

AMERICAN SADDLEBRED REGISTRY, INC.



**Board of Directors Meeting
Monday, July 7, 2014 at Noon
Lexington, Kentucky**

MINUTES

Directors Present: Dr. Margaret McNeese, Susan Aschenbrenner, Brian Curran, Chuck Herbert, Carl Holden, Gail Kline, Scott Matton, Karen Richardson, Kim Skipton and Judy Werner.

Others Present: Lisa Duncan, Registrar; Katriona Adams, Assistant Registrar; Jamie Unseld, USEF IT Department; Susan Cassell, Merrill Lynch; David Hicks and AJ Sharp, Hicks & Associates; David Harris, USEF Finance Department, Fred Sarver, Registry Committee and Jackie Hale, ASHA Board.

I. Roll Call/Establish Quorum/Consider Agenda/Adopt Rules of Order

Dr. Margaret McNeese, ASR President, called the meeting to order at Noon on Monday, July 7, 2014. Ms. Duncan called the roll and noted that a quorum was present.

II. Introduction of Guests

Dr. McNeese welcomed and introduced invited guests.

III. Database Update

Jamie Unseld, USEF IT Department, provided an update on the new database and explained that it was browser based and that all horse related information will be in one area. The database will include a full accounting structure and payment information will be easily accessible. The website will also be re-structured and will include the ability to submit forms online.

IV. Financials

a. Merrill Lynch Investment Report

Susan Cassell, of Merrill Lynch, provided an executive summary of Merrill Lynch Accounts as of June 30, 2014. She noted that the year to date return for the ASR General Account is 3.45% and reported that the outlook for the rest of 2014 remains positive although slow. In the ASR General Account, they recommended switching out of the BlackRock Floating Rate Fund and into a 2-4 year corporate bond. Mr. Herbert moved that this recommendation be referred to the Finance Committee with a request to come

back to the Board. All agreed. Ms. Duncan will provide Ms. Cassell with a copy of the approved ASR Investment Policy as well as a list of the Finance Committee members.

b. Auditors Report

Mr. David Hicks and Mr. AJ Sharp of Hicks & Associates provided the Auditors Report and noted that the audit was free of any misstatements. They found that the controls that management practices are adequate and are working properly.

c. Treasurer's Report & Registry Financial Statements as of May 31, 2014

Mr. Holden provided the Treasurer's Report and noted that the Financial Statements as of May 31, 2014 were prepared by David Harris, USEF Controller in accordance with the agreement between ASHA and USEF. The report included the following notes:

- Income statement: the bottom line for May shows a gain of \$2,397 versus a budgeted loss of \$543 and a year to date loss of \$4,868 compared to a budgeted loss of \$10,615. The May Revenue was \$40,530 versus a budget of \$42,151 with the major difference coming from "duplicate certificates (\$1,335). All other areas were close to budget.
- The May Expenses were \$38,133 versus a budget of \$42,694 (favorable \$4,561).
- The May Balance Sheet continues to show a stable and positive position with cash balances remaining constant and the Merrill Lynch investments showing a nice increase of \$3,800 (2%) from April to May.

d. Approval of 990

Mr. Holden also reported that the 990 had been reviewed and approved by the Finance Committee and by management before being filed.

V. Registry Committee Recommendations

Mr. Sarver, Registry Committee Chair, explained the recommendations of the Registry Committee. They are recommending amending the conditional registrations rule to say that conditional registrations are valid for six months instead of for twelve months. After discussion, Mr. Herbert moved that twelve months be changed to six months, Ms. Skipton seconded and the motion was passed with all in favor.

Mr. Sarver read proposed new language to the Stallion Service Report rule as follows: *For stallions where ownership has changed during the breeding year or where frozen semen with ownership rights has been retained, a separate stallion service report must be submitted by each ownership entity.* After discussion, Mr. Herbert made a motion to approve the new language, Ms. Kline seconded and the motion was passed with all in favor.

VI. Consideration of Draft Minutes of May 28, 2014 meeting

Mr. Curran moved that the draft minutes of the May 28, 2014 meeting be approved, Ms. Aschenbrenner seconded, and the minutes were approved with all in favor.

VII. Election of Director, Election of Secretary and Nominating Committee

Dr. McNeese reported on the recent resignation of Janet Thompson as a Director and noted that in accordance with the ASR Bylaws that the remaining Directors can elect a new Director. Mr. Herbert reported that the ASR Nominating Committee has consulted on this matter and that they would like to formally nominate David Mount to serve the remainder of the term. Mr. Curran made a motion to approve this nomination, Mr. Holden seconded and the motion was passed with all in favor.

Dr. McNeese explained that since Janet Thompson was the ASR Secretary, that the Board also needed to elect a new Secretary. Ms. Werner nominated Chuck Herbert as Secretary, Ms. Skipton seconded and the motion was passed with all in favor.

A discussion took place regarding the Nominating Committee and the possible timeframe for nominations from the ASR Nominating Committee for the two At-Large Directors, whose terms would start in February, 2015. It was agreed to consider the nominations at the October Board meeting. Mr. Herbert asked that suggestions be sent to him.

It was agreed to forward the following recommendations to the Bylaws Committee for consideration:

- Add language to incorporate the Nominating Committee into the process for Board vacancies
- Add language to have the Past President serve as an Ex-Officio Director
- Amend the requirement for the Nominating Committee for Officers to elect six Directors
- Review the Bylaws regarding the reporting structure for the Registrar

VIII. a. Saddlebred Record Candidates

The Board considered Saddlebred Record Candidates recommended by Louise Gilliland. She researched historical records in preparation for her report which has been reviewed and approved by the Show Results Committee. Ms. Kline made a motion to approve the recommended candidates, Ms. Richardson seconded and the motion was passed with all in favor.

b. Kentucky State Fair

A discussion also took place regarding the Kentucky State Fair and staffing and the Board agreed that Saddlebred Center needs to remain open. A discussion took place regarding staffing of the ASHA booth and it was reported that Registry staff would not be asked to staff it. It was agreed that the Registry office needs to be properly staffed during the Kentucky State Fair.

IX. President's Report

a. Job Study

Dr. McNeese reported that a meeting was scheduled for Tuesday, July 8th regarding the Job Study. A lengthy discussion took place regarding the division of duties with the recent staff vacancies and the effects on the Registry and on customer service. The Board agreed that more staff were needed.

b. Registry Logo

Dr. McNeese explained the changes to the proposed new Registry Logo and asked for comments. The Board liked the new logo but agreed that the foal's face was too long.

X. Registrar's Report

a. Registry Statistics as of June 30, 2014

Ms. Duncan reported on the Registry Statistics as of June 30, 2014. Staff has processed 29 additional registrations and 38 transfers compared to the end of June 2013.

b. AHC & NPLC

Ms. Duncan reported that the Association has taken over payment of the American Horse Council dues and that the Registry will be taking over payment of the dues for the National Pedigreed Livestock Council.

c. Survey Update

Ms. Duncan reported on a recent survey conducted by the Registry and discussed some of the comments provided. A suggestion was made to try to determine the correct percentage of registered horses that show and to work on education using correct data.

XI. Revised Committee Policies

Ms. Skipton reported on recommended changes to the ASR Committee Policies. The Sub-Committee on Committee Policies is changing language in the description of the Nominating Committee to make it present tense and also added language regarding committee meeting minutes. A question was also raised regarding the description of the State Futurities which staff will look into.

XII. Registration Certificate

Ms. Duncan reported on the recommendation of the Registry Committee to keep the same format of using upper case letters for the certificates from the new database with the exception of last names starting with Mc or O where it was suggested that a space be added.

XIII. Other Business

Ms. Duncan suggested re-appointing the Naming Committee as a resource for staff with the interpretation and application of the naming rules and also asked them to review the current rules. Gail Kline offered to serve on the committee along with Louise Gilliland.

XIV. Adjournment

With no other business before the Board, the meeting was duly adjourned at 2:25 p.m.

Submitted by:
Katriona Adams
Assistant Registrar