

NCHA EXECUTIVE COMMITTEE
Telephonic Meeting
November 7, 2018

A telephonic meeting of the NCHA Executive Committee was held on November 7, 2018. The following members were present: President Phil Rapp, President-Elect Ron Pietrafeso, Vice President Steven Norris, Ernie Beutenmiller, Rock Hedlund, Skip Jones, Jay Klamon, Matt Miller, Tommy Neal, Lachlan Perks, David Pilcher, Tatum Rice, Ronnie Smith, Kristen York. Also present were NCHA Interim Executive Director Lewis Wray and NCHA Treasurer James Burris.

President Phil Rapp called the meeting to order and asked David Pilcher to lead the group in prayer.

Approval of Minutes

MOTION was made by Ron Pietrafeso and **SECONDED** by Skip Jones. **MOTION PASSED.**

Box Seat Sponsorship Update

Interim Executive Director Lewis Wray advised the Executive Committee members that the Box Seat Sponsorship sales are going well. There are potentially 18 box seats available and that there will be no problem whatsoever in selling those remaining boxes to those members listed on the waiting list.

Selection of the Vice-Presidential Nominating Committee

Discussion was held regarding the process for selection of the Vice President Nominating Committee and actions taken at the October 29 & 30, 2018, Executive Committee. President Rapp asked David Pilcher to expand on the correspondence he (Pilcher) sent all Executive Committee members today regarding the actions and structuring of the Nominating Committee. The objective being to follow up with Executive Committee discussions in March regarding adding more structure to the selection process for the Nominating Committee. Discussion ensued regarding how to best select the Nominating Committee currently. Discussion was also held regarding the process of insuring those Directors who are elected by the Executive Committee are eligible and willing to serve on the Nominating Committee. **MOTION** was made by **Ron Pietrafeso** and **SECONDED** by Skip Jones to have each Executive Committee member submit nomination of one Executive Committee member and one Director to NCHA Chief Operating Officer Catherine Cheugh. Ms. Cheugh will tabulate the nominees and send the slate back to the Executive Committee for a final vote for the Nominating Committee members. **MOTION PASSED.**

NCHA Leveling & Restructuring Proposal

President Rapp advised that NCHA Treasurer James Burris, NCHA IT Programmer Jimmy Vecera and NCHA Director of Shows Dave Brian were present to discuss the programming processes that would need to be completed in order to implement the proposed leveling and restructuring proposal. Mr. Vecera shared with the Executive Committee members a flow chart depicting how leveling would have increased the number of classes/combo classes/subclasses in the 2018

Classic Challenge from 14 to 39 while in the Derby would have increased from 19 to 41. Discussion ensued as to the complexity of the technical programming necessary to support leveling. Mr. Vecera reiterated that HUB is very capable of adapting the classes and leveling. Mr. Vecera advised that, however, the current Scoreboard software is in no way capable of handling such a reprogramming effort and that Ken Corzine, who currently programs the Scoreboard changes, has agreed that Scoreboard is not up to the task.

Discussion ensued regarding what options are available to NCHA to move away from the Scoreboard software system. Mr. Vecera and Mr. Burris advised the members that currently there are 3 options available – 2 third party software vendors (Faster Horses and Horse Shows for Windows), and the third option is to develop software house. Lengthy discussion ensued regarding the pros and cons of each of the options. After further discussion, it was agreed that Jimmy Vecera and James Burris work with Leveling Subcommittee Chair Denise Seiz, Executive Committee member Kristen York and President Phil Rapp to research exactly what is needed in technical and structural changes that would allow for implementation of the leveling program as well as what would also serve as a substitute for the Scoreboard software on a going forward basis. Once the information is obtained, the group would report back to the Executive Committee their findings for further review.

Weekend Show Prorated Added Money and Entry Fee

President Rapp asked NCHA Director of Shows Dave Brian discuss with the Executive Committee members the reduction in the number of weekend shows entries. Lengthy discussion was held regarding the proposed changes to Standing Rule 14. The objective of the proposed change is to stimulate entries in shows and increase in payouts. It was recognized that some of the decline may be attributable to the decline in membership. Mr. Brian also advised the Executive Committee that at the most recent NCHA convention many of the show producers were asking for help in finding ways to increase entries. **MOTION** was made by Skip Jones and **SECONDED** by Tatum Rice to adopt and implement the proposed Standing Rule 14 changes as presented by NCHA Director of Shows Dave Brian as presented and as outlined below:

Proposed Standing Rule 14 Change

\$200 -- \$300 50%

Must have 3 entries to be an approved class and added money and entry fee cannot be reduced.

\$301 -- \$500 40%

Based on the approved added money class does not have 5 entries, added money and entry fee must be reduced. 4 entries in class must be reduced to \$300 and entry fee to 50%. 3 entries in class must be reduced to \$200 added and entry fee to 50%.

\$501 -- \$750 30%

Based on the approved added money class does not have 5 entries, added money and entry fee must be reduced. 4 entries in class must be reduced to \$500 added and entry fee to 40%. 3 entries in class must be reduced to \$301 added and entry fee to 40%.

\$751 -- \$1,000 25%

Based on the approved added money class does not have 5 entries, added money and entry fee must be reduced. 4 entries in class must be reduced to \$750 added and entry fee to 30%. 3 entries in class must be reduced to \$301 added and entry fee to 30%

\$1,001 -- \$2,000 22.5%

Based on the approved added money class does not have 5 entries, added money and entry fee must be reduced. 4 entries in class must be reduced to \$1,000 and entry fee to 25%. 3 entries in class must be reduced to \$751 added and entry fee to 25%.

\$2,001 -- \$3,000 15%

Based on the approved added money class does not have 5 entries, added money and entry fee must be reduced. 4 entries in class must be reduced to \$2,000 added and entry fee to 22.5%. 3 entries in class must be reduced to \$1,001 added and entry fee to 22.5%

\$3,001 -- \$4,000 11%

Based on the approved added money class does not have 5 entries, added money and entry fee must be reduced. 4 entries in class must be reduced to \$3000 added and the entry fee to 15%. 3 entries in class must be reduced to \$2,0001 added and entry fee to 15%

\$4,001 -- \$5,000 9%

Based on the approved added money class does not have 5 entries, added money and entry fee must be reduced. 4 entries in class must be reduced to \$4,000 and entry fee to 11%. 3 entries in class must be reduced to \$3,001 added and entry fee to 11%

\$5,000 & Over 8%

Based on the approved added money class does not have 5 entries, added money and entry fee must be reduced. 4 entries in class must be reduced to \$5,000 added and entry fee to 9%. 3 entries in class must be reduced to \$4,001 added and entry fee to 9%.

Cattle surcharges that have been pre-approved by NCHA may be charged even though added money and entry/cattle charges have been reduced.

After further discussion, **MOTION PASSED**. A dissenting vote was cast by Ernie Beutenmiller.

Request From NCHA Europe

NCHA Director of Shows Dave Brian discussed with the members the request from NCHA Europe to once again support their national show and awards. In the past, NCHA has paid \$15,000 and given various buckles. President Rapp reported that NCHA recognizes approximately \$25,000 from NCHA Europe in what they pay in fees. It was noted that this \$15,000 allocation had not been included in the NCHA 2019 Fiscal Budget. If approved by the Executive Committee this item would be taken back to the Finance Committee for approval. After discussion, it was agreed to table this item until the January meeting of the Executive Committee to allow time to further research the request, i.e., the numbers involved, the awards given, the cost of the awards, etc., as well as to allow the Finance Committee to have the appropriate information to rule on the request. Discussion followed, and it was agreed that Interim Executive Director Lewis Wray would contact NCHA Europe to notify them of the status of the request. In addition, the Executive Committee is asking for further clarification on the other requests outlined in the letter from Mr. Phil Hansma?

Request for Creation of a Perpetual NCHA Inspiration Award

President Rapp advised the Executive Committee members that a request had been submitted by Darol Rodrock that he would pay for the award for the creation of an inspiration award, and that further he would like the first award be given to Hilary Watson and that the award be named in her honor. The honor would be presented either at the Futurity or at the annual convention. Discussion ensued regarding when the most appropriate time would be to present the award. It was agreed that the annual convention would be the best venue so as not to get lost in all the awards disseminated at the Futurity. Discussion followed regarding the format the physical award would take, i.e., a trophy or award winners names added to a plaque housed at NCHA offices. President Rapp advised that he will present a formal presentation on this award at the January Executive Committee meeting that will outline format, process of choosing nominees and winners, and what cost, if any, NCHA will bear for the award going forward.

Todd Drummond Award

President Rapp advised the members that there are three nominations for the Todd Drummond award: Colton Cogdill, Cash Carpenter and Stephanie Croft. Mr. Rapp noted that each Executive Committee member had received the nomination information for each candidate and that the Executive Committee is responsible for selecting the recipient of the award. Discussion ensued,

and the members agreed that all 3 of the candidates are exceptionally outstanding candidates. After further discussion and weighing all the various factors, the Executive Committee awarded the Todd Drummond Award to Colton Cogdill.

Finance Committee

President Rapp advised the Executive Committee that we currently are working on how best to disseminate NCHA financial information to NCHA members. He reminded the members of what an outstanding job the Finance Committee has done with producing clear, concise and accurate information regarding the financial status of NCHA. President Rapp stated that it the wish of both the Executive Committee and the Finance Committee that it is important to be transparent with all such information and that it is critical to ensure that the members have a clear understanding regarding the information provided and to further understand the plans implemented to put NCHA in a good financial position. Considerable discussion ensued.

Finance Committee Vice Chair Denise Seiz joined the call to discuss how best to distribute the information with respect to 2018 financial information before an annual audit has been completed. She reiterated that it is important to make sure that the information submitted is audited by NCHA outside auditors so that once published members could rely on their accuracy.

After lengthy discussion it was agreed that we wait until NCHA has audited financials (approximately 90 days) to craft a communication to members.

Finance Chair Garry Merritt joined the conversation to discuss a proposed “press release” for members. Further lengthy discussion followed regarding drafting of such a release.

At the conclusion of discussion, it was agreed that President Rapp will circulate NCHA Finance Committee Vice Chair Denise Seitz’s draft of a press release and the draft of a talking points created by Lach Perks to the Executive Committee members for review and comment.

Communication Regarding Chain of Command for NCHA Office Staff

NCHA Interim Executive Director Lewis Wray referred the Executive Committee members to the Memorandum from NCHA Legal Counsel Jim Morris regarding governance structure as outlined by the change in NCHA By Laws approved at the 2018 annual convention. Mr. Wray reiterated that it is very important to follow the chain of command when working with NCHA staff. Mr. Wray noted that as a practical matter the practice of using the chain of command provides less of an opportunity for errors, duplication of effort and miscommunication.

New Business

There was no new business to come before the Executive Committee.

Presidential Update

Tatum Rice asked the what has happened with the proposal from NCHA current Director of Judges Russell McCord’s proposal at the October 29 &30, 2018, Executive Committee meeting regarding retirement and his willingness to stay on in a different capacity to assist NCHA.

President. Mr. Rapp advised the members that current NCHA Director of Judges Russell McCord has subsequently withdrawn the proposal. Mr. Rapp further advised that Mr. McCord has asked to be removed as an Ad Hoc member of the Director of Judges Search Committee. Mr. Beutenmiller has suggested to President Rapp that a subcommittee be created comprised of the 3 sitting NCHA officers, Ronnie Smith (a judge), Rock Hedlund (a judge) and himself (also a judge) to meet in a timeframe moving up to discuss an option that arose in the most recent Finance Committee meeting. President Rapp stated that he would also like Tatum Rice to be added to this subcommittee group as he, too, is a judge. The suggestion from the Finance Committee was that NCHA not hire an official Director of Judges and task the current Judges Department secretary with taking over many of the administrative duties of the current NCHA Director of Judges to cut costs. Mr. Beutenmiller stated that he believes the Executive Committee needs to respond to the Finance Committee prior to the Director of Judges Search Committee completes its work. The question arose as to whether NCHA has received any applications. Interim Executive Director Lewis Wray reported that 2 applications have been received although he does not know who they are, as was agreed upon at the beginning of the search process. Mr. Wray noted that there is still time for applicants to apply before the cut-off date. President Rapp stated that assuming all those mentioned above are willing to participate on the new subcommittee, that a time will be set up to meet either in person or by telephone to discuss the proposal as outlined above. All the appointees agreed to serve.

Parking Tag Proposal

NCHA Interim Executive Director Lewis Wray advised the members that the City of Fort Worth is looking at a type of “toll tag” that operates in such a manner that when an entrant comes through the arm on the parking payment booth would be triggered thereby allowing a rig to enter the premises smoothly with as little delay as possible. Mr. Wray stated that the proposal, if would not be effective for the 2018 Futurity, but hopefully will be in place by the Super Stakes. Mr. Wray also advised that the City of Fort Worth is exploring the idea of leaving the arm up during the 2018 Futurity for ease of entry.

Adjournment

There being no further business to come before the Executive Committee, **MOTION** was made by Steven Norris and **SECONDED** by Ron Pietrafeso to adjourn the meeting. **MOTION PASSED.**