General Membership Meeting

February 7th 2015

President Simmons: calls the meeting to order

Asks for a motion to approve the minutes from the last meeting

Greg Johnston makes a motion to approve the minutes

Seconds motion

Motion is passed

Darlene Harris: Presents the Treasury Report, We know this year hasn't been great and there are a lot of things we need to do this year. Last year we had some down turns in our shows, but we did have some upgrades done involving our computers and things that needed to be done that we voted to do.

Before any questions let me say, as a board we have gone through this very closely and come up with quite a few things this year that we can turn this around. Bobby will be presenting some new things, new ideas, a few new price raises hopefully that will allow us to have a very good spring show to boost us for summer and winter.

There are a few things that are a little different this year, Our contract for the arena has changed, the way that has changed, is simply we are paying monthly instead of the $15,000 increments that we have made in the last several years. That causes our cash flow for the month to run a little differently.

Does anyone have any questions or something they would like to remark on.

Member: Did the arena rent go up?

Darlene: No it didn't go up, we actually consolidated everything we were paying $1,800 for the office, then after the shows we were paying an installment of $15,000 and then paying out water and electric, now we have just combine all of that to a monthly payment.

Member: Roughly was it about $42,000 last year?

Darlene: Probably close to that but it was a little higher, because our water and electric bills are quite high after the shows. This break down is actually much better for us in the long run. When we looked at everything we are saving at a minimum $800, and that was before utilities went up, which they are going up this year so our post show utilities would have been much higher than any other year before.

Member: Does anyone go through and try to itemize the expenses to see if we can cut back on anything. I have owned a business since I was 18 and if we ever had a problem we go through and itemize everything and make cuts that way. I'm seeing merchant fees of over $6000; I'm seeing other things in here like bonuses and things. Have you actually tried to cut expenses?

Darlene: Oh yes we have many times, and we actually did again yesterday quite well. You brought up the merchant fee, which was a discussion in the board room if anyone has any really good ideas on that please let us know. It's the cost of having visa and MasterCard available, and we have more and more of our people using their cards for stalls, barns and even classes. Every time we swipe the card we get a charge for that, members that have a premium point rewards we get a higher charge for those cards.

Member: The other way to do that, is let everyone know up front, if you pay with a credit card there is an upcharge of 2.75% or 3%, and that will wipe out all merchant fees.

Darlene: We have looked into that and I checked on that for this business and for a separate business that I am part of, and it's against our contract to add on, if they use a card.

Member: As long as you state that in your contract, and let people know up front with the use of a card, you should be able to do away with those fees.

Darlene: If you could get with us with that information, that would be great, we haven't found a company that will allow us to do that. And again we have itemized our expenses and have gone through and will try to do our cut backs this year.

Member: Is saving $6 actually worth it on the beat

Melisa: Yes it is worth it, because it is actually part of a sponsorship, so we are actually making more money on the sponsorship, than we are spending on the beat itself.

Member: For your salary pay, how many do you have for salary pay, and who has health insurance, and for $9,000?

Darlene: We only have one salary person and that is Melisa and she has health insurance she is our only full time employee, has anyone priced blue cross blue shield, we have 3 hourly workers.

Member: How many bonuses did we pay out, and if we knew were going downhill could we not save by not giving a bonus.

Darlene: We have a contract, and the bonus was for the previous year, it was paid for the 2013 year, and it won't be paid for 2014.

Member: What are the committee fees?

Melisa: We had 3 more conference calls than we normally have, we had a booth at Germantown for the breeder's expo, we had winter meetings fees the luncheon and that type of thing is in there.

Charlie Brown: Exhibitors show awards I thought that included the prize money.

Darlene: Yes that's what it is. Does anyone else have questions?

Member: Have you shopped telephone companies?

Darlene: Right now we share with the arena lines.

Member: Darlene what is the cash reserve for the association. This $55,000 cash had to come out of somewhere

Darlene: It has lowered out money market.

Debbie: You have DQP affiliation fee, $16,000, Why is there not an HIO income of that $16,000, what is the HIO income on the first page. So we don't see the PNL for the DQP Company (HIO)

Darlene: That is a separate entity, we gave it the startup money's when it was started, and they have a separate PNL. We have only had one year under our belts with that so we are hoping this year will bring more business. We do pay them.

Mike Meisenheimer: I suggest you look into your D&O Insurance, I have sat on quite a few boards over the years and it's up to high.

Melisa: We will revisit that yes, if you could send us some names that would be even better thank you.

Member: We also need to look into individual Health insurance.

Darlene: We still have a contract so we can revisit that when the contract is up for renewal

Charles: What about these office expenses

Darlene: You don't realize what goes in and out of that office, everything is itemized it's just not on this print out, paper ink etc.

Kent Lawrence: Motion made to approve

Member: Who is paying Mika?

Darlene: We are using Mika for the RHBAA she is on a split, there are specific things that she does for us, and then there is paperwork and filing and show work when there are shows for the HIO.

Member: So we are paying her and they are paying her too, does she get a W2 from both, how does her income show on this?

Darlene: We are splitting her hours, and only paying her the hours she works for both, her income is not shown on the HIO income.

Member: What is the breakdown of show officials?

Darlene: Center ring, show master, gate keepers, emt, civitan, its more than the judges because there are a lot more people involved than just the judges.

Jessie: Second the motion to approve

Motion Passes

President Simmons: We have a lot to cover but I want you to know this board has taken this budget and the show item by item looking for cuts and places to save money. There are some things that we cannot predict will be sponsorship, vendors, registration, horse numbers, stalls and campers rentals. Also Mac Hess is doing a tremendous job right now and will be our new Show Chairman and will be working to gain new sponsors and to change the show up so we can make more money. But bottom line, it is going to require every one of us stepping up to the plate and helping where we can. This is our association and if we want it to survive then we are all going to have to pitch in where we can and help out.

Moving on to old business the board has a proposal that it wants to make to the membership involving the judges program. I will read this to you now.

The Ethics committee will regulate any affiliated show. The committee will consist of three people and an alternate. President of RHBAA, Horse Show Chairman and two members at large voted on by the Board of Directors, one of those being an alternate. In the event all members are not present the alternate will take that persons place. This committee will have the authority to relieve a judge, at any time during the show, with a vote of the majority of the committee members present. The findings of this committee will be turned over to the judges committee for investigation and, if needed, will be turned over to the Rules Enforcement Committee.

The requirement of a polygraph for the judges at the World Celebration will be eliminated but will be in the contracts of both spring and Fall Celebrations that it can be given at any time during the two shows at the discretion of the Ethics Committee. Anything the committee thinks is necessary for use in center ring, such as cameras or video, the expense must be approved by the RHBAA Board of Directors. If this motion is passed then the 2 year rule will be waived for changes to be made, with the consent of the membership, until the program is finalized and working.

This was voted on yesterday and it was voted in unanimously, to help hold our judges accountable. In other words they are accountable tonight, not tomorrow or at the end of the show they are held accountable right then. They can be removed from the center ring, if it is a one night show and the committee is there they can be removed and replaced. But it is to try to put our confidence back in our center ring. That is what all of us want, is a fair shake.

Now at the same time, that being said, this is from the board of directors, this was passed by unanimous vote, it will be posted for 45 days on the website and at the end of the 45 days you will have the opportunity to vote on it, if you want it or if you don't. Now Chris walker has come up with his own proposal that he would like to present to you now.

Chris Walker presents his proposal to the General Membership

Fred: My problem with this and I sent this to you, You are putting a 5 man committee together who can reappoint themselves so our membership and the board loses complete control over this committee.

Chris: The idea is that if the membership truly had the ability to be the last word I am all for that, but when you hand it over to the membership there is always a small group that get actively engaged overly engaged and then overturn the outcome. So yes in a way the idea is to take it away from the powers that be, whether that is the board or the small groups, and allow the judges committee to act independently and make a decision that they feel are necessary without be scrutinized. Now within this is the ability for the board to return the judges committee decision with a vote, so in some respect the board and membership still has some representation in this.

Kelly: It also does away with all judges you have now and will start over clean so if you hold a license now you may not if this goes through.

Brian Perkins: Who would these 5 people be?

Kelly: I found it; these 5 persons would be, Joshua Burchfield, Ricky Parker, Judy Jones, Mike Meisenheimer, and John Hubbard

Chris: Within this motion is specifically says that a person on this committee cannot make their living from the show horse industry.

David: So you're basically just leaving out all of us who have to make our living in the industry, you aren't giving us a say at all.

Larris: So you came up with this.

Chris: No, there was a committee that was put together via a motion made by this membership that Greg Johnston, myself, lance Meisenheimer, Barry Troxtell, and others on that committee, we threw out names others threw out names.

Larris: Well I am going to give you my opinion you have to many committees, so many people have too much say. Get someone who is strong to run this thing give them a little help and let it go.

Chris: I think everyone is in favor of that Larris, and I have preached for years that this should be not a solo ownership but one person should be in charge but you won't ever get that passed.

Chris: (Lists the 5 names again) In the event that one or more of these people shall decline the position then the following people will be asked to serve on that committee

Jim Roberts

Barry Troxtell

Mary Alice Bohannon

Darlene Harris

Andy Roberts

Tim Toler

Chris Walker

In the event that there are still seats open after the alternates have been asked then it would go back to the membership to nominate.

Brian Perkins: Are we going to have the option to vote between the two.

Chris: I'm not sure how that will be handled.

President Simmons: Yes absolutely, we will post both proposals for the 45 days and then vote.

There will be a mail out done at the end of the 45 days.

Member: Will this go into effect right away or when will it start.

President Simmons: Mr. Walkers if it passes it would in full effect by August 15th of this year, if the other way is voted in, our intention was to implement it this year for this year only and then evaluate to make sure it works smoothly and helped to promote our breed. If it did work at the end of the year it could be voted on and

made part of our rules. But now it will be posted alongside Mr. Walkers and you can vote for whichever one you want.

Are there any other questions?

Member: Are you mailing those out to general membership also?

President Simmons: Yes we will be mailing out ballots to general membership.

Member: This has been an issue in the past, are they going to come in a decent time to get the back before the deadline?

President Simmons: It will be sent as soon as the time frame is up and if you are given 15 days, to return you should have no problem returning a piece of mail in that 15 day window, we find time to do other things and this is an important issue so you can find time to do this too. We will post online when we are sending out the letters and when they are due back.

Let me remind you of this, you must be a member in good standing and a member for 2 years, in order to vote.

Member: What is the duration of these committees?

President Simmons: Chris's would be lifetime.

Chris: No, there are terms within that structure that states yes they can reappoint themselves or they can bring someone else in, in their place.

President Simmons: Let's move on, the next thing on the agenda is a rule change.

Greg Johnston: I met with the BOD yesterday; we have submitted 2 amendments,

I, Greg Johnston, a member in good standing (7132), on behalf of the PRHTA, would like to recommend the following amendments to the rule book:

Amendment to Section 11.15 pg75 Specialty Action Division The last sentence in paragraph 1 reads: Championship classes for this division will be limited to this division only and will be unable to show in any other Championship class.

Change to read: Championship classes for this division will not be limited to this division only.

Section 11.15 p75, Specialty Action Division add the following: (E) Horses in this division may cross over and show in the open division at the same show.

Amendment to Section 12.4 p 107 Fall World Championship The first sentence reads: Any horse which has shown in a previous class, except for Pleasure and Specialty Action Classes, is eligible to show in the World Grand Championship.

Change to read: Any horse, except for Pleasure, must qualify in the open show division to be eligible to show in the World Grand Championship class.

The intention of these amendments is to allow the Specialty Action Division to show in the Open Show Division and vice versa. The rule book states to qualify for a championship class, horses must show in a previous class so restricted.

Ava Odom: So for you to have a choice at both stakes, you must qualify that horse in both divisions.

Greg: This would only apply to Specialty action and Open Division

President Simmons: Now we are moving on to our committee reports, and as of right now they have nothing new to present, so I will ask for a motion to wave that at this time.

Member- Made a motion to move forward

Motion carries

President Simmons: The next will be an election of our judges

Judge 1- Charlie Brown

Judge 2 – Ricky Shackleford

Judge 3 – Adrian Rhekemper

Alternate 1 – Andy Roberts

Alternate 2 – Greg Johnston

President Simmons: That is all the new business we have, is there anything anyone needs to ask?

Kelly: I make a motion to adjourn

Member: I second it

Motion carries