



4083 Iron Works Parkway
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AMERICAN SADDLEBRED HORSE ASSOCIATION MINUTES OF THE BOARD IN PERSON MEETING

February 9 and 11, 2016

An in person meeting of the entire Board of the American Saddlebred Horse Association was held on Tuesday, February 9, 2016, commencing at 3:00 p.m. EDT. The following ASHA Executive Committee members were in attendance at this meeting: Bob Funkhouser; David Rudder; Stacey Kipper-Perrelli; David Mount; Tandy Patrick (via phone); and Elisabeth Goth. Also present and welcome were ASHA Board members Bret Day, Susan Shepherd (via phone), Jenny Taylor, Sandra Currier, Leslie Rainbolt-Forbes (via phone), Jackie Hale (via phone), Chuck Herbert, Holly Nichols, Matthew Shiflet, and Kenny Wheeler. Also present by invitation were Bill Whitley, the ASHA's Executive Director, and Lisa Duncan, the Registrar of the ASR, Michelle Partridge from the ASHA staff, and new board members Kristen Cater, Cheryl Innis, and Candi Aversenti.

The meeting on Tuesday, February 9, 2016 proceeded as follows:

- 1. ADOPTION OF AGENDA.** Upon motion made by Chuck Herbert and seconded by Elisabeth Goth to approve the agenda for the February 9 and 11, 2016 board meeting, the motion was unanimously approved.
- 2. MINUTES.** Upon motion made by David Rudder and seconded by Elisabeth Goth, to approve the minutes from the last in person Board meeting, the minutes were unanimously approved. Upon motion made by Jenny Taylor and seconded by David Rudder to approve the Executive Meeting minutes from our December Executive Conference call, the minutes were unanimously approved.
- 3. UPHA REPORT.** Jenny Taylor gave the UPHA Report as Tammie Conatser was in route to the conference and could not attend the meeting. The UPHA Jackpot sale has moved from the American Royal Horse Show in Kansas City in November to the Robertson Sale in





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Shelbyville, Kentucky on April 8th. The sale has been changed to include two and three year olds in the sale. There is a \$300 entry fee that will go directly into the prize fund. The two and three year olds that are purchased this year through the sale will be immediately eligible for the incentive money.

4. REGISTRY REPORT. Registrar Lisa Duncan reported that as of Year End 2015 the Registry had completed 3,374 transfers and 1,501 registrations. In comparison, as of the same time in 2014 the Registry had completed 3,385 transfers and 1,241 registrations. Transfers are down by 11 (or less than 1%). Registrations were up by 260 horses (or 21%). New foals (registered in their foaling year) were 963 in 2015 compared to 1,129 in 2014. They were down by 166. There were 8 foals registered this year from the first time breeders program that ran in 2014.

In 2015, 2,766 mares were bred and 963 foals have been registered from that group (or 35% registered). In comparison in 2014, 2,741 mares were bred and 1,129 foals were registered (or 41% registered). In 2005 (ten years ago), 5,750 mares were bred and 2,927 foals were registered (or 50% registered). Mares bred were down by 9% and stallions reporting are down by 4%.

The registry board will be voting on a rule to allow breeders to register a foal in their foaling year without a name. All other paperwork and DNA requirements must be met. That foal will be assigned a number but does not have to be named at that time. Statistics will not be kept on the foal until they are named. This program will go into effect on January 1, 2017.

The Welfare Committee asked for the board's approval on granting Fieldstone Farm \$1,000 and General Spirit and Rescue Sanctuary \$500. A motion was made with a first from Elisabeth Goth and 2nd by Sandra Currier to approve the request. The board unanimously approved.

Jenny Taylor presented some general registry statistics. Mares bred has dropped from 2005 to 2014 by around 3,000 mares. Each year about 60% of mares bred actually foal and about 20% of those foals are eventually shown. With these statistics in mind, there was much discussion about how important the Select Series group of classes for the non-Louisville horse are. There is a need to put together the series of classes, come up with general rules, and have a Championship for them at the end of the year. A committee was formed to accomplish this task. The committee





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consists of Kenny Wheeler, David Mount, David Rudder, Matt Shiflet, and Bret Day. We also will invite a couple of people from the UPHA to be a part of this committee for additional input.

We may have the need to form a committee to look at breeding to find out why our numbers have dropped and to help formulate a plan to get them back up again. If needed, this committee will be formed at a later date.

5. EXECUTIVE DIRECTORS REPORT. Our Executive Director Bill Whitley told us that we expanded the Journal this year with other advertising. We are getting innovative with advertising and production. We have a need for this as 40 stallion pages did not renew this year from last year. We had on line bidding for the front cover (which sold for \$6,100) between about 15 active bidders. Also this year we have 3 fold out ads.

The board discussed imposing a hard deadline to horse shows on receiving results. This is needed as many non-USEF horse shows drag their feet in getting results in. If we impose this deadline, we can publish the Journal earlier. Publishing it in early December could help sales so consumers can buy it for Christmas and to get stallion advertising out before the first of the year as well. This could help capture back some of the stallion ads we have lost. ASHA might recommend charging shows to register their show with ASHA. Shows could be charged to have their results count for year-end high point awards as well as Louisville qualification. It would also generate a new revenue stream for ASHA. Other organizations have done this and it has been successful for them. The board will discuss this further and include UPHA in the discussion to come up with a concrete date for the deadline.

The Government of the State of Kentucky is re-organizing the Board of the Kentucky State Fair. The new proposal removes ASHA's seat on the Fair Board that we have had in place for the past 52 years. Many board members are active in trying to get this proposed legislation changed before it goes to vote. We have a meeting scheduled with Senator Hornbeck on February 18th. The Governor is on our side in keeping our seat.

The ASHA Youth Conference is going on at this time in Lexington, Kentucky. Brenda Newell and Germaine Johnson are working on that conference. They have more kids signed up this year for the conference than ever before.





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ASHA also adopted a program called Partners for the Ride. This is a corporate sponsorship program that is a 5-year commitment for a total of \$25,000. We need to trademark the name “partners for the ride” and the logo to get the program off the ground. A motion was made by Chuck Herbert and second by Elisabeth Goth to trademark the name and logo and to approve the program. The board unanimously approved.

The office has conducted all of the staff employee reviews. We had one employee (Cynthia Lowell) that was offered a salaried position and taken off of contract labor.

6. FINANCIAL REPORT. David Mount reported that all of our financials are up to date at this time. Year end 2015 financials showed \$1.1 million in revenues and \$1.1 million in expenses. We had a net operating loss of \$34,000. We will employ the same auditors to audit our financials this year as last year. We also have implemented all requests from our auditors with the exception of keeping the financial information separate from our bookkeeper and our technology person. We cannot do this as they are both in the same office.

In 2015 we were down in membership by 179 members overall. 70% of our members paid for a competing membership and 30% paid for a non-competing membership. Our revenue for membership was down this year compared to last year. Our advertising revenue was up by about \$30,000 and we got a \$10,000 reduction in printing costs on the Journal. Once again we got \$100,000 from the Kentucky State Fair, but spent \$125,000 to support the horse show. ASHA netted \$31,000 from the trainer’s equitation cup (half of each’s shows proceeds went back to the horse show). The association did not run the web cast for the State Fair, so that income was lost. We have been able to make about \$15,000 in the past from that venture. One of our contract laborers is now a salaried employee so our contract labor expense will reduce. The offset salary will not be as high as the contract labor number, so in 2016 we should save some money in that area.

In light of our expenses exceeding our revenue from the Kentucky State Fair, the board felt that we needed to look at our contract with the State Fair and re-negotiate it. A committee was put together to do that which will be chaired by David Rudder and David Mount will participate on it as well. When we negotiate we need to have an alternative plan to create another World’s Championship Horse Show with a new name in another venue to have more negotiating power.





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7. NOMINATING COMMITTEE REPORT. Holly Nichols (Chair), David Mount, and Matt Shiflet reported their suggestion for the new slate for the Board. The slate is as follows: President Bob Funkhouser, Vice President David Rudder, Secretary Sandra Currier, and Treasurer David Mount. A motion was made by Chuck Herbert to approve the slate with a second from Kenny Wheeler. The slate was unanimously approved. Our seats on the Saddlebred Registry Board were suggested to be Elisabeth Goth and Donna Pettry-Smith. A motion was made by Stacey Kipper-Perrelli and second by Jenny Taylor to approve the Registry Board seats. The board unanimously approved.

8. PRESIDENT'S REPORT. Bob Funkhouser asked everyone to sign their conflict of interest statement and give that to Bill Whitley at the conclusion of the meeting. Stacey Kipper-Perrelli presented the new Regional Map for 2016. This map was originally designed by the Charter Club Council to more accurately depict where our competitors show. The map had been approved by USEF and will go into effect in 2016. ASHA needs to approve it to use the same map as USEF. The new regional map was adopted with a first from Elisabeth Goth and a second from Holly Nichols and unanimous board approval.

Bob announced that we need to repopulate our committees within ASHA. A list of the committees and their members was in our board packets. If any board members have particular interest in a specific committee, please let Bob Funkhouser know.

Our contract for our office space with the Saddlebred Museum will be coming due December 31, 2017. The board and staff expressed the desire to move our offices to another location as this location is not desirable. We do not have a front door, do not have any private meeting space, and the office floods quite often. It is less than desirable working conditions. David Mount, David Rudder, and Bill Whitley will be looking into other options for our offices. We need to make a decision on our office space by our December 31, 2017 deadline. Currently we are paying \$11.75 per square foot (including the common areas). This group will bring any other options on office space to the board for approval at a later date.

5. USEF REPORT. Elisabeth Goth reported that USEF held a special meeting on January 10, 2016 to replace the CEO as the previous CEO left to pursue other endeavors. The new CEO, Bill Maroney, is temporary until his first review in June.





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USEF's vet committee established a rule that will start in 2018 to require all horse shows to have a bio-security plan in place in case of a virus outbreak.

USEF has also established guidelines for drug and medication infractions. These are very helpful to both the USEF and to the competitors. USEF now has guidelines on punishment for infractions so all punishment is relatively the same and competitors have guidelines to know what to expect if they are involved in an infraction.

USEF will have rule change proposals available to everyone at the convention. The board discussed the need for USEF to educate horse shows on why it is important to be USEF sanctioned. So many Saddlebred shows are dropping the rating. The shows need to be informed on why it is important to keep it.

5. OLD/NEW BUSINESS. Bill Whitley reported that we have reached an agreement with the museum on selling ASHA apparel. They will be the exclusive retailer for our line of clothing.

The meeting adjourned at 6:20 p.m. EDT with a motion by Chuck Herbert and a second by David Rudder.

