

FINAL

Virginia Horse Industry Board Meeting

September 18, 2014

Virginia Department of Forestry, Charlottesville

I. WELCOME/CALL TO ORDER/INTRODUCTIONS.

The Virginia Horse Industry Board meeting was called to order at 10:03 a.m. on Thursday, September 18, 2014, at the Virginia Department of Forestry in Charlottesville by Chairman Harold McKenzie.

PRESENT

Harold McKenzie, Chairman

Beryl Herzog, Vice-Chairman

Celeste Crisman

David Lamb

Nancy Paschall

Glenn Ritchey

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

Sue Mullins, *designated proxy for the Virginia Horse Shows Association*

ABSENT

Brian Felts

Eleanor Jones

David Lands

GUESTS/STAFF

Jim Ellis, Director of Research, Center for Survey Research, University of Virginia
Weldon Cooper Center for Public Service

Terance Rephann, Regional Economist, University of Virginia Weldon Cooper
Center for Public Service

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

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

Chairman McKenzie welcomed Bridgett McIntosh to the meeting. Ms. McIntosh is the new Adult Equine Extension Specialist at the MARE Center. She briefly described her background and experience including that she is a graduate of Hollins University and had previously done graduate work at the MARE Center under Dr. David Kronfeld.

II. APPROVE MINUTES OF LAST MEETING. The minutes of the previous meeting {June 19, 2014} were approved without change.

III. FINANCIAL UPDATE. Ms. Heid referred to the financial statement showing the end of year {2013-2014} balances for both Horse Board funds.

In the Virginia Horse Industry Board Promotion and Development Fund (Coggins Test fees):

A. – COGGINS TEST FUND –End of Year

Starting Cash Balance (June 2013)	=	314,691.38
Revenue	=	99,617.75*
Expenses	=	82,511.62
End Cash Balance (June 2014)	=	331,797.51

**Includes 1 payment from Virginia Racing Commission = \$24,769.74*

Ms. Heid cited the major expenses in the fund for the year as:

Virginia Bred Program Grants	\$44,550
Media Services{Advertising}	\$15,726
Trade Shows	\$8,220
Website Maintenance	\$4,413.97
Public Information/Public Relations	\$4,104.20
Annual Service Charge from the Virginia Department of Agriculture & Consumer Services	\$583.56.

For the Equine Feed Checkoff Fund:

B. EQUINE FEED CHECKOFF –End of Year

Starting Cash Balance (June 2013)	=	149,813.05
Revenue	=	142,658.28^
Expenses {grants only}	=	139,383.53
End Cash Balance (June 2014)	=	153,087.80

^This is down \$12k from previous year's income.

Outstanding current grant balances{carryover grants as well as grants approved in April and subsequent grants approved by the Grants Subcommittee} total \$134,283.91.

IV. OLD BUSINESS.

2015 Virginia Horse Festival. Celeste Crisman provided an update on this new event, scheduled for March 27--29, 2015, at Meadow Event Park in Doswell. Ms. Crisman stated that the Virginia Farm Bureau is in the process of lining up clinicians for the event and has also started promoting the event. The parade of breeds is scheduled for Friday evening and the Virginia Horse Council will most probably be the main sponsor of this event. 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.

State Fair of Virginia Breed Promotion. Beryl Herzog reported on the various breeds of horses to be on exhibit in the Secretariat paddock area at Meadow Event Park during the State Fair of Virginia{SFVA}. The Virginia Horse Industry Board has coordinated with the associations and has forwarded the information to the SFVA staff person.

The schedule is: September 26—Virginia Paint Horse Club; September 29—the Old Dominion Morgan Horse Association; October 1—the Virginia Quarter Horse Association; October 2-Dreamcatchers Therapeutic Riding Program{Walking Horse or Draft Horse}; and October 3—the Old Dominion Rocky Mountain Horse Association. The SFVA plans to have Secretariat-descended horses in the paddock on the weekends.

Mrs. Herzog also reported that the VHIB "Virginia Bred" Committee reviewed the Letters of Intent submitted by the various associations during the summer and the Committee agreed that 13 associations are approved to submit their full applications for their 2015 programs in November.

The approved groups are: **American Saddlebred Horse Association of Virginia, Old Dominion Miniature Horse Club, Old Dominion Morgan Horse Association, Virginia Appaloosa Horse Club, Virginia Horse Shows Association, Virginia Paint Horse Club, Virginia Pony Breeders Association, Virginia Presidential Paso Fino Horse Association, Virginia Quarter Horse Association, Virginia Thoroughbred Association, International Hunter Futurity, Commonwealth Dressage and Combined Training Association, and the Carolina Walkers.**

State 4-H Horse Show and State Fair. Celeste Crisman reported that 425 youths participated in the recent State 4-H Horse Show at the Virginia Horse Center in Lexington. She mentioned that the Virginia Horse Industry Board was recognized on the back numbers worn by the youths and that the VHIB back numbers will also be used at the State

Fair. She said the biggest issue she faced this year was for hotel rooms—which Virginia Military Institute and Washington and Lee are also competing for. She also commented that the Virginia Horse Center is losing horse shows because of the lack of available hotel rooms.

Ms. Crisman added that 125 youths are expected for the Fun Show at the State Fair and that there is growing interest in the Ranch classes; she anticipates over 70 youths will compete in those classes. The 4-H Drill Team Competition will also be taking place at the State Fair. These events will all take place October 4th and 5th.

Website Update. Nancy Paschall reported on the status of the new VHIB website which has been up a little over 30 days {August 1 through September 14}. Ms. Paschall cited statistics prepared by the new webmaster for the site. These included:

- More than 79% of website visitors were new and there were 1,090 page views.
- The majority of visitors were from New York City, followed by Fredericksburg, Richmond, Washington, DC, and other cities around Virginia.
- The Home page was visited most frequently. Other pages visited frequently included Therapeutic Riding Programs, Grants, About the Board, and the Virginia Bred Program. Other Board members commented favorably on the new site as well.

Status of Racetrack Discussions. Debbie Easter reported on the status of discussions between Colonial Downs Racetrack and Virginia horsemen. Ms. Easter stated that a recent meeting of the Virginia Racing Commission had just been held and that Colonial Downs just submitted a new 10-year contract to the Virginia horsemen. Colonial Downs has apparently commented that, if the dates they are proposing are not accepted by Virginia horsemen, they will look for another group of horsemen to negotiate with. Ms. Easter added that the off-track betting parlors will most likely not be opening soon.

At this time, Ms. Easter said Colonial Downs is proposing random racing days from April through October and at a few hunt meets with the idea of “ship ins” only; i.e., the backside of the track would not be opened. Legislative changes concerning the situation may be proposed in January according to Ms. Easter.

Discussion of Proposed Economic Impact Study. Jim Ellis, Director of Research at the Center for Survey Research at the University of Virginia Weldon Cooper Center for Public Service, and Terance Rephann, Regional Economist, also with the Weldon Cooper Center at the University of Virginia, discussed considerations in moving forward with an 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.

Mr. Ellis added that he has communicated with Dr. Joseph Garvin of VDACS Lab Services. He cited that Dr. Garvin said there are some 60,000 paper forms {from tests over the past year} in the 5 state labs and in the Richmond office. Mr. Ellis said that, for the survey, people would physically go to the 6 locations to pull a sampling of the paper forms. These would then be merged with the electronic forms. Mr. Ellis is concerned about making the pulling of the paper forms as least disruptive as possible as taking the forms “off site” would be problematic.

He further cited that the “hidden problem” would be capturing those horses that are never tested; he is concerned about how many of those there actually are. He did say that Dr. Garvin feels the number of Coggins Tests is declining each year.

Mr. Ellis commented that he hoped to get back to the Board with a proposal/agreement by the first week of October. Chairman McKenzie said that the Grants Subcommittee, previously charged with moving the study forward, would then review the agreement. Ms. Heid commented that the agreement would be made with VDACS, acting on behalf of the Virginia Horse Industry Board.

{At the previous meeting, \$130,000 was approved for the survey and the VHIB Grants Subcommittee was tasked with moving the survey forward.}

V. NEW BUSINESS.

Annual Report from Virginia Horse Center/Approval of Grant Payment.

Board members reviewed the annual grant report from the Virginia Horse Center Foundation in Lexington for the 2013-2014 fiscal year. Due to management changes at the Center, the report had not been received before the close of that fiscal year and therefore the annual grant payment from the VHIB has not yet been made.

Board members discussed the report received last month and approved the payment of \$15,000 to the Horse Center for that fiscal year and directed that the payment should be processed. It was also recommended that a letter be written requesting that various promotional avenues for the VHIB at the Center continue to be maintained in accordance with the grant.

Actions by the Grants Subcommittee. Chairman McKenzie reported on recent activities of the Grants Subcommittee:

1-Advertising Commitments. The Grants Subcommittee has committed to advertising in the 2015 edition of the *Virginia Travel Guide* for a 1/3 page ad and a hot link on the website at a cost of \$8,845. The Subcommittee also committed to advertising in the 2015 edition of *Virginia Agriculture Magazine* for a full page ad on the inside back cover and a leaderboard ad on the website at a cost of \$6,785.

2-Support of "5K Stampede." The Grants Subcommittee approved and agreed on a \$5,000 emergency grant to the Virginia Agriculture in the Classroom Foundation's event, the "5K Stampede," to be held on September 20 in Richmond. The original commitment was also to include having a horse and rider at the event; however, due to liability insurance issues and the new location of the venue, this would not be possible.

Update on Grant Report. Ms. Heid reported at the previous meeting that Sherry Hilton, who had received a grant for her project "Ride the Rail or Ride the Trail" in 2013-2014, had not yet furnished her grant report. Since the last meeting, a letter prepared under Chairman McKenzie's signature was forwarded to Ms. Hilton. Ms. Hilton responded and said she had changed her e-mail address over the past year and the address the reports had been mailed to was incorrect. A final grant report was then supplied by the chairperson of Scott County Horse Park. However, budget information was lacking, it was not signed or dated, and the official VHIB grant form had not been used. An e-mail was sent by Ms. Heid to the individual in July requesting specific budgetary information on the grant and she also requested that it be returned on the correct signed and dated VHIB grant reporting form. No response has been received to date. The Board therefore moved and passed that no grant monies be awarded to the 2014-2015 similarly titled project in conjunction with grant rules that state that no monies will

be awarded for a project if the grant report for the previous year has not been completed, submitted, and accepted by the Board.

Update on End of Year Virginia Horse Industry Board Accomplishments. Ms. Heid briefly mentioned a few of the “Major Accomplishments of the Virginia Horse Industry Board for 2013-2014” from that report.

The items cited included having a presence for the Horse Board at the State Fair of Virginia. This encompassed having two exhibits which included representatives and horses from 7 breed groups and 53 volunteers at a cost of nearly \$7,000. Additionally, the securing of the “Virginia Is For Horse Lovers” logo and tagline from the Virginia Tourism Corporation for 2 years and completing the process of finding a new consultant to oversee the development of an entirely new website for the Horse Board were also major achievements.

Future Plans for 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 efforts she plans to focus on in her new position which include pasture nutrition, pasture conservation, and land stewardship for horse farms, as well as horse health and nutrition.

She welcomes input from the Virginia Horse Industry Board, the Virginia Horse Council, and all of the industry, and Ms. McIntosh cited that the biggest challenge facing the MARE Center currently is funding.

2014 Virginia Agricultural Facts and Figures Brochure. Ms. Heid referred to the 2014 Ag Facts brochure prepared by the Virginia Department of Agriculture and Consumer Services{VDACS}. Board members discussed that horses were no longer in the top 20 agricultural commodities list but did appreciate that a paragraph was included in the brochure highlighting key statistics about the industry from the 2011 economic impact study.

WVPT Reports. Ms. Heid referred to the affidavit reports provided by WVPT for January-March 2014; the Virginia Horse Industry Board received recognition on the public television station as a sponsor of the weekly “Virginia Farming” show 46 times in that time period. Between April and June, the Board received recognition 34 times.

Discussion of Statewide Indirect Cost Allocations. Ms. Heid briefly detailed that she had learned in August, when she received the end of the fiscal year financial statement, that \$1,202.84 had been taken out of the Horse Board’s Coggins Test Fund. She and other board program managers who also found out about monies being taken out of their respective funds raised some questions at VDACS about the line item. Subsequently, a memo was sent out to the VDACS Board of Agriculture explaining that this assessment was called the “Statewide Indirect Cost Allocation” as mandated in the Appropriation Act of 2013 and calculated by the Virginia Department of Accounts. A chart listing the charges assessed to each commodity board was provided as well. The Wine Board was excluded from the assessment.

Ms. Heid noted that in early September the Virginia Agribusiness Council and the Virginia Farm Bureau sent an e-mail to the various commodity groups informing them they were organizing a meeting on the subject for September 23rd at the Farm Bureau with VDACS Commissioner Sandy Adams. Nancy Paschall commented that she and David Lands would be willing to attend

that meeting on behalf of the Virginia Horse Industry Board and the Virginia Horse Council. Board members supported their attending the meeting.

Promotional Items. Board members discussed re-printing the “Virginia Is For Horse Lovers” stickers and agreed to re-print 2,500 at an estimated cost of \$0.31 each. It was also agreed that 3,000 window clings be printed in 4” x 6” ovals, in the static cling style, at an estimated cost of \$0.43 apiece. Ms. Crisman pointed out that \$5,000 had been approved at a previous meeting for promotional items {refer to the October 24, 2013, Horse Board minutes}.

Glenn Ritchey commented that the Virginia Horse Council is going to undertake a study of the sales and use tax laws in Virginia and inquired about the possibility of a grant from the Horse Board to help with the costs of conducting the study. Chairman McKenzie advised that he should come back to the Board with a proposal following approval from the Council to do so.

VI. PUBLIC COMMENT.

There was no public comment.

VII. SET NEXT MEETING DATE/SITE.

It was discussed and recommended that the next meeting of the Virginia Horse Industry Board be held

December 11 or December 10 at the same location. Ms. Heid will check on the availability of the meeting room and then notify the Horse Board members of the date.

VIII. ADJOURNMENT.

There being no further business, Chairman McKenzie adjourned the meeting at 1:17 p.m.

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