

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

MIDLAND, TEXAS
September 11, 2009

The President called the meeting to order at 8:00 a.m. President Moore thanked everyone for coming, and welcomed those in the gallery. She reminded those in the gallery that they could not speak at this meeting, unless specifically called upon.

President Moore called for the recitation of the Pledge of Allegiance to the American Flag on this significant day.

Secretary Foltz called the roll.

The following Directors were present:

Renee Moore, President
Bill Pierson, Vice-President
Ed Blair, Treasurer
Roger Foltz, Secretary
Bucky Seelig
Tim Collier
John Goforth
Ken Rodd
Bo Prewitt
Dorathy Williams
Janice Miller, Executive Director

Also in attendance:

Barbara Herrin, National Scholarship Program Administrator
Jim Ezell, Sponsorship Chairman
Ralph Hay, Old 320 Alcalde
Karen Bains, Nominating Committee Chairman

Approval of Minutes of June 27, 2009 Meeting

Secretary Foltz distributed the minutes of the Board Meeting of June 27, 2009.

MOTION by Janice Miller to approve the minutes of June 27, 2009. The motion was seconded by Bill Pierson, with several minor corrections.

Motion passed with corrections: Unanimous

Ratification of Board Actions since last meeting

A. Poster Bid. The Board had accepted a bid for printing the posters of \$1,523.

MOTION by Janice Miller to ratify the Board’s action in accepting the bid.
Second by Bill Pierson.

Motion passed: Unanimous

B. Porta Potty and Trash bid for TICC: The Board had accepted the bid of Texas Disposal Systems for dumpsters and trash removal of \$4,023 and the bid of B & S Services for furnishing and cleaning 65 portable restrooms of \$16,275.

MOTION by Bill Pierson to ratify the Board’s action in accepting the bid.
Second by Ken Rodd

Motion passed: Unanimous

C. Ice bid: The Board had accepted the bid of the Water Factory to furnish a minimum of 3,000 pounds of ice at \$3,000, plus the cost of diesel to run the reefer unit.

MOTION by Roger Foltz to ratify the Board’s action in accepting the bid.
Second by Janice Miller

Motion passed: Unanimous

National Scholarship Program

The following report was given by Scholarship Chairman, Barbara Herrin.

REPORT OF DONATIONS (2/1/09-8/31/09)

93 donations totaling \$7521.00

Cost of correspondence

Cards \$193
Postage \$ 88
Total \$281

RECIPIENTS

As of August 2009

Tex Schofield (3 checks)

| Year | Name | Amount | Current activity | Recommendation |
|------|-----------------|--------|------------------|----------------|
| 2004 | Adilene Sanchez | \$500 | | unencumber |
| 2006 | Marshall Gaddis | | Ck issued | |
| 2007 | Micah Paredes | | Ck issued | |
| 2008 | Helena Stark | | Ck issued | |

| | | | | |
|------|----------------|-------|---------------|------------|
| 2009 | Brendan Flippo | | Entry delayed | |
| | | \$500 | | unencumber |

National Scholarship Program (29 checks)

| Year | Name | Amount | Current activity | Recommendation |
|-------------|----------------------|-------------------|--|-----------------------|
| 2001 | Ben Kinnison | \$500 | graduated | unencumber |
| 2003 | Jennifer Lee | | Ck issued | |
| 2004 | Kelsey Westerman | \$500 | Will enroll Sp 2010 | |
| | Ryan Ellis | | Ck issued | |
| 2005 | Megan Dreibrodt | | Ck issued | |
| | Charles McAdams | | graduated | |
| 2006 (6) | Desirae Arends | | Ck issued | |
| | Kassandra Hudspeth | | Ck issued | |
| | Matthew Elliott | | Ck issued | |
| | Rebecca Coultas | | Ck issued | |
| | Victoria Marquez | | Ck issued | |
| | Sabrina Paraless | \$3000 | Military | unencumber |
| 2007 (6) | Brynlee Dowling | | Establishing residency-will enroll Sp 2010 | |
| | David Richardson | | Ck issued | |
| | Jonathon Elliott | | Ck issued | |
| | Justin Frasier | | Ck issued | |
| | Kurt Westerman | | Ck issued | |
| | Sara Draper | | Ck issued | |
| 2008 (7) | James Brockman II | | Ck issued | |
| | Jerad Christensen | | Ck issued | |
| | Lauren McAdams | | Ck issued | |
| | Luke Sotkovski | | Ck issued | |
| | Samantha Sievering | | Ck issued | |
| | Tatum Foster | | Ck issued | |
| | Thomas Romeo | | Ck issued | |
| 2009 (6) | Blake Griffiths | | Ck issued | |
| | Candice Guy-Anzaldua | | Ck issued | |
| | Erik Longabaugh | | Ck issued | |
| | Jessica Wampler | | Ck issued | |
| | Joseph Talamantes | | Ck issued | |
| | Josh Tennison | | Ck issued | |
| | | \$4,500 (total) | | unencumber |
| **** | | | | |
| 2006 | Monica Lopez | One of recipients | Drop-out?? No money issued | |

Recommendation

Unencumber \$4,500 (see above)

**DROP-OUT RATE
NATIONAL SCHOLARSHIP PROGRAM**

In 2006 **six** scholarships were awarded. **Five** checks were issued in August. No check was issued for Sabrina Parales who joined the military.

In 2007 **six** scholarships were awarded. **Six** checks were issued in August.

In 2008 **seven** scholarships were awarded. **Seven** checks were issued in August.

In 2009 **six** scholarships were awarded. **Six** checks were issued in August.

If we count Sabrina Parales as a drop-out, **the retention rate is 96% with a 4% drop-out rate.**

COMMITTEE MEMBERS

Two committee members have resigned (Bobby Elliott and Bruce Stewart). If the new policy is approved by the Great Peppers, three current members will have 3-year terms, three current members will have 2-year terms, and one current member will have a 1-year term. These terms will be determined by random drawing. Then two new members will be selected from the pool of interested applicants and will serve for a 4-year term (the remainder of the 1-years terms vacated by the resignations and their own 3-year term). In the fall of 2010, one new member will be selected to replace the 1-year term member. After that, each year three new members will be selected to replace those leaving the committee.

I plan to advertise on the blog and in the *Trails* for new members for the committee.

Committee Report's

Events Committee: Chairman Bill Pierson reported they have reviewed two requests for Regional Opens, which will be voted on at the Great Peppers Meeting tomorrow. He indicated that the Great Peppers Handbook was last revised in 1999, and his committee is reviewing it and any recommendations will be presented at the Winter Board meeting.

Finance Committee: Chairman Ed Blair reported the committee was currently reviewing the following:

CASI Group Exemption for Pod level 501(c)(3) status

Three volunteer Pods, from differing states, are requested to assist in the development of the process and procedures to implement.

Approval procedures for expenditures by dollar limits.

- 1) Board Members
- 2) Board level approval

Suggested level of National Scholarship Program:

Up to one-half of uncommitted funds in the Scholarship Fund

This smoothes out the number of scholarships to reduce the swing per year.

Financing CASI – points to start Member discussions

1) Facilities use fee for ALL PERSONS who do not pay the full spectator charge at TICC

2) Raise the Old 320 fee to \$320

Symbolic pricing

Future attendees still subject to a Facilities Fee

3) Scholarship fee \$1 per cook

Simplest way to increase scholarships granted by about \$16,000

Financing CASI – implemented issues:

1) Add line at bottom of cookoff results package to make it easy to designate a portion of the cookoff net proceeds to the National Scholarship Fund, either a percentage or dollar amount. This would be purely voluntary.

If 5% of the reported net proceeds of all cookoffs was designated to be donated to the CASI National Scholarship Fund, CASI could grant triple the number of scholarships per year at the current funding level of 4 years at \$1,000 per year.

The increase in funding would allow an increase to the annual funding per student. Tuition costs have skyrocketed and thus \$1,000 per year funds a smaller percentage of that cost.

Several questions concerning the investment of money arose. Ed advised that all moneys were invested, not sitting idle, and money was deposited in several different financial institutions so that all money is insured under the \$250,000 FDIC limit.

Governance Committee: Chairman Tim Collier indicated the following were members of the committee; Richard Knight, Kevin Wooster, Bruce Smith, and Bucky Seelig.

The Committee was asked to make a recommendation concerning a Pod that completed all the requirements to be seated but didn't have enough cooks at their Pod Cookoff. It was recommended to the Credentials Committee that since the Pod had made every effort to complete the requirements, but fell short of cooks, that they extend the Pod's probation period through 2010 to give them a chance to continue to grow and support CASI. This led to the consideration of establishing a Mentor Program for new Pods. We, as members, tend to forget how hard it is to start a new Pod in a remote area. The Committee suggested that the ED develop a committee of past or present Great Peppers who would serve to mentor new Pods for several years.

The Governance Committee felt it was important for the Treasurer to have a date set to publish a preliminary financial report to the members, and then another date for the end of the year report after the audit is complete. This recommendation is now in the Financial Committee for review. A suggestion from the Committee for the future is to conduct a survey of the CASI membership of what they want from the CASI BOD and how they think CASI can improve. There are several web based surveys that could be purchased for a minimum fee to make this a quick and easy way to get the feedback of

our membership. This survey could be announced in advance in the different blogs, *Terlingua Trails*, and letters to the Great Peppers to get as much participation as possible. Most organizations conduct annual surveys to receive feedback from their membership, and the Committee believes we should consider doing this also.

Public Relations Committee: Chairman Ken Rodd indicated he would give his report the following day at the Great Peppers meeting.

Rules Committee: Chairman Janice Miller reported that the Rules Committee had not had to have a meeting over any issue. Several things had been brought to the committee's attention, but these had worked themselves out.

Ed Blair indicated someone had told him about a problem with a check, where payment was changed from a charity to a pod. Janice indicated she was aware of this, but no rule had been broken. A discussion followed with suggestions made to help clarify the proper method for handling this situation in the future.

New Business:

- a. **Bylaw Amendments:** Janice Miller presented proposed amendment changes to the bylaws. A copy of the current Bylaw, with the proposed change is attached to these minutes as Addendum 1.

MOTION by Ed Blair to accept the bylaw changes as presented. The motion was seconded by Tim Collier.

Motion passed: Unanimous

There was also an amendment to the bylaws concerning the resignation of a member of the Board of Directors. There were two proposals presented, one giving a resigning Director a time to rescind their resignation (Proposal 4), the other (Proposal 4A) did not provide any time for that Director to reconsider and rescind a letter of resignation. A copy of that proposal is attached to these minutes as Addendum 2.

MOTION by Bill Pierson to accept the bylaw change Proposal 4, which does allow time for a Director to reconsider and rescind a resignation. The motion was seconded by Janice Miller

Motion passed: Unanimous

Bucky Seelig made a proposal that the Board consider, at the next meeting, extending the term of office for the Executive Director from 2 to 3 years. The reasoning is that currently the Executive Director has to run for election, or re-election, the same year that rules changes are voted upon at the Great Peppers Meeting. This puts a large burden on an incoming Executive Director.

- b. **Pioneer Award:** Richard Knight proposed that the Board approve a prestigious award titled CASI Pioneer Award, to be presented to an individual, or group of individuals, who have made significant, influential, or transforming contributions to the development and growth of CASI. A Committee would be set up to review

any recommendations made for this award. There are restrictions set on the qualifications.

MOTION by Janice Miller to accept the proposal for the creation of a CASI Pioneer Award. Motion seconded by Ed Blair.

A discussion followed on what the actual award would be. The proposal indicates the award will be a bronze pepper, a replica of the TICC First Place “Pepper”.

Janice Miller amended the **MOTION** to have a committee study what the award should be, and report to the Board at the January 2010 meeting. Ed Blair agreed as second to the original motion.

Motion passed: Unanimous

President Moore indicated a Committee would be appointed.

- c. **CASI Trademark Renewal:** Ed indicated it would be renewed.
- d. **CASI Display Policy:** Roger Foltz presented a proposed request form to be used by any pod requesting the CASI Display for use at a cookoff, or other prestigious event. Discussion followed on who pays for the shipping of the display, which costs about \$100 each way. After discussion it was agreed to do some additional study on the cost for shipping, and bring it up at the January Board meeting.
- e. **Storage Unit:** Roger Foltz proposed to rent a storage unit from Public Storage to house the CASI Display, and also the boxes of historical documents currently housed in several locations. The proposal was for leasing a space for \$29/ month.

MOTION by Tim Collier to accept the proposal. Motion seconded by Ed Blair.

Motion passed: Unanimous

- f. **Report on International Festivals & Events Association Convention:** Roger Foltz attended the three day conference and presented the following summary of the classes he attended.

Texas Festivals & Events Association Conference

On July 8th, 9th, and 10th I attended the Texas Festivals & Events Association Conference in Ft. Worth. The original registration only covered Friday & Saturday, but the topics of classes for Thursday looked interesting, so I added attending on Thursday.

On Thursday I attended the following classes: Vendors; Business Plans; Insurance & Liability; Social Media Marketing.

Vendors: We reviewed the various types of vendors that might like to have a booth at various events, food, arts & crafts, demonstrations. There would be a

need for each vendor to have a space, parking space, able to take delivery of fresh supplies of food or product. A shuttle service might be set up at certain times to address the re-supply needs of the vendors. A contract might be needed, spelling out requirements for vendors, i.e., “don’t run out of food”. May need to look at ‘exclusivity’ for a vendor. **Food vendors need their own insurance.** Does a Board member need to verify quality of food served? Profits may be increased by using coupons. What can we do to meet the expectations of our vendors? Would it help to have maps of the area, pointing out the location of various vendors, with an arrow on the map indication ‘you are here’?

Business Plans: A business plan is the best investment of time. Not for profit is a tax status, not a business plan. We may need to do a better job of planning what we can control, and planning for what we can’t control as best we can. Plan would clearly define our purpose or need. Is it to raise funds for scholarship; preserve a tradition or culture, or something else? Need to define the benefits of our event, increase revenues, media attention, sustain local values. A business plan is to define & direct and needed change; to guide growth; manage priorities; assess volunteer needs; assign responsibilities; track progress; & to clarify allocation of resources. Some self assessment questions: What is our mission? Who is our customer? What does the customer value? What are our results? What is our plan? Having and using a business plan will help with sponsors.

Insurance & Liability: This class was put on by an agent from Kaliff Insurance in San Antonio, who deals exclusively with insurance coverage’s for festivals & events. We reviewed the various types of coverage included in the standard general liability forms, and specialized coverage’s that might be necessary such as Liquor Liability Coverage; Crime Coverage; Volunteer participant accident coverage. Several forms were reviewed that might be applicable to our event; Hold Harmless Agreement for Vendors; Clean-up Crew Responsibility Checklist; Anatomy of First Aid Kit; Incident Report Form. I have asked this Agent to review our coverage’s and provide us a quote on our insurance needs.

Social Media Marketing: This was about learning to use Facebook, Twitter, and other Social Media to promote our event. *Social media allows your audience to connect with you, and with each other.* Facebook has over 200 million users! YouTube has over 70 million videos! Social media can be used to promote the event, make announcements, ask for volunteers, speak to a younger demographic, ask for opinions. Facebook Groups are for groups of people with the same interest in common. Facebook Pages are for businesses, including non-profits. Pages are visible to everyone, even if you are not a member of Facebook. One way to promote a Facebook page, is to put a Facebook icon on the web site.

On Friday I attended the following classes: BorderFest; Pitching Your Festival to the Media; and Generational Marketing.

BorderFest: BorderFest is a large festival put on every year at Hidalgo, Texas. It is the largest and oldest cultural festival in south Texas. Each year they have a different country to spotlight and a different theme. They strive to accommodate vendors & sponsors. They have a good working relationship with local media partners and sponsors. *Something we might do, is sell passes to locals early.* On sponsors, meet any and all deadlines, over deliver, send small gifts on birthdays. Cross promotion from sponsors’ locations.

Pitching your event to the media: Big Media, such as newspapers, is on the way out. The new media on the rise is Facebook, Twitter, and YouTube. These are now competing with Associated Press for quickest coverage of an event.

Jump on a moving train, that is insert your story into news that is already being covered. Green Energy – What is being done to use Green Energy with your event?

Light a fire - suggest a unique, original story. Such as, 91 year old qualifies to cook at TICC.

Timing is everything: Don't compete with Major News. Fridays, Holidays, and Weekends are best.

Make it Visual: What's the picture you can imagine on the front page tomorrow?

Ask yourself: Who cares?

Don't be ordinary: did the same thing happen last year?

Don't be afraid of a little controversy.

A short phone call is better than a long e-mail.

One-stop shopping: The easier the better for a reporter.

Generational Marketing: Understand why generational differences matter.

The Silent Generation, born 1909 to 1945, are hard wired for civic duty, they believe in hard work and saving. In selling to the Silents need to consider that they are comfortable with traditional media, use conservative themes, understand their physical limitations, but don't baby them.

The Boomers, born 1946 to 1964. There were 80 million born. It has always been about them, and always will be. They liked shared leadership. In selling to Boomers, forget about growing old gracefully. Provide new challenges, experiences, opportunities. Boomers are more inclined to vanity purchases.

Generation X, born 1965 to 1980. There were 46 million born. They were the first technology oriented generation. They were highly influenced by economic uncertainty, and are very skeptical. In selling to Gen Xers, they are more driven by word of mouth, extremely value conscious, and deeply value their family.

Generation Y, or Millennials, born 1981 to 1994. They are very socially conscious. They are well educated, and were shaped by involved parents and a strong economy. They know much more about their world than any other generation. In selling to the Millennials, they are socially and environmentally conscious, are attracted to brands, but demand accountability. They consume media in highly fragmented ways.

Sponsorship Trends: IEG research shows Sponsorship projections for 2009 are estimated to be \$16.79 billion vs. \$16.61 billion in 2008. Projections for fairs and annual events \$775 million in 2009 vs. \$753 million in 2008. Sponsors are rethinking their strategic plan. Is the plan still valid? Know sponsors needs.

Consider correct balance of building the brand vs. generating revenue. Partnership between sponsor, retailer and event. Need to increase benefits for sponsors, not freebies.

Fundraisers & Profit-Makers: Analyze the organizations activities; Do they make money? Is the pay-off worth the risk? Can the profitability be improved? What type of fundraising efforts are appropriate to our event? What is the purpose of the fundraising? Evaluate existing projects, continue or drop? Merchandising: Create demand with limited edition items; Tie in release of commemorative items with advance promotional events. Don't be afraid to offer higher price point

items; Think beyond t-shirts, pins, etc.; Insist on quality, no matter what the item. Make the sales area look like a quality retail outlet.

- g. **Agreement C.A.S.I. Inc.:** President Moore indicated that the agreement with Ray & Pat King has been signed by all parties, and the original is now in CASI hands.
- h. **Corporate Member Plaques:** Janice Miller indicated no decision had been made on continuing the awarding of a new plaque each year, or adding a yearly hang down addendum to the original plaque. Dorothy Williams presented copies of the current and older models of the plaques for review. Discussion ensued on the cost and delivery of the plaques. John Goforth will add a space on the Corporate Member application for the applicant to indicate if they prefer a plaque, or a hanging yearly addendum to the original plaque.
- i. **Insurance:** Roger Foltz presented to Janice Miller a quote he had received of the Directors and Officers insurance which is up for renewal in October, 2009.
- j. **TICC Beer Price:** Bucky Seelig indicated beer prices continue to increase and we have not had an increase in the price we charge for beer in at least 6 years. A discussion ensued on increasing prices either to \$2.50 or \$3.00.

MOTION by Bill Pierson to increase the charge for single cans of beer from \$2.00 to \$2.50. The motion was seconded by Janice Miller.

Motion passed: Dorothy Williams was opposed.

- k. **TICC Gate issue:** A discussion was had about closing the gate to Stage Road, which is currently closed during the cookoff with only a string of pennants. Discussion also concerned handicap access to the stage area. Also discussed was use of golf carts in the Old 320 during the cookoff. Tim Collier agreed to install a chain to lock off access to Stage Road during the cookoff.
- l. **ROC (Tri State Open):** Bill Pierson indicated two applications have been received for Regional Open Championships and the applications have been approved by committee.

MOTION by Bill Pierson to approve the Tri State Open, to be held in Amarillo, Texas January 9, 2010, and the Southwest Open to be held in Devol, Oklahoma at Kiowa Casino on May 29, 2010. The motion was seconded by Bucky Seelig

Motion passed: Unanimous

- m. **Director's Expenses:** Tim Collier presented several proposals to change the way expenses are claimed for meeting attendance by a Director. After review of the proposals and discussion of them, it was agreed to review this issue at the January workshop. President Moore passed out a spreadsheet comparing several different proposals for reimbursement of Director expenses. A review of the spreadsheet was requested prior to the next board meeting. She indicated this proposal would have to be reviewed at the January Board meeting.

- n. **Sponsor Banner Poles:** Jim Ezell has requested additional T-Posts be installed to string sponsor banners during TICC week. Tim indicated he would see that they were acquired, and placed where Jim requested.

- o. **Additional Items:**

Janice Miller passed out a CASI Policy book, and asked that we review it for needed changes and additions. She asked that we review it prior to the January meeting, so it can be placed on the agenda for consideration.

President Moore proposed adding a place on the agenda at Board meetings for members to address the Board with comments or proposals. The Board would not have to respond, but could if they wanted. It was agreed to discuss this proposal in January, 2010.

Bucky Seelig indicated we need to set some structure for the 50/50 drawing this year at TICC.

There being no further business to come before the Board, **MOTION** by Ken Rodd to adjourn to reconvene the meeting on September 12, 2009, after the Great Peppers Meeting. The motion was seconded by Bo Prewitt.

Motion passed: Unanimous

The meeting adjourned at 9:47 am

Renee F. Moore, President

Roger B. Foltz, Secretary