

**Leaders Council Meeting**  
Orcas Hotel, October 17, 1998

The Meeting came to order as scheduled with Tom Schultz, Helen Riggins, Jackie Driver, Tracy Betcher, Valerie Yukluk, and Larry Cochran present.

Minutes of the June 27<sup>th</sup> meeting were accepted as written and the need to read them waived by all present.

The Treasurers report was read, discussed and accepted. A motion was passed to set up a budget committee to recommend how funds be apportioned. Suggestions are that this committee decide the best and most fair way to use the funds of Leader's Council for State Fair participation, and Leader / Youth "out of County" opportunities. This committee would also recommend the best amount for the Durhack Award so that it will sustain itself and not use extra funds. Possibilities discussed were: \$100 for high point and \$20.00 for the runner up to High Point at the San Juan County Fair. Volunteers for the Budget Committee are Jackie Driver, Tammy Pal and Tracy Betcher. Others are welcome.

Discussion ensued about eligibility for the Durhack Award. The Durhack Family has asked that 4-H guidelines for completion apply to those eligible for their award.

A Motion was made and passed to approach the Ramblers to work out an agreement to make money for Leader's Council with each Island's 4-H youth, leaders and parents manning the "Popstand" on the Fairgrounds.

The Premium Book needs constant revision because of new clubs and discrepancies. It was decided to ask for committee volunteers in the Newsletter who would check for Premium Point apportionment. This committee would then recommend to Leaders council any changes needed. The Durhack would be described in the Premium Book by the wording reflecting completion in 4-H, and the amount would be a self sustaining figure. It was agreed that Herdsmanship- or in this case-"Building Duty" be a requirement for members displaying in the 4-H Building. This committee would recommend the wording for the Premium Book. Discussion followed about the excellence of the Judging opportunity. The hope is that more members will judge in as many areas as possible.

Record Books were discussed. Again, the Council decided a committee would best serve to make recommendations to the Council about changes. The Newsletter will publicize a need for committee members. This committee would look at the rules and rewrite the criteria for judging. It was suggested we follow State guidelines when possible. Many formats are possible including "Books on Tape." Some counties only judge the traditional form at the Fair. State Fair requires certain records to accompany Self Determined Projects.

Tom shared the progress of the Arena upgrade and his proposals to the Commissioners.

The meeting adjourned at 1:20.

**TREASURER'S REPORT**  
**10-8-98**

Please find attached an Income and Expense statement showing a general itemization of our income and expenses since 4-30-98. I have given Jackie a detailed Itemization Report; if there are any questions as to individual items, please ask her. Also attached is a Net Worth Report, showing all our assets.

The balance in the General Fund is not all "spendable" money. There are several appropriated assets which I will outline below:

Pierre Franklin scholarship (not yet awarded)	\$250.00
Keys Fund	\$452.81
Launch Team funds	\$206.00
Arena income, not yet spent	\$233.11
Total:	\$1141.92
This brings our available funds total to:	\$5507.15

**DISCUSSION ITEMS**

Three items need to be discussed. The Durhack CD is only earning about \$120.00 per year. Since the person who wins the award also receives more premium point money than any other member, I recommend that we reduce the award amount to \$150.00. One of our leaders discussed this with the Durhack family and since they did not want to donate additional funds :>( they agreed this was the most favorable alternative. One area of concern for them was that the student who wins the award also meets whatever 4-H requirements there may be as far as recordkeeping, meeting attendance, etc.

There has been much discussion regarding State Fair expenses - whether the Leader's Council should contribute at all, and if so, what amount. My recommendation is that a decision be made as to whether we should contribute, and if so, then a budget committee should decide upon an amount to be budgeted, and how this expenditure should be apportioned among participating members.

We do need a budget and I am willing to chair a budget committee to get the job done. I hope this can be voted on today also and that at least three other people will volunteer to be on the committee, preferably one from each island.

Respectfully submitted,

Tammy Pal, Treasurer

## Leader's Council Income and Expenses

4/30/98 Through 10/8/98

Category Description	4/30/98- 10/8/98	
<b>INFLOWS</b>		
Auction Income:		
1997 Market Inc	1,759.47	
Livestock Arena	1,698.00	
Sale proceeds	20,073.70	
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<b>TOTAL Auction Income</b>		23,531.17
Donations		25.00
General Income		2,436.78
Interest Inc:		
Gen fund intrst	58.96	
Keys' interest	599.93	
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<b>TOTAL Interest Inc</b>		658.89
Other Inc:		
Launch Tm Fund	206.00	
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<b>TOTAL Other Inc</b>		206.00
Transfers:		
From P. Frank	250.00	
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<b>TOTAL Transfers</b>		250.00
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<b>TOTAL INFLOWS</b>		27,107.84
<b>OUTFLOWS</b>		
Auction Expense:		
Advertising	258.58	
Animals sold:		
Lost check fee	15.00	
Animals sold-Other	17,654.43	
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<b>TOTAL Animals sold</b>	17,669.43	
Arena Expense	1,464.89	
Office Exp.- Mk	39.68	
Auction Expense-Other	100.00	
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<b>TOTAL Auction Expense</b>		19,532.58
Awards:		
Durhack Award	250.00	
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<b>TOTAL Awards</b>		250.00
General Exp.:		
Dues	30.00	
Office Expense	19.33	
State Fair	300.00	
Supplies	179.74	
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<b>TOTAL General Exp.</b>		529.07
Keys Expenses:		
Trophy	147.12	
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<b>TOTAL Keys Expenses</b>		147.12
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<b>TOTAL OUTFLOWS</b>		20,458.77
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<b>OVERALL TOTAL</b>		6,649.07
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## Net Worth Report

As of 10/10/98

Acct	10/10/98 Balance
<b>ASSETS</b>	
Cash and Bank Accounts	
Durhack Award Fund	2,461.75
Keys Award Fund	24,473.00
Pierre Franklin Trust	3,284.19
SJC4H General Fund	6,649.07
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<b>TOTAL Cash and Bank Accounts</b>	36,868.01
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<b>TOTAL ASSETS</b>	36,868.01
<b>LIABILITIES</b>	0.00
	<hr/>
<b>OVERALL TOTAL</b>	36,868.01
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1998

**The Spring Leader's council Meeting** was called to Order by President Jackie Driver on June 27<sup>th</sup>, at 12 Noon, in the 4-H Building. Present were Jill Bull, Linda Gillespie, Sue Carnes, LeAnne GrosJacques, Jackie Driver, Valerie Yukluk, Cindy Mullis, Larry Cochran, Larry Talbot, Toni Lobue, Barb Griffin and Alicia Miller.

Minutes of the April Meeting were read and accepted, as published.

The Treasure's Report was given by written communication from Tammy Pal. Discussion followed about how to safely invest the money in the Keys, Durhack and The Pierre Franklin Accounts. A Motion was made, Seconded and passed to put the monies into a C.D. with records on each to be kept separately. Awards will be reviewed and communication about them will come in the Newsletter and at the January Leader's Council Meeting.

Old Business included decisions about the Leader of the Year Trophy. Dave Picinich of San Juan Trophy had offered to sponsor a trophy for each island so that the Award could be given in the most fair manner. Island meetings would decide if they would accept this offer. Lopez will decide if they will purchase the Member of the Year Trophies. Discussion followed about the written or oral traditions surrounding full trophies. A motion was made and seconded to remove the plates from full trophies, replace them, and keep trophies in service. The brass plates would be kept on display in the 4-H Building. (A display was suggested.) This Motion passed.

New Business included a report by Larry Cochran about progress on the 4-H Arena. The Fair Board would front 4-H \$2000.00 – a loan to be paid back by the end of the year. The Jazz Association will allow use of their bleachers for the Fair, but they must be transported. The suggestion was made to put out donation cans to generate money at the Fair. Brainstorming followed about how to raise the money. Larry Cochran announced that both his family and Don Burt's family were donating a lamb to be sold after the 4-H Auction with the proceeds from the two sales to go to repayment. The Motion was made to have Larry Cochran ask the Fair Board for up to \$2000.00. with the provision that it be repaid through fund raisers or from the General fund to continue until it is repaid. The Motion was Seconded and Passed. This is to be revisited in September/October when we know how much was raised at the Fair.

The Award Ceremony was discussed with a recommendation that it be held at 6:00 after the horse games, and be held in the 4-H Arena. The Council recommended that the auction be held there also, since it had been put to the Fair Board that this was one of the reasons to refurbish it. Discussion about the Market sale ended with the decision that the Sale Committee decide the Order of Sale.

Discussion about the Primary Members hard work for Rainbow Ribbons led to the Motion that all Primary Members be treated to a ride at the Fair, if they had a Rainbow Ribbon for participation- one ride only, and this to be paid by the Leader's Council. The purchase could be arranged through the Fair Board at the best rate possible. This Motion was Seconded and Passed.

The Meeting was adjourned at 2:15 to allow for Ferry return for Orcas and Lopez Leaders. The next meeting will be 9/26 on Orcas Island, time T.B.A.

**TREASURER'S REPORT**  
**San Juan County 4-H Leader's Council**  
**6-27-98**

- 1. General Fund** **Balance: \$3687.23**

This account is a regular, interest bearing checking account at Islanders Bank. Based on last year's expenditures, the anticipated 1998-99 expenses will be \$800-\$1000. This includes trophy upkeep and engraving; year pins; advisory board dues; state fair expenses; thank you posters; office supplies and postage. 290
  
- 2. Durhack Award** **Balance: \$2461.75**

Currently held in a CD at Key Bank, earning 4.97%; matures 10/31/98. Present earnings: \$120.00/year. This account was set up to fund a \$250.00 award to the high-point winner at the county fair. The interest earned on this CD is not enough to fully fund the award without dipping into the principal. It would require at least 10% interest to fund the award from interest only. In examining statements back to 1/31/94, no withdrawals have been made from this account. My best guess is that this award has been paid from the leader's council general fund, presumably to maximize the earnings capability of the Durhack account.
  
- 3. Pierre Franklin Scholarship** **Balance: \$3284.19**

This is a \$250.00 scholarship given once a year to a qualifying high school senior. It is an interest-bearing checking account at InterWest Bank earning 2.40%, with interest earnings of about \$80.00 per year. Like the Durhack, this award cannot be sustained by interest only until the return on the investment reaches 8% or more.
  
- 4. Keys Award Fund.** **Balance: \$24,616.47**

This was an estate bequest give to SJC 4-H "for trophies, prizes, as they shall deem most fitting and appropriate." At present, the interest from this fund has been earmarked for trophy repair and replacement, scholarships, leader education, and camp/conference attendance. Until January of 1998, it was in a CD at InterWest Bank earning between 2.5% - 5.75%, with a projected yearly income of \$1200.00 with which to fund the above expenditures. Unfortunately, when the CD matured in January, it was not rolled over into another CD and after 10 days the bank put the money into a regular savings account earning 2% interest, where it has been for over 6 months. As a result, the council may have to adjust projected expenditures. It earned \$139.49, 1/1 through 3/31. (interest paid quarterly)

## INVESTMENT PROPOSALS

On 6/22 Tom Schultz and I met with Mark Logan, Certified Financial Planner and Financial Advisor from InterWest Financial Services. Tom explained our position as recipients of charitable donations and our desire to explore investing the money in diversified, low-risk investments with accessibility and growth potential. The goal is to allow both growth of principal and use part of the interest for Keys Fund, Durhack and Franklin expenditures.

Mr. Logan suggested that a portion of the fund (60%) be invested in an American Funds Bond Fund, with a 20-year track record of steady earnings. Its 10-year average was between 9% and 10%. Bonds are considered to be a low-risk, conservative investment and he feels American Funds has an impeccable reputation for quality and service.

For growth potential, Mr. Logan recommended the other 40% be put into the American Funds WA Investors Fund. Its return has been impressive, averaging about 18% per year in the past 5 years. This fund is used by other recipients of charitable contributions and while not as low-risk as bonds, is still considered a conservative investment with a great growth record.

Both of the above funds are directly accessible if withdrawals are required, with no fee. Both funds carry a one-time service charge of 4.75% and 5.75% respectively, with a .64% (less than one percent) ongoing maintenance fee which is factored into the published earnings. American Funds would open a Money Market Checking Account, earning 4.7%, into which we can have interest earnings from these investments deposited, so that withdrawals can be made to fund scholarships, awards, etc.

*It is also ESSENTIAL to understand that these investments are NOT guaranteed or insured by the FDIC and in a worst-case scenario, could lose principal value.*

### Comparison of Bond/Mutual Fund vs. CD investment

#### **Bond/Mutual Fund:**

##### Pros:

\* higher rate of return - after initial service charge is deducted from principal, projected earnings would be \$3622.08 in the first year if the fund still performs as it has for the last 5 years. We could award:

Durhack: \$250.00  
Franklin: \$250.00  
Keys: \$2100.00

and still have \$1000.00 to leave with the principal for future fund growth. From my calculations, each year the Keys fund would have an additional \$200.00 to use for its awards, dependent upon the market fluctuation and rate of returns.

- \* We can deposit or withdraw from this account any time, for free.
- \* We can earn 4.7% on the interest in the Money Market Account.

Cons:

- \* not guaranteed or insured
- \* service charge: \$865.33 - bond  
\$698.34 - mutual fund

(But as you can see from above, with the service charge factored in, returns are substantial)

- \* Y2K - I believe that due to the Year 2000 computer problem, there will be fluctuations in the stock market due to corporations' decreased dividends as they write off Y2K-related remediation expenses. Mr. Logan agreed with this assessment. This could translate into decreased earnings. Also, we would be entering the stock market when it is at an all-time high. (Bonds have risen but not as dramatically as the stock market.)

**Certificates of Deposit**

Pros:

- \* safe, guaranteed deposit

Cons:

- \* lower return, maximum (as of this week) 5.65%, which would total \$1715.48 the first year, for the three accounts combined, appropriated as follows:

Durhack: \$250.00  
Franklin: \$250.00  
Keys: \$1215.48

- \* This leaves no room for growth as all interest would be necessary for awards/scholarships.
- \* funds only accessible, without penalty, at maturity, once a year

**Options:**

- \* Combine the Durhack, Franklin and Keys Funds and invest 60% into the above Bond Fund and 40% into the Investors Fund. The three accounts can be listed and accounted for separately on the Fund's statement. Open the Money Market account for access to interest earnings and leave a portion of earnings in the Investors Fund to increase its account balance.

**OR:**

- \* Invest the money in CDs at the bank that has the best rate.

Respectfully submitted,

Tammy Pal, Treasurer

## LEADERS COUNCIL MEETING

April 18, 1998  
Lopez Island Library

The meeting was called to order at 10:20 by Vice President Larry Cochran. Members present were: Delores Foss, Susan Sanchez, Tracy Betcher, Linda Gillespie, Larry Cochran, Barbara Griffin, Tammy Pal, and Jackie Driver. Sue Carnes and Tom Schultz represented the Cooperative Extension Office.

Mintues from the January 24th meeting were read and accepted.

No Treasurers Report was given. Tracy moved, Tammy seconded, to have dual officers (President, Treasurer) on the accounts with duplicate statements sent. Motion carried.

### OLD BUSINESS

Election of Officers. Tracy moved, Linda seconded to elect the slate of officers given: Jackie Driver, President; Larry Cochran, Vice President; Tammy Pal, Treasurer. Motion carried. It was generally agreed to continue to seek a secretary, preferably from an island other than Lopez. General discussion was held about getting more involvement in the Leaders Council meeting.

Use of Trophies. Following discussion, Linda moved, Tracy seconded, to sell the member trophies to Lopez for \$25 each if the Lopez club so desires. Further discussion was held regarding the Leader trophy with no decision made.

Report on letter submitted requesting change in the Fairbook at local and state levels. This was regarding the Educational Posters. A letter was received from Kevin Wright, which Tammy read. Tammy moved, Tracy seconded to change the San Juan Co. categories in Educational Posters to be: 1) Totally hand done, and 2) Other (pictures; computer, clip art). Motion carried. Barbara Ellis of Lopez will be asked to write this up for the Fairbook.

### NEW BUSINESS

#### Fair Issues

1. Delores Foss and Susan Sanchez discussed their suggestions for a new form to collect points and keep track of fair entries. Everyone agreed it was a good idea and that these forms and tags will go to leaders ahead of the fair.
2. Demonstration Contest form and decisions about island contests: Sue passed out forms. The times have changed. Teams of mixed levels will be judged at the higher level.
3. Problems at the Fair:
  - a. Tracy talked about needing a "safe" was to deal with problems. It was agreed that we should have a mediation committee with one each

from Lopez, Orcas and San Juan. Criteria for membership would include: 1) no kids in 4-H, 2) familiarity with 4-H, 3) a history of the fair

b. Awards given: **must** be as written in the fair book; two people to tally points

c. Self-Determined Projects -- Tracy moved, Linda seconded to add self-determined projects to the Fair Book and to add the designation of self-determined to other classes and state guidelines become part of our rules (page 40). Motion carried.

4. An announcement was made that there would be a Superintendents meeting with open class superintendents on May 16th at the Grey Top with Cindy Lattimer and Sue Carnes.

5. Fairbook changes:

- a. Rocketry (Mechanical Science)
- b. Posters -- done above
- c. Other

a) Organic Gardening

6. Tom discussed the Livestock Auction, stressing that each member needs to be present during the entire auction (it was agreed at the last meeting).

7. Herdsmanship was discussed. It was agreed that the addition of the mediation committee (above) would help this area.

8. Discussion was held regarding trophy longevity with no decision made.

9. Record Books will be due to the Extension Office **July 29**.

Letter of support. Tom asked that the Leaders Council give him a letter of support in his upcoming bid for tenure. It was readily agreed that this would happen. Jackie and Tracy volunteered to write it.

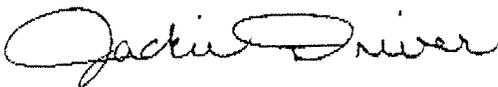
Announcements:

Next Meeting is June 1998 (no date set) on San Juan.

1998 Fair is August 12-15.

Meeting was adjourned at 12:35 to allow the Orcas members to catch the ferry. Discussion continued over lunch for those remaining.

Respectfully submitted,



Jackie Driver, Secretary

## LEADERS COUNCIL MEETING

January 24, 1998  
Orcas Island Hotel

The meeting was called to order at 10:15 by Council President Cindy Mullis. Members present were: Cindy Mullis, Tracy Betcher, Linda Gillespie, Alicia Miller, Tami Pal, Delores Foss, and Don Burt. Tom Schutz and Sue Carnes represented the Cooperative Extension Office.

Minutes from the October meeting were read and accepted; the motion to accept was made by Tami Pal and seconded by Delores Foss.

No Treasures Report was read at this meeting.

### **OLD BUSINESS**

Review of the By-Laws: Tami Pal commented that the entry statement promoted a spirit of friendship between the clubs and also the islands. All agreed this was a plus. Tom Schultz pointed out Sect. 1-C suggesting the word "endeavor" be replaced and the Council suggested the replacement as "capability". Section 1-A (officers and duties) had a phrase stating that the election should happen yearly. It was decided to change that to "The term of office shall be one year. Officers maybe reelected." These changes were agreed upon.

A worthy future agenda item came from the ensuing discussion. The bank could be asked to give a duplicate statement of Council Funds and activities to the other signing Executive Officer on the Council account. In this way the contents of the Treasury would be reportable by two Leaders. Dual control is a concept understood and enjoyed by financial managers.

Election of Officers Cindy pointed out that elections should have (by By-Laws) occurred at the last meeting. There had been no effort made prior to this meeting to find out if the current officers, Cindy Mullis, President, Larry Cochran, Vice-President, Jackie Driver, Secretary and Milene Henley, Treasurer, would want to continue in the position. If so, any or all would then be nominated automatically. It was decided that there would be an election of officers at the April meeting, for a 6 month term of office. Then the elections would be held again (keeping with the By-Laws calendar) in October. Absentee Ballots will go out with the Newsletter so all leaders can vote their choice of leadership even if they cannot attend the meeting. Phone Cindy Mullis at 378- 5578 with nominations. She will work with Extension to get a ballot out in the March Newsletter, to be returned to Extension by April 15th. Elections will be held April 18th at the Lopez Sr. Center at a Leaders Council meeting potluck.

## NEW BUSINESS

Fair Issues: Tom Schultz spoke about the Market Animal Sale. Council had recommended at a previous meeting that the committee for Market Animals make decisions that would allow the sale to run smoothly and be convenient to buyers and sellers. The order was to be enforced as published and all members selling need to represent their own merchandise. All agreed to this policy at this meeting.

Changes to the Fairbook need to be made prior to May 1st. All Leaders should review the 1997 premium book and ask for changes needed. Sue Carnes said she would help coordinate the Fairbook. Changes requiring input need to be up to the office so all leaders can review them. That would mean an April 15th deadline so they can go out in the April newsletter and other leaders can look for conflicts. The April agenda for Ireader's Council would include the review of changes. Cindy said she might be able to help at the Extension Office to get a smooth coordination of changes. 4-H Superintendents will be responsible to get their judges with Extension help if necessary.

Tami Pal presented a letter requesting a change in the County Fairbook and requesting a change at State Level. This letter was to be hand delivered to Kevin Wright by Sue Carnes. It will be printed for all to see in the next newsletter.

The next meeting will be April 18th at the Lopez Senior Center on April 18th.