

NATIONAL REINING HORSE ASSOCIATION
Board of Director Meeting Minutes
Oklahoma City, OK
April 28, 2012

Approved 8/25/2012

Present: Beth Himes - President, Mike Deer, Terry Griffin, Doug Milholland, Rick Ramsey, Rosanne Sternberg, Josh Visser, Barbara Brookshire, Jennifer Hoyt, Tim Lynch, Michel Martin, Dan McGregor, Marc Wagman, Brian Welman, Mike Hancock, Gerd Wilhelm, Kim Maharaj

Web: Jim Blumer, Brad Giesbrecht, Becky Hanson, Brett Walters, Lee Foster

Not Present: Rick Clark, Shane Brown, Johnette Burman, Julia Cowan, Jordan Larson, Guy Vernon, Roberto Cuoghi, Susy Baeck, Helmut Schmaus – Gerstenberg, Pim Berendse, Filippo Masi, Greg Campagna, Raul Leal

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, Senior Director of Shows & Affiliate Programs Chris Potter, Senior Director of Sponsorship & Television Programming Todd Barden, Senior Director of Marketing Christa Morris, Director of Events Melanie Rinehart, Director of Member Services & Judges Michelle Wrigley, Accounting Manager Chris Mossman, Manager of RHSF & Youth Programs Shianne Megel, *Reiner* Advertising Production Coordinator Bucky Harris, Programmer Analyst / DBA Dan Dobbs, Website Admin & Marketing Specialist Haley Carmen, Marketing & Sponsorship Coordinator Christina Brezack

Web Staff: European Programs Advisor Nick Cornelissens

Guests: NRHA Legal Counsel Terry Wiens, NRHyA Officers Emma Holbrook, Jaclynn Brooks, Holly Lauth and Amasa Smith

Call to Order

Beth Himes called the meeting to order at 7:30am

Roll call was conducted, a quorum was established.

Meeting Minutes

January 21-22, 2012 Meeting Minutes: Jennifer Hoyt motioned to approve as amended. Seconded by Mike Hancock. Motion passed unanimously.

January 21-22, 2012 Executive Session Meeting Minutes: Mike Hancock motioned to approved as amended. Seconded by Mike Deer. Motion passed unanimously.

Susy Baeck joined the meeting at 7:49am

E-Vote Minutes: Mike Deer motioned to approve all E-Vote minutes. Seconded by Josh Visser. Motion passed unanimously.

Accounting Update – Executive Session

Financial Statement Review

John Foy presented the February 29, 2012 Profit and Loss Overview. G & A is currently \$16,183 positive to budget. Publications are currently at \$48,223 positive to budget. Judges Program is currently showing a profit of \$13,367 and operating well against budget. Managed Events currently has a negative variance to budget mostly due to the Cowtown Classic. Overall, NRHA shows a negative variance of \$59,219 to budget. The two largest contributors to negative variance to budget include the overage in legal expense and the Cowtown Classic.

Rule Changes

Michelle Wrigley summarized each 2013 proposed rule change.

39-01-13, 39-02-13, 39-03-13, 40-01-13

No suggested changes

41-01-13

Work with NRHA legal counsel on recommended revision.

46-01-13, 48-01-13, 57-01-13, 59-02-13

No suggested changes

62-01-13

Working Group was established to review the Non Pro Conditions. Group consists of: Marc Wagman, Josh Visser, Terry Griffin, Brett Walters, Chris Potter, Michelle Wrigley and Jessica Johnson

62-02-13

No suggested changes

Break at 8:53am

Reconvene at 9:10am

65-01-13/69-01-13

Rosanne Sternberg stated that the Eligibility Task Force didn't support the amateur division.

66-01-13, 66-02-13

No suggested changes

67-02-13, 67-03-13

Staff was directed to conduct research on Prime Time ages and report back.

67-04-13

No suggested changes

67-05-13

Terry Griffin mentioned that the Eligibility Task Force recommended the Limited Non Pro to be lifetime earnings less than \$4,500 except category 3, 7, 9 and 10.

67-06-13, 67-07-13, 68-01-13, 68-02-13, 68-03-13, 69-01-13, 69-02-13, 69-03-13, 71-01-13, 71-02-13, 71-03-13, 73-01-13, 73-02-13, 74-01-13, 74-02-13, 74-03-13, 74-04-13

No suggested changes

75-01-13

Staff was directed to contact Sandy Proctor to clarify the intent and reword the verbiage.

75-03-13, 78-01-13

No suggested changes

80-01-13

Add "class" to end of sentence

81-01-13, 89-01-13

No suggested changes

90-01-13

No suggested changes

91-01-13

Chris Potter and Dan Dobbs were directed to research and determine if levels are appropriate.

Eligibility Task Force

Michelle Wrigley prepared an eligibility table outlining the recommended changes of the Eligibility Task Force. Staff was directed to place a similar table on the website for members to review, "see reference chart"

Discussion regarding the Level 1 and 2 Open and Non Pro classes in Category 2 and Limited Non Pro and New Class Non Pro occurred. The Eligibility Task Force was directed to research the data prior to August Board of Directors meeting.

Conversations surrounding the Amateur class occurred. It was mentioned that it may be best served as a class restriction, not as an individual class.

Break at 10:51am

Reconvene at 11:03am

100-01-13

No suggested changes

103-01-13

Change verbiage to seek approval or recognition

113-01-13

No suggested changes

115-02-13

Consult European Affiliate Council prior to August Board of Directors meeting.

115-03-13

Michelle Wrigley was directed to contact Ronnie Sharpe to work clarify the intent.

59-01-13, 67-01-13, 68-04-13, 72-01-13, 74-05-13

No suggested changes

75-02-13

Staff was directed to review the event classifications and continental restrictions in addition to adding the European Affiliate Championships.

78-02-13, 99-01-13, 115-01-13, 122-01-13

No suggested changes

FEI/NRHA Relationship

Beth Himes and Dan Wall met with Bob Thompson at NRBC. The meeting went well and discussion regarding NRHA and FEI co-existing occurred. NRHA is willing to co-exist and work together with FEI, but will not sacrifice NRHA rules and integrity.

Medications Hearing Panel Selection

The Executive Committee has made a recommendation. Once confirmed with members, an e-vote will be sent to the Board of Directors for final approval.

Arena Committee

Dan Wall presented the recommended Arena Committee.

Discussion regarding the appropriate committee charters and mission statement occurred.

Terry Griffin motioned to approve by resolution the NRHA Arena Committee pending modifications by Mike Hancock. Seconded Rosanne Sternberg. Motion passed unanimously.

New Office Task Force Update

Rick Ramsey updated on the current progress and the future goals of the New Office Task Force.

Affiliate Committee

2013 European Affiliate Championship Conditions

Nick Cornelissens presented the 2013 European Affiliate Championship Conditions. The conditions remained consistent with prior year. Additionally, the European Affiliate Council is reviewing the possibility of adding a rookie professional class.

Dan Wall presented the details of including a European Rookie of the Year title to the Championships. The European Affiliate council felt that the current rookie champion is the rookie of the year and adding the title would add little to the event. Each affiliate representative was directed to address the possibility with their affiliate and determine if there is a better way to promote the rookie championship.

Jen Hoyt motioned to approve the 2013 European Affiliate Championship Conditions with the option to add the Rookie Professional class at a later date. Seconded by Barbara Brookshire. Motion passed unanimously.

Australia Conditions

Chris Potter presented the 2013 Australia Continental Affiliate Championship Conditions. Some changes were made to the conditions compared to prior year. Each Affiliate must hold two events, a rider must participate in one event, each affiliate will qualify twenty riders and Novice Horse Level 1 and Rookie Level 1 were added as championship classes.

Dan Wall directed Chris Potter to monitor the number of events in Australia.

Rick Ramsey motioned to approve the 2013 Australia Continental Affiliate Championships as presented. Seconded by Rosanne Sternberg.

Chris Potter was directed to check on Australia trophies per the conditions and verify the information is accurate and to change the word "will" to "may" in Circuit Series Conditions, section 11.

Motion passed unanimously.

Departmental Updates

Michelle Wrigley presented the Membership Department and Sire & Dam Program updates. 2011 membership totals increased 28% over prior year, mostly contributed to timely processing and the IEA memberships.

Chris Potter presented the Show Department updates. Currently, approved shows are down ten overall, down one in Canada and down two internationally. Entry Level classes have continued to increase; January to April reflects an increase of 39 classes.

The Board of Directors requested to see a Category 10 active member breakout for the August Board Meeting.

Melanie Rinehart presented the Nomination Program, Futurity entry and Derby entry update. Final 2011 North American Nomination Program numbers are 2,361, European Nomination Program numbers are 550. Currently, Futurity entries have increased by eighty compared to prior year-to-date.

November Meeting Schedule

The November Board of Directors meeting will be held on November 12, 2012 from 8am -10am via conference call or webinar.

RHSF Update

Shianne Megel updated the Board of Directors on the recent RHSF activities. Committee and Task Forces were created to identify and develop connection points with NRHA staff. One Hundred Grand Club promotions kits are now available to Affiliates.

Kaylyns Kloset

Shianne Megel summarized the current online media promotion for Kaylyns Kloset. A few items will be placed on Facebook, with the full line of clothes available at the NRHA Derby. Shianne Megel continues to accept lightly used show clothing donations to benefit Youth.

Jen Hoyt asked if Kaylyns Kloset was something that could be used at the Affiliate level to encourage participation. Shianne Megel felt that the brand name of "Kayleens Kloset" needed to carry throughout all programs, but Affiliates could use the idea to benefit their youth programs.

NRHA Horse Sale

Dan Wall presented the Executive Committee's recommendation for the NRHA Horse Sale to increase commission to 9% in the Prospect Sale.

Marc Wagman motioned to accept the Executive Committee's recommendation to increase the commission in the Prospect Sale to 9%. Seconded by Mike Deer. Motion passed unanimously.

Lunch Break at 12:07pm

Reconvene at 1:07pm

Mitchels Lawsuit Update – Executive Session

Staff joined the meeting

Events Department

NRHA Futurity Second Go

Melanie Rinehart explained the complications and qualifications to go into the second go-round at the NRHA Futurity. The Events Committee and Executive Committee both recommend Option 1. Option 1 would include 200 Level 4 Open finalists, 150 Level 3 Open finalists, 100 Level 2 finalists and 100 Level 1 finalists.

Rick Ramsey motioned to accept second go option 1 for the 2012 NRHA Futurity. Seconded by Tim Lynch. Motion passed unanimously.

2012 World Championship Shootout

Melanie Rinehart spoke of the importance of the event being spectator friendly and enjoyable to the outside public. The Executive Committee recommended increasing the entry fee to \$2,500.

Rick Ramsey motioned to increase the 2012 Shootout entry fee to \$2,500. Seconded by Barbara Brookshire.

Discussion regarding the entry fee increase over two years occurred.

Motion passed unanimously.

2012 Derby Conditions

Melanie Rinehart explained the Events Management proposed amendment to the 2012 Derby Conditions. The proposal includes paying 5-and-6-year-old horses 95% of the total purse and retaining the 5% nominator incentive into the Nomination Program fund for the following year.

Mike Hancock motioned to accept the proposal and to roll back the funds into the Nomination Program fund. Seconded Jennifer Hoyt. Motion passed unanimously.

2012 Cowtown Classic

Melanie Rinehart explained the changes in the 2012 Cowtown Classic Conditions.

Novice Horse Derby Conditions will remain consistent with prior year.

Pre-Futurity Conditions have been adjusted due to the change in added money and the restrictions on showing horses. All Pre-Futurity horses may be shown one or two handed in any legal bridle.

7 & Up Conditions will offer Non Pro Divisions only, must enter up one division.

Michael Martin asked why Non Pro Pre-Futurity entry fees were proportionately higher than the open fees. The percent of entry fees compared to added money is consistent with the industry and the higher enter fees assist with building a larger purse to be able to pay deeper into the results.

Josh Visser asked if we could use three judges instead of five for Novice Horse Derby and Pre-Futurity. Concerns regarding the prestige of an NRHA event not offering five judges were expressed.

Mike Hancock suggested all references to event judges be removed from the conditions.

Mike Hancock motioned to approve the 2012 Cowtown Classics Conditions with the amendment to remove any reference to the number of judges. Seconded by Josh Visser. Motion passed unanimously.

Staff was directed to review the budget and savings for reducing the number of judges.

4D Reining

Melanie Rinehart explained the 4D Reining proposal for Cowtown Classic. The Executive Committee recommended approving the class for the 2012 Cowtown Classic.

Marc Wagman motioned to host 4D Reining at Cowtown Classic to concurrently with the classes presented. Seconded by Kim Maharaj. Motion passed unanimously.

Cowtown Classic Schedule

Melanie Rinehart noted the pattern changes due to the inclusion of the 4D Reining and recommended pattern 11.

Rick Ramsey motioned to approve the rookie, green and youth pattern changes on August 12, 2012 of Cowtown to pattern 11. Seconded by Mike Deer. Motion passed unanimously.

Melanie Rinehart explained the evening performance structure for Cowtown.

Jennifer Hoyt motioned to approve the 2012 Cowtown Classic schedule. Seconded by Josh Visser. Motion passed unanimously.

European Derby Conditions

Nick Cornelissens summarized the changes to the 2012 European Derby and Pre-Futurity Conditions.

The added money on both conditions was changed to Euro amounts to avoid exchange rate losses. Refunds similar to European Futurity were included; the riders are more comfortable entering with the refund provision. Restricted European eligibility will be used. Medication testing will be enforced.

Rick Ramsey motioned to approve the 2012 European Derby Conditions as recommended by the European Affiliate Council. Seconded by Jennifer Hoyt. Motion passed unanimously.

European Pre-Futurity Conditions

Corrections were made to section 16 & 24, "Derby" needs changed to "Pre Futurity".

Rick Ramsey motioned to approve the 2012 European Pre-Futurity conditions as amended. Seconded by Michael Martin. Motion passed unanimously.

European Futurity Update

Nick Cornelissens summarized the predicted financial outcome of the 2012 European Futurity. Savings were made by the new Show Management group, which should allow the show to breakeven. Growth can be contributed to Restricted European Eligibility, finals format structure, sponsorship programs and vendors.

Facility negotiations are in progress and minor changes will be made to continue to increase the profitability of the event.

Terry Griffin motioned to give Dan Wall and the European Affiliate Council the latitude to finalize the event facility contract. Seconded by Tim Lynch. Motion passed unanimously.

Dan Wall thanked the new management team for their hard work and dedication to the event.

Melanie Rinehart explained the award ceremony set-up. Awards were announced by rider, total earnings and placings in all levels, owners were allowed in the arena and all the division champions were announced together.

On another note, Mike Hancock will be finalizing an elections draft to incorporate the European Affiliate Council into the *Handbook*. The tasks and responsibilities of the European Affiliate Council will be included in a resolution approved by the Board of Directors. The European Affiliate Council, Nominating Committee and Bylaw Committee need to review this concept.

North America NRHA - Owned Event Strategy Task Force

Jessica Johnson read the recommended Task Force duties and members as recommended by the Executive Committee.

Rick Ramsey motioned to approve the formation of the North America NRHA Owned Event Strategy Task Force. Seconded by Doug Milholland. Motion passed unanimously.

Beth Himes directed Dan Wall and Nick Cornelissens to build a similar task force for NRHA-owned European events.

Regional Director Update

Dennis York summarized the Regional Director deadlines and the promotion done to Affiliates.

Beth Himes asked if it was possible to have voting kiosk available at Cowtown Classic. It was determined that NRHA is restricted by timelines in the Bylaws.

Break at 2:58

Reconvened at 3:18pm

Youth Committee

Shianne Megel presented the Youth Committee report. The NRHyA officers present during the meeting explained their views on recent activities, AQHA Y.E.S. conference and the new delegate bylaw changes.

Staff left the meeting at 3:34pm

Judges Privileges – Executive Session

Steward Privileges – Executive Session

Cowtown Classic Judge Selection – Executive Session

Judging Policies – Executive Session

Eligibility for an NRHA Judges School Attendance Policy – Executive Session

NRHA Owned – Event Judge Conflict Policy – Executive Session

Steward Nomination & Selection Policy – Executive Session

Judges Nomination & Selection Policy – Executive Session

Nominating Committee Report - Executive Session

Compensation Committee Update – Executive Session

Hearing Body Nominations – Executive Session

Protest Update – Executive Session

Rick Ramsey motioned to adjourned at 4:21pm. Seconded by Josh Visser. Motion passed unanimously.