted Fichtl asked David Manske to send an updated report to him and he would get that out to the board.

Scholarship Report

Ted Fichtl gave the Scholarship report for Nancy Hewlett. There will be a raffle at TICC this year benefiting the fund. We are giving away an HP laptop computer (grand prize) and a popup with the 50th anniversary logo. The computer was donated by a generous benefactor and the popup was from Statewide Remodeling.

There will be no printed tickets this year. Nancy is purchasing tickets with spaces for address information. An email is going out to all Great Peppers asking that they spread the word and sell tickets for us. A special sheet will be sent for them to keep a tally. This is similar to how Keith Longabaugh does for the stove for Cooking For CASI. Tickets can be checked out to sell by contacting Nancy. She will also be selling tickets at the GPM. Tickets will be 5 for \$20 or \$5 each.

Kris Hudspeth and Susan Armand worked together with Statewide and the popup will have a black top with white underneath, have the Statewide Remodeling information on two sides and the CASI pepper with the 50th logo and website will be on one side and the CASI pepper and "Chili, Charity and Fun" will be on the other side.

Grades are due, so if you know one of our students please remind them to send the grades to Nancy. She also said that the committee suggested leaving the scholarship amounts the same as they are.

Old 320 Report

Ted Fichtl reported that Bob Steinle is out of the country. His report indicates the speakers have been acquired, made possible by the sale of left over chili at TICC and that he will be doing that again at TICC this year. He will get with Don Hoy on placement of the speakers.

Online Store Report

Susan Armand said the online store from June 2015 to present, has sold about \$5,700. A new sale will discount everything, except the brand new stuff, will begin on July 1st. The total number of sales from 2015 to present was 92. The average sale was \$62.26. New sales will be launched on a quarterly basis.

Ted Fichtl asked the board to email their pods and tell them to get the word out about the store and the sale. Talk it up and buy something. We have to roll our inventory, not lose a lot of money and will not ask the board for more money.

The Crazy Flats unsold inventory has thrown us in a different category for Coggins to store and sell our merchandise not purchased through them. 42 of our 63 items have not been purchased through Coggins, so we now have to rent space in their warehouse to store the merchandise. This will cost us \$14/month for a 48"x30"x30" unit. They are also charging \$2.95 per order plus \$.965 per line item. We are looking into ways to offset this additional expense.

Ted Fichtl said that Coggins makes their money through the products we purchase through them and therefore they don't make any on the items not purchased through them. They have to charge us those fees. It is nominal and it puts that merchandise available 24/7 and not stored in someone's garage to haul to TICC. It doesn't affect our profit margins and allows us to put more on the site. Richard Knight asked to see a report of the storage costs each month.

Susan also reported a new way to get the word out about volunteer jobs at TICC for this year. She signed up with signupgenius.com and is the administrator of the site for TICC volunteers. She asked each board member to let her know when they needed help, days, times and how many volunteers. She will get it on the site. She said the only glitch is that someone could sign up for two things on the same day and time, but she as the administrator would have to monitor it and get in touch with the person signing up to make changes. She will be sending out the information to the GP's, putting it on FB and in the Trails and any possible means. She will have a signup at the GPM and they will be added to the signupgenius site.

2016 Great Peppers Meeting Budget

Richard Knight said that Renee Moore is still waiting on what they can get free for the hospitality room. She will have a budget to the board within the next month.

IT Committee Report

Ted Fichtl reported that development continues even with differences of opinions. He called attention to the components data pages. The stand alone files in which specific used data is stored and organized. The contract authorizes us to have 100 data bases and we have come close at near 80 plus. In his opinion in about a month the data pages need to be consolidated and eliminate some. Not sure how many will be cut, but it has to stay under 100 to stay within the confines of the contract. Two vendors that provide capability are Weebly for the internet and Caspio for the data base. Sometimes each do things that impact us because they don't talk to each other. We have to work our way through those and they are frustrating. We have enough capability right now that if we had to put it online, we could continue to do the business of CASI. Some things we would have to do manually. Jim Statezcy has been 100% cooperative in this process. The new system processed the data that he sent in June very efficiently.

Ted said that the committee needs more members and asked that the board get the word out.

Governance Committee Report

David Manske verbally reported that not enough of the GP's responded on the Memorial Board issue. The committee is working on a Gate policy. He has asked several members and has been unsuccessful in finding one anywhere. Suggestions include: 1) A minimum of four at the gate on every shift. Two inside and two outside. The big issue is minors and that we must check them better. 2) Vendors should receive only two armbands and others would have to pay. Discussion included suggestions of a max of four armbands or give two and the others would pay half price. 3) Armband limits for members and show teams. The gate would need a list of all qualified cooks, show teams and band members.

Ted Fichtl asked the committee to put together a draft of a gate policy by the end of July and get it to the board for a teleconference for vote before TICC.

Mary Ellen Gillen made a motion to accept the reports that were submitted with comments as reflected in the minutes, seconded by Susan Armand.

Motion passed: *Unanimous*

Old Business

Budget Worksheet:

Richard Knight reviewed the Budget worksheet that was presented in the winter meeting. He said there are a few discrepancies. A couple of sponsors that we are not sure will be back are Bruce foods and McCormick. Teasdale covers the Bruce foods sponsorship. We had budgeted \$64,000 but we may only come in at \$61,000. Ted Fichtl said that it is clear what we have to adjust if cook off are down. We are down because of the Superbowl event and several others. We will be down about \$1,000 in donations. The number of chilis judged is down and we anticipate we will be down about \$4,000. We planned for \$68,000 but we think it will be around \$64,000. Band and sound was budgeted at \$16,500 but is actually \$14,500, which will help a little bit.

Richard Knight asked Harvey West if he has sought bids for shirts. Harvey said he didn't know how many shirts to order. There have been several emails sent out previously. Susan Armand gave Harvey a copy of the number discussed. Harvey said the shirt price will be the same.

The Trails budget will change about \$2,300 due to purchasing additional software. Trademarks can be put on hold. Volunteers insurance increased only \$20. Liability insurance is estimated to go up 5%. The contract will be renegotiated in about 30 days.

The winter meeting showed a positive balance in the budget, but now we are projecting a \$9,000 deficit, but the cash flow looks good.

Ted Fichtl said that we need to realize that Cookin For CASI has impacted the budget. Kris Hudspeth said that Friends of CASI also help. Keith Longabaugh said that the budget remained the same as last year and he hopes to drum up support with the ruling change. Susan Armand said she still has members that do not know what Cookin For CASI is and that we need more info on what it is. Ted Fichtl suggested the most effective way was to communicate it broadly in the Trails.

Cindy Noe asked if the name badges were budgeted since last year they were donated. Six hundred has been budgeted for those. Susan Armand is working on a name badge holder for the goody bags. Kris Hudspeth will see if he can get a sponsor for the badge holders. Thoughts for items in the goody bag included a koozie, a neck wallet and a stainless shot glass with the 50th logo on it. The goody bag was furnished by Ted Fichtl. The items are under the budget.

Richard Knight said that we had budgeted \$2,000 for general activities and that if the beer sponsors don't do the pennants, we can do them out of here.

Susan Armand showed a new cap that will be available online. The Director shirts were passed out and will be worn at the GP meeting. The cook's shirts will be burgundy with the gold 50th logo.

TICC Assignments:

Ted Fichtl went through the TICC assignments with each director. All is good for Old 320. Judges registration was discussed. Tim collier will check with Renee Moore to see if she is handling this. David Manske asked if the same letter was going out to the judges as the one last year. The armbands will be black this year. Spectator color has not been determined.

Tuesday cook off will be handled by Susan Armand and Keith Karaff. Champions cook off will be on Thursday in front of the stage, turn in at noon.

There will not be a Strut Your Mutt Contest this year. We will have a Triple Crown event on Thursday.

Richard Knight will order the signs for no open carry. Ted Fichtl will work with Donna Conrad on the vendor applications.

Harvey West will get back with the board on the total cost to order the shirts. He said it will be under the budget of \$9,000. Keith Longabaugh and Kris Hudspeth will coordinate the main bar. Cindy Noe will contact the Sul Ross coach for students to work Friday evening and all day Saturday. Keith and Kris will get the message boards up.

Cindy Noe will run the 42 tournament and the Friday events. Keith Karaff will run the golf cart parade after the men's and women's parties. There is not a band on Wednesday, but a Fifties Costume Party at Krazy Flats. The Friends of CASI reception will be Wednesday, 5pm-6pm behind the stage. Cindy Noe and Connie Collier will head that up. Volunteers were requested to bring finger foods.

Richard Knight said that the band contracts are out but have not been signed and returned yet. He said he is working on new signs and banners for the stage. The big one across the front with Bruce foods will have to be replaced with other sponsor signs.

Kris Hudspeth is working with Donna Conrad on soda and water. May have to ask a volunteer to bring them to TICC. Jim Ezell has been approached and if there is an issue getting them there, he said he would take them.

Mike Park will be the head show judge. Bob Steinle and Pam Clark will work with him. Will need to make it clear that the captain of the show team has to be a paid member prior to coming to TICC.

The wine sales and toy collection will be handled by Patti Meyer Jones.

Richard Knight said that we will have additional representatives from our sponsors: Teasdale, Louisiana hot sauce and HEB.

The trophies are done and the bases will be done soon. The Winners circle is good to go.

Six boards of the schedule will be posted. The bank will make 500 copies to pass out at the gate. Clayton Jones is also making index cards to pass out.

Richard Knight said he will get a clean copy of the TICC assignments out next week.

New Business

National Charity

Ted Fichtl said that over the last couple of years he has been asked if CASI has a national charity that they support. We did not have one, so we decided to identify a charity. Ted and Richard Knight have talked with the Special Olympics and it is advantageous for us because their local Chapters are willing to get involved and put their marketing people to work to support cook offs. David Sexton has a meeting with them next week to discuss having them as the charity for Cowtown. This will be a test to see how we mesh. This is not ready for a board vote. Their headquarters are in Austin and the marketing director is ready to travel to meet with us.

Texas Men's State Championship

Richard Knight told the board that Alan Dean and his pod want to relinquish the Texas Men's State Championship. They have had it for 13 years. In the past, they had a Texas caucus and talked about where it should be. The board policy currently says that the application goes before the board. The thought would be that the board requests applications for the Events Committee (Committee) and then the Executive Director (ED) holds a caucus at the GP meeting to decide where the championship would be held.

The Committee would make sure the applications are filled out completely and consistent in content. The Committee would also prioritize the applications and the ED would present a list to the Texas caucus. If there were a tie, then the board of directors would vote. The caucus would be on Friday afternoon during the workshop. The vote would be announced at the GP meeting.

Ted Fichtl made a motion which has two parts, first, permission for a Texas caucus to be made at the GP meeting and secondly to develop a policy, seconded by Kris Hudspeth.

Motion passed: *Unanimous*

There would have to be at least 50% for a quorum. Cindy Noe asked if since she was a GP, did her delegate vote for her instead and was told that she would vote.

Proposed Bylaw Changes

Richard Knight sent an email thirty days prior to the board meeting, as required, discussing three different bylaw changes. Each bylaw will be discussed individually and voted on individually. The current bylaw is in black and the suggested changes are in red.

Bylaw 5.8

5.8 Any vacancy occurring in the Board of Directors and any Directorship to be filled by reason of an increase in the number of Directors shall be filled by the election of the Great Peppers.

Proposed Changes to 5.8.

5.8 Any vacancy occurring in the Board of Directors may be filled in accordance with the provisions provided below. Any Directorship to be filled by reason of an increase in the number of Directors shall be filled by the election of the Great Peppers at the Great Peppers Meeting.

a. If a vacancy occurs in an unexpired term with less than one year remaining, the Board may:

1. The board, by a majority vote, may decide that the term remain vacant until the next meeting of the Great Peppers, at which time it shall be filled by the regular election of a Director.
2. The board, by a majority vote, may appoint a CASI member to fill the vacancy until the next election at the next meeting of the Great Peppers.

b. If a vacancy occurs in an unexpired term with more than one year remaining in that term, the Board may:

1. The board, by a majority vote, may decide that the term remain vacant until the next meeting of the Great Peppers, at which time it shall be filled by the regular election of a Director.

2. The board, by a majority vote, may appoint a CASI member to fill the vacancy until the next election at the next meeting of the Great Peppers.

Propose to delete “c” below, because the above proposed changes eliminate the special election.

- c. If a scheduled meeting of the Great Peppers will occur within the ninety (90) day period, the special election shall be the first order of business at that meeting.

After discussion, Richard Knight made a motion to vote the proposed changes and then add friendly amendments, seconded by Susan Armand. The amendment would be “First consideration will be given to the previous candidates of the election at the most recent Great Peppers meeting.”

Motion passed: 8 yes, 2 no and 1 abstained.

Bylaw 5.7

5.7 If a Director finds that they are unable or unwilling to perform the duties of a CASI Director, they will submit their resignation – in writing through the US Postal Service by Priority Mail – to the CASI President or in the case of the resignation of the President, to the Vice-President. The letter of resignation will be provided to the Secretary to be maintained in the CASI permanent records.

- a. Upon receipt of the resignation, the President shall inform the Board that a resignation has been received and will become effective after vote of the Board of Directors accepting such. This vote may be taken electronically and ratified at the next meeting of the Board of Directors. CASI Bylaws Amended September 5, 2014 Page 4
- b. The resigning Director has until receipt of the written resignation letter by the President to re-consider and rescind the resignation.
- c. The resigning Director may continue to perform their duties until such time as replaced if in the best interest of CASI.
- d. On the effective date of the resignation, the President shall call for a special election to fill the vacancy in accordance with the provisions of Article 5.8.

Proposed to Change “d” above:

d. On the effective date of the resignation, the Board shall fill the vacancy in accordance with the provisions of Article 5.8

Kris Hudspeth was concerned if the President resigned, this bylaw doesn't mention that. Richard Knight said that is covered in Bylaw 6.4. Article 6 covers all offices of the board. Article 5 covers directors.

After discussion, Kris Hudspeth made a motion to approve the modification to 5.7 d. as stated, seconded by Susan Armand.

Motion passed: 10 yes, 1 no

Bylaw 5.2

5.2 The number of Directors shall be eleven (11). This number includes the Executive Director, who will serve as a Director while serving as Executive Director.

Propose to add section “e” below:

e. In the event that there is not a sufficient number of Director or Executive Director candidates that file a board member application by the August 15th deadline, then the current board of Directors may recruit, and by majority vote appoint board members or an Executive Director to fill the vacancies determined by Bylaw 5.2 above. The appointee will serve a one year term; effective after the election of directors at the Great Pepper’s meeting scheduled after the August 15th deadline and the appointed term will expire, subject to 5.2.d, at the following Great Pepper’s meeting after election of Directors.

After discussion, Ted Fichtl suggested tabling this article and allowing the President and the Governance Committee to work on this. Richard Knight said that according to the bylaws, any notification has to be presented 30 days from the GP meeting which would be August 7th and that would be before August 15th when candidate applications are due. Kris Hudspeth suggested we have notice on the Agenda and that we may not have to vote on it if we have enough candidates. Richard Knight will go ahead and announce it and then notify if need to.

The discussion of the proposed change to 5.2 led to the board delaying changing the article until 30 days prior to the deadline date of the submission of director application deadline date and if there are sufficient director applications that the consideration of changing the article would be deferred.

Ted Fichtl said that no one had requested to approach the board.

Ted Fichtl made a motion that the CASI board adjourn to Executive Session, seconded by Kris Hudspeth.

Motion passed: *Unanimous*

The guests were asked to leave the meeting for a recess.

Ted Fichtl made a motion that the CASI board resume the regular CASI board meeting, seconded by Kris Hudspeth.

Motion passed: *Unanimous*

Tim Collier made a motion that the CASI board appoints Richard Knight and Ted Fichtl as the CASI Licensing Committee effective this summer board meeting, seconded by Kris Hudspeth.

Motion passed: *Unanimous*

Mary Ellen Gillen made a motion, in light of the fact that we need stability, the board agree that Kris Hudspeth be authorized to sign the licensing agreement, seconded by Tim Collier

Motion passed: *Unanimous*

David Manske made a motion that CASI donate \$300. to the San Antonio Elks Lodge, seconded by Don Hoy.

Motion passed: *Unanimous*

Ted Fichtl made a motion to adjourn, seconded by David Manske.

Motion passed: *Unanimous*