

Winter Meetings
Board of Directors Meeting
Unapproved Minutes
Friday, February 18, 2011

President Walker called meeting to order at 10:15am.

Eddie Barrow gave the invocation.

Present were:

Eddie Barrow
Jamie Lawrence
Andy Robert
Mike Etheredge
Chris Walker
Ed Hiers
Tonya Beaver
Kelly France
Darlene Harris
Fred McRoy
Time Toler
Judy Jones
Jim Morris
Chase Hurst

Absent were:

Ronnie Hooker

Motion to excuse Ronnie Hooker due to an illness in the family by Judy Jones. Second by Tonya Beaver. No objections, motion passed.

President Walker verified that everyone has received the minutes. Ed Hiers made a motion to accept the minutes. Andy Roberts seconded the motion. Darlene Harris requested a change to the list of Trail, Field, and Pleasure the name Michelle Dunn be changed to Michelle Dalton. After changes Ed Hiers made the motion to accept the minutes and Andy Roberts seconded the motion. No objections, motion passed.

Ed Hiers made a motion to excuse Darlene Harris due to a family illness and Jim Morris due to work for their absence on the January 11th Conference Call. Andy Roberts second the motion. No objections, motion passed.

Presidents Remarks

As a whole everything's going in the right direction. We still have lots of work to do and challenges to over come. I still feel as good about this board as I did a year ago.

3:44 PM
01/20/11
Cash Basis

#1

Racking Horse Breeders' Association of America
Balance Sheet
As of December 31, 2010

	Dec 31, 10
ASSETS	
Current Assets	
Checking/Savings	
Regions Checking Account	7,613.56
Regions Money Market	119,097.68
Total Checking/Savings	126,711.24
Other Current Assets	
Undeposited Funds	290.00
Total Other Current Assets	290.00
Total Current Assets	127,001.24
Fixed Assets	
Equipment & Fixtures	39,748.36
Accum Depre Equip & Fixtures	-38,763.78
Total Fixed Assets	984.58
Other Assets	
Deffered Income Tax	26,619.00
Noncompete Covenant	50,000.00
Accum Amort Noncompete	-50,000.00
Registry	300,000.00
Accum Amort Registry	-300,000.00
Show Rights	45,000.00
Accum Amort Show Rights	-45,000.00
Trademark	5,000.00
Total Other Assets	31,619.00
TOTAL ASSETS	<u>159,604.82</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Alabama Withholding Payable	541.74
Federal Withholding Payable	378.50
Futurity Association Payable	-100.00
Medicare Payable	153.28
Social Security Payable	655.56
Total Other Current Liabilities	1,629.08
Total Current Liabilities	1,629.08
Total Liabilities	1,629.08
Equity	
Common Stock	0.01
Contributed Capital	20,000.00
Retained Earnings	199,736.28
Net Income	-61,760.55
Total Equity	157,975.74
TOTAL LIABILITIES & EQUITY	<u>159,604.82</u>

3:44 PM
01/20/11
Cash Basis

Racking Horse Breeders' Association of America
Profit & Loss
January through December 2010

Jan - Dec 10

Ordinary Income/Expense

Income

Office

Affiliation Fees	950.00
Amateur Fees	9,680.00
Arena Rental	2,750.00
Blood Kits	5,827.00
Board Nomination Fee	100.00
Commissioner Fee	2,050.00
Duplicate Certificate	700.00
Judges Fees	2,325.00
Juvenile Fee	685.00
Lifetime Back Numbers	1,100.00
Membership Dues	24,380.00
Misc. Income	1,586.70
Name Change Fees	330.00
Registration Fees	18,370.00
Return Check	2,599.52
Returned Check Fee	515.48
Rule Books	125.00
Stallion Reports	450.00
Trainer Fee	990.00
Transfer Fees	6,590.00

Total Office 82,103.70

Show

Horse Sale Commission	1,180.00
Booth	2,048.00
Box Seats	28,771.00
Camper Rentals	17,335.00
Championship Circle	16,675.00
Championship Circle Stimulus	-2,460.00
Class Sponsor	35,660.00
Entry Fees	77,849.00
Gate Receipts	7,045.00
Golf Cart Pass	525.00
Shavings	2,191.00
Stall Rental	63,055.00
The Beat	64.00
Ticket Receipts	19,143.00

Total Show 269,081.00

Total Income 351,184.70

Gross Profit 351,184.70

Expense

Office Expenses

Accounting	4,858.20
Advertising	1,415.36
Bank Service Charge	168.00
Banquet-Winter Meetings	596.20
Blood Typing Kits	200.00
Blood Typing Lab	7,012.00
Commissioner Fees	5,130.00
Computer Services	5,342.39
Conference Calls	689.13
Contributions	405.00
Depreciation Expense	76.80
Employee Dishonesty Bond	214.00
Equipment Lease or Rental	4,128.13
Insurance Workman's Comp	1,330.25
Interest Expense	20.24
Legal	277.50
Meals and Entertainment	162.13
Merchant Service Fees	2,813.18

8:53 PM
02/09/11
Cash Basis

Racking Horse Breeders' Association of America
Profit & Loss Budget Overview
January through December 2011

Jan - Dec 11

Ordinary Income/Expense	
Income	
Office	
Affiliation Fees	1,000.00
Amateur Fees	10,000.00
Arena Rental	2,000.00
Blood Kits	6,118.00
Board Nomination Fee	150.00
Commissioner Fee	2,255.00
Duplicate Certificate	750.00
Futurity Fees	0.00
Judges Fees	2,441.00
Juvenile Fee	719.00
Lifetime Back Numbers	500.00
Membership Dues	26,000.00
Misc. Income	0.00
Name Change Fees	330.00
Newsletter Advertising	6,000.00
Registration Fees	21,125.00
Return Check	0.00
Returned Check Fee	0.00
Rule Books	250.00
Stallion Reports	400.00
Trainer Fee	1,040.00
Transfer Fees	6,000.00
Uncategorized Income	0.00
Total Office	87,078.00
Show	
Horse Sale Commission	1,239.00
Booth	3,072.00
Box Seats	30,210.00
Camper Rentals	18,333.00
Championship Circle	20,091.00
Championship Circle Stimulus	0.00
Class Sponsor	37,410.00
Entry Fees	81,297.00
Gate Receipts	8,189.00
Golf Cart Pass	551.00
Program Ads	0.00
Shavings	2,301.00
Stall Rental	68,128.00
The Beat	0.00
Ticket Receipts	21,057.00
Total Show	291,878.00
Total Income	378,956.00
Gross Profit	378,956.00
Expense	
Office Expenses	
Accounting	2,200.00
Advertising	0.00
Bank Service Charge	50.00
Banquet-Winter Meetings	801.00
Blood Typing Kits	50.00
Blood Typing Lab	4,000.00
Commissioner Fees	6,000.00
Committee Chairman Fees	5,000.00
Computer Services	3,000.00
Conference Calls	0.00
Contributions	500.00
D&O Insurance	1,000.00
Depreciation Expense	0.00
Dues & Subscriptions	0.00
Employee Dishonesty Bond	214.00
Equipment Lease or Rental	3,900.00
Insurance Workman's Comp	728.00
Interest Expense	0.00
Legal	300.00

8:53 PM

02/09/11

Cash Basis

Racking Horse Breeders' Association of America
Profit & Loss Budget Overview
January through December 2011

	Jan - Dec 11
Meals and Entertainment	1,200.00
Merchant Service Fees	2,800.00
Newsletter	13,000.00
Office Expense	500.00
Payroll Expenses	
Health Insurance	18,048.00
Marketing Commission	4,219.00
Marketing Director	32,500.00
Office Salary	26,000.00
Office Staff 1	7,200.00
Office Staff 1 OT	0.00
Payroll Tax Expense	7,162.00
Total Payroll Expenses	95,129.00
Postage and Freight	11,000.00
Printing	1,500.00
Rent	1,800.00
Renters Insurance	615.00
Repairs & Maintenance	0.00
Sales Tax Expense	4,960.00
Supplies	4,000.00
Taxes and Licenses	500.00
Telephone	5,500.00
Travel and Gas	3,000.00
Total Office Expenses	173,247.00
Show Expenses	
Affiliation Fee	125.00
Arena Rental	30,000.00
Celebration Expense	15,000.00
DQP - Affiliation Fees	11,300.00
Event Insurance	2,000.00
Exhibitor Show Awards	118,500.00
Judges	9,000.00
Polygraph Expense	900.00
Printing Show	6,000.00
Shavings Cost	6,000.00
Show Officials	16,351.00
Tutoring	50.00
Utilities Show	12,000.00
Show Expenses - Other	0.00
Total Show Expenses	227,226.00
Total Expense	400,473.00
Net Ordinary Income	-21,517.00
Net Income	-21,517.00

Ed Hiers suggest we take this issue to the different committees. The committees bring back the info to the board by Spring Celebration.

Fred McRoy requests we give the Trainers \$1,000.00 in the trainers point show for the 2 and 3 year old barelegged classes. This item is in the budget just passed.

Show Committee

Saturday morning show was formed for novice, youth and 4-H. These classes are not qualifying classes.

Stall fees will increase.

Championship circles have been changed. Silver and Gold.

Vouchers will start at Spring Celebration. Office will open at 9:00 until 4:30 with lunch 12:00 to 1:00. Entry office will be computerized Tracy and Chase will run the new system. Entry office hours are from 1:00 to 5:00.

Requesting someone with rules enforcement in the entry office at all time.

Rackin up prepayment style:

Danny Odum gave information about the new points system. (SEE ATTACHED #2)

Owner, rider, trainer must be a member of the Breeders.

DQP Committee

Mike Etheredge and DQP committee recommends KYHIO for the Spring.

Ed Hiers made a motion to accept the recommendation of the DQP Committee. Fred McRoy Second. No objections, motion passed.

Promotions and Membership Committee

Mrs. Jones spoke about the newsletter and the new program Team Racking.

Judges Committee

AAA 43, AA 11, A 9

Mr. Toler reported 19 judges were on the list requesting to judge Spring Celebration.

These persons were reinstated as judges:

Jeannie Key
Charlie Hall

PRO TRAINERS ASSOCIATION INCENTIVE PROGRAM

- 1) To nominate your horse you must be a member of the Pro Trainers Association.
- 2) Dues for the Trainers and Associate members must be paid by May 1st. If you have a point show in your area prior to this you must go ahead and send in your membership.
- 3) To nominate your horse, it needs to be done by the sole owner for a fee of \$25.00 per horse.
- 4) The sole owner of the horse must be a paid member of the PRHTA, including Associate members. Children of paid Trainers or Associate members are automatically included. If a spouse of a paid Trainer plans to participate and they are not an Associate member, the horse must be owned by the Trainer. If the spouse is listed as owner they need to be a paid Associate member to be eligible.
- 5) You must declare a division for the horse that is nominated. You may change divisions throughout the year but you will then need to re-nominate that horse for the new division.

Divisions that will be available are as follows:

Trail Pleasure	Mare & Gelding Specialty Action Open/Amt
Pleasure Racking	Park Performance Specialty Action Open/Amt
Western Pleasure	Youth Specialty Action
Country Pleasure	2yr Old Specialty Action
Park Pleasure	3yr Old Specialty Action
Show Pleasure	4yr Old Specialty Action
Style Pleasure	15.2 Specialty Action Open/Amt
Speed Racking	Style Specialty Action Open/Amt
Mare & Gelding Open/Amt	Amateur Specialty Action
Flat Shod Open/Amt	Open Specialty Action
Youth Racking	
2yr Old Open/Amt	
3yr Old Open/Amt	
4yr Old Open/Amt	
15.2 Racking Open/Amt	
Style Racking Open/Amt	
Amateur Racking	
Open Racking	

Points in all stake classes will be included in the preliminary classes to count towards the overall points for that division.

The Open and Amateur classes are combined within their respective division.

6) For the points to count you must have your horse nominated 7 days prior to the point show you plan to attend. You may do this anytime throughout the season. You can not go back and add points from previous show before the nomination. If a horse is sold during the 2011 show season nomination can be transferred along with the points if the new owner is a member of the PRHTA.

7) Trainers must nominate their facility for \$100.00 so that the customers nominating horses can participate in the program.

8) For the individual horse owner the winner will receive 50% of the collected nomination fees. Second place pays 30% and third place pays 20%. If the horse is with a nominated training facility the winnings will be split in half with your trainer.

9) There will be only one point show per state. The state show is the qualifying show and you must inform the Pro Trainers Association of that show by April 1st. If your state does not have a state show you may chose one show to qualify and again must be submitted to the Pro Trainers Association by the same deadline. This will be determined by the first come first serve rule.

10) The qualifying shows will be published before April 15th.

11) There will be a \$100.00 affiliation fee for the state shows wishing to be included in the program. Any show wishing to be a double point show can do so for an affiliation fee of \$150.00 The affiliation fee is paid to the Pro Trainers Association when the show is accepted as a point show.

Point shows are as follows:

Spring Celebration double points
Pro Trainers Show double points
World Celebration double points

Horse of the year award will automatically be the world grand champion. This is an honorary award only.

10% of the total proceeds will go to the PRHTA to help fund the Awards Banquet expenses and the Pro Trainers show.

Send all information to PRHTA, 217 Glen Springs Rd. Lawrenceburg TN 38464
or call Barbara Johnston 931-762-4485

Tommy Davis
Fred Garrett
Scotty Aldus
Gene Frye

Requirements were they had to back up 2 years and pay all judges and membership fees.

Rules Enforcement

Mr. Barrow has nothing to report at this time.

Trail, Field, and Pleasure

Mrs. Harris is making new enrollment forms. We need to make sure we are promoting

Advisory Committee

Mrs. Beaver would like to leave her committee open.

Breeders Committee

Kelly France is reporting for Ronnie Hooker 8 new commissioners to be approved.

Exhibitor Status Committee

Mr. Roberts the office has sent him a new trainer's application which his committee is researching to approve.

Old Business

Motion to change Article III, Section 3.6 (SEE ATTACHED #3)

President Walker discussed the subject of sick horses with the board.

New Business

Recess until Saturday after the General Membership meeting.

Reconvene

The Amateur Association has decided they would like to open up pony classes for the amateur the rule book states.

Ed Hiers made a motion article 12 section 12.1 items 15 the last sentence in that section says ponies 60 inches and under must be exhibited by a rider 17 years old and under. Mr. Hiers motion is to eliminate this sentence. Fred McRoy seconded the motion.

January 3, 2011

Melisa L. Taylor
Manager & Director of Marketing
Racking Horse Breeders' Association of America
67 Horse Center Road, Suite B
Decatur, AL 35603

Dear Mrs. Taylor

I, Ed Hiers, 13307 Sea Island Dr., Houston, TX, 77069, being in good standing with the Racking Horse Breeders' Association of America, Do hereby request that the following changes be made to the RHBAA Official Rule Book. Please post these changes in order to be voted on in our February 2011 Winter Meetings.

Motion to change Article III Section 3.6 Term: beginning with the sentence that currently reads "No person shall be eligible to be a director for more than two full consecutive terms; however, a director may serve more than two non consecutive terms.

MOTION TO CHANGE to read: No person shall be eligible to be a director for more than two full consecutive terms unless an extended eligibility is voted on and approved on a case by case basis by a two third majority of the full Board Of Directors. Under no circumstances shall an individual be eligible for more than four full consecutive terms; however a director may serve more than two, three, or four non consecutive full terms.

Sincerely,

Ed Hiers

Roll Call Vote:

Eddie Barrow No
Andy Roberts No
Mike Etheredge No
Tonya Beavers No
Judy Jones abstain
Jamie Lawrence absent
Ronnie Hooker absent
Tim Toler No
Chris Walker No
Darlene Harris Yes
Jim Morris Yes
Fred McRoy Yes
Ed Hiers Yes

Motion did not pass. Discussion followed

Judy Jones made a motion to bring back to board article 12 section 12.1 items 15 by a conference call. Fred McRoy seconded, motion passed.

Ed Hiers made a motion to adjourn. Second by Jim Morris. Motion passed.