

NATIONAL REINING HORSE ASSOCIATION
Executive Committee Meeting Minutes
Oklahoma City, OK
August 23 - 24, 2012

Approved November 9, 2012

Present: Beth Himes - President, Rick Clark – Vice President, Mike Deer, Terry Griffin, Doug Milholland, Rick Ramsey, Rosanne Sternberg, Josh Visser

Staff Present: Chief Financial Officer John Foy, Executive Administrator Jessica Johnson, Senior Director of Publications Carol Trimmer

Call to Order

President Beth Himes called the meeting to order at 10:11am.

Minutes

April 26 – 27, 2012 Meeting Minutes: Rosanne Sternberg motioned to approve. Seconded by Terry Griffin. Motion passed unanimously.

April 26 – 27, 2012 Executive Session Meeting Minutes: Rick Ramsey motioned to approve. Seconded by Terry Griffin. Motion passed unanimously.

May 9, 2012, May 25, 2012, June 1, 2012, June 7, 2012, June 20, 2012, June 26, 2012, July 18, 2012, August 1, 2010 Conference Call and Executive Session Conference Call Minutes: Rick Clark motioned to approve. Seconded by Josh Visser. Motion passed unanimously.

April, May, June, July, August E-Vote Minutes: Mike Deer motioned to approve. Seconded by Rick Clark. Motion passed unanimously.

Financial Report

Preliminary Year-End & Audit Report

John Foy presented the preliminary year-end financials. Total before unrealized investment, gain or loss reflects a positive \$142,000, \$124,000 above budget. NRHA Global's positive performance with the European Futurity was a large contributor to the current profit. John Foy reviewed the notes relating to the report and a discussion regarding Cowtown's expected position occurred.

John Foy handed out a historical perspective on net income trends of NRHA value centers to illustrate the variance of specific values centers. The June 30, 2012 financial numbers and the most profitable year for a specific value center were used to illustrate the variance on the left side. The right side is value centers that NRHA has more control over and the worst historic year was used to compare. The left side illustrates a loss of \$391,000 for the Reiner, Sire &

Dam and Sale, while the right side shows a positive \$709,000 using G & A, Futurity, Derby and Inside Reining, the total net for both columns is \$318,000. Next John Foy removed the loss of Cowtown, European Futurity and European Derby to get an accurate net of \$112,000, which is very close to the profit from the total before unrealized investment, gains or losses. John Foy noted that the document also illustrates how NRHA continued to put more money into the Industry, when the economy was in a poor position.

2012 - 2013 Budget

John Foy summarized the proposed budget for the 2012 – 2013 fiscal year. The budget is conservative, some examples are only reflecting sponsorship dollars under contract, expected savings on health insurance and Inside Reining is not included. The Finance Committee expressed concerns with the Horse Sales and the current number of industry dispersal sales, but in conclusion left the expected budget as actual from prior year. The Ft. Worth funding scale was discussed.

Terry Griffin motioned to recommend the 2012-2013 Budget to the Board of Directors. Seconded by Doug Milholland.

John Foy commented that the budget includes staff salary increases. It was determined that the Compensation Committee would review salary staff increases.

Motion passed unanimously.

Conflict of Interest Clarification – Executive Session

Break at 11:21

Reconvene at 11:41

Mitchels Lawsuit Update – Executive Session

Protest Update – Executive Session

IT Update

Jessica Johnson gave an update on the progress with the software system. The IT Department is currently working on finalizing the GPay product, portal re-writes, Show Management EU contract, PC upgrades and continue to have weekly IT meetings.

Break for lunch at 12:08am

Reconvene at 12:49am

Triple Crown Discussion

The Executive Committee discussed the concept of NRHA recognizing the “Triple Crown” of reining. It was determined that NRHA would not officially recognize an award known as the Triple Crown.

Sire & Dam – Executive Session

Hall of Fame Criteria

Carol Trimmer summarized the current selection criteria for the Hall of Fame and Dale Wilkinson Lifetime Achievement awards.

Carol Trimmer requested that the Hall of Fame Committee be given the authority to make nominations after the deadline to ensure that anyone who had a significant impact on NRHA was not mistakenly forgotten. Carol Trimmer also requested that the Hall of Fame Committee be given the authority to move nominees from the Hall of Fame Committee to the Dale Wilkinson Lifetime Achievement.

Mike Deer motioned to recommend to the Board of Directors the amendment to the Hall of Fame selection procedures to allow for the Hall of Fame Committee to make a nomination after the July 31 deadline. Seconded by Rick Clark. Motion passed unanimously.

Mike Deer motioned to recommend to the Board of Directors that the Hall of Fame Committee be given the authority to move Hall of Fame nominees to the Dale Wilkinson Lifetime Achievement. Seconded by Josh Visser. Motion passed unanimously.

Congress Alliance Update

Beth Himes summarized the strategic partnership between NRHA and Congress. NRHA will host a Ride A Reiner on October 13 & 14 during Congress.

Rule Changes

Disciplinary Rule Change

Jessica Johnson summarized the changes to the proposed rule change regarding the disciplinary procedures.

Medications

Jessica Johnson summarized the European Affiliate Council’s concerns with the proposed 48-01-13 rule change.

Non Pro

Michelle Wrigley summarized the changes made to the Non Pro Definition.

Eligibility

Terry Griffin noted the major changes to the eligibility classification and the feedback from the Annual General Membership Meeting. Specific emphasis will be placed on distributing the information to the membership timely and accurately.

The Executive Committee requested staff to review the Limited Non Pro criteria prior to the Board Meeting.

Break at 2:27pm

Reconvene at 3:10pm

Executive Session

Friday, August 24, 2012

Present: Beth Himes - President, Rick Clark – Vice President, Mike Deer, Terry Griffin, Doug Milholland, Rick Ramsey, Rosanne Sternberg, Josh Visser

Staff Present: Chief Financial Officer John Foy, Executive Administrator Jessica Johnson, Senior Director of Publications Carol Trimmer

Call to Order

President Beth Himes called the meeting to order at 9:53am.

Oklahoma State University Research Project Proposal

Dr. Holbrook and Christa Morris joined the meeting at 10am CST.

Dr. Holbrook presented a proposal to research pre-sale radiographs in reining horse prospects. A similar study was just completed within the National Cutting Horse Association. The descriptive study will review bone and bone growth in reining horses. Dr. Holbrook requested permission to view the sale radiographs. Confidence will be maintained and the only variables reported to the public will be age, sex and breed. The name of the horse will not be released to the public, but will be used by the research group to study the horse and review stats when it reaches competition age. Pedigrees may be reviewed in the future.

Rick Ramsey motioned to make the information accessible to Dr. Holbrook and OSU, providing the radiographs in the repository belong to NRHA, all information will remain confidential and the results shall be reviewed and approved by the Executive Committee prior to releasing or publishing. Seconded by Doug Milholland. Motion passed unanimously.

Dr. Holbrook agreed to allow the *Reiner* to publish the results and the article.

Dr. Holbrook left the meeting at 10:30am

Break at 10:30am

Reconvene at 10:39am

Christa Morris and Michelle Wrigley joined the meeting at 10:39am

Animal Welfare / Stewards Committee

Warm Up / Schooling Policy

Christa Morris presented the Warm up / Schooling Policy.

The Executive Committee felt that the policy would be very helpful and beneficial to the Industry and supported moving it forward to the Board of Directors.

Proper Equipment / Attire Policy

Michelle Wrigley presented the Proper Equipment / Attire Policy. The difference between NRHA- approved classes and unapproved classes at an NRHA event were noted.

The Executive Committee requested that Dori Schwartzenberger review prior to the Board meeting on Saturday.

2012 NRHA Derby Testing

Christa Morris updated the Executive Committee on the Derby testing procedure. The testing went well and the results have been returned. Pending the approval of the Medications Hearing Panel the results will be reviewed by the panel and a report will be given to the Executive Committee.

The Animal Welfare and Medications Policy was reviewed. It was suggested that “subject to” be added to the research phase for 2013 and the Executive Committee submit a list of recommended Events that will be tested for 2013. There was also discussion that the wording passed in 2012 was accurate in intent and no changes will be made.

The Executive Committee recommended that the Hearing Panel select five NRHA events for testing in 2013. Christa Morris was directed to document the 2013 AA Events that will be tested.

European Affiliate Council Medications Recommendation

Jessica Johnson summarized the requested change recommended by the European Affiliate Council regarding Medications testing in Europe. The Executive Committee reviewed and recommended to send to the Board of Directors to approve in concept. The final policy version shall be approved by the Board of Directors.

Media Credentials/Photography Guidelines

Christa Morris presented the amended Media Credentials / Photography Guidelines and the upcoming *Reiner* article. Recently, an increase in concerns within the industry and the need for photography and videography protection has led to the creation of the guidelines.

The document has been previously published on the NRHA event websites and sent to media contacts. This will continue, in addition, to more steps to increase awareness including renaming the document, "Photography / Videography Guidelines".

IEA Magazine, Take the Reins Proposal

Carol Trimmer and Christa Morris presented the *Take the Reins* proposal to publish the IEA magazine. Any profit may be used to create scholarships for NRHyA and IEA members, or for an endowment. The proposal included a possible yearly investment of \$6,000 dependent on ad sales and production cost.

Rick Clark motioned to recommend to the Board of Directors the IEA Magazine, *Take the Reins* proposal as presented. Seconded by Josh Visser. Motion passed unanimously.

Ride A Reiner

Jessica Johnson presented the two Ride A Reiner locations for 2012: Congress and the PBR World Finals.

Christa Morris and Michelle Wrigley left meeting

Affiliate Circuit Show Policy

The Executive Committee gave staff the authority to approve Events that have been being sent to the Executive Committee, any potential issues or questionable events should still be brought to the Executive Committee to review.

Concerns over Affiliates cancelling circuit shows and having the ability to use other Events to count toward qualifying shows was discussed. The Executive Committee requested staff to monitor the number of cancellations by a single affiliate.

Tie Breaker for Ancillary Class Discussion

Mike Deer summarized a recent tie breaker situation in a Green class and requested for a review of the criteria.

The Executive Committee determined that it is the rider's responsibility to remain on the show grounds in the case of a runoff.

Michelle Wrigley joined the meeting

Rule Changes

Prime Time

Michelle Wrigley summarized the submitted Prime Time changes.

Restricted Non Pro

Jessica Johnson explained the reasoning for proposing a new class for exhibitors to compete. Michelle Wrigley was directed to add this class to the current eligibility chart.

Entry Level NP Declaration

Jessica Johnson summarized the conversations within the Eligibility Task Force and the potential change to Category 10 classes.

Lunch at 12:03

Reconvene at 12:30pm

Amateur Division

Jessica Johnson presented the information regarding the proposed Amateur Division. Concerns regarding the “new” rule change not being presented to the membership timely were discussed. The Executive Committee agreed that creating a 1 & up entry division will help ease the concerns and negative perception among the industry.

Beth Himes noted that NRHA needs to do something to address the problem.

Cowtown Classic Update

Jessica Johnson presented the recent statistics from the event. Entries increased significantly by approximately 400, the added money and purse did decrease slightly. Concerns regarding the footing during the event were noted and Doug Milholland will address the concerns with the Arena Committee. Jessica Johnson noted the positive comments on the 4D Reining. Novice Horse Derby has proven to level the playing field among competitors.

Staff was directed to review the data prior to reviewing the 2013 Cowtown Classic Conditions. The current Category 1 Novice Horse Level 2 earnings cap of \$25,000 may be appropriate.

Judges Selection Policy

Dori Schwarzenberger joined the meeting at 1:31pm

Dori Schwarzenberger noted the importance of extending the base of NRHA – Owned Event Judges. Additional conversation regarding the revised applicant seminars, restricted privileges, International Judges and the process for reviewing big spreads in competition for education purposes continued.

Break at 1:54pm

All employee staff meeting was held

Reconvene at 2:38pm

Michelle Wrigley left the meeting

Sponsorship Update – Executive Session

Authority to Sign Documents – Executive Session

Rick Ramsey motioned to adjourn at 3:20pm CST. Seconded by Mike Deer.