

NATIONAL REINING HORSE ASSOCIATION
Executive Committee Meeting Minutes
Oklahoma City, OK
February 7 – 8, 2013

Approved May 1, 2013

Present: Beth Himes - President, Rick Clark - Vice President, Terry Griffin, Jennifer Hoyt, Tom McCutcheon, Doug Milholland, Rosanne Sternberg, Josh Visser

Not Present:

Staff: John Foy – Chief Financial Officer, Jessica Johnson – Director of Operations, Carol Trimmer – Sr. Director of Publications

Call to Order

Beth Himes called the meeting to order at 8:58am.

Minutes

Rosanne Sternberg motioned to approve meeting minutes as amended from November 9, 2012, December 5, 2012, January 9, 2013 and E-Vote minutes from November 2, 2012, November 20, 2012, December 3, 2012 December 7, 2012, January 4, 2013 and January 23, 2013. Seconded by Rick Clark.

Amend November 9, 2012 minutes to reflect Beth Himes and Doug Milholland leaving the meeting.

Motion passed unanimously.

Financial Report

John Foy presented the Key Economic Indicators for December 2012. Overall, Memberships, Approved Events, Futurity Entries and Sire & Dam average per breeding have increased compared to prior year. Negative growth areas include Competition Licenses, Nomination Programs, NRHA Horse Sale and *Reiner* Magazine. The decrease for competition licenses and nominations can be related to the entire industry breedings being down. The *Reiner* decrease could possibly be contributed to the industries trend to digital, social media and other new marketing methods.

Terry Wiens joined the meeting at 9:12am

For April, John Foy was directed to break out the European Futurity into total entries and Futurity entries.

Additionally, Beth Himes noted that an NRHA Horse Sale Workshop will be held to review all aspects of the sales and to make improvements. Tom McCutcheon noted that the largest disadvantage to having the Horse Sale during the Futurity is that everyone is busy getting horses ready to compete. It was suggested to review the schedule and review the options of moving the Horse Sale days.

Beth Himes and Doug Milholland left the meeting at 9:20am

Executive Director Discussion – Executive Session

Break at 10:18am

Terry Wiens left the meeting

Reconvene at 10:22am

Beth Himes, Doug Milholland and Carol Trimmer joined the meeting

Financial Report Cont.

John Foy summarized the Corporate Sponsorships reflecting a decrease in revenue compared to prior year. John Foy noted that some of the decrease may be attributed to the timing of the billing cycles. The Executive Committee discussed improving methods of taking care of current Corporate Sponsors and looking at new prospects.

Profit & Loss Overview

John Foy presented the Profit & Loss Overview as of December 31, 2012. John noted the negative variance to budget on General & Administrative is mostly contributed to significant decrease in trophy sales. The Executive Committee discussed the problem with events deducting the total amount of the trophies from the purse, but only purchasing a plate, which takes money from the exhibitors. Krissy Colbath was directed to gather information relating to the number of plates ordered for each type of trophy.

John Foy explained the agreement with IEA to produce *Take the Reins* and explained how ad sales were down because of the transition period, but NRHA was beginning to see ad revenue generated.

Overall the NRHA Futurity was a very good event. Entries and stalls have increased compared to prior year and the Events Management team needs to evaluate the Shootout and NRHA Horse Sales.

SFOK Futurity Contract – Executive Session

Mikayla Boge and Michelle Wrigley joined the meeting at 11:17am

Nomination Program Allowances – Executive Session

Mikayla Boge left the meeting at 11:26am

Eligibility for NRHA Judges School Attendance – Executive Session

Michelle Wrigley left the meeting

Executive Committee Restrictions Policy – Executive Session

Doug Milholland left the meeting at 11:42am

Break at 11:48am

Reconvene at 11:58am

Show Manager Update – Executive Session

Protest Update – Executive Session

Break at 12:19pm

Reconvene at 1:04pm

Todd Barden and Christa Morris joined the meeting at 1:04pm

FEI Update

Beth Himes summarized the meeting with FEI and AQHA during the Futurity. Currently, NRHA, FEI and AQHA are working on a joint agreement.

USA Reining – Executive Session

Kentucky Reining Cup/Rolox – Executive Session

USA Reining CRI Proposal – Executive Session

Christa Morris left meeting 1:42

Sponsorship Update – Executive Session

Todd Barden left meeting

Break at 1:54pm

Reconvene at 2:03pm

Shianne Megel, Christa Morris and Karen Shedlauskas joined the meeting

Sire & Dam Update

Karen Shedlauskas updated the Executive Committee on the 2012 Year End and 2013 Current Figures. Discussion regarding the process if a bidder fails to pay for a breeding occurred and it was noted that if someone bids and doesn't pay, breedings are resold to the next bidder. NRHA cannot send an invoice because it is not required that bidders be NRHA members. Karen Shedlauskas noted that the key to getting the funds is to be efficient and contact individuals giving them 7 days to pay or it goes to next bidder.

Karen Shedlauskas left the meeting at 2:13pm

NRHA Affiliate Circuit 45-Day Deadline Review

Lindsey Forshee joined the meeting at 2:17pm

Jessica Johnson summarized the previous discussion regarding the decision to uphold the 45-day rule and explained that most of the affiliates requesting the exemption already had enough events to complete a circuit. The affiliates that couldn't complete a circuit would be evaluated. Staff was directed to emphasize the event can still be hosted, but it

would not count towards qualifying points and to draft a letter for the Executive Committee to review that would be sent to affiliates requesting exemption.

Lindsey Forshee, Shianne Megel and Christa Morris left the meeting at 2:26pm

NRHA Cowtown Contract Renewal – Executive Session

Additional Committee Review

Charlie Smith was added to Judges Committee and Beth Himes will chair the Investment Committee. Executive Committee members were given the opportunity to be added as Ex Officio.

Josh Visser motioned to recommend to the Board the approval of 2013-2014 Committees. Seconded by Terry Griffin. Motion passed unanimously.

Break of Gait Penalty Review

Beth Himes summarized the two – point break of gait proposal from the Judges Committee. Tabled.

Michelle Wrigley joined the meeting at 2:58pm

Jennifer Hoyt suggested that NRHA begin allowing Show Management to rate Judges at NRHA events. Any Judge scoring less than a five would be reviewed by the Judges Committee.

South Africa Virtual Reining Proposal

Michelle Wrigley presented the virtual reining proposal. South Africa wants to get reining started, but doesn't have enough members to create a new affiliate. The proposal outlines the structure that would allow NRHA Judges to judge videos of reining runs and place the class. The classes would be unapproved and all riders would be required to be NRHA Associate or General Members, but Competition Licenses and Non Pro Declarations are not required.

Tom McCutcheon motioned to accept the South Africa Virtual Reining Proposal. Seconded by Rick Clark. Motion passed unanimously.

Break at 3:24pm

Reconvene at 3:41pm

Todd Barden and Jamie Boller joined the meeting

Stall Sponsorship Guidelines

Jamie Boller presented the Stall Sponsorship Guidelines proposed by NRHA Staff.

Stall Sponsorship prices would be consistent with 2012 and Cantina passes would remain a benefit for sponsors.

Staff was directed to send notification to the membership to educate them about the changes.

Josh Visser motioned to accept the Stall Sponsorship Guidelines as amended. Seconded by Rosanne Sternberg. Motion passed unanimously.

Non Pro Discussion

Tom McCutcheon requested that NRHA revisit the current Non Pro rule regarding training horses astride in any discipline. NRHA may be restricting several English-type riders from being involved because they are not competitive at the Open level.

Terry Griffin suggested that NRHA continue to review the 1&up structure and see if we need to wrap something around the conditions regarding training astride in western disciplines.

Todd Barden, Jamie Boller and Michelle Wrigley left at 4:46pm

Cat. 6 Show Restrictions

Jennifer Hoyt asked the Executive Committee if it was appropriate for an NRHA Event to have a Category 6 Derby and restriction to enter is that the horse must have competed in the two-year old unapproved class. Staff noted that the NRHA Handbook restricts the showing of two-year olds and this was not a typical Category 6 restriction. After discussion, it was determined that it is acceptable to require the two-year old unapproved class as a restriction to enter a Category 6 NRHA Approved Derby.

European Futurity Travel

Beth Himes requested guidance from the Executive Committee on which event she should attend between the NRHA European Futurity and NRBC. The Executive Committee informed Beth Himes to attend the event she felt the President was most needed and they would support her decision.

Adjourn at 5:04pm

Friday, February 8

Present: Beth Himes - President, Rick Clark - Vice President, Terry Griffin, Jennifer Hoyt, Tom McCutcheon, Doug Milholland, Rosanne Sternberg, Josh Visser

Not Present:

Staff: John Foy – Chief Financial Officer, Jessica Johnson – Director of Operations, Carol Trimmer – Sr. Director of Publications

Call to Order

Beth Himes called the meeting to order at 9:01am.

Suspended vs. Revoked Members Discussion

Jessica Johnson explained the process of memberships becoming revoked. Staff was directed to create a rule change proposal giving the Executive Committee authority to revoke a membership upon a showing of good cause.

Discussion regarding the current failure to pay list of suspended members in the *Reiner* magazine occurred.

Terry Griffin motioned to publish the names of members who are suspended for failure to pay for one year in the *Reiner* and publish the names of any suspended member on the NRHA website (members only section) until they become unsuspended. Seconded by Josh Visser. Motion passed unanimously.

Shianne Megel, Christa Morris and Michelle Wrigley joined the meeting

Handicap Riding Program Proposal

Shianne Megel explained the proposed 2014 rule change including show, eligibility, membership and IT implications. RHSF is now accepting donations for the Handicap Riding program. Donations may be used for grants and awards.

Shianne Megel, Christa Morris and Michelle Wrigley left the meeting

Break at 9:49am

Reconvene at 9:58am

Krissy Colbath and Todd Barden joined the meeting

Trophy - Plate Orders and Purse Implications

Krissy Colbath presented the 2012 year end plate orders. Conversation regarding trophies being reused at events and the membership being awarded used trophies occurred. At some NRHA Events, Show Management purchases plates but takes the full amount of the trophy out of the purse, which takes away from the exhibitors. Terry Griffin noted a slight Top Ten difference.

Jennifer Hoyt motioned to clarify the current ruling in the *NRHA Handbook* regarding only the cost of purchased trophies being deducted from the purse, NRHA Events are still able to order only plates, but may only deduct the plate cost from the purse. Seconded by Josh Visser. Motion passed unanimously.

Krissy Colbath and Todd Barden left the meeting

Chris Potter joined the meeting at 10:06am

2013 NRHA Derby Schedule

Chris Potter noted changes to the presented schedule including patterns, added money revisions and the Short Stirrup class being held on Friday. The Executive Committee expressed concerns with Ancillary Non Pro being held on the first day, because some Derby horses may want to enter this class. The Non Pro \$6000 added will be moved to Wednesday and the Wednesday Novice Horse Non Pro and Limited Non Pro will move to Saturday. IEA should be requested to use a pattern that doesn't stop in the same place. Other changes to the Derby include a CRI3* and the elimination of the 7&Up Open.

Chris Potter noted that adding Saturday increases facility and stall expense.

Chris Potter left the meeting at 10:24am

Michelle Wrigley joined the meeting at 10:26am

International Affiliate Program (IAP) Review

Beth Himes explained the distribution of IAP funds to International countries and the purpose of the program. The program was developed to assist with the growth of reining internationally. The European Affiliate Council continues to discuss having full time staff member in Europe. During a recent meeting with the European Affiliate Council Beth Himes explained that IAP rebates may be removed to fund a full time staff member.

Rosanne Sternberg agreed that NRHA needed to review the IAP program and review the possibility of having a full time staff member at the NRHA office dedicated to International Affiliates.

Jessica Johnson mentioned using some of the IAP funds for the staff member, but using the remaining amount for a grant program. The grant program would allow any International Affiliate to submit a business plan or proposal for the use of the funds and the Executive Committee could review and grant funds based off of need.

Conversation regarding leaving the 2.5% show fee in the IAP program but removing the rebates occurred. USA Affiliates do not receive any portion of their show fees.

Beth Himes will work with staff to create an IAP Review Task Force for the Board to review.

Break of Gait Penalty Review Cont.

Michelle Wrigley explained the details of the proposal from the Judges Committee. In a five judge system, if two, three or four judges marked a 2 - point break-of-gait penalty the run would be reviewed.

Josh Visser noted that it was important for Judges to get the correct outcome in both the go-rounds and the finals.

Rick Clark motioned to recommend to the Board the Judges Committee proposal to review the 2 – point break-of-gait penalty in the go-rounds and finals of the aged event classes for the 2013 NRHA Derby and 2013 NRHA Cowtown Classic. Seconded by Rosanne Sternberg. Motion passed unanimously.

Break at 10:48am

Reconvene at 1:02pm

ANCR Brazil Nomination Program Proposal

Michelle Wrigley summarized the Nomination Program proposal for ANCR Brazil. The program would allow Brazil horses to nominate for the North American Program by paying the weanling fee to ANCR by the December 31 deadline. ANCR would submit a list of horses and payment to NRHA.

Rosanne Sternberg motioned to approve the staff recommendation for ANCR Brazil Nomination Program. Seconded by Doug Milholland. Motion passed unanimously.

Michelle Wrigley left the meeting at 1:06pm

USA Reining Sponsorship Review – Executive Session

IT Update

Jessica Johnson updated the Executive Committee on the Database and the IT Departments goals for the future. Conversation regarding getting assistance to keep the re-writes moving forward occurred. Jessica Johnson requested that she speak with the two programmers on staff before agreeing on a specific type of assistance.

Todd Barden, Shianne Megel, Christa Morris and Michelle Wrigley joined the meeting at 1:41pm

2012-2013 Business Plan Presentation

Staff presented the current Business Plan and the progress towards achieving the goals.

Conversation regarding assigning a group to work towards the next phase of Medications Policy occurred. The current policy needs revised to more appropriately reflect the worldwide status (excluding Europe) and that 2013 AA Events “may” be tested.

An NRHA staff member will be responsible for reviewing eligibility annually and submitting recommendations to the Board of Directors prior to the deadline outlined in the Handbook.

Todd Barden, Jessica Johnson, Shianne Megel, Christa Morris and Michelle Wrigley left the meeting

Break at 2:34pm

Reconvene at 3:00pm

Guest Aleta Sinclair and Paul Reinbolt joined the meeting

Sport Scoring

Aleta Sinclair and Paul Reinbolt, representatives of Sport Scoring, gave a PowerPoint presentation on their company’s paperless horse show program. One of the program’s biggest advantages, they claim, is a faster turnaround for results.

Break at 3:45pm

Reconvene at 3:54pm

Jamie Boller, Jessica Johnson and Michelle Wrigley joined the meeting at 3:57pm

2013 Cowtown Classic – Executive Session

Stall Sponsorship

Josh Visser requested clarification on an issue with overflow in the SuperBarn on the recently approved Stall Sponsorship guidelines. The Stall Sponsorship guidelines will be amended to include the clarification that sponsors are guaranteed the respective amount of stalls and overflow will be placed as close as possible. Additionally, stall curtains will not be hung unless a stall sponsorship is paid.

Jamie Boller left the meeting

Todd Barden, Shianne Megel and Christa Morris joined the meeting at 4:26pm

Business Plan Continued

Conversation regarding the Director of Judges and improved communication being an important goal for the NRHA Judging System occurred. Beth Himes requested that this portion be added to the Judges Committee Charters.

Rick Clark noted that long-term goals for NRHA should include having reining on national TV and offering more prize money to the Futurity Champion.

Todd Barden, Shianne Megel, Christa Morris and Michelle Wrigley left the meeting

Other Business

Doug Milholland officially resigned from Executive Committee. Beth Himes read the letter of resignation.

Rick Clark motioned to adjourn at 5:06pm. Seconded by Terry Griffin.