

**NCHA EXECUTIVE COMMITTEE
TELEPHONIC MEETING
AUGUST 20, 2018**

A telephonic meeting of the NCHA Executive Committee was held on Monday, August 20, 2018, at 5:00 p.m. Those present were President Phil Rapp, President-Elect Ron Pietrafeso, Vice President Steven Norris, Ernie Beutenmiller, Rock Hedlund, Skip Jones, Jay Klamon, Matt Miller, Tommy Neal, Lachlan Perks, David Pilcher, Tatum Rice, Ronnie Smith and Kristen York. Also present was Interim Executive Director Lewis Wray and NCHA Chief Operating Officer Catherine Cheugh, NCHA Legal Counsel James Morris and NCHA Treasurer James Burris.

President Phil Rapp called the meeting to order at 5:00 p.m., CDT.

MOTION was made by Ron Pietrafeso and **SECONDED** by Kristen York to move the meeting into executive session. **MOTION PASSED.**

MOTION was made by Rock Hedlund and **SECONDED** by Ron Pietrafeso to move the meeting back into general session. **MOTION PASSED.**

Revision of Standing Rule 37 & 38

NCHA Legal Counsel James Morris presented a draft from the task force working on revisions to Standing Rules 37 & 38. After discussion, **MOTION** was made by Ron Pietrafeso and **SECONDED** by Rock Hedlund to adopt the revisions, with grammatical corrections, as presented. **MOTION PASSED**, with Lachlan Perks dissenting.

CASH FLOW STATUS

NCHA Treasurer James Burris brought the Executive Committee members up to date regarding the Association's cash flow status. Mr. Burris advised the committee that Mr. Louis Baldwin has resigned as the chair of the Finance Committee and from the Finance Committee. Discussion was held regarding the advisability of adding additional members to the Finance Committee. President Rapp advised that Mr. Frank Diehl has been appointed to the Finance Committee and that he (President Rapp) will explore adding additional members to serve on the Finance Committee.

Newly-elected Finance Committee Chair Garry Merritt and Finance Committee member Denise Seiz joined the meeting by telephone and reported that the Finance Committee has unanimously voted to move forward with implementing a line of credit with Frost Bank.

Discussion was held regarding implementing a procedure whereby the Executive Committee members receive regular cash flow projections and analysis. Finance Committee member Denise Seiz reported that she will be assisting NCHA Treasurer James Burris with the cash flow

reporting process. NCHA Interim Executive Director Lewis Wray reported that he will include a cash flow update in his weekly Executive Committee briefings.

Discussion ensued regarding the paydown process on any drawdowns from the line of credit. After further discussion, **MOTION** was made by David Pilcher and **SECONDED** by Rock Hedlund that any withdrawal from the line of credit must be approved by the President, Executive Director and designee from the Finance Committee, and that the prior Executive Committee action taken on August 8, 2018, be amended to mirror the recent action taken by the Finance Committee. **MOTION PASSED.**

NCHA MEMBERSHIP DUES DISCUSSION

NCHA Director of Membership Julie Davis joined the meeting to discuss recent Executive Committee actions with respect to an increase in membership dues. A lengthy discussion ensued regarding how to best capture the true cost of a membership, i.e., including true costs of producing *Cutting Horse Chatter*, cost of NCHA employees to service membership, etc.

After further lengthy discussion, **MOTION** was made by Ron Pietrafeso and **SECONDED** by Jay Klamon to table any membership fee increases until such time as the Executive Committee can determine the hard cost of a membership. **MOTION PASSED.**

LOCATION OF VENDORS AT TRIPLE CROWN EVENTS

Discussion was held regarding action taken by the Executive Committee on August 7, 2018, to move all vendors currently holding space outside the Will Rogers Coliseum for Triple Crown events into the John Justin exhibit hall. Discussion centered around whether some of the vendors currently outside have specific language in current contracts granting them this space outside Will Rogers. After lengthy discussion, **MOTION** was made by Kristin York and **SECONDED** by David Pilcher to conduct a detailed contract review for vendors, that such contract review be delegated to NCHA staff, and that NCHA staff provide the Executive Committee with a detailed plan for implementation for action taken by the Executive Committee on August 7, 2018 with respect to moving those vendors set up outside the Will Rogers Coliseum. **MOTION PASSED.**

BOX SEATS PRICE INCREASE

Interim Executive Director Lewis Wray advised the members of comments, both positive and negative, he has received from members regarding the recently implemented increase in the price of NCHA box seats at all Triple Crown events. He reported that of particular concern has been the tracking and confirming of box seat holder history and pricing.

After lengthy discussion, **MOTION** was made by David Pilcher and **SECONDED** by Tatum Rice that the recent Executive Committee action taken on August 7, 2018, to implement changes to the pricing structure and format for box seats at Will Rogers Coliseum be pulled back from

implementation and researched further to make sure we are achieving the best solution with regards to both financial and member service objectives. **ROLL CALL** vote was taken. Those in favor were Ernie Beutenmiller, Rock Hedlund, Matt Miller, Lachlan Perks, David Pilcher and Tatum Rice. Those opposed were Skip Jones, Jay Klamon, Tommy Neal, Steven Norris, Ron Pietrafeso, Ronnie Smith and Kristen York. **MOTION FAILED.**

Discussion then entered into a proposal from President Phil Rapp to assist those wishing to purchase the Box Seats by implementing a payment plan, i.e., 3 payments – one payment for Futurity Box seats due now, and one payment each for the Super Stakes and Summer Spectacular, payment to be received not less than 2 weeks prior to those shows. After further discussion, a **ROLL CALL** vote was taken. Those voting for the motion were Ernie Beutenmiller, Skip Jones, Jay Klamon, Tommy Neal, Steven Norris, Ron Pietrafeso and Ronnie Smith. Those opposed were Rock Hedlund, Matt Miller, Lachlan Perks, David Pilcher, Tatum Rice and Kristen York. **MOTION PASSED.**

Considerable discussion ensued, and **MOTION** was made by Matt Miller and **SECONDED** by Tatum Rice to suspend all prior box seat actions taken by the Executive Committee until facts can be obtained from the NCHA staff and approval obtained from the Finance Committee, with such report forthcoming not later than seven (7) days from this date. **MOTION PASSED UNANIMOUSLY.**

Social Media Usage by Directors and Members/Civility

Ernie Beutenmiller led a discussion by the Executive Committee with respect to social media being used to denigrate the NCHA. The Executive Committee members discussed how divisive some Directors and Members have become with postings to social media and that there is a general feeling that some have “crossed the line” with such behavior. The Executive Committee members agreed that NCHA explore drafting or rewriting Standing Rules that include acceptable social media behavior and consequences for non-compliance.

ADJOURNMENT

There being no further business to come before the Executive Committee, **MOTION** was made by Rock Hedlund and **SECONDED** by Skip Jones to adjourn the meeting. **MOTION PASSED.**