

NFHR Annual Face to Face Board of Directors Meeting

Minutes Summary

January 30th- February 1st, 2011

The NFHR Board of Directors convened at Ardeth Obenauf's Lazy AO Farm in Shelbyville, TN. The meeting was called to order at 5:20 p.m. on January 30th. BoD members present: President Jeff Pederson, Vice President Howard Fiedler, Treasurer Teressa Kandianis, Secretary Beth German, members Bill Coli, Kathleen Jesse, Sue Plein and Ardeth Obenauf. No BoD members absent, one position is vacant. Also present: Registrar Jeanne Poirier and Executive Director Nancy Newport.

President's report: Jeff reported that the NFHR has turned a corner since last year's annual meeting. We have cut expenses approximately in half, due in large part to the restructuring of the Executive Director and Registrar positions following Mike May's retirement. Jeff welcomed new members Kathleen Jesse and Sue Plein and said he is really looking forward to the year.

Executive Director report: Nancy explained that, as ED, she will take care of NFHR's business issues and that Jeanne as Registrar will be in charge of member services. Nancy compiled the annual report.

Registrar's report: Jeanne distributed membership, registration and transfer data, showing comparisons for 2009 and 2010. Jeanne offered some suggestions for the Board's consideration, including the idea of establishing a per diem rate to cover evaluator's expenses. Jeff noted that Dan Watanabe is preparing a draft contract for evaluators and that a per diem rate could be included.

Treasurer's Report: Nancy distributed the accountant's compilation. The NFHR currently has approximately \$67,000.00 on hand, including \$9,300.00 in the BoA checking account and \$15,500.00 in the BoA CD. Nancy will close the BoA account and move the money to US Bank, which is more accessible to the ED and Registrar. Nancy has been working with the accountants to update our records to use standardized asset and liability categories and to enter all transactions in to Quick Books. Nancy will create separate entry items for revenue and expenses for the forum and the Face to Face BoD meeting so we will be able to better analyze the costs than in the past. Teressa will contact the accountants to discuss their fees and terms of retention. Previously the accountants provided basic bookkeeping services, such as reconciling our bank statements and checking all Quickbooks entries. Nancy will be performing these tasks in the future which should save a considerable amount of money. The transition from Mike May as Registrar and Executive Director to Jeanne as Registrar and Nancy as Executive Director will save the NFHR approximately \$30,000 per year.

The meeting adjourned at 7:00 p.m., and reconvened at 9:30 a.m. on January 31, 2011, also at Ardeth's home.

The board discussed the composition of NFHR committees. The NFHR President appoints Committee chairs and members, subject to BoD approval. Discussion of committee

appointments and ideas for each followed. The Secretary's notes contain information regarding each nominating motion and second. All motions carried unanimously.

MOPE Committee: After discussion and vote, it was decided that the Membership, Outreach, Promotion and Education committees would be combined in to one committee, the "MOPE." Ardeth Obenauf will be MOPE chair. Jeff, Bill, Kathleen, Jeanne and Nancy will be members.

Election Committee: Howard Fiedler. Howard mentioned that the Galena State Bank was still willing to count election ballots.

Recognition & Awards Committee: Howard Fiedler and Anne Crandall. The BoD again expressed its appreciation for the great job Anne Crandall has done with awards.

Show Committee: Jeff will be the BoD liaison

Evaluation Committee: Sue Plein will be the BoD liaison and will forward Evaluation Committee minutes to the Evaluation Review Committee.

Evaluation Review Committee: Bill Coli will serve as BoD Liaison and Jeanne will serve as a member

Finance Committee: Teresa was appointed to chair with Nancy a member

Herald Committee: Howard was appointed to be chair and Kathleen Jesse will be a member.

FHI Committee: Beth German will be the BoD liaison and Beth Beymer will continue as chair

Website and Marketplace Committee: Jeff will continue to serve as liaison and Nancy will be a member.

BoD member terms expiring at the end of 2011 are those held by Howard Fiedler, Beth German and Bill Coli. It was also noted that, following the resignation of Beth Gerst, there was one position open. The BoD reviewed the bylaws regarding how a vacant position is to be filled and noted that the by-laws require that a BoD member have been an NFHR member for the prior two years. Discussion about possible recruits followed, Howard and Jeff will follow up with them after Jeanne confirms their eligibility.

Evaluation Committee: The 2010 Evaluation Committee was chaired by Dan Watanabe, members were Jeff Pedersen, Sophie Fiedler, Barb Lynch, Mike May and Phil Odden. Jeff explained that at the end of 2008, the NFHR had entered into a two year trial agreement with the CFHA to allow the CFHA to use the NFHR evaluation system and to establish a Joint Evaluation Committee. The Agreement provides that either the NFHR or the CFHA could opt out after two years without recrimination and that if the opt out option were exercised by either group, the evaluation program would return to the NFHR and CFHA would discontinue its use. Board members had lots of questions about the joint committee and the roles of CFHA members with respect to NFHR evaluations. Jeanne discussed the differences in the ribbon color systems and the difficulties this created when entering data in the heavy horse Program. After further discussion, Ardeth moved that the NFHR data base continue to include data entry in accordance with the NFHR medallion program for horses evaluated in NFHR evaluations. Kathleen

seconded the motion, it was approved unanimously. Nancy clarified that if a horse registered with the CFHA and has Canadian evaluation designations when the horse is registered with the NFHR, the data entered will show the prior Canadian designations. If the horse is evaluated by the NFHR, the data will show NFHR designations for the NFHR evaluation. If a horse is only registered with CFHA, it is not included in the NFHR data base. BoD members expressed concerns about CFHA having authority over NFHR evaluations and noted that NFHR evaluations are not subject to regulation by the joint committee. Jeff will speak with Dan Watanabe about the roles of the NFHR Evaluation Committee and of the joint committee with the CFHA. The NFHR would like to express its desire to continue the joint committee but would like to have it serve as a way to exchange ideas, not for either organization to regulate the other's evaluations. Beth made a motion to clarify that the NFHR continue to maintain its own Evaluation Committee. Sue Plein seconded the Motion. Motion carried unanimously. Further discussion of the 2011 Evaluation Committee composition, appointment of Chair, and issues relating to the joint committee and letter agreement was tabled until a subsequent meeting. Teresa made a motion stating that the NFHR BoD directs the Evaluation Committee to continue assisting the CFHA develop a Canadian evaluation system and directs the NFHR Evaluation Committee to continue to explore how to facilitate the coordinated cooperation between registries. Sue seconded the Motion, it carried unanimously. Sue will prepare a draft list of NFHR concerns for the Evaluation Committee to address, specifically including reference to the joint program and the requirement that all Evaluation Committee decisions should be made as a recommendation to the NFHR BoD for final decision, and that the NFHR BoD specifically rejects any suggestion that a joint committee including representatives of the NFHR and the CFHA regulate either organization's evaluations.

Discussion moved to the creation of a standard contract for Evaluators. Jeff reported that Dan is working on one and will forward it for review. The BoD discussed issues regarding the 2009 Fallbrook Evaluation, where young stock were not provided scores and some horses were not given the correct ribbons or medallions. The new TD training program addressed some of the problems with this evaluation. In the future, the Evaluation Review Committee will work with the coordinators of each evaluation to find out what went well and what could be done better for future evaluations.

Beth made a motion for the NFHR to accept the recommendation of the Evaluation Committee that the NFHR provide one complimentary movement and conformation test for the same horse for each of the young stock who did not receive scores at Fallbrook. Bill seconded. The motion carried unanimously. Jeanne will send a letter to the owners of those horses.

Discussion was held regarding the selection of evaluators for each evaluation. The Registrar is responsible for choosing evaluators with an impartial system. Jeff will ask the Evaluation Committee to submit a specific recommendation to the BoD for its consideration on ways for the Registrar to make the selection of evaluators.

Tentative approval has been provided for an evaluation to be held in Herndon, Virginia in July, 2011. Jeff and Jeanne will review the policies regarding when the evaluators and evaluation must be confirmed. Jeff will ask the Evaluation Committee to come up with guidelines regarding evaluator's expenses as soon as possible.

After a short break for lunch, the meeting resumed with Howard providing background about the Strategic Planning Ad Hoc committee, noting that the NFHR is on track with prior reports. Bill Coli reported on the Youth Committee on which Sam Poirier serves. Both were selected to continue in these positions. The BoD discussed other ideas to generate more youth involvement. Bill asked about the possibility of creating a youth membership, Howard mentioned the possibility of youth scholarships.

The BoD voted unanimously to create youth scholarships for an NFHR membership, with one to be assigned by each regional club, based on criteria to be determined by the local club awarding the membership. Bill Coli will discuss this idea with Sami Poirier. Ardeth will also be on the Youth Committee.

The Website Committee will coordinate with MOPE. Jeanne discussed the current website content, including Phil's blog and Lisa's musings, and asked for more ideas. Howard had some suggestions for articles. The BoD discussed a joint media rate for advertising in the Farm Directory, Herald and on the website. Jeff will look into advertising rates, ways to promote advertising and will coordinate with the Herald Committee.

Old Business:

USDF/USEF Membership: We have already renewed the USDF membership and the BoD agreed to renew NFHR's USEF membership and participate in all breeds award programs (USDF/USEF).

Communications: The BoD would like Margaret Bogie to continue sending out constant contact messages. The BoD discussed how often messages should be sent, the consensus is that they shouldn't be sent too often but it was important to keep the membership apprised of what was going on and that the awards announcements should continue. The BoD would like to thank Margaret for the great job she is doing.

Foundation: Teresa reported that she has spoken with Neil Sorum and Fred Brandt and has received a referral to an attorney who may help to get the IRS approval of the Foundation finalized. Catherine Lassen has all of the documents and will send them to Teresa. The Foundation is a separate organization with its own Board of Directors; Howard is on both boards.

Wayne Hipsley Book: The BoD continues to be concerned about members who purchased this book which was promoted at the first NFHR educational forum and was advertised in the marketplace but which Wayne has not yet completed. Howard understood that Wayne had sent an email to all of those who purchased the book offering to give them a refund. He will follow up with Wayne to confirm that the email has been sent. If it hasn't, a constant contact message may be sent. Howard will find out how many copies of the book have been paid for by NFHR members. Sue noted that the book cost approximately \$40.00 and that some people purchased more than one copy. Jeanne mentioned that she has received phone calls from people asking about the book.

New Business:

French fjord registry: Jeanne reported that a fjord owner in France had contacted her to find out if the horse, which was not registered in France, but whose dam and sire were registered there,

could be registered by the NFHR. The BoD wondered whether France allowed cross bred horses to be registered and discussed DNA testing and whether breed could be confirmed or just parentage. Jeanne will follow up with UC Davis to get more information on this and will contact our FHI representative to learn more about the French registry's requirements.

Gift memberships: Bill moved, Teresa seconded and the board voted unanimously to allow sellers to purchase a gift membership for \$30.00 to be given to fjord buyers who are not already NFHR members.

FHI trophy: Jeff noted the FHI's incredible generosity in giving the NFHR the beautiful trophy Brigit Mortensen presented at the banquet. The FHI suggested that it be given each year by the NFHR to a NFHR member based on criteria to be determined by the NFHR, possibly to a NFHR member who achieved outstanding breeding results. Teresa moved that the Awards and Recognition Committee discuss criteria for the award of the trophy. Ardeth seconded the motion, it carried unanimously.

Amnesty program for non renewing members: Bill moved and Teresa seconded a motion that this be considered by the MOPE. Unanimously approved.

Next Annual Membership meeting and educational forum: Denver and Minnesota, maybe near Rochester or Cannon Falls were discussed as possibilities. Florida and Kentucky were also mentioned. The BoD would like to be somewhere that lots of fjord owners can attend, but some members expressed concerns about weather problems with January or February travel. The BoD noted it is important to move the events around the country. The BoD agreed that having horses at this year's event was a huge asset and we should do the same next year. Further discussion deferred to the next meeting. . The meeting was recessed at 9:15 p.m.

February 1, 2011

The BoD reconvened at 8:30 a.m., noting severe travel warnings around the country with several airports already closed due to a huge snowstorm in most of the country.

Budget: NFHR has not had a working budget recently but the BoD feels it is really important to set financial goals and to work from a budget. The BoD reviewed the draft budget that Nancy prepared based on 2010 figures and probabilities for 2011 and noted that it does not include specific allocations for committees. She will revise the draft once she receives final figures for the banquet. In 2010 the NFHR began serious cost cutting measures but still had to cash in one of the CDs in order to meet operating expenses, with a total savings of about \$15,000.00 used. The BoD agreed that it was really important to replenish savings. Profits from marketplace sales are split ½ to the marketplace for inventory, the other ½ to the NFHR general budget. Teresa moved that the NFHR's first financial priority be to replenish savings, that \$5,000.00 be put into savings now, and ½ of the year's profit be put into savings. Beth seconded. The motion carried unanimously. Nancy estimated that 2011 profit will be approximately \$28,000.00. She will keep us posted on the numbers as we continue to receive membership renewals and will open a savings account for NFHR when she returns to Colorado.

Teresa suggested that the NFHR's second priority be show funding for local clubs. Kathleen noted that the BoD needs to decide on budgets for each Committee. Nancy suggested that BoD

decide on an amount to be used to support local shows and that the Show Committee decide how to allocate the amounts. Bill made a motion that the NFHR provide \$300.00 each show, with maximum funding for now of six local shows, provided that the show uses NFHR rules, has NFHR membership applications available at the show and provides feedback to the NFHR show committee. Teresa seconded the motion, which carried unanimously. Jeff clarified that local clubs can have classes in addition to those covered by the NFHR rules and that NFHR rules need not apply to the extra classes. Jeff will follow up with each local group to apprise them of the available funding. The BoD will consider additional funding for shows if there are more than six local shows this year.

Discussion followed on specific proposed budget items, including the cost of evaluations. The BoD discussed concerns about potential exposure for last minute cancellations of evaluations. Jeff advised that the hosting organization should plan for the unexpected.

Jeff asked the committee chairs to think about what they would like their committees to do this year and to suggest a proposed budget at the next meeting. Specific cost items were discussed, including costs for conference calls for the BoD and Committee, postage and NFHR brochures. Jeanne volunteered to create a brochure that could be printed locally for distribution so the NFHR did not have to pay printing costs. Teresa moved to defer a vote on the budget until feedback is received from each committee. Bill seconded the motion, it carried unanimously.

Goals and Objectives: The BoD set goals and objectives for the year as increasing savings, funding committees, supporting regional clubs and developing better relationships with them, promoting youth participation, getting those who haven't done so to renew their membership and promoting new members.

Ardeth suggested that when anyone hears of a fjord worthy event they advise Jeanne to post on the website. Teresa suggested compiling a list of fjord accomplishments each year. She and Bill will work on a having a traveling exhibit board created.

Ideas for next year's forum were discussed including possible presentations on saddle and harness fitting, how to video tape a horse, and information on paraequestrian classifications.

The meeting adjourned at 11:15.

At 11:45 the BoD reconvened to discuss one other item:

Jeff advised that Laura Beller had offered to purchase the Frey carriage for \$1,500.00. Nancy noted this would compensate the NFHR for the ad bill it had been donated to pay for. Beth moved that the sale to Laura Beller be approved, Teresa seconded the motion. The motion carried unanimously with Howard and Sue voting from the car on their way to home to Illinois.

Meeting adjourned again at Noon.