

**NCHA EXECUTIVE COMMITTEE MEETING MINUTES
FEBRUARY 8-9, 2023
NCHA OFFICE – FORT WORTH, TX**

A meeting of the Executive Committee of the National Cutting Horse Association was held Wednesday and Thursday, February 8-9, 2023, beginning 8:00AM central time daily.

All Executive Committee members were present: President Ted Sokol, President-Elect Toddy Pitard, Vice President Mark Senn, Kristen York, Rock Hedlund, Kirby Smith, John Lavelle, Sharon Overstreet, Tommy Williams (via phone), Skip Jones, Kathleen Moore, Ernie Beutenmiller, Cara Brewer (via phone) and Casey Green. NCHA Executive Director Jay Winborn, NCHA Treasurer Denise Seiz (via phone), Director of Shows Shianne Megel, Cathy Marie Aleff and Anna Laurent were also in attendance for this meeting. NCHA Legal Counsel Jim Morris, NCHA Stallion Foal/National Circuit Program Manager Allison Walker, Governance Committee Chairman Dan Agnew, Professional Trainers Committee Chairman Kathy Daughn were also in attendance for a portion of the meeting.

WEDNESDAY – FEBRUARY 8, 2023

The Executive Committee meeting was called to order at 8:03AM and roll call was taken.

President Ted Sokol welcomed the members of the Executive Committee and opened with a heartfelt prayer that with appreciation for freedom, all the first responders and service men and women and expressed gratitude for the great horse that God has created.

At Large Director Ernie Beutenmiller addressed the members of the Executive Committee by reciting the NCHA mission statement.

Mission Statement

The National Cutting Horse Association promotes and celebrates the cutting horse, whose origin on Western ranches allows us to support ranching and its Western heritage. By establishing rules for the conduct of cutting horse shows, NCHA strives to give cutters a level playing field and a progressive class structure which accommodates everyone from the beginner to the advanced competitor. NCHA draws on the diverse talents and background of its members and encourages their participation in helping it achieve these goals.

PRESIDENT REPORT – TED SOKOL

President Ted Sokol addressed the members of the Executive Committee with a group of haulers that has approached him with some ideas to improve the World Finals experience for the competitors and spectators.

After discussions, President Ted Sokol appointed a Weekend Show Task Force to initiate these efforts for the history of the NCHA. The members of that task force led by Chairman Mike Wood are as follows: Julie Clarke, Roper Curtiss, Mary Bradford, Kelle Chartier, Elizabeth Quirk, Dawn Chapman, Corrie Rousey, David Harp, Carol Ward, Bonnie and Frank Martin.

The purpose of this task force is to research and implement some of the following:

Short Term:

1. Haulers Lounge/Party at the WF
2. Protecting WF
3. Develop a History of the Hauler
4. Economic Impact of the Hauler

Long Term:

1. Point System
2. Minimum shows that must be attended

EXECUTIVE DIRECTOR REPORT – JAY WINBORN

Executive Director Jay Winborn addressed the Executive Committee opening with a positive video of Lindy Thorn and her experience as the Open Futurity winner. This video was well received and should be going out to the membership in the coming week.

Amateur/Non-Pro Review Committee Updates – A current case under review is being sent to legal for review.

Weatherford Project Task Force Updates – John Kratzer taking the lead along with other members of this committee has been instrumental moving this project forward. A master planner has been engaged to develop a site outline and renderings. NCHA is preparing to bring this topic to the annual convention in Las Vegas for a vote on June 25, 2023.

Director of Judges Updates – There have been eight (8) applicants for the Director of Judges position. The search for the next Director of Judges has been narrowed down to the top 3 candidates with a second round of interviews scheduled. A decision will be made and announced soon.

VICE PRESIDENTIAL SELECTION COMMITTEE UPDATES – TODDY PITARD

President Elect Toddy Pitard addressed the Executive Committee with actions from the VP Selection Committee. The VP Selection Committee elected Mark Senn to preside as Chairman. Toddy welcomed Mark Senn to continue with the remaining updates.

The VP Selection Committee met recently on a few calls and narrowed the candidate search down to two individuals to present to the Executive Committee for final approval. Those two individuals being presented are Skip Jones of Amarillo, Texas and Barnwell Ramsey of Huntersville, North Carolina.

A **MOTION** was made by Sharon Overstreet and **SECONDED** by Toddy Pitard to approve the proposed candidates in Skip Jones and Barnwell Ramsey to run for the 2023 Vice Presidential election as presented. **MOTION PASSED.**

REGIONAL REPORTS

President Ted Sokol welcomed the each of the members to report on their regional updates.

Region 1 – Kristen York reported that the directors in Montana are concerned about the cancellation of the Western Nationals. Circuits in Region 1 are asking for consideration to change the circuit boundary lines and for NCHA to announce the NCHA Weekend dates three years out to secure venues.

Region 2 – Rock Hedlund updated the committee that the shows in Region 2 have been small as they continue to address challenges with high expenses in fuel, cattle and feed. PCCHA is revamping their Futurity and currently searching for new PCCHA Executive Director.

Region 3 – Kirby Smith updated that Region 3 has been inquiring about the continuation of the Western Nationals. There are concerns from his region about the Circuit Finals awards taking so long to disburse. Directors in Region 3 have also expressed concern with navigating on the website, too complicated. Region 3 would also like to review boundary lines and get NCHA Weekend dates in advance; especially for 2024. In addition, Kirby raised concern about Director terms expiring same year in several district areas.

During this discussion of director terms expiring in same years, a **MOTION** was made by John Lavelle and **SECONDED** by Kirby Smith to engage the Governance Committee to study the impact of director election terms expiring in the same year, especially 2024, and bring a suggestion back to the Executive Committee on how to stagger terms by convention. **MOTION PASSED.**

Region 4 – John Lavelle expressed the concern for the few numbers of judges in Region 4 with some areas closest judge is over 500 miles away. The NCHA Weekend and Circuit Finals dates and availability of venues continue to be a challenge. The Congress Cutting is back and in the works for 2023. This will be at a facility about an hour and a half away from Columbus, OH scheduled for October 4th- 7th with a finals on the 8th. Region 4 has maintained membership and had an increase for 2023 which allotted 5 new directorships.

Region 5 – Sharon Overstreet reported that shows have been really good in Region 5. There is a new affiliate with Carolina CHA. Circuit Finals as well attended and successful. Region 5 is still struggling with dual show approvals. Augusta had 1500 entries and paid out over \$1M dollars which will continue to help the cutting in the southeast.

Region 6 – Tommy Williams updated the committee with a new affiliate in Arkansas, Tri-Lakes CHA which will be supportive of more shows in the region. Also there are some newly established shows in the Wes Arena located in Blue Ridge, Texas, produced by Outback Cuttings that has been well attended with positive feedback. The Cotton Circuit Finals in West Monroe, LA went extremely well.

Region 7 – Skip Jones provided an update on his region of which weekend shows started in January and are running well. Region 7 is dealing with some of the same challenges as Region 2 with the high cost of cattle. As long as members have a place to show; they are cutting. Region 7 likes the circuit program, give them a place to show without unnecessary chatter, they

will cut.

Region 8 – Kathleen Moore reported that Region 8 shows are strong and well attended. There are a lot of options to cut each weekend and the Blue Ridge show is closest enough to attend.

At Large – Ernie Beutenmiller stated that we have lost an important leader in Sam Rose. Since the last meeting, there are 41 judges that have not recertified. Ernie emphasized the Lindy Thorn as resurrected the dream for so many by winning the Futurity. Affiliate communication within Region 3 has been good and they are working well together to produce successful shows. Ernie has noticed that we are starting to see a trend where contestants are split with challenger events versus championships due to costs. Ernie has heard from multiple directors about what their role is going to be at the convention if a virtual aspect is offered.

At Large – Cara Brewer expressed that the weekend show in her area have been strong. She was excited to put on some cutting clinics at the “Art of the Cowgirl” in Queen Creek, Arizona of which NCHA attended to promote association. Wanted to also share that there is a cowgirl’s channel coming soon.

At Large – Casey Green reported that the weekend shows have been well attended which makes it competitive for the haulers and World Finals. There is still a lot of discussion on how to gain more entries in the Non-Pro classes at weekend events. In addition to this update, the directors in Region 8 have inquired about the future of the Director of Judges position and are waiting to hear updates.

Vice President – Mark Senn stated that the timing of the distribution of the awards is crucial for the success of the National Circuit Program. It would also be good if we could get some videos to play during settling or the commercials that would demonstrate what cutting is all about for the spectators that are not familiar with the sport.

Executive Director Jay Winborn committed to sending out newly developed guides for spectators and members to each member on the Executive Committee. The marketing department has done a fantastic job of updating this NCHA material.

President-Elect – Toddy Pitard updated the committee members that Robert Charles Brown has done a great job with the Ike that was well attended. He has been contacted by directors with concerns about the hiring of the Director of Judges. The Eastern Nationals is coming soon with a crawfish boil event in the works for the cutters. Some have suggested that the Eastern Nationals should continue somewhere northeast of Louisiana.

FINANCIAL REPORT – DENISE SEIZ

NCHA Treasurer Denise Seiz addressed the Executive Committee with the December, November, and October financials for the association. Denise also provided a “Walk to the Herd” Entry Fee Analysis.

Summaries for each of the month end are provided below in order of latest results to prior months.

**National Cutting Horse Association
Finance Summary
December 2022**

Statement of Position

The Association ended the month with total assets of \$19.3 million which represents a decrease of around \$4.3 million from the previous month. Below is a summary of what constitutes this decrease:

Cash had a decrease of \$2.6 million in Operating and an increase of \$253K in Stallion Foal

The primary reason for the decrease in operating cash is due to the Association paying Futurity & World Finals premium checks. The primary reason for the increase in Stallion Foal cash is the receipt of foal nominations/stallion subscriptions during the month.

Accounts receivable increased by \$870K

The increase in accounts receivable is mainly due to the booking of the 2022 Futurity/WF MERP receivable of \$930K. The remaining activity is due to normal monthly fluctuations.

Prepaid expenses decreased by \$2.6 million

The decrease in prepaid expenses is related to recognizing all expenses for both 2022 Futurity & World Finals.

Total liabilities decreased \$5.5 million from the previous month. The majority of the decrease was due to the recognition of \$5.3 million in deferred revenue for both Futurity & World Finals entry fees. There was a decrease noted in Accounts Payable of around \$300K which was due to not having large payments to cattle suppliers outstanding at the end of the month like there was in November. There was an increase in accrued expenses of \$214K which was primarily due to accruing for the Futurity facility bill. Membership revenue increased in December due to 2023 membership renewals that came in during the month. Sponsorship deferred revenue went down \$497K due to recognizing the sponsorship revenue for Futurity & World Finals. Stallion & foal deferred revenue is up due to the receipt of foal nominations/stallion subscriptions during the month. The PAC fund payable was down \$45K due to the transfer of the Futurity PAC funds to the PAC cash account.

Net assets increased by approximately \$1.2 million which represents the net profit for the month of December.

Statement of Activities

Before the impact of the unrealized gain/loss on investments, the Association has posted a YTD net profit of \$1,052,876 which is \$435,878 or 70.64% better than the budgeted YTD net profit.

For the month of December, before the impact of the unrealized gain/loss on investments, the Association reported a net profit of \$1,716,397 while the budget anticipated a net profit of \$1,383,539. As such, the Association had a favorable variance to budget of \$332,858. This is 24% more favorable than our budgeted net profit for the month.

The favorable position for the month was driven primarily by some large year-end interest/dividends received in the investment accounts of around \$142K as well as large capital gains distributions in the investment accounts totaling \$208K. It was also driven by a successful Futurity, which in total had net profit more favorable than budget of \$45K. Starting with revenue, you will notice a favorable variance of \$784K in produced show revenue which is due to higher entries in Futurity than originally expected. While the Association had an unfavorable variance in sponsorship revenue due to not receiving the two large sponsorships (totaling \$200K) for World Finals, an unfavorable variance in Western Bloodstock commissions of \$61K due to not meeting the EC's estimate of what we would receive, and an unfavorable variance in approved shows revenue mainly due to the timing of receipt of the approved show fees, we had a favorable variance in youth activity revenue of \$42K due to the success of the stallion auction, as well as the proceeds of the Shannon Lawler painting that sold in the WB auction. As a whole, total revenue exceeded budgeted revenue by \$946K or 11%.

From an expense standpoint, there were a few budget variations to note. Premiums expense was larger than budget due to higher entries in the 2022 Futurity. Cattle was higher than budget by \$98K which was due to an increase in the fuel surcharge paid to cattle suppliers that we were not aware of during the budget process. Show facilities expenses were more favorable than budget by around \$16K which was largely due to using different individuals for our dirt work. Exhibit hall space & Facilities and Stalls expenses were slightly over budget, but this was due to increased costs of labor as well as additional costs for the different special events that were put on during the show. Show marketing expenses were more favorable than budget by \$38K due to marketing not needing to spend as much as they anticipated. Show operating expenses were \$75K over budget, the majority of this being in judge's expense. This was primarily due to needing to bring in an additional monitor due to the passing of our Director of Judges. Show supplies were also over budget by \$18K which was due to the purchasing of new locks for the stalls (almost \$5K) as well as \$5K for service in the trainers lounge and other miscellaneous supplies needed for the show. Personnel expenses were slightly more favorable than budget primarily due to having double counted some bonuses (and their respective taxes) as well as not having a Director of Judges during that month. Professional fees were \$6K higher than budget due to being charged for more legal fees than what the retainer was. Office expenses were more favorable than budget by \$15K which is mainly attributed to having less credit card fee activity during the month than anticipated. The remaining expense categories remained fairly consistent with our budgeted expectations. Total expenses were \$613K over budget or 7.55%.

National Cutting Horse Association Finance Summary November 2022

Statement of Position

The Association ended the month with total assets of \$23.6 million which represents an increase of around \$2 million from the previous month. Below is a summary of what constitutes this increase:

Cash had a decrease of \$475K in Operating and an increase of \$97K in Stallion Foal

The primary reason for the decrease in operating cash is due to the Association starting to payout Futurity premiums as well as purchasing items for the show. The primary reason for the increase in Stallion Foal cash is the receipt of foal nominations/stallion subscriptions during the month.

Accounts receivable decreased by \$151K

The decrease in accounts receivable is mainly due to the receipt of the \$100,000 sponsorship from Great American Insurance for 2023 Summer Show as well as a \$20K payment from Rios of Mercedes. The remaining decrease is due to normal monthly activity.

Prepaid expenses increased by \$2.15 million

The increase in prepaid expenses is primarily related to the payment of some of the Futurity premiums of \$856K, the purchasing of cattle for the 2022 Futurity for \$828K, the payment of judges for the show of \$183K, as well as the payment of various other show related expenses.

Total liabilities increased \$2.1 million from the previous month. The majority of the increase was in Accounts Payable (\$1 million increase) which was due to having large batches of AP done for the end of November that included several cattle contracts, as well as some of the premiums that were paid out. The rest of the increase in AP was attributed to various other show related expenses. There was also an increase in accrued expenses of \$91K which was due to a larger accrual for the company credit card bill due to the show going on, a larger payroll accrual due to the timing of our pay periods, as well as accruals made for year-end circuit awards, the largest being \$26K for Jan Mapes trophies. Membership revenue increased in November due to 2023 membership renewals that came in during the month. Sponsorship deferred revenue is up \$44K due to receiving a few show-related sponsorships during the month, the largest being Beau Galyean Stallion Services Futurity Video Advertising (\$10K). The remaining increase is due to various other small show related sponsorships and World Finals table sponsorships. Event Deferred Revenue is up due to receiving entry fees for 2022 Futurity, 2022 World Finals, & 2023 Futurity. Stallion & foal deferred revenue is up due to the receipt of foal nominations/stallion subscriptions during the month. The PAC fund payable was down \$19K due to a transfer to the PAC cash account to cover monthly lobbyist expenses.

Net assets decreased by approximately \$35K which represents the net loss for the month of November.

Statement of Activities

As noted in October, the statement of activities now reflects the impact of unrealized gains/losses on net profit/loss. Through 2 months of FY 2023, the Association has posted net profit of \$30,776 which is \$797,317 or 104% better than the budgeted YTD net loss of \$766,541.

Before the impact of the unrealized gain/loss, the Association has posted a net loss of \$663,521 which is \$103,020 or 13.44% better than the budgeted YTD net loss of \$766,541.

For the month of November, the unrealized gain on investments was \$413,073 and the Association reported a net loss of \$35,250.

Before the impact of the unrealized gain on investments, the Association reported a net loss of \$448,323 while the budget anticipated a net loss of \$456,032. As such, the Association had a favorable variance to budget of \$7,709. This is within 2% of our budgeted net loss for the month.

The favorable position for the month was driven by a couple of things. While the Association had an unfavorable variance in sponsorship revenue due to the marketing department not meeting the monthly goal they budgeted for and an unfavorable variance in approved shows revenue mainly due to the timing of receipt of the approved show fees, we had a favorable variance in interest income due to the sweep account and money market account for stallion foal. There was also a slight unfavorable variance in advertising revenue, but this was due to not receiving as many advertisers as expected. As a whole, we were within \$3K or 1.13% of budgeted revenue.

From an expense standpoint, there were a few budget variations to note. Awards were slightly less favorable than budget due to timing of purchasing achievement buckles. Personnel expenses were slightly more favorable than budget primarily due to not having the travel expenses that were expected. Office expenses were more favorable than budget by \$15K which is mainly attributed to the timing of membership printing expenses, and the Morris Media printing bill for the November Chatter being less than anticipated. The remaining expense categories remained fairly consistent with our budgeted expectations. Please note that total expenses are within \$11K of budgeted expenses or 1.49%.

National Cutting Horse Association Finance Summary October 2022

Statement of Position

The Association ended the month with total assets of \$21.6 million which represents an increase of around \$1.8 million from the previous month. Below is a summary of what constitutes this increase:

Cash had an increase of \$1.2 million in Operating and an increase of \$60K in Stallion Foal

The primary reason for the increase in operating cash is due to the receipt of futurity entry payments during the month. The primary reason for the increase in Stallion Foal cash is the receipt of foal nominations/stallion subscriptions during the month.

Accounts receivable increased by \$115K

The increase in accounts receivable is mainly due to the billing of the \$100,000 sponsorship from Great American Insurance for 2023 Summer Show. The remaining increase is due to normal monthly activity.

Prepaid expenses increased by \$168K

The increase in prepaid expenses is primarily related to the accruing of our property taxes of approximately \$52K, the purchasing of items for 2022 Futurity (the biggest being \$35K for the AVU Expo deposit and \$55K in awards for futurity) as well as the payment of \$24K in producer subsidies for circuit finals that occurred in November.

Total liabilities increased \$1.7 million from the previous month. The majority of the increase was due to receiving 2022 & 2023 Futurity & 2022 World Finals entry payments, as well as \$137K in ticket sales. There were also increases noted in Accounts Payable & Accrued Expenses due to a large batch of AP processed at the end of the month that included over \$60K in Gist awards, \$36K in saddles, and other show related expenses. There were also accruals noted for Circuit finals that included producer subsidies for the remaining finals in October that have yet to be paid, as well as accruals for circuit finals awards not yet paid for. Membership revenue increased in October due to 2023 membership renewals that have started to come in. Sponsorship deferred revenue is up \$229K due to receiving a few show-related sponsorships during the month, the largest being Great American Insurance (\$100K) and Strawn Valley Ranch (\$50K). The remaining increase is due to various other small show related sponsorships. Stallion & foal deferred revenue is up due to the receipt of foal nominations/stallion subscriptions during the month. The PAC fund payable was up \$8K due to the receipt of Futurity entry payments.

Net assets increased by approximately \$66K which represents the net income for the month of October.

Statement of Activities

Given the volatility in the market and to properly reflect the impact of unrealized gain/loss on our investment portfolios, starting in FY 2023, the statement of activities now reflects the impact of this item on net profit. For the month of October, the unrealized gain on investments was \$281,224 and the Association reported a net profit of \$66,026.

Before the impact of the unrealized gain on investments, the Association reported a net loss of \$215,198. The budget anticipated a net loss of \$310,509. As such, the Association had a favorable variance to budget of \$95,311.

The favorable position for the month was driven by a couple of things. There was a \$34K favorable variance in sponsorship cash which was primarily due to the timing of receipt of the \$30K LNC sponsorship that was budgeted for on a different payment schedule. There was also a \$47K favorable variance noted in approved shows revenue due to higher activity than there was in the prior year. The remaining revenue categories remained fairly consistent with our budgeted expectations.

From an expense standpoint, there was only one notable variation from budget. Show marketing expenses are more favorable than budget by \$9,500 due to the timing of the marketing department's expenses. The remaining expense categories remained fairly consistent with our budgeted expectations. Please note that total expenses are within \$4,530 of budgeted expenses or .76%.

In addition to these monthly summaries, Denise also presented a detailed analysis of what it cost for each contestant to "walk to the herd". This was a very informative presentation and was suggested to present this at the convention coming up in June.

Recently the Finance and Audit Committee/Investment Committee met regarding the investment accounts and recommended to the Executive Committee to change the investment policy for the Stallion Foal investment account to allow for greater than 20% in cash in the several months before Super Stakes due to short term needs.

After presented, a **MOTION** was made by Mark Senn and **SECONDED** by Ernie Beutenmiller to approve the suggestion to allow for greater than 20% in cash in the several months before Super Stakes. **MOTION PASSED.**

DIRECTOR ELECTION UPDATES – TODDY PITARD

President Elect Toddy Pitard updated the committee with the contested election areas which are Europe, Kentucky and Texas North. Elections will run in those district areas commencing February 13th and closing March 17th. All appointments will be ready to be announced at that time. Toddy provided a summary with the actions that he is needing to address to complete those assignments. Once all appointments are finalized, we will end up with a total of 196 NCHA Board of Directors serving for 2023 (an increase of 14 from last year due to the increase in membership).

STANDING COMMITTEE UPDATES – TODDY PITARD

President Elect Toddy Pitard updated the committee with his actions needed to appoint standing committee members all while maintaining compliance with our rulebook. All standing committee appointments will be coordinated with each of the current Chairmen and announced around the same time of the directors' appointments towards the end of March.

GOVERNANCE COMMITTEE REPORT – DAN AGNEW

Chairman of the Governance Committee Dan Agnew joined the Executive Committee members with updates from his committee. The Governance Committee recommends the following as content for a Request for Quote (RFQ) to search for an outside 3rd party legal resource to review the NCHA Bylaws and Articles of Incorporation.

RFQ Items, in order of priority:

1. Review the current Bylaws and Articles of Incorporation.
 - a. Identify any areas that need to be changed or updated to be consistent with current Texas state laws and statutes.
 - b. Identify inconsistencies and advise on Member run vs Board of Directors run vs Executive Committee run organization.
 - i. What are the members, BOD, and/or the EC empowered to do and when can they do it in the current Bylaws/Articles and what would be recommended?
2. Identify inconsistencies and conflicts in specific Bylaw Articles and Sections and recommend revisions.
3. Identify redundancies and recommend corrections and/or revisions.
4. Advise on the use and application of "electronic" meetings and voting.
 - a. Who is or should be empowered to call them and under what circumstances?
5. Based on the extent of the above, advise on the necessity or usefulness of a "total rewrite" and overall simplification of the Bylaws.

A **MOTION** was made by Skip Jones and **SECONDED** by Mark Senn to forward these RFQ items to Executive Director Jay Winborn for solicitation from at least three (3) attorneys/firms for a price quote and bring it back to the EC for approval. **MOTION PASSED.**

Vice President Mark Senn on behalf of the Executive Committee expressed thanks to the Governance Committee for all that they do for our association.

LEGAL UPDATES – JIM MORRIS

NCHA Legal Counsel Jim Morris addressed the members of the Executive Committee with some legal updates.

EXECUTIVE SESSION

President Ted Sokol placed the meeting into executive session for updates with legal counsel.

GENERAL SESSION

President Ted Sokol placed the meeting back into general session.

SHOW DEPARTMENT – SHIANNE MEGEL

Director of Shows Shianne Megel addressed the members of the Executive Committee with updates from the Show Department. Shianne announced some recent staff changes with the departure of Manager of Shows Charly Petrek and Show Results Data Entry Associate Lynn Winkler of who submitted resignations. The show department has a new hire for Manager of Shows who will be up and running at Super Stakes, Emily Finch with a background in the industry. Contractor Cheryl Callis has graciously committed her time in assisting the office with show results until an offer can be extended for a new hire to replace Lynn Winkler.

Eastern Nationals – Entry numbers are up from last year with 641 (increase of 83) entries. NCHA was able to take off the first two days of the show to accommodate our competitors that are showing in Houston and at the Eastern Nationals.

Weekend Show Changes – The show department is asking for approval to approve changes to shows requested in compliance with the 30 days rule as a result of some structural damage to the Wes Arena in Blue Ridge, TX that caused the cancellation of that show and the Eastern Nationals removing two (2) days at the beginning of the show.

After an explanation of the requests, a **MOTION** was made by Ernie Beutenmiller and **SECONDED** by Rock Hedlund to approve show changes submitted due to the cancellation of the Wes Arena show in Blue Ridge, TX and the removal of the two days at the beginning of the Eastern Nationals. **MOTION PASSED.**

Triple Crown Rule Change (Cattle) – Cattle Task Force Committee Chairman Jaime Snider joined the meeting (via phone) to present a proposed rule change with the Director of Shows Shianne Megel. Proposal pertains to scratch cattle during the Triple Crown Events.

Proposed Addition to 2023 NCHA Triple Crown Show Rules

Allocated Cattle Per Run

Class	Go Rounds	Semi Finals	Finals
Open/Non Pro	3.75	4.5	5
Int-Ltd Open/Non Pro	3.75	-	3.75
Amateur - All Levels	3.5	3.75	3.75
World Finals	4	-	4
Youth WF/Scholarship	3	-	3

- No modifications will be made to herd sizes regardless of scratches or withdrawals made after the draw is complete.
- Cattle will be added for late entries up to one week prior to the start of the go rounds.
- Cattle will be added for all ties in advancing rounds and finals within reason. *The Cattle Task Force Chairman and Director of Shows will make the final determination as to if cattle should be added in the case of a significant number of ties advancing to finals.

As a result of the presentation, the Executive Committee entertained a **MOTION** made by Casey Green and **SECONDED** by Ernie Beutenmiller to adopt the changes presented to the show rules for the Triple Crown Events as it pertains to cattle. **MOTION PASSED by majority with three (3) opposed.**

LAE Show Calendar – Shianne presented the LAE Show Calendar (May-November) to the Executive Committee for approval.

NCHA PRODUCERS CALENDAR												
2023 Requested	days	Added \$	2022 Requested	days	Added \$	2021	days	2021 Added \$\$	Show Name	Show City	State	Secretary
May 3-5	3	14,000							Polly Hollar Memorial Bluebonnet Stakes	Brenham	TX	Cary Sims
** May 13-27	14	505,000	May 14-28	15	\$505,000	May 9-29		\$ 874,000.00	Breeder's Invitational	Tulsa**	OK	Kathryn Webb
* May 25-28	4	25,000	NEW						Mid South Memorial Day LAE	Cordova	TN	Gwen Coie
May 24-27	4	36,000	May 25-29	5	\$35,000				Black Elk Spring Series	Ponoka, AB	Canada	Shauna Renhardt
June 3-4	2		June 3-5			cancelled			NCHA DAYS			NCHA
June 9-18	10	185,000	June 10-19	10	207,000	June 11-20	10	207K	PCCHA Derby/CI/Ch	Las Vegas	NV	Tami Rodman
June 8-18	11	100,000	June 9-19	11	95,000	June 9-19	11	95K	The Non-Pro + The Open	Admore	OK	Della Hilleman
June 23-25	3		June 25-26						NCHA Convention			
July 15-Aug 4	22		July 12-Aug 6			July 12-Aug 9	28		Summer Spectacular	Fort Worth	TX	NCHA
Aug 12-20	9	278,000	Aug 13-21	9	278,000	Aug 14-22	9	278K	West Texas Futurity	Amarillo	TX	Cheryl Callis
Aug 25-Sept 3	9	107,000	Aug 28-Sept 4	10	107,000	Aug 27-Sept 5	9	101K	Idaho Cutting Horse Fut & Aged Event	Nampa	ID	Theresa Nelson
** Sept 3-10	8	100,000	Sept 4-11	8	150,000	Sept 5-12	8	150K?	Cotton Stakes/Robert C Brown	West Monroe	LA	Gwen Coie Shauna Reinhardt.
Sept 5-10	6	97,500	Sept 6-11	4	94,500	Sept 7-12	6		Black Elk Fall Series Aged Event	Ponoka	Canada	Reinhardt.
Sept 9-17	9	103,000	Sept 10-18	10	103,000				Cascade Futurity & Aged Events	Redmond	OR	Theresa Nelson
Sept 18-20	5	67,000	Sept 21-24	4	67,000	Sept 22-26	4	65K	Canadian Spectacular	Red Deer AB	Canada	Lynn Bailey
Sept 21-30	10	314,500	Sept 22-Oct 1	10	304,500	Sept 22-Oct 3	10	331.5K	PCCHA Holy Cow Perf.Horse Futurity/Cutting & Gelding	Las Vegas	NV	Tami Rodman
Sept 25-Oct 1	6	99,999	Sept 27-Oct 1/11-16	5	100,000	Oct 12-17	6	150K?	Calgary Stampede CH Futurity Presented by Wrangler	Calgary AB	Canada	Robyn Kurbel
Oct 3-16	14	410,990	Oct 4-17	14	585,900	Oct 6-17	12	274K	Brazos Bash	Weatherford	TX	Kim Cox
Oct 20-28	9	225,000	Oct 23-30			Oct 22-30	8	225K	Southern Cutting Horse Fut.	Jackson	MS	Gwen Coie
Oct 29-Nov 4	8	99,970	Nov 1-6	8	99,950	Oct 24-30	7	99.5K	Utah CHA Futurity & Aged Event	Ogden, UT	UT	Shailyn Haviland
Oct 31-Nov 5	6	48,000	Nov 1-6	6	48,000	Nov 2-7	6	48K	The WacoTexas Futurity	Waco	TX	Kim Cox
Nov 13-Dec 9	27		Nov 14-Dec 10			Nov 15-Dec 13	28		~NCHA World Champ. Fut.	Fort Worth	TX	NCHA
All shows have stayed on their respective start date according to the 365 Calendar.												
* This is a new Major show. Was held in 2022 as a weekend LAE. The added money in this show will not go beyond the major level.												
** Added money may change after respective board meetings in January for these shows. However the show status will not change from Premier.												

A **MOTION** was made by Ernie Beutenmiller and **SECONDED** by Casey Green to approve the LAE Show Calendar as presented for premier and major LAE events for May-November 2023. **MOTION PASSED by majority with one (1) abstention.**

Purse Report – The Executive Committee was provided purse reports with data back from 1996 to current which was valuable information.

Futurity Updates – Shianne provided some updates from the 2022 Futurity. Box Seats and tickets sales were up \$40K, practice pen revenue up nearly \$70K, and stall revenue was up \$45K. There was also a savings of \$50K for making some changes to the processes for footing. NCHA is eager to share that the FWSSR and the NCHA will be sharing dirt storage at facility close to Will Rogers. The new check out procedure with Cari Claxton in the show office was successful and well received by our contestants. In addition, there were significant improvements to the settle times this year as compared to last year. As of the second payment for 2023 Futurity, entries are currently 747 in the Open, and 157 in the Non-Pro division.

Super Stakes Schedule – Shianne was excited to share that NCHA is looking forward to a great show ahead. Entries are up about 8% which raises the concern in scheduling. Two (2) options for a schedule were presented the EC to choose and approve. An increased cost is associated with both schedules to accommodate the entry numbers.

After much discussion, a **MOTION** was made by Ernie Beutenmiller and **SECONDED** by Rock Hedlund to approve the first version of the schedule presented with supports the Super Stakes starting on March 22nd and ending on April 16th. **MOTION PASSED.**

NATIONAL CIRCUIT PROGRAM – ALLISON WALKER

Manager of National Circuit Program Allison Walker addressed the Executive Committee by providing some updates with the program and sharing circuit program 2022 year end results.

1. Redistricting Circuits for the 2024 Point Year
 - a. Allow data to drive any border adjustments and creation of additional circuit(s).
 - b. Review the financial impact of proposed changes.
 - c. Present the “redistricted” circuit map at the NCHA Convention for member feedback.
2. Joint Circuit Approval
 - a. This will aspect of the circuit program will be presented alongside the 2024 point year proposed circuit map at the NCHA Convention.
3. National Circuit Championships
 - a. The show department is working on the terms and conditions.
 - b. The communication department is working on a logo.

Entry analyses can be found next for the 2022 year end results in each circuit and the 2022 Circuit Finals results.

2022 NCHA WEEKEND ENTRY ANALYSIS	TOTAL ALL CIRCUITS (No Added Money Breakout)	TOTAL ALL CIRCUITS	ALAMO (only 1 show / rescheduled)	APPALACHIAN	AURORA	BIG SKY	CACTUS	COTTON	GREAT LAKES	HEARTLAND	OILER	PIONEER	RED RIVER	REDWOOD	SUNSHINE (rescheduled)
TOTAL	2907	2907	64	151	203	153	246	361	195	228	264	242	241	203	356
Wk Open 200 to 750	199	144	9	13	0	10	0	23	6	17	22	3	0	11	30
Wk Open GT 750		55	0	0	13	0	20	0	0	0	0	0	22	0	0
Wk NonPro 200 to 750	186	134	8	23	0	12	0	31	16	0	16	14	0	0	14
Wk NonPro GT 750		52	0	0	16	0	16	0	0	0	0	0	20	0	0
Wk 35k NonPro	184	184	3	7	12	15	10	18	14	22	18	22	0	12	31
Wk Unlimited Amateur	111	111	3	8	0	4	22	0	0	11	0	7	16	12	28
Wk 50k Amateur 750 or less	307	282	8	8	13	15	0	50	26	14	17	18	41	35	37
Wk 50k Amateur GT 750		25	0	0	0	0	25	0	0	0	0	0	0	0	0
Wk 15k Amateur	260	260	6	11	22	21	16	30	21	17	20	29	17	23	27
Wk 25k Novice 750 or less	301	271	10	14	23	8	34	38	17	28	34	17	0	12	36
Wk 25k Novice GT 750		30	0	0	0	0	0	0	0	0	0	0	30	0	0
Wk 25k Novice NonPro 750 or less	286	286	4	13	22	10	33	34	18	29	21	28	20	18	36
Wk 5k Novice 750 or less	274	274	5	20	21	5	32	13	21	27	31	20	29	12	38
Wk 5k Novice NonPro 750 or less	233	233	0	13	31	12	18	14	12	25	29	28	9	17	25
Wk 2k Rider any Horse	252	252	8	12	12	20	13	51	11	19	21	30	17	9	29
Wk 1k Amateur	13	13	0	0	0	0	0	0	0	0	0	0	0	13	0
Wk Select NonPro 50 up 750 or less	9	9	0	0	0	0	0	0	9	0	0	0	0	0	0
Wk Youth Jr and Sr Combined	252	252	0	9	8	15	7	59	24	12	35	22	20	16	25
Wk UnApproved Horse	34	34	0	0	10	0	0	0	0	7	0	4	0	13	0
Wk UnApproved Rider	6	6	0	0	0	6	0	0	0	0	0	0	0	0	0

2022 CIRCUIT FINALS ENTRY ANALYSIS		OPEN	NONPRO	35K NONPRO	UNLIMITED AMATEUR	50K AMATEUR	15K AMATEUR	25K NOVICE	25K NOVICE NONPRO	5K NOVICE	5K NOVICE NONPRO	2K LIMIT RIDER
ALL CIRCUITS (TOTAL)	Qualifiers	387	384	373	234	375	380	395	403	399	384	392
	Qualified Entries	71	82	103	53	112	120	76	83	93	96	122
	% of Qualified Entered	18%	21%	28%	23%	30%	32%	19%	21%	23%	25%	31%
	Championship Show Entries	219	187	239	114	353	320	231	241	258	251	311
ALAMO	Qualifiers	32	35	28	15	29	32	30	31	29	27	32
	Qualified Entries	1	5	3	3	7	5	3	1	3	1	5
	% of Qualified Entered	3%	14%	11%	20%	24%	16%	10%	3%	10%	4%	16%
	Championship Show Entries	14	11	8	10	24	12	16	5	8	11	14
APPALACHIAN	Qualifiers	26	32	22	7	23	28	30	30	30	26	22
	Qualified Entries	8	18	6	4	6	10	9	9	7	10	10
	% of Qualified Entered	31%	56%	27%	57%	26%	36%	30%	30%	23%	38%	45%
	Championship Show Entries	16	39	14	8	30	20	18	21	17	21	23
AURORA	Qualifiers	31	31	25	0	26	30	31	30	30	30	30
	Qualified Entries	5	7	6	0	4	10	8	10	7	9	12
	% of Qualified Entered	16%	23%	24%	0%	15%	33%	26%	33%	23%	30%	40%
	Championship Show Entries	10	14	12	0	10	22	16	20	14	18	23
BIG SKY	Qualifiers	18	30	33	5	30	30	30	33	31	28	30
	Qualified Entries	5	6	8	0	10	5	3	8	8	9	10
	% of Qualified Entered	28%	20%	24%	0%	33%	17%	10%	24%	26%	32%	33%
	Championship Show Entries	12	13	14	0	21	10	12	18	16	22	25
CACTUS	Qualifiers	33	30	30	30	31	30	31	32	31	31	30
	Qualified Entries	4	5	10	9	14	13	4	5	7	6	6
	% of Qualified Entered	12%	17%	33%	30%	45%	43%	13%	16%	23%	19%	20%
	Championship Show Entries	22	12	32	22	69	40	9	6	13	9	17
COTTON	Qualifiers	33	30	31	34	31	31	30	33	32	30	30
	Qualified Entries	7	9	12	5	16	15	8	10	8	11	15
	% of Qualified Entered	21%	30%	39%	15%	52%	48%	27%	30%	25%	37%	50%
	Championship Show Entries	10	10	13	5	18	17	13	14	16	16	22
GREAT LAKES	Qualifiers	32	32	31	28	30	30	30	31	33	30	30
	Qualified Entries	5	6	12	4	9	5	3	8	6	7	11
	% of Qualified Entered	16%	19%	39%	14%	30%	17%	10%	26%	18%	23%	37%
	Championship Show Entries	22	21	32	11	27	24	23	35	24	28	22
HEARTLAND	Qualifiers	31	30	31	11	31	30	30	29	28	29	30
	Qualified Entries	9	5	8	3	7	7	8	10	9	5	5
	% of Qualified Entered	29%	17%	26%	27%	23%	23%	27%	34%	32%	17%	17%
	Championship Show Entries	25	13	23	8	25	24	25	30	25	14	21
OILER	Qualifiers	20	30	20	6	24	17	30	30	30	31	31
	Qualified Entries	4	3	6	0	9	6	0	7	8	9	9
	% of Qualified Entered	20%	10%	30%	0%	38%	35%	20%	0%	23%	26%	29%
	Championship Show Entries	28	19	31	0	39	31	38	20	39	40	44
PIONEER	Qualifiers	38	30	31	15	30	30	30	32	31	31	30
	Qualified Entries	4	4	7	1	5	11	4	7	3	10	10
	% of Qualified Entered	11%	13%	23%	7%	17%	37%	13%	22%	10%	32%	33%
	Championship Show Entries	10	7	28	7	21	34	12	23	15	24	30
RED RIVER	Qualifiers	31	30	27	30	30	32	30	30	31	30	33
	Qualified Entries	4	4	4	7	10	9	4	5	4	2	7
	% of Qualified Entered	13%	13%	15%	23%	33%	28%	13%	17%	13%	7%	21%
	Championship Show Entries	26	15	15	21	32	31	18	20	29	10	33
REDWOOD	Qualifiers	32	14	33	23	30	30	30	31	33	30	33
	Qualified Entries	4	0	8	3	4	8	5	2	11	4	11
	% of Qualified Entered	13%	0%	24%	13%	13%	27%	17%	6%	33%	13%	33%
	Championship Show Entries	9	0	17	6	15	34	13	8	24	18	23
SUNSHINE	Qualifiers	30	30	31	30	30	30	33	31	30	31	31
	Qualified Entries	11	10	13	14	11	16	11	8	13	14	11
	% of Qualified Entered	37%	33%	42%	47%	37%	53%	33%	26%	43%	45%	35%
	Championship Show Entries	15	13	20	16	22	21	18	21	18	20	14

As part of the discussion about the National Circuit Finals to be held in Fort Worth in 2024; Executive Director Jay Winborn requested that NCHA National Circuit Finals banners regarding dates for this event be sent out to all affiliates to display in their arenas.

Allison's updates concluded with addressing the delays with the awards for the year end champions. National Circuit Program year end awards are scheduled to go out within weeks. Many suggestions were made on changes for next year that will be considered for the program. NCHA is aware of the concerns and making the necessary adjustments to better the situation for all circuits.

ADJOURNMENT

With no further business to come before this committee during this meeting, a **MOTION** was made by Ernie Beutenmiller and **SECONDED** by Mark Senn to adjourn the meeting at 5:31PM. **MOTION PASSED UNANIMOUSLY.** The Executive Committee will reconvene Thursday, February 9th at 8:00AM central time.

THURSDAY – FEBRUARY 9, 2023

The Executive Committee meeting reconvened and was called to order at 8:01AM by President Ted Sokol. All Executive Committee members were in attendance for Day two of the meetings.

VOTING PROCESS DURING CONVENTION – TED SOKOL

The Executive Committee reviewed and discussed the voting procedures in the bylaws that were passed in the minutes from the annual meetings back in August of 2021.

There was a highly engaged round table discussion on how to handle electronic voting and educate those participating electronically with the discussions presented in open sessions on the topic and the information needed to cast their vote as an informed member with the knowledge necessary to make their decision.

Consequently, a **MOTION** was made by John Lavelle and **SECONDED** by Ernie Beutenmiller to adhere to the NCHA Rulebook Article IV: Section Four mandating all NCHA Board of Directors to be physically present for attendance. **MOTION FAILED by majority with 9 against and only 4 in favor as this is already a requirement of the existing bylaws.**

For the 2023 NCHA Annual Convention, President Ted Sokol officially prescribed that NCHA will offer a partial hybrid convention with an option to virtually attend the Board of Directors 2nd session (June 25, 2023) and the General Membership meeting (June 25, 2023) where electronic voting will be offered for members and excused directors. According to Article IV, Section Four of the bylaws, Directors are required to attend all three sessions of the annual meeting (regional meetings, Sessions 1

and 2 of the Board of Directors) to be counted in attendance unless excused by the President.

POLITICAL ACTION COMMITTEE SESSION

President Ted Sokol placed the meeting into a PAC session for our NCHA Lobbyist Daniel Hodge to provide updates.

PAC UPDATES – DANIEL HODGE

NCHA Lobbyist Daniel Hodge provided updates on recent PAC activity. Daniel was pleased to provide that all of the candidates that the PAC supported were elected to office. He announced that cutter State Representative Dr. Brad Buckley, NCHA member that formerly served as a director was just elected as Chairman of the Public Communications Committee.

Daniel provided an in-depth explanation of the MERP program with changes to the leadership working with that program in Austin and how our equine events are considered for approval in the application process in comparison to other events such as car races and the sports events like the Super Bowl.

GENERAL SESSION

President Ted Sokol placed the meeting back into general session.

PROFESSIONAL TRAINERS COMMITTEE REPORT – KATHY DAUGHN

Chairman of the Professional Trainers Committee Kathy Daughn brought forth a suggestion from her committee for the Executive Committee members to consider.

The committee has been working on a task on how to present a package at convention to the show producers to promote the three levels in the open division as we handle the leveling at the Triple Crown Events. This would include uniformity with how the HOF roll backs are addressed and perceived.

Professional Trainers Committee is also suggesting to eliminate the word "Intermediate" from all language used at NCHA. They plan to bring this suggestion to the convention to propose and be vetted by all affected committees for discussions.

President Ted Sokol on behalf of the Executive Committee expressed thanks to Chairman of the Professional Trainers Committee Kathy Daughn for taking the time to present these concepts to the EC.

NCHA ANNUAL CONVENTION UPDATES – CATHY MARIE ALEFF

Ideas were shared with Executive Committee on schedule and events for the Annual Convention from guest speakers to a trainer's panel.

2023 HALL OF FAME GALA – KRISTEN YORK

The Members Hall of Fame Selection Committee had a call recently to select nominees to be inducted and discuss the how they were to be recognized. The committee was stunned to hear that the plan was to recognize all inductees with a celebration at the Futurity. An effort was made by selection committee members led by Jeremy Barwick who wrote a persuasive letter to the Executive Committee requesting they be recognized during a Hall of Fame Gala at the annual convention.

After discussing the challenges with the Futurity schedule, a **MOTION** was made by Casey Green and **SECONDED** by Skip Jones recognize and host a Hall of Fame Gala at the 2023 NCHA Annual Convention in Last Vegas, Nevada. **MOTION PASSED.**

This selection committee also selected five (5) individuals to present to the Executive Committee for Members Hall of Fame induction in 2023.

Those five (5) individuals being presented to the EC for final approval are as follows:

- Kathy Daughn
- Paula Gaughan
- Rock Hedlund
- Teddy Johnson (posthumously)
- Ron Pietrafeso

A **MOTION** was made by Skip Jones and **SECONDED** by Ernie Beutenmiller to approve the list of five (5) individual members as presented to be inducted into the 2023 NCHA Members Hall of Fame. **MOTION PASSED by majority with two (2) abstained.**

GRIEVANCE COMMITTEE UPDATES – ROCK HEDLUND

Chairman of the Grievance Committee Rock Hedlund presented some proposed rule changes to the EC from his committee surrounding increased fines. This disciplinary committee entertained a few changes. After an approved consensus, the only change being proposed to the EC is to Standing Rule 37 regarding the request for a hearing if the allegation is contested for approval.

Standing Rule 37.c

PROPOSED REVISIONS:

37.c

c. Contested and Uncontested Matters

The NCHA shall notify the alleged violator in writing of the substance of the complaint filed or alleged action being investigated; each NCHA rule(s) potentially violated; the disciplinary actions applicable to the alleged rule violation; and a request that the alleged violator file a written election with the Executive Director either to contest or not contest the alleged violation. **The written election to contest the violation must be received by the NCHA Executive Director within ten (10) business days of the receipt of notice of violation along with a hearing fee in the amount of \$1,000.00 (the "Initial Hearing Fee"). If such written election to contest the violation and the accompanying hearing fee is not received by the NCHA Executive Director in that timeframe, the violation will be deemed to be not contested, the discipline identified in the notice letter will be assessed and the Executive Director will notify the member in writing of any disciplinary actions taken.**

d. Initial Hearing Procedures

For matters timely contested as provided in Section (c) above, the Initial Hearing Committee shall schedule a hearing and provide the alleged violator(s) not less than fifteen (15) days' notice of the hearing date. In circumstances deemed to constitute an emergency by the Executive Director after consulting with the NCHA President, the notice of hearing may be shortened by the President in their sole discretion, but in no event shall be less than five (5) business days actual notice of the hearing date. The notice shall be accompanied by the procedures to be followed at the hearing. The alleged violator and the NCHA shall exchange all proposed documentary evidence to be considered at the hearing no less than three (3) days prior to the hearing. The Initial Hearing Committee shall have the discretion to decide whether good cause exists for the committee to consider untimely filed evidentiary submissions. Legal counsel for the NCHA and alleged violator may appear and participate in the evidentiary portion of the hearing.

After all evidence is presented and received at the initial hearing, the evidence shall be closed, and the Initial Hearing Committee shall deliberate in private. The Initial Hearing Committee shall render its decision in contested matters by majority vote and shall so notify the Executive Committee of the decision in writing. The Initial Hearing Committee shall only be required to note in its report the NCHA rule(s) it found were violated and shall not be required to provide a detailed reasoned opinion for its decision. **If the Initial Hearing Committee finds that no rule violation has been committed by the alleged violator, the Initial Hearing Fee will be returned to the alleged violator.**

All disciplinary actions taken by an Initial Hearing Committee on or after August 21, 2018 (including suspensions of membership or competitive status) shall go into effect immediately upon the committee's issuance of its report. Please see NCHA Rule 38 for a member's appeal options.

After a brief explanation why this is being presented, a **MOTION** was made by Toddy Pitard and **SECONDED** by Sharon Overstreet to approve the proposed changes presented to Standing Rule 37.c effective immediately. **MOTION PASSED by majority with three (3) abstained.**

OLD BUSINESS

Non NCHA Earnings Impact Directive

Some of the committees such as the Non-Pro Committee have responded to the recent directive mentioned in the December 19, 2022, minutes to consider the impact of non NCHA earnings in cutting competitions on the eligibility of horses and riders in NCHA classes have reported their findings leaving two more committees to respond.

The Executive Committee will TABLE this discussion until all committees have responded for final action.

NEW BUSINESS

At this time, there is no new business to bring before the Executive Committee for discussion.

Before adjourning the Executive Committee decided to meet again in person prior to the convention in late March or early April.

ADJOURNMENT

There being no further business to come before the committee, a **MOTION** was made by Mark Senn and **SECONDED** by Ernie Beutenmiller to adjourn the meeting. **MOTION PASSED UNANIMOUSLY.**