Upper Midwest A-C Club, Inc.

Board Meeting Minutes

Squeaky’s Bar & Grill

November 9, 2019 – 1:00pm

**Call to Order:** Darrell called meeting to order at 1:00pm

**Roll call:** Darrell Grams, Todd Grams, Lori Miller, Cody Hager, Joan Paulson, Lynn Bushard, Scott Overgaard. Late: Joe Graunke Absent: Tom Foss

**Others Present:** Bob Paulson, Arlene Bushard, Tom Hager, Dale Heinz, Jessica Meech, Gary Agrimson

**- COMMITTEE REPORTS -**

 **Treasurer’s Report:**

Checking = $49,967.63
 Money Market = $100,000.00
 Scholarship = $10,042.44
  **TOTAL = $160,010.07**

Rich Martin had 12 more toys that Dyersville was holding for breakage. None of the toys were broken so he sold the remaining 12 at $175 per toy. That check was received on November 9th.

Bob handed in the last two food vendor checks. Lions was $465 and $137 from the Elks. The reason the Elks was so small was because of the ice cream they gave away at the show that Craig coordinated. No one else was aware of the agreement that Craig made but apparently we agreed to pay for the free ice cream the Elks gave out at the show.

Cody reported that The Boys Scouts and FFA still needed to be paid. Todd gave a check to Bob for the FFA and mailed the Boy Scouts check to Joe Strobel.

Todd asked if anyone had an objection to having on-line banking to ease in the Treasurer’s job. No one has any objection to signing up for on-line banking.

Scott asked for more detail about the check to OEM. Craig had ordered OEM to make banner holder posts from old truck brake drums to hold show banners. No one knew about this. The bill has been paid and Darrell has the two holders.

Lynn asked about the check to Bossen Implement. Bossen bought toys and mailed the check to Larry Karg. We didn’t receive it and it didn’t clear Bossen’s bank so they called to ask about it. At that point Darrell hadn’t received it so they cut a new check. Larry then forwarded the original check and both got deposited. We had to refund for the double deposit.

Scott asked that we clarify the People Movers on the list of Assets – We currently have all 3 people movers as one line item. However, 1 people mover was older and has much less money invested in it. The 2 new ones are obviously valued much higher. Lori and Todd will make distinction in the assets list.

Cody asked if we ever got any money for rye or straw from the show. No – we have not. Joe said they are unsure of where the rye and straw went, but he did say that Matt Wosmek & (????) got some of the straw (connection of Craig’s received rye). Everyone agrees we need to have a better handle on this in the future.

Lori said she still needs to send a 501(3)c letter to the people that donated the seed. Albert Lea Seed company.

Scott makes motion to approve the treasurer’s report. Cody seconds – All in favor. Motion carries.

**Secretary’s Report:**

**Review & Approve Prior Meeting Minutes:**

Sept 7, 2019 Minutes – A few minor updates were made (typos mainly). Scott has a few other changes that he will email to Lori and she will get incorporated.

Lynn asked that 2021 Flyers & 2021 Banquet be added to agendas. **(DONE)**

Lynn makes motion to approve agenda and minutes with changes referenced above. Scott seconds. All in favor – motion carries.

 **Website/Social Media:**

Club History and Bylaws are now posted on the website under the About Us tab. If/when amendments to Bylaws are approved by the membership, Lori will update what is posted.

April will be adding the road construction information as soon as Fall Banquet is over so it opens to that on the main page.

Area Hotels/Lodging – Lynn said he would review this information on the website and confirm if everything is still current?

April said receiving pdfs of the newsletters would be helpful to receive as soon as they are finalized for any update on the website.

**Archives:**

Archives are coming along great! Still looking for flyers, posters, buttons/plaques, anything else.Lori will get past newsletters from Arland Lepper today. She will re-scan these for the archives. Lori would still like to have both pdfs AND hard copies, if possible. Lori has received all of 2018 and 2019 newsletter pdfs as well as 2020 tri-fold and 2020 toy flyer from Jodi at Sky Printing yesterday. Jodi said she would send more to me as she comes across them.

**Important upcoming dates:**

**Advertising Grant** –Scott is working on that and will submit on the 1st of March, 2020.

**12/31/2019 deadline for MN Sec of State SOS Filing**. Lori is working with Michael Crowe.
**Club Financials to CPA for Tax Return** - Jan/Feb 2020
**Golf Carts ordered for upcoming show** - Jan 2020
**Sales & Use Tax Filing & 501(3)c donation letters to donors** - Jan 20, 2020

**2021 Flyer** - January 2020 – need to get this to Dave at Old Allis News for him to hand out.

**Meetings:**Do we have location reserved for April Board Meeting & April Membership Meeting? Darrell is going to check and get something reserved.

Document whether or not we will officially change the time of the July meeting to morning. July meeting will be strictly SHOW RELATED. Daily early morning briefing meetings will be held during the show. We will discuss this at January meeting.

**Bob wants his newsletters back from Brad.** – Lori will get them from Brad Grams and scan anything we need for the archives and then get the book back to Bob.

Darrell makes motion to approve Secretaries report. Joe seconded. All in favor, motion carries

**Membership Report:**

Membership is currently at 420 – last year at this time was 387. 70 are on the expired list right now. 30 new members since Jan 1, 2019. Arlene has received many 2 and 5 year renewals.

Lori makes motion to approve membership report, Lynn seconds. All in favor, motion carries.

**Audit Committee:**

Full financials have been sent to Jerry Hagg and Michael Crowe for review and comments. Jerry said financials look great. Michael is reviewing but said it would be best to present in January when we have the 2019 year complete. Lori will present full report to the Board in January.

**Nomination Committee:**

This was inadvertently omitted from the Membership Meeting agenda. We need to make sure it is addressed. Cody asked that we ask for volunteers tonight. Yes, it’s on the agenda.

**Scholarship Committee:**

Dale Heinz thanked everyone on the committee.

Some of the applicants have had GPAs less than 3.0 or have been younger than seniors in high school. Ken Holz and Dale have discussed this and found the problem is the scholarship application forms and criteria are outdated or applicants are using old application forms that don’t have the GPA and age requirements clearly stated. Dale asked if the Board had suggestions for a solution to the problem. It was determined that the application and criteria should be updated and DATED of which year the award would be for. Once this has been updated, it should be put in the Spring newsletter (DEADLINE Feb 1) and Lori will see it gets posted on the website.

Dale asked for the Board to consider raising the scholarship amount to $750 or $1,000 from its current level of $500. The number of scholarships awarded will be determined by the Scholarship committee on a year by year basis. Lori makes motion to increase scholarships to $1,000 – Scott seconds. All in favor – Motion carries.

Scott added input on Raffle drawing that adding items at the last minute is not beneficial to raffle ticket sales. When he contacted people to let them know they had won an “added on item” the recipient commented that the ticket didn’t say that item would be awarded. Scott suggested that if items are given that are not on the raffle ticket to wait with them to be included in the next year or give away at the Fall Banquet. All agreed.

**Toy Committee:**

The 2020 Show Toy will be the 330 6-row planter. Sales tax for city of Hutchinson has increased. Dyersville already gave Rich commitments for 125 units. SpectCast is paying 50% of tooling versus past years where they only covered 30%. Assembly cost is higher at $8.00 per unit on the planter because of assembly work required for all of the smaller parts. SpecCast wanted us to keep our price lower because they are making a Massey Ferguson with our die and they don’t think the Massey Ferguson will sell for $175. We held our ground and are confident this toy will sell out faster than the last. The flyers are done and were mailed to previous buyers earlier this week. (Lori and Todd received theirs in 11/9/19 mail).

Dale Heintz asked if we have to clear the planter with AGCO. No, we do not have to ask for approval.

Rich said the reception at Dyersville was great and they all are glad we continue to make toys.

Discussions within the committee are to possibly do a self-propelled sprayer for the 2021 show. They are still working on the wagon idea as well. Just trying to figure out tooling cost. Tooling cost for the planter is $70,000. Wagon is $98,000. Sprayer is still undetermined, but looking like roughly $43,000. Assembly cost is higher on the planter because of assembly work required for all of the smaller parts.

Darrell points out that not ONE toy was received damaged this year. Not ONE! Fantastic!

Darrell & Joe also pointed out that the current selling price on Ebay for all of our toys is substantially higher than original selling price, some doubled or more than doubled, which is also fantastic!

**Other Committee Reports:**

Joan reports she has had great reviews on bus tour and asked the Board to consider doing it again next year. Joan said Bonnie Mohr told her she would also like to be included in future bus tours. Bonnie said she would not be doing another painting for the 2020 show but said she will still have the 2019 tractor paintings for sale. She said if we would be willing to put out her flyers at our show she will give us a print to give away again.

**Field demos:**

Darrell wants to know what the plan is for the bare spots in the field. Gary and Bob said they are going to go fix it in the spring by re-seeding with spring wheat.

**Food Vendors:**

Bob reports that Joannie is out of the 4H building for next year as she is retiring. She will no longer be a vendor but will continue her catering business.

**- OLD BUSINESS -**

**Advertising in Newsletter:** Lori reports that all 7 of the advertisers from the prior newsletters were contacted either by email or phone. Not one has responded. Those ads made up 2 full pages. Lori sent an email to each of the advertisers in the Old Allis News. So far we have commitments for 1 Full Page from Heritage Iron Magazine, 2 quarter page ads from Wally’s Hats and Nixon Auctions and a business card from Ed ~~Guenthier~~ Guenther. Feedback has been very positive as far as cost of the ads – they all expressed they were cheap compared to what they pay elsewhere. However they asked if/when we would be upgrading our newsletter to full color glossy – so I answered with, when ad rates increase, we will be in full color. Published rates in next newsletter should be as follows:

$50 – Full Page PER ISSUE (X 3 = **$150.00/yr.)**$30 –  ½ Page PER ISSUE (X 3 = **$90.00/yr.)**$20 –  ¼ Page PER ISSUE(X 3 = **$60.00/yr**.)
$10 – Business Card Size (X 3 = **$30.00/yr**.)

**Coordinator Positions:**

**Swap Meet Coordinator:**

Darrell talked to Norm Grams and yes, he is interested in taking this on. Norm is from ~~Gibbon~~

Winthrop, MN so he is fairly close. Darrell and Norm are going to get together for lunch to discuss.

**Toy Vendor Coordinator:**

Lori talked to Rich. He said there is really nothing that needs to be done until January/February.

Lynn gave Lori a business card for John Klettke of Watertown Wisconsin. He would like to come with a very impressive mini-farm display for the show. Lori will call him.

**Garden Tractor Coordinator:**
Bobby Paulson has agreed to assume this position. His information has been added to the website and contact info forms.

**Children’s Activities:**

Joan needs someone to take over kids’ activities and asked for volunteers.

**Newsletter Content for Next Issue:**

Deadline is February 1st

Bob suggested we appoint an editor for the newsletter. Bob and Joan submitted articles before the 9/1/19 deadline and that never got in the Fall issue. Scott has assumed newsletter coordinator position and everyone agreed to get information to Scott so he can coordinate.

Items to include next issue: Spring meeting info, Bios for Board candidates, Toy Flyer, Golf Cart Info, Scholarship Info, possibly an article about upcoming show features. Family activities at the show? Drive a tractor article?

Arlene asked about someone to write articles as an expo on club members. Scott suggests getting Connie from Beyond Broken to do this which could coincide with Show Guide articles.

Lori suggests the back story of our members and their unique tractor stories. She may work on these as time allows.

**Club Equipment donation**:
Wayne Johnson from Leonard is still in talks with Gary and Scott. Now he is thinking about maybe splitting the donation between two years. Scott and Gary invited him to the banquet tonight. Scott and Gary think maybe he’s wavering because he thinks the IRS will question a donation value of $100,000. At this point no one is betting that this will ever go through.

**New shed/ property:**

Darrell reports there is not much to report on new shed at the Fairgrounds. This is pretty much written off as an idea.

Darrell talked to the guy with the land behind Target. He still wants $65k per acre for that land and that is nowhere even near our budget. Darrell points out that a lot of work is needed with that land and way too many “ifs” so we have stopped pursuit of this land. Darrell suspects the ditch project will be a ways out because it’s such a big project.

Acquiring new Property – Darrell reports again that our offer of $110,000 has been accepted. The original price of the property was $130,000. Sellers want ½ in 2019 and ½ in 2020 to break up the Capital Gains. Bank said they can do that. Closing is scheduled for January 15, 2020.

Darrell said the road (Edmonton Ave SE) on the south side of Target will be extended to Airport Road in 2020. They are bringing utilities to that area which makes getting access to our proposed property much easier. In the future, we could bore under Airport Road to connect to the new utilities.

As far as the construction of a building on our property, we are looking at $65-$70k just in building material costs. Darrell wants to form a Building Committee. Terry Nowak offered that he would be on the committee because he just recently built a building on his property. This committee would be in charge of building design, erection, utilization, future uses, future visions, etc. Cody, Darrell & Gary offered to be on the building committee as well.

Gary talked to Bob Anderson. The dirt that has been put on that property recently is from basements that have been dug out from water damage in the area. Before that, dirt was from holding ponds in the Hutchinson area.

**Reels of film:**

Scott got the first film done that Jim Pessek gave him. Scott feels the quality is good. He is going to meet with Jim and give him a copy of the DVD to review. The goal is to work on converting the older films first then eventually package them in a set by decade and sell them at the show. Scott said Jim has also taken some of the films and put them on YouTube but some are in poor quality.

Darrell asks if we should do a video at the 2021 show which is the GoTo. RFD did the last one for us. We paid $5,000 and sold some of those DVDs. We didn’t make any money to speak of but the advertising from it was phenomenal.

**Use of trademark:**

We discuss the use of ™ after Upper Midwest A-C Club. Upper Midwest A-C Club is a Corporation. As such our name should be written as Upper Midwest A-C Club, Inc. This is our corporate name and we own it by the corporate filing. So, only the ®needs to be after Orange Spectacular.

Arlene still thinks the Upper Midwest A-C Club name may still not be protected federally by using the Inc and thinks we still need to Trademark the UMACC name and continue to use ™ behind the name to protect it. Lori has contacted Michael Crowe for his input.

**Existing Club Shed:**

**New over-head door:**

Bob had 3 people come and give quotes for a new overhead door in the club shed. Still waiting for quotes. Bob thinks we should just put concrete down and put in a locking pin. Todd and Darrell both agree. Bob said framing would need to be all redone to put in an overhead door.

**Electricity:**

Electricity Club Shed – Bob talked to Randy Starke about this. Could be added by running a wire from the other shed. Darrell said he talked to them also and they said they may be able to add a 100 amp service from the existing line. There is a chance to get power, the question is how many hoops need to be jumped through to get it. Table to January.

**Golf cart vendors for future shows:**

Todd and Lori will start calling the list of golf cart providers we discussed previously. If there is going to be any changes, it may affect the cost, so that needs to be determined before Spring newsletter deadline.

**People Movers:** Storage & Use by others

Randy Starke told Darrell once things are done for Fall they will get them inside the show arena. Right now they are stored under the grandstand and Darrell said they look good. Bob will be using the old one for the kid’s program. Bob wants to know if we will be charging for people to use them. Lynn thinks for sure we need a damage deposit. Usually if it’s hooked behind a pick-up the truck’s insurance will cover. Lori thinks if we charge for use and have an agreement we’d be on the hook liability-wise. Darrell will ask the insurance agent about this.

**2020 Show:**

**Show Flyer 2020:**

2020 Show flyer tri-folds are done. A few minor changes still need to be made to the next batch with contacts before printing any more. Scott said he is starting to work on the big show posters.

**Advertising/Banners/Signs:**

**2021 Show:**

Darrell has the GOTO 2021 banner that we did for Union Grove but it doesn’t have the town name on it. Flyers need to be done and Lynn pointed out that the 2021 Show Flyers (GOTO) need to get to Dave at Old Allis News by January 2020 for him to hand out. Scott will start working on these soon. Joe offered to help Scott with these.

**- NEW BUSINESS –**

**Toy to Glenn Bridges:** Lori pointed out that a bill for shipping of a toy to Glenn Bridges was received from Randy Larson through Rich Martin. Rich Martin was told verbally last year that we were not going to provide Glenn a show toy for writing articles for the newsletter anymore but it happened anyway. Lori wanted to get this in writing that we will no longer be bartering toys. It’s different if it’s a $25 or $50 toy but the toys now are $175. Todd makes motion to not have any more toys going to Glenn without payment. – Joan seconds. All in favor - Motion carries.

Michael Crowe is the only one that gets a free toy. Michael does all of the legal work and tax returns for the club, so that is completely different. If he sent us a bill, it would be HUGE for all the work he does for us. We also keep one for giving at the Fall Banquet and one for the museum in Dyersville.

**Insurance:**

Darrell presented insurance information. He talked to a Secura insurance agent at Mid-Country Bank. This policy would cover us as a Board 365 days a year and tractors wherever and whenever. Darrell will find out if this quote would include the Orange Spectacular® or not. They want pictures of all tractors and equipment and a copy of our financials. We also need to find out about Dynos and other equipment. Everyone is in agreement to pursue more information and a quote.

**Update to the Bylaws:**Discussion of proposed changes.Review attached proposed bylaw changes document.

Darrell wonders if we need to point out to the membership that next year 4 Board positions will be up for election. Do we need to get membership approval to take the least number of votes to fill the 2 year spot to get us back to 3, 3 & 3. Yes, everyone agrees that we should make sure the membership is fully aware of the situation we are in and how we propose to remedy it.

Lori makes motion to approve proposed changes to the Bylaws for presenting to the membership at the meeting later today. Scott seconds. All in favor - Motion carries.

**Tractor Pull:**

Joan had a survey come in where someone asked why the tractor pull is so late at night. She wants someone to talk to them tonight at the banquet and explain that we just can’t get it in the schedule during the day at the show. And generally speaking, the masses enjoy the tractor pull at the time it currently is.

**Application for tax exempt status:**

Michael Crowe is checking on the club getting a property tax exemption and prepping the paperwork to submit to McLeod County. This would also exempt us from Sales Tax. Darrell points out that in addition to scholarships that we support the FFA, Boy Scouts, Down with Diabetes, Chamber, Fair Board, Fuel Cell Tractor from the Smithsonian here, among other things. Sales tax from property tax alone would save $2,500 to $3,000 per year and the purchase of a building would save more than 7%. He is working hard on this to get it done in time for closing.

**Next meetings:**

January 25, 2020 @ 10am – Lori’s office – 6800 France Ave, Suite 580, Edina.

April Board Meeting – Date/Time/Location (To Be Announced – Darrell will get this.)

April Membership Meeting – Date/Time/ Location (To Be Announced – Darrell will get this.)

Lynn makes motion to adjourn. Scott seconds. All in favor – Meeting adjourned at 3:23pm