

**National Reining Horse Association
Minutes of the Board of Directors Meeting
NRHA Office
Oklahoma City, OK
January 22-23, 2005**

Approved March 5, 2005

Present: President, Bill Bradley; President-Elect, Dell Hendricks; Vice President, Mike Boyle; Immediate Past President, Kim Sloan; Elected Board Members, Doug Carpenter, Troy Heikes, Dwayn Hoelscher, Marc Wagman, and Dave Wilkins; RHSF President, Frank Costantini; Appointed Board Members, Anne-Marie Burns, Lisa Cover, Lance Griffin, Buck Hazledine, Greg Hill, Bob Loomis, Colleen McQuay, Jim Morgan, Bill Peel, Flis Sassella, Jose Vazquez, Rick Weaver, Diane Yoder, Dave Young, and Vaughn Zimmerman.

Not Present: Nick Cornelissens, Pat Faitz, Walter Fuchs, Helmut Schmaus Gerstenberg, Clint Haverty, Antonio Mastrangelo, Rosanne Sternberg, and Francois Zurcher

Staff: Executive Director, Dan Wall; Chief Financial and Operations Officer, John Foy; Senior Director of Publications, Carol Trimmer; Senior Director of Membership Services, Debbie Drinko; Director of Marketing and Communications, Lisa Garza; Executive Assistant, Susie Trimmer; Supervisor of Membership Services, Tobi Coleman; Futurity and Derby Entry Coordinator, Jennifer Hettinger; Reiner Production Coordinator, Bucky Harris; and RHSF Coordinator/Manager of Youth Activities, Alex Drenning.

Guests: Rick Clark, Bob Kiser, and Dale Lopp.

CALL TO ORDER

The meeting was called to order at 3:01 p.m.

INTRODUCTION OF BOARD MEMBERS

Everyone stated their name, how many years they've been on the Board and how many years they've been involved in the horse industry.

PRIORITY ONE PROGRAM

Bill Bradley introduced the Priority One program and went over the guidelines. Priority One is a program to improve the customer service of NRHA. NRHA officers, Board, and staff have pledged to:

1. Put members first.
2. Have a service attitude.
3. Provide prompt service.
4. Provide solutions.
5. Return calls promptly.
6. Provide personal service.

7. Keep our promises.
8. Treat everyone equally.

The nature of this program and the core principles that are necessary to make it work are very simplistic in nature yet can have long-reaching effect in the way we conduct business and they way the members perceive our association, and what each of us would expect in reverse roles.

APPROVE MINUTES OF THE SEPTEMBER 25-26 MEETING

Kim Sloan moved to accept the minutes as written. Seconded by Buck Hazledine. Motion passed.

APPROVE MINUTES OF THE GENERAL MEMBERSHIP MEETING OCTOBER 7, 2004

Flis Sassella moved to accept the minutes as written. Seconded by Dave Wilkins. Motion passed.

FINANCIAL REPORT

- **Audit** – Anne-Marie Burns reported that an audit was conducted by the Lisle & Compton Accounting firm. She stated that we had a clean audit opinion and are in compliance with GAAP.
- **Financial Statements** – John Foy went over the Profit & Loss overview that was included in Board packets. He noted a cost savings at the Futurity and thanked Dan Wall, Sandi Pence and Dell Hendricks for their efforts to reduce costs the Futurity.

DEPARTMENTAL UPDATES

Debbie Drinko reported that memberships and licenses are being processed within ten days of the date it is received in the mail. The Membership Services Department is working on the Priority One Customer Service Program, continuing to train and cross train new staff, preparing for Show Management seminars, and the Convention.

Tobi Coleman presented a membership and license comparison and noted that memberships are up over the same time period as last year. Competition licenses as well as license transfers are also up. Doug Carpenter stated that it would be nice to have a member benefit fact sheet that Board members can refer to when members ask questions. Tobi noted that she already had something in place and would copy it and pass it out to all Board members.

Debbie Drinko reported that there were a total of 523 shows in 2004. This is a 9% increase over 2003. To date, there are 102 shows slated so far for 2005. Debbie also stated that there were a total of 77 international shows in 2004 and 12 so far for 2005.

Jennifer Hettinger reported that as of January 18, there were a total of 349 Futurity nominations and 14 January late nominations with more yet to be processed.

Debbie Drinko presented to the Board the 2004 year-end competition statistics. In 2004, NRHA paid out over \$7.4 million in competition purses. This is 11% higher than in 2003.

Tobi Coleman reported that currently 332 breedings have been donated to the Sire & Dam Program for 2005. 155 of those breedings have been sold and we have collected \$123,950 to date, not including holds. In 2004, 502 breedings were donated, 350 were sold. Tobi noted that due to ineligible sires, over \$48,000 will be carried over to the 2005 Open and Non Pro Futurity purses.

Debbie Drinko then presented a break down of everyone that won a saddle in the 2004 Cowboy Central Saddle series and presented the final Top 10 for 2004. Lance Griffin raised the question as to why we do not recognize the top money winners for categories other than Category 1. Bill Bradley appointed an Awards Ad Hoc committee to address this subject. Doug Carpenter will be the chair. Committee members are Lisa Cover, Jose Vazquez, Troy Heikes, Dave Young, and Lance Griffin. Dan Wall will be the staff liaison.

Break 4:07 p.m.

Reconvene 4:26 p.m.

Tobi Coleman presented the membership benefit fact sheets.

Carol Trimmer passed out media bio sheets and asked the Board to please fill them out and return them to her as soon as possible.

OLD BUSINESS

- **RHSF Report** – Frank Costantini reported that the RHSF Board met on Thursday, January 20. They finalized plans for Monte Carlo night to be held at the 2005 Convention. \$15,000 was raised from the sale of lapel pins. Frank stated that the RHSF would have another giveaway this year; a 2006 Corvette. Bill Bradley stated that raffles are now legal in Oklahoma. Frank also reported that a full-time Foundation Manager, Tania Warnock, has been hired. She will start either on March 1 or March 15. Other items of discussion were the possibility of having parking passes at the Futurity be a revenue source for the Foundation, and the silent auction at the Convention. Frank noted that anyone may donate items or services to the live auction as well as the silent auction. Greg Hill suggested some alternative raffle ideas that have lower breakeven points, less exposure and could ultimately generate more revenue.
- **Update on Protests and Hearings**
An update on current protests was given.
- **Proposed 2005 Derby Schedule** – A rough outline of the 2005 proposed Derby schedule was presented and Dell Hendricks stated that there are no major changes. He said that there would possibly be a sponsor/celebrity reining held. Troy Heikes asked if it would be possible to move the time of the sale preview to later in the day.

Kim Sloan moved to approve as written. Seconded by Diane Yoder. Following discussion, the issue was tabled until Sunday.

Adjourned for the evening 5:14 p.m.

Reconvene Sunday, January 23, 8:12 a.m.

Present: President, Bill Bradley; President-Elect, Dell Hendricks; Vice President, Mike Boyle; Immediate Past President, Kim Sloan; Elected Board Members, Doug Carpenter, Troy Heikes, Dwayn Hoelscher, Marc Wagman, and Dave Wilkins; RHSF President, Frank Costantini; Appointed Board Members, Anne-Marie Burns, Lisa Cover, Lance Griffin, Buck Hazledine, Greg Hill, Bob Loomis, Colleen McQuay, Jim Morgan, Bill Peel, Flis Sassella, Jose Vazquez, Rick Weaver, Diane Yoder, Dave Young, and Vaughn Zimmerman.

Not Present: Nick Cornelissens, Pat Faitz, Walter Fuchs, Helmut Schmaus Gerstenberg, Clint Haverty, Antonio Mastrangelo, Rosanne Sternberg, and Francois Zurcher

Staff: Executive Director, Dan Wall; Chief Financial and Operations Officer, John Foy; Senior Director of Publications, Carol Trimmer; Senior Director of Membership Services, Debbie Drinko; Director of Marketing and Communications, Lisa Garza; Executive Assistant, Susie Trimmer; Supervisor of Membership Services, Tobi Coleman; Futurity and Derby Entry Coordinator, Jennifer Hettinger; and RHSF Coordinator/Manager of Youth Activities, Alex Drenning.

Guest: Sally Brown

- **Proposed 2005 Derby Schedule** – Discussion. Frank Costantini moved to approve the schedule as presented. Seconded by Marc Wagman. Motion passed.
- **Committee Reports**
 - ◆ **Advisory** – no report
 - ◆ **Affiliate** – Diane Yoder reported that the Affiliate Committee is currently working on securing a host for the 2005 Central Finals, preparing for the Affiliate Congress at the 2005 Convention, and reviewed and approved two new affiliates. The Committee proposed a change to the 2005 Affiliate Conditions for the top four riders plus ties from each of the affiliate regions to advance to the NA Affiliate Championships, no alternates. Colleen McQuay moved to accept this proposed change to the 2005 Affiliate Conditions. Seconded by Dave Wilkins. Motion passed. Dan Wall asked that affiliate representatives be urged to attend the Affiliate Congress at the Convention. Debbie Drinko stated that two RFP's have been sent out for the Central Finals.
 - ◆ **Judges** – Rick Weaver reported that the Judges Committee met January 10-12 in Oklahoma City. The Committee reviewed and discussed new NRHA

Equipment and Inspection Steward role in dual approved NRHA/USEF events. The Committee recommends a \$50 fee be established for the enrollment and training seminar for the applicants. Rick also presented two individuals that passed their retest and asked for approval for judges privileges from the Board. Dwayne Hoelscher moved to approve. Seconded by Dave Young. Motion passed. Rick reported that the Committee is discussing possibly reviewing 2 point penalties at the Derby and Futurity.

- ◆ **Chairpersons Committee** – Bill Bradley explained how the committee structure works and how the committees should work together.
- ◆ **Aged Events** – Dell Hendricks reported that the Committee reviewed the current substitution procedure and came forth with the following revisions:

Substitution/Transfer of Entry: This will be allowed at anytime during the futurity nomination/payment procedure. An owner will be allowed to substitute or transfer an entry by paying an additional 45% of the entry fee to date. Substitution will be allowed after the final payment by paying 45% of the total entry fee. Ownership will be determined by the rules set forth in the *NRHA Handbook*. There will be no entries accepted after 5:00 p.m. two days prior to the first go round. Substitution/transfer of entry must be completed by 5:00 p.m. two days prior to the first go round. No substitution/transfer of entries are allowed for Sire and Dam Program entries. All horses involved in substitution/transfer of entry must be licensed prior to completion of substitution/transfer of entry process.

During discussion, the following changes were made (changes in bold):

Substitution/Transfer of Entry: This will be allowed at anytime during the futurity nomination/payment procedure. **An Owners** will be allowed to substitute or transfer **an entryies** by paying an additional 45% of the entry fee **paid** to date. Substitution will be allowed after the final payment by paying 45% of the total entry fee. Ownership will be determined by the rules set forth in the *NRHA Handbook*. There will be no entries accepted after 5:00 p.m. two days prior to the first go round. Substitution/transfer of entry must be completed by 5:00 p.m. two days prior to the first go round. No substitution/transfer of entries are allowed for Sire and Dam Program entries. All horses involved in substitution/transfer of entry must be licensed prior to completion of substitution/transfer of entry process.

Kim Sloan moved to approve the proposal as amended. Seconded by Lance Griffin. Motion passed.

Dell then proposed to change the Non Pro Futurity to a one go round and finals format. Diane Yoder stated that Non Pro Committee Chair, Jim Morgan was currently at the Judges School and that it might be a good idea to wait to discuss this issue until he could be in attendance. Discussion followed.

Break 9:22 a.m.

Reconvene 9:50 a.m.

Bill Bradley stated that there would be no further discussion on this proposal and it would be tabled until the March meeting.

Dell Hendricks then proposed to have the Million Dollar Rider & Sire awards given out at the Convention. Promotion of the award would be done at the Derby and Futurity. It was decided that a policy needed to be written to accomplish this. Dell stated that the Aged Events Committee also discussed having a stall front contest at the Futurity and the proceeds would go to RHSF. The Committee also discussed revising the stall sponsorship program but will do this after the State Fair makes renovations.

- ◆ **Eligibility** – Kim Sloan reported that the Eligibility Committee met and that in 2005 they will be reviewing the eligibility requirements and earnings caps in the Rookie, Novice Horse Open and Novice Horse Non Pro classes.
- ◆ **Information/Technology** – Kim Sloan reported that the IT Committee is working on developing a new look to the web site. The new web site design will be unveiled at the 2005 Convention. Haley Carmen, the new Web Site Coordinator was hired and is already making positive changes to the web site. Kim also reported that a new Electronic Reiner will soon be available. It will be identical, page by page, to the printed version of the *NRHA Reiner* magazine. We could possibly open this up for to non members. Kim stated that the new database is progressing.
- ◆ **Arena** – Bill Bradley stated that Board members need to convey to exhibitors that Bob Kiser and his staff need to be treated with courtesy at the events. Any problems should go to Committee members rather than to Bob and his crew. A list if Arena Committee members is to be put into the exhibitor packets at the Derby and the Futurity.
- ◆ **FEI Development** – Frank Costantini reported that the FEI Development Committee did not meet. Frank did state that the Committee's goal is to increase communications between FEI and NRHA. They will also look to improve communications between USEF and NRHA. Frank stated that the 2005 WRM will be in Manerbio, Italy and the 2006 WRM will be in Las Vegas, NV. The USEF Championships will be held in Lexington, KY August 19-23, 2005. ProManagement and Hugh Kincannon will manage

the show. There will be a complete set of Category 1 classes with a \$15,000 Added Non Pro Classic and a \$10,000 Added Derby. There will also be the new USEF Youth Championship, AQHA classes and possibly APHA classes.

- ◆ **Finance** – Anne-Marie Burns reported that the Committee met on January 22. She stated that Bill Peel was named as Vice Chair. Anne-Marie went over guidelines for purchasing.
- ◆ **Freestyle** – No report.
- ◆ **Hall of Fame** – Bill Bradley reported that the Hall of Fame Committee is looking into developing a Rider's Hall of Fame as well as awarding a Lifetime Achievement Award. Criteria will be set by mid-year.
- ◆ **International** – Debbie Drinko reported that the International Committee met on December 1, 2004. Pat Faitz is the Chair for 2005 and Rosanne Sternberg is the Vice Chair. Agenda items included an overview of the 2005 European Affiliate Championship Conditions, bids for 2006-2007 European Championships, drugs and medications policy, discussion of qualification criteria for the 2005 WRM, announcement of the Anglo Reining Horse Association as the National Association Affiliate for Great Britain, International Committee meeting and forum to be held at the 2005 Convention, 2005 International Show Management seminar, and the 2005 meeting schedule.
- ◆ **Management** – Bill Bradley reported that the Management Committee met to set goals for 2005.
- ◆ **Marketing** – Dave Wilkins reported that the Marketing Committee is working on an outreach program using the NRHA booth. The Committee asked for approval to spend \$19,500 on two new booths. Anne-Marie Burns noted that this does have the approval from the Finance Committee. Dave Wilkins made the motion to approve 19,500 for two new booths. Seconded by Vaughn Zimmerman. Discussion. Dave noted that there will be a traveling schedule developed for each booth. It was stated that we would need to coordinate with our Top Twenty riders and Million Dollar Riders to possibly be in the booth. Motion passed.

Other projects the Committee is working on are a membership retention program, promoting the work of other NRHA committees through *Reiner* articles and web site information, and sponsor recognition. Dave also reported that the Committee is also reviewing the Mission Possible program, Reiner Rewards program, Gold Star Affiliate program, the promotional video, membership survey, among other goals. It was noted that the promotional video needs to be made in several different languages. Doug

Carpenter asked for approval to donate a Morrison trophy to the Ranch Rodeo in Abilene, TX on Mother's Day weekend. They will be having a non-NRHA approved reining contest. Dave Wilkins moved to donate a Morrison. Seconded by Bill Peel. Motion passed.

- ◆ **Medications** – Bill Bradley stated that the purpose of the Medications Committee is to research policy on medications. If anyone is interested in serving on this committee, please let staff liaison Dan Wall know.
- ◆ **Non Pro Committee** – Report tabled.
- ◆ **Owners** – Lance Griffin reported that the Committee is working on a brochure to send out to new owners. A rough draft was handed out. He also reported that an owner's buckle was created for the owner of the Futurity winner and will be presented at the 2005 Convention. The Owner's Committee is to work with the Ad Hoc Awards Committee to come up with other possible owners awards.
- ◆ **Professionals** – Dwayn Hoelscher went over the mission statement and the 2005 goals for the Professionals Committee. He also stated that the Committee is currently working on guidelines for the Top Twenty program, preparing Convention topics, further research on medications policy, and ongoing investigation of insurance options.
- ◆ **Reiner** – No report. Will have a conference call before January 28.
- ◆ **Rules and Regulations** – Dan Wall reported that the purpose of the Rules and Regulations committee is to orchestrate and manage the rule change process and implementing those changes into the *NRHA Handbook*. Flis Sassella, Jose Vazquez, and Diane Yoder were all appointed to this committee.
- ◆ **Sale** – Troy Heikes noted that statistics from the Futurity sale were handed out. The deadline for the Derby Spotlight sale is March 15. Troy asked that the Board members show their support for this sale by participating. He stated that the Sale Committee will work with the Aged Events Committee to develop consistent start times for all Futurity sales.

Break 11:41 a.m.

Reconvene 11:58 p.m.

- ◆ **Show Standards** - Colleen McQuay reported that Pat Faitz has been added as a committee member and went over the Committee's goals for 2005.
- ◆ **Sire & Dam** – No report.

- ◆ **Youth** – Diane Yoder reported that the Youth Committee will meet via conference call within the week following the Board meeting. She stated that the family of Justin Ricke has set up a memorial scholarship in Justin's name. Alex Drenning then reviewed the Team Tournament format, The Youth officers will attend the March Board Meeting.
- ◆ **Sponsorship** – Lisa Garza reported that the Sponsorship Committee is new for 2005. The Chair is Sam Houston. Their main discussion was increasing sponsorship dollars, maximizing sponsorship exposure and long term sponsorship retention.
- ◆ **Non Pro Committee** – Jim Morgan arrived from the Judges School and reported that Justin Zimmerman was added to the Committee. The Committee reviewed the apprentice program, the Non Pro forum at the Convention, developing a new member-friendly Non Pro declaration for 2006, Derby entry fees, saddles not being awarded in the Prime Time and Gelding classes at the Futurity, and Non Pro applicants. Tobi is to provide within the next few days a list of awards to the Board and advise of problems that occurred. Bill Bradley will work with Tobi, Dan Wall and Lisa Garza regarding the awards, how they are obtained from sponsors and how they are distributed to exhibitors. Jim also stated that the Non Pro Committee is looking for direction from the Executive Board to develop a policy/rule regarding Non Pros being sponsored in any way. Dan Wall was directed to include this in the March Executive Board Agenda. He also reported that the Non Pro Committee is working on a questionnaire to send to all Non Pro Futurity participants. It was directed to write a policy that anything a committee sends out to members must be reviewed by staff.
- **Futurity Report** – Sandi Pence presented the Board with a handout of positive and negatives from the 2004 Futurity as well as areas for improvement. Included with the handout was a comparison of entry numbers and purse numbers from past years.

NEW BUSINESS

- **Convention Report** – Sandi Pence presented the Board with a schedule for the 2005 Convention as well as general information.
- **Executive Board Vacancy** – Bill Bradley stated that there was a vacancy left open on the Executive Board when Mike Boyle was elected Vice President. This slot is a one year term. The Executive Board recommended Dr. Jim Morgan. Bill asked for any other nominations. Marc Wagman moved to close the nominations. Seconded by Dave Wilkins. Motion passed.

With no further items to discuss, the meeting as adjourned at 1:03 p.m.

Respectfully submitted by Susie Trimmer, Executive Assistant.