

North American Flyball Association Inc.

Board of Directors Meeting Unabridged Minutes, Las Vegas, Nevada

January 13, 2007

Present were: Executive Director Sam Ford
Board of Directors Glenn Hamilton,
Lee Heighton,
Todd Morningstar,
Lisa Peckham,
Kris Pickering,
Dale Smith,
Mike Smith,
Scott Stein

Chairman Lee Heighton called the meeting to order at 9:25AM PST.

Brian Fay was unable to attend due to travel delays and has submitted his proxy to Todd Morningstar.

Chairman's Comments

Chairman Lee Heighton welcomed Lisa Peckham to the new 2007 board and reiterated board procedures for us all with respect to Roberts Rules of Order. Lee looked forward to more great activities in the 2007 racing year.

Lee noted in his remarks that NAFA had retained legal counsel, a Michigan firm, to prepare and send a cease and desist letter and draft complaint and to proceed with legal action to enforce and maintain NAFA's protected interest in its names and marks. That cease and desist demand was receipted and acknowledged with confirmation that the infringing use had been withdrawn and that the cease and desist would be honoured.

Lee noted that committee assignments had been approved by unanimous consent.

Executive Director's Comment

Executive Director, Sam Ford, made note that the board committees should be looking forward in their planning of business forecasts out to 2009. It is important the committees review their goals so that an informal business plan can be generated with a move to a more formal budget.

The ED noted that there had been some changes in personnel.

Sam expressed his thanks to Judy Hagan for her valuable service to NAFA over the past years. NAFA mail will now be handled by Karen Oleson who will be the single point of contact for NAFA and will handle the distribution of mail. Additionally, Karen will continue with her current role for NAFA sanctioning. Annie Taylor will assume the distribution of all awards and plaques. NAFA has engaged Kim Davis from Texas to handle the distribution of NAFA patches etc. to people in the various regions. This will simplify inventory distribution with a secondary distribution person to be established in Canada shortly.

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In Region 3, Sam has appointed Joe Acker as co-regional director with Dan Rode. Joe has expressed his desire to move forward quickly in his RD duties as well assisting in helping to market NAFA. Kris made a motion to accept the ED's recommendation of Joe Acker as co-RD for Region 3. Scott seconded the motion. The ED noted that Dan Rode has expressed his support of the ED's selection of Joe in this role. There was no opposition to the motion.

Secretary's Report

Minutes for December 8 and the December 9 AGM meetings are still outstanding. Most but not all members have reviewed the minutes through an earlier email distribution.

Kris made a motion to accept the December 9 AGM minutes as published to the board in its last iteration. Dale seconded the motion. In favour: Glenn, Kris, Mike, Todd, Brian by proxy, Dale, Scott. Abstain: Lisa. The motion was passed. The December 9 Minutes are approved.

Kris made a motion that Todd seconded to accept the December 8 board minutes as published to the board in its latest iteration. Glenn noted that two typographical errors would be corrected. Dale noted that he has been unable to find the time to review the minutes. In favour: Glenn, Kris, Mike, Todd, Brian by proxy, Scott. Abstain: Dale, Lisa. The motion was passed. AGM minutes are approved.

The To Do List from Dec. 8 was updated and reviewed.

Treasurer's Report

Scott presented financial statements for the 2006 fiscal year and reviewed them with the Board. Highlights included a \$17,000 net income while our overall bank balance, though not our statement of assets, was reduced to approximately \$150K due to the purchase of five Signature Gear EJS systems. Shipping costs were reduced by \$20,000 from the prior year. The balance sheet includes a bad debt allowance for \$7,426.00 that is a carry-forward from pre-2004 activities. Scott noted that, at the request of the Finance Committee, he made several serious attempts to collect these debts but was unsuccessful. The Finance Committee deems them uncollectible and recommends that they be written off. Kris made a motion to authorize the write-off of these bad debts as uncollectible. Todd seconded the motion. In favour: Glenn, Kris, Mike, Todd, Brian by proxy, Dale, Scott, Lisa. The motion was passed unanimously.

The IRS 990 for the year ended September 30, 2006 was circulated and reviewed. It will be timely filed on Jan. 15 and a copy will be posted to the NAFA website forthwith along with the year end financial statements.

Scott also presented financial statements for the first quarter of FY2007. Items of note included a net income of \$5321. Accounting fees of \$6925 were incurred in FY 2006 but paid in the first quarter of 2007 to the prior accounting firm to review and restate the 990's for 2001 to 2003 and to prepare file the 990 for 2000. These are not expected to be recurring expenses.

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The board reviewed the Cynosports interim financial report noting that the net expense was well under the original budget amount.

Scott reported that the US exchange factor had become an issue when Canadian teams were reporting the tournament fees in Canadian funds. To ensure a standardized conversion, NAFA will employ an exchange conversion factor publicly available at http://www.flyball.org/tourn_score.html. Clubs will report the exchange rate and date on the C6 form as obtained from the web site.

Credit Card sales have been transferred from Bank of the West to TD BankNorth and all NAFA accounts have been consolidated at TD BankNorth. The US accounts have all been consolidated at TD BankNorth. NAFA still maintains the Canadian account at TD Canada Trust for currency conversion purposes.

Scott reviewed the need for on-line access to the bank accounts and requested that the TD BankNorth account be converted to a single signature account. The bylaws will allow this type of conversion as financial controls are in place. Dale made a motion to convert the chequing account to a single signature. Kris seconded the motion. In favour: Glenn, Kris, Mike, Todd, Scott, Dale, Lisa. Abstain: Brian by proxy. The motion was passed.

Scott noted that, with the Finance Committee and the Executive Director, he has been reevaluating the fee structure in response to the request by Joe Acker reflected in the Old Business section of the agenda.

Judge's Committee

The Judges Committee announced their agenda for the current racing year. It includes;

- to finish and publish the judging videos
- to create a continuing education and training program for all approved judges
- to evaluate and propose revisions to the existing judging program
- to evaluate requirements to maintain exiting judging status

Technology Committee

The committee is finalizing a definition of improvements for the Signature Gear internal software. Upgrades are also in the design stage for improvements to the web site and database sites.

Lee presented the Technology Committee with a suggestion that a Trainer's Corner be established on the web site to help newcomers and with training issues. Users would send in a question and get a private response from the assigned trainers to further the user in the sport. A second link could be established to portray common training issues that may occur. Responses would be reviewed and responded using a Dear Abby type of format to provide well thought out solutions to common problems. The Technology Committee will look into this suggestion.

Preventative maintenance to the Signature Gear sets was included in the original plan for the sets. Dale noted that the first of the systems are now being returned to SG for evaluation of the wear and tear on the system after the first 18 months of use. It was requested that NAFA obtain a cost for future year's financial planning to make an allowance for the cost of preventative maintenance.

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Disciplinary Committee

There was nothing to report.

The board adjourned for lunch at 12:45PM. The meeting adjourned for 90 minutes.

Election Committee

Dale reports he plans to have the False Start ballot out shortly. Delegates have been recalculated for the upcoming year. The False Start ballots are expected to be issued by the end of January. Dale indicated that he hopes to have an email based ballot to be used for the fall 2007 elections.

Marketing and Awards Committee

Lisa presented a full colour brochure that drew positive reviews. Based on some on-line quotes, she estimates that unit costs of printing at around \$.25. The brochure is modular in its design and can be easily modified for future, more focused, presentations.

Glenn discussed the need to find additional revenue streams as a result of marketing. He asked if marketing could be directed to the dog trainer seminars and to offer a certified flyball training program.

Todd made a motion that the board approves the design of the brochure to be used as an initial promotional vehicle. Glenn seconded the motion. Lisa suggested the development of a specific URL on the Flyball web site so that new viewer access to the brochure could be evaluated. There was no opposition to the motion. The motion is approved.

Lisa suggested that there was a need for determining the demographics of the target audience to help develop future marketing initiatives. It was recommended that the committee develop a proposal and plan for implementation.

Mike made a motion that NAFA create a plaque to honor each of the Clyde Moore Hall of Fame finalists beginning with the 2006 elections and that these dogs be recognized on the website. Todd seconded the motion. There was no opposition to the motion.

Bylaws Committee

The committee will be bringing a proposal to redefine "unanimous consent" for use in email and written exchanges respecting matters such as approval of minutes. In this proposal, a null response will be deemed to be acceptance after passage of a set number of days. We can expect that proposal in the upcoming month.

A review will be completed to redefine the calculation of delegate votes based on a different time period to allow new clubs to be included in the delegate voting and votes to be calculated based on

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existing clubs' recent as opposed to historical activities. The more we can engage new and currently active clubs in the electoral process, the more current we will become in our decisions.

Rules Committee

The Rules Committee report will be deferred until later in the meeting pending development of some further verbiage for the Height Card Challenge System draft rules, which are still in process.

Outstanding Business

Hobbes Pins

The Executive Director is working with the vice chairman to follow up with the manufacturer for delivery of the Hobbes pins.

Review of Calculation of Delegate Votes

Tabled pending development of Bylaws addendum.

Report on Archiving Documents Electronically

Tabled pending development of requirements.

Fee Structure Revision

Scott made a motion to return this item from the table. Mike seconded the motion. In favour: Glenn, Kris, Mike, Todd, Scott, Dale, Lisa, Brian by proxy. The motion was passed.

The Finance Committee has worked with the Executive Director and looked at several alternatives to re-evaluate the sanction fee for events held as the second day of a weekend's racing. The Committee was not able to reach unanimity with respect to any of the various proposals. If we look at the race entries for 2006, NAFA's revenue would be reduced by approximately \$26,000 if we reduced the sanction fee for the second day from \$20 to \$10, assuming all else remained equal.

The Board was in favor of a reduction in the second day's entry fee and the discussion revolved around what level of deduction should exist for the second day. The Board settled on the reduction of the sanctioning fee for second and subsequent consecutive events of a weekend be from \$20 to \$10 per team as the only measure substantial enough to address the problem in a meaningful way. This discount would only be available for electronically scored events. The event with the largest entry of the weekend will be charged at \$20 while the remainder will be charged at \$10. The effective date for this change will be March 1, 2007. Todd made a motion to pass the proposal

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outlined above. Glenn seconded the motion. In favour: Glenn, Kris, Mike, Todd, Scott, Dale, Lisa, Brian by proxy. The motion was passed.

The Treasurer noted his concern about the effect on revenues that a deduction of this magnitude would have on NAFA finances and the ability to fund programs like judge's training, marketing and the purchase of new EJS systems.

Delegate Survey for Pick-up Teams

Dale made a motion that, in lieu of a survey, rules be created for Pick-up teams and a trial period of one year be implemented effective June 1, 2007. Todd seconded the motion. In discussion, Kris noted that at the December meeting and on the website and in the minutes and agenda for this meeting, the Board had publicly committed to conduct a survey of the NAFA delegates on this issue and that the decision to conduct a survey had been met with positive response from people who want to be heard on the concept. Kris felt to abrogate that commitment and to set an effective date in the absence of a formally defined set of rules is totally inappropriate. Glenn noted that during the initial proposal of the pick-up team concept in the March 2005 meeting and in the more recent December 2006 meeting, the board decided in both cases that the user community should be surveyed before moving to rules. In further discussion, it was urged that there was enough time from the end of the survey period to still develop the rules before the trial period. The vote on eliminating the survey was called. In favour: Todd, Brian by proxy. Against: Glenn, Kris, Scott, Lisa, Mike, Dale. The motion failed.

Dale made a motion to send out the following text to active club owners and owners of active dogs to survey the NAFA community. It was noted that the inclusion of the dog owners was contrary to any delegate balloting or polling that had been done in the past. Scott seconded the motion:

The NAFA® Board of Directors is currently discussing the idea of allowing Pick-up teams to participate at NAFA® sanctioned tournaments. These Pick-up teams would be treated as "out of region" teams, regardless of the Region where they normally compete, and would not earn Regional points, establish best times for Regional or National Championships or complete NAFA® recognized record times.

Would you favor the NAFA® Board of Directors developing rules to permit Pick-up teams to compete at NAFA® sanctioned events.

In discussion, it was noted that the logistics of surveying all active dogs would be inordinately expensive and time consuming. Dale and Scott agreed to modify their motion to limit the survey to the 2007 delegates. For the motion: Todd, Brian by proxy, Mike, Dale, Lisa, Glenn, Scott, Kris. The wording of the survey was approved.

New Business

Change in 90 Day Rule to 87 Days

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Todd Morningstar has proposed that the 90 day rule be reduced to 87 days to facilitate the return to competition. With events typically held on weekends, an 87 day period will expire mid-week enabling the competitor to return to competition for a full weekend. Todd made a motion to accept the proposal. Lisa seconded the motion. For the motion: Todd, Brian by proxy, Dale, Lisa, Glenn, Scott. Against: Kris, Mike. The motion is to be effective on October 1, 2007. The new rule will appear as:

Section 7.5 – Changing Clubs

(a) If a dog has earned points with a NAFA® Club in a NAFA® sanctioned tournament, the dog may not be listed on a timesheet for any other class other than the Veterans class with a different NAFA® Club for a period of 87 days. The 87 day wait period shall begin the day after the end date of the last day of a tournament in which the dog earned NAFA® points. The dog will be eligible to be listed on a timesheet with a different club in a class of competition that starts the day after the 87 day waiting period. A dog must be eligible to race at the beginning of a class of competition to be included on the time sheet. Any dog(s) listed in violation of this rule will cause the forfeiture of all NAFA® points earned during the tournament for all dogs on the timesheet. The team with the dog violating this rule will also forfeit any tournament placement.

(b) The 87 day rule stated in paragraph 7.5 (a) above does not apply to the Veterans class. A dog running in the Veterans class shall retain its existing club affiliation.

Cynosports 2007

Sam announced that NAFA Flyball will once again be returning to the Cynosports World Games and will be held Nov. 2 to Nov. 4 in Scottsdale, Arizona at the West World Equestrian Centre.

The board recessed at 6:45PM while the Rules Committee revised the Height Card Challenge Rules. The board resumed session at 8:35PM

Rules Committee continued

The Rules Committee presented a final draft of the Height Card Challenge rule, to update Corporate Policies and Procedures Chapter 7.1 Height Cards. This draft was built upon the original proposal submitted by the Executive Director at the December 8 meeting. Kris moved that we accept the rule proposal as presented. Scott seconded the motion. In discussion, Dale requested that the limit of challenges for Judges stated in the draft be raised to three from two. Kris and Scott agreed to the change to the motion. Rule 7.1 (b) was requested to be modified to remove “and are good for the life of the dog.” Kris and Scott agreed to the modification. There were no other changes to the draft. For the motion: Kris, Todd, Brian by Proxy, Dale, Lisa, Scott, Glenn. Against: Mike. The board thanked Ule James and Karen Oleson for their considerable help in developing the challenge rule.

The Challenge Rule will be put into effect shortly upon the completion and publication of the required forms. A target date of March 1, 2007 has been suggested.

Lisa requested that the meeting be adjourned. Todd seconded. There was unanimous consent.

Meeting adjourned at 9:07PM PST on January 13.

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Appendix A

CHAPTER 7 – STANDING RULES OF COMPETITION

Section 7.1 – Height Cards

(a) Height cards are optional. A dog's owner can apply to NAFA® for a height card application one (1) year after the dog has earned NAFA® points. Applications for height cards, at the cost of \$5.00 U.S. funds each, must be applied for through the NAFA® mailing address. Each application will be embossed with the corporate seal and numbered. Applications must be presented to the measuring recorder before the dog is measured and the Measuring Head Judge must be notified that the height is being recorded for a height card prior to measuring the dog. All dogs will need three (3) matching measurements from three (3) different approved NAFA® judges. At least one (1) of the three (3) judges must be a NAFA® designated Supervising Head Judge. Only one height card measurement may be attained per tournament. Apprentice and Provisional Judges shall not measure for Height Card Application Forms (C.10).

(b) Height cards issued by NAFA® will be wallet-sized, laminated cards. Handlers who forget their height cards at any given tournament may have their jump height contested. Completed height card forms are not accepted in lieu of a jump height card.

(c) Once a height card has been issued, additional cards for the same dog may not be applied for. Lost height cards can be replaced with an identical card for \$5.00 US Funds.

(d) A height card is not subject to challenge except as provided below:

- (i) A height card may be challenged once within a three (3) year period.
- (ii) An Approved or Supervising Judge may challenge a maximum of three (3) height cards per fiscal (racing) year. To bring a challenge, the Judge must witness the dog competing while officiating.
- (iii) A Club Owner may challenge a maximum of two (2) height cards per fiscal year. A Club Owner may only bring a challenge against dogs that the Club Owner witnessed competing at a NAFA sanctioned tournament at which the Club Owner's club was also competing.
- (iv) A Judge or Club Owner who wishes to bring a height card challenge must complete form C20 and submit it to the Executive Director no more than fourteen (14) days after the last day of the event at which he or she witnessed the dog competing. If the form is mailed, it must be postmarked or email dated within the fourteen-day period. A Club Owner challenge must also be accompanied by a \$100USD fee.
- (vi) If upon receipt of the C20 form and the fee (if required) the Executive Director finds that the challenge does not meet submission requirements or that there is currently

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a challenge in process, the challenger will be notified and the challenge fee (if any) will be returned.

(e) The Challenge Review Process

- (i) If the challenge meets the submission conditions, the Executive Director shall, within 10 calendar days, notify the dog's owner by postal mail that the dog's height card has been challenged.
- (ii) The dog's owner has ninety (90) days, from the postmark date of the notification letter to provide a video to the Executive Director showing the dog being measured by a NAFA approved Head Judge during a sanctioned tournament. The dog is not required to participate in the tournament where it is measured. The owner may provide multiple videos.
- (iii) Video Requirements:
 - a. The video must be recorded after notification of the challenge by the Executive Director.
 - b. The video shall have audio. The audio shall, at minimum, contain the measuring judge voicing:
 - a. The measuring judge's name
 - b. Date of the measure
 - c. Location of the measure
 - d. Height measured to the nearest 1/16"
 - c. The video will provide an unobstructed view portraying that the stand is in compliance with the Rules of Racing, Chapter 4 Measuring.
 - d. Failure to provide a video within the allotted time will result in height card revocation.
 - e. The following video formats are acceptable; VHS, DVD, electronic file in .avi or .mpg format, or other pre-approved format.
- (iv) Upon receipt of the video, the Executive Director shall distribute it to a Review Committee. The committee shall review the video within ten (10) days of receipt of the video.
- (v) Review Committee;
 - a. A Review committee of 3 will be formed for each height card challenge.
 - b. Members of the committee shall be impartial and shall have no conflict of interest with either the challenger or dog owner (e.g. shall not have family or club ties with either the challenger or dog owner).
 - c. Members of the committee shall be selected as follows:
 - 1. The Executive Director shall appoint an Approved Judge.
 - 2. The Board of Director's Judge's Committee shall appoint an Approved Judge.
 - 3. The two appointed members shall appoint a third Approved Judge and notify the Executive Director and Judge's Committee of their choice.

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d. The committee will work within executive session. Notes will not be published.

e. The committee shall review the video and make one of three findings. They will report their findings to both the Executive Director and the Judges' Committee:

1. The video is unacceptable for the purpose intended and what its deficiencies are, or
2. The video is acceptable and is consistent with the issued height card and recommends that the height card be upheld, or
3. The video is acceptable and is not consistent with the issued height card and recommends that the height card be revoked, or

A video that is visually unclear, audio is vague, camera positioned poorly, etc., or the measure does not comply with the Rules of Racing are some of the reasons a video may be deemed unacceptable by the committee.

(vi) The Executive Director shall implement the recommendations of the Review committee within 10 calendar days of the receipt of the committee's assessment by:

- a. Notifying the dog owner that the first video was unacceptable with an explanation of its deficiencies and an acceptable video is required within 90 days. If an acceptable video has not been submitted within the extended 90 day period, the height card will be revoked.
- b. Notifying the dog owner and challenger in writing that the height card has been upheld or revoked.

(f) Height Card Revocation: NAFA® will publish all revoked height cards. No other penalties shall be pursued other than revocation of the height card when a challenge is made to a height card.