



Regular 3rd quarter meeting was called to order at 1:02pm. Present were– President, **Stephen Deiss** - 1st Vice President, **Morgan Treadwell** -2nd Vice President, **William Fox** -Treasurer, **Robert Moen**, - Secretary **Kathryn Brady**- Director, **Rob Cook**-- Director: **Michael Willson**, - Director: **Pepe Martinez**, - Director: **Caitlyn Norris**, - Director: **Kevin Derzapf**, - Others: **Paul Loeffler**

Deiss--called the meeting to order at 1:02pm; a quorum was established. **Deiss** – welcomed everyone and reviewed the agenda.

MINUTES:

Changes: adjourn time switch pm to am, and change Wied to Miculka

Motion to amendment to minutes made **by Norris** and seconded by **Martinez**, Passed, no discussion

TREASURER'S REPORT: Treasurer's Report, see reports provided by **Moen**

Start working on tax return

Deiss: request send to investments committee

Fox: take action on what was voted on with investment committee- transfer \$20,000 to operating fund

Motion to accept: **Fox**, **Treadwell** seconds, motion passes, no discussion

NEWSLETTER: Deiss: pretty decent newsletters lately

WEBSITE REPORT: Deiss :Email from Jenny Pluhar- many things outdated on the website, explore looking into Ranch House Designs for website- good and responsive- look into for future-**Statement by Fox:-** look into this sooner rather than later, we need to have a professional website- so people can find pertinent information. **Question by Deiss::** how soon? **Statement by Treadwell:** the website problems are not b/c of current website manager- he hasn't had requests to update, we have to stay in contact with him. **Suggestions:** calendar of events.

Concern over the price being-more than we're currently paying was voiced

Question by Willson: should we have a liaison position, **Willson:** volunteered to do it, **Statement by Treadwell:**

this would be possible and best- **Fox agrees**, **Deiss:** said yes, to Michael Willson being liaison. **Statement by**

Willson: this will help us be more organized before make the jump to Ranch House Designs

Treadwell: Tanner Bryant now in charge

SOCIAL MEDIA: **Koennecke** and **Pluhar**-like and share posts

ARCHIVIST: **Knox:** No new report or information

OLD BUSINESS:

.None

NEW BUSINESS:

Public Input on Agriculture Innovation Agenda

Deiss: Solicitation from parent society, short turn around, cobble something together, USDA effort,

Question by Cook: is this ARS?, **Deiss:** will forward to everyone.



Fox: Farm Bureau, Lone Star Pandemic, COVID-19, 2021 legislative ideas, look up- teleconference, July 28th

Zoom Awards and business meeting at annual meeting. **Question by Fox:** is there a requirement for business meeting in handbook?

Discussed via Email proposed by Fox:

After conversations with Treasurer Moen and Investment Committee Loeffler, I would like to make the following Motion for the full Board to address...

Background: The issues with "2019" money being allocated from the proceeds of the Sections investments was addressed by the BoD on July 24, 2020. At that time, the BoD instructed the Investment Committee and the Treasurer to make allocations of \$20,000 to the General Operating Fund for the Section and \$8000 to be reinvested into the corpus of our portfolio. Treasurer Moen indicated there were some challenges to moving "2019" money...in fact, we need to disregard the 2019 year statement...and just know we were dealing with cash dollars that were currently in the Money Market account at the time of the action.

Current Status: The \$20,000 has been transferred from the Money Market account to the Treasurer and will be deposited into the General Operating Account of the Section. The remaining \$8000 currently has not been reinvested as there was some confusion as to the instruction posed by the BoD. The Treasurer understood that the BoD expected a full \$20,000 to be available for rolling forward into the 2021 fiscal year. I contend it was not the intent of the BoD that a full \$20,000 was required to be moved forward into 2021, but that the BoD intended the instruction to be that we move \$20,000 from the Money Market cash account into the current year. A portion of which could be used in 2020 and the remainder to be rolled over into 2021 as available for the incoming President to allocate in the 2021 budget.

Motion: After consultation with the Treasurer and Investment Committee Chair, "I move that the BoD rescind the instruction for re-investment of the \$8000 into the corpus of the investment fund, and retain said dollars within the Money Market account until a later date when the BoD can revisit the allocation of dollars back to the corpus of the Investments."

Derzapf seconded the motion and all were in favor. Motion carries

Proposed Agenda Topic October by Fox : I would ask the President to include on the Agenda for the October BoD meeting a time to discuss policy moving forward for allocating dollars generated by our



investments and how they are split between General Operating Fund and maintaining the corpus of our investment portfolio.

COMMITTEE REPORTS: See submitted reports.

ACTIVITIES & EDUCATION: Treadwell:

Cattle Raisers virtual Sept. 13th through 15th- what to do with booth space?: Options: donate or roll over to 2021 Treadwell: proposes (motion) rollover **Seconded by: Cook**, motion passes

Fox: Engage another group called EarthX out of Dallas largest gathering during EarthDay started group call conservation ambassadors high net worth individuals, companies and landowners. **Statement by Treadwell:** Yes, fantastic group

ANNUAL MEETING:

2020 Victoria: **Deiss and Janak:**
Cancelled

2021: **Treadwell:**
Morgan allowing us to have 2021 meeting in Victoria instead

2022: **Fox:**
Denton, keep Morgan's committee

AWARDS: No report

Fox: some nominations pending

How do we handle this year's award winners? Make announcement through newsletter and social media and ship them their plaques and then recognize them at 2021 meeting too.

COLLEGE ACTIVITIES: Hasty, Martinez:

Deiss: Funding for getting students to meeting
No report, probably next month

GRASS ROOTS AWARDS: Miculka and Fry, Cook,: See report

Erin suggested that nomination from change remove part about picture and contact information

Nomination from extension and Ag Teacher

Cook: supports idea

Motion to amend nomination form as per Erin's request Move; Cook, Second _____

Financials, Endowment & INVESTMENT: : Loeffler, Fox, :

See attached reports

Frost Bank does a good job

Year to date: 6.5 months- market dip, down \$18,000 just over 2% return- coming up since

Three year performance: 8.83%, overall they've done well



Question by Derzapf: what is annualized return and how is it figured? Paul: $\ast\%$ divided by 3, but weighted: geometric return

5 Year Returns: annualized return above 3%

Recovering from 2020 downturn, still will be some volatility

Total income 2019 statement:

Recommendation: transfer \$20,000: to operating fund and \$8,000 to endowment fund, that's what the endowment is for. Intent of 501C3 to generate money and then using money

Question by Fox: what is reasoning behind recommendation? **Answer:** 1.) maintaining intention and legality of 501C3 to foster art and science of range mgt and operation of organization, 2.) 2019 the budget included expenses to East foundation and speaking contest at annual meeting- \$16,000 only \$3,000 was projects of TSSRM and Don Pendleton left money to use money

Statement by Fox: take into account, exposing ourselves to IRS as tax profit, putting money in right places, Pendleton looking for section to use money, discussion with Ortega on using Cook: money for scholarships to attend annual meeting, Treadwell, voted to take out money in Oct. Loeffler moving money at that time \$52,000 into two different bond funds, basically re-invested it.

Statement by Derzapf: if gets over a certain amount we were going to move it out, **Answer by Loeffler:** tied to investment direction in handbook-investment guideline-set policies or actions.

Statement by Fox: policy within committee that X% of yearly income would go to general operating fund, committee estimated income prior to next year to budget for yearly budget based on current numbers and then make a policy

Loeffler: yes, exactly- Minutes located and reviewed, budgeting and wish list and/or awards

Motion: \$20,000 transfer- **Fox, Second: Treadwell**, discussion: **Cook** 304 times we've had discussion, no documentation in concrete, give that committee budget and by October approve what needs to be done to set in stone, so it can be finalized. **Deiss:** agrees. Fox request committee put together a plan as **Rob Cook** stated and bring it before board for guidelines in future. **Treadwell**, never makes it to final stage into handbook, **Loeffler** does not address distribution of funds. In favor: motion passes

Fox Request, charge by Deiss for committee to make recommendation and put before board and report from past years. **Loeffler** if board will come up with formal guidelines in handbook

MEMBERSHIP: Hobson, Willson: No updates

Willson: #'s from website 277 members, talk to Lisa from Allen Pres to check more regular

Treadwell: can we craft letter to expired members

Deiss: we have list from parent society

Willson: did that when he was on committee and thinks it's their responsibility, December has hurt us, everyone has own time of year that they want to pay membership

MENTORSHIP: Smith, Derzapf: no report

NOMINATIONS AND ELECTIONS: Janak, Deiss

Pretty good slate, re-contact and insure interest. If you know of any one else for 2nd VP and directors get word to Janak and Deiss, could we prepare letter thanking them and asking commitment. Fox reach out and press for commitment, personal contact better than letter

ORM/ORS: Demoin, Cooper: no report

Norris: 2 for ORM, 2ORS and 2 Sheep and goat raisers, make gate signs

Cook: Budget for shipments of awards, **Moen:** we'll have enough-comes out of admin



PLANNING: Fox and Kothmann: no report

PUBLIC AFFAIRS: Dean/Hannusch, Cook: No report
Cook: something at next board meeting

PUBLICATION AWARDS: Perotto, Treadwell: Humberto received several nomination, votes happening results soon

RESOLUTIONS: Hays, Treadwell:

SCHOLARSHIP: Gann, Cook: 55 applications- worried about funding, take action by board since it was already approved by board

YOUNG PROFESSIONALS: Urbanczyk, Derzapf

Possibility of fall meetings, are we okay with that? If stays within county limitations. **Statement by Fox:** if we've cancelled YRW and Annual meeting, **Statement by Willson** they would have to stay under 10 and social distancing **Question by Derzapf:** what of her budget and money. **Cook: agrees** with Fox, **Statement by Fox:** especially on the chance that someone gets sick. **Derzapf,** I can agree, but is there a different direction for Urbanczyk to help with something else?. She's a go-getter, something such as scholarships to national meeting, **Martinez suggested:** use money next year, **Statement by Moen,** the budget is e-done each year, re-submitted, budget request, **Cook:** support go to national meeting. **Fox:** concept proposal to national meeting, **Willson:** virtual meeting options at national meeting that they can be involved in, or her own virtual meetings, **Derzapf:** Veronica help with website, **Willson:** sure, **Fox:** virtual or podcasts, **Cook:** scholarships for attending TSSRM meeting

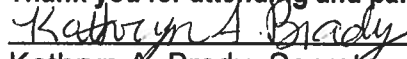
YOUTH ACTIVITIES: Pluhar, Deiss, Norris:
Norris: no update

FUTURE MEETINGS:

**October Meeting 4th Quarter : virtual meeting
Treadwell will send out a doodle poll with possible dates**

Motion to adjourn the meeting was announced by **Fox** and seconded by **Norris**, Motion passed unanimously. **Meeting Adjourned 3:03pm.**

Thank you for attending and participating in the meeting.


Kathryn A. Brady, Secretary

ENDOWMENT FUND GUIDELINES

2. Income interest and/or dividends earned the prior year will be available the next coming year for special projects designated by the BOD. Any Unused income will be designated a Corpus at the end of each year. Corpus cannot be used for projects.

Proposed Change:

2. Income interest and/or dividends earned the prior year will be available the next coming year for use to benefit the section. Each year after expenses for the Memorial Scholarship Fund (MSF), the Billy Wyche Jr. Memorial Scholarship Fund (BWMSF), the Youth Activities Endowment Fund (YACEF) and other Texas Section responsibilities funded through the endowment fund are covered, the remainder of Endowment fund income and dividends shall be allocated with a minimum of twenty-five percent of reinvested as Corpus into Endowment Fund investments as recommended by the Investment Committee and adopted by the Board of Directors. Another twenty five percent may be used for section activities and special projects at the discretion of the Board of Directors. Any Unused income/dividends allocated for activities and special projects will be designated a Corpus at the end of each year. Corpus cannot be used for projects.

The remaining fifty percent of annual endowment fund income and dividends shall be dedicated to a TSSRM Operations Fund. These contributions shall be made until the TSSRM Operations Fund reaches a gross value of \$60,000.00. Once this fund reaches \$60,000.00 it will be used to fund TSSRM annual operations. Operations expenses deducted from this fund shall be reimbursed to the fund annually by revenue from the TSSRM annual meeting. During years where the annual meeting revenue is insufficient to fully reimburse the TSSRM Operations Fund the shortcoming shall be made up by income and dividends from endowment fund investments in an amount not to exceed fifty-percent of the annual endowment fund income and dividends.

The TSSRM Operations fund shall be set aside and accounted for in a bank account, money market account, or investment account using procedures established by the Board of Directors in collaboration with the Section Treasurer.

Annually the BOD with support from the Audit Committee shall evaluate the standing of the TSSRM Operations Fund and determine whether that fund's gross value represents three years operations expenses based upon a five-year rolling average of TSSRM annual expenses. They shall take action to increase the gross value of the TSSRM Operations Fund to a achieve the three years average operations expenses level as described above.

Once the TSSRM Operations Fund is funded at its designated gross value, the fifty percent of annual income and dividends from the Endowment Fund investments shall be used to assure the gross value of the TSSRM Operations Fund is met, used for activities and special projects at the discretion of the Board of Directors, and/or reinvested as Corpus as at the discretion of the Board of Directors.

