

General Membership Meeting

Saturday Nov 4, 2023

Zoom

President Josh Krenz called the meeting to order at 9:02 AM. He welcomed all to the meeting and thanked them for their participation. He explained the proof of meeting notice was mailed with ballots and also meeting invites posted in blasts, on the website and in *The Bagpipe*.

Approval of Agenda

Josh Krenz asked if there were any additions, corrections or omissions to the preliminary agenda; there were none. Stever Palosaari moved: Adopt the agenda as presented. Second by Jan Larson. Motion passed unanimously.

Approval of Meeting Minutes

Josh Krenz asked if there were any additions, corrections or omissions to last year's meeting minutes which are available on the website; there were none. John Chotkowski moved: Approve the minutes from the Oct 22, 2022 general membership meeting. Second by Heather Bailey. Motion passed unanimously.

Public Comment

Jacquelyn Chotkowski shared that she knows that Zoom calls are an efficient way to hold meetings now but she feels like face-to-face at Gatherings is more personal. She feels this is an important part of the association and more will join in there. She would like AHCA to consider moving meetings back. John McLaughlin said he agreed. Josh Krenz thanked them for the comments and said the Executive Committee would review their request.

Operations Manager's Report

Ginnah Moses thanked everyone for attending. She said the Highland breed is fortunate to have an office with paid staff since the late 80s. Many small breeds aren't able to do this. We have had little turn over the last 30 yrs which helps tremendously. We are lucky to have great staff. Lindsey has been with us 2+ years and has a real love of the breed since she raised the cattle and was a junior member. She is an efficient multitasker and handles email like a pro. She handles many of the registrations, DNA, National Show & Sale entries and much of the email. Amber is going on a year with AHCA. She is very layed back so a pleasure to work with. But don't let that fool you, by the end of the day she has a big stack of work done. She is meticulous with organization and details. She handles most of the transfers, some registrations and DNA, magazine/website ad billing and lots of odds and ends. Brandy is the newest to our crew and is a real go-getter that simply gets stuff done. She handles membership, orders, dues invoices and other mailings and is just great with special projects. I have been with AHCA since 1994 and work with many volunteers to organize and host the National Show & Sale, Gatherings, work with Anne Proctor and Angie Long on the magazine, serve on the HCF board, Governance and Finance Committees, attend all board meetings and many other administrative duties. Keep in mind none of these job duties for any of our staff are inclusive of all they do. We do a lot of cross-training and everyone answers the phone. After almost 30 years of an office with used furniture, we recently were able to get new furniture. The office worked hard to breakdown all the old, put together all the new and get things cleaned and organized. It looks great so come visit the office next time you are in the area. Quick reminder, NS&S entries are due Nov 10th; no late entries will be accepted. The question was asked if we could put the job duties with the employees in

staff listings. Ginnah Moses said she will talk to the Executive Committee about it but she is very hesitant to do that. We are still a small office and are cross-trained and cover for each other. Anyone who calls can get help with their registrations for example, not just by the one person who processes a majority of them.

Treasurer's Report & AHCA Outlook

The 5/23 Balance Sheet and Profit & Loss were reviewed. They reflect 12 months or 100% of the fiscal year (June 1-May 31). On the Balance Sheet, the total checking and savings balance was \$438,561.79 which is an increase of \$88,000 over last fiscal year. That is made up of a savings account, two CDs, NS&S checking and the US Bank checking that is used regularly. AHCA is covered by FDIC but we may become involved with an additional bank in the future. The inventory has risen some with the *Highland Cattle* by Stephen Janz book in stock; the first bulk order sold out. Total current assets have increased by about \$123,000 to \$493,984.89. Total assets are at \$499,915.66. Nearing \$500,000 we will be seeing if we need an independent audit. Deferred revenue was rolled into the following year, in June, the start of the new fiscal year. This includes several categories with the biggest being dues at \$81,136. Retained earnings are at \$280,093.28 with net income at \$66,930.83. This brings total equity to \$347,024.11 which is an increase of 24% or \$66,000 over last year.

On the Profit and Loss, membership dues did well at \$122,428. The other primary income sources are registrations and transfers with bull registrations \$40,055, cow registrations \$52,832 and transfers \$76,090. There was good growth in all four categories. *The Bagpipe* had a better year than the last several with a profit of \$8,179.27. There was a good increase in DNA typing which is related to bull registrations and was at \$21,138. Total income was up to \$372,174.64. On the expense side, breed promotion has spent \$19,986.57 of their \$48,000 budget. Payroll was up to \$130,758.11 due to adding staff with the increased workload. Total expense is up to \$305,243.81, an increase from \$231,917.44. It's been another good year with a net profit/loss of \$66,930.83.

The 990 tax return was filed with the IRS by AHCA's accountant. This committee has also been charged with working on a 5-year forecast which Randi Johnson is leading. We are fortunate she has the skill set and much work experience formulating these. Pat White moved: Accept the Treasurer's Report as presented. Second by John McLaughlin. Motion passed unanimously.

Board of Directors' Report

Josh Krenz said he serves as President along side Pat White-VP, Tom McConnell-Secretary and Steve Palosaari-Treasurer. The board will be electing a new Treasurer shortly. Major action items:

- The board meets quarterly via Zoom with the January meeting face-to-face.
- There is an ongoing marketing and PR campaign that was approved by the board for up to \$40,000.
- BOD was very supportive of the 75th Anniversary Gathering with special extras for the attendees and rolling into the National Show & Sale in January with a commemorative gift for all exhibitors. 75th promo items were designed and the extras were made available for purchase to the membership.
- Committees of varying sizes and duties work all year on behalf of the membership.

- AHCA is in good health with plenty of enthusiasm and interest in the breed.
- Always interested in your ideas for new or different member benefits.

Standing Committee Reports

Governance

Pat White explained that Governance has been updating a number of important governing documents that control the workings of this organization. Many of these updates are subtle but necessary to ensure that our governing mandates are clear, concise and consistent. These updates include the Code of Conduct for board and committee members, where we have arrived at some changes that will strengthen the existing policies and eliminate confusion. We have still to devise appropriate suggestions for conduct as it relates to social media. We have updated the Expectations of AHCA Directors to provide a more realistic set of values in this digital age. Likewise, we have updated the Rules and Regulations. We have proposed changes to the Rules and Regulations as they pertain to all subjects other than the actual requirements for registration of live cattle, whether native or imported, and embryos (this is the purview of the Pedigree Committee). The changes made by the Governance Committee are intended to allow ease of identifying those rules and/or regulations that pertain to the particular subject of interest. For example, we are rearranging the order of the articles which will consolidate all necessary information needed for the registration of cattle into one section of the document. Our goal is to make this document more clear-cut and user friendly as well as ensuring that the Rules and Regulations are consistent with our existing and all future by-laws.

Breed Protection & Promotion

Mark Johnson reported on the subcommittees of BP&P but first introduced the committee members: Jacquelyn Chotkowski, Anne Proctor, Paige Proctor, Laura McDowell-May, Bruce Schmitz, Angie Long, Jill Ramsey, Deborah Nelson, Emily Young, Seth King, Tom McConnell and myself, Mark Johnson. BP&P is made up of 8 subcommittees Pedigree, Bagpipe, Juniors, Social Media, Website, App, Education, National Sale (which operates pretty much on its own). Most of the work in BP&P is done in the subcommittees.

Pedigree (Jacquelyn Chotkowski):

Pedigree is working on reviewing and updating the section of Rules and Regulations that pertains to registering animals in the herdbook. This is a major and quite complicated task. Pedigree has been granted a budget of up to \$2,000 for a PV Parent Verified Promotion wherein every 50th heifer that is submitted for registration in the herdbook will get a free DNA kit for the heifer and the heifer's dam, enabling it to be registered as a PV registered animal (\$80 value). Pedigree will be putting out information on the PV Promotion before it takes effect.

Bagpipe (Anne Proctor is the chair and editor):

The Bagpipe has had a successful year publishing many informative articles and providing coverage of AHCA events like the NWSS and the 75th Anniversary Gathering, as well as many regional association events. The summer issue followed up last year's summer focus on bulls with a special focus on reproduction technology covering topics

such as AI, embryo transfer and synchronization protocols. The magazine is a quality publication and a valuable resource for AHCA members.

Juniors (Paige Proctor):

The Junior Committee awarded the Junior Highland Allegiance Award to Bailey Haedrich. They also awarded Be a Champ Camp scholarships to Adrian Caskey and Colton Cross. The committee finished up refreshing the educational resources handbook that is presented to new juniors. Currently working on plans for the NWSS in January after a successful '23 NWSS. Also of note, Mandy Brammer was added to the Junior Committee in August.

Social Media (Tom McConnell):

The AHCA Facebook page has 5166 followers and the Instagram page has 1173 followers. Social media was active in promoting the National Show & Sale and the 75th Anniversary Gathering on both the Facebook page and Instagram. As an example, a post on Facebook with the cover of the sale catalog and a link to the online version of the catalog was boosted for a cost of \$314.99 which reached an additional 3398 people and garnered 359 likes.

Website (Bruce Schmitz):

The newly expanded committee began work late last year. In November a new “search” function went live on the website and in January, the website launched a new member search feature, a searchable member map, to facilitate finding breeders. After much discussion about what is needed to update the website it was determined that the best option forward was to build an entirely new website and \$10,000 was allocated by the Board for that purpose. Currently, the committee is seeking and evaluating proposals from different vendors to build the new website. Website has had a very busy year with much accomplished.

App (Bruce Schmitz):

App is paused waiting on website developments.

Education (Tom McConnell):

Just getting started after being dormant for years. Education met for the first time in July. They will be setting up an AHCA podcast beginning sometime around the Stock Show in Denver. That is something to look forward to.

Show

Heather Bailey said the Show Committee is 11 members strong and includes: Heather Bailey as chair, Tiffany Green, Josh Gregg, Randi Johnson, Richard Muntz, Kevin Pirtle, Spencer Reetz, Sterling Reichenbach, Todd Richardson, Frank Silva and Dan Utter. November 10th will be the deadline for National Show & Sale entries so be sure they are on time! The committee will meet in a few days to review the ROE rules, awards, etc. for consideration of changes next year. They have been discussing how they can be more helpful in Denver.

Highland Beef Marketing

Jim Lindauer reported that members of the committee include: Josh Kenz, Rick Martson, John McLaughlin, Jennie Anderson, Jeffrey Miller and Jim Lindauer. They have been putting articles in *The Bagpipe* and participating in the webcast on marketing topics. They hosted a very successful and informative round table discussion with several producers at the 75th Anniversary Gathering in SD. Members have been interested in a website provider for direct meat sales so an article is to follow. A steer exchange is being explored and a way to connect folks who are selling steers to those farms that market beef. HBM is looking for additional members interested in beef marketing. Not only farmers and ranchers but also business individuals with marketing experience.

Gathering

Tom McConnell reported on a very fun and successful 75th Anniversary Celebration in Chamberlain/Oacoma, SD. The committee worked for two years planning. The Arrowwood Resort was a perfect setting on the water and we had new and different topics presented, along with a motivational speaker. During this event we had some members come up to us and ask how they could possibly host a gathering in the future, so the AHCA board started a new standing committee. The Gathering Committee that I am chairing will now be looking at events for the coming years. Any region or group of breeders with interest can submit a proposal to the committee for consideration. Please put the word out that we are looking for groups to host. Remember to think outside of the box and none of them need to be similar to those held previously. The board ultimately makes the final decision by vote. There will be no gathering in 2024 but the Highland Cattle Society is tentatively planning an International Gathering at Oban, Scotland in the fall of 2025.

Ethics

John Chotkowski reported the committee is comprised of four members: John Chotkowski chairman, longtime member Rick Marston and recent welcome additions Diane Clark and Mark Johnson. During the past year, the committee has investigated two issues and submitted to the board a summary of its findings and recommendations for board action, with subsequent board approval in both instances.

Unfinished Business

None

New Business

None

Regional Association Reports

Mid-Atlantic

Jim Lindauer reported that MAHA hosts three sanctioned Highland shows which include the MAHA Spring Classic, York State Fair and KILE-Keystone International Livestock Exposition. They are hosting the 2nd Annual MAHA Online Auction where cattle move from farm to farm which reduces stress and expenses. They are also having the annual educational workshop and general membership meeting. The region is working on a new

junior program hoping to include a camp, new ideas, monthly contact with the kids along with fun and educational opportunities.

Midwest

Steve Palosaari reported current membership is at 89 members. MWHCA hosted their annual summer picnic on July 8th at SVH Ranch, Fredericktown, OH by Harley Bontrager. Brittany Brown helped coordinate with 80 in attendance. Yooper Classic, in Aug was hosted by Steve Palosaari and Travis Proksch and one of several ROE shows. There were 47 entries from 17 farms covering 6 states. In the supreme drive of 9 breeds, the Highland bull HAN Onix – Larson’s Headacrez placed 3rd and the cow/calf Windemere Finesse – Almosta Farm also placed 3rd. MASH is held over Labor Day Weekend in Novi, MI. It is hosted by Pat White and the stalls and show are in the air-conditioned exhibition hall. It had 30+ head from 9 farms. State Fair provides a free breakfast buffet and beef barbeque for all exhibitors. New item for both of these events was instead of the normal silent auction by exhibitors, MWHCA purchased Highland merchandise to sell to the public. Total income \$7392-merch cost \$5176= \$2216 profit. With \$2280 merch value yet to sell, this was a good change. The St Joseph County Fair had its last ROE show as Eddie Mackay and Rick Milliman were the only exhibitors due to the 8 day stay requirement. A new show for 2023 is the NAILE (North American International Livestock Exposition) in Louisville, KY. It’s Nov 15th and is hosted by Brandon Volstad and Brittany Brown. Richard Muntz will be our new regional rep on the AHCA board replacing Steve since he is term limited.

Mountain States

No report

North Central

Jan Larson stated they are 175 members strong. At the Feb 2023 annual meeting, new board members and a new president were elected. The keynote speaker was Mary Jo Irman who is a farm finance strategist and author. Breakout sessions were popular too. In 2024 it will be held at the Diamond Jo Casino in Northwood, IA. Jared Luhman the Soil Health and Grazing Lead at the Sustainable Farming Association (SFA) will serve as the keynote speaker. The Production Sale was held June 3 and they are already working on next year’s event. Farm Technology Days were July 18-20 and Hidden Ridge supplied the cow/calf pair. They were also in charge of the beef tent with 3,000-5,000 people going through each day. The MN State Fair is always the last couple weeks of Aug rolling into Sept. Flatland Farm rotates their cow/calf pairs for display. Highlands get a prominent place in the Moo Booth and attendance was 1,835,826. Sept 16 was the NCHCA show with 76 animals shown by 31 different farms. *The Hoofbeat*, our quarterly publication, goes out by print and email. 2024 calendars are now for sale. For questions about our region, please visit nchca.org.

Northeast

John Chotkowski is the regional director for the Northeast and these are the activities for the past year:

- Rejuvenated website developed by and under the care of Miriam May.
- Board updated and refreshed the by-laws.

- Successful annual show at Big E, Springfield, MA. Had over 50 head so it will be a super point show next year.
- Outstanding annual gathering hosted by the Magoons at Willow Lane Farm, Harmony, ME with the attendance of 40 hearty Highland breeders.

Northwest

Jennifer Lewis said the region has seen a modest increase in membership to 63 farms this year. At our spring AGM, membership voted to pursue a show for 2024. We're also working on a series of virtual round tables for our membership during the winter months. We had our first online Spring Production Sale in April 2023. It was successful and our membership voted to have another for 2024. It's scheduled for April 27, 2024. To support our consignors, we're having a virtual orientation to help them prepare their animals for sale.

South Central

Dax West reported in Collin Demuth's absence. South Central Highland Cattle Association is the newest regional association of AHCA. Our membership numbers are down from our inaugural year but we are once again growing. In 2022, we extended from five board members to seven. Our current board includes: Dax West, President; Terri Thelen, Vice President; Rhett Wood, Secretary; Linda Lehman, Treasurer; Collin Demuth, AHCA Board of Director Representative; as well as Gary Cheek, Christi Brown and Tom McConnell. SCHCA has held a Spring Gathering for its members for the past three years. In April 2023, we held our inaugural show and had attendees from TX, WY, MN, WI, KS, MO and CO to name a few. Next year, we are having to move banquet venues because we outgrew the previous one in just the first year. In 2024, the banquet will be at the Historic Route 66 Village. We are excited to announce that we are launching our first junior show at that time, as well.

National Sale

The National Sale will be Sat Jan 20 at 10am mst in Denver at the National Western Stock Show. This year Benchmark Graphics will do the sale catalog, lot cards and social media materials along with 100 4"x9" rack cards for each lot. You will submit your photo, description and video directly to Benchmark by Nov 25. As always, division champs and reserve division champs are eligible to sell but health requirements must be met before getting to Denver. The info packet and information are all online and the same has been mailed to the last two years' exhibitors. The sale commission has been lowered from 15% to 10%. The National Sale is a proud supporter of the National Show so they have joined to offer a surprise gift to all exhibitors this year in celebration of AHCA's 75th Anniversary. Remember Nov 10 is the deadline. Another beautiful painting by Hilary Barker will be on our cover but we are sad to report that she passed away earlier this year. She is greatly missed by all who knew her.

Highland Member of the Year & Hall of Fame Announcement

Jennifer Lewis said the Nominations Committee was unanimous in their selection of the recipients of AHCA's two highest honors. These are awards that should be celebrated in person so both recipients/families are invited to the National Show & Sale banquet in

Denver this Jan. We hope they will be able to attend to receive their beautiful bronzes. Full bios and photos will be in the winter issue of the magazine.

Heather Bailey presented the Highland Hall of Fame Award:

Winners never quit and quitters never win. While he lived to do things his way, his path was forged not alone but from the guidance and mentorship of many. The 2023 Hall of Fame Member, Mr. Gary Krumenauer of Summit Ranch.

Gary began his passion with the Highland breed in 1985 when the family purchased their first land to build a farm. They settled on Highland cattle for their docility, easy keeping and hardiness. The cattle in his herd were originally purchased by a businessman who had bought the 10 best cows in Scotland and resettled them in New York. One of those calves was the infamous Diana of Kiyiwana. Diana of Kiyiwana's daughters became the Summit Ranch "lyn" line and were national champions year after year, and their daughters have been national and multi-national champions to this day.

Gary served as an AHCA Board of Director, was Vice President in 2002 and served on the National Sale Committee for many years. He played a significant role in the merging of the WI Scotch Highland Association and the MN Highland Association which formed the North Central Highland Cattle Association.

Gary's revolutionary ideas truly showed as the AHCA National Sale was transformed into a representation of powerful genetics from across the nation. He was brave enough to be one of the first consignors to enter two commercial heifers carrying Highland embryos into the sale. He was the voice of color for many years on the block. For the Highland breed to succeed, Gary believed it was through younger generations and new breeders. He instilled his passion through guidance, mentorship and instruction which allowed many of them to become the most competitive both inside the show ring and on the farm.

Gary led the way to the future of the Highland breed, and in doing so solidified the improvements of Highland genetics and the commitment of new breeders to lead on and hold dear the breed that meant so very much to him. This award is long overdue, and sadly it will be awarded to his family as he passed on January 20, 2023, after watching just one more show in which the Grand Champion Female's paternal grandmother was Summit Ranch's National Grand Champion in 2010. The Grand Champion Bull's maternal grandmother was Summit Ranch's National Grand Champion in 2007. Lead on Gary.

Dax West presented the Highland Member of the Year Award:

The privilege of receiving Member of the Year is one of the top honors of the American Highland Cattle Association. This award celebrates the passion and dedication to the Grande Old Breed – the Scottish Highland cattle, renowned for their resilience and splendor. This award pays tribute to an individual whose exceptional commitment has not only advanced the breed's improvement but also fortified the association's values. The recipient is lauded as a mentor to many, an educator of the breed and a historian to all, sharing wisdom and guidance generously. This leader's influence extends beyond the pastures, setting a high bar within the association. The member who has made profound contributions and service to the heritage and future of the Highland cattle is this year's American Highland Cattle Association Member of the Year, Mr. Tom McConnell.

Highland Cattle Foundation

Mark Schulz, President of HCF, gave the update. The Highland Cattle Foundation continues to support the four main goals of the organization, which are:

- 1) Providing scholarships to junior AHCA members.
- 2) Preserving Highland genetics by providing semen to the National Animal Germplasm Program.
- 3) Supporting educational projects.
- 4) Making selected research grants.

Scholarships:

This year we once again supported the future of the Highland breed by investing in our youth. We awarded three scholarships of \$1500 each to be used in further education. The three recipients are:

Kaitlin Edwards, Hartman, AR – pursuing a degree in Biochemistry with a minor in biology at Arkansas Tech University

Lillian Hagge, Kemmerer, WY – pursuing a degree in Nursing at Northern Wyoming Community College.

Clarisa Palmer, Burlington, WI – pursuing a degree in Animal Science (pre-vet) minoring in agribusiness at the University of Wisconsin, Platteville

We wish all three of these juniors the best of luck in their pursuit of higher learning!

Preserving Highland Genetics:

We continue to support the National Animal Germplasm Program whereby genetic diversity is preserved for future use. What better breed than Highlands to have in your reserves!

Supporting Education:

There have been no requests for educational assistance this year.

Research Grants:

We have not had any applications for grants this year but are open to reviewing any we receive. We published our grant making policy in *The Bagpipe* earlier this year.

Our balance as of our August 31, 2023 balance sheet is \$112,161.87. We appreciate the sales of the donated semen and embryos at events through the year. Having said that, as always, we accept donations, which are tax deductible. We need to keep the foundation alive in order to support the programs that have just been discussed. Research and continuation of scholarships and education do not come cheap, so please consider a donation to the Highland Cattle Foundation today! Thank you for your support!

Election of Directors

Josh Krenz said the Teller Committee is comprised of AHCA office staff. The list of nominees was read: Diane Clark, Waverly, TN; Collin Demuth, York, NE; John Ligo, Grove City, PA; Sean McStravick, Haymarket, VA; Terri Thelen, Atoka, OK. All have

signed and returned the Expectations of AHCA Directors. Attendees were reminded that all voted by mail and needed to have their ballot postmarked on time. Director nominees elected: Diane Clark, Collin Demuth, John Ligo. Terms run from Jan 1-Dec 31. For new directors, the first meeting is in January in Denver. Thank you to all the exceptional nominees and we appreciate all who ran on the ballot. We hope if you weren't elected that you will continue to be involved on committees and in events throughout the year.

Josh Krenz thanked everyone for attending and said he appreciated all the support he received this year. He recognized the outgoing directors Steve Palosaari, Heather Bailey and Emily Young for their years of service to AHCA and hope they will continue in their committee roles. Josh asked if there was any other business; there was none. John McLaughlin moved: Adjourn meeting. Second by Heather Bailey. Motion passed unanimously. Meeting adjourned.