

Hello from the 2019 APHA National Convention, Dallas, Texas
Report submitted by Lori Nevin, APHA Washington State Director and Lifetime Member
P: 206-919-5328, E: lorinevin8@hotmail.com

Convention is an opportunity to expand involvement and knowledge of APHA and the Paint Horse. The opportunity to schmooze with other members, meet members from around the US, abroad, and those “famous” in the organization. It’s easy. You can come tag along on with me! I would be happy to have YOU consider it for 2020. Whether you’re a breeder, stallion owner, love competing in horse events, ride on your ranch, or love the breed, we come away from a Convention inspired and more in love with the Paint Horse, each unique in its design.

A special reason why you want to attend Convention 2020 is we will be in our new offices in the historic Fort Worth Stockyards Barn!! We were shown the plans for the renaissance of the Stockyards, and APHA offices in two videos, and had a walking tour of the site led by the Stockyards Renovation team. The Barn being converted will retain the historic exterior and interior columns and beams. The old feed room will become the mezzanine. The APHA public area will include Virtual Reality where you can see yourself riding a horse. The former General Store, now the APHA Barn Door is teaming up with Twisted J boutique retailers to operate the Stockyards store. It will include everything at the online store and more. This is expected to reduce cost and risk, increase profit, and increase revenue from the general public. A cornerstone of the site will be the huge bronze horses moved over from the current offices, and they are expected to be the spectacle that attracts the public for photo ops.

Like a horse show, at Convention we are a captive audience. The schedule condensed by one day keeps us engaged, moving from meeting to meeting, and in the hotel from start to finish except for the organized outing to see the Stockyards site. I started Convention with breakfast with a couple other directors in the hotel. Rushed and nothing more than average, with the focus being conversations about the last year, rules being considered, and who is in attendance. Then I registered and went right into the 9:00 am General Membership meeting presided over by President Dr. Craig Wood, Kentucky. His presidential theme is “Promote.” Promote new ideas, the Paint Horse, and APHA Programs.

This Convention had the largest international participation with Directors from Ireland, Israel, Mexico, and Canada. Ten Past Presidents were in attendance. Recognition was given to directors reaching these milestones: 40 years service Pauli Crull; 25 years service Richard Cox, Travis Titlow, and Marilyn Novak.

AGENDA: Welcome address, theme, roll call, introductions, financials, Executive Director address, American Horse Council speaker, and other standard topics. Just those on the podium change as Directors rotate through the Executive Committee (EC) each year. I will leave out details in my report and skip over those standards to focus on the highlights. APHA will later publish the annual financial report, committee meeting minutes, EC elections, RCP (Rule Change Proposals) outcomes, and all the details. If you’re interested in hearing more from me, please write, text, or call me.

THE BIG DEAL: GOVERNANCE TASK FORCE RECOMMENDATIONS: A year ago, APHA put in place the Governance Task Force (GTF) to work with a consulting firm paid about \$35,000 to lead the GTF through a proven process to explore our current way of governing, recognize best/desired practices, and to identify gaps between how we operate and a better/desired way of operating. The firm will continue the consulting project until we reach a conclusion or through implementation. The result today is five changes proposed to current structure, two of those significant.

The GTF held conference calls to get feedback from Directors and committees. At convention we received a revised proposal incorporating much of that feedback. Craig explained how we would address the proposal during the course of Convention. Each committee meeting held a discussion of the recommendations, and feedback was written up. Craig visited each committee meeting to hear a summary of that feedback and answer questions first hand. In the end, at the Board of Directors Meeting a final presentation was made, Q&A was held, Directors gave their pro and con opinions, and the consultants answered questions. One consultant declared the current legal liability is of Directors and made it seem like a scare tactic saying the change would make only the propose Board of 12 legally liable. In the end there were very robust discussions and feedback addressed. Our objective was to come to consensus on whether the consulting firm and GTF should go forward with the next steps to explore Bylaws changes that would be required should the governance be

changed as recommended. Finally, a vote was taken, and consensus was that the GTF should go forward. This means the next steps are to spend the next year determining bylaw changes, get suggestions, make modifications, and draft a new set of bylaws to share with the Directors for further refinement and improvements. The fastest timeline would bring the bylaws before the Directors at Convention 2020. The full text of the proposal we are going forward with is here:

<https://1drv.ms/b/s!AjKtSHocjpDWgcNxXu6xqU2EKITSfQ>

PRESIDENT-ELECT: Michael Short took his first opportunity to address the Directors and said he was going “off script.” We were warned his term as President was going to be entertaining, and it started out that way. Michael introduced his aunt who started him in horses as a child, and his mom who has supported and accompanied him all along the way and here during this transition. Later at the end of our BOD meetings he took his oath of office becoming APHA President. He was given a token gift from outgoing President Craig Wood, from his international trip and Michael donned the Mexican Sombrero. He happily wore it while setting the theme for the year to come. He exclaimed, “Change. Change. Change.”

CHANGE IN THE COLOR RULES: We keep changing our Color rule. Michael experienced his first time showing a solid with one paint parent and 4 paint markers. It went to the top 5 at the Quarter Horse Congress in longe line. His other solid filly has 2 paint parents and the same 4 paint markers. So, what is the definition of a paint? Michael wants to revisit the subject. Is it color? Genetics? Characteristics? A combination of these things? Michael has received calls from people looking for paints, all want double registered horses. Which papers are most valuable? Our current rules put weight on the AQHA registered horses. The minimal whites are plentiful, we haven’t added color back. We’ve changed the color rules 12 times. Michael challenged us to find a way to define and reevaluate what is a Paint Horse and stay with it.

CHANGE AT THE GRASS ROOTS: Paint Horse competition began in the 60s with open shows that offered paint classes. Can we bring paints and their owners in with this type of grass roots effort? Or do we expect everyone to come to an APHA event from the start? Open shows have large amounts of Paints. Clubs find it difficult to afford expensive facilities for APHA shows. Can we put in place something that’s affordable that brings/cultivates members for Regional Clubs?

CHANGE IN RECOGNITION: Michael described his international and domestic travels representing APHA. Everyone he meets is excited about APHA. What we’re doing works well. Our Judges card was recognized for collegiate competition and sent a request to Michael even though he doesn’t hold an AQHA judge card. We have worked hard to be recognized and now can claim we are respected at the top levels of equestrian competition, on same level as AQHA.

HALL OF FAME BANQUET: This year’s Convention recognized other Directors and Members significant contribution to APHA and the Paint Horse. Making others part of the history of APHA at the Hall of Fame Banquet, my favorites: 1) Hall of Fame inductees Jim and Judy Schehen from Bend, Oregon, and posthumously honoring their stallion Scribbles. Since I bred, trained, and showed a reining granddaughter of Scribbles, I was especially sentimental about their award and thanked and congratulated them personally after the banquet; 2) Distinguished Service Award honor to my friend Anita Hertner, of Nebraska for her years breeding and showing the stallion Fly Skip Fly, her contribution as a Director, and her participation in every one of the 23 APHA Fort Robinson Rides. Anita, 75, has been riding for 62 years. Read more about Anita here: <http://apha.com/news/anita-hertner-recognized-with-apha-distinguished-service-award/>

Since now you’re thinking of coming to Convention 2020, you will want to sign up for the Banquet. It’s inspirational to come away with knowing more about the APHA history, leading regional clubs, breeders, horses, judges, exhibitors, and even the most honored Ring Steward. All the notables honored are listed here: <http://apha.com/news/paint-horse-notables-honored-at-2019-convention-hall-of-fame-banquet/>

COMMITTEE REPORTS: Overall the tone in the room during Committee Reports was quiet and subdued. No questions. Moved quickly. No discussion. Committee Chairs presented only motions made and the result. Effective 3 years ago, reports no longer share general topics, and the pros and cons discussed. It’s quite sterilized. Yet at the break, the room was active, and there was a loud hum of discussion with one on one and small group discussions, and directors asking each other questions. I find it interesting the change from the first years I attended as an Alternate and as a Director. Committee Reports are published here: <http://apha.com/leadercare-77/> The REGIONAL CLUB Committee reported a these initiatives passed to be recommended to the EC: 1) A change to the Gold Star and Club Of Distinction eligibility and criteria; 2) Development of a conflict of interest clause; 3) Defining participation in a Zone.

FINANCIAL HIGHLIGHTS (Full annual report to be online after audit): Presented by Jenny Mathis, Sr. Accounting Director

- Expenses exceeded revenues by \$277k on a \$7M budget. Revenue increased 5.9% from 2012 to 2018 after 32% decline from 2007 to 2012. Operating revenue was down \$394k, Operating expense was up \$158k.
- From 2017 to 2018:
 - a. Registrations decreased by .74%, revenue down by \$100k
 - b. Transfers decreased 5.5% from 2017 to 2018
 - c. Membership decreased 4.94% from 2017 to 2018, revenue down by \$153k
 - d. APHA Shows decreased 7.8%, World Show up \$153k, Youth WS revenue down \$46k, Performance dept revenue down \$40k
 - e. Publications revenue, advertising, subscriptions, Chrome advertising down by \$300k
 - f. Sponsorship revenue up by \$110k
- Sale of APHA Headquarters Financials: \$6M = Original construction costs. \$4.75M = Appraised value in 2018. \$5.175M = Sell price, less depreciation. Buyer: Mid-States Distributing
- Breeders' trust stallion subscription fees were lowered due to lowered enrollments.
- Top ten stallion owners represent largely Reiners. For the first time, a European stallion is on the list.
- Net assets \$18M, investments at \$15M at an annual income of almost \$400k. 2018 performed the worst in 30 years due to the volatility of the market (energy, labor, trade negotiations)

AjPHA YOUTH CONFERENCE: The largest participation over the last 10 years, I counted at least 32 youth members.

AjPHA PRESIDENTIAL PROJECT COLOR THE COMMUNITY: Sabine Lazo of TX gave an update. For youth that do community service, they log hours online at the AjPHA website, get sponsors, and raise money for youth scholarships. By incentivizing community service, we encourage involvement, and fund youth scholarships at the same time. Over 100 hours have been logged so far. To get involved, get updates, contribute, and spread the word, go to: www.aphayouth.wixsite.com/colorthecommunity The AjPHA Youth did community service over this weekend.

BOARD OF DIRECTORS MEETINGS: A new volunteer Parliamentarian was introduced. A motion passed to limit discussion to 2 minutes per person and to allow rebuttal and follow up. A test of the electronic voting system resulted in 108 responses, so about that many voting Directors were present. Each RCP was displayed, discussion points were given, and then we voted until 15 seconds was up. You may have seen the results posted online by some of the Directors and APHA immediately following the meeting. Results posted here: <http://apha.com/news/13-rules-passed-at-2019-apha-convention/> Call, text or email me if you want to know the pro/con points, and numbers voting for/against.

Outgoing President Craig Wood gave his final comments and gave thanks to those laying foundations before him. During his tenure he traveled to Mexico to meet APHA members in their home country. APHA international travel is funded by the APHA's membership in the non-profit trade organization USLGE which manages international marketing interests. Our membership is managed by Irene Stamatelakys. Growth of funds from the organization and growth in international market has been significant since joining. APHA is now established with Brazilian paint breeders to get their registrations Craig shared four firsts for which APHA has been a leader: 1) Online registration; 2) Horse IQ, a robust interactive online education program; 3) APHA is viewed by the industry as innovators, staff are contacted by other horse associations about ideas and programs; and 4) APHA is the only equine association that has 2 years of operating budget in reserve, which goes back to previous ECs having the forethought to put away money. Our jobs going forward is to grow our membership, give youth Paint Horse experiences, go from an information age economy to an experience economy, and give members avenues where they know their contributions have an impact, and to be purpose driven.

Outgoing Past-President Travis Titlow, CA who stepped in during the year filling a vacancy also gave a final comments and thanks to the Directors for getting us where we are today.

Chair Ron Shelley then introduced the Nominating Committee and revisited the process for providing a slate for the EC, which includes interviewing the current EC members and Executive Director for input on characteristics wanted for 6th member, and selection of the other EC positions. Each EC position was introduced and voted in. The 6th Committee Member candidate was David Lands, with Randall Roser nominated from floor. Each had five minutes to speak. Then we voted. I was anxious waiting for those results! It felt like when I took my professional certification exam, that feeling in my gut hoping for the best, unsure, anxious. The tally: David Lands 72 votes; Randall Roser 37 votes. Read more about David Lands here: <http://apha.com/news/david-lands-joins-the-apha-executive-committee/>

We adjourned Sunday at 10:55am and I headed for Cle Elum, WA where Jeff and I live with our 3 registered Paints.