

# **NATIONAL REINING HORSE ASSOCIATION**

## **Minutes of the Board of Directors Meetings**

**South Point Hotel and Casino**

**Las Vegas, Nevada**

**January 15-16, 2011**

**Approved 4/9/2011**

**January 15, 2011**

**Present:** President Allen Mitchels, Beth Himes, Rick Clark, Kit Cospers, Terry Griffin, Dale Lopp, Rick Ramsey, Rosanne Sternberg, Marshall Baird, Johnette Burman, Barbara Brookshire, Mike Deer, Jennifer Hoyt, Kim Maharaj, Michael Martin, Brett Walters, Brian Welman, Mike Hancock, Gerd Wilhelm.

**Web Cast:** Becky Hanson, Guy Vernon, Dan McGregor, Jim Blumer, Brad Giesbrecht, Jordan Larson, Lee Foster, Julia Cowan

**Not Present:** Josh Visser

**Guests:** Susy Baeck (Web)

**Staff:** Executive Director Dan Wall, Chief Financial Officer John Foy, Chief Operations Officer Dennis York, Accounting Manager Chris Mossman (Web), Manager of Marketing & Communications Christa Morris, Manager of Events & Shows Melanie Rinehart, Manager of Member Services & Judges Program Michelle Wrigley (Web), Show Department Supervisor Jessica Johnson, Manager of RHSF & Youth Program Brian Bendele (Web) and European Programs Advisor Nick Cornelissen (Web).

### **Call to Order**

President Allen Mitchels called the meeting to order at 8:35am.

President Allen Mitchels welcomed the Board of Directors and expressed gratitude for their involvement. Mitchels explained the importance of the Business Plan and focusing on achieving the key priorities. Key priorities in the business plan include: Animal Welfare/Medications, Judges Program, Managed Events, Target Membership Growth Initiatives, NRHA Office and IT.

### **Approve Vacant Regional Director Seats**

Mike Hancock motioned to close nominations for the regional director seats and accept Jim Blumer, Johnette Burman and Becky Hanson. Seconded by Beth Himes. Motion passed unanimously.

### **Approve Minutes**

**November 13** – Dale Lopp motioned to approve the minutes. Seconded by Brett Walters. Motion passed unanimously.

**November 13** – Dale Lopp motioned to approve the minutes. Seconded by Michael Martin. Motion passed unanimously.

### **Financial Statements**

Chief Financial Officer John Foy presented the Profit and Loss Overview for December 31, 2010. John reiterated that NRHA operates on a fiscal year and has annual audits. According to the financial information gathered, NRHA showed a positive variance for the Futurity (\$98,832). The sale budget was based off of prior year's finances, causing a variance in budget. Overall, the 2010 Futurity sale increased, showing a variance in budget of \$30,470. Managed Events, which included the Shootout, were presented. The budget for the Shootout was completed while the Shootout was still in its infancy, creating additional variance in budget. The total variance for the budget is positive (\$217,952), which is a really good sign for NRHA. Three main goals for completing financials for RHSF: 1) WEG cost 2) fundraising activities 3) financial condition. RHSF is looking at additional fundraising activities to cover the deficit in their finances.

### **Board of Director Orientation**

Executive Director Dan Wall presented the BOD with a manual illustrating several features of NRHA. The BOD is paramount to NRHA. The manual will provide an excellent point of reference, in addition, to supplying meeting, press and member guidelines. BOD protocol items discuss the concept of "group ownership". All members of the BOD are invited to discuss and take a position on an issue. However, once the BOD takes a final position as a group all members should take ownership of that position. It is the responsibility of all BOD members to take the group decision as their own and respect that decision. All minutes are published on the website after being approved by the BOD. The BOD will receive a draft copy of the minutes within 1 week of the BOD meeting. The conflict of interest policy addresses the importance of avoiding uncomfortable situations, including asking to be recused from voting. If a situation arises that could be a crisis within the organization, bring it to the attention of the Executive Director or the President immediately. Additionally, the Whistleblower Policy which requires directors, officers and employees to report violations or suspected violation of laws was discussed. Dan Wall encouraged the BOD to address any concerns related to committees to the chair and staff liaison. The information provided in the manual further explains corporate partners, events, committees and historic milestones.

### **Approve Additional Committees**

President Allen Mitchels informed the BOD of the motion made by the EC. Terry Griffin motioned that all additional committee chairs be recommended to the BOD. Seconded by Beth Himes. Motion approved unanimously. Mitchels explained to the BOD the reasoning for creating the Stewards Committee and asked for approval of the formation of the committee. Brian Dygert will be chair of the stewards committee and Michelle Wrigley will be the staff liaison. Dale Lopp motioned to make a resolution to create the stewards committee. Seconded by Rick Clark. Motion passed unanimously.

Rick Clark motioned to approve the chairs and liaisons of the standing committees. Seconded by Rick Ramsey. Motion passed unanimously.

Mike Deer motioned to make a resolution to remove the IT committee as an additional committee. Seconded by Rick Ramsey. Motion passed unanimously.

Mike Deer asked if committees can make a recommendation with a supermajority and not a quorum. If committees have less than a quorum, but have 36% present, they can move into supermajority status. Once declared as a supermajority they need 66% or 2/3 of the committee to vote in favor. Committee chairs and committee members are subject to approval from the EC. The quorum structure will be an option of committees. Mike Deer motioned to make a resolution that all committees use Article VII section 6 of the NRHA Bylaws to determine quorum. Seconded by Beth Himes. Motion passed unanimously.

### **2011 Board Meeting Schedule**

The second NRHA Board meeting will be April 7-10, 2011 in Oklahoma City, OK.

### **Establish Annual Election and AGM Dates**

Kit Cospers gave an update on the possible election and AGM dates. The election dates must meet far enough in the future to allow for nomination and bylaw cycles. Terry Griffin motioned to have the annual election closing date September 9. Seconded by Rick Clark. Motion passed unanimously.

The AGM dates must be published 6 months in advance on the NRHA website and *Reiner* magazine. Saturday October 8, would be the reining Saturday at the Congress. Kit is proposing the AGM meeting be held October 8 during the Congress at the Ohio State Fair grounds. Plan and schedule the 2012 NRHA AGM meeting during the Derby. Dennis gave advice that 2012 be separated by region into 4 separate. The following year would use the other regions. Regional directors will be staggered in 2012. Dennis will type the procedures and send to Guy Vernon, chair of nominating committee. Jordan Larson asked that we consider Tulsa instead of Congress. Tulsa would be a more central location and would have a higher concentration of NRHA members. Kit Cospers made a motion that we set the AGM date to Thursday, September 1 at Tulsa, OK, the specific time to be determined and later approved by the board after discussion with show management. Terry Griffin seconded.

Mike Hancock recommended that NRHA host a Town Talk meeting at the Congress to reach out to east coast members. Beth Himes suggests the Regional Affiliate Finals offer mini AGM meetings- staff is already present. Mike Deer felt the more accommodating date in Tulsa would be Friday, September 2. Kit Cospers amended his motion to Friday, September 2. Seconded by Terry Griffin. Motion passed unanimously.

**Break at 10:55 am**

**Reconvened at 11:05am**

**Animal Welfare/Medications**

Christa Morris presented information on the progress of the medications rule change proposal. Workshops and town talks are scheduled to assist with informing NRHA members with the changes in the draft and to get member input. In addition, NRHA is looking into the feasibility of hosting an online forum to address questions. Affiliates in each area will receive official notification of the town talk meeting schedule and when they can expect a NRHA representative to be in their area. The rule change document has not been released to the general membership at this time. Executive Director Dan Wall asked that the document be released to the general membership following the BOD review. Christa Morris explained to the BOD the changes and motion made by the Executive Committee. In the Executive Committee meeting, Rick Ramsey motioned to present this initial draft of the animal welfare/medication rule change to the BOD for their review as a continuation of the associated work completed in 2010. Seconded by Dale Lopp. Motion passed unanimously. NRHA will approve the veterinarian and laboratory for testing. The disciplinary procedures will follow the same procedures as outlined in the *NRHA Handbook*. President Mitchels suggests the current verbiage for fees be removed from the rule and be determined by the NRHA BOD through a policy procedure at a later date. President Allen Mitchels also suggests NRHA consult legal counsel review for civil and legal rights.

Mike Hancock motioned to accept the medication policy rule change draft as submitted and edited today and to receive further feedback from our membership before making a final submittal for a 2012 rule change. Seconded by Rosanne Sternberg. Motion passed unanimously.

**Break at 11:40am**

**Reconvened at 1:49pm**

**IT Update**

Terry Griffin gave an update on the IT project. The official go-live date for the core functions of the project was December 13, 2010. The extended length of the project can be contributed to growth outside the original scope of the project. The new software allows accounting and member services to interact simultaneously. The project is 85% complete on the core package (accounting to membership services). Show events software, sale software and member integrated website were not included in the original scope of the project. The NRHA office experienced challenges during the transition, the original business processes changed significantly. Historically NRHA operated on 2 databases. The completion of a single software system is a huge step for NRHA and increases the ability to be member friendly. In addition, the new software system will allow NRHA to have more reliable, accurate and repeatable information.

**2010 Futurity Review**

Melanie Rinehart reviewed the 2010 NRHA Futurity. Mike Hancock, Beth Himes and Terry Griffin dedicated a lot of time and effort during the event to assist show management. Nick Cornelissens was a tremendous help and worked to make several improvements. The instant replay and opening ceremonies enhanced the overall Futurity experience. The overview included several statistics: stalls (23% increase), ancillary entries (45% increase), social media (38,000 viewed the live feed more than 238,000 times) and Shootout (36 entries in the inaugural year). Areas for improvement were identified including a questionnaire to all exhibitors getting their feedback. In addition, NRHA is looking into the possibility of adding additional days to North American Affiliate Championships (NAAC). Other areas of research identified included: clinicians, Non Pro Shootout, Freestyle, VIP areas and exhibitors badges. The NRHA zone hosts a variety of NRHA services and products, including memberships, sire & dam, outfitters and youth silent auction. Mike Hancock recommended eliminating the live-feed from the barns to encourage spectators to sit in the stands. The qualifiers list posted on the website was a great addition this year. Executive Director Dan Wall closed the review by saying that NRHA members would leave the event knowing that NRHA staff went one-step further and responded professionally and timely to their concerns.

### **Derby Conditions**

Melanie Rinehart reviewed the changes to the 2011 Derby conditions. Rider designations will be due on June 15 instead of June 1, giving riders more time to declare. The task force recommended the following changes: retainage be increased to 40%, increase stall rate by \$25, create a 7up division and use an internal management system. It is recommended that NRHA release a statement or press release to the general membership explaining the changes to the event. Beth Himes made a motion to accept the conditions as well as the 7up division as recommended by the task force. Seconded by Kit Cosper. Motion passed unanimously.

**Staff left the meeting at 3pm**

**Closed Session at 3 pm**

**Staff returned to the meeting at 4:02pm.**

### **7up Division**

Terry Griffin updated the BOD on the progress of the task force with the newly created 7up division. Goal of the 7up class is to keep the older horses in competition and increase their overall value.

#### **Open Level 4**

\$7500 Added Money

#### **Non Pro Level 4**

\$7500 added money

#### **Level 3**

\$4000 added

#### **Level 2**

\$2500 added

**Level 1**

\$1000 added

The 7up division will run concurrently with category 1 open and non pro. Riders are required to enter up 1 division. Task force will research and identify appropriate entry fees and scheduling. Mike Hancock suggests that the class be post entry. Brian Welman suggested increasing the added money in the open to \$10,000 and offer all 4 levels. Mike Hancock motioned that staff bring back recommendation for all 4 levels of the open. Seconded by Beth Himes. Motion passed unanimously.

**Meeting Adjourned at 4:30pm**

**Sunday, January 16, 2011**

**Present:** President Allen Mitchels, Beth Himes, Rick Clark, Kit Cospers, Rick Ramsey, Rosanne Sternberg, Marshall Baird, Johnette Burman, Barbara Brookshire, Mike Deer, Jennifer Hoyt, Kim Maharaj, Michael Martin, Brett Walters, Brian Welman, Mike Hancock.

**Web Cast:** Becky Hanson, Guy Vernon, Dan McGregor, Jim Blumer, Julia Cowan.

**Not Present:** Terry Griffin, Dale Lopp, Lee Foster, Brad Giesbrecht, Jordan Larson, Josh Visser.

**Guests:** Gerd Wilhelm, Susy Baeck (Web)

**Staff:** Executive Director Dan Wall, Chief Financial Officer John Foy, Chief Operations Officer Dennis York, Accounting Manager Chris Mossman(Web), Manager of Marketing & Communications Christa Morris, Manager of Events & Shows Melanie Rinehart, Manager of Member Services & Judges Program Michelle Wrigley (Web), Show Department Supervisor Jessica Johnson, Manager of RHSF & Youth Program Brian Bendele (Web) and European Programs Advisor Nick Cornelissen (Web).

**Call to Order**

President Allen Mitchels called the meeting to order at 8:38am.

**New Task Force Approval**

**Eligibility Task Force**

1/16/2011- 7/30/2011

Chair – Kit Cospers

Staff Liaison – Jessica Johnson & Jamie Boller

Rosanne Sternberg

Beth Himes  
Dale Lopp  
Rick Clark  
Terry Griffin  
Brian Welman

Charter: Evaluate eligibility with the intent of bringing forth a set of rule changes for 2012 to revise the current system.

Beth Himes motioned to accept the eligibility task force. Seconded by Rosanne Sternberg.  
Motion passed unanimously.

**Election Process Task Force**

1/14/2011 – 5/1/2011

Gary Pipkin – Chair  
Staff Liaison – Dennis York  
Mike Hancock  
Beth Himes  
Cathy Irvin  
Kit Cospers  
Gerd Wilhelm

Charter: To conduct a review of all election rules and procedures with a goal of establishing a more inclusive and member friendly process.

Jennifer Hoyt motioned to accept the election process task force. Seconded by Beth Himes.  
Motion passed unanimously.

**NRHA Office Task Force**

1/12/2011 – 12/31/2011

Chair – Rick Ramsey  
Staff Liaison – Chris Mossman  
Dale Lopp  
Kit Cospers  
Rick Clark  
Dan Wall  
John Foy  
Jim Blumer

Charter: Explore all reasonable opportunities for the relocation of the NRHA office.

Beth Himes motioned to accept the NRHA office task force. Seconded by Rosanne Sternberg.  
Motion passed unanimously.

## **RHSF**

Mike Hancock overviewed the core program and goals of the Reining Horse Sports Foundation (RHSF). The first task is to look at core programs and create task forces for each program which will identify problems, areas for improvement and overall goals. CFO John Foy gave a financial update on the fundraising activities from 2010. The Celebrity Slide table sales raised approximately \$13,000. Passed the hat during the slide brought over \$2,000. The slide is a ticketed event, which rose over \$4,000, all of which is donated directly to Make A Wish. The RHSF Thanksgiving dinner is a nice event with an outreach to all members, staff and volunteers. We will donate more to Make A Wish this year than in 2009, approximately \$18,000. Executive Director Dan Wall reiterated the importance of the Celebrity Slide and thanked the RHSF for all of their support to such a great cause.

## **Rookie of the Year**

Executive Director Dan Wall briefly explained what occurred with the Rookie of the Year competition. In addition, starting in 2011 the top ten Rookie placings in the NAAC will receive more prizes, including a Montana Silversmiths buckle.

## **Australian Conditions**

Jessica Johnson presented the Australian condition changes. Mike Deer motioned to approve the conditions and check the dates of the qualifying period. Seconded by Brett Walters. Motion passed unanimously.

## **Nomination Update**

Melanie Rinehart reviewed the current NRHA Nomination count. Executive Director Dan Wall explained the procedures taken to gain nominations which include: calling, direct emails, direct mailings and press releases. President Allen Mitchels asked staff for a recommendation on potential program changes once the new software is completed.

**Break at 9:46am**

**Reconvened at 10:01am**

## **Department Update**

Jessica Johnson presented the 2010 statistics for NRHA memberships and shows. Shows (excluding entry level) have increased by 34 shows. International shows (excluding Canada) have increased and Canada has remained consistent with last year. NRHA approved approximately 80 entry level shows last year.

## **Market Sale**

A complaint received regarding the 2011 Market Sales was reviewed. The BOD directed staff to complete an investigation and make a recommendation to the NRHA Executive Committee.

**Closed Session 10:30am**

