

NATIONAL REINING HORSE ASSOCIATION
Board of Director Meeting Minutes
Oklahoma City, OK
February 8, 2014

Approved 3/19/2014

Present: Beth Himes – President, Rick Clark – Vice President, Jim Blumer, Mike Deer, Jennifer Hoyt, Rick Ramsey, Josh Visser, Barbara Brookshire, Jesse Chase, Kelly Hedges, Casey Hinton, Doug Milholland, Shannon Rafacz, Elizabeth Richards, Marc Wagman, Joe Wolfe, Frank Costantini

Web: Shane Brown, Kelli Brummett, Matt Mills, Sebastian Petroll, Guy Vernon, Brett Walters, Susy Baeck, Kim Maharaj

Staff: Commissioner Gary Carpenter, Chief Financial Officer John Foy, Director of Operations Jessica Johnson, Administrative Assistant Megan Lundquist, Senior Director of Marketing & Development Christa Morris, Senior Director of Association Services Michelle Wrigley, Senior Director of Sponsorships and Television Programming Todd Barden, Senior Network Administrator Dennis York, Accounting Manager Chris Mossman, Marketing & Development Coordinator Hayley Lewallen, Manager of Association Services Krissy Colbath, Senior Coordinator of Events Jamie Boller, Association Services Coordinator Tiffany Gonzales, Coordinator of Sponsorship & Television Christina Brezack, Director of Art Advertising & Design Bucky Harris, Assistant Editor Sara Jensen, Website Designer & Internet Marketing Specialist Haley Carmen

Staff Web: Senior Director of Publications Carol Trimmer

Guests: Karin Bump, DVM

Call To Order

Beth Himes called the meeting to order at 8:17 am.

Roll call was conducted. A quorum was established.

Commissioner Update

Gary Carpenter presented a summary of what has happened at the office since taking the reins at the beginning of January. He has been conducting interviews with staff, stating that there is a lot of talent, and the staff has been open to change. Next step is a systematic task analysis of each position to get clear identification of who does what and what tasks are necessary to get the job done. Gary talked about marketing and how everyone brings a different perspective. Gary is working with the EC to develop a plan for moving forward. The role of the Board is to keep, evaluate, assess plans, direct, and create forward motion of NRHA. NRHA has great opportunity to grow. Gary presented suggestions to share in terms of meeting conduct and distributed the NRHA mission statement to board members.

Minutes

Jennifer Hoyt motioned to approve the minutes as presented. Motion seconded by Barbara Brookshire. Motion passed unanimously.

Financial Update

John Foy reminded the Board that NRHA operates on a fiscal year from July 1 to June 30. With the Futurity and Sale at calendar year-end being so important to the overall financial performance for the NRHA, the move to a fiscal year put the Futurity and Sale in the middle of the fiscal year and gives the Association some ability to manage its financial performance during the last 6 months of the fiscal year. The good news is that the Futurity, Shootout, and Sale has a net \$77,000 positive variance against budget. The Futurity currently has a negative variance to budget of almost \$20,000, which is a 8.71% variance to bottom line and 6/10th of 1% variance on total revenues. The Sale performed extremely well against budget, operating \$97,000 ahead of budget. The budget for the Sale this year was conservative due to current market conditions, and the Sale is currently \$19,000 less in bottom line performance than prior year. Meetings have taken place and more will occur in order to look at ways to grow the Sale and provide an improved Sale for the membership and industry.

Building Update – Executive Session

Committee Year End Reports

Beth Himes commented that the Committee Chairs were invited to join the Executive Committee meeting to discuss.

Affiliate Committee – The biggest highlight was the affiliate incentive program modifications, enabling NRHA to give more money back to the affiliates. Shianne Megel was commended for her hard work with the affiliates. There will also be changes in the RAF bidding process, allowing affiliates more incentive to bid. RFP bids will be reviewed by the Board in August.

Judges Committee – Committee has done a great job taking in industry feedback and making changes from member input. Adding sections to the Judges School to address things upfront, discussing tough calls, and making standard decisions.

Non Pro Committee – Working on three rule change proposals for 2015.

Professionals Committee – Has a rule change proposal for a new professional membership and also working on overhauling the code of conduct. There has been lots of excitement surrounding the new awards.

Sale Committee – Lots of work being done on looking at the sales and making changes to ensure a revenue stream. The Sale Committee is scheduling workshops to focus work on improving the sales. Frank Costantini requested to be involved on the Committee calls. There is a need to clear up confusion regarding the repository so veterinarians and their clients know what to expect. The Board felt that the new repository has allowed all to move into a better, more protected buyer situation.

Sale – Executive Session

Stewards Committee – There has been a lot of good work from Karen McCuiston and the committee. The committee has successfully implemented a stewards' school, similar to the judges school, where they have to test and pass. They are also presenting a Stewards Policy to be discussed later in the meeting.

Beth Himes stated that if the Board has things that the committees need to work on, to let staff know so it can be discussed at the next meeting. Gary reminded everyone that committees are created to work on specific tasks for the Board.

Youth Committee – Biggest change in 2013 was the revamp of the VRC website and changes to the Youth Team Tournament at the RAFs. The new Youth Officers were also brought to the NRHA office during the first week in January for leadership training and they have planned several workshops throughout the year.

Key Priorities

The key priorities are included in each board book and will be discussed in more detail later in the year.

FEI Update – Executive Session

Policies

John Foy discussed the Conflict of Interest and Whistleblower Policies in order to inform and educate the Board. There was a discussion regarding disclosure of potential conflicts of interest.

Board of Directors Meeting Agenda Policy – Gary Carpenter stated a preference to get agenda items to the Board 30 days in advance of meetings. This gives the Board time to read, study and research items prior to the meeting. The Executive Committee discussed this and the goal to get information in a timely manner. They felt that NRHA did not need a policy to achieve this goal and suggested removing the policy entirely. Frank Costantini motioned to remove the Board of Directors Meeting Agenda Policy. Motion seconded by Rick Clark. Motion passed unanimously.

Staff requested permission to change Executive Director to Commissioner in all policies. Jennifer Hoyt motioned to allow the change. Motion seconded by Rick Ramsey. Motion passed unanimously.

Break at 9:54 am. Reconvene at 10:19 am. Karin Bump, PhD joined the meeting.

Guest Speaker – Karin Bump, PhD

Matt Mills joined at 10:36 am.

Karin Bump, PhD gave a presentation on our message to society. Horse owners and associations need to place more emphasis on how we care for our horses and communicate this message more to society. We need to continue to show that what we do is in the best interest of the animals and our love for them, not for competition and money.

Break at 11:21 am. Reconvene at 11:41 am.

Futurity Semifinal Evaluation

Jamie Boller presented the research on the number of semifinal horses that actually made it to the finals for the past three years. With the presented options to reduce the number of horses in the semifinals, all the horses that made the finals in the past three years would have still made the finals. The positives and

negatives of the change were discussed, including concern over taking the experience away from new trainers.

Conversations concerning the ordering of horses in the semifinal and Michelle Wrigley spoke of the research the Judges Committee did after the Futurity confirming that scores were consistent throughout the event. The intent of the proposal was to eliminate the horses that never had a chance to make the finals based on scores and trying to remove the pressure on trainers to run in the semifinal. The change will give trainers an extra day to settle and prepare the first-go horses and reduce the number of horses in the warm up pen. Marketing efforts should emphasize the positives of changing the numbers of horses in the semifinals.

Break at 12:21 pm. Reconvene at 1:06 am.

The Executive Committee and staff recommended Option 1. Jesse Chase motioned to accept option 1. Motion seconded by Kelly Hedges. Motion passed unanimously.

Conversation occurred concerning giving the Level 1 Open riders another opportunity to show.

Michelle Wrigley presented the addition of the 2-point penalty review to the 2014 Futurity Conditions which will include break of gait, freeze ups, and jogging for more than two strides, as long as more than 1 judge calls the penalty. Rick Ramsey motioned to accept the changes to the 2014 Futurity Conditions. Motion seconded by Jennifer Hoyt. Motion passed unanimously.

2014 NRHA Derby Schedule

Jamie Boller reviewed the changes to the 2014 NRHA Derby Schedule. Rick Clark motioned to accept the 2014 NRHA Derby Schedule. Motion seconded by Rick Ramsey. Motion passed.

There was additional conversation regarding the patterns and the order of the open and non pro go rounds. Tabled for later discussion.

World Championship/Top Ten Task Force

Shannon Rafacz presented the rule changes proposed by the Task Force.

Affiliate Committee

Central Montana Affiliate Application – Previous NRHA affiliate, outside of the 50 mile radius requirement. Rick Clark motioned to approve the renewing affiliate. Motion seconded by Doug Milholland. Motion passed unanimously.

Affiliate Incentive Proposal – Shianne Megel presented the new Affiliate Incentive Proposal, which would allow affiliates to tailor more to their membership and use those items of benefit. Mike Deer motioned to approve the proposal. Motion seconded by Shannon Rafacz. Motion passed unanimously.

Regional Affiliate Finals (RAF) Dates for Approval

Shianne Megel presented the 2014 RAF dates as a recap, including when affiliates bid to host and submit items. The dates that need to be voted on are South Central, Mountain, Northeast, and Southeast.

South Central and Mountain have similar dates as last year, Northeast is the same week but different dates, and Southeast has a date change. The Executive Committee reviewed the information and recommended to approve the Southeast RAF dates as presented and gave a local affiliate permission to hold their show.

Mike Deer motioned to approve the dates as presented. Motion seconded by Barbara Brookshire. Motion passed unanimously. Jesse Chase and Shannon Rafacz recused themselves from voting.

Steward Policy

Jennifer Hoyt motioned to approve the Stewards Policy. Motion seconded by Frank Costantini. Motion passed unanimously.

Medications Update

Christa Morris updated the Board on testing results for the past two years in the USA and Europe. NRHA will be testing entries into the 2014 NRHA Derby.

Break at 2:10 pm. Reconvene at 2:42 pm. Megan Lundquist left the meeting.

NRHA Derby

Barbara Brookshire motioned to amend the 2014 Derby Conditions to include the 2-point penalty review, which will include break of gait, freeze ups, and jogging for more than two strides, as long as more than 1 judge calls the penalty. Motion seconded by Doug Milholland. Motion passed unanimously.

Rick Clark motioned to reconsider the patterns for the 2014 Derby. Motion seconded by Shannon Rafacz. Motion passed unanimously. Rick Clark, Shannon Rafacz, Marc Wagman, and Josh Visser were assigned to work on the schedule and have something ready by Monday to send out for an e-vote.

Doug Milholland and Marc Wagman left the meeting at 2:55 pm.

Marketing Update

Christa Morris thanked the staff for their help with promotion of programs and deadlines. Morris presented a recap of marketing and communications activities for 2013: website traffic, use of ticket system for staff to request web updates (1,500 in 2013), updating and creating fresh news stories (240 in 2013 from NRHA, affiliates, events, alliances, etc.), Facebook page statistics, electronic communications (230 member email campaigns equaling 950,000 emails), plus more specific breakdowns on activities for the Nomination Program, Sire & Dam Program, Sales and NRHA Futurity. Todd Barden gave a reminder about the deadline for Professional of the Year Awards and the Clinton Anderson tour dates. Affiliates are encouraged to attend the Clinton Anderson tour to speak with potential members. Attendance will count towards the Affiliate Incentive Program.

IT Proposal

Jennifer Hoyt motioned to approve the purchase of items presented by staff from the allocated IT fund. Motion seconded by Rick Ramsey. Motion passed unanimously.

Shane Brown left the meeting at 2:47 pm.

Election Dates

Shannon Rafacz motioned to start general elections and regional director elections on the same date and keep open for 30 days and to reopen at RAFs in each region and close at 2 pm on the Saturday of the event. Motion seconded by Rick Ramsey. Motion passed unanimously.

Annual General Membership Meeting

The date of the AGM will be June 22nd at 2 pm and agenda items are due March 24th (90 days prior to the AGM).

RHSF Update

Frank Costantini congratulated the new members and distinguished directors of RHSF. Frank summarized the events at the Futurity and a presentation of donations to the Hall of Fame. RHSF is a viable organization working with NRHA to promote Reining.

Department Updates

Break at 3:56 pm. Reconvene at 4:11 pm. Staff left the meeting.

Sara Jensen joined the meeting.

Dale Wilkinson Award – Executive Session

Brett Walters left the meeting at 4:11 pm.

Megan Lundquist and Doug Milholland joined the meeting at 4:22 pm.

Hall of Fame – Executive Session

Terry Weins joined the meeting at 4:55 pm.

Hearing Body Update – Executive Session

Protest Update – Executive Session

Hall of Fame Results Cont.– Executive Session

Dale Wilkinson Award Cont.– Executive Session

Judges Committee

Derby Judges Selection – Executive Session

Judges Applicants – Executive Session

Stewards for Approval – Executive Session

Rule Change Deadline Reminder

All rule change proposals must be submitted by February 15.

Futurity Open Level 1 Discussion Cont.

Casey Hinton was tasked with creating a group to review and research.

Hearing Body Nominations – Executive Session

Future Meeting Dates

Board meeting dates for 2014 are May 6th, August 16th & 17th, and November 17th conference call.

Jennifer Hoyt motioned to adjourn at 5:47 pm. Motion seconded by Josh Visser.