

**NCHA EXECUTIVE COMMITTEE MEETING MINUTES
JUNE 15, 2020
NCHA OFFICES – FORT WORTH, TX**

A meeting of the Executive Committee of the National Cutting Horse Association was held on Monday, June 15, 2020 beginning 9:00AM central time.

Those members present were: President Steve Norris, President-Elect Ora Diehl, Vice President Ted Sokol, Kristen York, Rock Hedlund, Kirby Smith, Byron Green, Sharon Overstreet, Toddy Pitard, Skip Jones, Matt Miller, Ernie Beutenmiller, Lachlan Perks and Tatum Rice. NCHA Executive Director Jay Winborn and Cathy Marie Aleff were also in attendance for this meeting. NCHA Legal Counsel Jim Morris also attended for the morning session.

The Executive Committee meeting was called to order at 8:56AM and roll call was taken.

President Steve Norris welcomed the attendees and opened the meeting with prayer.

APPROVAL OF MINUTES (6/2, 6/5, 6/8 and 6/10)

A **MOTION** was made by Lach Perks and **SECONDED** by Kristen York to approve the minutes from the June 2, 2020 Executive Committee conference call. **MOTION CARRIED.**

A **MOTION** was made by Sharon Overstreet and **SECONDED** by Ora Diehl to approve the minutes from the June 5, 2020 Executive Committee conference call. **MOTION CARRIED.**

A **MOTION** was made by Byron Green and **SECONDED** by Kristen York to approve the minutes from the June 8, 2020 Executive Committee conference call. **MOTION CARRIED.**

A **MOTION** was made by Rock Hedlund and **SECONDED** by Lach Perks to approve the minutes from the June 10, 2020 Executive Committee conference call. **MOTION CARRIED.**

CONFIDENTIALITY AGREEMENTS

NCHA Legal Counsel Jim Morris introduced himself and addressed the members of the Executive Committee with the importance of maintaining confidentiality during these meetings and why we regulate the confidentiality/ non-disclosure agreements. This agreement also includes a conflict of interest clause to be considered when making decisions. All confidential business matters as it relates to the National Cutting Horse Association will be kept within the members of this committee. From a business standpoint, Jay Winborn was hired as our Executive Director and leads all day to day business of the association. Any question about the operations of the association should go directly through Jay Winborn and he will coordinate with staff as deemed necessary.

President Steve Norris followed up on what Jim Morris presented on how we need to rally behind our Executive Director and give him the support to be successful. Steve would like the Executive Committee to focus their energy this year on improving our Triple Crown Events,

getting something done to be more supportive of our weekend members and increase membership. One of the most important things to support is our mission statement. Our mission is the framework of why we are all here as an NCHA family. President Steve Norris recited our mission statement.

REGIONAL REPORTS

President Steve Norris addressed the members of the Executive Committee with the new implemented process of regional reports during these meetings to provide updates on current happenings, stories of interest and concerns are with each region and their members.

Region 1 – Kristen York provided an update for Region 1 that included current situation in Canada. As of June 12th, Canada opened up for Phase 2 and should be able to start showing in July with restrictions. Canadian border hoping to open by end of July. Shows in Region 1 currently have high entries and hopes to stay on schedule for future shows.

Region 2 – Rock Hedlund provided an update for Region 2 with the news of their first cutting this past weekend. Cuttings are scheduled for the next couple of weekends at private facilities and so forth. They have posted signs that say no spectators and that event if for livestock handling, health inspectors are accepting. Other than that, things are starting to open up throughout the region as we move to the end of Phase 2.

Region 3 – Kirby Smith provided an update for Region 3 that included the production of shows in MO, SD and NE. All have been well attended. Biggest concerns with upcoming shows is the American Royal Cutting in August and the State Fair of Nebraska who plan to give notice on July 1st. We are doing our best to work around the closures. On a positive note, we gained 7 new memberships at a recent cutting which speaks volumes for this area.

Region 4 – Byron Green provided an update for Region 4 is starting to open up. Horse activity is opening with a cutting next weekend. Disappointing that the Kentucky State Fair cancelled their cutting. At one time, every state around their region had horse shows and cuttings which is now limited. Hoping that the North American livestock show which is the largest in this area stays does not cancel. To add a big portion of our members wait and renew their membership when they enter a show and most areas haven't had a chance to produce a show in months if at all this year due to the pandemic and weather constraints at the beginning.

Region 5 – Sharon Overstreet provided an update for Region 5 sharing with the members that before the pandemic hit, their region was doing well. Florida CHA had the biggest show ever and Augusta numbers were up 32% with the implementation of leveling. Since the shutdown, most trainers in their region were able to retain most of their customers. A lot of the upcoming cuttings are offering a Youth scholarship program. Overall, we are in good shape and just waiting for all to fully open.

Region 6 – Toddy Pitard provided an update for Region 6 that there is a definite slow down since no one has been cutting, on the business sides as well. Toddy would like to make a recommendation to replace his seat on the Competition Committee with the ECs approval. Shows are getting kicked off around AR, MS and TX. In a recent Region 6 call, concerns were

that we need to restructure the approved show locations. We also ask for the 300-mile radius to be re-evaluated between approved shows. Frustration from some members in region that we changed the payouts at weekend shows, which was approved as a result of recommendations after last year's convention and published in the Chatter. Also, why we held the VP election counts, they want transparency. Another suggestion from his region was from a show producer asking to have more authority to make adjustments to the classes to conform the show to specific needs in the region.

Region 7 – Skip Jones provided an update for Region 7 expressing that they are dealing with some of the same due to pandemic closures. Some shows started beginning of May at private facilities. First couple of shows were medium in entries but seem to be growing in numbers since then. Sweetwater show is scheduled for the July 4th weekend. Skip reached out to Region 7 Directors for input to submit for this report and he was disappointed with the response.

Region 8 – Matt Miller provided an update for Region 8 that North TX and OK have been itching to show. When restrictions are lifted fully, a lot of shows are ready to get started. Recent Non-Pro Show had a great turnout, and everyone was pleased and ready to get back after it.

At Large – Ernie Beutenmiller provided an update that included his recent visit to a first-time challenger event in his area. Realized more people there that he did not know than he did know. Comments from a spectator said that reason why they were was because they are tired of all the negative media coverage and protests in their areas and they wanted to provide a positive environment for their grandkids. We should be elaborating our focus on the youth and that positive experience for them.

At Large – Lach Perks provided an update that referenced the cattle issue will continue throughout the summer months. Glad to see that some trainers on the west coast are posting some virtual clinics during this time with the lack of show events.

Executive Director Jay Winborn agreed that we should emphasize on the fact that cutting is family friendly and can be a positive experience for all members of the family involved. This topic led into a positive conversation amongst the members of the Executive Committee. Jay Winborn would like to help implement a youth program to help capitalize on ramping up youth memberships. We need to do a better job of promoting our free membership offer.

President Steve Norris added that we need to reach out to the junior youth organizations to help coordinate this effort and simplify an event for them to get started like a ranch cutting event. It was highly encouraged that we have a presence at the upcoming High School Rodeo Association Finals being held in Guthrie, OK like we have done in the past. Efforts will be coordinated with our Director of Youth, Mike Simmons.

President-Elect Ora Diehl and President Steve Norris again emphasized their appreciation with our Executive Director Jay Winborn and thankful that he has been in place during these difficult times in our economy. His guidance has been positive for us through these uncertain times of the pandemic issues.

EXECUTIVE SESSION

President Steve Norris requested the meeting to go into executive session to review the financials, discuss personnel issues, get updates on the insurance claims and when we will be able to share a final version of financials to our Board of Directors.

GENERAL SESSION

President Steve Norris placed the meeting back into general session.

NCHA is on schedule to release financials as soon as the Finance and Audit Committee have had a chance to review and the Executive Committee has approved. The release of this financial information will include the YTD actuals through end of May with a summarized balance sheet and income statement by July 1st.

EXECUTIVE DIRECTOR UPDATES

Executive Director Jay Winborn would like to recommend that NCHA ceases the release of earnings on horse and rider to Equistat. We need to take back the control of our product.

After much discussion, a **MOTION** was made by Rock Hedlund and **SECONDED** by Byron Green to table this recommendation on ceasing the report of earnings to Equistat until the August EC Meeting. **MOTION CARRIED.**

2020 SUMMER SPECTACULAR – ESTIMATED PAYOUTS

Director of Shows Shianne Megel and members of the Payout Task Force, Angie Highland and Casey Green addressed the Executive Committee with some options on the estimated payout structure for the Open, Non-Pro and Amateur classes during the first leveled NCHA Triple Crown event, the 2020 Summer Spectacular.

After much discussions, a **MOTION** was made by Rock Hedlund and **SECONDED** by Skip Jones to adopt a 50% to semi-finals and 50% to the finals payout system for the 2020 Derby Open Division. **MOTION PASSED BY MAJORITY; ONE (1) OPPOSED.**

A **MOTION** was made by Ernie Beutenmiller and **SECONDED** by Lach Perks to adopt an elimination of the semi-finals and take 25% to the finals for the 2020 Derby Non-Pro Division. **MOTION PASSED BY MAJORITY; ROLL CALL VOTE SIX (6) FOR and TWO (2) AGAINST, FIVE (5) OBSTAINED.**

The Executive Committee agreed that there were no changes to the 2020 Derby Amateur Division.

A **MOTION** was made by Ernie Beutenmiller and **SECONDED** by Skip Jones to table the discussion on advancement numbers until the August EC Meeting. **MOTION CARRIED.**

The Executive Committee agreed that there were no changes to the 2020 Classic Amateur Division.

A **MOTION** was made by Lach Perks and **SECONDED** by Skip Jones to adopt taking 25% to the finals for the 2020 Classic Non-Pro Division. **MOTION PASSED BY MAJORITY; THREE (3) OBSTAINED.**

A **MOTION** was made by Rock Hedlund and **SECONDED** by Ernie Beutenmiller to adopt taking 25% to the finals and pay up to 35 horses for the 2020 Classic Open Division. **MOTION CARRIED.**

2020 SUMMER SPECTACULAR – SCHEDULE

Director of Show Shianne Megel addressed the Executive Committee with the proposed schedule for the 2020 Summer Spectacular.

After much discussion, a **MOTION** was made by Skip Jones and **SECONDED** by Ernie Beutenmiller to approve the proposed 2020 Summer Spectacular schedule. **MOTION CARRIED.**

In addition to the schedule, the safety protocols were reviewed for the show. Shianne Megel and Jay Winborn addressed the members of the Executive Committee with three (3) rule changes that will be implemented during the summer show as a recommendation by Will Rogers and the health department.

1. Due to the social distancing restrictions, we will not be able to utilize our normal judges room. For this show, the judges will be escorted across the street and their return will be coordinated with the Cattle Committee on settling rule change.
2. Competition identification numbers will be required for all horses competing while in the competition arena, the practice pen or the flag work area. This number will need to be affixed to the saddle pads.
3. The facility highly discourages any day haulers and, in an effort, to comply with these safety protocols, all competing horses will be mandated to purchase a stall.

Jay Winborn advised the Executive Committee that a unified communication will be distributed from the NCHA offices accordingly.

STALLION FOAL PROGRAM

Executive Director Jay Winborn updated the Executive Committee with a recent call he had with the Stallion Owners and Breeders Committee on June 12, 2020 and that they are requesting a forensic audit of the program.

After much discussion, a **MOTION** was made by Ernie Beutenmiller and **SECONDED** by Byron Green to approve the Stallion Owners and Breeders Committee to conduct an audit of the

program provided they use a third-party auditor of their choosing and at their expense.
MOTION PASSED UNANIMOUSLY.

STANDING COMMITTEE CHAIR ELECTIONS

A **MOTION** was made by Matt Miller and **SECONDED** by Rock Hedlund to adopt the recommended change in language to the process in selecting a new standing committee chair in paragraph 22 on page 10 under the Standing Committee section of our NCHA rulebook.
MOTION CARRIED.

Current Version:

22. 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. 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.

Recommended Version:

22. 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 the 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.

CIRCUIT SERIES UPDATES

Executive Director Jay Winborn addressed the Executive Committee with a proposed new circuit series program with the breakdown. This is a work in progress that requires more research and review to ensure that the area boundaries are outlined appropriately. The purpose of this circuit series is to provide more opportunities for our weekend cutters to compete on a regional basis. The Executive Committee discussed this proposal and provided some suggestions to set goals for a check system while encouraged and looked forward to the final version. This program is designed to offer some things like opportunity to others outside of NCHA and its' affiliates, a 15-day show approval process, low entry fees and a cap on administrative costs. The next step is to get this to the Growth and Development Committee for review and feedback and run it through the Competition Committee for final evaluation.

OTHER CHA TASK FORCE UPDATES

President Steve Norris, Executive Director Jay Winborn and Toddy Pitard of Region 6 met with the United States Cutting Horse Association on Sunday, June 14th to propose an opportunity to create an alliance within the cutting horse associations. There are advantages for further discussions with the USCHA and other cutting horse associations.

PROPOSED DIRECTORS' FORUM

Ernie Beutenmiller, an At Large member of the Executive Committee addressed the other members with the proposal of a Director's Forum to be developed and implemented for the Director's to have access to gain information and be able to communicate with other Director's across the other regions. This proposal was well received by the Executive Committee and during discussion, suggested items were brought up to be included as provided materials.

Executive Director Jay Winborn added that the concept could be created and managed with no problems. The creation of this forum would encourage more involvement from the Directors on active topics for discussion. This forum would be outside of the NCHA website and only available to the Directors with a secured login.

NCHA SIGNATURE AUTHORITY GUIDELINE

Lach Perks, an At Large member of the Executive Committee addressed the other members with a suggested best practice process for a signature authority matrix in the form of a spreadsheet with certain parameters based on dollar amounts identified that could assist the National Cutting Horse Association for conducting future business with the review and execution of contracts and agreements.

NEW BUSINESS

President-Elect Ora Diehl opened a discussion with the Executive Committee to consider assigning an EC Liaison to each committee to help streamline recommendations. Some members of the EC are currently serving on standing committees and that will be considered as these positions are assigned. This concept will begin immediately.

ADJOURNMENT

There being no further business to come before the committee, a **MOTION** was made by Skip Jones and **SECONDED** by Tatum Rice to adjourn the meeting. **MOTION CARRIED.**