

**National Reining Horse Association
Minutes of the Executive Committee Meeting
NRHA Office
November 12, 2009**

Approved 1/28/10

Debby Hutchinson 1/17/10 5:18 PM

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PRESENT: President Rick Weaver; Vice President Allen Mitchels, Executive Committee Members, Kit Cosper, Mike Hancock, Dale Lopp and Mark Schols and Beth Himes (by telephone)

NOT PRESENT: Greg Hill

STAFF: Executive Director Dan Wall, Chief Financial Officer John Foy, Chief Operations Officer Dennis York, Sr. Director of Publications Carol Trimmer and Executive Assistant Debby Hutchinson.

CALL TO ORDER

President Weaver called the meeting to order at 11:14 a.m. Roll was called and a quorum was announced.

APPROVAL OF MINUTES

August 20-21, 2009, meeting minutes: Dale Lopp moved to approve the minutes. Seconded by Kit Cosper. Motion Passed.

September 3, 2009, E-Vote: Kit Cosper moved to approve the minutes. Seconded by Mike Hancock. Motion Passed.

September 18, 2009, E-Vote: Dale Lopp moved to approve the minutes. Seconded by Allen Mitchels. Motion Passed.

September 23, 2009, Conference Call: Mike Hancock moved to approve the minutes. Seconded by Mark Schols. Motion Passed.

October 23, 2009, Conference Call: Dale Lopp moved to approve the minutes. Seconded by Mark Schols. Motion Passed.

FINANCIAL REPORT

Chief Financial Officer John Foy presented the financial overview. Foy also presented the monthly recession alerts. Foy provided a follow-up on a task regarding taking necessary action through a collection agency for accounts that are 61 days or more delinquent. Finance was unable to complete this task with their workload (tax preparations, audit, etc.) Foy did advise that with the new system (Great Plains) the Finance Department has the ability to deduct revenue from what's owed if the committee would so chose. Kit Cosper made a motion to allow the Finance Department to deduct from NRHA event payouts (show earnings, sale proceeds, etc.) any past due balances over 61 days. Seconded by Mark Schols. Motion Passed.

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COMPETITION LICENSING AT SHOWS

Staff members Manager of Events Melanie Rinehart, Manager of Member Services and Judges Program Michelle Wrigley, and Show Department Supervisor Jessica Johnson were asked to join the meeting.

Executive Director Wall gave an overview of the pros and cons of the proposal to accept competition license applications and license transfers at all NRHA shows provided they are processed by an accredited show secretary. Events Manager Melanie Rinehart interjected further details on licenses and rush fees. Mike Hancock moved to clarify an inconsistency in the *NRHA Handbook*; to allow competition licensing at shows and to waive rush fees for associate members and first time members. All other standard fees will apply. Seconded by Mark Schols. Motion passed.

Executive Committee members were advised of a situation that had just come to light involving a board of directors' member, which may require committee action.

Lunch Break 12:29 p.m.

Beth Himes left meeting.

Executive Assistant Debby Hutchinson was excused from the meeting.

CLOSED SESSION 1:15 p.m. FOR A HEARING

Reconvened 2:08 p.m. and Beth Himes rejoined meeting via phone.

2010 TROPHY PRICING

Executive Director Wall presented a proposal for 2010 trophy pricing. Mark Schols moved to approve the proposal. Kit Cospers seconded. Motion passed unanimously.

NEW BUSINESS

AQHA ALLIANCE MEETING RE: MEDICATIONS UPDATE

President Weaver, Executive Director Wall and Communications Manager Christa Morris represented NRHA. Wall noted the meeting was informative as to the status of the respective breed and discipline organization's medications programs. Wall reviewed the meeting summary and the alliance partner's statement of agreement that was drafted at the meeting. Wall also stated that he and President Weaver had made it clear during the meeting that they could not support any agreements or position statements without the approval of the Board of Directors.

President Weaver stated that NRHA needed to adopt an appropriate therapeutic medications program for our industry. Mike Hancock moved to recommend to the Board of Directors that we would not agree to either the AQHA or the American Horse Council statements at this time for the following reasons: 1. NRHA has created a Medications Task Force that should be allowed to perform their due diligence and report their findings to the Board prior to NRHA taking action. 2. Before NRHA takes any decisive action on this issue, we should take time to educate our membership on the issue and pending actions. Kit Cospers seconded the motion. Motion passed unanimously.

Debby Hutchinson rejoined the meeting at 3:35 p.m.

Break at 4:20 p.m.

Debby Hutchinson was excused from the meeting at 4:20 p.m.

Meeting reconvened at 4:38 p.m.

Debby Hutchinson rejoined the meeting at 5:14 p.m.

NRHA Legal Counsel Terry Wiens left the meeting at 5:41 p.m.

Break at 5:41 p.m.

Reconvened at 5:45 p.m.

COMMITTEE REPORTS

Committee Chair Meetings began first with those committees that staff liaisons would present in the absence of their chairs. Wall stated that chairs or liaisons are to address their respective 2009 charters, goals and other initiatives. President Weaver advised that clear and precise direction will be offered for each committee to better assist them in 2010.

Animal Welfare Committee:

Christa Morris, staff liaison for the Animal Welfare Committee, provided the group with an update of meetings and telephone conference calls. The Animal Welfare Committee proposes the following recommendations:

Institute video monitoring in all warm-up arenas at the NRHA Futurity and NRHA Derby; to be submitted as a 2011 Rule change. All NRHA Show Representatives need to be NRHA Judges or an approved Steward. Approval of a new NRHA Pattern - #12.

Sire and Dam Committee:

The Sire & Dam Committee update was provided by staff liaison Michelle Wrigley. The Executive Committee discussed the declining participation in the program and potential changes that could be made. In an effort to increase program sales and revenue, Executive Director Wall was directed to hire a commissioned sales person.

Hall of Fame Committee:

Committee staff liaison Carol Trimmer advised that Doug Carpenter resigned as Chair of the Hall of Fame Committee, effective November 6, 2009. She reported how the committee performed relative to the Business Plan. Electronic polling will be considered for 2010. Historical NRHA items are still needed for the memorabilia campaign. The video project is on hold due to staff workload but will recommence after the holidays.

MEMBER REQUEST FOR CERTIFIED SHOW SECRETARY STATUS

A member's request to bypass the Show Secretary School and award Certified Show Secretary status. Discussion was held and Kit Cosper made a motion to deny the request. Seconded by Dale Lopp. Motion Approved.

WEB SITE PROPOSAL AND BUDGET RECOMMENDATIONS

Kit Cosper moved to approve hiring an additional staff member to assist with the web site as requested by Marketing. Mark Schols seconded. Tabled until Friday November 13, 2009.

JUDGES COMMITTEE POLICY

Committee Chair Ollie Griffith presented a proposed policy: Futurity or Derby judges may skip their next judges' school. It was noted that the Futurity and Derby judges get intense training at the NRHA produced events. Tabled until staff liaison Michelle Wrigley can provide additional input. Allen Mitchells to get additional information and Executive Committee will address the policy again.

INSIDE REINING

Staff liaison Todd Barden reported on the status of NRHA Inside Reining. After further review the Marketing committee would like to go a different direction. With roadblocks for an RFD agreement, Barden presented the Marketing Department's recommendation to change networks from RFD to In Country. Barden noted the pros and cons of each option. Mike Hancock made a motion to take Barden's recommendation, subject to the Marketing Committee's approval. Seconded by Kit Cosper. Motion passed unanimously.

SHOW APPROVAL REQUEST

Executive Director Wall gave a summary of a show approval request. There are conflicting dates with the NRHA Derby and the scheduled Wheat City Show, Brandon, Manitoba, Canada, June 19-20, 2010. Discussion was held. Mike Hancock moved to approve the request. Seconded by Kit Cosper. Motion unanimously approved.

Committee members and staff were advised that the November 13 meeting would start at 7:30 a.m. Dale Lopp made a motion to adjourn. Seconded by Mark Schols. Motion passed.

Adjourned 7:06 p.m.

CLOSED EXECUTIVE COMMITTEE SESSION - 7:08 p.m.

Reconvened November 13, 2009 at 7:14 a.m.

PRESENT: President Rick Weaver, Vice President Allen Mitchels, Kit Cosper, Mike Hancock, Dale Lopp and Mark Schols. Beth Himes (by telephone).

GUESTS: Terry Griffin and Rosanne Sternberg.

NOT PRESENT: Greg Hill

STAFF: Executive Director Dan Wall, Chief Financial Officer John Foy, Chief Operations Officer Dennis York, Sr. Director of Publications Carol Trimmer, Executive Assistant Debby Hutchinson.

CALL TO ORDER

President Weaver called the meeting to order at 7:14 a.m. Roll was called and a quorum was announced.

COMMITTEE REPORTS (cont.)

Marketing Committee:

Chair Rick Swan reported on the Marketing Committee's activities, noting possible new revenue sources baseball-type trading cards, re-packaging NRHA, WEG, World Championships promotion, Inside Reining and Entry-Level Show Format promotion. Marketing's biggest concerns are time and money. A marketing blitz, similar to the 2008 campaign on the Futurity/Derby Nomination Program needs to take place immediately. Terry Griffin suggested a town-talk format discussion at the Futurity to provide affiliates with contact information of those people in their area that have inquired about the new Entry-

Level Program. Wall addressed other revenue sources – Inside Reining tapes, freestyle tapes, judges DVDs, etc. NRHA will need these items for the WEG plus merchandising items. Marketing staff members Todd Barden, Christa Morris, Haley Carmen were in attendance.

Beth Himes left the meeting at 7:58 a.m.

President Weaver advised that the subject of inactive committee members will be addressed at the January meeting.

Break at 8:02 a.m.

Reconvened at 8:12 a.m.

Affiliate Committee:

Chair Rick Clark reported that the Affiliate Committee worked with the International Committee to create a new Affiliate Agreement, an NAA Agreement, and IAP Agreement. The committee reviewed NAAC conditions and affiliate region geographic layout. The biggest roadblock they are facing is the affiliate designation. Executive Director Dan Wall cleaned up the designation language which should help make the designation process more member friendly. The Committee feels that more added money is needed in the NAAC championships. Clark noted that there is still much misconception on the Entry-Level Program on behalf of the affiliates. If Executive Committee, Executive Director or board members could attend and speak about new programs, etc., at upcoming affiliate banquets or other affiliate activities it could go a long way in clearing up misconceptions about the program and improve relationships with the board. President Weaver suggested that Kit Cospser would be a good asset to the Committee as its Vice Chair. Committee liaison Hannah Spittler in attendance.

Events Management Committee:

Tim Lynch discussed the Events Management Committee activities including the restructuring of the Derby. The youth division will no longer be part of the non pro derby. The Futurity format was not changed because of logistics issues. The Committee was directed to review the Derby Youth Non Pro division. Dual-approved breed classes were well received. There is consideration of using the Derby ancillary classes as a universal affiliate regional qualifier. Liaison Melanie Rinehart in attendance.

Beth Himes rejoined at 8:59 a.m.

Break at 8:55 a.m.

Reconvened at 9:05 a.m.

Board members Rosanne Sternberg joined the meeting as a Guest. Mike Deer joined the meeting @ 9:05 a.m.

IT Committee:

Terry Griffin discussed the IT project status, noting that they have experienced significant delays. Some delays are due to new programs and projects that the board has instituted. Terry asked that initiatives that affect the IT project be held for 2010. There will be a meeting of the committee on the last Thursday of the 2009 Futurity. A full report will be provided prior to the January 2010 meeting.

President Weaver advised the group that with Terry Griffin as a new Executive Committee member in 2010, a new chair for the IT Committee will need to be determined. He suggested out-going Executive Committee member Kit Cospers as a possible replacement. Allen Mitchels suggested putting something in each of the committee charters requiring the committee to consider the impact on the IT project of any action taken. IT needs to be informed of any pending actions for determination of how it affects the IT project. Dennis York advised the committee that the testing has been revised and is more structured.

Non Pro Committee:

Mike Deer, Vice Chair of the Non Pro Committee, reported on the committee's activities and meetings, half of which have been conference calls. There has been good attendance and participation by the committee members. The committee is asking for approval of a Top 20 Non Pro program (mirroring the Top 20 professionals and owners) to begin in 2010. Executive Director Wall asked if the committee had discussed the current NRHA non pro definition. Deer replied that is a topic of discussion at almost every meeting. If the development of an Amateur division does not take place soon then the definition becomes even more important. Complaints concerning a Non Pro need to be recorded and filed for future reference. Any letters that are sent out or actions taken on a complaint must go to the Executive Committee in advance.

BREAK at 10:02 a.m.

Reconvened at 10:09 a.m.

Finance Committee:

Committee Chair Jim Blumer advised the Executive Committee that NRHA is well-positioned financially. His biggest concern is financial improvements in the Derby and the current investment policy. Blumer said that he is more personally conservative, when he addressed the investment policy. John Foy noted that the Finance Department and Committee are often overlooked when committees request funds for a new program, etc. Allen Mitchels suggested that every instance of requested funds go through the Finance Committee before presentation to the Board. Liaison John Foy in attendance.

Break 10:30 a.m.

Reconvened 10:42 a.m.

Professionals Committee:

Matt Mills joined the meeting via webcast. Chairman Mills advised that the professionals want to be more involved with the Executive Committee and Board of Directors. One goal is to develop a business and marketing kit to be provided to and used by professionals, as well as integrating their website into the NRHA website and developing a benefits package. Matt plans on initiating a year-long schedule in hopes of getting more participation by the committee members. He plans on tackling 2010 goals as soon as possible.

Liaison Michelle Wrigley in attendance.

Judges Committee:

Chairman Ollie Griffith gave a summation of the Judges Committee's 2009 activities. After discussion, Allen Mitchels suggested that more JEEP Reviews may be needed following discussion on the number of reviews done in 2009. Regarding the hiring of NRHA Futurity and Derby judges, Mike Hancock stated that there needs to be documentation of the selection process, including international judge representation.

The committee requested a survey, similar to the affiliate survey/questionnaire on judges.

In an effort to be more fiscally responsible, the Judges Committee is looking at several revenue producing items. The Committee would like an hour or three one-hour sessions at the Futurity to create some revenue generating and educational videos. Concerning the placement of the video camera, Allen Mitchels has a plan to solve the problem. President Weaver noted that the committee's 2010 key initiative should be the integration of the Stewards Program. Liaison Michelle Wrigley was in attendance.

Break 11:43 a.m.
Reconvened 11:50 a.m.

Youth Committee:

Chairman Walter Fuchs shared that the Committee's biggest 2009 accomplishments were modification of the VRC and raffle ticket sales. Brian Bendele noted that the scholarships need to be managed better. The VRC needs to broaden its reach into 4-H and varsity collegiate programs. Fuchs and Bendele advised that communication with USEF is at best difficult, even though they want to promote the available opportunities. There also needs to be more education on the opportunities with FEI and collegiate programs. Wall asked if the committee had looked at the Youth Team Tournament format. The key initiative for the Youth Committee in 2010 will be a thorough look at the scholarship program and Youth Team Tournament structure. Staff liaison Brian Bendele was in attendance.

Break at 12:20 p.m.
Reconvened at 12:22 p.m.

Break for lunch 12:26
Reconvened at 1:11

Debby Hutchinson excused.
Debby Hutchinson joined Open Session at 1:20 pm.

Sale Committee:

Chair Troy Heikes reported on the committee's 2009 activities. Discussion on how the economy has affected sales ensued as well as suggestions for sale improvements. Heikes was directed to discuss with his committee requiring all weanlings and yearlings to be enrolled in the Futurity/Derby Nomination Program. Allen Mitchels wants to see better communication between the committee and the Executive Committee.

Break at 1:55 p.m.
Reconvened at 2:07 p.m.

Debby Hutchinson rejoined the meeting at 2:07 p.m.

International Committee:

Committee members Rosanne Sternberg and Terry Griffin reported that communication is a problem with most of the committee not participating. NRHA Germany announced that it is going to seek NRHA approval for their 2010 Derby and Futurity.

Dan Wall reported that NRHA's Onsite Services representatives did \$8,000 worth of business at the Mexican Regional Affiliate Finals Show.

Vice President Allen Mitchels suggested that all committee members make notes on Bylaws and get the notes into the hands of the Bylaw Committee.

Adjourned at 2:25 p.m.

Respectfully submitted by Executive Assistant Debby Hutchinson.