



**AMERICAN SADDLEBRED HORSE ASSOCIATION
MINUTES OF EXECUTIVE COMMITTEE MEETING**

May 11, 2015

A telephonic meeting of the Executive Committee of the American Saddlebred Horse Association (the “Executive Committee”) was held on Monday, May 11, 2015, commencing at 2:30 p.m. EST. The following ASHA Executive Committee members were in attendance at this meeting: Bob Funkhouser; David Rudder; Stacey Kipper-Perrelli; David Mount; Tandy Patrick; and Elisabeth Goth. Also present and welcome were ASHA Board members Allen Bosworth, Holly Nichols, Donna Pettry-Smith, Jenny Taylor, Chuck Herbert, and Susan Shepherd. Also present by invitation were Bill Whitley, the ASHA’s Executive Director, Lisa Duncan, the Registrar of the ASR and Michelle Partridge and Cynthia Lowell from the ASHA staff as well as Fred Sarver (ASHA’s WCHS liaison), and Rip Rippetoe and Anthony from the Kentucky State Fair staff.

The meeting proceeded as follows:

- 1. ADOPTION OF AGENDA.** Upon motion made by Tandy Patrick and seconded by David Rudder, the agenda for the May 11 meeting was adopted and was unanimously approved.
- 2. MINUTES.** Upon motion made by Stacey Kipper-Perrelli and seconded by Tandy Patrick, the Minutes of the April 13, 2015 Executive Committee Teleconference were unanimously approved.
- 3. WCHS FINANCIALS UPDATE.** Rip Rippetoe and Anthony from the Kentucky State Fair staff called in for the meeting to summarize the financials for the WCHS for the Board. The financials were emailed to the board prior to the meeting. The first page consists of the revenue for the horse show. The items in blue are the breakdown of each individual line item total. Actual revenue for 2015 was \$2.372 million. The second page consists of expenses for the show. Actual expenses totaled \$1.584 million in 2015. The total revenue generated by the horse show for the Kentucky State Fair was \$969,000 in 2015.

The State Fair as a whole breaks even or makes about \$200,000 per year. As far as the facility goes, most events at the facility simply lease the grounds. The State does not own the events directly. The other event that the State owns and is required to hold by law is the North American Livestock Expo which loses about \$600,000 annually.

A couple of clarification points were asked. They are as follows. The State Fair takes a percentage from all catering and concessions (which is on a sliding scale depending on what and how much it is), which is located under the catering portion on the revenue side. The ribbons and trophies are all located under the sponsorship section. The golf cart permit revenue is under Other Net Income. The State Fair gets no commission from golf cart vendors. Setting up the arena is under

the hired labor on the expense report. It costs roughly \$21,000 to move the dirt in and out of Freedom Hall. The dirt is owned by the fair. Conversely, it costs \$12-15,000 to replace the dirt each time. That is why the fair puts the money in moving it rather than buying it each year. Moving the dirt in and out is not all charged to the horse show. Some of the expense is charged to the concerts as they share in the need for the dirt to be moved.

The Pay Per View revenue of \$70,000 was the on-line sales of the live feed. The expenses of \$10,000 were on the video production side. This was the additional cost for the satellite feed. The total of the satellite feed is not all in the \$10,000, some of the expense is also listed in special material and services.

Rip also gave us a master plan summary which he stated was about 90% complete. He wanted to assure the board that the needs for another stalling situation has been heard. It is near the top of their needs list.

Elisabeth Goth asked about scheduling changes. Rip stated that most of the scheduling changes came through Scarlett but he encouraged input from others as well. If we had any input we should convey that through Scarlett, Fred Sarver, or the WCHS advisory committee within ASHA. Fred stated that they always welcome input from the WCHS advisory committee, especially regarding scheduling.

Upon review of the financial information, all Board members should send any questions or comments to Bill Whitley so we may compile them and forward them to Rip Rippetoe together.

After our discussion with the KSF group, questions came up about the agreement ASHA has with the KSF. Tandy Patrick stated she would forward the contract to the board members for review and stated that a hard copy is located in the ASHA offices. This agreement, to pay ASHA \$100,000 per year was done in 1994 or 1995. It is an open ended contract. The agreement came about as there was an argument about who owned the name World's Championship Horse Show. After much deliberation, it was agreed upon that the State Fair owns the name World's Championship Horse Show, but that ASHA would get paid for our participation in the fair and in the horse show.

In analyzing the financials, David Mount suggested that we need to figure out what we are paying out of pocket at this time for our participation and support of the horse show. Bill Whitley stated that at the time of the agreement, the only thing ASHA was doing for the show was checking pedigrees. Now, we do much more.

4. CONVENTION COMMITTEE (FOR THE CONVENTION IN 2017). Bob has informed UPHA that ASHA is putting together a proposal to collaborate on the convention in 2017. David Mount as part of that committee has agreed to go down to New Orleans at the end of the month to help with a site search for the convention location.

5. MUSEUM GIFT SHOP COMMITTEE. Elisabeth Goth proposed our idea of ASHA working with the Museum gift shop to sell some ASHA items. She presented the idea to the gift shop committee. Once it was approved on the committee level, she presented it to the Museum board who supports the idea as well. Amy Dix and Bill Whitley have been talking about how the museum will act as cashier and about the 501c3 logistics. Carson Kressley will help ASHA obtain some nice Polo Ralph Lauren items to sell. The biggest concern of the museum gift shop is that we don't offer the same types of items that they currently carry. Our board and the museum board will work together to make the items work within the museum. This partnership will subsequently end the relationship we have with our previous supplier.

6. TRAINER'S EQUITATION PROGRAM. This program has brought everyone together like no other. The UPHA Chapter 14 Horse Show raised \$17,125 and the UPHA Chapter 5 Horse Show raised \$17,385. Of that money half goes to the horse show itself and the other half goes towards the Super Convention in 2016. The program has not only raised money, but has sold horses as well. The equitation cup has given owners and exhibitor's a chance to see their heroes work together in a competitive environment bringing the excitement back to the show ring. It has made celebrities among professionals once again. That has dwindled over the years.

7. EXECUTIVE DIRECTOR'S REPORT. Bill Whitley reported that the December financials have been sent out to the board. On the spreadsheet we took money out of the Trainer's Equitation section and put it into marketing.

Recently, insurance proceeds from a life insurance policy was paid to ASHA as the policy's beneficiary. The Executive Committee agreed to put the funds into the emergency fund and invest it. A motion was made by Elizabeth Goth and seconded by Tandy Patrick. Motion passed unanimously.

Bill Whitley and David mount are working on finding a new audit company for our financials. They have two proposals to go over with the finance committee. Mary is going very well and is moving forward with the back log of items. She has been paying all the current bills and catching up the past bills.

It was suggested that we use our existing account that we set up with Merrill Lynch to borrow money. We have the capability to borrow \$295,000. It was suggested that we borrow \$250,000 which will cost us \$22.95 per day to borrow. This is only temporary and funds will be paid back within one week. The process will not only help us to familiarize ourselves with the process but it will also boost our viability and our credit rating as an organization. Tandy Patrick moved to borrow \$250,000 for one week and David Rudder seconded to motion. Motion passed unanimously.

8. TECHNOLOGY REPORT. Cynthia Lowell and Bill Whitley will be meeting with USEF on May 12th to get an update on the project and to give them a check. The hope is that the meeting with USEF will give us time frames on completion and launch breakdowns. At this time the home page look and feel models have been given to USEF. Cynthia has seen some templates, but not very many. When the site is launched, it will be done in two phases. The first phase will put up all the static pages of the web site. The second phase will release the more dynamic pages which will include full on line transactions. We are hoping to have the launches done before the Kentucky State Fair so we are up and running before the show.

9. REGISTRY REPORT. Registrar Lisa Duncan reported that as of April 2015 the Registry had completed 1,152 transfers and 371 registrations. In comparison, as of the same time in April 2014 the Registry had completed 1,277 transfers and 337 registrations. Transfers are down by 125, which is partially due to the fact that the office is still behind. They are getting caught up now. Registrations were up by 34 horses. These statistics will be sent out in the eNews quarterly and will be published in the Journal at the end of the year.

The breeder's award medallions were ordered for the Kentucky State Fair. The awards were sponsored by the ASB Museum, Gail Kline. and Moe Anson.

The management fee checks to ASHA are caught up at this time. The registry is also working on getting Pintos in the database. They are slowly but surely getting caught up.

10. PRESIDENT'S REPORT. Bob Funkhouser reported that the new Breed Ambassador Program from the Charter Club Council was unanimously approved. Also, the Equine Welfare Committee has some information they plan to forward to the Board for review and comment. Please look over these items very carefully and come back with any notes and comments before you vote.

The Devon Foundation has asked for a small donation from ASHA. This foundation is in charge of maintaining the show grounds (among other things) for the Devon Horse Show. A donation would be an act of good faith and would be looked upon as a good will gesture for the horse show. David Rudder and Kenny Wheeler said they would donate \$100 each. Other Board members can contribute individually as a part of ASHA's donation if they wish. Contact Bill Whitley if interested.

Dr. Alan Raun was hit with the EHV-1 virus. He has had to put four horses down already. It is thought that a broodmare that was dropped off at his farm carried the disease into the barn. One wing of the farm has been isolated. The Iowa State Veterinarian has allowed shows to continue however. ASHA plans to release a statement about the virus.

Elisabeth Goth brought some information from the Standards and Rules committee to the ASHA Board. This information included a proposal on who can make rule changes. It would change the rule so that individuals had to go through their respective breeds to make any rules changes within USEF. The other proposal was that about shoes on weanlings and allowing the shoes but severely penalizing for a labored way of going. Stacey Kipper-Perrelli moved to allow Elisabeth Goth to move forward with getting these rule changes put together. David Rudder seconded. Motion passed unanimously.

A Shelbyville publication has released an article about Saddlebreds that paints a bad picture for our breed. Bob Funkhouser called this publication and offered to give them some updated material to run in their publication. ASHA plans to send a new picture and info to the Shelbyville publication.

11. MARKETING COMMITTEE REPORT. Allen Bosworth gave the Marketing Committee report. The marketing committee has signed the contract with Ray Drasnin and he will be participating in the committee meetings beginning immediately. A committee has been put together to act as the client for Ray to answer to. This committee has been broken into several sections. First is an updated media kit which is headed by Amy Haller. Second is a group to put together standard answers for the top 10 questions about the Saddlebred breed. That is headed by Jackie Hale. The third item is a PR editorial calendar which is headed by Allen Bosworth, Michelle Krentz, and Donna Pettry-Smith. Fourth, there will be a group to name the ambassadors for the breed. That group is headed by Melissa Moore and David Mount.

The new log and brand identity is close to being ready to show the board. As a recap, Janet Crawford came up with a drawing and now we are in the process of logoizing it.

12. OLD/NEW BUSINESS. Bill Whitley was asked by the American Horse Council for a donation from ASHA. In the past we have donated \$1,000. Elisabeth Goth moved to donate the same amount again this year. David Rudder second. Motion passed unanimously.

Bob Funkhouser had been approached by HSUS to reconsider supporting them in some bills in the federal government. Contributions for this organization have dwindled by \$3.9 million. The money has been found not to go to the animals they are reportedly saving. We agreed to make a

general statement but nothing specific as far as support goes. We need to stay at arm's length from this group.

The meeting adjourned at 6:30 EST. Our next Executive Committee meeting is scheduled for June 8th at 4:30 p.m. EST.