

## **NCHA EXECUTIVE COMMITTEE MEETING MINUTES**

**OCTOBER 30, 2024**

**NCHA OFFICE – FORT WORTH, TX**

A meeting of the Executive Committee of the National Cutting Horse Association was held Wednesday, October 30, 2024, beginning 8:00AM central time.

All Executive Committee members were present: President Mark Senn, President-Elect Barnwell Ramsey, Vice President Kathleen Moore, Les Jack, Phil Benadum, Kirby Smith, John Lavelle (via phone), Sharon Overstreet, Tommy Williams, Steve Smith, Casey Green, and Cara Brewer (via phone). NCHA Executive Director Jay Winborn, NCHA Treasurer Denise Williams, NCHA Director of Shows Shianne Megel, and NCHA Manager of Committee Relations Cathy Marie Aleff were also in attendance for this meeting. NCHA Legal Counsel Jim Morris, NCHA Director of Membership Julie Davis, Director of Youth Rianna Storey, Stallion Foal/National Circuit Program Manager Allison Walker, NCHA Data Technology Administrator Kelley Hartranft attended a portion of the meeting.

### **WEDNESDAY – OCTOBER 30, 2024**

The Executive Committee meeting was called to order at 8:03AM and roll call was taken.

President Mark Senn welcomed the members of the Executive Committee and led the attendees with an opening prayer.

In a teaming effort, President Mark Senn asked all members of the Executive Committee to join in 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.*

### **PRESIDENT REPORT – MARK SENN**

President Mark Senn addressed the members of the Executive Committee with some quick updates for his report.

During this meeting we will pick up any actions forwarded from the last meeting and discuss our duties of protecting the NCHA brand.

When a representative of NCHA portrays negative acts, it doesn't just impact the individual but impacts the entire association. We must always be mindful of that and during this meeting we will have to take some actions to address this issue.

## **EXECUTIVE DIRECTOR REPORT – JAY WINBORN**

Executive Director Jay Winborn addressed the Executive Committee with updates from the office.

### **Cutting Horse Chatter**

Beginning with the Spring issue of 2025, NCHA will be producing the Cutting Horse Chatter with a new publication company to maintain all the quality of the content we are used to providing for our members.

### **Bylaw Review Proposal**

A law firm has been selected and is being proposed by the Governance Committee and Jay Winborn to complete the bylaw review process.

A **MOTION** was made by Steve Smith and **SECONDED** by Les Jack to approve the firm being proposed, Eggleston King Davis as presented to complete the review of the NCHA bylaws.

**MOTION PASSED by the majority of the members with one (1) opposition by John Lavelle.**

## **FINANCIAL REPORTS – DENISE WILLIAMS**

NCHA Treasurer Denise Williams addressed the Executive Committee with our current state of the September financials and FY 2024 year end summary for the association, Stallion Foal recommendation, address directive assigned from the Executive Committee.

### **National Cutting Horse Association Finance Commentary September 2024**

#### **Statement of Position**

The Association ended the month with total assets of \$26.9 million, which represents an increase of \$1.06 million from the previous month.

Cash had an increase of \$303k in the operating account. The primary reason for the increase is due to cash receipt of Futurity entries as the final Futurity payment was due on October 2, 2024.

The Association's short-term and long-term investment portfolios increased ~\$113k which was attributable to the unrealized gains in those portfolios.

The stallion foal checking account increased \$110k for the month due to foal nomination receipts and their investment account increased \$36k due to the unrealized gain for that portfolio.

Accounts receivable increased by \$421k which was due to billings for boxseats and Chatter advertising as well as sponsor billings. The largest sponsor billing was \$60k for the Interpath sponsorship.

Prepaid expenses increased by \$84k for the month which was primarily due to an increase of \$101k in prepaid other as payments/deposits were made to vendors for the upcoming Futurity and Circuit finals and that increase in prepaid other was offset by a decline in prepaid insurance of \$16.5k for the monthly amortization related to insurance.

Total liabilities increased \$1.4 million from the previous month. Deferred event revenue increased \$1.2 million as Futurity entries increased by \$889k and boxseats deferred revenue increased by \$313k. Stallion foal deferred revenue increased by \$110k due to receipt of foal nominations and stallion subscriptions.

Net assets decreased by approximately \$332k which represents the net loss for the month of September.

### **Statement of Activities**

Before the impact of the unrealized gain/loss on investments, the Association posted a net profit before MERP of \$44,027 which is \$1.2 million or 104% better than the FY 2024 budget.

For the month of September, before the impact of the unrealized gain/loss on investments, the Association reported a net loss of \$451k while the budget anticipated a net loss of \$147k. As such, the Association had an unfavorable variance to budget of \$303k. The unfavorable variance was due items that were not planned for in the FY2024 budget, specifically, the bonus incentive plan for the Executive Director and staff and the destruction cost for Association records stored with Iron Mountain.

From a revenue perspective, the Association surpassed budget by ~\$54k. The majority of our revenue sources saw favorable variances as the Association noted a \$38k favorable variance in approved show revenue as NCHA approved weekend shows continue to be well attended, a \$19k favorable variance in chatter advertising and a favorable variance of \$12k in investment portfolio income as rates are higher than anticipated. The only unfavorable variances, on the revenue side, was \$25.5k in cash sponsorships which was due to timing of the sponsor's payment and \$3k in NCHA produced show revenue as unpaid practice pen bills related to the 2023 Futurity were deemed uncollectible and, therefore, written off.

On the expense side, the Association posted total expenses of \$861k which was \$358k higher than budget. This unfavorable variance can be explained in the following categories:

Total personnel expenses exceeded budget by \$206k and this unfavorable variance was primarily due to the FY 2024 bonus and staff incentive accruals that were not planned for in the FY 2024 budget.

Home office facilities expense exceeded budget by \$62k. This unfavorable variance is due to the accrual for the cost of the destruction of records held off-site. The Association has been reviewing it's record retention policy and determined that it would be cost effective to terminate the off-site storage relationship with Iron Mountain. During this review, staff has estimated that we can destroy approximately 80% of the records we currently have in storage. Once this project is complete, it is anticipated that there will be substantial savings of \$70k annually.

Other expenses exceeded budget by \$36k. There were three accounts, miscellaneous expense, producer subsidy and projects that all contributed to this unfavorable variance. Miscellaneous expense of \$18k was primarily due to the accrual of \$15,950 for a proposed penalty related to the filling of 2022 1099s. The Association has responded to this notice and hopes to have the penalty abated; however, as of now, we have not received any further correspondence. Producer subsidy of \$8k was due to a circuit scheduling a circuit finals in September when we planned for all to take place in October. Project expense was higher than budgeted marketing project costs which caused the \$9k unfavorable variance.

Promotion expense exceeded budget by \$22k due to expenses related to the Run for a Million.

Awards expense had an unfavorable variance of \$22k as the Association accrued for the 2024 achievement buckles which totaled \$15k and the Association paid \$5k more than was budgeted (\$30k vs \$25k) for the 2024 European Championship show.

Office expense exceeded budget by \$7k due to printing expenses related to membership materials.

### **National Cutting Horse Association Finance Commentary Fiscal Year 2024**

In summary, the Association posted a net profit before the unrealized gain/(loss) on investments and MERP of \$44,027. The budget anticipated a loss of \$1,256,517. As such, the Association had a favorable variance of \$1.2 million or 104% better than the FY 2024 budget.

There were many factors that contributed to the successful financial results for the Association for FY 2024. With increased added money at the Triple Crown events, the Association continued to see strong participation during FY 2024. The only NCHA produced event that missed the anticipated entry levels was the National Circuit Championship. It should also be noted that NCHA approved weekend events and major LAEs across the country continued to be well attended.

From a revenue perspective, the Association generated \$29.8 million in total revenue which was \$1.09 million more than budget. The primary factors generating this favorable variance was noted in investment portfolio income (\$683k favorable variance), Western Bloodstock commissions (\$287k favorable variance), approved show revenue (\$162k favorable variance), other income (\$131k favorable variance) and sponsorship revenue (\$130k favorable variance).

Investment portfolio income was higher as short term rates were higher than anticipated. In addition, the Association does not budget for the realized gain on mutual funds and that was over half (\$369k) of the favorable variance.

The Western Bloodstock sale commission was higher as consignments to the Futurity sale remained stronger than anticipated and the average sales price outperformed the prior year.

Approved show revenue was up over 8% from last year and the budget assumed that approved show revenue would remain at the same level as last year.

Other income had a variety of items that generated the favorable variance. Most notably was the \$60k in hotel rebates which was new for the 2024 triple crown events and not anticipated in the FY 2024 budget. In addition, fines & protests were \$27k higher than budget as well as seminars which were over \$16k better than budget. Office rental income also generated a favorable variance of \$19k and this was due to the fact that the budget anticipated the tenant to move out earlier than what actually happened.

Sponsorship revenue was up about \$194k or 11% from last year and that was primarily due to the fact that the World Finals had a title sponsor, Broke Spur Ranches, in FY 2024.

The favorable variances noted in those revenue categories discussed above were offset by the following unfavorable variances in these revenue streams:

NCHA Produced Show revenue was down \$344k and this was primarily due to the lower entries at the National Circuit Championship show.

Membership revenue missed budget by \$35k or ~5%. The budget anticipated a slight increase in membership revenue when, in reality, it was basically flat year over year.

On the expense side, the Association did a great job in managing expenses. Total expenses of \$29.76 million were \$112k lower than budgeted total expenses of \$29.87 million. As such, actual total expenses were within 1% of what was budgeted for FY 2024.

Produced show related expense categories had a net favorable variance of \$499k. Much of this favorable variance was due to the smaller National Circuit Championship show. This favorable variance was primarily offset by unfavorable variances in personnel expense (\$189k), professional fees (\$72k), home office facilities expenses (\$72k), convention expenses (\$50k).

Total personnel expenses exceeded budget by \$189k due to the FY 2024 bonus and staff incentive accruals that were not planned for in the FY 2024 budget.

Professional fees were higher than budget due to higher legal fees.

Home office facilities expense exceeded budget by \$62k. This unfavorable variance is due to the accrual for the cost of the destruction of records held off-site. The Association has been reviewing its record retention policy and determined that it would be cost effective to terminate the off-site storage relationship with Iron Mountain. During this review, staff has estimated that we can destroy approximately 80% of the records we currently have in storage. Once this project is complete, it is anticipated that there will be substantial savings of \$70k annually.

Convention expenses were higher than budget because Nashville hotel costs exceeded what we spent in Vegas and those costs were used to estimate the convention costs for Nashville.

A **MOTION** was made by Kirby Smith and **SECONDED** by Les Jack to approve the YTD September Financials for 2024 as presented. **MOTION PASSED UNANIMOUSLY.**

Denise provided more clarification on the investment discussion from the September meeting, the association directive is that the financials support three years of net operating expenses. Denise was pleased to report that the association is currently in excess by \$3M of the three years of net operating expenses and the finance and audit committee will actively monitor that threshold for compliancy on that directive.

### **Stallion Foal Incentive Recommendation**

The Finance and Audit Committee reviewed the stallion foal recommendation that was presented at the September meeting with the following breakdown and was in full support to fund this \$10K effort.

- Stallion Foal Program Incentive Booth - \$1,000
  - a. Purchase an informational booth to display during the Western Bloodstock Sales and Triple Crown Events.
- Host an informational cocktail party during the NCHA Futurity - \$6,000

121 out of 893, or 14%, of the unique horses competing at the 2023 NCHA Futurity were not nominated. In addition, 29 sires represented at last year's NCHA Futurity were not nominated to our incentive program. Hosting an information cocktail party during the NCHA Futurity would help to raise awareness of the NCHA Stallion Foal Incentive program and increase subscriptions and nominations. We would personally invite the owners of the Futurity horses not nominated.
- Owner, Breeder and Nominator Awards - \$2,000
  - b. In addition to the monetary awards given, we would like to present the breeder, foal nominator and owner, at the time of showing, a custom wooden plaque with a photograph of the champion horse. Below is a sample using the 2024 Super Stakes 4-Year-Old class champions. Highlighted are the unique breeders, nominators and owners that would be receiving the custom wooden plaque.

A **MOTION** was made by Casey Green and **SECONDED** by Phil Benadum to approve \$10K funding to support the Stallion Foal Incentive Project as presented. **MOTION PASSED UNANIMOUSLY.**

### **Clarification on Investment/Disbursement Policy Recommendations**

The first recommendation from the Finance and Audit Committee recap presented at the September meeting was to add some narrative to the investment policy that specifically states if we are above 5% of our target then the committee will rebalance the portfolio to accommodate the adjustment, even though the committee is handling the process that way currently. This is to ensure that the committee is recognizing the unrealized gain and reinvesting appropriately.

The second recommendation related to the disbursement policy setting some perimeters around how much you can spend out of the investment portfolio over a certain timeframe. Not necessary but good business practice to have in place.

Since we already have the necessary checks and balances in place, the Executive Committee does not feel as though we need to commit the association to this perimeter at this time.

## **EC Directive Report**

As a result of the September meeting, Denise Williams was issued two directives as follows:

1. Directive to coordinate with Les Jack as EC Liaison of the Non-Pro Committee regarding leveling and the dollar impact if the intermediate NP ran separately, what would you have to supplement the top level of the NP purse to maintain those payouts. Kelley ran the data from previous shows that Denise and Shianne reviewed to share with Les Jack over this concept.
2. Directive to offer recommendations to the Approved LAE Show Producers Committee regarding their tax filings on 1099s. Denise offered some tax software recommendations and guidance on how to utilize the program.

President Mark Senn issued a directive to Denise Williams to work with Les Jack (Region 1) to prepare a Canadian exchange rate proposal and bring it back to the Executive Committee for more discussions on implementation for the FY 2026 budget planning.

President Mark Senn thanked Denise Williams for all her efforts in managing the finances for the association. Denise along with the entire Finance and Audit Committee has played an instrumental part in our ongoing success.

## **IT DEPARTMENT UPDATES – KELLEY HARTRANFT**

NCHA Data Technology Administrator Kelley Hartranft addressed the members of the Executive Committee with updates from her department.

Kelley updated the members of the Executive Committee with some highlights for updates to the website and rulebook changes to be implemented in 2025 that will assist the association in operating more efficiently.

### **IT Department Update – EC 10/30/24**

#### **2023 – 2024 IT Department Completions**

- **Show Department / Circuits**
  - New Electronic Show Application Submission – Faster Cut
  - New Electronic Show Results Submission / Processing – Faster Cut / Equinal / Europe
    - Allows for fixing data errors at Event level – fixes them in all shows
    - Generates Error Report for the Secretary by Event
    - **Includes storing ALL competition records not just money / point earners**
  - Circuit Point Structure updates

- Added 2 new circuits / Realigned
- Class Exclusion checkboxes for riders with earnings outside NCHA (self-reported)
- Redesigned Circuit Designation Process
- Website Rider / Horse Eligibility Page Updates
- Report Updates / New Report Design & Implementation
- COA Certificate automatic creation and PDF Email distribution for year end
- **Membership**
  - Website Eligibility Redesign
  - Created / implemented Quick Renew process for hard copy membership renewals (affiliate / lock box / mail)
  - Redesigned HUB Member Overview (earnings, eligibility, top 100, age, etc.)
  - Created email process for free memberships that include temporary card instead of printed card
  - Report Updates / New Report Design & Implementation
  - Suspended / Probation – WEBSITE publication

Executive Committee Member Steve Smith representing Region 7 inquired about looking into an automatic renewal process for annual memberships. Kelley welcomed the suggestion but stated the reason why we couldn't move forward with that process due to the Amateur/Non-Pro applications.

President Mark Senn issued a directive for the Growth and Development and Affiliate Officers and Secretaries Committees to review the annual membership fee deadline and evaluate the impact of canceling the current grace period of March 1<sup>st</sup> and report back to the EC at the March EC Meeting.

- **Produced Shows - Scoreboard**
  - Judge Table Direct write to Scoreboard
  - Monitor table View
  - Many improvements to functionality / processes
- **Produced Shows – Entries**
  - Courtesy Notice Email distribution
  - Online Entry Forms added Show Entry # Lookup / pending Payment presentation
  - Report Updates / New Report Design & Implementation
  - Practice Pen / Stalls Payment through HUB SAFE
- **Marketing**
  - Online Sponsorship Purchase Option
  - Website innovations / updates
- **Judges**
  - Updated online widget to reflect credits

- Designed / Implemented new TEXT message system to judges through HUB
- Report Updates / New Report Design & Implementation
- Website Videographer widget
- Videographer Process Design & Implementation
- **Accounting**
  - Designed and implemented Check import HUB to GP
  - Report Updates / New Report Design & Implementation
  - SAFE implementation for HUB transactions
  - Hosted Payment Page Creation / Updates
  - Practice Pen / Stalls Payment through HUB
- **Stallion / Foal**
  - Redesigned HUB process to allow Edits / time-out issues
  - Website Lookup - Table Search options
- ***COST CUTTING EFFORTS ACROSS ALL DEPARTMENTS – SUBSCRIPTION MONITORING***

#### **2025 – 2026 IT Department - NEW Initiatives**

- HUB – Electronic Show Application submission for non Faster Cut software
- HUB – Redesign Produced Show Entry Process
- HUB – Redesign Affiliate Show Payment Tracking Process (Event Level – Secretary education)
- HUB – Redesign new member creation process – goal... Grace Period removal in 2026.\*\*
- HUB – Create Box Seat Payment / Tracking System
- WEBSITE – Redesign Online Coming Events “Calendar” (Championship / Challenger / LAE)
- WEBSITE – Create online Stallion Subscription
- WEBSITE – Create online Foal Nomination
- WEBSITE – Historical Records (Yearbook) Widget
  - Produced Show Results
  - HOF
  - Year End Standings
- WEBSITE – Emails on Website – design new process that hides the email address (all widgets)

President Mark Senn expressed the committee’s appreciation for all the IT departments hard work.

## **SHOW DEPARTMENT UPDATES – SHIANNE MEGEL**

Director of Shows Shianne Megel addressed the members of the Executive Committee with updates from her department.

### **Rule Clarification**

SHOW MANAGEMENT HANDBOOK pg. 118

On Show Day

### **6. Taking Entries**

- a. Have each exhibitor or agent fill out the necessary entry forms.
- b. When the entry forms are turned in, collect all entry fees due. No one should be allowed to enter or work without paying first. Where post entries are allowed during the show, require an open check from the exhibitor which you can complete after the final entry is made. Be sure that the exhibitor fills in the date and payee along with signing the check.
- c. Check for current NCHA membership and/or Non-Professional/Amateur card. **NOTE: Show management will be fined an amount equal to the value of the membership** for permitting a non-member to enter or show a horse. (See Standing Rule 2.1.1 for ineligible contestant information and process)

A **MOTION** was made by Phil Benadum and **SECONDED** by Sharon Overstreet to approve the changes to the show rules with an amount equal to the value of the membership as presented. **MOTION PASSED UNANIMOUSLY.**

### **Current Futurity Entries (as of 10.30.24)**

Classes	Entries	1st Go Runs	2nd Go	Semifinals	Finals	2023	2022	2021	2020	2019	Difference	% Change
Open	610	610	240	75	20	620	622	529	542	516	-10	
Intermediate Open	272				25	463	446	0	0	0	-191	
Limited Open	110				22	224	237	280	254	243	-114	
<b>DIVISION TOTAL</b>	<b>992</b>					<b>1307</b>	<b>1305</b>	<b>809</b>	<b>796</b>	<b>759</b>	<b>-315</b>	<b>-31.75%</b>
NonPro	264	264	159	53	20	328	326	269	296	278	-64	
Intermediate Non Pro	193				25	252	252	0	0	0	-59	
Limited NonPro	54				11	80	92	145	151	132	-26	
<b>DIVISION TOTAL</b>	<b>511</b>					<b>660</b>	<b>670</b>	<b>414</b>	<b>447</b>	<b>410</b>	<b>-149</b>	<b>-29.16%</b>
Amateur - A	272	494		75	30	267	308	291	256	225	5	
Intermediate Amateur - I	224			75	30	238	289	245	232	199	-14	
Limited Amateur - L	72			0	15	90	128	new	new	new	-18	
<b>DIVISION TOTAL</b>	<b>568</b>					<b>595</b>	<b>725</b>	<b>536</b>	<b>488</b>	<b>424</b>	<b>-27</b>	<b>-4.75%</b>
											0	
<b>SHOW TOTAL</b>	<b>2071</b>					<b>2562</b>	<b>2700</b>	<b>1759</b>	<b>1731</b>	<b>1593</b>	<b>-491</b>	<b>-19.16%</b>

In closing, Shianne updated the committee that NCHA will be self-producing the Celebrity Cutting during the Futurity this year, conversations have been taken place with Craft about concessions offered, and that NCHA is looking forward to a great show.

### **VP SELECTION COMMITTEE – BARNWELL RAMSEY**

President Elect Barnwell Ramsey presented his proposed list for the 2025 VP Selection Committee members for EC approval.

<b>POSITION</b>	<b>MEMBER</b>
EC/BOD	Phil Benadum
EC/BOD	Les Jack
EC/BOD	Kirby Smith
EC/BOD	Steve Smith
BOD/Governance	Ora Diehl
BOD/Past President	Phil Rapp
BOD	Billy Emerson
BOD	Lewis Wray

**NCHA Officers:** President Elect Barnwell Ramsey/Vice President Kathleen Moore

**NCHA Admin:** Cathy Marie Aleff

A **MOTION** was made by Casey Green and **SECONDED** by Sharon Overstreet to approve the proposed 2025 VP Selection Committee as presented. **MOTION PASSED UNANIMOUSLY.**

After the VP Selection Committee was presented and approved, a draft VP eligibility list was circulated for review. Executive Committee Member Kirby Smith representing Region 3 made a request for the VP eligibility list to highlight previous EC members and officers before NCHA distributes to the Board of Directors for consideration and all agreed.

Some questions were raised about officer replacement procedures, and it was suggested to verify with NCHA Legal Counsel Jim Morris.

### **WORLD FINALS TASK FORCE COMMITTEE – BARNWELL RAMSEY**

President Elect Barnwell Ramsey introduced a diverse group of members to the Executive Committee that have agreed to serve on the World Finals Task Force Committee. The list of members is as follows:

**MEMBERS:** Phil Rapp, Mary Ann Rapp, Wendy Warne, Ted Sokol Jr., Tim Smith, Dawn Chapman, Casey Green, Shannon Lamb, ~~Mark Senn~~ (Kathleen Moore), Barnwell Ramsey, and Kelley Hartranft

Barney stated that the way we need to approach these efforts is that it is not about thinking outside the box but thinking there is no box. The focus and purpose of this committee is to help promote a world hauling competition that is a level playing field and for the production of the show to be the best it can be for our members.

NCHA Treasurer Denise Williams would like to provide financials from previous shows for a comparison.

Request was made to also include Director of Shows Shianne Megel as the staff liaison for this task force committee.

## **REGIONAL REPORTS**

President Mark Senn welcomed each of the members to report their regional updates.

**Region 1 – Les Jack** provided an update for Region 1 that had a great circuit finals which was up 18%. There is a push to work through some of the overlapping booking shows in the Northwest. Utah show was bigger this year with more Canadian participation since it didn't overlap with Calgary.

**Region 2 – Phil Benadum** updated the members that Region 2 had some concerns with the Redwood Circuit Finals and some changes were made which led to two affiliates working together for a combined better result.

**Region 3 – Kirby Smith** reported that his region supports four (4) circuits, Upper Midwest Circuit Finals currently going on, Ozark is this upcoming weekend, Heartland Circuit Finals was two weeks ago and even though they shortened the circuit boundaries, entries were positive. Past President Steve Norris is in this circuit and has been supportive throughout the program as long as it continues.

**Region 4 – John Lavelle** provided an update for Region 4 with the recent Congress Cutting, and a call to discuss the continuation or cancellation of the circuit finals. After polling all the directors in this region, the majority were not in favor of cancelling the circuit finals. They would like to leave this the way it is for now. Great Lakes Circuit Finals is this coming weekend in Kentucky and heard that the entries are down from last year. Ohio has a vacancy in a directorship that Mark Senn is coordinating efforts to appoint a replacement. The eastern Canadians have reached out about the monetary exchange rate and before any changes are considered they would like to state their position. President Mark Senn updated John that Les Jack is working with staff to come up with a solution on the exchange rate discrepancy.

**Region 5 – Sharon Overstreet** updated that Region 5 is still dealing with hurricane aftermath and more east coast controversy with shows booking on top of others last minute. Sunshine Circuit Finals was hosted by Carolina CHA and the show was a little smaller than the previous but great show for a new affiliate. There was some confusion with the entry structure at that show in some of the feedback but was a successful show and followed with a lot of positive comments. Overall, Region 5 is going well, and most people are happy.

**Region 6 – Tommy Williams** reported that Region 6 recently had the Ike, and the Southern Futurity shows and were relatively successful. The Ozark Circuit Finals are coming up this weekend and the Cotton Circuit Finals will be located in Jackson, MS. The American Royal was well attended and offered a nice Saturday evening event. The feel and atmosphere of our region is positive, and cutting is good. Tommy suggests sending an email to directors in each circuit to initiate an evaluation of the shows for feedback.

**Region 7 – Steve Smith** updated the members that the Oiler Circuit Finals were October 18-19 and were well attended and was a successful show in Sweetwater, TX. They are running two pens now and feedback from some is that they prefer to cut inside but everyone is done in time to go to dinner. There are some great youth cuttings in the region that are well supported. We could use some help with the overlap in shows.

**Region 8 – Casey Green** reported that Region 8 is strong with cuttings. More seem to be paying attention to the circuit finals because of the money that has been put into those shows. Cuttings on the weekend are dependent on the LAE group attending. Circuit program is strong in this region, but NCHA needs to address the world finals hauling program and assist with the overlap in shows.

**Vice President – Kathleen Moore** updated the members of the committee with some concerns that have been brought to her attention. Some inquiries focused on the judging during the NP division of the Derby. Kathleen acknowledged that NCHA Foundation Trustee and NCHA Board of Director Frank Merrill is raising concerns with the percentage of return on our investments.

## **LEGAL UPDATES – JIM MORRIS**

NCHA Legal Counsel Jim Morris joined the meeting to provide legal guidance for the association.

## **EXECUTIVE SESSION**

President Mark Senn placed the meeting into executive session to discuss an event detrimental to the association.

## **GENERAL SESSION**

President Mark Senn placed the meeting back into general session.

In general session, President Mark Senn issued NCHA Executive Director Jay Winborn a directive to coordinate with Director of Judges Andy Adams and enforce the appropriate penalties for the two judges involved in this incident as typically done.

Due to the fact that the incident discussed was not in the best interest of the NCHA and its members, a **MOTION** was made by Barnwell Ramsey and **SECONDED** by Steve Smith that during the 2025 point year, no shows that are produced or co-produced by Shawn Ogni or any persons or entities that are affiliated with him or the Tobacco Road affiliate be approved by the NCHA.

**MOTION PASSED by the majority of the members with two (2) abstentions with John Lavelle and Casey Green.**

### **EXECUTIVE SESSION**

President Mark Senn placed the meeting into executive session to discuss proposed changes to the administrative procedures for the association with the disciplinary committees.

### **GENERAL SESSION**

President Mark Senn placed the meeting back into general session.

A **MOTION** was made by Steve Smith and **SECONDED** by Kirby Smith to accept the revised administrative procedures for the disciplinary committees (Grievance, AM/NP Review, Medication Review) effective immediately with the provision that any requests for legal assistance at any step in the process be preauthorized by the Executive Director. **MOTION PASSED UNANIMOUSLY.**

### **POLITICAL ACTION COMMITTEE (PAC) SESSION**

President Mark Senn placed the meeting into a PAC session for our NCHA Lobbyist Daniel Hodge to provide the members of the Executive Committee with updates.

### **PAC UPDATES – DANIEL HODGE**

NCHA Lobbyist Daniel Hodge joined the meeting via Zoom conference call and provided updates on recent PAC activity.

Daniel updated that taking into account the election coming up, of the 150 members of the Texas House of Representatives there are about 5 incumbents that are in close races for reelection. There are two seats being vacated by Democratic leaders that the Republicans are hoping to pick up. Senator Ted Cruz is running for reelection which is being watched closely and weighs heavily on Trump's victory in Texas. NHCA is in full support of Texas House Representative Brad Buckley who is also the Chairman of the Public Education Committee running in a race as well. He is a longtime member and a reliable source for NCHA.

There have been some rule changes in the Governor's office with the MERP program that has slowed down the application procedures but there are efforts being made to help streamline the process.

### **GENERAL SESSION**

President Mark Senn placed the meeting back into general session from PAC updates.

## **EUROPEAN DIRECTOR UPDATES – ALL EUROPEAN DIRECTORS**

The European Directors joined the meeting by way of Zoom call to provide updates to the Executive Committee with events in their regions. Directors present were Sergio Traverso, Pietro Valeri, Jana and Denis Pini, and Gaetan Foulatier.

Jana Pini presented a PowerPoint on their behalf that highlighted their upcoming European Championship Show which was informative.

There is an effort to produce some cutting clinics for European members with hopes in the Germany area. Executive Director Jay Winborn concurred and requested that we set up a call in 2025 after the Futurity to discuss how NCHA can assist with these cutting clinics.

## **FORT WORTH STOCK SHOW and RODEO UPDATES – MATT CARTER/BRAD BARNES**

President Mark Senn introduced Brad Barnes and Matt Carter from the Fort Worth Stock Show and Rodeo (FWSSR) to the Executive Committee members and welcomed FWSSR to join them for updates. Mark added that NCHA and FWSSR's desires are aligned with producing the best possible shows for our members and spectators and we look forward to this working relationship as trusted partners.

## **YOUTH DEPARTMENT UPDATES – RIANNA STOREY**

Director of Youth Rianna Storey updated the Executive Committee with a recap of Youth Week and what's to come in 2025.

The theme for the 2024 NYCHA Convention

"Best Sport on Dirt" was selected as the theme by NCHA Youth members.

Key Youth Events at the 2024 NCHA Great American Insurance Group Summer Cutting Spectacular.

1. NYCHA Holy Cow Performance Horses Youth World Finals
2. NCHA Foundation Junior and Senior Youth Scholarship Cutting
3. NYCHA Life After the Arena presented by the NCHA Foundation

2024 NCHA Foundation Junior & Senior Youth Scholarship Cutting - Statistics

Total Entries= 166

Junior Youth Entries - 1<sup>st</sup> Go = 80 (5 sets)

19 advanced to the Finals

Senior Youth Entries- 1st Go = 86 (6 sets)

22 advanced to the Finals

The 1st Go took place in the Watt Arena, with finalists advancing to the Will Rogers Coliseum on Saturday, July 27.

The 2024 NCHA Foundation Scholarship Cutting offers \$30,000 in scholarships.

The NCHA Foundation announced a 10-year, \$100,000 commitment from Starr Whitley & Whitley Ranch, LP, Brenham, Texas. The Whitley Ranch Scholarship The fund will provide \$10,000 annually in additional scholarship funds to the top three Senior Division finalists through 2034.

The 2024 NYCHA Holy Cow Performance Horses Youth World Finals

Total Entries= 28

Junior Youth Qualifiers – 16

Senior Youth Qualifiers - 15

Junior Youth World Champion - Georgia Hoffman of Anthony, Florida

Senior Youth World Champion - Riley Farris of Midway, Texas

The 2024 NYCHA Life After the Arena presented by the NCHA Foundation This was the second year for this event at the NYCHA Convention. The NYCHA and the NCHA Foundation have partnered to bring forth an educational opportunity for youth ages, 9 - 18. The full-day event featured professional speakers, renowned artists, a professional forum, historical games, and a sweet treat from the local favorite, Funky Monkey.

The NCHA Foundation has committed to a three-year sponsorship of \$30,000 for this program. The 2025 event is tentatively scheduled for Tuesday, July 22, 2025.

Plugged-In Media, led by Andy Chason, produced a 3-minute video covering the event, which will be featured on the live feed during the Triple Crown Event shows. This live feed reaches a substantial audience (2024 NCHA Summer Spectacular, 591,000 viewers).

The first Annual NYCHA Jean Jacket Fundraiser held during the 2024 NCHA Great American Insurance Group Summer Cutting Spectacular. Sponsored by Cinch, with jean jackets generously designed and donated by Pam Minick, Billy Bob's Texas, Priefert, Nicole Sheridan, and Bella Hadid. Raised a total of \$8,000. Looking ahead to 2025, we aim to involve Youth in the event, with the five Senior Youth National Officers (Riley Farris, Makena-Grace Newton, Annie Kate White, Brea Collier, and Sara Hollar) reaching out to a celebrity or nationally recognized company of their choice for contributions.

2024 NCHA Cutting Clinic at National High School Finals Rodeo

Hosted in Rock Springs, Wyoming, with over 65 participants, including both NCHA members and non-members. Attendees traveled from across the U.S.- from Georgia to California, Illinois to North Dakota-and internationally from Canada and Australia. The NCHA Foundation has committed to sponsoring this clinic for the next three years.

Future dates include:

- 2025 - Rock Springs, Wyoming

- 2026 & 2027 - Lincoln, Nebraska

National Youth Cutting Horse Association social media presented by Logan Lynch, NCHA Youth and Communications Coordinator. NYCHA had growth across the whole board reaching 275,000 unique profiles which means that 275,000 clicks viewed and interacted with the website. There was an increase of 541 followers on Facebook and 984 followers on Instagram.

#### Current NYCHA Projects

- Levels of Excellence Awards Program
  - The 2024/2025 NYCHA Officers are working on an enhanced promotion to raise awareness among new Youth members of the opportunities within the Levels of Excellence Awards Program, which is integral to NYCHA Hall of Fame criteria.
- 2025 NYCHA Stallion Service Auction:
  - Scheduled from Wednesday, November 13 to Wednesday, December 18, 2024.
- 2024 NYCHA Wild Rag Fundraiser:
  - Held during the 2024 NCHA Metallic Cat World Championship Futurity and Broke Spur Ranch World Finals.
  -

President Mark Senn and Executive Director Jay Winborn recognized the Youth Department for their efforts in supporting our youth members.

### **MARKETING DEPARTMENT UPDATES – CARLEY MYERS**

Director of Marketing and Sponsorship Carley Myers addressed the members of the Executive Committee with efforts from the marketing department.

#### **Social Media**

The Marketing department continues to embrace social media and provide engaging content for our viewers. Our social media platforms have seen significant growth across all avenues including TikTok and YouTube for longer content. NCHA continues to maintain just over 19,000 email subscribers, which pleases our sponsors. NCHA has created almost 300 pieces of content that rolled across our feeds on all the platforms to secure nearly 27 million views, 3.3 million accounts reached on Facebook and 11.6 million accounts on Instagram this past year.

#### **Digital Media**

NCHA is proactive with geo-targeting, responsive display ads which show content and ads to what your phone hears you saying. Some adjustments have been made to entice new viewers in addition to our current members. NCHA runs YouTube pre-rolls which are ads that play before videos or clips and social media advertising with different analytics. In a little over a year, we received just over 300 million impressions from our digital advertisements, and these numbers are on top of

what we presented earlier for social media. We have received over 41,000 clicks on our advertisements with over 3,300 people filling out the membership form on our digital platforms.

### **Cable Advertising**

NCHA produces cable and streaming advertising which reaches about 200,000 people on a quarterly basis on traditional cable and streaming networks. We had over 3 million impressions across 75 networks and 102 zip codes last year. This advertisement is to promote our Triple Crown Events to make it easier for locals to drive in and attend our events but also to reach out to pockets of areas where there is an influx of growth and interest. Included in our live stream content, NCHA added a pre-show and a mid-show onto our live stream to educate our viewers on the aspects of our sport with recaps and leads, talk about the show, our owners, breeders and the backstory of our industry. This runs in the arena and on the live stream, but on the live stream only we have the commentators to not interfere with the judging in the arena. We are adding replays from the World Finals which will be in place from the 2024 event. Carley is working on securing sponsorship for these replays as well to generate more revenue.

### **"Drop Your Hand" Docuseries**

A preview of this docuseries was played during the annual meetings in Nashville. Carley provided a quick update that the pilot is almost complete and then we will start applying to film festivals for feedback. Once accepted by the film festivals, we will set our goals on getting picked up by one of the networks. This is an incredible way to highlight our content for mass exposure.

### **Update on the Chatter**

Texas Monthly recently dropped our publication due to some internal production changes and we have a new publishing partner of which the onboarding experience has been positive as we will be one of their largest clients. This new publisher will be showcased with our 2025 Spring issue in February.

### **NEW World Finals Sponsorship Opportunities Online**

The marketing department has been working with IT to develop an online sponsorship form for opportunities to support the World Finals in a more streamlined approach to simply the process for our potential sponsors.

In closing, Executive Director Jay Winborn prompted Carley to share some of the activation approaches we have in place for the Futurity. Carley added that we have set mockups in place with a continued partner in Yellowstone to host some photo opportunities within the tradeshow, Celebrity Cutting, a goat roping for the youth and potentially a petting zoo, and with other socials such as a VIP pre-party sponsored by Rafter P Construction for the finals to highlight the new season of Yellowstone and encourage more spectator traffic.

Jay also added that NCHA has arranged for a more enhanced experience for the box seat holders as well as the raised platform area, a full-on production company to run the broadcast of the finals with a new supplemental sounds system.

## **2025 TRIPLE CROWN SCHEDULING**

Director of Shows Shianne Megel coordinated efforts with Executive Director Jay Winborn in proposing a tentative schedule for our 2025 Triple Crown Events if perhaps we have to alter the event for renovations at Will Rogers. NCHA's goal is to keep the Triple Crown experience as normal as possible for a smooth transition. The proposal utilizes the John Justin and the Watt Arenas by maximizing all available spaces.

## **NCHA AWARDS – CATHY MARIE ALEFF**

### **HONORARY AWARDS**

- Arthur Jackson Memorial Award – To be announced later
- Julie Hansma Non-Pro Sportsmanship Award – Paula Wood
- Mary Kingsbury Award – Wendy Warne
- Modine Smith Humanitarian Award – Jonathan Foote
- Todd Drummond Award (Action from EC) - TBD
- Zane Schulte Award – Brett Davis

The Todd Drummond Award is presented each year during the NCHA Futurity Finals. Nominations are submitted from an NCHA Affiliate, but the past two years the Executive Committee has had to step in with few nominations received. This youth member will be recognized for scholastic, extracurricular activities and cutting horse involvement. The selected recipient will receive a buckle at the presentation.

After a round table discussion, a group of qualified nominees were considered with a final selection being made by the Executive Committee.

A **MOTION** was made by Casey Green and **SECONDED** by Kirby Smith to select youth member Alexis Bylo out of Leslie, MO as the 2024 recipient of the Todd Drummond Award. **MOTION PASSED UNANIMOUSLY.**

President Mark Senn issued a directive to Director of Youth Rianna Storey for her department to propose a new nomination plan for the Todd Drummond Award for the Executive Committee's review and approval at their next in person meeting in January.

## **MEMBERSHIP DEPARTMENT UPDATES – JULIE DAVIS**

Director of Membership Julie Davis provided a brief update from the membership department which highlighted updates, a count summary, proposed changes to the election of chair and vice chair on standing committees along with Zero Tolerance communication efforts.

### **MONTH/YEAR END MEMBERSHIP REPORT**

**Total** 12695  
**Life (Non-Youth)** 3023  
**Reg/Annual** 7929  
**Youth** 908  
**Business** 737  
**Affiliate** 82  
**Comp** 16

**New Members** 1926  
**Trainers** 820  
**Am/Non-Pro** 5121  
**Non-Pro Only** 827

**Free Regular Members** 1926  
**Free Youth Members** 237  
**Total Free Members** 2163  
**Free Prior Year** 2274  
**Free Renewals** 739

**Free Renewals/Free Prior Yr** 32.50%

<b>Age</b>	<b>Count</b>	<b>Percentage %</b>
0-18	882	7.65%
19-29	837	7.26%
30-39	997	8.65%
40-49	1183	10.26%
50-59	1567	13.60%
60-69	2203	19.11%
70+	2354	20.43%

State Total		Area Total		Circuit Total		Region Total		International Total		Total 2024 Members	
AK	7	1	512	Alamo	854	1	2020	Argentina	1	<b>International</b>	1089
AL	216	2	1422	Appalachian	340	2	1595	Australia	31	<b>United States</b>	11606
AR	190	3	537	Aurora	455	3	1160	Austria	2		12695
AZ	448	4	331	Big Sky	336	4	1517	Belgium	20		
BC	1	5	508	Cactus	827	5	1368	Brazil	33		
CA	958	6	385	Cotton	1016	6	1261	Canada	575		
CO	364	7	260	European	425	7	1300	Colombia	2		
CT	6	8	587	Great Lakes	876	8	2385	Czech Republic	21		
DC	3	9	1798	Heartland	540	999	89	Denmark	1		
FL	365	10	745	N/A	2			England	2		
GA	229	11	410	Oiler	596			France	51		
HI	14	12	161	Ozark	457			Germany	126		
IA	61	13	192	Pioneer	876			Hungary	10		
ID	162	14	755	Red River	2736			Israel	7		
IL	127	15	518	Redwood	851			Italy	96		
IN	128	16	365	Sunshine	918			Luxembourg	1		
KS	156	17	168	Unassigned	89			Mexico	6		
KY	108	18	553	Upper Midwest	501			Monaco	2		
LA	326	19	173					Netherlands	17		
MA	6	20	370					Panama	1		
MD	28	21	125					Poland	4		
ME	2	22	450					Slovakia	24		
MI	139	23	80					Spain	1		
MN	188	24	506					Sweden	20		
MO	268	25	270					Switzerland	19		
MS	241	26	425					United Kingdom	1		
MT	172	99	89					Venezuela	15		
NC	171										
ND	105										
NE	104										
NH	2										
NJ	15										
NM	140										
NV	173										
NY	45										
OH	253										
OK	584										
OR	296										
PA	91										
RI	4										
SC	153										
SD	92										
TN	233										
TX	3463										
UT	210										
VA	91										
VT	2										
WA	201										
WI	56										
WV	45										
WY	164										

## 2024 MEMBERSHIP SUMMARY

### Members Love

- The media surrounding the sport

- The Circuit program
- Improved Communication, Monday Minute
- Added money, WF, Circuit & Triple Crown

#### New Members

Welcome Eblast from office

Suggest: Director call to new members, quarterly list provided with email from Dean Rebhuhn, Chair of Growth and Development, requesting the Director to call and respond after contact to let him know how the calls went. Maybe a specific director for each Area will take on the task.

#### Free Members

This effort has brought a lot of members and has been successful at about 33% renewal. This year NCHA will not offer free membership to all but will select a few opportunities to offer free membership at certain events and times of the year to create a more focused target.

#### Renewals

Early Bird renewal Oct 4 – Oct 18 via Eblast. Everyone that renews online saves NCHA money on printing, fulfillment and postage. First mailed renewal November 6 with 2nd Eblast notice in February via Eblast. Non-Renewals are sent a "*We Miss You*" postcard in April/May followed by selected email/phone calls.

#### Retention

The NCHA office made over 300 calls to members that did not renew, most common reasons for not renewing: money, health, horsepower, heat, career and time. Happy with the association and plan to return when they can. Suggestion: Will offer quarterly reports of non-renewals to select Directors.

#### Improvements

- New Monthly Membership Report
- ACH/Echeck option
- Streamlined renewal process, saves time and automatically updates records
- SAFE payment is put in place to further protect payment process.

#### 2025 Membership

Membership cost will increase to \$135 on January 1, 2025, however everyone that renews their 2025 membership prior to December 31, 2024, will receive the 2024 rate of \$100. Youth and Affiliate membership remains at \$25.

#### **Zero Tolerance Policy Signage (SR 35)**

**The Executive Committee suggested bringing the "Zero Tolerance Policy" communication efforts to the convention so that it can be addressed.**



## RULE 35 - ZERO TOLERANCE POLICY

### 35A. Zero Tolerance Policy

Inhumane treatment or excessive training of a horse in any manner is strictly prohibited. Both owner and rider of any horse entered in an NCHA approved or sponsored event, by said entry, consents to the implementation of any action allowed by this Zero Tolerance Policy (Rule 35.A) by either show management or judge. This includes any act which the general public would perceive to constitute inhumane treatment or excessive training of a horse. Any act of inhumane treatment, mistreatment, or intent to mistreat a horse will be dealt with in the strongest possible manner as provided for in this Standing Rule. This Zero Tolerance Policy covers acts occurring not only in the show arena, but also those occurring anywhere on the show grounds—the warm-up area, practice pen or any other location.

The “Zero Tolerance” policy encompasses all of the following acts:

1. **Excessive Training:** Excessive Training includes: excessive jerking; cueing; whipping; use of lip wire or similar device; slapping or hitting a horse on the head, or any other part of the body, one time or more than one time, in any manner, either with the rider’s hands, reins or any other object; using a bit in such a way that a horse is caused to bleed from its mouth or face; using any object held in the rider’s hand to hit a horse; or any other act which may cause trauma or injury to a horse.
2. **Inhumane treatment:** Inhumane Treatment is the exhibition of a lame or injured horse, or a horse that appears lame or injured, or a horse with any other health abnormality, which could thereby result in the horse’s undue discomfort or distress.
3. **Administration of injectable or oral medications or possession of any drug paraphernalia while in the show arena, practice arenas, alleys leading into the arenas or any other public areas of the show grounds is strictly prohibited unless administered in a life-saving situation which should only be done based on consultation with a veterinarian.**
4. Any member observing activity that violates these rules should immediately report such conduct to the NCHA Executive Director and/or Show Management. Any violation of this rule may result in disciplinary action which may include fines, probation and/or suspension as provided for in the NCHA Rules.
5. Please consult the NCHA Rule book to ensure that you are familiar with and are abiding by all NCHA rules relating to the welfare of the horse at all times, including Standing Rules 35 & 35A.

## Chair/Vice Chair Vote Process

Rulebook - Page 23

### Standing Committee

Each Standing Committee shall be headed by a Chairman, assisted by a Vice-Chairman, each of whom shall be elected annually by the committee members by written ballot, email ballot or roll call vote as determined by sitting Chairman. No voting by proxy shall be allowed. ~~The committee member receiving the greatest number of votes shall serve as Chairman and the committee member receiving the next highest number of votes shall serve as Vice-Chairman.~~ The Chairman shall vote only in case of a tie vote concerning committee action. The Vice Chairman shall serve as presiding officer in the Chairman's absence or incapacity. No individual may serve as Chairman for more than three (3) consecutive years.

A **MOTION** was made by Barnwell Ramsey and **SECONDED** by Sharon Overstreet to approve the proposed change in language and election process for electing a chair and vice chair of the standing committees effective for 2025. **MOTION PASSED UNANIMOUSLY.**

President Mark Senn thanked Julie Davis for her time in presenting the membership updates.

### **DIRECTOR DISTRICT SUMMARY**

Reminders will be issued for those whose terms expire in 2025 to submit their consent forms if they would like to be considered to serve again.

All consent forms are due in the office by January 15<sup>th</sup>, 2025, and an online form can be submitted by the following link.

<https://www.nchacutting.com/about-us/our-governance/directors/director-consent-form>

The following district areas are scheduled to lose/gain a seat in the summary below.

ARIZONA +1  
COLORADO +1  
EUROPE -1  
FLORIDA -1  
IOWA & WISCONSIN -1  
KENTUCKY -1  
NEW ENGLAND -2  
NORTH CAROLINA -1  
OHIO -1  
OKLAHOMA +1  
SOUTH CAROLINA +1  
TEXAS (SOUTH) -1  
VIRGINIA, W. VIRGINIA, DC, MARYLAND AND DELAWARE -1

## **OLD BUSINESS**

At this time, there is no old business to bring before the Executive Committee for discussion.

## **NEW BUSINESS**

### **Show Payout**

Several members raised concerns about the payout structure in a class at a recent show in Missouri. NCHA Office will evaluate and move forward with any necessary actions.

### **Judging**

Executive Committee Member Casey Green representing Region 8 highlighted the concerns he has been approached with over the judging.

### **Future EC Meeting**

The next in person EC Meeting will be held after the new year in January. Dates are yet to be determined at this time.

## **ADJOURNMENT**

There being no further business to come before the committee, a **MOTION** was made by Barnwell Ramsey and **SECONDED** by John Lavelle to adjourn the meeting at 4:25pm. **MOTION PASSED UNANIMOUSLY.**