

LONGVIEW RODEO, INC.
Minutes of Meeting of Directors and
Shareholders – June 24, 2008

The Officers and Directors of Longview Rodeo, Inc. met at 421 N. Center St., Longview, Texas on Tuesday, June 24, 2008 at Noon pursuant to notice given by the Secretary on June 18, 2008.

The following Officers and Directors were present: Mark Dulweber, Shirley Hook, Joel Smith, Bob Metzler, Mary Ramos, Scott Hummel, Russ Brown, and Chapin Miller. Visitors present were Kent Bryson, Bill Russell, and David Wright. All of the six directors were present, constituting a quorum.

President Mark Dulweber presided at the meeting to handle the official agenda attached to the Notice of Meeting. The minutes below follow the number in the official agenda.

- A. The prior year minutes and actions (since May 22, 2007 – Agenda items A-1 through A-7) were ratified individually and unanimously. In Item A-3, the date August 2008 was amended to read August 2007.
- B. The report on compliance matters (Items B-1 through B-3) was read without needing ratification.
- C. Mark Dulweber, President and Chair of the specially formed Arena Improvements Committee provided an interim verbal report on discussions with Gregg County, the City of Longview, various suppliers (including Priefort and W-W), Julio Arriola on the status of the County Coliseum project and possible solutions to the repair issues at the existing arena. The timing of the County Coliseum project appears to have been pushed out for at least two more years. The group discussed various options of repairing all or a portion of chute and gate areas, removing portions of the chute and gate area, renting replacement chutes and/or gates, or purchasing replacement chutes/and or gates. The committee does not yet have a range of costs related to the options or to what extent the County and/or City might share in the cost of the various options. However, it appears that LRI will incur some repair and/or replacement costs in staging the 2009 and 2010 rodeos and accordingly will have to continue to designate some proceeds from the 2008 and future rodeos for such costs. The committee will continue to research options and the respective costs and plan on meeting at a called meeting of the LRI Board on Wednesday, July 16 at 4pm at 421 N. Center St., Longview Texas (see Item M).

D. Review of Financial Information from the 2008 Rodeo:

1. Treasurer Chapin Miller and Secretary Russ Brown presented the 2008 rodeo interim results (balance sheet and P&L) through June 20, 2008 with comparative information from the 2007 rodeo, showing net proceeds to date from the 2008 rodeo of \$60,525. It is believed that all sponsor receivables are collectable but not all proceeds from program ads, business packages, and advanced ticket sales have been collected (and are not in receivables) and some payables for event costs have not been received for payment. Taking all those factors into consideration, the projected final net income will approximate \$62,000.
2. The entire group also discussed the need for and the amount of the contingency fund that currently exists and whether the contingency fund should be increased. Prior Boards had concluded it was desirable to have an amount in contingency that would equal either one-year's worth of charitable contributions or the raw costs of the rodeo in case of a catastrophic event in which no net proceeds were provided from a rodeo. At 12-31-07, the corporation had \$36,017 in contingency funds and the LGRC Board reported it currently has about \$7,900 designated for such an emergency. (This amount does not include the \$15,000 set aside from the 2006 and 2007 rodeos specifically for arena maintenance and improvements, the \$5,000 set aside from the 2007 rodeo for enhancing contestant prize money, and the \$15,000 set aside from the 2007 rodeo for costs associated with holding events at the new County Coliseum when available). The combined contingency amounts (LRI and LGRC) are about \$44,000, a significant amount compared to the \$50,000 of community support given in 2007 (and proposed for 2008). The LRI Board suggested to the incoming LGRC Board that it might consider forming a committee in 2008-2009 to research a "fall-back" fund raiser should the County Coliseum construction dictate an early demolition of the existing arena.
3. The entire group discussed the level of funding from the 2008 Rodeo to be made available to other 501 (c)(3) charities and charitable projects, specifically whether the funding level should remain at \$50,000 or be increased because of the availability of the \$60,000 from the 2008 rodeo. Based on the discussions above related to the arena, it was concluded that \$50,000 be made available for distribution to other charities and charitable projects. It was noted that the Longview Greggton Rotary Club Board on June 20, 2008 provided its recommended allocation of \$50,000 of funds from the 2008 rodeo.

4. After the discussion, which included questions about the process that LGRC and its appointed Grants committee used to choose the charitable organizations and projects, the Board unanimously approved that (1) \$50,000 be allocated for charities and charitable projects, (2) \$10,000 be set aside for possible arena improvements (adding to the \$15,000 set aside from the 2006 and 2007 rodeos), and (3) any remaining amount be added to the general contingency fund (undesignated retained earnings).
- E. The resolution as proposed (Item E (1) through E (2)) was unanimously adopted by the Board, including designating Longview Greggton Rotary Club as the disbursing agent for Longview Rodeo, Inc.
 - F. The Board of Directors considered nominations for new Directors. The Board acknowledged the service of Mark Dulweber and Shirley Hook whose terms as Directors end June 30, 2008. The Board unanimously elected Kent Bryson and Bill Russell as new Directors whose terms run from July 1, 2008 through June 30, 2011, in accordance with the by-laws for staggered three-year terms for Directors. The Board accepted the resignation of Scott Hummel as Director effective June 30, 2007 as Scott is moving from the community, acknowledged his service, and unanimously elected Mark Little to serve the remaining two years of his term, effective July 1, 2008. Mark Dulweber continues in service to the Board as Secretary and Shirley Hook continues in service on the Long Range Planning Committee.
 - G. The Board unanimously elected Officers for the term from July 1, 2008 through June 30, 2009 as follows: Joel Smith, President; Bob Metzler, Vice-President; Mark Dulweber, Secretary; and Kent Bryson, Treasurer. (Joel Smith, Bob Metzler, and Kent Bryson are also Directors; Mark Dulweber, as Secretary, is a non-voting member of the Board). The Board acknowledged Chapin Miller's service as Treasurer and getting database information into QuickBooks and Russ Brown's service as Secretary since inception of the Corporation.
 - H. The Board unanimously adopted the attached resolution for signature authority on the bank account at Spring Hill State Bank effective July 1, 2008 (Smith, Metzler, and Bryson.)
 - I. The following individuals are authorized by this Board to execute contracts related to the 2008 PRCA Rodeo:

Andrews Rodeo Company (for 2009) – Mary Ramos, Joel Smith, Mark Dulweber, Kent Bryson, or David Wright

PRCA Fee Contract – Mary Ramos, David Wright, Joel Smith, Bob Metzler, Mark Dulweber, or Kent Bryson

Maude Cobb Activity Center – David Wright, Mary Ramos, Joel Smith, Bob Metzler, Mark Dulweber, or Kent Bryson

Memorandum of Understanding with Longview Greggton Rotary Club (Insurance) – Joel Smith, Mark Dulweber

Others not yet known – Joel Smith, Bob Metzler, Mark Dulweber, or Kent Bryson

- J. Joel Smith presented a written report from the Long Range Planning Committee. The group discussed various points, including how to increase attendance from the Hispanic population and how to increase participation from the Longview Greggton Rotary Club throughout the rodeo planning process. The Board unanimously voted to continue the Long Range Planning Committee, appointed Joel Smith as Chair of the committee with the authority to add members to the committee from both the Officer-Director group of LRI and non-LRI members. The committee is presently comprised of Joel Smith, Mary Ramos, David Wright, Shirley Hook, and Richard Lazarus. The committee will provide the LRI Board a report after the 2008 PRCA Annual Convention.
- K. Mark Dulweber was appointed Chair of the Arena Improvements/Events Center committee and will add such other members as appropriate for dealing with the progress of the County Coliseum project and needed expenditures for arena maintenance in the interim. The committee will keep the LRI Board apprised of the progress on the Coliseum and may call for special meetings of the LRI Board to consider options for LRI's involvement in funding for the Coliseum project. The committee is presently comprised of Mark Dulweber, Kent Bryson, David Wright, Julio Arriola, John Green, and Mary Ramos.
- L. Mary Ramos brought additional business concerning the handling of the budgeting for the 2008 PRCA Annual Convention. The Board concluded that it was a PRCA Committee budget item that did not need specific Board action. Board action was necessary in 2007 because it was the first time that LRI agreed to fund a portion of the costs of the Annual PRCA Convention. The 2008 PRCA Committee chair was advised to consider the cost-benefit of identifying those who would be reimbursed for the trip based on current and past PRCA Committee leadership, potential leadership, and reward for extraordinary volunteer support of the rodeo, as well as the amount of net proceeds the Board wishes to make available to the charitable organizations and projects.
- M. The Board set a specially called meeting for Wednesday, July 16, 2008 at 4pm at 421 N. Center to receive an updated report and recommendations from the Arena Improvements/County Coliseum Committee. No other business came before the meeting and the meeting was adjourned at 2pm.

Russell E. Brown, Secretary of the Corporation June 24, 2008