

2004 Annual Meeting Minutes

November 5, 2004

Sacramento, California

President Kevin Moss called the meeting to order at 10 a.m.

Introduction of Directors and Guests

Directors/Officers Present

Norm Brown
Jeff Bushey
John Collins
John Crowgey
Joe Daughhetee
Jon Farquharson
Ken Hilton
Mike Hinton
John Larson
Pam Lyford
Carroll Merry
Kevin Moss
Kendal Thompson
Dick Wittman

Guests/Non-Voting Attendees

Gary Ash
Harold Birch
Cornelius Gallagher
Don Gillings
Robert Lowder
Jean Merry
Carl Naugle
Phyllis Parks
Kathy Rancour
Susan Thompson
Klade Williams

Minutes from 2003 Annual Meeting (Las Vegas, Nevada)

Clarification need on page 4, Paragraph 4. “~~The USDA is going this way with their lending programs and by Oct. 2, 2004 will be as close as it can get to compliance.~~” Replace with “He discussed FSA’s purchase of Web Equity Manager and its implementation.”

Moved by John Crowgey, seconded by Joe Daughhetee that the minutes stand approved as corrected.
Motion passed on voice vote.

Financial Report

Discussion was led by Kendal Thompson. It was noted that pledged items should be shown as footnotes and can be shown as revenue. Discussion followed regarding categorizing entries. It was noted that an Annotation on column 1 was missed in the Excel file. Total numbers are correct.

Moved by Ken Hilton, seconded by John Crowgey that the report stand as presented. Motion passed on voice vote.

Management Accounting Project Status Report

Discussion led by Don Gillings. He noted that the final document is substantially complete with some formatting yet to be done. It will be 100+ pages in length. It needs to be circulated to technical committee for review prior to Thanksgiving and will then be available for public and the board for comment. He said that two to three weeks of review time would be considered reasonable.

Gillings then led a review of content that is included and major areas that still need completion. He also reviewed highlighted items in the document.

Group commended all who have provided input into the program.

Review of Council Policy on Endorsement/Certifications

John Larson reviewed the history of the Council's position regarding certifications/endorsement of writings, software, etc. (See *Certification and Validation* pdf file.) He noted that the Council has been approached by Blackwell Publishing seeking endorsement of "Accounting for Agriculture" by Barbara M. Wheeling, Montana State University. He said the publisher will not take the book to completion

Group was divided into 3 groups for discussion on this topic.

Overall general consensus:

- Any such program will take resources in terms of financial and personnel to review books and software;
- Protocols need to be developed, starting with who is going to manage the process and find the people;
- Council needs to have at least 3 to 5 reviewers;
- Council should not try to capture royalties;
- Council needs to provide text for what is to be included in any endorsement.
- The key is funding.

A motion was made to delegate to executive committee the authority to cite protocols to review any books with the guidance of legal council putting language into the book that suggest that the Council has reviewed the document. Moved by John Crowgey, seconded by John Collins. Motion approved by acclamation.

Management Accounting Implementation (See *MA Implementation Roundtable, Implementing Management Accounting* pdf files.) Norm Brown, FBS Systems; Ken Hilton, Red Wing Business Software, and; Harold Birch, AgriSolutions, led discussion regarding hurdles to anticipate in implementing Management Accounting.

Basel II Accord Implementation

Cornelius Gallagher, Bank of America; John Collins, ABN, AMRO, and; Gary Ash, 1st Farm Credit, led discussion regarding the Basel II Accord. (See *Basil II* pdf file.)

Committee Reports

Communications

A report from Jon Farquharson was distributed (See Web Memo Update.doc). No further action was taken at this time.

Technical Committee

There was discussion regarding expanded wording in the depreciation section of current *Guidelines*. (See *John and Mary Farmer Case Study* pdf file.)

Finance Committee

Kendal Thompson reviewed sponsors and solicitation programs for 2004. Discussion focused on length of term for Visionary Sponsors.

Nominating Committee

In the absence of Immediate Past President Eddy Hamilton, Kendal Thompson reviewed the composition of the Board of directors and explained terms of office. The nominating committee was made up of Eddie Hamilton, Kendal Thompson, Joe Daughhetee and Jeff Bushey.

Those officers nominated for election were:

John Larson, President
R. L. "Dick" Wittman, Vice President
Ron Swanson, Secretary/Treasurer

Directors:

Commercial Banking - John Collins, Greg Cross
Farm Credit System - Carl Naugle, Gary Ash
Insurance/Secondary Markets - G. Michael Smith
Supply Industry - Mark Browning
Service Industry - Alan Miller
Accounting Industry - Trenna Grabowski, Joe Daughhetee
Academia & Cooperative Extension - Freddie Barnard, Paul Ellinger, Jon Farquharson
At-Large - Mike Hinton

Kevin Moss assumes new position as Immediate Past-President; Eddie Hamilton assumes new position as Past President.

There were no nominations from the floor. Moved by John Crowgey and seconded by Jon Farquharson that the nominations be closed and the slate be accepted as presented. Passed by acclamation.

Comments by Outgoing President

Kevin Moss noted the differences between the past two meetings, specifically the change in the financial position of the Council. He also commended those who have worked on the MA project for seeing it through to completion. He also noted that it was good to see new faces joining the group and thanked all for the very positive news that had come out of this particular meeting.

Following his comments, Moss was presented a plaque marking his leadership of the Council.

New President's Message

John Larson told the group he has two goals for the coming year...get the MA project launched and develop new ratios for depreciation.

Adjournment

A motion to adjourn was made by Kevin Moss and seconded by Dick Wittman. Motion was approved by acclamation and the meeting adjourned at 4:24 p.m.