

**NCHA EXECUTIVE COMMITTEE MEETING MINUTES
AUGUST 9-11, 2021
NCHA OFFICE – FORT WORTH, TX**

A meeting of the Executive Committee of the National Cutting Horse Association was held Monday through Wednesday, August 9-11, 2021 beginning 8:00AM central time daily.

All Executive Committee members were present: President Ora Diehl, President-Elect Ted Sokol, Vice President Toddy Pitard, Kristen York, Rock Hedlund, Kirby Smith, Byron Green, Sharon Overstreet, Tommy Williams, Skip Jones, Matt Miller, Ernie Beutenmiller and Tatum Rice. NCHA Executive Director Jay Winborn, Director of Shows Shianne Megel, Manager of Marketing and Communications Callie McCarthy-Boevers and Cathy Marie Aleff were also in attendance for this meeting.

MONDAY – AUGUST 9, 2021

The Executive Committee meeting was called to order at 7:58AM and roll call was taken.

President Ora Diehl welcomed the members of the Executive Committee and opened with power of a deliverance prayer. Ora also extended prayer for a fellow member of the Finance and Audit Committee and his wife as they recently sustained injuries from a tragic car accident.

At Large Director Ernie Beutenmiller addressed the members of the Executive Committee by reciting the NCHA mission statement.

Mission Statement

The National Cutting Horse Association promotes and celebrates the cutting horse, whose origin on Western ranches allows us to support ranching and its Western heritage. By establishing rules for the conduct of cutting horse shows, NCHA strives to give cutters a level playing field and a progressive class structure which accommodates everyone from the beginner to the advanced competitor. NCHA draws on the diverse talents and background of its members and encourages their participation in helping it achieve these goals.

APPROVAL OF MINUTES

A **MOTION** was made by Ernie Beutenmiller and **SECONDED** by Tatum Rice to approve the minutes from the August 2, 2021 Executive Committee meeting at Will Rogers in Fort Worth. **MOTION PASSED.**

PRESIDENT REPORT – ORA DIEHL

President Ora Diehl addressed the members of the Executive Committee with her thoughts and comments with regards to the annual meeting on August 2nd. Ora has heard from many members that they were excited with the renewed faith in the NCHA and the positive messages that were given to the Board of Directors and the members. Even Past Presidents that were concerned with changes to the bylaws have a different perspective which makes it easier to support those changes approved, after attending this meeting and hearing all the discussions. Annual meetings did go well but it was recommended for the Executive Committee to consider

not putting it in the middle of a show next time. Ora was pleased with all the participation at the microphone from the members as it is important for them to be heard and that they felt comfortable enough to participate in that process.

Ora also updated the Executive Committee by sharing a couple of the President's Challenge responses that she has received so far. The Executive Committee will gather these as they go and select the Top 75 at the 2022 Convention.

EXECUTIVE DIRECTOR REPORT – JAY WINBORN

Executive Director Jay Winborn addressed the Executive Committee by leading off Ora's comments on the annual meeting. Jay too has received a lot of positive comments in his feedback but did get some concerns with the bylaw changes that were approved and put in place. Those individuals with concerns were unsure if NCHA would ever meet in person again. Jay provided assurance to address those concerns that just because we passed this change to the bylaws, does not mean that we will no longer hold a convention. This will only give us the flexibility needed to continue doing business in the event we have another global pandemic force shutdowns.

As Jay's first annual meeting with the Board of Directors and the General Membership to attend and not having anything to compare it too, Jay came out of the meeting feeling very positive about our current situation and where the NCHA is headed.

Jay also addressed the members of the Executive Committee with some feedback on the Summer Spectacular. Even though Jay did receive great feedback from some attending their first triple crown event, there were challenges that we all know need to be addressed. The NCHA Show Management will coordinate with the Executive Committee to consider all the suggestions being offered on how to reduce the days and hours of the show and come up with a final resolution that is best for everyone. Jay's recommendation is for the cattle to be pre-settled and establish a process that management will identify a 20-minute mark by ringing a bell in the arena where the judges are called back to the stand and the settlers know they have 10 minutes left before we begin the next round. The new ramp entrance helped, and it was a positive change, but it did not garnish us with the time needed to tighten up the schedule and make the days go faster.

Jay addressed the members in attendance with a draft version of the RFP that has been formulated for bids on producers and locations for the Eastern Nationals. Jay has already coordinated with staff that the RFP will be published on the website and should be submitted by COB on September 30th. Submittal responses will only be accepted by way of email or US mail. The Executive Committee will review all submittals and make a selection at their October 19-20th meeting. Following the completion of the RFP process and selection for the Eastern Nationals, NCHA will duplicate these efforts and issue another RFP for the Western Nationals. In addition to this RFP for the Western Nationals, a determination needs to be made on how to distribute the monies that have been collected over the past two years and how that is applied moving forward.

The Executive Committee members opted to table this discussion with regards to the RFP process and directive for Jay Winborn and staff until Wednesday, August 11, 2021.

RECAP OF ANNUAL MEETING

The Executive Committee had a round table discussion about the comments they have received with regards to the Annual Meetings that were held at Will Rogers Memorial Center on August, 2nd.

Positive Comments from Members

- Having the meeting in person was very positive. It changes the whole dynamic of what is being presented.
- Very positive, enjoyed the face-to-face meeting.
- Ora and Jay gave a positive message.
- Positive comments about Jay's presentation and the commercial. Looking forward to where we are headed as an association.
- Canadians feel like they were heard and pleased with the outcome on the voted bylaws.
- Ora handled the meeting very well.
- Round table discussions by region were well received.
- Members excited with the flexibility of voting and communicating electronically so all can be heard.

Concerns from Members

- Having to take a day out of the show to host annual meetings.
- Provide coffee next time.
- More work to do within the bylaws, as what we passed poses more questions.
- Why did the meeting take so long?
- Are there going to be some guidelines put in place for the newly passed electronic voting process?
- Why did we have to stop the show?

REGIONAL REPORTS

President Ora Diehl welcomed the each of the members to report their regional updates.

Region 1 – Kristen York gave her report based on the discussions from the Region 1 Round Table. Region 1 had nine (9) people in attendance, and they discussed the Western Nationals, Circuit Finals and spent a lot of time discussing the Amateur class and the roll backs. There are a couple of director districts to be appointed; Colorado – Nicole Pietrafeso and Bob Tregemba, Oregon – Cameron Verstegen

Region 2 – Rock Hedlund reported that cutting is strong out on the west coast. Cascades Futurity is getting ready to kick-off. Reno's show was strong and club cuttings are doing well also. Region 2 has concerns with the Western Nationals on location and dates.

Region 3 – Kirby Smith emphasized that cutting in his region shifts to the north this time of

the year due to the heat. Region 3 has multiple circuits within, and they are excited about the circuit program. There has been heated discussions regarding the circuit finals as some have concerns that the program is being handled right by NCHA.

Region 4 – Byron Green described that Region 4 cuttings are still strong. USCHA Spring Spectacular inquired about having a co-sanctioned show with NCHA which the directors in Region 4 have supported.

Region 5 – Sharon Overstreet reported that shows are good. Region 5 is concerned about the \$50K Amateur class and rollback rule.

Region 6 – Tommy Williams stated that shows are increasing in Region 6 with emphasis on Arkansas.

Region 7 – Skip Jones expressed that shows are good in Region 7. Skip was pleased with the attendance at the annual meetings that prompted great discussions around the Region 7 round table during the breakout.

Region 8 – Matt Miller reported that the Region 8 round table discussions were involved, and they had concerns with the long days at the Derby and all shows. Majority in Region 8 were in favor of pre-settling cattle. Their suggestion was that 7 sets a day was more ideal.

At Large – Ernie Beutenmiller emphasized that weekend shows have been extremely good. Ernie has heard concerns about the Circuit Finals and how they will, quality of these circuit finals will determine the success of the program. Members will not be as patient next

At Large – Tatum Rice stated that most of what he would like to report will be discussed over the course of this meeting and elected to convey his comments during that time.

President-Elect – Ted Sokol reported that the \$50K Amateur and rollbacks were hot issues at the Region 5 round table. Ted recently attended some local weekend shows and shared some concerns he heard from members about the need to regulate leveling across shows and that judges agreed that they need to be held to more accountability and we need to address the food service at Will Rogers. The Augusta Futurity will be held at the WEC (World Equine Center) in Ocala, FL for 2022.

Vice President - Toddy Pitard conveyed that Region 6 had great representation at the annual meeting. There are two shows scheduled in Arkansas for this year. During discussions at the round table on the Eastern, Memphis was favorable as the next location. Producer of the Cotton Stakes is looking for more promotional support.

FINANCIAL REPORT – DENISE SEIZ

Vice Chairman of the Finance and Audit Committee Denise Seiz addressed the Executive Committee with our current state of the June financials for the association.

Statement of Position

The Association ended the month with total assets of \$18.8 million which represents an increase of \$1.7 million from the previous month. The increase in total assets is primarily due to an increase in cash as a result of entry payments for the upcoming Metallic Cat Summer Spectacular.

Total Liabilities increased \$1.9 million from the previous month. Specifically, event deferred revenue increased \$1.7 million and deferred sponsorship revenue increased approximately \$290,000. Both of these increases were due to entry and sponsorship payments related to the upcoming Metallic Cat Summer Spectacular.

Net assets decreased by approximately \$168k which represents the net loss for the month of June.

Statement of Activities

Through nine months of FY 2021, the Association has posted a net profit of \$1,594,742 which is \$35,394 or 2.27% higher than budgeted YTD profits.

The Association posted good results for the month of June. While the budget anticipated a loss of \$304,637 for the month, the actual loss for the month was only \$168,121 which means that we had a favorable variance of \$136,516. Typically, the statement of activities for the month of June has the financial impact of the Western Nationals show and the annual convention; however, those events were postponed or canceled. The budget anticipated a net loss in June of \$15,865 from Western Nationals and \$25,050 from the annual convention. If you remove those two events from the budget for June (\$40,915); the actual results for June still had a favorable variance from our anticipated budget by \$95,601 (\$136,516 - \$40,915). In summary, total revenue for the month was \$255,518 (under budget by \$540,874) and total expenses were \$423,640 (under budget by \$677,390). These unusually large variances from budget as described above were related to the fact that the Western Nationals show and annual convention was postponed/canceled.

Below is a summary of the most significant revenue categories that make up the unfavorable variance in total revenue:

NCHA produced show revenue lower by (\$447,945)

The unfavorable variance in NCHA produced show revenue was due to postponement of the Western Nationals show.

Approved show fee revenue lower by (\$20,261)

The Association continues to enjoy record entries at most weekend and limited age events across the country. Specifically, approval fees from those events show a \$93,539 favorable variance for the month of June. However, since the Western Nationals show was postponed, the NCHA Championship Fee of \$113,800 was not recognized in revenue; rather, it remained in deferred revenue and, as such, that caused the unfavorable variance of \$20,261 (\$113,800 - \$93,540).

Other income lower by (\$62,455)

The cancellation of the annual convention was the primary cause of this unfavorable variance. The Association had \$60,000 in convention registration fee revenue anticipated in the budget.

Total expenses for the month had a favorable variance of \$677,390, most of which was due to the postponement and cancellation of Western Nationals and the annual convention. In fact, the cancellation of those two events resulted in favorable variances in the following expense categories:

Premium expense	\$288,605
Awards expense	20,502
Cattle expense	136,172
Show Facility expense	33,369
Show Marketing expense	63,453
Show Operating expense	93,845
Other expense	<u>85,010</u>
Total	\$720,956

The offset to these favorable variances were the following:

- 1) The Association decided to provide a \$25,000 sponsorship to the High School National Rodeo event and this item was not anticipated in the budget.
- 2) Personnel Expense was \$9,636 higher than budget due to additional contract labor and monitoring fees. The higher contract labor was due to the continued accounting support in the finance department and additional operations support.
- 3) Professional fee expense was \$13,770 higher than budget which was due to higher than budgeted legal fees.

Denise provided a few more updates which included the NCHA received the MERP reimbursement on July 2nd. We received \$1,434,066.31 which was from the 2021 Futurity/World Finals.

Overall, NCHA is in good shape, as of the end of July we have over \$6.7M in our checking account not to be confused with the investment account. We have already paid out \$900,000 in premium checks to the summer show winners. The balance will be paid out in the month of August. Jay added that payout checks historically have been rounded up and moving forward they will now be paid out to the penny of what they actually won.

An interface has been implemented that generates HUB to Great Plains which saves time for the accounting team that has been doing a great job as always.

Fiscal year end is coming soon September 30th so budget proceedings for 2022 have been initiated so that a final budget can be presented to the EC in September.

Executive Director Jay Winborn addressed the members of the Executive Committee that he has appointed Denise Seiz as the official NCHA Treasurer effective immediately. This will be a contract labor position. Denise will step down from her committees as a voting member and participate as an ex-officio moving forward.

MERP application is getting ready to be submitted for the upcoming Futurity, word from the Governor's office and the City of Fort Worth is to expect a decrease of about the 20%.

FINANCE AND AUDIT COMMITTEE – DENISE SEIZ

Vice Chairman of the Finance and Audit Committee Denise Seiz addressed the Executive Committee with the recommendations from the Finance and Audit Committee to be considered.

Finance and Audit

1. Recommends to the EC that the Finance Committee review the production and efficiencies of our NCHA produced shows.

A **MOTION** was made by Tatum Rice and **SECONDED** by Matt Miller to approve the F&A to evaluate the production and efficiencies of NCHA produced shows. **MOTION PASSED UNANIMOUSLY.**

As this discussion further developed, President Ora Diehl appointed a subcommittee within the EC to work with the Finance and Audit Committee to research other facilities for NCHA produced shows. Tatum Rice, Skip Jones, Rock Hedlund were appointed from the Executive Committee.

YOUTH DEPARTMENT UPDATES – MIKE SIMMONS

Director of Youth Mike Simmons addressed the Executive Committee with updates from the Youth week during the Summer Spectacular.

Mike emphasized that youth week was successful. Mike is pleased to report that the Youth Board of Directors has grown to 38 seats.

BraveHearts was a remarkable event, veterans and the youth interacted in a positive way. BraveHearts clinic were well attended and instrumental to the program's success. Again, Mike extended a thank you to all that helped out during this event, from the trainers to the staff.

Mike recommended to the Executive Committee that we establish a clear expectation from all parties involved in events like this so that there is no room for a potential misunderstanding.

Mike also made a recommendation to honor all for the Youth at the banquet only, this year the awards were recognized on the arena floor and at the banquet which added confusion.

Youth Committee Chair has stepped down and a call will be scheduled soon to elect a new chair.

YOUTH COMMITTEE – MIKE SIMMONS

Director of Youth Mike Simmons addressed the Executive Committee with the recommendations from the Youth Committee to be considered.

Youth

1. Regional Scholarships

Page 27 (online rulebook)

17. Youth Regional Scholarship Cutting: Each region is eligible to receive \$2,000 in scholarship cutting funds from the NYCHA if the region provides at least \$8,000 in regional scholarship monies for a minimum of a \$10,000 Youth Scholarship Cutting. A maximum of two awards per year. The region must support the scholarship cutting and there must be consensus among the region as to the location. It must be advertised to all youth members in the region and every effort must be made to include youth participation from the entire region. The Scholarship Cutting must be announced in the Cutting Horse Chatter magazine at least 50 days prior to the event. If the Scholarship Cutting is not held in conjunction with an approved show, the show management must obtain approval from the Executive Director to hold the event.

After the cutting, the region must submit at least \$8,000 plus a list of scholarship recipients for the total (including the \$2,000 NYCHA funds) to the NCHA office to the attention of the NYCHA. The listing must include name, address, phone, NYCHA member number and social security number of each scholarship recipient.

- a. The NYCHA is responsible for the payments for the \$4,000 a year to affiliates that apply. This rule needs to be removed or update to address more of the regions, how money is distributed and time of application.
 - i. The recommendation is that we remove this from the rule book temporarily until we can farther explore our options.

The reason for removal is that since the calendar year falls from June 1st to May 31st, we have the potential of paying out \$8,000, which requires the NYCHA to locate additional funding.

With the NYCHA also being responsible for the Rookie of the Year Scholarships we have a potential output of \$10,000. In 2020, 3 Rookie of the Years from were awarded \$1,000 causing the NYCHA youth program to fund \$13,000 in 2020/2021.
- b. There is no quick or easy solution and will take some time to come up with a fair and equitable solution.

After much discussion, a **MOTION** was made by Kirby Smith and **SECONDED** by Skip Jones to adopt this recommendation by removing regional scholarships, then EC would like for the Youth Committee to come back to the EC with their recommendation for implementation moving forward. **MOTION PASSED UNANIMOUSLY.**

2. Hall of Fame

- a. Addition to the Hall of Fame
 - i. Serve as NYCHA Officer/Director at least 3 years

A **MOTION** was made by Tommy Williams and **SECONDED** by Kirby Smith to accept this recommendation to change and adjust the 1-year term requirement for eligibility criteria to 3-year term for induction into the Youth Hall of Fame. **MOTION PASSED UNANIMOUSLY.**

Youth Senior Board of Directors Recommendations

1. NYCHA Horse Hall of Fame

A **MOTION** was made by Ernie Beutenmiller and **SECONDED** by Ted Sokol to approve the NYCHA Horse Hall of Fame. **MOTION PASSED UNANIMOUSLY.**

REINSTATE STALLION FOAL TASK FORCE SUB COMMITTEE – ORA DIEHL

President Ora Diehl reinstated the Stallion Foal Task Force Subcommittee, Chairman moving forward will be Rock Hedlund. Others EC members on this committee are Tatum Rice as Vice Chair, Kirby Smith and consultant Jeremy Barwick.

AMATEUR COMMITTEE – BARNWELL RAMSEY

Chairman of the Amateur Committee Barnwell Ramsey addressed the Executive Committee with the recommendations from the Amateur Committee to be considered.

Amateur

Recommend to the Executive Committee to remove the \$50,000 numeric reference for the Amateur as it does not truly represent the cap, leave all rules in place as is and make efforts to educate amateurs on the different caps. Removal of the numeric reference will push members to the rule book for positive clarification on the earning requirements rather than being hung up on the exact number. Additionally, Chairman Barnwell Ramsey appointed a sub-committee (Lica Pinkston, Jan Gandy and Katherine Van Boekel) to develop a questionnaire to request feedback from show producers across the country to assist the Amateur Committee in determining the major issues with the Amateur. Once formulated the office will assist in distributing it to the show producers. The Amateur Committee will discuss at their next meeting after the sub-committee reviews the results.

Current Eligibility – amateur criteria plus

Amateur to age 59:	\$100,000 cap with a \$50,000 Wknd/\$50,000 LAE split
Amateur 60-69	\$400,000 cap with a \$200,000 Wknd/\$200,000 LAE split
Amateur 70+	No Cap

After much discussion, a **MOTION** was made by Kirby Smith and **SECONDED** by Sharon Overstreet to send this Amateur recommendation to remove the \$50,000 numeric reference on Amateurs back to the Amateur Committee to send back their top (3) suggestions for resolution to the Executive Committee by August 23rd. Then after EC approves, the office will administer a survey to all Amateur members for feedback and implementation. **MOTION PASSED.**

In addition to the directive issued by the Executive Committee to the Amateur Committee, President Ora Diehl is making some changes to the current members of this Amateur committee due to lack of attendance on committee calls. Ora emphasized to the rest of the Executive Committee that she is holding members responsible for participating by attending their committees' calls and/or meetings, she is carefully monitoring the attendance records and actions will be taken accordingly to replace those not attending on all standing committees.

GOVERNANCE COMMITTEE – SKIP JONES

EC liaison and member of the Governance Committee Skip Jones addressed the Executive Committee with the list of items that the Governance Committee to be considered.

Governance

1. Monitor EC, directors, and members feedback to the tabled bylaw change regarding quorums and provide input for any changes to the proposal. **Re-evaluate the amended language to Article III, Section Two to be brought to convention in 2022.**
2. Now that the job descriptions have been approved by the EC, initiate a training plan for all those affected and implement as soon as possible. **Maybe hold training at convention?**
3. Review the EC to Director to Membership communication stream and recommend improvements. Maybe this is part of the training.
4. Study the benefits and/or disadvantages of discontinuing the At Large Directors positions with the GC to review and make our recommendation. **Keep positions but limit area served to East, West and Central for a balance of representation?**
5. Review the VP nomination and election process and make recommendations.

The Executive Committee granted the authority to the Governance Committee to continue to work on the following items and bring them back to the Executive Committee for the next meeting in October.

ADJOURNMENT

The first day of the meeting was adjourned by President Ora Diehl and is scheduled to reconvene Tuesday, August 10th at 8:00AM central time.

TUESDAY – AUGUST 10, 2021

The Executive Committee meeting reconvened and was called to order at 8:02AM by President

Ora Diehl.

JUDGES DEPARTMENT UPDATES – PETE FANNING

Director of Judges Pete Fanning addressed the Executive Committee with updates from the Judges Department. Some quick updates were as follows:

- 317 Total Judges including 151 4A Judges
- Valid Protests combined from 2020-2021 (11)
- Judges Applications (7)

According to Pete, the number of judges has decreased lately due to them being able to show more with the leveled options.

The judge's department alternates every other year between recertifications and taking applications.

Our payout process pays all the way down in the finals and the way the awards are called forward has created some difficulty when runs have to be reviewed. Reviewing runs is time consuming. It has been suggested that awards be recognized in a top to bottom approach to accommodate any reviews needed.

Pete prepared the Executive Committee to hear from Seth Kirchner as the Judges Rules Vice Chair who can provide more details with the Judges Rules Committee recommendations.

Jay Winborn also addressed the members of the Executive Committee with the new position that Andy Adams will be taking on staff in the Judges Department. Andy will be responsible for facilitating some members forums this fall and help bridge the gap between the members and the Judges Department for educational purposes. Beginning next year, Andy will be responsible for the training seminars and education of the judges on a regional basis for mandatory recertifications.

JUDGES RULES COMMITTEE – SETH KIRCHNER

Vice Chairman of the Judges Rules Committee Seth Kirchner addressed the Executive Committee with the recommendations from the Judges Rules Committee to be considered.

Judges Rules

1. Recommend a 1- 2 ½ minute clock at all Monitored NCHA events.
 - This may help the shows run more efficiently timewise. (Also being brought to LAE/Show Producers, Weekend Shows and Professional Trainers Committees)

A decision was made by the Executive Committee to TABLE this recommendation about the 2 1/2-minute clock at all monitored NCHA events until the EC has the opportunity to hear from all committees as others have it on their list of recommendations. SEE APPROVED LAE/SHOW PRODUCERS

RECOMMENDATIONS FOR ACTION TO THIS ITEM.

2. Judging Rule 18 and 19: Clarifying (Disturbance in the Herd) and changing the arrangement of the examples in the rulebook.

A **MOTION** was made by Ernie Beutenmiller and **SECONDED** by Byron Green to approve the recommended changes to Judges Rules 18 and 19 as presented. **MOTION PASSED UNANIMOUSLY.**

3. Amending Judges Rule 10. Example 2 and 4: Note, page 134-135.
 - Clarify wording for "separation of cattle" for a better understanding of these rules.

A **MOTION** was made by Rock Hedlund and **SECONDED** by Matt Miller to approve the recommended changes to Judges Rule 10 as presented. **MOTION PASSED UNANIMOUSLY.**

4. Clarify wording on Standing rule 27.f.1 Page 114: Protest on a Judge.
 - Clarity needed of when the show is considered closed. The weekend? The day of the class protested? Confusion on when the actual close of the show is. (Daily? Sunday night? Show number?)

Currently reads as:

- *Said statement must be filed (postmarked, faxed, emailed or hand delivered) within 7 days of the close of the show.*

Change to (underlined):

- *Said statement must be filed (postmarked, faxed, emailed or hand delivered) within 7 days of the incident.*

A **MOTION** was made by Ernie Beutenmiller and **SECONDED** by Ted Sokol to approve the recommended changes to Standing Rule 27.f.1 as presented that any protest would be submitted within 7 days of the incident to align with other disciplinary committees. **MOTION PASSED UNANIMOUSLY.**

5. Changing Standing Rule 6.1.
 - Pay overtime compensation to judges after 12 hours daily. Compensation would be distributed by show producers directly to the Judge at the end of the show. Time would start when the first herd walks into the arena and starts settling and the end time would be when the last group exits the arena.
 - Change 160 to 150 maximum works per day unless approved by Director of Judges.

WEEKEND SHOW	LAE SHOW
12-13 hours \$100	12-13 hours \$600
13-14 hours \$200	13-14 hours \$1200
Over 14 hours \$400	Over 14 hours \$2400

A **MOTION** was made by Matt Miller and **SECONDED** by Rock Hedlund to adopt and approve the recommended changes to Standing Rule 6.1 as presented for payment of overtime compensation. **MOTION FAILED by majority with two (2) abstained.**

6. New Judges Card Concept – to allow the Judges Rules Committee to test a new Judges score card as they see fit. Such as at an NCHA Event and/or for educational purposes.

After much discussion, a **MOTION** was made by Tommy Williams and **SECONDED** by Kristen York to approve the recommendation to allow the Judges Rules Committee to utilize this new judges score card concept presented for testing and educational purposes in the 5-6 year old aged events at the discretion of the show producer. **MOTION PASSED UNANIMOUSLY.**

In addition to these recommendations being proposed by the Judges Rules committee, Jay Winborn would like the Executive Committee to consider raising the pay rate for the Triple Crown Judges to \$800 dollars a day. We are currently paying \$650 a day with no overtime. Hopefully this will inspire more to judge this event. Futurity is recommended to pay \$1,000 from the current \$900 amount now. This recommendation will be calculated into the new budget for 2022.

MERP (MAJOR EVENTS REIMBURSEMENT PROGRAM) – ANGIE HIGHLAND

Consultant Angie Highland addressed the members of the Executive Committee with the latest updates to the MERP Trust Fund. Currently, NCHA is all caught up with reimbursements for 2020 with last year's Summer Spectacular and the Futurity. The 2021 Super Stakes is in process in Austin right now and to date there have not been any questions about the submittal. The estimated time for processing these events takes about 4-6 months at this time so we are on schedule. Application for the next series of Triple Crown Events is on track and scheduled to go out mid August.

FUTURITY STRUCTURE PROPOSAL – CASEY GREEN/ANGIE HIGHLAND

Members Casey Green and Angie Highland presented a Futurity Structure Proposal to the Executive Committee for consideration. This proposal concentrates on the Open Division only at this time. This analysis of the NCHA Futurity provided historic numbers over the past 20 years and an amended futurity limited age show structure. The goal of this presentation is to raise the trend bar which has been on a decline in entry numbers.

This presentation prompted an interactive discussion and based on what was presented to the Executive Committee, they made the decision to consider this proposal and revisit this proposal towards the end of these meetings for any necessary actions.

LIMITED AGE EVENTS COMMITTEE – CULLEN CHARTIER

Chair of the Limited Age Events Committee Cullen Chartier presented the recommendations

brought forth from the Limited Age Events committee.

Limited Age Events

Agenda Item 1 - Shianne Megel, NCHA Director of Shows report on 2021 Summer Spectacular and 2021 Futurity Shianne was unable to present due to poor phone service. Joshua Valdez noted that the members should review the material and contact Shianne with any questions that they may have.

Agenda Item 2 – NCHA Member Recommendation to LAE Committee - Settling Times at the NCHA Triple Crown

Sent: Tuesday, April 27, 2021 5:29 PM

To: convention <convention@nchacutting.com>

Subject: Length of time allowed to settle cattle.

Taking an hour to and hour and 30 minutes to settle cattle is ruining the cutting experience for everyone. spectators and contestants.

Please consider this.

Sincerely,

.....
Committee Chair Cullen Chartier introduced the member recommendation to the LAE Committee.

Discussion ensued on the length of settling times at NCHA Triple Crown shows. It was noted that pre-settling cattle is effective in shortening settling times at Pacific Coast Cutting Horse Association shows. Discussion occurred on the previous practice of pre-settling at NCHA Triple crown shows.

Further discussion was had on calling the judges back to the stand after a set amount of time from when the gate closes. Committee members came to a consensus that the settling times at NCHA Triple Crown shows are too long and needs further review. The committee recommends to the NCHA Executive Committee to implement a show policy where Judges are placed back into their stands 30 minutes after settling begins effective immediately.

Director of Shows Shianne Megel added that the settling times for the Summer Spectacular were averaged as follows:

- 33 minutes Open Division
- 26 minutes Non-Pro Division
- 18 minutes Amateur Division

The Executive Committee had an in-depth discussion on how to reduce the long days at the Triple Crown Events all while accommodating more entries. There were a few suggestions discussed but the Executive Committee has not entertained any decisions at this time and chose to TABLE this recommendation until further notice.

MEMBERSHIP DEPARTMENT UPDATES – JULIE DAVIS

Director of Membership Julie Davis addressed the members of the Executive Committee with updates from the Membership Department.

Julie stated that as of today, NCHA has 12,162 members which is on a steady rise over the past two years. Members are excited about the Circuit Program and ready to cut.

NCHA has been able to retain about 28% of our free memberships so far for 2021.

Kubota discount offer continues to keep us busy, and the discount is substantial for some buyers. Some of whom are even making donations to the foundation because of the savings.

Julie wanted to recognize that the IT Department has provided some great features and continues to enhance the HUB capabilities for the Membership Department. These are added benefits for the members where they can see what class they are eligible to ride in and assists with processing new members by saving time. There are new reports that can be generated to assist with the donations and contributions.

The membership department along with other departments have all begun collecting the necessary data when processing payments by credit card to have the lower processing fees for the association. All together this is the most cost-effective way to process payments.

A quick update on items requested as a result of the last report given:

- Split ages 30-59 to 10 yr. increments 30-39, 40-49, 50-59 – Done
- Report to pull state, region, area and circuit member numbers at any time – Done
- Report free members, to date 1510 including regular and youth, in 2020 there were 1561 free memberships.
- Life member list on website – Done
- Historical awards history on website (previously in member Directory) – Done
- Why did AQHA magazine split to 2 and return to 1 – per AQHA cost prohibitive print, distribution, and postage.
- Explore year-round membership – all eligibility and awards are based on beginning of point year, eligibility only changes at the point year.
- Work back toward a one price fits all – option below in recommendations for one adult and one youth price.

Membership Fees

Membership options and status still prove to be confusing, complex and hard for members to understand. Membership recommends a single membership fee of \$100. Everyone pays the same and everyone receives the 4 issues of the Chatter (quarterly). The one fee option will include all statuses. The one fee option will be a slight increase for some members and a slight decrease for others. Going to a one fee will make renewing easier, revenue reporting and tracking much easier and more accurate but most of all it will result in one simple application and one payment option for all members.

Waiver of Husband/Wife of membership for horse ownership only

Membership requests have come in to ask the Executive Committee to reconsider the rule requiring husband/wife on horse papers both pay a membership if the spouse is not showing because they are on the horse papers. Regulations are being researched to make sure that the IRS does not have a compliance issue with this consideration.

New Membership Cards

Membership department is recommending a new membership card for 2022, a plastic card with a keychain tag, making it easier to find and easier to provide when needed.

Rulebook Changes

2022 Rulebook will take on a new look. Some of those noteworthy changes are:

- Constitution and Bylaws have been moved to the front
- Standing Rules have been put in order
- Judges Casebook has been moved to the back
- Index is more detailed

Summary of recommendations from the Membership Department for the Executive Committee to review and approve:

1. Quarterly Chatter, include with all paid memberships (excluding youth)
2. 2022 Membership fee to \$100 (Adult) and \$25 (Youth) to include all fees, Affiliate memberships to remain the same.
3. Husband/wife waiver of membership for horse ownership only.
4. Cease mailing of Chatter magazine to International unless Life Member (Outside US and Canada)
5. Rulebook mailing to affiliate, affiliate president, directors, judges and show producers, all other online or request a printed copy (we will have a place online to request a copy).

A **MOTION** was made by Kirby Smith and **SECONDED** by Skip Jones to approve all the recommendations for 2022 as presented from the membership department listed above. **MOTION PASSED UNANIMOUSLY.**

Some additional items to address, there have been several requests to see if we could somehow adjust the expiration dates on the Amateur bucks.

The Executive Committee requested that staff extend the date for a calendar year of receipt.

Dennis Moreland is retiring this year and the Executive Committee would like to recognize him for his years of support and dedication to this association.

A **MOTION** was made by Ernie Beutenmiller and **SECONDED** by Toddy Pitard to honor Dennis Moreland in a special mention at the Futurity. **MOTION PASSED UNANIMOUSLY.**

WEEKEND SHOW COMMITTEE – NATE MILLER

Weekend Show Committee Chair Nate Miller presented the recommendations from his Weekend Show Committee.

Weekend Show

1. Standing Rule 5

All approved shows must appear **online** ~~in at least one Cutting Horse Chatter~~. Early receipt of an approval application will give the show more publicity ~~in the Cutting Horse Chatter~~.

Suggest: All approved shows must appear online. Early receipt of an approval application will give the show more publicity.

Motion Chris Howell Second Richard Hicks all in favor to approve the suggestion.

SEE AFFILIATE OFFICERS/SECRETARIES RECOMMENDATIONS FOR ACTION TO THIS ITEM.

2. Standing Rule 14.a - 3 horse rule \$300 or more added (in part)

"In three-horse classes with \$300 added or more the payout will be made from the added money only. The 8% fee will be remitted to NCHA from the entry fees collected. The show will retain the remaining portion of the entry fees. This stipulation applies to all weekend and weekend LAE shows."

Motion Chris Howell Second Richard Hicks to leave this rule in place all in favor.

3. Request from Member - When listing the shows on the NCHA website, posting the working order would decrease phone calls/texts to show personnel, have one location with show information to help new cutters, and create standardization when entering the information on the NCHA schedule.

Discussed and the Committee felt leave up to Show Management – No Action

The Executive Committee made the decision to take NO ACTIONS with the recommendations from the Weekend Show Committee.

LATE FEE TASK FORCE PROPOSAL – PHIL BENADUM

At the request of the Executive Committee, Competition Committee was asked to reinstate the Late Fee Task Force Subcommittee and resubmit their late fee proposal.

The Executive Committee requested that this proposal be further reviewed by the Finance and Audit Committee to report back to the Executive Committee with any financial impacts.

A **MOTION** was made by Ernie Beutenmiller and **SECONDED** by Toddy Pitard to send this the late fee proposal to the Finance and Audit Committee to evaluate the financial impact on the association and report back to the EC by September 20th. **MOTION PASSED.**

GROWTH AND DEVELOPMENT COMMITTEE – CASEY CONNALLY

Growth and Development Committee Chair Casey Connally presented the recommendations from her Growth and Development Committee.

Growth and Development

- The G&D recommends the Executive Committee ask for the Competition Committee task force be restarted to assist in the evaluation of the current penalty structure and deadlines for the 2021 NCHA Futurity and future LAE events. The committee would like to see a more transparent entry fee structure and penalties.

The Executive Committee made the decision to TABLE this recommendation to ask the Competition Committee to reinstate the Late Fee Task Force committee until further notice. SEE AFFILIATE OFFICERS/SECRETARIES RECOMMENDATIONS FOR ACTION TO THIS ITEM.

- The G&D committee recommends evaluating the current policy of transferring and selling of Open Division slots at Triple Crown Events. In addition to making the Limited Open a standalone class.

The Executive Committee made the decision to TABLE this recommendation to evaluate the policy of making changes to slots at Triple Crown Events until further notice.

- The G&D committee recommends, moving forward, the Super Stakes follow a more competitor friendly schedule by having fewer days in-between the go rounds within each division.

The Executive Committee made the decision to TABLE this recommendation to consider having more days in-between the go rounds at Super Stakes.

- The G&D committee recommends the Executive Committee develop a task force to evaluate the current structure of the Convention and consider the transition to an event that would focus on the sport's promotion, industry knowledge, instead of just the committee meetings.

A **MOTION** was made by Skip Jones and **SECONDED** by Rock Hedlund to send a directive back to the Growth and Development Committee to form a subcommittee to develop a convention structure plan and submit a proposal to the EC at the October 19-20 meeting. **MOTION PASSED.**

PROFESSIONAL TRAINERS COMMITTEE – BRETT DAVIS

Chair of the Professional Trainers Committee Brett Davis presented the recommendations

brought forth from his committee.

Professional Trainers

1. Recommendation for all NCHA Trainers to receive a Professional Trainers Mission Statement and Code of Ethics.
2. Recommend a 1- 2 ½ minute clock at all Monitored NCHA events.
 - *This may help the shows run more efficiently timewise and not overwork the judges. (Also presented to LAE/Show Producers, Weekend Shows and Judges Rules Committees)*

SEE APPROVED LAE/SHOW PRODUCERS RECOMMENDATIONS FOR ACTION TO THIS ITEM.

The Executive Committee took NO ACTIONS on the recommendations presented by the Professional Trainers Committee.

ADJOURNMENT

The second day of the meeting was adjourned by President Ora Diehl and is scheduled to reconvene Wednesday, August 11th at 8:00AM central time.

WEDNESDAY – AUGUST 11, 2021

The Executive Committee meeting reconvened and was called to order at 8:01AM by President Ora Diehl.

CATTLE COMMITTEE (SUB UNDER LAE) – STEVE OEHLHOF/BRONC WILLOUGHBY

NCHA Cattle Manager Bronc Willoughby and Cattle Committee Chair Steve Oehlhof addressed the members of the Executive Committee with the recommendations from the Cattle Committee for consideration.

Bronc Willoughby gave a brief update that roughly 10,162 head of cows were used for the Summer Spectacular with 9,930 that went through the arena for the 66 sets and 22 days at the show. NCHA will need closer to 12,000 head for meet the requirements at Futurity.

Director of Show Shianne Megel secured a negotiated fee of \$249 for feed per ton.

Cattle Committee (sub under LAE)

Review of Triple Crown Settlers List

Discussion occurred about revising the settlers list. There was a consensus amongst the committee members to move R.L. Chartier & TJ Good to the Open list, move Phil Rapp to the Non-Pro & Amateur list, add Tarin Rice & Grant Setnicka to the Non-Pro & Amateur list and remove Todd Gann and Roy Carter from the settlers list.

Scholarship Cutting Cattle

Discussion occurred regarding the option of using steers in the scholarship cutting held during the Summer Spectacular. The committee agreed that steers may be used for the scholarship cutting.

Additional Cattle at Triple Crown Events

Current Structure		Proposal
Open Go Rounds	3.5	3.75
Non Pro Go Rounds	3.5	3.75
Amateur Go Rounds	3.5	No change
Open/Non Pro 2 nd Go	3.75	No change
Amateur Semi Finals All Ltd/Int Finals	3.75	No change
Open/Non Pro Semi Finals	4.5	No change
Open/Non Pro Finals	5	No change

A **MOTION** was made by Matt Miller and **SECONDED** by Ernie Beutenmiller to approve the recommendation from the Cattle Committee to add a ¼ cow to the non-pro and open 1st go rounds at Futurity subject to approval of the Finance and Audit Committee. **MOTION PASSED.**

APPROVED LAE/SHOW PRODUCERS COMMITTEE – COLETA ROSSON

Chair of the Approved LAE/Show Producers Committee Coleta Rosson addressed the Executive Committee with recommendations brought forth from her committee.

Approved LAE/Show Producers

1. Approve requested 2022 January-June Major/Premier show dates.

Motion Raymond & Second Kathy all in favor to recommend to the EC Committee.
With note for 2022 Abilene Spectacular schedule problem and in 2023 will be back to the 365 calendar.

The Executive Committee issued a directive to the Approved LAE/Show Producers Committee to discuss and submit some suggestions on how to regulate the Approved LAE Show schedule and be a part of the answers to so many inquiries with an abundance of cuttings within close proximity.

A **MOTION** was made by Kristen York and **SECONDED** by Rock Hedlund to approve the

calendar proposed for Jan-May 31st calendar with leaving dates open between Super Stakes and Polly Holler for Western Nationals. **MOTION PASSED by majority with one (1) opposed.**

2. Item to discuss from Judges Committee they recommend a 1-2 ½ minute clock at all Monitored NCHA Events. This may help the shows run more efficiently.

After discussion motion Kathy second Della to endorse the Judges Committee recommendation and in addition add 20-to-30-minute clock should be used as a tool for time reference for the herd settler. All in favor

A **MOTION** was made by Matt Miller and **SECONDED** by Sharon Overstreet to take NO ACTION and leave this recommendation of utilizing a clock for settling to the discretion and management of the individual show producer. **MOTION PASSED by majority with one (1) abstained.**

3. From Standing Rule 5

All approved shows must appear online in at least one Cutting Horse Chatter. Early receipt of an approval application will give the show more publicity in the Cutting Horse Chatter.

Suggest: All approved shows must appear online. Early receipt of an approval application will give the show more publicity.

Motion Kathy second Tracy all in favor to approve the suggestion.

The Executive Committee made the decision to TABLE this recommendation to change to Standing Rule 5. SEE AFFILIATE OFFICERS/SECRETARIES RECOMMENDATIONS FOR ACTION TO THIS ITEM.

AFFILIATE OFFICERS/SECRETARIES COMMITTEE – ROCK HEDLUND

EC liaison of the Affiliate Officers/Secretaries Committee Rock Hedlund addressed the Executive Committee with the recommendations from the Affiliate Officers/Secretaries Committee to be considered.

Affiliate Officers/Secretaries

1. Suggestion from Member:
 - Upsell packages to NCHA sponsors to roll their exposure out deeper into the membership.
 - Use upsell income to subsidize fees that Affiliates/Show Producers pay to NCHA.
 - NCHA provides the Affiliates/Show Producers with sponsor marketing packages (banners, flyers, talking points, etc.) and in return the Affiliates/Show Producers agree to distribute, display, and announce at all relevant events.

- Local Directors and Affiliates Officers are held responsible to ensure Affiliates/Show Producers obligations are met in return for subsidizations.

The Executive Committee made the decision to take NO ACTION on this recommendation presented by the Affiliate Officers/Secretaries Committee.

After much discussion, the Committee recognizes that NCHA is not well represented at the grass roots and affiliate levels. The NCHA logo is highly respected, and it was noted that all members love to be associated with it along with having it on personal items.

1. It is suggested that the Affiliate Membership Renewals offer 2 levels:
 - a. The normal \$25 renewal
 - b. Renewal of \$75 (?) that would include a banner that would have the NCHA logo along with the Affiliates logo stating, "Proud Affiliate of the NCHA." We would like to recommend that NCHA do a "share cost" with the Affiliate for the cost of the banner.
 - c. We would like to work with Marketing on this.

A **MOTION** was made by Ernie Beutenmiller and **SECONDED** by Byron Green to approve the suggested Affiliate Membership Renewal package. **MOTION PASSED.**

Jay Winborn added that the NCHA Office is positioning themselves to get more content heavy and most of these items are already in place.

2. NCHA Store for Affiliates
 - a. An online store for Affiliates to order "official" NCHA, and/or NCHA/Affiliate SWAG that can be used as giveaways, prizes, etc. at the local show level. Items can be anything from window stickers to hats, etc.
 - b. The Affiliate store would be offered at a "cost" basis to the Affiliate.
 - c. The store could also have a secondary price schedule for just members.
 - d. We would like to work with Marketing on this.

The Executive Committee made the decision to take NO ACTION on this recommendation presented by the Affiliate Officers/Secretaries Committee.

3. Promotion of Secretaries
 - a. There is a now growing deficit of certified secretaries
 - b. We would like to work on the following:
 - i. Recruitment of new talent
 - ii. Virtual education for new and ongoing secretaries
 - c. A link on the NCHA website that would lead to secured secretary page with the above.
 - d. We would like to work with Marketing on this.

The Executive Committee made the decision to take NO ACTION on this recommendation presented by the Affiliate Officers/Secretaries Committee.

4. New Members – make it easier for new members to navigate shows, entering, etc.
 - a. Suggested “fast/quick” videos for education and posting on FB, social media, etc.
 - b. We would like to work with Marketing on this.

Motion Ashley Second Pam all in favor to send these recommendations to the EC.

The Executive Committee made the decision to take NO ACTION on this recommendation presented by the Affiliate Officers/Secretaries Committee.

2. From Standing Rule 5

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Suggest: All approved shows must appear online. Early receipt of an approval application will give the show more publicity.

Motion Pam Second Ashley all in favor to approve the suggestion.

A **MOTION** was made by Ernie Beutenmiller and **SECONDED** by Matt Miller to approve the suggested amendment to Standing Rule 5. **MOTION PASSED.**

OTHER STANDING COMMITTEES

The Non-Professional and Stallion Owners and Breeders Committees had no recommendations to bring before the Executive Committee for consideration at this time.

OLD BUSINESS

NCHA CIRCUIT PROGRAM RULES

Manager of Shows Joshua Valdez addressed the Executive Committee with a quick update on the Circuit Program. Each of the Circuit Finals have submitted applications which will begin in late September. Josh is also prioritizing the information be available on the NCHA website and working with the affiliates to organize the awards for each set of finals. Now that this program has come to fruition, we are addressing and finalizing some of the uncertainties. Lines and boundaries are being evaluated for this program. We are getting ready to issue an RFP for venue location for the 2023 National Circuit Finals.

NCHA 2022 CONVENTION BIDS

After discussions were held on the 2022 NCHA Annual Convention, the Executive Committee decided to move forward with the proposal from the Marriott at Champions Circle in Fort Worth for our venue location. Pending on the June race dates and that there is not a conflict in the area. The Executive Committee agreed to let the management staff at the office handle the logistics for this event.

SMALL FUTURITY TASK FORCE UPDATES

Rock Hedlund as Chair of this subcommittee task force provided an update from their last call. From previous directives assigned to them for review and evaluation, the following actions were taken:

- Small Futurity Program – TABLED at this time
- Amateur Futurity Proposal – TABLED at this time
- Discussed other options on how to structure the Futurity and will continue research

NEW BUSINESS

- Restructuring the commentary for the World Finals
- NCHA Days
- \$500K Reinvestment in NCHA for Futurity Purse
 - \$300K to Open
 - \$50K to Limited Open
 - \$100K to Non-Pro
 - \$50K to Amateur
- Non-Pro class at Futurity
- Western Nationals

The Executive Committee gave Jay Winborn a directive to discuss the NCHA reinvestment proposal with the Finance and Audit Committee during a call on August 30th. The EC will reconvene shortly after F&A call for a final decision on that initiative. Some additional topics to discuss with F&A would be the Western Nationals money added, adding a 1/4 cow, and the Futurity Structure Proposal.

CONTINUATION – EASTERN/WESTERN NATIONALS RFP

After further round table discussions regarding the issuance of a RFP for Eastern and Western Nationals, the Executive Committee has redirected Jay to edit and refocus the bid for location only, NCHA will produce both shows. Western location areas of interest are Nampa, ID, Ogden, UT and Reno, NV among others. Efforts for Eastern should be duplicated for the Western. The Executive Committee will review bids submitted at their next meeting October 19-20, 2021.

CONTINUATION - FUTURITY STRUCTURE PROPOSAL

After much discussion, a **MOTION** was made by Rock Hedlund and **SECONDED** by Tatum Rice to issue a directive to have Casey Green and Angie Highland present this Futurity Structure Proposal for Open Division only to the Finance and Audit Committee for their review and bring their report back to the EC by August 31st. **MOTION PASSED UNANIMOUSLY.**

ADJOURNMENT

There being no further business to come before the committee, a **MOTION** was made by Byron Green and **SECONDED** by Ernie Beutenmiller to adjourn the meeting. **MOTION PASSED UNANIMOUSLY.**