

**NATIONAL REINING HORSE ASSOCIATION**  
**Executive Committee Meeting Minutes**  
**Oklahoma City, OK**  
**July 14-15, 2011**

**Approved 11/11/2011**

**Present:** Allen Mitchels- President, Beth Himes, Rick Clark, Kit Cospers, Terry Griffin, Dale Lopp, Rick Ramsey.

**Web:** Rosanne Sternberg.

**Not Present:**

**Staff:** Executive Director Dan Wall, Chief Financial Officer John Foy, Chief Operations Officer Dennis York, Executive Administrator Jessica Johnson, Senior Director of Publications Carol Trimmer.

**Call To Order**

President Allen Mitchels called the meeting to order at 10:37am.

**A quorum was announced.**

**Approve Minutes**

**Allen Mitchels asked that due to the fact that sometimes his name was not spelled correctly those instances be corrected.**

- A. April 7-8, 2011: Dale Lopp motioned to approve as amended. Seconded by Beth Himes. Motion passed unanimously.
- B. April 7-8, 2011 Executive Session: Dale Lopp motioned to approved. Seconded by Rick Ramsey. Motion passed unanimously.
- C. April 12, 2011: Terry Griffin motioned to approve as Executive Session. Seconded by Kit Cospers. Motion passed unanimously.
- D. April 20, 2011: Terry Griffin motioned to approve. Seconded by Kit Cospers. Motion passed unanimously.  
Rosanne Sternberg made a motion to approve the contract rates and duration. Seconded by Dale Lopp. Motion passed unanimously.  
Terry motioned that all certifications, directors, officers must be general members. Seconded by Dale Lopp. Motion Passed unanimously. The clarification will be presented to the BOD in July.  
Rick Clark motioned to approve the Rolex sponsorship. Seconded by Kit Cospers. Motion passed unanimously.

- E. April 28, 2011: Terry Griffin motioned to approve. Seconded by Dale Lopp. Motion passed unanimously.
- F. May 26, 2011: Dale Lopp motioned to approve. Seconded by Rick Clark. Kit Cospers suggested that the minutes be amended to reflect only official business and the adjourn portion be removed. Dale motioned to rescind the original motion and amend to reflect Kit's suggestion. Seconded by Rick Clark. Tabled.
- G. June 2, 2011: Kit Cospers suggested that FEI and Office portions of the minutes be amended. Terry Griffin motioned to approve minutes with corrections. Seconded by Beth Himes. Motion passed unanimously.  
Rick Ramsey motioned to accept the foal nomination at the \$300 price. Seconded by Dale Lopp. Motion passed unanimously.  
Terry Griffin motioned to accept youth/general IEA complimentary membership recommendation. Seconded by Beth Himes. Motion passed unanimously.  
Rick Clark amended his original motion to include, the EC is recommending to the BOD an E-vote for the approval of Midwest RHA region change after receiving confirmation from North Central that they are willing to accept the change. Seconded by Beth Himes. Motion passed unanimously.
- H. June 27, 2011: Beth Himes motioned to approve as executive session. Seconded by Kit Cospers. Motion passed unanimously.
- I. April/May/June/July E-votes: Beth motioned to approve all E-votes with exception of 7-4-2011. Seconded by Kit Cospers. Motion passed unanimously.
- J. July 4, 2011: Beth motioned to approve as executive session. Seconded by Kit Cospers. Motion passed unanimously.

### **Old Business**

Rick Ramsey asked to revisit January 2011 EC minutes.

### **Break 11:08-11:15am**

Rick Ramsey motioned to amend his motion in the January EC minutes to reflect the fact that the meds rule change draft was intended to be submitted on behalf of the EC. Seconded by Terry Griffin. Roll call vote; 5 for; 1 against. Motion passed.

### **Financial Statements**

John Foy presented the Profit & Loss Overview for 11 months ending May 31, 2011. G & A is currently \$17,000 above budget; the current loss for G & A is \$86,000.

Membership is about 4% down compared to prior year to date. Publications currently are \$15,000 above budget. Advertising sales are down, but the printing contract Dan Wall renegotiated with Dartmouth is allowing the *Reiner* to remain positive. Sire & Dam is down significantly, Karen will have a proposal this meeting which will address the concerns and attempt to increase profit. Judges is currently showing a loss of \$6,000, mostly due to less applicant seminars being held, seminars will be reinitiated when program revision is approved. Judges program delay in DVD production, which hurt our sales and NRHA put a moratorium on seminars. Inside Reining shows a loss of

\$49,000, with a total negative variance to budget of \$57,000. Managed events currently have a negative variance to budget of \$28,000. John pointed out that the Convention & Awards Banquet shows a positive variance to budget, this is a budget-timing issue, and banquet awards expenses were budgeted for January and should have been budgeted in June.

**Break for lunch at 12:10pm - 12:34pm.**

**Rosanne Sternberg joined the meeting.**

### **2011-2012 Budget**

G & A membership is running about 4% below budget, Accounting budgeted 7% below prior year for the 2011-2012 budget. Sponsorships were budgeted at \$230,000 ahead of prior year budget. Currently, sponsorships are \$158,000 ahead of budget. Also, \$25,000 in consulting fees was budgeted, which will be used to develop plans for the new NRHA office. The *Reiner* advertising was budgeted flat compared to prior year and \$34,000 was added to payroll allocation to take advantage of tax benefits. Sire & Dam should get a nice boost with the approval of the new program requirements. Total budget is only \$17,000 ahead of projection for 6/30/2011. Judges Program was budgeted less than prior year due to being more conservative on DVD sales and school revenue. Allen asked if DVD expenses and income are being split between the marketing and judge's departments, noting that they should be. Terry Griffin asked if NRHA can be leaner in the number of staff we are sending to Europe/NRHA owned events. Rick Clark asked where NRHA stands on the Bob's Saddle program? Inside Reining is a valuable marketing tool, however, past trend shows it is very difficult to break even, budgeted at \$36,000 loss versus prior year budget. Youth/RHSF salary was allocated between both departments, resulting in approximately \$27,000 savings against prior year. As of May 2011, the Futurity has \$123,000 in income; the 2012 Futurity is budgeted at \$150,000 in income. Biggest changes in the Futurity budget will come from increased retainage, rental costs and state support. The 2012 Derby is budgeted at a loss due to increase in facility rate. The Derby show retainage was increased to 40%. Cowtown Classic is budgeted at break-even, helps G & A because we were able to allocate expenses to Cowtown. Shootout has \$55,000 in entries budgeted (against none from prior year), increased budgeted loss in Euro Futurity in order to be budget conservative, increase European Derby budget by \$21,000 for shipping awards, staff travel and potential support for judges. John noted that the audit will be going on during Cowtown Classic.

Rick Clark asked about Saddle Sponsorship sales. John responded with life to date current sale trend commissions. Allen recalls the commission was suppose to be used for G & A and not to offset the cost of awards/saddles.

Dale Lopp motioned to recommend the budget to the BOD for approval. Seconded by Terry Griffin. Motion passed unanimously.

**Closed Session 1:08pm.**

## **Open Session 1:25pm.**

### **Melanie Rinehart, Todd Barden & Leigha Stevenson joined the meeting 1:28pm.**

The budget for Cowtown doesn't allow for more than \$15,000 in awards and \$10,800 in trophies. The cost for saddles in all levels would be \$31,000. If we did saddles for Level 4, buckles and spurs for reserves the cost would be around \$15,000. Beth Himes would like to maintain the prestige at an NRHA-owned event. Rick Ramsey would like the inaugural event not to go into the red. The BOD needs to be aware of the change.

Kit Cospers motioned to recommend to the BOD that we do not give saddles for the Cowtown Classic. Seconded by Terry Griffin. Motion passed unanimously.

### **Leigha Stevenson, Melanie Rinehart, Todd Barden left the meeting at 1:42pm.**

### **Break at 1:42pm.**

### **Reconvene at 2:03pm.**

### **Krissy Colbath joined the meeting 2:03pm.**

## **Old Business**

Rein N Cattle is requesting to cancel their event scheduled for October 21-23, 2011.

A letter will be sent to Monica Widh requesting a written statement explaining why the show is requesting cancellation. The second show approval with the same management team will be denied. Further, her show secretary status will be revoked and she will be required to recertify prior to being a certified show secretary. She will not have to pay the \$150 reinstatement fee nor will the certification course extend her privileges 5 additional years. After completing her certification, she will remain on probation for 12 months.

Beth Himes motioned to approve the show cancellation and send a letter to the show management. Seconded by Terry Griffin. Motion passed unanimously.

Sandy Proctor is requesting an exemption from having a certified show secretary at the WSRHA August Show. When the EHV outbreak occurred it forced shows to postpone and this show was negatively affected by another show. Terry Griffin motioned to approve Roxanne Green and Becky Poplin as temporary show secretaries for the WSRHA Summer Classic. Seconded by Rick Ramsey. Motion passed unanimously.

Last week Allen asked that the show department compile a list of items most often referred to the EC and what items should be referred to the EC to protect staff. Krissy Colbath presented that all events with more than \$5,000 in changes to added money, anything that violates the *NRHA Handbook* or anything staff is uncomfortable with they

will send to the EC. Additionally, staff proposed that events be given a 30-day cushion on judges/patterns.

**Krissy Colbath left the meeting at 2:28pm.**

### **Reiner Proposal**

Carol Trimmer updated the EC on the *Reiner* proposal. The idea behind the proposal would save money and the items being removed are posted in numerous other places. The EC ask that entry forms be broken out separately on the website. Dale Lopp motioned to adopt the proposal with the exclusion of bullet 3 (affiliate listings portion) and bullet 4. Additionally, entry forms will be posted separately on the website. Seconded by Rosanne Sternberg. Motion passed unanimously.

**Jamie Boller & Marshall Baird joined the meeting at 2:40pm.**

### **Affiliate Outreach Team & Incentive Levels**

Dan noted that a component of one of our key priorities in the business plan (Targeted Membership Growth Initiatives) was the need to communicate more effectively with all affiliates. The Outreach Team is designed to bridge the communication gap between NRHA, Affiliates and Members. The proposed model would introduce two new positions; Outreach Team and Affiliate Liaison. The Outreach Team would be composed of a member from each North American region, a structure much like the European Affiliate Council. The Affiliate Liaison would be a contact from each Affiliate that would be required to be certified via web training. Additionally, member input and ideas would be gained from Webinars, Regional Summits, Summits and Local Forums.

The Incentive Levels are newly designed to encourage Affiliates to get involved and take advantage of NRHA developmental programs. Jessica presented two budgets; conservative and aggressive. The program would be more beneficial to Affiliates and NRHA. The EC requested that the Incentive Level document state that the affiliates will be rewarded for the highest level they achieve on an annual basis.

Rick Clark motioned to recommend to the BOD the Outreach Team & Incentive Levels. Seconded by Beth Himes. Motion passed unanimously.

### **Ride & Slide**

The Affiliate Committee assigned a working group to look at the current Entry Level structure. Jessica presented the importance of changing the nomenclature of the Ride & Slide to be similar to current NRHA classes. The eligibility and conditions will not be changed.

Dan Wall commended Jamie on her hard work and dedication to the Affiliate Department.

**Jamie Boller and Marshall Baird left the meeting at 3:25pm.**

**Break at 3:25pm**

**Rosanne Sternberg left the meeting at 3:28pm.**

**Reconvene at 3:43pm.**

**Melanie Rinehart joined the meeting at 3:46pm.**

### **NRHA Events**

Melanie gave an update on the NRHA European Derby. Currently, staff is working on improving the webpage and awards. Dan commented that NRHA should be very happy with the relationship with Italy; Mr. Cuoghi continues to be instrumental.

Melanie is currently working on a campaign to release information regarding the NRHA Futurity Shootout. Equine Sports Medicine has agreed to be a sponsor again and the CVB has also renewed their support for the event. Additionally, the Department of Agriculture recently made an agreement to ship horses directly into OKC. Conversation regarding ways to modify the event structure occurred. Rick Ramsey motioned to recommend to the BOD to host the Shootout with an entry fee of \$2,000. Seconded by Rick Clark. Motion passed unanimously.

**Melanie Rinehart left the meeting at 4:02pm.**

**Todd Barden joined the meeting at 4:05pm.**

### **Trophy Update**

Jessica presented the current trophy usage and trends within the Industry. The EC recommended that plate cost be reviewed at the fall meeting. Additionally, the EC agreed to continue to allow events to order plaques and allowing the trophies to be donated and the entire amount be deducted from the purse.

**Todd Barden left the meeting at 4:13pm.**

**Shianne Megel joined the meeting at 4:14pm.**

### **Texas 4H Alliance**

NRHA and Texas 4H have initiated an alliance agreement. The agreement will encourage riders to reach 4 achievement levels- all of which encourage NRHA participation. Dan reminded the EC that Texas 4H would be the pilot program prior to releasing the program throughout the United States. The Alliance highlights the achievement program, catch-ride competition and Texas State 4H Show. Riders cannot reach level 4 unless they have been involved with the program for at least 2 years. Texas 4H will construct an online book and curriculum and allow NRHA to use it for other states. Terry recommends that we add the rights to the curriculum in the contract. Allen suggested that we work up a budget to review the program when it is extended to 50 states.

Beth Himes motioned to recommend to the BOD to approve the 4H Alliance program. Seconded by Rick Clark. Motion passed unanimously.

**Shianne Megel left the meeting at 4:33pm.**

### **Business Plan**

Dan Wall discussed each item listed in the Key Priorities section and commended staff on their hard work and dedication to achieving the Key Priorities.

### **Old Business**

#### **NRHA Sales**

Terry Griffin recommends we create procedures for responding to letters written to NRHA. Also, sale staff needs to make sure consignor guidelines are strictly enforced, especially in regards to selling a horse and who the check is made out to.

**July 15, 2011**

**Present:** Allen Mitchels- President, Beth Himes, Rick Clark, Kit Cospers, Terry Griffin, Dale Lopp, Rick Ramsey

**Web:** Rosanne Sternberg

**Not Present:**

**Staff:** Executive Director Dan Wall, Chief Financial Officer John Foy, Chief Operations Officer Dennis York, Executive Administrator Jessica Johnson, Senior Director of Publications Carol Trimmer

### **Call to Order**

**Meeting called to order at 8:18am**

**A quorum was announced.**

**Rosanne Sternberg not present at 8:18am.**

### **IT Project Update**

Dan gave an update on Thursday's IT meeting with Biz Data. Rick Clark asked if the efficiency problems we had at the beginning of the year have been resolved. The speed of file bound and document imaging has increased significantly. Dan was asked to contact the Show Management owner regarding generating daily judging reports from the new system.

Beth Himes motioned to accept the settlement for Biz Data. Seconded by Rick Clark. Motion passed unanimously.

Terry Griffin clarified that the final issue tracker list may still be negotiated.

**Rosanne Sternberg joined the meeting at 8:48am.**

### **FEI Update**

All Category 8 classes recognized by NRHA will need EC approval prior to being approved. Category 8 classes approved or run concurrently with NRHA classes will not need EC approval. The Kentucky Reining Cup (Rolex) was NRHA approved and the results/earnings for the individual and freestyle have been reported. The team competition was not submitted for approval and is not our jurisdiction. We should assist the members as much as possible and allow the management team to work it out.

FEI World Reining Finals was recognized by NRHA. The Show Management team and results have not arrived in the office and show management hasn't returned calls/emails. Terry Griffin stated that as an organization we only need to get results for our members and record the earnings. The best way to deal with this situation is to get results, record earnings and address the matter with Show Management. Tabled.

**Break at 9:15am.**

**Reconvene at 9:26am.**

### **Office Task Force**

During the Derby another appraisal on the property was completed because the original appraisal expired. Prior to accepting the property we need to verify road frontage, complete a title search and complete an environmental study. Allen asked that we modify the contract to remove like-entity clause, if it is non-negotiable we can still move forward.

### **November BOD Format**

Beth Himes motioned to recommend to the BOD that EC meets Friday/Saturday morning and BOD meets Saturday afternoon, not required, but preferred in person. Allen asked everyone to consider agenda items that are needed. Seconded by Rick Ramsey. Motion passed unanimously.

### **Marketing Committee**

Allen received a phone call from committee chair asking what tasks the EC would like the committee to review. The committee has moved forward with items from the business plan.

### **Closed Session**

**Reconvene in Open Session at 9:55 am.**

### **FEI World Reining Finals**

Kit Cospers motioned to send a letter to Show Management requesting that they be responsive to our inquiries in the future. Seconded by Beth Himes. Motion passed unanimously.

### **Sire & Dam**

**Vaughn Zimmerman and Karen Shedlauskas joined the meeting via Conference Call at 10:09am.**

Vaughn discussed several aspects of the program that needed revised. Vaughn feels it is imperative that we raise the minimum fee to \$500; these foals do not have to be nominated to be eligible for Futurity/Derby. The committee recommends allowing S & D entries to enter for half price and remove the additional level requirement. In 2005 we had 465 donated stallions, in 2008 we dropped to 242 and it has remained fairly consistent. The auction was discussed, last year we averaged 80% of the advertised stud fees. In the past, changes made to the program have waited for three years. The committee is asking that the changes be made for breedings sold in 2011 for 2012 contracts and be effective for 2012 Derby/Futurity.

Terry motioned to recommend to the BOD for approval to accept Sire & Dam program changes as presented, effective immediately for 2012 breeding contracts and other changes to be incorporated for the 2012 Derby & Futurity. Seconded by Rick Clark.

John Foy asked if it was time to add another 10% in added money to the Sire & Dam awards and remove it from the Futurity purse, especially with the Nomination Program monies taking effect.

Terry amended her motion to remove 10% of funds from Sire & Dam program, which goes into the level 4 purse and put it back into the Sire & Dam program as awards. Seconded by Rick Clark.

Vaughn also mentioned the committee would like to change the dates of the auction, which would start on November 13 and close December 31.

Terry amended the motion to include the closing dates. Seconded by Rick Clark. Motion passed unanimously.

Discussion continued regarding Sire & Dam award. Karen thinks it needs to go to highest placing offspring.

Vaughn considered making changes to Sire & Dam Program to make it more inclusive for European stallions. If you opt into the program in Europe you would be eligible for the NRHA European events.

**Break at 10:42am.**

**Reconvene at 10:49am.**

**Christa Morris and Michelle Wrigley joined the meeting at 10:49am.**

### **Rule Changes**

All rule changes were reviewed. The notable changes/discussion is below.

#### **47-01-12/47-02-12**

Allen asks that a rule that is good for NRHA and enforceable be created. Both rule changes need reworked to clear up verbiage. The rule changes should be reworked to find an agreeable median.

#### **42-01-12**

Christa Morris presented the Animal Welfare Committee recommended amendment. The Animal Welfare Committee was forwarded the concerns given by other committees that reviewed this rule change. The handout of recommended revisions is in response to committees' concerns. Additionally, the condensed version from the EC working group was handed out. The condensed version has not been seen by the membership, nor been discussed at length with the EC.

Kit motioned to withdraw the rule change in total and move forward with recommending a policy to the BOD which consists of the medications research policy phase 1 put forth from the Animal Welfare Committee. Seconded by Rick Ramsey.

Dan had major concerns that a policy alone would not put NRHA in a defensible position. If the research project is extended for two years, we would basically be four years away from implementing anything.

Terry asked Kit to amend motion so that phase 1 is conducted at NRHA Derby and not at the NRHA Futurity.

Rosanne commented that it is well known that ALL the Europeans want a medications rule. They are nearly 1/3 of our membership. Rosanne asked the EC to not be swayed by only opinions from Professionals and a few people on some of the other committees. Rosanne reminded everyone to look at the votes on the original policy made on the internet.

Kit amends motion to include Terry's recommendation to include NRHA Derby and not the NRHA Futurity. Seconded by Rick Ramsey.

Conversation regarding sending the withdrawn rule change to the BOD occurred. Several members felt it was not necessary to have the BOD review withdrawn rule changes. They pointed out that it was established yesterday, via amended January minutes, that the EC owned the rule change.

Rosanne asked that the EC take the rule forward to the board and vote on it. Rosanne stated strong support of the one written in the rule proposal handed out to the BOD and membership.

Roll call vote was conducted.

Beth Himes	X
Dale Lopp	No
Rick Clark	X
Rick Ramsey	X
Rosanne Sternberg	No
Terry Griffin	X
Kit Cospier	X

Motion passed, 5 for, 2 against.

**Break at 12:27pm.**

**Reconvene in Closed Session at 1:31pm.**

**Open Session 2:17 pm.**

**Dori Schwartzenberger and Michelle Wrigley joined the meeting at 2:15pm.**

**Rule Changes**

Rule changes 50-01-12, 53-03-12, 56-01-12, 56-02-12, 61-01-12, 63-01-12, 68-01-12, 74-01-12, 99-01-12 and 103-01-12 were briefly discussed.

**Break at 3:03pm.**

**Reconvene at 3:17pm.**

**Allen announced that the first meeting of would be held January 19-20, 21-22 in Oklahoma City.**

**Judges Applicant Seminar**

Dori presented the proposed changes to the Judges' School and Applicant Seminar policies. Changes will be made to seminar testing (freestyle/interview) in addition to the payment structure of Judges Applicant Seminars. Discussion continued regarding the chair judges at NRHA-owned events and the need to have experienced judges present. Also, it is critical that the judges monitor be available and not be working on the replay. Allen recommended weighting the interview scores to less than 10%.

Dale Lopp motioned to recommend to the BOD to adopt both policies. Seconded by Rick Ramsey. Motion passed unanimously.

**Dori Schwartzberger and Michelle Wrigley left the meeting at 4:21pm.**

**Closed Session**

**Dale Lopp motioned to adjourn at 5:22pm. Seconded by Terry Griffin. Motion passed unanimously.**