

**NATIONAL REINING HORSE ASSOCIATION
Annual General Membership Meeting Minutes
NRHA Derby
Oklahoma City, OK
June 22, 2014**

Approved 8/16/2014

Call To Order

President Beth Himes called the meeting to order at 2:09 pm.

The NRHA Executive Committee and NRHA staff present were introduced.

President's Report to the Membership

Beth Himes welcomes all members and thanked them for attending. She noted that NRHA has had much success in 2014, despite the recession and other equine associations being down. She commended on the fact that there is an all-time high in approved classes, shows, and entries. The 2014 NRHA Derby has the highest number of ever of Derby entries and stalls sold. NRHA Corporate Partners were thanked and Markel Insurance was noted as being the longest standing NRHA Corporate Partner.

Beth Himes gave an update on the NRHA Sale, including the schedule changes, new yearling sale, and marketplace fee changes.

Commissioner's Report to the Membership

Gary Carpenter discussed increasing the marketing reach for NRHA, by doing more with less and taking advantage of resources NRHA already has. NRHA is working on improving IT. There is a Long Range Planning process ongoing to develop NRHA more fully, focusing on the 3 objectives determined by the planning committee: improved and more responsible animal care, governance structure, and driving member value. The Long Range Planning Committee selected 3 core programs to drive resources to in order to help them grow and in turn, grow the sport: affiliates, nominations, and entry level.

Financial Update

John Foy presented the Financial Report and reminded the members that the financial statements and audit report are available online in the member's only section of nrha.com. Van Wieren & Jones performed the audit and the audit report is dated October 31, 2013. NRHA was issued in laymen's terms was is known as a clean audit report and the report is for the 06/30/13 fiscal year-end. NRHA is financially sound, NRHA has adequate cash, the investment account as of 06/30/13 is over \$1.3 million, and net equity of almost \$1.9 million. NRHA

reported an increase in net assets (which is net income) of \$361,000, of that amount \$120K is unrealized investment gains. NRHA investments performed very well this past year, following the guidelines in the NRHA Investment Policy NRHA on a 10 year basis averages a 7.54% return versus the same benchmark return of 7.18%..

All NRHA returns have been filed in a timely manner, including Forms 990 and 990T which were filed in March. John Foy states that NRHA is operating well against budget at this time.

Proposed 2015 Rule Changes

Beth Himes reviewed the process of rule change proposals and presented the 2015 Proposed Rule Changes.

RHSF Update

Chris Dennis reviewed the changes to the 100 Grand Club, stating that it has in turn resulted in a huge increase in unrestricted funds for the RHSF. The Dale Wilkinson Memorial Crisis Fund has generated almost \$10,000 in revenue from Rookie Days thus far this year and has awarded \$7,500 this year and a total of \$130,000 since inception.

Frank Costantini reminded everyone to attend the NRHA Awards Banquet & Hall of Fame Inductions Thursday night at the National Cowboy & Western Heritage Museum. There will be a silent auction at this year's banquet.

Proposed 2015 Rule Changes – continued

Beth Himes states that the bylaw requires the Board of Directors to vote on the rule changes and it would necessitate a bylaw change to allow members to vote on rule changes. Several questions were asked regarding the proposed medications rule change and the reasoning for the change.

Voting and Election Procedures / Deadlines

Gary Carpenter updated the membership on the upcoming deadlines for the Vice President, Executive Committee, and Bylaw Elections. The Mountain and Southwest Regional Director elections will be held later this year.

Voting and election procedures and deadlines

Other

There were questions regarding the Non Pro 1 & Up and John Foy states that there was a purse increase in 2013 from the 1&Up program. Preliminary numbers for 2014 show that the purse will be up again, with a final breakdown

of the purse available the next day.

Meeting Adjourned at 2:51 pm.