

Board of Directors
Conference Call
Unapproved Minutes
January 23, 2012

President Walker calls meeting to order at 6:34pm.

President Walker asked Mrs. Taylor to call roll.

Present were:

Eddie Barrow
Jamie Lawrence
Ronnie Hooker
Andy Roberts
Mike Etheredge
Chris Walker
Tonya Beaver
Kelly France
Darlene Harris
Tim Toler
Judy Jones

Absent were:

Ed Hiers
Fred McRoy
Jim Morris
Chase Hurst

President Walker asked for a motion to excuse Jamie Lawrence from a previous meeting and Ed Hiers, Fred McRoy, and Jim Morris for the current meeting. Judy Jones made the motion and second by Mike Etheredge. No objections, motion passed.

President Walker thanked everyone for being on the conference call and moved right into the Nominating Committee. He asked Chairperson Judy Jones to present the committee slate.

President	Chris Walker
Vice President	Jim Morris
Treasurer	Chase Hurst
Personnel and Property	Fred McRoy
Membership and Promotions	Judy Jones
Advisory Committee	Tonya Parsons-Beaver
DQP	Mike Etheredge

Judges Committee	Tim Toler
Trail, Field, and Pleasure	Darlene Harris
Breeders Committee	Ronnie Hooker
Rules and Enforcement	Eddie Barrow
Exhibitor Status Committee	Andy Roberts

President Walker asked for nominations from the floor. Motion was made to accept the slate from the nominating committee by Darlene Harris and seconded by Eddie Barrow.

Eddie Barrow	Yes
Jamie Lawrence	Yes
Ronnie Hooker	Yes
Andy Roberts	Yes
Mike Etheredge	Yes
Chris Walker	Yes
Tonya Beaver	Yes
Kelly France	Yes
Darlene Harris	Yes
Tim Toler	Yes
Judy Jones	Yes

Absent were:

Ed Hiers
 Fred McRoy
 Jim Morris

Motion passed.

President Walker verified that everyone has received the minutes. Darlene Harris requested a change from Mrs. to Mr. Hiers and to adjourn the September meeting. After changes Ronnie Hooker made a motion to accept the minutes. Eddie Barrow seconded the motion. No objections, motion passed.

President Walker informs the Board of the work being done on the budget. In addition options for a growth plan or a suggested collection of idea's some of which are listed below:

1. I, as well as many others, have worked on getting the shows in East TN back over the last year. In this process I have learned that a big help would be having the Ky Walking Horse judges to also have their RHBAA judge's license. Most if not all of the shows have both walking and racking classes. The show management does not want to pay for both a walking judge and a separate racking judge. There are a couple that do have both but the complaint from that is there are only two and two simply cannot handle all the shows and the folks would not want to show in front of only 2 or 3 judges all year long even it was possible for the 2 or 3 to get around to them all. I am asking Tim specifically, but the

whole board really, to start thinking on a plan to see other judges such as from the Ky Walking Horse Assoc. to receive their RHBAA judges license. Many have stated they don't mind paying the fees, the past memberships, and even apprenticing some and or taking a test. In TN we are in a unique position with things in complete disarray in a competing organization. With a few right moves I think we can add a lot of new shows. This too will eventually contribute to a lot of new members and horse registrations and will add numbers to our Celebrations. Not only will this help us in TN but it will help in Ky and all the states surrounding.

2. Another thought is State Shows. I want us to think on what role the RHBAA plays in getting the state shows back. I have looked really hard at the proposed budget for this year and have challenged Melisa in a several areas relating to the budget both on the expenditure side as well as the growth side and perhaps we will see the result of that when the budget is presented. Simultaneously I recognize that there are those times that spending money is key to growth and thus increasing revenues. Think on the idea of the RHBAA getting involved in state shows and if so to what degree. To limit exposure there would need to be a cut off and I would suggest that it be done by number of members in a particular state. In other words a state or region has to have a certain number of members before the RHBAA gets involved in the show. Secondly the money raised from the show, assuming it is a net gain, would be split between so many dollars being earmarked in our accounting to go back to that state in some form or maybe specifically to their next years state show and then so many dollars going to the RHBAA. Some ideas are that we could pay a show manager from that state a small fee to put on the show and the board would have sole discretion as who the show manager would be. Could pay them in box seats or from other resources we might have including simply paying them money. Could pay them a certain percentage of the "net". The board could also be involved with the selection of judges. The show chairman could present a slate of "x" number and we could then select. For that we might pay a certain amount toward the judges cost. Any way these are just ideas that pop in my head as I think on this.
3. We have a Mr. Wayne Hipsley coming to make a presentation at our board meeting in Feb. He is in the business of helping horse organizations in a variety of ways. The one that has caused me to take note of him was that he has produced for other organizations a DVD that picks apart the gait of a horse and is used to train all that watch the DVD to better evaluate the horse for proper gait and specifically addresses the judges program. I have harped on having to have "a differential product" and Mr. Hipsley seems to understand this better than almost anyone that I have talked with in the horse world. Not only does his program attempt to get everyone on the same page as it relates to the gait and the judging, it appears that he sees the bigger picture in that he understands that he is doing much more than helping with the judges program but is helping in the overall marketability of the organization and thus it's success and sustainability. He truly seems to understand the direct connection between these specific issues and I am looking forward to his presentation to the board.
4. I would like to see us start a program that promotes and perpetuates the natural racking gait. The trainers started something along these lines and I think that was a good step in the right direction. Think of ideas around promoting the bare legged horse. I think it would be wise to offer an incentive that if a horse won a blue ribbon at the World Celebration that was directly out of any previous RHBAA World Champion that they receive an additional \$_??_ Amount of winnings. I mentioned this to just one trainer and his first comment was "would this include the mare or would it just be the sire?". He

went on to say that he had one directly out of a world champion mare and that they had been trying to walk him but could go without a chain just as easy and if we did such program he was going to convert him over to bare legged right away. I told him this was only an idea at this point and I was just trying to get some feedback. My point is that there are probably some out there that would convert now and show bare legged. However, and more importantly, over the long haul it would perhaps breed back into our stock the gait we have bragged about for so many years, additionally separating us that much more from competing horse organizations, putting some value back for those that want to breed the racking horses thus giving a little more value to winning a Racking World Championship, and might relieve pressures from the USDA somewhere down the road. This would take years to see a great change but this along with the other ideas going around will cause long term change for the better. The program could be a graduating program in that it could start as including a winner that is directly from a world champion dam or sire and after so many years could change to being from only the sire or from only World Grand Champions. Again just throwing out the ideas with hopes of getting your thoughts now and or at winter meetings.

5. Lastly I think attention has got to be given to our entire way of doing business as it relates to the board and management structure. Not only is the horse industry as a whole and all across the country suffering and finding it difficult to survive, the business model or structure of management that we employ has built within it inherent obstacles that add to the difficulty to survival. Statistically speaking, a board that is made up of its members that is ultimately responsible for conducting the business of such organization has little chance of survival and at best only skimps by. We contribute to that statistic having been in place for 40 years and are at this point still skimping by. To highlight the problem let me only mention a couple of inherent problems. First, after serving for president for two years I can honestly say that the position could be a full time position. With the need being so high and most presidents working full time outside of this role, a president then has to evaluate the priorities and in the end accomplishes very little of what he or she wanted to accomplish and very little of what "needs" to be accomplished. Not only does this create burn out, more importantly it means that there is a lot of things that do not get done that could mean the difference in the organization making it or not. This is a problem that needs addressing in some way as this is one example of an inherent problem within our management structure that contributes to the statistic of failure. A second one to highlight as an inherent problem is that with a member ran board that makes all the decisions at least some things get done based on emotion and what self serves those involved. As I look at the decisions around the fee structure over the many years previous it is obvious that decisions were made without consideration for reality. Based on current competing market prices the RHBAA is approximately \$55,000 to \$70,000 short per year for what is being charged for services rendered. At some point in the past, in fact at many points in the past, the decision was made that because "we own the property we will get the benefit now and charge ourselves a lower than market value" for whatever it is we used or sold. If the decision had been made along the way to only keep up with market values, then the RHBAA would have received approximately 55k to 70k per year more in revenues and at the very least would have had a better chance of keeping up maintenance and repairs on the property and thus being able to keep the property and additionally being able to run in a positive cash flow. Based on testimony from those that have been around longer than I, we have one of the best boards to date. However going forward we want to give the RHBAA it's best chance of

survival and with that we must consider all options and then put in place a system that would prevent in the future the mistakes that were made in the past.

Discussion continued in reference to the above options.

President Walker requested the Election of Committee members:

Personnel and Property Committee

Fred McRoy (Chairman)
Darlene Harris (Board)
Dewey Hannon
Judy Jones
Jim Morris
Tim Toler
Ed Hiers
Buddy Hankins

Motion to accept Judy Jones,
Second Eddie Barrow
Roll call vote, 4 absent, 9 accept, 1 opposed.

Membership and Promotions

Judy Jones (Chairman)
Kelly France (Board)
Chase Hurst
Lance Meisenheimer
Barry Troxtell
Margie Smith
Dewey Hannon

Motion to accept Jamie Lawrence,
Second Eddie Barrow
Roll call vote all accept, none opposed.

Judges Committee

Tim Toler (Chairman)
Andy Roberts (Board)
Mike Etheredge
Ricky Parker
John Hubbard
Terry Stone

Motion to accept Eddie Barrow,
Second Kelly France
Roll call vote, 4 absent, 9 accept, 1 opposed.

Trail, Field, and Pleasure

Darlene Harris (Chairman)
Jim Morris (Board)
Debbie Morris

Margie Smith
Michelle Dalton

Motion to accept Tonya Beavers,
Second Tim Toler
Roll call vote all accept, none opposed.

Horse Show Committee

Melisa Taylor (Chairman)
Judy Jones (Board)
Kelly France (Board)
Chase Hurst
Lance Meisenheimer
Barry Troxtell

Motion to accept Jamie Lawrence,
Second Mike Etheredge
Roll call vote all accept, none opposed.

Advisory committee

Tonya Parsons-Beaver (Chairman)
Fred McRoy (Board)
Barry Troxtell
Glenda Barrow
Sue Dunn
Aleisha Grubb
Kelly France
Susan Hankins

Motion to accept Darlene Harris,
Second Mike Etheredge
Roll call vote all accept, none opposed.

DOP — Mike Etheredge

Mike Etheredge (Chairman)
Tim Toler (Board)
Bob Gullic
Rick Parish
Danny Musick
Larry George

Motion to accept Kelly France,
Second Eddie Barrow
Roll call vote all accept, none opposed.

The following committee will be voted on at Winter Meetings

Exhibitor Status Committee

Andy Roberts (Chairman)

(Board)
Trainers President
Trainers Vice President
Amateur President
Amateur Vice President

Breeders Committee

Ronnie Hooker (Chairman)
(Board)

Rules and Enforcement

Eddie Barrow (Chairman)
(Board)
Amateur President
Pleasure President
Trainers President
Futurity President

President Walker request that everyone be thinking about the future and come to Winter Meetings with working ideas.

Judy Jones informs the Board of a meeting on February 12th with several Show Chairman from Tennessee. She, Kelly France and Melisa Taylor will be meeting with them giving ideas of how we can help them.

Motion to adjourn by Tim Toler. Seconded by Kelly France. Motion passed.