

8/4/18 AERC Midyear Meeting Minutes

President Paul Latiolais called the meeting to order at 8:02 am

Members present were Paul Latiolais, Michael Campbell, Monica Chapman, Connie Caudill, Angie Mikkelson, Mary Howell, Nick Kohut DVM, Steph Teeter, John Parke, Susan Kasemeyer, Vance Stine, Troy Eckard, Marcia Hefker-Miles, Shawn Bowling, Andrew Gerhard, Olin Balch DVM, Terry Woolley-Howe, Mollie Krumlaw-Smith, Bob Marshall DVM, Mike Maul, Christoph Schork and Executive Director- Kathleen Henkel.

Vance Stine moved to approve the agenda. Susan Kasemeyer second. Motion passed.

Susan Kasemeyer moved to approve the 6/11/18 AERC Board meeting minutes and to also accept the committee reports, second by Nick Kohut. Motion passed

Mary Howell moved to approve the excusal from the 6/11/18 meeting of Andrew Gerhard and Shawn Bowling for employment conflicts, Nick Kohut second. Motion passed. Motion by Vance Stine to excuse John Parke from that same meeting due to a scheduling conflict, second by Nick Kohut. Motion passed

Motion from Mary Howell to excuse Paul Sidio, family conflict; Jan Stevens, employment conflict; Tonya Stroud-Oaks, out of the country; Heather Reynolds, traveling and Lisa Schneider, medical issue from this midyear meeting. Second by Nick Kohut. Motion passed

Membership report by Kathleen Henkel

Membership as of 7/27/17 - 4759

Membership as of 7/27/18 - 4679

Sanction fees as of 7/27/17 \$ 15,908.00

Sanction fees as of 7/27/18 \$ 14,490.00

Rider fees as of 7/27/17 \$ 49,843.00

Rider fees as of 7/27/18 \$ 37,690.00 (\$5,470 awaiting payment in the office)

New members as of 7/27/17 - 462

New members as of 7/27/18 - 485

Treasurer Mollie Krumlaw-Smith reported on AERC Finances. She presented a brief recap on how to review the financial reports. She stated that even though the reports seem to have us tracking far above the budget in reality we are tracking very near to budget. Some of the high ticket items such as ride insurance, computer upgrade, National Championship expenses and some drug testing invoices are waiting to be entered. It was noted that \$576,000 of AERC funds are invested in CD's on a ladder scale and even though the investments only receive 1-1.25% interest, they are safe and AERC has never lost money in these accounts. Mollie applauded Kathleen Henkel for being frugal in spending and AERC for adhering to the budget. With the declining number in nationwide horse ownership, most equine organizations have not fared as well as AERC. She stated that operational income has been constant but emphasized that we will need to continue to adjust in order to keep AERC stabilized financially. Andrew Gerhard asked Mollie Krumlaw-Smith if she could send the Board a five year financial plan to which she agreed.

Terry Woolley-Howe presented a motion from the Competition Committee. Motion- "Establishing a Moderate Ride category for sanctioning 40 and 45-mile rides." Purpose of motion- Moderate Rides may be helpful in encouraging LD riders to step up to longer distances. For those LD riders doing 25 or 30-mile rides, attempting a 40-mile ride may not seem that far of a leap. While some of our members will not be happy about a ride being sanctioned as only a 45-mile ride, the actual difference in miles and prorated points is very minimal, but this organization will benefit if we take steps to legitimize the mileage at our rides. Terry Woolley-Howe explained the motion would help the ride managers in reporting accurate mileage when the trail is short due to technical terrain, lack of trails or multi day rides. This motion would require a membership vote for a bylaw change to redefine endurance distance. The Ride Managers Committee opposed the motion. Some of the Board felt with more riders using GPS's that RM will be doing better job accurately measuring their ride. Shawn Bowling questioned why we wouldn't just target to correct the short rides? Troy Eckard feels this is a real issue that will only get worse and suggested AERC to require GPS tracks when sanctioning. Monica Chapman stated that in many regions GPS's are not the norm. Olin Balch added that more help should be provided to assist RM in gathering accurate mileages. Mollie Krumlaw-Smith believes AERC should consider giving completion mileage for overtime riders as long as the horse passes the final vet check. Christoph Schork said we should look at the big picture and just report the actual miles of 25 miles upward for career miles on partially ridden rides when a person decides to rider option. Terry Woolley-Howe doesn't want the Middle Distance to be included in the LD division. She withdrew the motion and will take the ideas back to the committee for further discussion.

Terry Woolley-Howe presented a motion from the Competitions Committee “Establish a National award for best Condition in the Limited Distance.” She explained how Limited Distance is a sustaining category for ride managers and is a division that is being offered by AERC. Adding a LD National Best Condition award is warranted. The institution of such an award would place additional emphasis and encouragement for responsible riding. The cost of award and mailing approximately \$500. To take effect immediately. Motion was discussed and then passed by the Board unanimously.

Terry Woolley Howe presented a motion from the competitions committee. “Recognition of AERC Longevity Members.” This program would recognize AERC members for the number of competition miles they have accumulated at combined Limited Distance and Endurance AERC rides. Starting at the 5,000 mile plateau and continuing at 5,000 mile increments. AERC members will receive pins that are similar to the Equine Recognition pins. The separate Endurance and LD Mileage patches will not change. The cost will be \$300 or less to write the computer program. The pins and mailing approximately \$5 each. A sponsor has been found that will underwrite the program. Effective immediately.

The consensus of the Board- it’s good to recognize people who support AERC for many years of entering events but felt a name change is needed in order to have a better understanding of the purpose. Michael Campbell made an amendment to the motion to change the name to “AERC Rider Mileage” recognition. Vance Stine second, amendment was accepted by Terry-Woolley Howe. Motion passed unanimously.

Paul Latiolais re-presented a motion from Jay Mero and the Veterinary Committee. “Motion to fund the AERC Drug Testing Program.” (Full details of motion can be found in the 3/8/18 convention minutes). The motion request AERC use \$27,000 from the drug testing reserves to maintain drug testing at the current level for 2018 and also to increase drug testing fee from \$3 to \$6 per horse beginning Dec 1, 2018 (outside of CA). Discussions included searching out other laboratories with possibility of using USEF testers; usage of different types of testing; less extensive testing targeting enhancing performance drugs. Bob Marshall felt we could use this as an opportunity to educate our members. While some felt we didn’t have a drug issue, Kathleen Henkel disagreed reporting receiving many calls daily from members inquiring about withdrawal times- she refers them to Jay Mero. Mollie Krumlaw-Smith reported that many on the Ride Managers Committee opposed the motion. She would like to wait until we have the update drug rule/policy in place. Steph Teeter made an amendment to the motion- “As an alternative to a 100% increase in rider drug testing fees: on a two year trial basis, beginning with the 2019 ride season, AERC will fund the increase in drug testing frequency, to determine the actual increase in funds necessary and to determine if the additional testing actually results in a significant increase in positive test results. i.e. analyze the 'catch-to-cost' ratio and determine if a permanent fee increase is warranted”. Motion second by Troy Eckard. Mollie Krumlaw-Smith opposed amendment stating that this would use \$60,000 a year from AERC operating reserves. John Parke emphasize drug testing is not just about catching positive cases but it is a deterrent from drug use. Olin Balch said the numbers that we test are so small it would be hard to see a significant statistical change in positives with a two year trial. Amendment failed.

Original motion from the Veterinary Committee was then discussed further. Even though some members felt we should look at other testing facilities, John Parke said there is room for improvement with USEF but they had the experience level that provides invaluable services with the added knowledge that Dr. Stephen Schumacher offers. Christoph Schork feels there are other avenues we should explore. Marcia Hefker-Miles stated there are other options that may serve us well and other labs had not been addressed.

Steph Teeter made a motion to defer this until after the convention, Christoph second. Motion failed. The original increase in Drug testing motion was voted on. Passed. Fees to be increased as of November 1, 2018. It was noted that Kathleen Henkel will be requesting information from other reputable testing laboratories.

Steph Teeter presented a Motion – “Limited Distance allowable time for completion.” LD competitors will be allowed the entire maximum time to complete the course per AERC Bylaw 4.01 (b) Limited Distance Ride. A “Limited Distance Ride is defined as an event in which the same equine and rider *cover a specified*

course of between 25 and 35 miles within a maximum time limit proportional to 6 hours per 25 miles and conforms to the Rules in effect at the time of the Ride. **This time shall not include the time required to meet 60bpm criteria although** actual finish time will be recorded when pulse reaches the criteria. Effective Dec 1, 2018. Discussion followed. Motion passed unanimously. Action Item- Rules Committee to present wording on the rule for board review in the September meeting. Publish rule in Endurance News.

Michael Campbell presented a motion- "Equine International Excellence Award." The AERC Board of Directors to appoint an Ad Hoc Committee to develop criteria for an award that emphasizes longevity in the sport as well as mileage combined with completion rate. The Board will accept nominations from anywhere in the world according to the criteria developed by the committee. The Board will evaluate nominations and announce the award at the 2018 convention. The purpose of the award is to counteract the emphasis in some parts of the world on racing without regard for the technical expertise required by traditional endurance riding. The award should recognize equine athletes that have successfully competed in the sport for many years rather than high placings over a short career. Board members to contribute to pay for the award.

Discussion; Michael Campbell has reached out to some countries that are favorable to the award. The award has no association with FEI. Will work to create a mathematical formula to select the horse. Instead of Board members funding the award it was agreed that a nomination fee be established and sponsor be obtained. To be awarded annually. Will publish results in magazines that may help the AERC brand. Suggested to award top 5 or 10. Michael Campbell to chair the committee of Lisa Schnieder, Mike Maul, Connie Caudill and Christoph Schork. Motion passed unanimously.

Mike Maul gave an update on the recovery of the website server after our recent Ransomware attack. The backup system was also affected but Mike Maul had back up on his own personal computer from 2016 which made the process go quicker. Mike Maul is to the point where he is just asking members to report anything that needs repaired. The new website will be better protected being hosted by a company like Amazon. Mike Maul reported that the Technical Committee and the provider are working on this at no expense to AERC.

Monica Chapman updated the Board on "Safe Sport". This is a Federal Law that has been enacted for the protection of children and youth in response to the recent issues in gymnastics. Sports that cross state lines are required to be in compliance. USEF is creating a program which their affiliates will be able to access. The Legal Committee and Monica Chapman will continue to look into AERC being compliant.

Paul Latiolais updated the Board on the NW ride manager assistance program. He felt that it has encouraged new ride managers in sanctioning two new rides in 2019. He reported that there has been good attendance at AERC rides.

Kathleen Henkel apprised the Board to the creation of a confidentially agreement for Board members. She has sent it to the Legal Committee before bringing to the board for discussion.

John Parke led discussion on a motion from the Rules Committee
Proposed Motion; Revise existing Rule 13.5.3 to read as follows:

"13.5.3 The AERC shall with the advice of the Veterinary and Legal Committees establish and publish policies for procedures for the testing for Prohibited Substances and for the commencement of protests for violation of this rule. Upon determination under these policies that there has been a probable violation of this rule, the Executive Director shall file a protest with the Protest and Grievance Committee. The filing of a protest by the Executive Director under this rule shall not be subject to the deadlines otherwise applicable to filing protests."

Revise AERC Prohibited Substance Testing Policy. Current existing policy can be read in full and is located on the AERC website. Existing policy to remain with the following revisions:

Administration. - Removal of the specific amount of fee per rider. "Funding for the USEF drug testing program will be based on an annual contract with USEF and will be provided for by rider drug testing fees for each starting rider."

Selection of Equines for Testing by USEF. Correct typo, “12” not “16” equines per ride to be tested.

Protest Procedures. Upon receipt of a report from the independent laboratory showing the presence in a test sample from an equine competing in an AERC sanctioned ride of a substance that may be a Prohibited Substance under Rule 13, the AERC Executive Director shall email copies of the laboratory report to the Drug Testing Subcommittee and the Legal Committee. In order to preserve the impartiality of the Drug Testing Subcommittee and Legal Committee, the Executive Director shall redact the name of the equine tested and its rider from the report before transmitting it for their review.

The Drug Testing Subcommittee and Legal Committee shall review the laboratory report and consult with each other to determine whether the laboratory report shows the presence of a Prohibited Substance within the meaning of Rule 13. If the Drug Testing Subcommittee and Legal Committee find that additional information beyond the content of the laboratory report is necessary to determine whether there has been a probable violation of Rule 13, the Drug Testing Subcommittee and Legal Committee may in their discretion conduct an additional investigation of the nature and administration of the substance identified in the laboratory report. This additional investigation may include, but need not be limited to, communication with the owner or rider of the equine tested. This additional investigation beyond the content of the laboratory report should only be necessary under extraordinary circumstances.

Except as necessary for any such additional investigation, the Drug Testing Subcommittee and Legal Committee shall not communicate with the owner or rider of the equine tested or any member of the AERC about the material reviewed by the Drug Testing Subcommittee and Legal Committee or their findings until after a protest is filed or the determination has been made not to file one.

The Drug Testing Subcommittee and Legal Committee shall submit their comments on the laboratory report and any other matters that bear on the laboratory report to the Executive Director within 30 days of receipt of the laboratory report. The comments shall include any recommendation for the application of the threshold levels set forth in Appendix D to Rule 13, including, for example, whether or not to extrapolate blood plasma threshold levels from urine threshold levels when only urine threshold levels are stated in Appendix D.

Upon advice by the Drug Testing Subcommittee and Legal Committee that there has been a probable violation of Rule 13, the Executive Director shall immediately file a protest with the Protest and Grievance Committee and forward the Drug Testing Subcommittee’s and Legal Committee’s comments on the laboratory report and related matters to the Protest and Grievance Committee. Once a protest has been filed for violation of Rule 13, the Drug Testing Subcommittee shall mail a letter to the protested party providing notice of the protested party’s right to a confirmatory analysis of the “B” sample at that party’s cost. The letter will inform the protested party that there is no B sample testing for state authorized drug testing in California.

Background, analysis and benefit for the revision;

To addresses problems with existing rule, policy and thresholds.

More flexible and fair application of prohibited substance rules in unusual cases.

In his discussion, John Parke stated that we will need input from the Legal Committee before voting on this motion since they will be helping administer revised policy.

He stated the revision addresses two issues.

1. Will give the Veterinary Drug Testing Subcommittee and the Legal Committee the opportunity to gather facts before deciding to file a protest. Two protests have challenged our system when thresh holds are calculated using urine. When a blood sample drawn this has made it difficult in determining if there is a violation without an investigation. Science has improved since writing this rule.
2. AERC’s procedures are divided between drug testing rules and drug testing policies. Effort to put the procedures into a policy will make it easier to change and update.

John Parke stated the revision of Rule 13.5.3 will make the rule shorter and simpler

Troy Eckard felt that the “B” sample testing should be better explained in the letter that goes out with the positive drug protest and believes we should revise the drug testing contract to include language which allows the respondent to be present during the B sample unsealing. Andrew Gerhard suggested that the language in the policy be more ambiguous concerning USEF as the named testing lab so we wouldn’t have to revise should AERC use another testing facility but John Parke felt that would be too general. Mike Maul asked how the changes would have made the results any different concerning previous tests that were positive in a blood sample when we only have thresh holds for urine? John Parke responded that before filing the protest the Legal and Veterinary Committees would

investigate to determine if there was a violation and try to link one with the other. A recommendation would come from the committees before filing a protest. Michael Campbell asked if the test confirmed that there was a performance enhancing drug in the system, would the protest then be filed? John answered that would depend on the amount in the system. Connie Caudill stated that during the investigation and before filing a protest, that the person should remain nameless in order to keep AERC at arm's length away. She said AERC needs to be transparent by having this as a rule in the rulebook.

At this time, the Legal Committee chair, Lisanne Dorion, teleconferenced into the meeting. She was asked to give a brief update on the ADA issue and the Legal Committee charter. The Charter has been sent to the Executive Committee for review and is ready for circulation. Legal Committee member, Barbara Baris, is heading up the team concerning the ADA policy and has been in correspondence with USEF. This is a work in progress. Lisanne Dorion has been working on changes/revisions with the USEF drug testing contract and currently waiting for Dr. Schumacher's response. She also reported that Monica Chapman and her were on the Safe Sport conference call with the American Horse Council. The Legal Committee has requested Kathleen Henkel to obtain insurance documents in order to compile a risk assessment for AERC.

Susan Kasemeyer made a motion to go into Executive session at 3:35 pm to discuss Legal issues, Troy second the motion. Passed. The Board came out of executive session at 4:05pm. Paul Latiolais thanked Lisanne Dorion for being available for the meeting.

Continuation of discussion on the Drug Testing rule/policy

Michael Campbell suggested that AERC offer an advocate to help guide a person who has a positive test. Mollie Krumlaw-Smith would like to see a firmer timeline for the whole process. John Parke said rule 14 has a protest timeline but the Drug Rule is exempt. He will look into it. Mediation is in rule 14 but John Parke can see the value in including it in the policy. Mollie Krumlaw-Smith believes an opinion should be rendered sooner when only trace amounts of a drug are found. Monica Chapman questioned the result if the Legal and the Veterinary Committees disagree on moving forward with the protest? Do we need a tie breaker? She also strongly feels we should have the procedure in the rule so all members could look it up in the rulebook. John Parke suggested that the policy could be included under the rule in the rule book.

Mollie Krumlaw-Smith presented an update on the supporting organization. Tom Shaver, the attorney hired to file papers for AERC has not been performing in the expected time frame and has yet to file. He has assured John Parke and Mollie Krumlaw-Smith that the papers will be filed this week. The plan is to showcase the supporting organization at the convention in March. Will print an article about the supporting organization in Endurance News.

Kathleen Henkel, Vance Stine, Monica Chapman and Lisanne Dorion are looking into AERC risk analysis and liability of Board members. They have asked for recommendation from our long term insurance agent for cyber-attack insurance and other purchases we should consider. Kathleen Henkel has asked for a loss summary and a copy of our current policy. Manuscript changes were added and they want to confirm those are still included.

Monica Chapman gave an update on the USEF/FEI Ad Hoc Committee. They have spent many hours gathering facts and compiling info on horse fatalities within FEI; within AERC; co sanctioned rides; also the impact to 75-100 mile rides if co sanctioning were to cease; the WEG, impact of FEI sanctioning against group 7. Work in progress. Troy Eckard commented that AERC needs to be proactive with the WEG coming up next month and recommends we express our concerns to USEF. It was believed AERC needs to state that we expect horse welfare to be of the utmost importance as well as a fair field of play which are two vital issues that FEI is tasked to uphold. Nine Board members will be attending the WEG and will report back.

John Parke led a discussion on the motion from the Rules Committee.

The Rules Committee reviewed the Bylaws for any outdated items in case the Bylaws came up for a membership vote. The committee recommends the following:

1. Add a section clarifying bylaws vs policies vs rules. There is a lot of confusion about the definitions of these and when to use them. John Parke will write this up.
2. Article 4.01(b) – Standalone LDs. Suggest removing the sentence requiring LDs be “held in conjunction with an endurance ride”, which would allow standalone LDs. Note that just because the Bylaws allow it in concept, it doesn't mean we have to do it, so this gives the organization options.
3. Article 7.12 Conflict of Interest – (a) This needs a more comprehensive definition of conflict of interest. Use John Parke's definition from his 3/18 convention presentation. (b) We have been signing our COI statements at the

convention, but this states January 31 of each year, so we are not in compliance. It is also noted we should publicize them by putting them on the website.

4. Article 8.05 vs 9.01 – the president’s responsibilities need clarification, i.e., the president is directly responsible to carry out the policies, whereas the ED oversees the implementation of policies.

5. Article 11 – The P&G powers are not authorized by or even mentioned in the Bylaws. It should be spelled out what powers P&G has over members and be more explicit, so punishments are not limited to termination/suspension.

6. Article 11.01(a) – restriction on the powers of Executive Committee regarding their actions. It states all actions shall be promptly publicized to all directors and this doesn’t appear to be happening.

7. Article 11.01 b) – Election Committee – this is outdated and is not how we are doing things now. The Election Committee is not verifying, counting or certifying ballots because we use an accounting firm for all other elections. Currently committee is one person who only counts the ballots for the election of officers at convention.

The compliance changes of importance are areas such as conflict of interest statements, P&G process, committee set up and mechanisms.

Mary Howell would like to add at a separate membership for non riding ride managers along the lines of the Veterinarian membership. John Parke stated that all committees should discuss/recommend anything that they want to be added/revised including the possibility of adding that petitions may be rejected on legal grounds.

John Parke made a motion to defer further deliberations for three months. Olin second the motion. Passed.

Connie Caudill discussed the AERC National Championship co sanctioning with the open ride. She asked for a straw vote- should the NC be totally separate in points or combined with the open ride. All felt it should be separate events ran concurrently as they are separately sanctioned. She will pass this information onto the Ride Manager. Connie Caudill gave an update on the AERC/USEF Agreement from the Ad Hoc Committee. The committee will be sending the agreement to our Legal Committee for review/revision. Then the Board will discuss/review/revise before making decision to sign.

Paul Latiolais led a discussion on horse welfare and what could be done in order to make AERC the leader. Not many changes have been made toward improvement of horse welfare in several years. Statistics could be collected from the rides that could give the Horse Welfare more information concerning horses that are treated at rides. Nick Kohut stated that the Welfare Committee is committed to working on ideas to improve horse welfare. Stagg Newman has a team working on a cardiac recovery study at the AERC National Championship ride.

The Board had a quick preview the new website that is a work in progress.

John Parke made a motion to adjourn, Troy Eckard second. Passed

Submitted by Connie Caudill