

**AMERICAN SADDLEBRED HORSE ASSOCIATION
MINUTES OF MEETING OF BOARD OF DIRECTORS**

February 13 and 15, 2014

A regularly-scheduled meeting of the Board of Directors (the “Board”) of the American Saddlebred Horse Association was held on Thursday, February 13, 2014, commencing at 4:00 p.m. EST, and on Saturday, February 15, 2014, commencing at 2:30 p.m. EST, pursuant to written notice dated February 1, 2014. The following Directors of the Board were present in person at this meeting: Betsy Boone; Randy Cates; Redd Crabtree; Bret Day; Leslie Rainbolt-Forbes; Bob Funkhouser; Jackie Hale; Chuck Herbert; Carl Holden; Stacey Kipper-Perrelli; David Mount; Tandy Patrick; David Rudder; Susan Shepherd; and Bill Whitley. Directors Holly Nichols, Matt Shiflet, Janet Thompson, and Kenny Wheeler participated by telephone (Kenny was present in person on Saturday). The group thanked retiring board members Germaine Johnson, Margaret McNeese, and Carl Holden for their service, and presented retiring board members with a commemorative gift. The group welcomed incoming board members David Mount, Matt Shiflet, and Susan Shepherd, as well as returning board members Bret Day, Bob Funkhouser, and Tandy Patrick. Also present were Karen Winn, the Executive Director of the ASHA; Lisa Duncan, Registrar of the American Saddlebred Registry; Scarlet Hall, the Controller of the ASHA; Cynthia Lowell, the Communications and Technology Manager of the ASHA; Fred Sarver, the saddlebred representative on the Kentucky State Fair Board; Joellen Blout, representing the American Saddlebred Museum; Tammie Conatser, representing the UPHA; and Lori Nelson from the USEF and Elisabeth Goth, the ASHA’s representative on the USEF board.

The meeting then proceeded as follows:

1. QUORUM; ADOPTION OF AGENDA; MINUTES. Tandy announced that there was a quorum for the meeting. Upon Motion made by Bob Funkhouser and seconded by Chuck Herbert, the Board approved the proposed Agenda for the meeting. Upon Motion made by Betsy Boone and seconded by Stacey Kipper-Perrilli, the Board approved and ratified the Minutes from the January 13, 2014 Board Meeting.

2. WCHS. Fred Sarver reported that Bret Day and Tandy Patrick (in person) and Randy Cates (by phone) had attended a meeting of the Fair Board in late November, 2013, to present a proposal to add a day to the 2014 WCHS, such that the Kentucky County Fair Championship classes would all be held on Saturday night; Freedom Hall would be available to work horses on Saturday night/Sunday morning; and a Sunday daytime performance would be added. Following discussions and deliberations, the Fair Board has decided against this proposal for 2014, but they have asked the ASHA to present a business plan to demonstrate how adding another day to the WCHS would result in higher profits to the Fair Board than the Saturday night concert in Freedom Hall. We have asked Fred to help us obtain additional financial information to enable us to formulate this proposal.

3. MUSEUM. Joellen Blount mentioned the Museum’s Friday evening reception which would celebrate the opening of the Museum’s new exhibit on Oak Hill Farm/Jean McLean

Davis. She also mentioned the Museum's 9th Annual Art Auction to be held in July. The theme of the Museum's party during the 2014 WCHS will be the Chinese Year of the Horse.

4. UPHA. Tammie Conatser reported on the successful 2014 UPHA Convention held at the Intercontinental Hotel in Chicago, where over 400 were in attendance; the group appreciated Bob Funkhouser's presentation on "B Circuit" horse shows. The 2015 UPHA Convention will be held in Savannah, Georgia. Tammie also commented on the successful UPHA American Royal National Horse Show held in Kansas City in November. She announced that the UPHA now has a Canadian Chapter, Chapter 21. The UPHA Ribbons of Service program raised an impressive total of \$98,810.99 in 2013. Tammie also explained that the UPHA has formed a new "Vet Task Force" to discuss/review proposed USEF rule changes.

5. YOUNG PROFESSIONALS. Michelle Krentz Partridge reported on behalf of Ashley Hallock on various activities of the Young Professionals, including Trivia Night at the Bigg Blue Martini on February 14th, and a field trip to Vissar Stables on Saturday morning, February 15th, sponsored by Elisabeth Goth, where one lucky participant will be given the opportunity to ride a show horse. Michelle presented several wonderful ideas from this group (core members are Ashley, Matt Williams, and Lauren Ash), including having ASB's participate in the 2014 Kentucky Derby Festival Parade; a Saddlebred exhibition at the 2014 BreyerFest, which will be on the Saturday of the Lexington Junior League Horse Show; and a mentor event during Lexington Junior League similar to last year.

6. USEF. Lori Nelson of the USEF explained that the ASHA will be eligible for a member incentive grant again this year, based on the total number of USEF members who check "Saddlebred" as their primary area. She explained that the USEF World Cup event would be held at the Blue Ridge horse show, July 22 – 25, and the USEF invites the ASHA to have a booth at the Blue Ridge show.

Elisabeth Goth, as the ASHA's representative on the USEF Board, provided a comprehensive report on the USEF's activities, and noted that our breed needs more representation on the USEF Council. Elisabeth provided a copy of the Minutes from the January 8th "Combined Breeds Special Meeting" held during the USEF Convention, a copy of which is attached to these Minutes. She also noted that it would be helpful to have a new ASHA Committee of experts (i.e., farrier, vet, trainer, lawyer) to advise on matters pertaining to equine welfare vis-à-vis proposed new USEF rules, so this new Committee will be formed. The Board thanked Elisabeth for her proactive participation on our part and was appreciative of the information that Elisabeth shared with us.

7. REPORT FROM REGISTRY. Lisa Duncan reported that the American Saddlebred Registry has implemented two new programs to promote breeding: the First Time Breeder Promotion Program, and Mare Harmony. The First Time Breeder Promotion Program is for mare owners or lessees who are first time breeders during the 2014 breeding season. Stallion owners have generously donated one complimentary breeding to each of the 51 stallions enrolled in the Program. The Mare Harmony Program provides a venue to advertise American Saddlebred mares for lease and for purchase of embryos and oocytes.

Registry President Margaret McNeese has appointed a Registration Incentive Ad-Hoc Committee to look into possible incentives to encourage the registration of all foals.

2013 Registry statistics are as follows: Transfers - processed 101 less transfers in 2013 than the previous year which resulted in a 3% decrease from 2012; Registrations - we saw a 15% decrease in registrations processed in 2013 from 2012; Registrations By Foal Crop - the number of 2013 foals registered in their foaling year was down 27% from the previous foal crop year; Stallions Reporting - the number of stallions that had a Stallion Service Report filed in 2013 was down 9% from the previous year; Breedings Reported - Down 11% from the previous year.

8. FINANCIALS; 2014 BUDGET. Treasurer Bill Whitley presented unaudited Financial Statements for the period ending December 31, 2013, which showed significant improvement over year-to-date in 2012. The ASHA's Audit Committee has engaged our outside auditors and work on the 2013 audit will commence on March 10th; the Audit Committee will present the 2013 audit to the full ASHA Board at our July meeting. Bill pointed out that our advertising revenues are \$11,000 over budget, and the Board expressed their appreciation to the entire ASHA staff for these great results (particularly the efforts of Michelle and Cynthia in producing the Dailies and the Journal). The ASHA needs to raise approximately \$51,000 to complete funding for the new technology/computer upgrade project.

Bill then presented the proposed Budget for 2014, which has been carefully reviewed and discussed by the ASHA Finance Committee. Upon Motion made by Holly Nichols and seconded by Carl Holden, the Board unanimously approved the proposed Budget for 2014.

9. REPORT FROM NOMINATING COMMITTEE FOR DIRECTORS. Chairman David Rudder and Committee member Chuck Herbert, presented the proposed slate of Officers and Executive Committee members for 2014, to be voted on by the ASHA Board at the Saturday (February 15) Board Meeting.

10. PRESIDENT'S REPORT. Tandy distributed annual conflict of interest statements which all Directors signed and returned. The group agreed that we will sell our suite for the WCHS for 2014 (with the hopes that we will be able to afford to keep this for ASHA use in future years), but we will keep our four (4) WCHS tickets for use by possible ASHA sponsors or special guests, and we will also keep our Lexington Junior League Horse Show box for use by special guests. Tandy explained all ASHA Committees are being 'repopulated' for the coming year and urged board members to let her know which Committee(s) are of interest to board members. She also presented a summary of 2013 donations to the ASHA, and stressed the need for 100% participation by board members going forward.

Tandy also reported on the formation of a new Task Force to recommend changes to the ASHA Bylaw provisions regarding election of Directors, as well as revisions to the nomination form for Directors and formulation of a policy document to clarify the election process and establish a timeline. The Task Force had its first meeting on February 13th, and it will continue its discussions in order to make a presentation to the full ASHA Board in July.

Tandy reminded board members that we would like to have a few college students serve as interns for the ASHA this summer, and she urged board members to forward suggestions to Karen.

Tandy shared a letter the ASHA received from Dr. Stephen Schumacher of the USEF dated February 4, 2014, wherein Dr. Schumacher asked the ASHA to provide recommendations for Saddlebred competitions which we feel are high priorities for USEF drug testing. Following discussion, the board agreed that we should respond to this letter by explaining that the ASHA recommends testing at all sanctioned shows.

Tandy also presented a proposed clarification to the specifications for the ASHA's Year-End awards, to provide that current ASHA board members are not eligible for these awards, with which the board agreed.

11. EXECUTIVE DIRECTOR'S REPORT. Karen reported on fundraising for our new technology project, and reported on results pertaining to publication of the 2014 Journal.

12. NEW BUSINESS. Jackie Hale suggested that the ASHA should consider changing its current policy regarding the sharing of email addresses of our members (our current policy is that the ASHA sells printed mailing labels for a fee of \$415 per 1,000 names, but we do not 'sell' email addresses). The group agreed that if the ASHA was going to do this, we would need to include a section on the membership renewal form whereby members would give the ASHA permission to share email addresses with vendors and other "Saddlebred-specific" users. No action was taken on this at this time.

Lisa Duncan brought forward a recommendation from the Standards and Rules Committee, that the specifications for the 3 and 4 year old three-gaited sweepstakes classes would be modified to add, "mane optional". Upon Motion of the Standards and Rules Committee, which was seconded by Redd Crabtree, the board unanimously approved this change.

Bob Funkhouser gave an update on the 2016 "SuperConvention", to be held February 9 – 13, 2016 at the Westin Waterfront hotel in Boston.

Betsy Boone presented proposed changes to the High Point Awards Rules, to remove the specifications regarding prize money to be awarded in the Pleasure Division. Upon Motion made by Stacey Kipper-Perrelli and seconded by Susan Shepherd, these changes were unanimously approved. Betsy also presented proposed changes to the National Pleasure Horse Rules. Upon Motion made by Betsy Boone and seconded by Bob Funkhouser, these changes were unanimously approved.

Redd Crabtree suggested that the ASHA should join with the USEF in writing a letter of support regarding a proposed Saddlebred exhibition in Hamburg, Germany; the group agreed that we should express our support – Tandy will coordinate with Lori Rawls of the USEF on this effort.

Bob Funkhouser mentioned the idea of private equity/investors who might be willing to finance the purchase of horses, and the group also discussed the concept of leasing of horses including "lease to own".

13. 2014 MEETING SCHEDULE. Upon motion made by Redd Crabtree and seconded by Bob Funkhouser, the Board unanimously approved the proposed schedule of Board and Executive Committee meetings for 2014.

14. ELECTIONS. Upon motion made by Kenny Wheeler and seconded by Leslie Rainbolt-Forbes, the Board unanimously approved the appointment of the following officers of the ASHA for 2014: Tandy Patrick, President; Bob Funkhouser, Vice President Betsy Boone, Secretary; and Bill Whitley, Treasurer. Upon motion made by Bret Day and seconded by Bill Whitley, the Board unanimously approved the appointment of Jackie Hale, Holly Nichols and David Rudder as additional members of the Executive Committee.

The Board then voted on three directors to serve as the Nominating Committee for Officers, in accordance with the ASHA Bylaws. Upon motion made by Bill Whitley and seconded by Bret Day, the Board unanimously elected Chuck Herbert, David Rudder, and Kenny Wheeler to serve as this Committee. The Board then accepted nominations for two Directors to serve on the Nominating Committee for Directors. Upon motion made by Bill Whitley and seconded by Bret Day, the Board elected Leslie Rainbolt-Forbes and David Rudder to serve on this Committee; they will join ASHA members Bob Ruxer and Fred Sarver, who were elected to serve at the ASHA annual membership meeting, as well as Bob Funkhouser who has been appointed by the President to serve as the Chair of this Committee in 2014.

15. 2014 CONVENTION. The group discussed various aspects of the 2014 Convention. Everyone agreed that our meetings, presentations, workshops and field trips were all outstanding and very well produced, and that we worked very hard to change things in 2014 in an attempt to have more ASHA members attend the Convention, but sadly our attendance was about the same as 2013, with slightly more than 200 members attending the Convention. Following discussion, upon Motion made by Randy Cates and seconded by Leslie Rainbolt-Forbes, the board unanimously agreed to suspend the ASHA Convention in 2015, but instead to ‘piggyback’ onto the UPHA Convention by holding our annual membership meeting and perhaps a few other meetings at the same date and location as the 2015 UPHA Convention in Savannah. We will coordinate with the UPHA, and we will also investigate the possibility of webcasting some portion of the ASHA presentations at Savannah. Leslie reminded the group that we need to be mindful of the need to provide a source of funding for youth scholarships (currently these funds are raised by the silent auction at the Convention; after we complete fundraising for the Technology Upgrade project, we may return to the concept of having funds from the live auction go to youth scholarships).

16. TECHNOLOGY UPDATE. Cynthia Lowell and Karen Winn provided an update on the ASHA’s IT projects, including scheduling and timeline. Tandy reminded board members that Cynthia and her team need to receive suggestions as to improvements for our new Web site; Karen suggested that if board members have a particular Web site(s) that they admire, please forward this info to Karen.

The ASHA has recently switched phone service systems, from QX to Windstream. We are switching the server to the new domain, and have finalized the horse registry database on the new system which should be launched in late June, 2014. The group discussed the merits of possibly providing access to horse information to non-members as well as ASHA members, so that folks could search a horse’s pedigree.

17. Publications. Publications Committee Co-Chair Randy Cates shared details from a meeting of this Committee held on February 13, 2014, including the 2014 Journal (positive feedback received on the hard-bound copies of the Journal distributed to advertisers; all ASHA members will have the option to pay an extra fee and receive a hard-bound copy of the 2015 Journal); Dailies from the 2013 WCHS (profit of \$14,000, compared to loss in the prior two years); and the 2014-2015 Membership Directory, which will be sent to members around April 1st. Randy shared the idea of having an upscale booth/suite at the WCHS located (ideally) across from the Saddlebred Café, for higher visibility and to incorporate the UPHA barn tours. Randy also shared the idea of having a golf cart deliver the Dailies each morning during the WCHS to the barns, with sponsors to donate coffee, bagels, donuts, and with the golf cart to be ‘wrapped’ with ASHA logo.

The board then discussed the proposal to have a printed version of the three eZines (email magazines) in 2014 for members who have paid the additional \$20 (right now, we are at ‘break even’ without allocation of labor costs). The vision would be to publish three “Special Editions” in 2014 that would be somewhat timeless (like an “airplane” magazine) and could therefore be utilized as a promotional tool, to include educational and historical articles (somewhat similar to the Bloodhorse Magazine), include human interest stories, articles on youth/Charter Clubs, and be ‘public-oriented’ (so could be distributed at BreyerFest, for example). Upon Motion made by Randy Cates and seconded by Bill Whitley, the board unanimously agreed to proceed with publication of printed versions of the 2014 “Special Editions”, to be revisited by the Publications Committee in early fall, 2014 as to how to proceed in 2015.

18. EXECUTIVE SESSION. The Board went into Executive Session, to discuss personnel matters.

19. ADJOURNMENT; NEXT MEETING. There being no further business to come before the Board, the meeting was adjourned at approximately 4:30 p.m. on Saturday, February 15, 2014. The next regularly-scheduled in person meeting of the Board will be on Tuesday, July 8th, at 11:30 a.m. in Lexington. There will be telephonic conference calls of the Executive Committee, and Board members are urged to participate in these also, on the second Monday of each month starting at 5:30 p.m. Eastern time; upcoming calls will be on March 10, April 14, May 12, and June 9.

Submitted by:

Tandy Patrick, President
American Saddlebred Horse Association