



**AMERICAN SADDLEBRED HORSE ASSOCIATION
MINUTES OF MEETING OF BOARD OF DIRECTORS**

October 29-30, 2013

A regularly-scheduled meeting of the Board of Directors (the “Board”) of the American Saddlebred Horse Association was held on Tuesday, October 29, commencing at 4:30 p.m. EST, and on Wednesday, October 30, commencing at 9 a.m. EST, pursuant to written notice dated July 4, 2013. The following Directors of the Board were present in person at this meeting: Randy Cates; Redd Crabtree; Bret Day; Leslie Rainbolt-Forbes¹; Bob Funkhouser; Jackie Hale; Chuck Herbert; Carl Holden; Stacey Kipper; Margaret McNeese; Holly Nichols; Tandy Patrick; David Rudder; Janet Thompson; Kenny Wheeler; and Bill Whitley. Board members Betsy Boone and Germaine Johnson did not attend the meeting. Also in attendance were Karen Winn, the Executive Director of the ASHA; Lisa Duncan, Registrar of the American Saddlebred Registry; Scarlet Hall, the Controller of the ASHA; Cynthia Lowell, the Communications and Technology Manager of the ASHA; Michelle Krentz Partridge, the Media Production and Marketing Manager of the ASHA; Fred Sarver, the saddlebred representative on the Kentucky State Fair Board; JoEllen Blount on behalf of the American Saddlebred Museum; Tammie Conatser on behalf of the UPHA; and (on Wednesday) Allen Bosworth, Chairman of the ASHA’s Marketing Committee, and Chad Mendell.

The meeting proceeded as follows:

1. QUORUM; ADOPTION OF AGENDA; MINUTES; REVISED SLATE OF DIRECTOR CANDIDATES. Tandy announced that there was a quorum for the meeting. Upon Motion made by Chuck Herbert and seconded by Janet Thompson, the Board approved the proposed Agenda for the meeting. Upon Motion made by Stacey Kipper and seconded by Bob Funkhouser, the Board approved and ratified the Minutes from the July 2013 and October 21 Board Meeting.

Tandy announced that one nominee on the slate of BOD candidates that was approved by the Board at the October 21st special board meeting had withdrawn from consideration. Upon Motion made by Carl Holden and seconded by Chuck Herbert, a majority of the Board voted to approve the revised slate.

2. MUSEUM. JoEllen Blount described the Museum’s upcoming reception to be held on Friday evening of the ASHA Convention, February 14th, which will feature items from the collection of the late Jean McLean Davis. The Museum will be providing transportation to and from the downtown Hilton Hotel on Friday evening. JoEllen explained that artwork from

¹ Leslie attended Tuesday’s meeting in person, and she attended Wednesday’s meeting by telephone; her telephonic participation on Wednesday, including the right to vote, was unanimously approved by the Board per Motion made by Chuck Herbert and seconded by Kenny Wheeler

the Museum's art contest for young adults will be on display in February and will be available for sale.

3. UPHA. Tammie Conatser reported that the barn tours/meet-and-greet at the WCHS was very popular again this year. The UPHA has raised \$57,000 for St. Jude's, to be presented at the Royal. Tammie described UPHA's new trainer mentoring program that Randy Cates is chairing, and also announced that the UPHA has a new Chapter (#21) for Canada. The UPHA associate members are working on a client/trainer brochure. In 2014, the UPHA will launch its "official UPHA supplier" program for vendors. The UPHA's Equitation Committee is in the process of making certain rule revisions. Tammie encouraged everyone to attend the UPHA's 2014 Convention, at the Intercontinental Hotel in Chicago, January 16-18, 2014.

4. YOUNG PROFESSIONALS. Ashley Hallock described events for the 2014 ASHA Convention for the age group 20 – 35, featuring a trivia contest at the Bigg Blue Martini bar on Friday evening, and a barn tour of Visser Stables on Saturday with breakfast sponsored by Elisabeth Goth which will feature a drawing for one attendee to ride a show horse that morning!

5. REPORT FROM 2013 WCHS. Fred Sarver reported that the 2013 WCHS was a success despite the last-minute loss of the stadium which previously housed 540 stalls and the horse show office. 90 additional stalls were moved into the north wing, and tents provided the remaining replacement stabling. 24/7 food service was added for the barn area, and trainers/exhibitors appreciated the location of the horse show office as being more accessible. The 2013 State Fair had good weather, and no accidents; offsite parking in 2013 helped alleviate traffic issues. Fred reported that the profit realized by the Kentucky State Fair was approximately \$200,000 in 2013, compared with \$700,000 – 900,000 last year. Fred referred Board members to Minutes of the October 1st WCHS Advisory Committee meeting, as well as the ASHA's report to the Kentucky State Fair Board, both of which were contained in the Board materials. Fred presented the State Fair's check in the amount of \$100,000 to the Board, which was appreciatively received.

Board members commented on the desire for earlier access to work horses in Freedom Hall, the desire to add another day to the horse show and/or move the horse show to start the week before the Fair, concern that judges are not paid enough to compensate them for forfeiting showing, and the need to fill Freedom Hall (particularly the upper levels). Per the board's request, Fred will request a meeting of a few representatives from the ASHA Board to discuss these concerns.

6. FINANCIALS. Treasurer Bill Whitley and ASHA Controller Scarlet Hall presented financial statements to the Board for the period ending 9/30/2013, and complimented Michelle, Cynthia and the entire ASHA staff on welcome increases in revenue from increased ad sales in the State Fair Dailies, as well as the ability to do graphic design/set up 'in house'. With respect to the Income Statement, revenues closely matched the budget for September; expenses were favorable by \$2,500, creating a positive overall result for September of \$1,800. Year-to-date revenue has exceeded the budget by \$9,000, and finished favorably by \$54,600 over 2012. Year-to-date expenses are \$33,000 lower than budget, and favorable over 2012 by \$16,000. With respect to the Balance Sheet, our cash and short term investment positions are strong and compared to last year are favorable by \$32,000; our long term investments are favorable over

2012 by \$107,000. We have received a pledge of \$15,000 for the technology upgrade project which we expect to receive in November. Advertising sales for the 2014 Journal are strong; we are at approximately the level of total sales for 2013, with six weeks of sales still remaining.

The Board reviewed a summary of donations received to date by the ASHA, and noted the desire to have 100% board participation.

The Board welcomed the ASHA's financial advisors Steve Specht and Susan Cassell from Merrill Lynch, who presented a summary of the ASHA's investment accounts as of October 25, 2013. The Board discussed the possible need for additional cash; staff and the Finance Committee will review our upcoming cash needs and sell stock if needed to generate additional cash. The ASHA Finance Committee will meet on Tuesday evening after the ASHA Board meeting; the initial draft of a budget for 2014 will be discussed at this meeting.

7. REPORT FROM REGISTRY. A special Registry Committee comprised of Scott Matton, Ken Wheeler, Janet Thompson, Chuck Herbert, and Judy Werner presented the Registry's proposed changes, to permit Registry Board members to serve three-year terms and have more continuity on the Registry Board, and to increase the Registry Board to 13 members, 6 of whom would be nominated by the ASHA's Nominating Committee for Officers and would be ASHA Directors at the time of their appointments, and the remaining 7 of whom would be nominated by a new Registry Nominating Committee. Upon Motion made by Kenny Wheeler and seconded by Bill Whitley, the Board unanimously approved changes to the ASHA Bylaws to implement these changes to the Registry Board.

Lisa Duncan reported that the new "First Time Breeder" program has been very enthusiastically received; we have 52 stallions enrolled in the program, and we have been receiving calls from Arabian as well as Saddlebred breeders. First Time Breeders who participate in the Mare Harmony program will receive a free ASHA membership. Lisa reported that 2012 registrations to date were 1,046 compared to 1,345 from this time last year; a total of 1,805 horses were registered in 2012 and the total foal crop was 1,110 (the Board noted that in 2004, registrations were about 3,700). Transfers year-to-date are 2,619, compared to 2,788 at this time last year.

Kim Skipton is writing an article about the Broodmare Hall of Fame inductees for the 2014 Journal. Lisa noted that we currently have 139 enrolled in the "My Meadows" program (where a former owner/breeder of a horse can volunteer to be contacted if the horse is in distress). Breeders Award Certificates were mailed out to all breeders of 2013 World Champions; the Board agreed that it would be good to bring back the medalions for breeders of World Champions in 2014 if we have a sponsor willing to pay the cost of the medalions. We have now reached our 2013 goal of having 100 horses enrolled in the Faithful Friends program. Lisa noted that there is \$26,000 in the Equine Welfare fund. She also explained that the Registry staff is currently testing the new ASHA database.

8. USEF MATTERS. The Board discussed possible nominations for the 2013 USEF Pegasus Awards. Janet Thompson suggested the late Mrs. Marjorie Fergusson as a nominee for the Richard E. McDevitt Award of Merit, and the Board agreed that Karen will submit this nomination. The Board also discussed the USEF's request for two nominations to the new USEF

Affiliates Council; we previously approved Elisabeth Goth as the Saddlebred representative on the USEF Affiliates Council at our July board meeting, but the USEF has now advised us that there will be TWO Saddlebred representatives on this Council. The Board suggested Fran Crumpler, Margaret McNeese, and Fred Sarver as possible nominees to the USEF Affiliates Council; Tandy will speak with Fran to see if she is willing to serve, and will report back to the Board. *[NOTE: Fran graciously declined this opportunity; ASHA Board members subsequently voted by ballot to Karen Winn and elected Margaret McNeese to serve as our second representative on the USEF Affiliates Council].*

9. EXECUTIVE DIRECTOR'S REPORT. Karen Winn reported that we currently have 6,819 members of ASHA as of 10/29, which is 97% of last year's total membership. In response to a survey inquiring as to whether ASHA members would pay an additional \$20 per year for a print edition of the ASHA magazine, 380 members responded that they would be willing to pay the extra \$20; we need at least 10% of the members to pay for this to be 'break even'. We have communicated with Pat Nichols' nephew, who has advised that Pat is currently in a nursing home in Minnesota.

We have been advised that the premium for our \$1 mm Directors and Officers Liability Insurance Policy will be significantly higher in 2014 due to the claim that was paid out in 2013; Karen will report back to the Board on further details. The new sign has been installed; we are going to ask the Horse Park if they would be willing to pay for the installation of a hand railing for visitors to use if they go down the ramp to the ASHA's offices.

10. TECHNOLOGY REPORT. Cynthia Lowell, the ASHA's Communications and Technology Manager, provided an update on the technology upgrade project; testing is ongoing, and the Registry staff is currently providing input into the design of the new system; the Board noted that it would be great to have a demonstration of the new database at the 2014 Convention. The launch date for the new network is December 27th, at which time the ASHA's Internet and telephone services will also be upgraded, and ASHA staff will be able to have remote access to the system. Publications will be archived, which will result in significant cost savings and will also be helpful from a disaster recovery standpoint. Cynthia explained that our system will be 'replaced' every 36 months from now on.

Karen Winn reported on technology fundraising: we currently have received a total of \$121,346, and we need to raise an additional \$94,000.

11. MARKETING COMMITTEE REPORT. Allen Bosworth, Bob Funkhouser and Stacey Kipper presented an update on the ASHA's Marketing Plan, as described in the attached PowerPoint presentation. Regarding efforts to increase membership in the ASHA, Allen noted that we need to identify and address 'loopholes' that permit people to participate without being ASHA members, and that we also need to determine WHY people do not renew their memberships. We need to demonstrate value in ASHA membership. Regarding efforts to increase breeding of ASB's, Bob described the candid discussions that are planned for the 2014 Convention, as well as the need to develop a "B" or "Select" circuit for 'middle market' Saddlebreds, which needs to be flexible enough to accommodate different needs in different parts of the country. We need to engage sponsors for this special series, and involve organizations such as 4H clubs; possibly specify 'Saddlebred type' horses so that registration is

not required. The Board agreed that we need to ‘broaden the base of the pyramid’ and seed the bottom, engage Charter Clubs to assist in this effort. Regarding efforts to increase riding lesson programs, particularly in underserved areas, Stacey explained her subcommittee hopes to roll out proposed spec’s for the “Marple Grant” at the 2014 Convention.

12. REPORT FROM NEW HORSE SHOW COMMITTEE. Chair Randy Cates explained that this Committee is being organized, which he anticipates will include David Freeman, Jackie Hale, R.H. Bennett, and Bob Funkhouser, which will address “best practices” for horse shows and ways to make horse shows entertaining and relevant in today’s world.

13. REPORT FROM MEDIA/PUBLICATIONS COMMITTEE. Chair Randy Cates reported the great news that we have realized a profit of approximately \$47,000 year-to-date in this area (prior to salaries), and he suggested that the Finance Committee and the Board should consider designating all profits from publications to go to fund marketing/promotional efforts (ideally, a budget of at least \$20,000 - \$30,000 for marketing).

14. CHARTER CLUBS. Stacey Kipper presented a map of the United States with proposed re-districting of Charter Clubs that more accurately reflects show circuits, which we think will help with marketing efforts and promotion of riding instructors, as well as regional high-point awards. Stacey pointed out that the USEF does not split states, so we may need to consolidate Pennsylvania into one Region, in order to be consistent with the USEF. Upon Motion made by Jackie Hale and seconded by Randy Cates, the Board unanimously voted to approve the proposed re-districting of the Charter Clubs, which will be effective in 2015.

15. REPORT FROM CONVENTION COMMITTEE. Committee Chair Jackie Hale reported on the three ‘tracks’ for the 2014 Convention, namely marketing; breeding; and versatility. The Convention brochure was distributed and discussed by Board members. Bob Funkhouser, Bill Whitley, and Chuck Herbert will work on obtaining approximately 10 items for the Live Auction on Saturday night.

16. NEXT MEETING. We look forward to seeing all ASHA Board members at our annual Convention at the downtown Lexington Hilton Hotel on February 13 – 15, 2014! Our next in-person board meetings will be held at 4 p.m. on Thursday, February 13, and at 2 p.m. on Saturday, February 15, during the Convention. There will be telephonic conference calls of the Executive Committee, and Board members are urged to participate in these also, on December 9, 2013, and on January 13, 2014, starting at 5:30 p.m. Eastern time.

Submitted by:

Tandy Patrick, President
American Saddlebred Horse Association