

POAC National General Membership Meeting
Friday, February 19, 2010
Holiday Inn Opryland Airport, Nashville TN

President Jackie Guthrie opened the meeting at 3:10 pm and introduced the POAC National Directors and the Office Manager.

Dr. Julian Nemmers, WI asked to take the floor to publically thank President Guthrie for a great job since she has been POA National President.

Minutes from the 2009 General Membership Meeting – Russ Davidson, OR made a motion to accept these minutes as published. John Cooper seconded the motion. Unanimous. Motion Passed. **Paper Ballot Vote results – Accept: 79 Oppose: 1 Abstain: 2 Motion Passed**

Executive Committee/President's Report – Welcome to the 2010 POAC National Convention in Nashville TN. My purpose today will be to inform you of key information that you need to make informed decisions about the direction you want POAC to take.

The POAC is a member owned, non profit corporation. The Board of Directors, the Executive Committee, and I are all accountable to you, the members. The past few years have seen several changes of leadership. With those changes came a change in direction, tone, and vision.

One year ago, like many other breed associations, our future did not seem so bright. POAC was in debt, foreclosures and layoffs were in double digits, and our national economy ground to a painful screeching halt. We did not know what may lay ahead for us. Uncertainty and fear permeated the print, television, and internet news media. It was, and continues to be, a troubling time.

But, from that time one year ago, a miracle happened. POAC saw its members step us in a BIG way and rise to the challenges before them. You gave your time, your money, your input, your ideas, and your sweat equity. You supported POAC with your “Can Do” positive attitudes, and did what some said couldn’t be done. Through your efforts, POAC went from being \$70,000+ in the red, to \$70,000+ in the black, IN ONE YEAR’S time. This is a swing of \$144,000 in one year. This is incredible, and the credit for this goes to each and every member who made sacrifices for the good of the POAC and ALL of its members. We applaud you, and thank you. We are in awe of what this membership can do when a challenge is put before it. We are so proud of you!

POAC has achieved some financial stability. This stability though, is tenuous at best. If not for the large profits of our National events, we would still be swimming in red ink. Uncertainty is still with us, and we must not stop moving forward. The past year was the first step toward a larger, more fiscally responsible, more responsive POAC. So what is the next step? Where do we go from here? What are our goals?

The next step is to grow our membership base and the registry. We are by industry standards, a very small group. The past decade has seen our membership stagnate and decline. The theories as to the cause of this lack of growth are many, and it will serve no purpose to discuss that today. Let’s not dwell on the past. Let’s look to the future and dream about what POAC will become in the future.

We must show the world what POAC is and what it has to offer. We must become a more professional, more technologically advanced, and a more service oriented organization. POAC is a business, and we must meet our customers, the members, demands. We must offer solid and sound reasons to join and remain a POAC member. We must brand ourselves as POA. We must shed the saddle club mentality. The POAC, Inc. is a nationally recognized youth and family oriented breed registry. We must elevate our image in the eyes of others. Perception will play a large role in POAC's future. Projecting a positive, professional, and self assured image is essential in attracting new members to us.

I am pleased to announce to you today that we are taking a big step toward this goal. Doug Webel has brought to our group a fabulous offer, accepted yesterday by the Board, to get POAC a new state-of-the-art website and promotional video. Through his efforts, POAC will receive \$25,000 worth of product for FREE! This new website will be much more user friendly, with a professional look and feel, that is fresh and exciting. The video will be done with the latest in computer graphics, and will be geared toward attracting new members to us. It will also elevate our image in the equine community. Thanks to you Doug for doing this work for the good of POAC and all of its members.

These are some of the tools we need to grow and flourish. There are many tools to help us get the job done. With the advent of all things "wired", we can use the internet to Google, twitter, and tweet the POA gospel far and wide. We also can use this technology to satisfy our member's needs. POAC must become more technologically advanced, and soon, or we may fall even farther behind. Wouldn't it be great if you could register foals with a few mouse clicks, research your POA's performance records, and access all of your POA accounts? Send your International Show entries, your Sale Consignments, and make futurity payments all on line? The other major breeds are already there or close to it. We must begin today to lay the ground work for the future.

It is our hope that we all can keep our focus on what's important while moving to that next phase. Self interests are not important. Short term gain is not important. Whether we agree or disagree is not important. What is important is working together to find solutions to our problems and maintaining the integrity, the principals, and the interests of the corporation.

The POAC made a huge step forward a year ago when it adopted some recognized best business practice's policies and procedures. These are necessary for a number of reasons, not the least of which is the IRS's demand for compliance in the area of non-profit organizations. In the last two years, our Federal tax return has gone from eight pages to twenty-eight pages. The IRS is actively seeking out and cracking down on abusive non-profits. To quote our CPA, "They (the IRS) are beginning this approach by asking about various policies in order to determine how the organization is governed. The IRS believes that with the absence of policies and procedures the more likely it is for the organization to experience activities and transactions that are inconsistent with its exempt status. So they view increased policies as increased governance of the organization. If they feel an organization does not have enough policies in place, then they may challenge the exempt status of that organization. I believe the IRS will continue to expand its questioning in this area. Again, the absence of these policies will be viewed as a weakness". There is a copy of Form 990, part VI, A, B, and C titled Governance, Management and Disclosure in your packets. It is important for you to see

what the IRS is asking for. The IRS is not as interested in the WHY we are in business, as in the HOW we conduct and govern that business.

I want to make it clear to you that the POAC does not fear an audit. We can provide documentation for everything we report to the IRS as being true and accurate. But, we do not want to fail to be compliant with our business practices or governance and put our non-profit status at risk. Audits are expensive and very time consuming. We want to take a proactive role here and avoid an audit, rather than find ourselves in a position where we must defend ourselves. The POAC Ethics Policy, adopted by the Board one year ago, requires that all employees, Officers, and Directors sign a Confidentiality Agreement. The POAC Attorney Jeff Jacob and the CPA firm of Kelley, Hardesty, Smith and Co. have both advised that the confidentiality agreements be signed by all Directors. This has not been done. I implore those of you who haven't signed to reconsider. Signing this is the right thing to do, and is in the POAC's best interests.

We need to define POAC. What are we? If you believe the forward written in the Official Handbook, then you believe we are a color breed. In order to attract new people to us, we must know who we are. The membership has an important decision to make. Is POAC, Inc. a breed or is it a color breed? This is becoming an issue for us, and needs to be dealt with.

Much important work is being done this weekend here in Nashville. The committees are diligently working on finding ways to move this organization forward. To all of you who are working on these committees, I wish to say thank-you. Thank-you for making the sacrifices you do for the benefit of all members.

The Board of Directors anxiously awaits your Committee Reports. These reports will be crucial in giving the Board direction, and will help determine the direction POAC will take. Standard Operating procedures, or SOPs, are being put in place for all committees. These SOPs will give your committee the necessary tools to create effective change.

Plans for our 2010 National Events are on track. We are very excited that POAC will be part of the Reichert Celebration this year. This will expose many horse people and breeds to what a POA is and can do. Thanks go to Harry Chestnut and Diane DeBuhr for bringing this to the table and making it a reality.

Other future events are the 2011 Western Classic in Scottsdale AZ and the 2012 Western Classic in the great state of Oregon. Five sites are currently being considered for the 2011 and beyond International Show(s). Selection should be made at the July Board meeting. The 2011 National Convention will be held in Wisconsin at the Kalahari Resort and Convention Center at the Wisconsin Dells. It has multiple indoor water parks, a wave pool, go-cart track, and miniature golf. There is a spa, shops, movie theaters, and multiple restaurants. Everything is indoors under one roof! Outdoor activities may include cross country and downhill skiing, snowboarding, and snow-shoeing. There is also a large 24/7 casino a couple of miles down the road with free shuttle service.

Now, I will turn the meeting over to Beverly Tabor, the POAC Secretary/Treasurer.

POAC Financial Report – Director Tabor thanked Joan Lewis, MN, and Bonnie Morris, OK, for doing the National Office audit. Tabor also thanked the membership for their help and support, and thanked Missy Corn for her work on the magazine. The plan

for 2010 is to use volunteers once again, when possible, at the National events. Our POAC Educational Foundation was re-activated in 2009. We are selling bricks as a way to generate monies for use out of the Educational Foundation. This is 100% tax deductible, and a brick walkway will be installed at the National Office in Indianapolis IN. The membership reviewed the financial statement from Kelley Hardesty and Smith. Bonnie Morris, OK, asked about the 2010 budget...Tabor replied that she forgot to bring the budgets with her, but they will be in the magazine and on the website. Tabor said that it is a balanced budget. Carol Davidson, OR, made a motion to accept the Treasurers Report as presented. Chuck Taliaferro, TX, seconded the motion. Hand Vote: Unanimous. Motion passed.

Proposed Bylaw Changes handout in membership packets – These will now go in the magazine and then they will be voted on. Jackie Bateman, ID, made a motion that the membership voting be done by a mailed ballot on this bylaw change. Janette Arends, CO, seconded the motion. Discussion. This will go to the accountants for tabulation. Guthrie explained why last years ballot mailing was sent out-of-order. The \$700 for the mailing of the improper ballot voting was 100% covered by donations. The new ballots will have a place for a signature. Kay Schwink, VA, suggested that the magazine be mailed out with a numbered ballot to ensure we do not get duplicates. Hand Voting: Motion Passed. **Paper Ballot Vote Results: Accept: 74 Opposed: 8 Abstain: 1 Motion Passed.**

Old Business:

Final Color Inspection before getting a PHC – Kristen Fears, TX, commented that there are too many inspections on these ponies. Duane Strunk, IL, commented that a pony has already been inspected at 6 years old...this is redundant. Kay Schwink, VA, added that possibly hardship ponies can be inspected once for papers – then go for the PHC so the horse can not be questioned for color again. Jan Jones Nolen, OK, stated that the club needs to keep consistent on inspection standards for all phases of life. Dean Damman, IA, added that there are a lot of Veterinarians that are not qualified to determine acceptable color.

President Guthrie announced that the Board made a correction to the July BOD minutes yesterday. PHCs can now be done at certain state shows that meet specific criteria. Eulah Gahwiler, IL feels that the problems lie with the breeders ...”these babies should not be accepted into the breed until they exhibit proper color!”

New Business:

Discussion about Inspection for Color when measuring for a PHC. Chuck Taliaferro, TX, made a motion to do a final color inspection at the time of inspection for the PHC. Kay Schwink, VA, seconded this motion. Discussion. **Paper Ballot Vote Results: Accept: 50 Opposed: 30 Abstain: 3 Motion Passed.**

POAC Breed Definition – Are we a color breed or a breed? President Guthrie stated that the club needs to define and put in the POAC Official Handbook. This needs to be up to the membership. John Cooper, OK, made a motion that POAC declares ourselves (POAC) as a color breed. Alison Esler, KY seconded this motion. Discussion. Michelle Tauson, MD stated that this type of decision needs to go out to the entire voting membership for voting. Harry Chestnut, MI said that this is already addressed in our handbook. Tim Lindsey, OK asked what does the decision of the motion mean. If voted in, Guthrie said that this statement would be placed appropriately in the handbook.

Paper Ballot Vote Results: Accept: 44 Opposed: 37 Abstain: 4 Motion Passed

At this time, a discussion was held regarding the procedure from the POAC Handbook for voting at the General Membership meeting and it was determined that a paper ballot would need to be handed out for the current members to vote on all motions at this meeting. Paper ballots were distributed at this time and the members were asked to vote on the motions that were put to the membership and those yet to come in this meeting, and sign the ballot. The ballots will be collected at the conclusion of the meeting and counted by a team of three – one to verify membership eligibility, one to tabulate the votes, and the third to serve as a witness.

Pat Burton, TX, made a motion to recognize the actions of the past year (including a \$144,000 turn around financially) on behalf of the membership and move to commend President Jackie Guthrie, the Executive Committee, and the BOD and all of those members who have taken the bold initiative to make the tough decisions and actions required to preserve, protect, and revitalize the Pony of the Americas Club, securing our position as the premier youth and family equine association in the world. This motion was seconded by Barb Hood, IA. Discussion. This is a vote of support and confidence for the Board and the Leadership. Results of the voting on a paper ballot were posted at the conclusion of the meeting after all of the ballots were counted at the KHS Accounting Firm. **Paper Ballot Vote Results: Accept: 55 Opposed: 22 Abstain: 4 Motion Passed.**

Chuck Taliaferro, TX, made a motion to adjourn the meeting. Jim Gathings, WI, seconded the motion. Unanimous. Motion Passed.

Respectfully submitted
Joyse Banister/Office Manager/POAC