

## AERC Meeting Minutes

**3/10/13**

### **Reno, Nevada**

In attendance: Nick Kohut DVM, Tom Bache, Patti Stedman, Susan Kasemeyer, Joe Schoech, Connie Caudill, Michael Campbell, Mike Maul, Randy Eiland, Julia Lynn-Elias DVM, Susan Garlinghouse DVM, Roger Taylor, Gail Williams, Steph Teeter, Forrest Tancer, Maryben Stover, Mollie Krumlaw-Smith, Olin Balch DVM, John Parke, Bruce Weary and Kathleen Henkel

Absent: Sue Keith, Monica Chapman (excused), Susie Schomburg (excused), and Lisa Schneider (excused)

Susan Keil DVM requested excusal from Thursday's meeting due to emergency travel issues.

Gail moved to approve her excusal; Mollie seconded the motion. The BoD voted and approved the excusal unanimously.

The meeting was opened by President Jan Stevens at 7:00 a.m.

### Motion Proposal

#### **Review of Line Item 4001 – Restricted Reserve – Temp Board**

First item on the meeting agenda was an item tabled from Thursday evening's meeting, a Review of Line Item 4001, submitted by Roger Taylor. John Parke explained some history behind this request; approximately ten years ago he presented a motion to the BOD regarding the operating surplus and how to manage it for the purposes of a "rainy day fund" and/or capital projects. At that time, it was approved that the BOD would review, on an annual basis, transfer of a percentage of the fund to the Reserve accounts.

Per Mollie Krumlaw-Smith, at this time there are approximately \$232K in restricted reserves, ~\$110K in another account, and ~\$100K in a third account. She recommended that moving the requested \$18K of the \$110K was prudent, but not the entire fund, due to our projected operating loss for the coming year, since unlike approved budget items, withdrawal or use of these funds is by BoD directive only. She indicated that this would be a fiscally responsible decision on the part of the BoD.

Discussion was opened, with Michael Campbell asking how often such a review should take place in the future, and the BoD agreeing that in the future this logically should be discussed annually at the mid-year meeting where a line item budget review is conducted.

Kathleen Henkel will add this agenda item to the Office Policies and Procedures to ensure it takes place annually at the mid-year meeting. (See attached Action Plan.)

Roger Taylor moved to transfer \$18K from the \$110K account to Restricted Reserves, and was seconded by John Parke.

Approved unanimously.

Terry Wooley Howe asked about the banquet attendance - we sold all 220 (?) tickets.

### Motion Proposal

#### **Development of an AERC Weed Control Program**

This motion had significant discussion on Thursday evening and then postponed to the Sunday morning meeting due to the following: timing of an expenditure when we so recently approved a negative operating budget, lack of confidence that the weed control program fits neatly with the Trail Master Program, concerns regarding how such a program will be received by BLM and USFS as well as other landowners, as well as how the program will be developed and implemented over the long term in areas outside of the initial pilot program.

It should be noted that the BoD expressed gratitude to Dr. Gower for his past efforts and faith in his abilities to continue to work on such programs; the concerns rest in how the program could be implemented effectively.

Roger Taylor indicated that he would go back to Dr. Gower to clarify the above, and the re-present the motion in the future. (See Action Plan.)

Michael Campbell suggested that the financial portion of the motion be more clearly defined along with the long term (e.g. five year) implementation plan through AERC. Olin Balch DVM warned that how the pilot program proceeds may certainly alter the long term plan. Tom Bache suggested that Dr. Gower address how to approach USFS and other organizations such that this is viewed as a positive and welcomed program.

### Motion Proposal from Education Committee

#### **Funding of Educational Video**

A motion was presented from the Education Committee by Susan Garlinghouse, DVM, regarding creation of a series of brief educational videos to be created and developed to educate new and prospective riders about our sport and assist them in developing the knowledge and skills to prepare for and safely complete their first ride. Two videos were viewed by the BoD with extremely positive feedback regarding their quality, tone and content.

Susan is working on the video content with Ken and Julia Herrera, who have volunteered a great deal of time and effort to the project; Susan is seeking funds to cover such incidental costs related to the video production as fuel to/from rides for the sole purpose of collecting video footage, an upgraded Dropbox account for file sharing, etc.

Susan's plan is to create two YouTube accounts, one for sharing content with the BoD for review/approval, and one for sharing with the public.

The motion was clarified for the BoD to read as follows: "The Education Committee requests \$1000 of seed money to cover incidental expenses related to the production and sharing of educational videos by a team led and administered by Susan Garlinghouse, DVM, through the mid-year meeting; the source of

funds will be from a \$500 anonymous donation passed on to AERC through Connie Caudill, and \$500 from the Educational Reserve Fund.”

Motion as amended was approved unanimously.

Susan will provide an update to the BoD with a project timeline as well as projected costs at the midyear meeting. (See Action Plan.)

Steph Teeter offered the use of [Endurance.Net](#) and Ride Camp for free to put the videos out there.

An ancillary discussion commenced as part of the revision of this motion as written with regard to budgets, funding of committee activities, and fiduciary responsibility during a time period when AERC is operating at a projected loss.

Mollie Krumlaw-Smith advised keeping an eye on “the big picture” with regard to strategic spending.

Tom Bache indicated that committees with approved budgets should not need to receive BoD approval to fund projects that have been approved, since it “bogs down the BoD.” John Parke explained that this is how our approval process works and that committees would ideally aggregate budget items so the BoD can better assess the overall direction of the organization with regard to goals and spending.

Michael Campbell indicated that the Trails Committee had attempted to institute a Trails Grant deadline for consideration of grants, but that it was abandoned when the committee found that they continued to receive applications for worthwhile grant projects well after the deadline.

Olin Balch DVM asked about Reserves and budget impacts based on committee budgets. John Parke suggested that each committee should review their budgets as budgets can be amended during the course of the fiscal year. (See Action Plan.)

Mollie Krumlaw-Smith emphasized the need for a Strategic Plan once again. (See Action Plan.)

John Parke asked Mollie Krumlaw-Smith to send current committee budgets to the BoD so they can be reviewed and amended as necessary. (See Action Plan.)

## **Motion Proposal**

### Future National Championship Ride Locations

The National Championship Committee presented a motion to the BoD requesting locations for upcoming National Championship Rides:

- 2014, Racing Stripes, Texas, Ride Manager: Khristin Seymore, October (exact date TBD)
- 2015, Old Dominion, Virginia, Ride Manager: Jack Weber, October (third weekend)
- 2016, western half of the country

The Committee requests \$5000 from AERC with \$3000 to be solicited as a sponsorship (TBD)

Approved unanimously.

Steph Teeter suggested that Kathleen Henkel send out information in Ride Manager packets indicating that AERC is soliciting future National Championship nominations. The Committee requests that rides nominating for approval be established 100 mile rides over established trails, with an experienced 100-mile Ride Manager and experienced Head Control Judge, and scheduled to avoid conflicts with other 100-mile rides. (See Action Plan.)

#### Other Business Before The BoD

The BoD recognized Kathleen Henkel for twenty years of service to the organization.

Olin Balch DVM asked that we have a discussion regarding how we discuss topics that are brought before the board that may have litigation aspects. Jan Stevens said John Parke will discuss the BoD about that during his presentation for new BoD members. ***[Did this happen?]***

Patti Stedman presented concerns regarding the organization's systemic lack of a process for capturing meeting action items, and the resulting inefficiency, misunderstandings and lack of progress on items to be addressed. She indicated that the progression of events from the mid-year meeting in Denver with regard to the drug testing program were illustrative of this dysfunction. She suggested that the BoD attach action items, a responsible person and goal dates to each item requiring further action and closure.

Several members of the BoD requested a status update on the drug testing program from John Parke based on meetings that took after the Thursday BoD meeting. John Parke did so, at length. John Parke indicated he will provide that update for the minutes, along with an action plan to include a timeline and interim goals/actions within a day or two of the BoD meeting. ***[As of 3/14, I did not have this update, so created a summary from my notes and Julia Lynn-Elias' notes.]***

John Parke discussed his perception of what occurred at the mid-year meeting and thereafter regarding the drug testing policy. He advised that he is working with the Vet Committee and USEF regarding future contract with USEF for AERC drug testing. John said that they are working towards a program where USEF agrees to a contract that he has proposed where they run the testing but there is a Testing "Monitor" provided by AERC that will help to direct and supervise the testing. The Monitor would not select the horses or handle the testing procedure, handling of samples, etc, and other tasks that would place liability on AERC.

John Parke stated that he is negotiating for USEF to test fewer rides to save AERC money. Randy Eiland and Connie Caudill interjected that the goal at mid-year was to spend the same amount of money but to use the money in such a way that they budgeted the money to allow USEF to spend more time at individual rides, so that more horses would have the opportunity to be tested. Instead of USEF saying that they could only test the top so many horses because they could only be at the ride site for a few hours (they have an 8 hour window which includes travel time).

John Parke states that the issue of testing "during" the ride has been discussed and the vets and USEF are okay with the horses being tested during the ride (while the horse is still competing). John asks if the BOD is opposed to testing during the ride or is the membership opposed to testing during the ride? It sounded like most of the Board was okay with testing during the ride but anticipates that members may have issues with it; there was not a vote taken.

Much discussion resulted from John's update.

Tom Bache provided information regarding how running and cycling organizations manage drug testing programs but the BoD found that significant differences between the sports and the organizations governing them.

Mollie Krumlaw-Smith requested that insurance factors be addressed should AERC utilize AERC-selected stewards for drug testing. (See Action Plan.)

Olin Balch DVM suggested that we explore the possibility of "for cause" drug testing of horses at rides as determined by the Head Control Judge. This generated a lot of discussion, both pro and con, and the conclusion that such drug testing would need to have clear parameters for showing "cause."

Bruce Weary had questions about where we are headed in regards to the randomness of the current horse selection. Bruce asked if we had looked at other equestrian disciplines that are being tested and how they carry it out. John Parke said that we have looked at it and that it is valid to consider but that we would need to modify their procedure so that it is more fitting for our discipline.

Olin Balch DVM reiterates that Randy's suggestion to test fewer rides but more or same number of horses is a valid recommendation. Olin brought up concerns that the Vet Committee has regarding who does the selection of the horses - directed vs. non-directed. Olin stated that he feels that the vet should be able to select a certain horse that he/she has concerns about to be tested.

Mollie Krumlaw-Smith brought up the concerns for cost of insurance to cover anyone that we send to the rides to act as Monitors or Stewards or whatever. Mollie also argued that there would be too much risk of liability for litigation if the vet was allowed to select a certain horse for testing. (See Action Plan.)

John Parke discussed historically and from a legal standpoint why, in his opinion, it would be a bad idea to allow the vets to choose the horses to be tested.

Bruce Weary brought up the concerns that there would be an issue of the vet drawing blood with regard to the vet "providing treatment" and whether the vet would be the treatment vet vs. the control judge and is it "practicing veterinary medicine" from the standpoint of the vet boards and how it could affect licensure concerns - i.e. is the vet licensed in the state that the ride is occurring?

Nick Kohut DVM asked John if he has a timeline or deadline for getting this issue resolved and completed. John Parke wants to go to USEF with a final agreed upon procedure from the Vet Committee. (See Action Plan.)

Tom Bache asked why there are any legal issues associated with drug testing, and says that by entering an event in Track, the participant agrees that they will be drug-free and they agree to drug testing so they should be agreeing to being tested at any time for any reason so it shouldn't matter who selects them to be tested.

John Parke gave historical relevance to the liability of the testing selection process.

Steph Teeter asked if we anticipate making changes in the policy or rule for 2013 or are we going to go on as is until 2014. John Parke said he wants to get the change in effect as soon as possible once it can be

finalized with USEF. She also asked if the budget is finalized for drug testing and Mollie Krumlaw-Smith said that it is, but it could be modified.

Susan Kasemeyer brought up a "release" that members sign when joining that states that they understand our drug policy and understand that they could be tested at anytime.

Mollie Krumlaw-Smith brought up though that our policy currently states that the testing would be "random", so we have to follow our own policy as written for it to be defensible.

Jan Stevens asked about John's anticipated timeline. John thinks that the Vet Committee can get back to us in a couple of months and anticipates they could get it finalized within 3 months. John said that the Vet Committee will want to know what the membership and the board wants to do with the issue with testing during the ride.

Connie Caudill said the Vet Committee told her they could get their consensus together within a month. (See Action Plan.)

Olin Balch DVM still feels the vet should have the authority to choose the horses and that the rule may need to be re-written to reflect this.

Roger Taylor said he needs clarification on testing of horses that have been pulled or rider option removed. So ultimately asks that when John Parke and the Vet Committee come to a conclusion on the procedure and what they are going to propose to USEF, that the BOD gets to see it before it is signed and official.

Patti Stedman asked John to address this issue with his proposal so that it is clearly stated that pulled or rider option horses can also be tested. John agreed to do this. (See Action Plan.)

John commends Patti's suggestion regarding BOD policy to address the establishment of "Action Items" and Kathleen states that she will line this out in the minutes. We agreed that it would be best presented in a list of things to do and who is going to do it to occur at the end of the minutes. (See Action Plan.)

Olin Balch DVM asked for John to review protocols on discussing "touchy" issues and what the BOD can and can't talk about in emails, etc.

John Parke suggests a Thank You to Bruce and Patti for a great slide show and their presentation. Jan Stevens commended a great job and commented on the lack of participation from the recipients to come and pick up the awards. It was also brought up how gracious Susan Garlinghouse was to step in and act as the "Vanna White" and hand out the awards. Joe also commented that he felt it has been a great idea to "randomize" the distribution of the regional awards. Olin advised he has about a thousand pictures that he took at the Awards Banquet last night. Steph Teeter offered to publish them as a slide show on [Endurance.Net](http://Endurance.Net).

John Parke:

Goal of discussion - to review procedures of our meetings, the email list, role of officers, role of committees, role of executive comm. and staff; ethics; conflict of interest, etc...

## Goals –

- encourage immediate participation of our board members
- effective participation
- responsible leadership
- Follow Robert's Rules of Order (most recent edition) - to act by a deliberate majority - the majority should make a decision after the minority has expressed itself - have an exchange of viewpoints
- Keep in mind that this is a corporation and we are a board of directors for a corporation - not a political entity - so we represent all of our constituents, not just those members that voted for you or yourself or the members that agree with you. It is similar to the fiduciary duties of a trustee. At that end, you do have to independently reflect on what is in the best interest of the corporation even if it is in conflict with the opinion of the members. He states that the Directors should be respectful of other Board members in their communications and there should be a method to the discussions.

Motions - our BOD makes decisions by approving and acting on motions. A Board action/decision comes about by discussing and making decisions on motions only - not by discussing and agreeing on ideas. Susan Garlinghouse DVM brought up that she prepared the education motion for this meeting without any real idea about how a motion should be worded or stated. John said that he would provide some guidelines on how to write a clear motion. (See Action Plan.)

The Executive Committee is described in our by-laws and states that the BOD can set the limits for what the Exec. Comm. is able to do regarding decision making. Executive Committee is made up of the Pres, V-Pres, Secretary, Treasurer, and one other elected member. The Pres. would nominate the fifth member and the BOD votes on their approval.

President needs to organize the agenda so that there is direction in the discussion of the meetings of the BOD.

Procedure - every motion needs to be seconded. "It came from Committee so it does not need to be seconded" - this statement reflects that since there is usually more than one Board member on the committees so by presenting it from the committee, it is in effect being presented by two board members so therefore has been moved and seconded. This is not always true as there is not always two Board members on the every committee - i.e. the Legal Committee.

"Seconding" a motion does not mean that the person seconded agrees with the motion, it just opens the motion up for discussion. If a motion is made and not seconded, it is dead and does not get discussed.

"Call a question" or "Move the question" means that there has been a motion made to stop the discussion so that a vote can move forward, BUT, to "Call the Motion", there has to be a roll call vote and 2/3 of the Board has to agree to it.

Roll call votes need a motion that needs to be approved in advance that it is going to be a roll call vote. Exception is that the President could call a "roll call vote" without a motion. It has been used in voting on our phone conference calls just to delineate the number of "yeas" and "nays" but not register and publish who voted in which direction.

Majority votes - for a motion to be passed, there has to be a majority vote of those that are present, and includes those that abstain from voting.

Motion reversals - if a motion is passed or not passed, it cannot be re-visited and re-voted on if presented by the "losing side". A new board member that was not present on Thursday could ask to re-visit a motion on Sunday since not present at the Thursday meeting. Otherwise only the winning side could bring the motion up to be re-visited and possibly reversed.

Table a motion - table it in the same session to be considered and discussed again later that day.

Postponing a motion - address it in a future session.

We operate under (in descending order) - the Calif. Corporations code, the AERC Articles of Incorporation, AERC By-laws, AERC Rules, AERC Policies and Directives, and lastly following Robert's Rules of Order - 19th edition.

BOD Phone Conference meetings - best to address administration issues only and not things where there is need for lengthy debate, review of documents, etc.

In-person meetings (Convention and mid-year meetings) more effective communication.

Responsibility of the Board members to attend the meetings (especially the twice a year in-person meetings) and educate themselves regarding the issues on the agenda, especially before commenting on the issue.

Avoid dwelling on the minutia.

Board Email list is not a "meeting". You cannot make a motion, vote, etc on the email list. It is a forum to share information and have discussions but not to conduct business of the board. He suggests using the subject header to delineate what you are discussing - change it as the subject changes. Minimize using emails to agree to an earlier post - only write an email if you have something to add. Review the emails so that you are respectful and appropriate in your comments.

Who "runs the show" - President vs the Executive Director. John Parke said there is a prior policy written that delineated who runs the meetings so that in AERC BOD it is the President.

Committees are empowered only to assist and advise the Board, not make the decisions. Committees are nominated by the president and approved by the board. Committees can explore issues in depth and discuss and advise the Board. The BOD should acknowledge the efforts that the committees put into their recommendations, but are not obligated to follow their recommendation. The BOD is not intended to supervise the Executive Director.

The President can direct the activities of the Executive Committee. [or is this supposed to be Executive Director?]

Email list is not truly confidential - if someone subpoenaed our emails, we would have to provide them. This could affect our ability to acquire insurance. We should assume that anything that we put in an



email, is public information. It is an AERC policy that our emails are confidential but this does not mean that a lawyer could not subpoena those emails. When we go into "Executive Session" - that is private and confidential and could not be subpoenaed.

Votes cannot be taken in Executive Session.

Conflicts of interest - Board members can not represent an outside interest as part of their duties on the board - i.e. AHA, etc. This is defined in the C of I policy that we sign as Board members. Cof I statements should be available in public. If a person has a C of I, they should disclose it and recuse themselves from voting on issues of conflict.

Board meetings - second Monday of each month at 6 PM Pacific std time

Remuneration for mid-year meeting - up to \$500 for travel and hotel, most meals are provided

Date and location of mid-year not yet determined but usually August in Denver.

Regarding phone conferences - mute your phone when not speaking, don't use speaker function, avoid use of names and dates unless we go into an executive session.