



The American SADDLEBRED

Horse Association, Inc.

Joint Board of Directors Meeting

United States Equestrian Federation, Vanderbilt Conference Room and by Teleconference

Wednesday, December 1, 2004

1:30 p.m. ET

MINUTES

Members Present: President Fred Sarver, Officers Tom Ferrebee, Edward R. Bennett, Sandra S. Lilly, David Howard, Directors Vicki Gillenwater, Kris Price Knight, Misdee Wrigley, Mary Anne O. Cronan, Robert K. Ruxer, Carter Cox, Mary Ann Pardieck, Dr. Alan R. Raun, Kay Richardson, Nancy Boone

Members Absent: Lewis Eckard, Carolyn Groves, Matthew Heiman

Others Present: Alan F. Balch (Executive Secretary), Jefferson Streepey (Counsel), John Jones (Representative of UPHA President)

- I. **President Sarver called the meeting to order** at 1:30 p.m. and asked Mr. Balch to call the roll. Mr. Balch connected to the teleconference for Mr. Heiman; though no one was present on the line, the call was left open should Mr. Heiman be able to join. The presence of a quorum was established. Mr. Bennett asked if there was an objection to his tape-recording the meeting. Following discussion, **Mr. Howard moved and Ms. Cronan seconded his motion that the taping be permitted, and the motion passed unanimously.**
- II. **The directors considered minutes of meetings of the Board dated October 6, 2004.** The directors present took time to review the minutes as distributed in advance.

Mr. Bennett questioned Ms. Cronan as to the description in the minutes of her report on the Kentucky State Fair Advisory Committee meeting regarding catch-riding. An extended discussion followed as to the role of the Advisory Committee, its appointments from both ASHA and UPHA, its suitability as a forum for raising issues of concern to the Kentucky State Fair's constituencies, and Ms. Cronan's reporting of topics raised in the committee meetings to this board. Ms. Cronan stated that the Advisory Committee listens to the advice it receives from members of the Committee and others, and that she had reported the issue of catch-riding as a topic of discussion from the meeting.

Ms. Knight noted that her name should have been listed as among those who spoke on the catch-riding issue, in agreement with Mr. Harper, Mr. Bennett, and Mr. Ruxer; Mr. Balch said that the minutes would be so amended. In addition, Ms. Knight stated that the minutes omitted a point made by Dr. Raun on the subject of magazine mailings to members' households, to the effect that Dr. Raun had suggested that the opposite policy of the one at present be considered, so that only one magazine be mailed to each household unless a member specified otherwise. Dr. Raun agreed that he had made that suggestion, but that he had not made a motion to that effect. Mr. Balch stated that the minutes would be amended to reflect his suggestion.

Ms. Pardieck moved and Dr. Raun seconded that the minutes of October 6 be approved as amended, and the motion was adopted unanimously.

III. Mr. Howard presented the Treasurer's Report.

While Mr. Howard presented the present financial picture of the Association, Mr. Ruxer questioned whether the entire board gets the same detailed information provided to the Finance Committee. Mr. Balch responded that it does not, but that summaries are prepared for the board. A discussion followed as to whether the board received financial information in as much detail as previously, and Mr. Balch stated that he would work with Mr. Howard to see that appropriate detail was provided to all directors. Dr. Raun reiterated his question from the previous meeting about whether the Association is receiving optimal return on its investments, particularly cash on hand, and Mr. Howard stated that he would investigate sweep accounts and other investments in order to be confident that management was being prudent.

Mr. Howard moved through a page by page analysis of the Association's finances, and summarized it by noting that as of the most recent reporting period, at the end of October, the Association's performance indicates an improvement overall of approximately \$100,000 year-to-date when compared with the previous year.

Upon the motion of Ms. Lilly, seconded by Ms. Pardieck, the Treasurer's Report was approved unanimously.

IV. As Executive Secretary, Mr. Balch brought several matters to the attention of the directors.

Generally speaking, he stated that the staff was performing well, and mentioned that Reeves Kirtner, as a new hire, was performing well in communications to the media and the membership. He added that the work Joan Jones had done in finance and accounting was exemplary.

In addition, he remarked favorably on the Association's presence at the United States Dressage Federation convention and annual meeting in Lexington.

V. Proposal for Corporate Reorganization.

At the suggestion of several directors, this item was deferred until later in the meeting, so that other items could be disposed of beforehand.

VI. The board turned its attention to annual Award Selections.

After reference to the list of nominees by award circulated to the board, a general discussion of the awards program commenced. Several issues were discussed, including whether one or more Lifetime Achievement Awards might be presented in a given year, whether or not the Breeders Award should be differentiated among a breeder of the year and an award for lifetime recognition, and whether other awards might be added. The suitability of some nominees for the award category specified was also discussed.

Ms. Cronan moved and Mr. Cox seconded that Ray Sheffield be nominated for the Meritorious Service Award, and the motion passed unanimously.

Mr. Bennett moved that it by the policy of the Association that members of the board of directors not be considered for awards during their terms of office, and Ms. Pardieck seconded. The motion passed unanimously.

Mr. Cox moved and Dr. Raun seconded that John and Nancy Jones be nominated for the Breeders Award, and the motion passed unanimously.

Mr. Cox noted that the Breeders Committee had met to consider the Breeders Award nominees, as was customary, and had forwarded the nominations of Stonecroft, Gaynor Shane, Ron Hulse, and Mr. and Mrs. Franklin Groves to the board. He noted that other nominations, of course, could be considered by the board.

Mr. Ruxer asked about the qualifications for nominees for the Cronan Sportsmanship Award, and Ms. Cronan responded with her understanding. Thereafter, **the board agreed by consensus that Dr. Jerry Blevins should be a candidate for the Cronan Award, that Keith Bartz should also be a candidate for the Meritorious Service Award, and that Ann Curl and Moe Anson be nominated for the Roth Sportsmanship Award.**

Mr. Balch stated that the staff would prepare suitable ballots and endeavor to conduct voting by year-end, so that award winners could be notified in ample time to attend the convention in February to receive their awards.

The board then turned its attention to the deferred item, **Proposal for Corporate Reorganization.**

Mr. Balch referred the directors to the materials that had been circulated in advance, and considered by the Planning Committee the previous day.

The directors then discussed the principles of the reorganization and the wisdom of moving forward at this time. An extensive question and answer session ensued.

Ms. Cronan moved that the proposed corporate reorganization go forward, and Mr. Cox seconded.

As the discussion proceeded, Mr. Bennett put forward several questions to Mr. Balch about the proposal. **Mr. Bennett then moved that the Board retire to an executive session, and Dr. Raun seconded the motion.** Questions of order were raised, since a previous motion was on the floor. Mr. Balch opined that if directors wished to have an executive session in order to discuss any aspect of the proposal, that might well be a practical necessity in order that the proposal be considered without any reservations. **The motion to move into executive session carried 9-3,** and Mr. Balch, Mr. Streepey, and Mr. Jones retired from the meeting.

Following the executive session, during which no minutes were taken, Mr. Balch, Mr. Streepey, and Mr. Jones rejoined the meeting.

Following discussion, Mr. Bennett stated that it was his desire to resign his position as a director, if the board would accept it, and then left the meeting.

Ms. Cronan then called the attention of the board to her previously pending motion, and suggested the board vote whether or not to proceed in principle with the proposed reorganization, so that the documents prepared could be considered in detail. **The motion passed, with one director opposed.**

Ms. Lilly moved, and Ms. Cronan seconded, that the board formally express its confidence in Mr. Balch. The motion to do so passed unanimously.

Thereupon, the board recessed briefly.

Upon the end of the recess, the board considered whether a quorum remained present, and a quorum was established. The board retired to a further executive session, in which Mr. Balch, Mr. Streepey, and Mr. Jones were invited to be present. Following the executive session, **upon motion of Ms. Wrigley, seconded by Ms. Lilly, Mr. Bennett's resignation was accepted by vote of 7 in favor, 1 against, and 2 abstaining.**

The directors considered the documents relating to the proposed corporate reorganization in detail, including numerous revisions and corrections made previously by the Planning Committee. **Upon motion by Ms. Cronan, seconded by Ms. Richardson, the board directed that staff and counsel prepare all documents for further consideration at a continuation of this meeting at a later date, and the motion was approved.** Staff was instructed to find a date in the immediate future for a teleconference meeting where board attendance could be maximized, and final documents relating to the proposed transaction could be re-presented for consideration.

VII. Old Business

Mr. Sarver announced that he had named Nancy Jones to chair the Equine Welfare Committee, and that Joan Hamilton had requested to be relieved of her position on the informal magazine editorial committee, and that he had agreed. Mr. Cox suggested that Mr. Sarver consider adding Bret Day to the Breeders Committee.

Mr. Sarver reminded the board that nominations and alternates were requested to be provided for the ASHA seats on the board of United States Equestrian Federation. **It was moved and seconded that Mr. Bartz be nominated for the short term, with Mr. Sarver alternate, and Ms. Cronan be nominated for the longer term, with Ms. Pardieck alternate, and the motion passed unanimously.**

Ms. Gillenwater reported on the successful fund-raising for the Foundation made possible by Carson Kressley's endorsement of the Fortunoff Christmas ornament, which will result in a donation to the Foundation of at least \$25,000 this year, and all directors applauded this accomplishment. Ms. Wrigley reported briefly on the successful fund-raiser honoring Jimmy Robertson.

VIII. New Business

Ms. Knight reminded the board that it must consider how to handle the board vacancy created by Mr. Bennett's resignation. No action was taken with regard to the vacancy.

Recess: The meeting was adjourned at 6:45 p.m., by consent of all present, to be continued by teleconference at a date to be determined, prior to December 13 if possible.

By: _____
Alan F. Balch, Executive Secretary