

FINAL

Virginia Horse Industry Board Meeting
December 11, 2014
Holiday Inn Monticello, Charlottesville

I. WELCOME/CALL TO ORDER/INTRODUCTIONS.

The Virginia Horse Industry Board meeting was called to order at 10:11 a.m. on Thursday, December 11, 2014, at the Holiday Inn Monticello in Charlottesville by Chairman Harold McKenzie.

PRESENT

Harold McKenzie, Chairman

Beryl Herzog, Vice-Chairman

Celeste Crisman

Brian Felts

Eleanor Jones

David Lamb

David Lands

Nancy Paschall

Glenn Ritchey

Debbie Easter, *designated proxy for the Virginia Thoroughbred Association*

Oliver Brown, *designated proxy for the Virginia Horse Shows Association*

GUESTS/STAFF

Bridgett McIntosh, Adult Equine Extension Specialist, Virginia Tech, Middleburg
Agricultural Research and Extension{MARE} Center

Melissa Ball, Commodity Boards Coordinator, Virginia Department of Agriculture
& Consumer Services

Andrea Heid, Program Manager, Virginia Department of Agriculture
& Consumer Services

Chairman McKenzie welcomed Brian Felts, Oliver Brown, Bridgett McIntosh, and Melissa Ball to the meeting. Each provided a few brief comments on their backgrounds.

II. APPROVE MINUTES OF LAST MEETING. The minutes of the previous meeting {September 18, 2014} were approved without change.

III. FINANCIAL UPDATE. Ms. Heid referred to the financial statement as of October 2014 for both Horse Board funds.

For the Virginia Horse Industry Board Promotion and Development Fund (Coggins Test Fund): with a starting cash balance in June of 2014 of \$331,797.51, revenues to date of \$19,816 and expenses of \$6,101.09, the cash balance in this fund as of October is **\$345,512.42**. Estimated outstanding current expenses total \$31,463.

For the Equine Feed Checkoff Fund: the starting cash balance (June 2014) is \$153,087.80; revenue to date equals \$50; and expenses to date{all grants} total \$58,472; leaving a cash balance of **\$94,665.80** as of October 2014.

Outstanding current grant balances{carryover grants as well as grants approved in April and subsequent emergency grants approved by the Grants Subcommittee} total **\$106,699**.

Ms. Heid also referred to the chart reflecting all the amounts of funding requested by the 12 associations and groups who are applying for 2015 "Virginia Bred" Program funds. The total amount requested by these groups is \$51,150.

IV. OLD BUSINESS.

2015 Virginia Horse Festival. Celeste Crisman provided an update on the event, scheduled for March 27--29, 2015, at Meadow Event Park in Doswell. Ms. Crisman commented that the Virginia Horse Council will also hold its annual meeting at the event. The 4-H Program, "Equi-Smartz," will take place at the event, attracting some 300 youths and their parents. Various activities and events are being planned over the 3 days.

Website Update. Nancy Paschall reported on the status of the new VHIB website between August 1 through December 4. Ms. Paschall cited statistics prepared by the new webmaster for the site. These included: More than 78.4% of website visitors were new; there were 994 unique visitors. Each visitor is viewing multiple pages per session. There were 2,616 page views, indicating a steady flow of traffic on the site.

Update on Racing Issues. Debbie Easter reported on the status of discussions concerning racing in Virginia and commented that a new group has been formed. This group is called the Virginia Equine Alliance and represents the Virginia Thoroughbred Association, the Virginia Horsemen's Benevolent and Protective Association, the Virginia Harness Horse Association, and the Virginia Gold Cup. Ms. Easter is the current president of the group, which is planning several flat meets at steeplechase courses around Virginia for 2015. Ms. Easter stated that a meeting of the Virginia Racing Commission is being held tomorrow and a main topic of discussion will be whether Colonial Downs retains its online wagering license, which currently brings in \$2-\$5 million per year for them from 4 different account wagering companies.

Ms. Easter also commented that legislation has been drafted that would direct the monies from the online wagering to the new alliance. This group would work to ensure that some of the funds would be restored to the Virginia Horse Industry Board, the Virginia Horse Center, etc.

Discussion of Proposed Economic Impact Study. Chairman McKenzie reported that efforts are on-going to move the Memorandum of Understanding{MOU} with the University of Virginia Weldon Cooper Center for Public Service forward regarding the proposed

equine survey. As previously agreed, a sampling of Coggins Tests from the various laboratories around the state would be the basis for developing lists to conduct the survey.

Ms. Heid commented that Betty Lowther, the Director of Procurement at VDACS, has been reviewing the agreement and several comments/concerns have already been forwarded to UVA. Ms. Heid cited several areas that are still of major concern in the proposed agreement. These include:

--Intellectual Property ownership. UVA is claiming the study would primarily be owned by them. Mrs. Lowther has now asked the Attorney General's Office to offer comments on this issue as well as publication rights and several other issues being proposed by UVA.

--A Facilities and Administrative Charge of 8%: this is being added by UVA on top of the original estimate for the cost of the survey. Ms. Heid commented that VDACS does not pay overhead charges{and the VHIB does not agree to that either as stated in their grant guidelines}.

--Other issues include: payments to students if the agreement is terminated and ownership of equipment used in the survey.

--Ms. Heid also commented that it was very clearly stated in the agreement by UVA that this was to be an equine population survey based on localities with no economic impact data. Board members were very unhappy with this and members commented that they believed that clarification had been made previously with UVA that this was an important element of the survey.

In the agreement, Jim Ellis of UVA is estimating the current cost of the survey at \$126,459. There would be some 4,175 Coggins Test forms sampled, and 7,000 owner addresses gathered for a follow-up mail survey. The estimated timeframe is 12 months.

A lengthy discussion among members ensued about the importance of having economic impact data to reflect the importance of the industry to the state. It was cited that Jim Ellis had previously said it would cost half a million dollars to produce the same type of report and data that had been included in the 2006 Equine Survey conducted by the Virginia Agricultural Statistics Service. Conducting alternating surveys every 1-2 years on the economic impact and the numbers of horses was discussed. Putting the survey out to bid was also discussed.

Chairman McKenzie said he will talk with Jim Ellis about "marrying" elements of the 2011 study{done by UVA's Weldon Cooper Center} with the new survey. If this cannot be done, and if other issues noted above cannot be mutually agreed upon, the issue will be brought back to the full Board to discuss what the next effort might be in order that the survey and some economic impact data might be combined and accomplished.

V.NEW BUSINESS.

Approval of the Horse Board's Annual Report. Ms. Heid presented the Board with the Annual Report for fiscal year 2013-2014. Board members approved the annual report which will be posted on the website shortly.

Actions by the Grants Subcommittee. Ms. Heid reported on recent activities of the Grants Subcommittee which included:

1—Southwest VA Ag Expo: This was the first such ag expo in Lebanon, VA, and took place in early October. Primarily an effort of Heritage TV, a locally owned & operated TV station that serves over 150,000 viewers in southwest VA, the Expo involved 13 counties. Different exhibitors, demonstrations{hay baling, canning, etc.}, and a regional farmers market were featured. The VHIB

provided a grant of \$500 for which the Board received recognition in the opening & closing credits of the coverage of the Expo, as well as 3 weeks of network billboard advertising on Heritage TV and 4 of their affiliated cable TV networks.

2—VA FFA Foundation: The group missed the March deadline this year and therefore submitted an emergency grant request to send 3 of their groups to key national & regional events. These were:
a-\$1k for the Lord Botetourt Horse Evaluation Team to participate in the National Horse Evaluation Career Development Event in Louisville, KY.
b-\$800 for the Gloucester Horse Evaluation Team to participate in the Eastern Regional Contest in Springfield, MA.
c-\$800 for the Buffalo Gap Hippology Team to participate in the National Contest at the AQHA Congress in Columbus, OH.

The Subcommittee agreed to fund these requests for a total of \$2,600.

3—VA Horse Festival: As has been discussed in previous Board meetings, Meadow Event Park{MEP} is putting together an inaugural “VA Horse Festival,” March 27-29, 2015, at their facility. A variety of equine events and activities, as well as 4-H events, dog agility demonstrations, a Parade of Breeds, seminars, and a trade show are being planned. MEP submitted a request to the VHIB Grants Subcommittee asking that the VHIB consider being a major sponsor of the event for \$5k. As such, the Board will receive title sponsorship of the VHIB Arena in the Farm Bureau Center, daily announcements, inclusion in social media posts, recognition in the show program and other marketing materials, and a double booth space in a prime exhibit area, among other amenities. The Subcommittee felt it was important to have a major presence at this event and approved the \$5k sponsorship as requested.

News from the Middleburg Agricultural Research and Extension{MARE} Center. Bridgett McIntosh, the new Extension Equine Specialist at Virginia Tech’s MARE Center in Middleburg, reported on current projects:

--Interviews for Celeste Crisman’s replacement are being scheduled at the MARE Center and that position may then be based at the Center. Interviews are also being held for an Extension Coordinator.

--June 19-20: The first Pasture Management and Nutrition Grazing School will be held at the Center.

--The National Sporting Library is reaching out to work with students at the Center.

--A New Horse Owners Certification Course is being planned for the “Virginia Horse Festival.” Ms. McIntosh is coordinating this effort. The course will be free and cover 5 different topics. Participants must complete 3 of the 5 courses and then take a quiz. Those who pass will receive certificates from the Virginia Horse Industry Board and Virginia Tech who are co-sponsoring the event. {The Horse Board has committed to a grant of \$2,500 for the project.}

REVIEW OF 2015 “VIRGINIA BRED” APPLICATIONS AND 2014 REPORTS

Discussion was held first about funding the program at a decreased level as no funds would be received from the racetrack. Glenn Ritchey made a motion that a tentative funding level of \$40,000 be set before the review began. This was approved.

Lengthy discussions were held by the members on each application and report. Examined were the impact of each program, the number of participants, the number of horses, the conducting of the program and promotion of the Virginia Horse Industry Board as the main supporter of the individual programs. The following equine groups and amounts were approved:

“VIRGINIA BRED” FUNDS AND GROUPS APPROVED BY THE VIRGINIA HORSE INDUSTRY

BOARD FOR 2015

<i>Association</i>	<i>Amount Approved(\$)</i>
AMERICAN SADDLEBRED HORSE ASSN., VA	500
OLD DOMINION MINIATURE HORSE CLUB	1k
OLD DOMINION MORGAN HORSE ASSN.	2k
VA APPALOOSA HORSE CLUB	750
VA HORSE SHOWS ASSN.	4k
VA PAINT HORSE CLUB	5k
VA PONY BREEDERS ASSN.	4,750
VA PRESIDENTIAL PASO FINO HORSE ASSN.	1k
VA QUARTER HORSE ASSN.	5,500
INTERNATIONAL HUNTER FUTURITY	4,500
COMMONWEALTH DRESSAGE & COMBINED TRAINING ASSN.	2,500
TOTAL FUNDS AWARDED FOR 2015	= \$31,500
{11 groups}	

Discussion of Statewide Indirect Cost Allocations. David Lands commented that a letter had been prepared regarding the issue and submitted to the Virginia Agribusiness Council who then forwarded it to VDACS Commissioner Sandy Adams. Mr. Lands said he felt a good case was made to “restore” the funds to the Horse Board, but that apparently no decision would be made until the Governor delivered his proposed budget to the General Assembly on the 17th of the month.

Future National Events. David Lands reported that he was successful in securing the annual meeting of the American Paint Horse Association to take place in Virginia in 2016. Mr. Lands said the event will be held either in Richmond or Williamsburg; 400 to 500 people are anticipated.

Nancy Paschall reported that the PATH International Conference for 2016 will be held in Williamsburg and that 800 people are expected to attend. Ms. Paschall is putting a host Committee together for the event.

Brian Felts added that he is working with the Virginia Horse Center to have the American Quarter Horse Association Novice World Championships held in Lexington in 2015. This is a major event with 1,000 horses expected to participate.

VI. PUBLIC COMMENT.

There was no public comment.

VII. SET NEXT MEETING DATE/SITE.

It was recommended that the next meetings of the Virginia Horse Industry Board tentatively be held in February{the 3rd or the 5th} and in April{the 7th or the 9th}. The February meeting will be dependent on the status of the MOU agreement with UVA and Chairman McKenzie's discussion with Jim Ellis. The April meeting will be the Annual Grants Review meeting. Ms. Heid will proceed with making the reservation for a meeting room in Charlottesville once a decision is made about the need for a February meeting; she will also reserve a meeting room for April and then notify the Horse Board members of the dates and locations.

VIII. ADJOURNMENT.

There being no further business, Chairman McKenzie adjourned the meeting at 2:23 p.m.

###