

NATIONAL REINING HORSE ASSOCIATION
Board of Director Meeting Minutes
Oklahoma City, OK
February 9, 2013

Approved May 6, 2013

Present: Beth Himes – President, Rick Clark –Vice President, Jennifer Hoyt, Terry Griffin, Tom McCutcheon, Rosanne Sternberg, Josh Visser, Jim Blumer, Shane Brown, Barbara Brookshire, Shannon Rafacz, Jesse Chase, Casey Hinton, Marc Wagman, Joe Wolfe, Brian Welman, Frank Costantini, Roberto Cuoghi, Filippo Masi, Gerd Wilhelm, Kim Maharaj

Web: Becky Hanson, Guy Vernon, Susy Baeck, Lee Foster

Not Present: Brett Walters, Bernie Hoeltzel, Helmut Schulz, Katharina Quinte, Annie Woodhouse, Peter Christians, Raul Leal

Staff: Chief Financial Officer John Foy, Director of Operations Jessica Johnson, Senior Director of Publications Carol Trimmer, Senior Director of Sponsorship Todd Barden, Senior Director of Marketing Christa Morris, Senior Director of Association Services Michelle Wrigley, Senior Accounting Manager Chris Mossman, Director of Art, Advertising and Design Bucky Harris, Sr. Network Administrator Dennis York, Programmer Analyst / DBA Dan Dobbs, Website Admin & Marketing Specialist Haley Carmen, Marketing & Sponsorship Coordinator Christina Brezack, Marketing & Affiliate Coordinator Lindsey Forshee, Sr. Coordinator of Events Jamie Boller, *Reiner* Assistant Editor Lindsey Stier

Guest: Terry Wiens

Call to Order

Beth Himes called the meeting to order at 8:05am

Roll call was taken. A quorum was established.

Beth Himes left the meeting at 8:05am

Executive Director Discussion – Executive Session

Guy Vernon joined the meeting at 8:13am

Break at 9:40am

Reconvene at 9:50am

Jessica Johnson and John Foy left the meeting at 9:50am

John Foy, Beth Himes and Jessica Johnson joined the meeting at 10:14am

Terry Wiens left meeting at 10:16am

Meeting Minutes

Barbara Brookshire motioned to approve meeting minutes from November 12, 2012 and E-Vote Minutes. Seconded by Rosanne Sternberg. Motion passed unanimously.

Hall of Fame – Executive Session

Hall of Fame Cont.– Executive Session

State Fair of Oklahoma (SFOK) Futurity Contract – Executive Session

Apprentice Applications – Executive Session

FEI / NRHA Relationship

Beth Himes updated the Board on a recent meeting with FEI and AQHA. FEI is currently working on an agreement with NRHA and AQHA.

Staff joined the meeting at 11:00am

USA Reining Proposal – Executive Session

CRI Sponsorship – Executive Session

Kentucky Reining Cup / Rolex – Executive Session

Board Member Introductions

Board Members and Staff were introduced.

Additional Committee Resolution and Member Approval

Beth Himes summarized the committee changes, including the removal of Events, Marketing and Sire & Dam.

Josh Visser motioned to approve all Standing and Additional Committees, except for the Nominating Committee. Seconded by Jennifer Hoyt. Motion passed unanimously.

Terry Griffin motioned to approve the 2013 – 2014 Committee Resolutions as presented. Seconded by Kim Maharaj. Motion passed unanimously.

Nominating Committee

According to the bylaws, the Board appoints the Nominating Committee and the Committee would select a Chair from its members. Board Members Brett Walters, Marc Wagman, Casey Hinton, Frank Costantini and Gerd Wilhelm were nominated.

Jim Blumer motioned to accept the nominations to the Nomination Committee. Seconded by Jennifer Hoyt. Motion passed unanimously.

Executive Committee Vacancies

Beth Himes informed the Board that Doug Milholland resigned from the Executive Committee.

The Board nominated to fill the vacancy of the Executive Committee with the following members: Mike Deer, Rick Ramsey and Brian Welman.

Silent ballot voting was conducted.

South Central Regional Director Vacancies

Beth Himes informed the Board that Michael Martin, Carol Lambert and Doug Milholland received votes for South Central Regional Director. The Board nominated Sebastian Petroll, Carl Lambert, Michael Martin and Doug Milholland.

Silent ballot voting was conducted.

Southwest Regional Director Vacancies

The Board nominated Tim Lynch and Dave Belson. Conversation was postponed until after lunch.

Northeast Regional Director Vacancies

The Board nominated Elizabeth Richards and Kelly Hedges.

Silent ballot voting was conducted.

Northwest Regional Director Vacancies

The Board nominated Kelli Brooskby.

Kelli Brooksby was elected as Northwest Regional Director by acclamation.

Medications Testing Update

Christa Morris presented the testing results for 2012 European Futurity, 2012 Derby, and 2012 European Derby. In 2013 five NRHA – Owned Events will be tested: 2013 European Futurity, 2013 Derby, 2013 Cowtown Classic, 2013 European Derby and 2013 Futurity.

Christa Morris explained the recommended amendments to the Animal Welfare and Medications Policy including the title and the “may” verbiage for 2013 events.

Terry Griffin motioned to revise the Animal Welfare and Medications Policy as presented. Seconded by Rosanne Sternberg. Motion passed unanimously.

Lunch break at 12:04pm

Reconvene at 1:05pm

Southwest Regional Director Vacancies Cont.

The Board nominated Matt Mills.

Silent ballot voting was conducted.

Nominating Committee Chair Selection

The Nominating Committee selected Casey Hinton as chair of the 2013 - 2014 Nominating Committee.

Chris Potter joined the meeting at 1:10pm

2013 NRHA Derby Schedule

Chris Potter explained the Executive Committee’s recommended changes to Derby Schedule. The Board discussed the Derby finals patterns and amended the Non Pro finals pattern to 10 and the Open finals pattern to 9.

Jennifer Hoyt motioned to accept the 2013 Derby Schedule as revised. Seconded by Shannon Rafacz. Motion passed unanimously.

2012 Futurity Recap

Christa Morris highlighted the Futurity survey results.

Chris Potter left the meeting

Futurity Conditions

Jessica Johnson summarized the two amendments to the 2013 Futurity Conditions.

Jennifer Hoyt motioned to approve the amended 2013 Futurity Conditions. Seconded by Rosanne Sternberg. Motion passed unanimously.

Non Pro Futurity Finals Discussion

Beth Himes summarized the discussion surrounding the Non Pro Finals being held during the day and the RHSF Hometown Heroes performance being held in the evening.

Shianne Megel noted the positive ticket sales for the RHSF event, a close comparison to the Open Finals.

The Board discussed the options of each event and determined that RHSF would remain on Friday night.

Vacancy Results

Beth Himes announced the results for filling the vacancies.

Executive Committee – Mike Deer

South Central – Doug Milholland and Sebastian Petrol

Southwest – Tim Lynch and Matt Mills

Northeast – Kelly Hedges

Northwest – Kelli Brooksby

Hall of Fame Results

Beth Himes announced that Rick Weaver and Carol Trimmer would be inducted into the NRHA Hall of Fame during the Banquet.

Financial Report

John Foy presented the Profit & Loss Overview for December 31, 2012.

General & Administrative is operating negative to budget by \$39,607, with the largest contributor being decreased trophy sales. Publications are negative to budget, contributed to a decrease in ad sales. The Futurity is currently positive to budget by \$82,314, the increase in entries and stalls contributed to the overall event increase. John Foy noted that NRHA needed to evaluate the Shootout. NRHA Horse Sale operated negative to budget by \$35,691. Overall, the total before unrealized investment is reflecting a positive \$52,419 compared to the budget.

John Foy noted the Finance Committee's recommendation to not proceed with the 2014 Cowtown Classic.

Beth Himes reiterated confidentiality and requested the Board review Cowtown Classic during the next meeting.

Affiliate Department

Southeast Regional Affiliate Finals (RAF) Date Change

Lindsey Forshee presented the request and supporting materials provided by the hosting affiliate, Southeastern Reining Horse Association (SERHA). Jesse Chase, President of SERHA, explained the affiliates request to change the dates of the RAF which is mostly contributed to the RAF being too close to the North American Affiliate Championships (NAAC) in addition to wanting to focus the attention on RAF qualifiers. Jesse Chase also mentioned that many participants qualify in regions outside of their own in order to allow more time to prepare for NAAC.

Lindsey Forshee noted that the South Central RAF was the same weekend and that a Southeast Region Affiliate requested to host a qualifying event within 45 days prior to the proposed RAF dates. It was determined that very few participants from Southeast attended the South Central RAF and the affiliate that wanted to host an event within 45-days of the proposed dates would have more than three qualifying slates if the event in question was not allowed.

Shannon Rafacz spoke on behalf of Florida Reining Horse Association and supported the date change request.

Terry Griffin motioned to accept the Southeast Regional Affiliate Finals date change as presented. Seconded by Jennifer Hoyt. Motion passed unanimously.

Jesse Chase recused from voting.

Western Canada Regional Affiliate Final (RAF) Date Change

Lindsey Forshee summarized the request to change the date of the Western Canada RAF due to a large event being held in close proximity on the same weekend. Lindsey Forshee noted that the affiliates in that region haven't reported any show conflicts.

Rick Clark motioned to accept the date change request for Western Canada RAF. Seconded by Terry Griffin. Motion passed unanimously.

New Affiliate – Southern California

Lindsey Forshee presented the request to form a new affiliate called Southern California Reining Horse Association. The affiliate is outside the restricted distance outlined in the NRHA bylaws.

Terry Griffin motioned to approve South California Reining Horse Association pending staff contact local affiliates to inform. Seconded by Jennifer Hoyt. Motion passed unanimously.

Youth Department and Alliance Program Update

Shianne Megel summarized a list of alliances managed through the Youth Department. The alliances include Intercollegiate Horse Show Association, National Collegiate Equestrian Association, American Youth Horse Council and Interscholastic Equestrian Association.

45 - Day Payout Rule

Christa Morris summarized the reason for reviewing the 45-day payout rule in regards to medications testing. The current rule states that payouts must be made within 45-days following an NRHA event. However, with medications testing and disciplinary action now in place for Europe and eventually worldwide, staff reviewed the rule and submitted a recommendation on how to proceed with a rule change. The rule change would allow events being tested to select whether they intend to payout to the tested horses or wait until testing results were complete. John Foy noted that if we force events to payout within 45-days we would have potential cost exposure and may be liable for redistributing those funds if the other party doesn't pay the winnings back. Jessica Johnson emphasized the option concept, so events could select to payout within 45-days without having testing results finalized. Additionally, in the future if an affiliate show was tested, they may be uncomfortable paying out the tested entries without having the final results. The process of collecting and redistributing funds is sometimes very difficult for Show Management. Staff was directed to have legal counsel review

the proposed rule change to ensure NRHA would not be held liable for demanding all shows and entries to payout within 45-days.

The European Affiliate Council reviewed the proposal and recommend that all European events be required to payout all entries within 45-days.

Annual General Membership (AGM) Meeting

Dennis York explained the timeline relating to AGM, bylaws and elections.

Rosanne Sternberg motioned to hold the 2013 AGM during the NRHA Derby. Seconded by Barbara Brookshire. Motion passed unanimously.

Marc Wagman motioned to host the 2014 AGM during the 2014 NRHA Derby. Seconded by Shane Brown. Motion passed unanimously.

Jennifer Hoyt motioned to accept the general election dates from August 9 - September 8, with the deadline for Executive Committee nominations and bylaws on May 11. Seconded by Kim Maharaj. Motion passed unanimously.

Write in candidates for Executive Committee will be due June 10.

Board Meeting Reminder

Next Board Meeting will be May 6 by conference call or webinar.

Rule Change Reminder

2014 proposed rule change deadline is March 1, 2013.

Break at 3:11pm

Reconvene at 3:33pm

Ride A Reiner

Jessica Johnson summarized the history of Ride A Reiner and the 2012 Ride A Reiner events. A video from the 2013 Professional Bull Riders World Finals (PBR) was presented to the Board.

Stall Sponsorship

Jamie Boller summarized the Stall Sponsorship guidelines for NRHA-Owned Events.

It was determined that members who become suspended for disciplinary action or long-term failure to pay will be removed from the stall sponsor waiting list.

All staff left the meeting, except Jessica Johnson, Carol Trimmer and Michelle Wrigley

Judges – Executive Session

Casey Hinton and Marc Wagman left the meeting at 4:05pm

Stewards – Executive Session

2-point Break of Gait Proposal

Michelle Wrigley summarized the 2-point break of gait penalty review proposed by the Judges Committee. The Executive Committee is recommending the Board approve the request for 2-point break of gait penalty reviews for aged event classes held during the 2013 Derby and Cowtown Classic.

Jesse Chase motioned to approve the 2-point break of gait penalty review as presented. Seconded by Marc Wagman. Motion passed unanimously.

Michelle Wrigley left the meeting

International Affiliate Program (IAP) Allowances – Executive Session

2013 European Derby – Executive Session

John Foy joined the meeting at 4:20pm

Show Manager – Executive Session

International Affiliate Program (IAP) / NRHA Global Task Force

Beth Himes summarized the responsibilities of the Task Force would be to determine a five year plan on how NRHA operates in a global world situation and to review the structure and financial impact of NRHA Global and NRHA IAP.

Terry Griffin motioned to approve the Task Force as presented. Seconded by Jennifer Hoyt. Motion passed unanimously.

Staff joined meeting at 4:27pm

Handicap Riding Proposal

Shianne Megel summarized the 2014 rule change proposal to create a handicap riding proposal.

RHSF Update

Frank Costantini summarized the Business Plan for RHSF including the core program highlights. The main goals of RHSF include International Development, Youth Programs, Dale Wilkinson Memorial Crisis Fund, Hall of Fame and Research and Education.

European Affiliate Council (EAC) Update

Nick Cornelissens and Gerd Wilhelm updated the Board on the recent EAC Meetings.

Key Priorities

Beth Himes explained to the Board how NRHA Staff and the Board use the Key Priorities to remain focused.

NRHA Department Updates

Staff summarized the year-end membership, events, entries, nominations and Sire & Dam statistics.

Josh Visser motioned to adjourn at 5:12pm. Seconded by Rosanne Sternberg.