

**LONGVIEW RODEO, INC.**  
**Minutes of Meeting of Directors and**  
**Shareholders – June 6, 2006**

The Officers and Directors of Longview Rodeo, Inc. met at 1121 Judson Road, Longview, Texas on Tuesday, June 6, 2006 at 4pm pursuant to notice given by the Secretary on June 3, 2006.

The following Officers and Directors were present: Mary Ramos, David Yowell, Julio Arriola, Shirley Hook, Mark Dulweber, Russ Brown, and Kent Bryson. Visitors present were Bob Metzler and Joel Smith. Director John Jetter was absent. Five of the six directors were present, constituting a quorum.

In the absence of President John Jetter and at the request of Mark Dulweber, Vice – President, Russ Brown (Secretary) was designated as the presiding officer. Russ Brown called the meeting to order and followed the agenda attached to the Notice of Meeting.

- A. The prior year minutes and actions (since June 16, 2005) were ratified unanimously.
- B. The filing of the 2005 Texas Sales Tax Report was corrected to be January 13, 2006 (rather than January 20, 2006).
- C. 1. Treasurer Kent Bryson and Secretary Russ Brown presented the 2006 rodeo interim results (balance sheet and P&L) through May 31, 2006 with comparative information from the 2005 rodeo, showing net proceeds to date from the 2006 of \$55,634. It is believed that all receivables are collectable but not all proceeds from vendors, program ads, and business packages have been collected (not in receivables) and some payables for concessions and event costs have not been received for payment. Taking all those factors into consideration, the projected final net income will range from between \$54,000 and \$56,000.  
  
2. Mary Ramos advised the group that she, Shirley Hook, and Bob Metzler had met with County Judge Bill Stoudt concerning spending some additional funds on the rodeo arena, primarily in the chute area. Judge Stoudt indicated that he would be able to budget up to \$15,000 of matching County funds (plus inmate labor) if LRI would commit to a like amount of money. The entire group discussed the reasons for the need to repair or replace chutes prior to the possibility that the City and County would fund a new arena in the future (3-7 years).

3. 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 12-31-05, the corporation had \$24,132 in contingency funds and the LGRC Board reported it has about \$7,600 designated for such an emergency. That amount was approximately \$5,000 less than in 2003 and 2004 since the Corporation elected to maintain a \$40,000 funding level even though the net proceeds from the 2004 and 2005 rodeos were less than \$40,000. Last year's LRI Board had challenged the 2006 Rodeo Committee at LGRC to raise at least \$45,000 in 2006 to offset the amount of contingency funds used in 2004 and 2005.

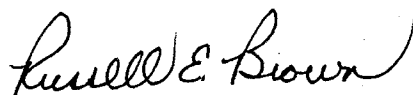
4. The entire group discussed the level of funding from the 2006 Rodeo to be made available to other 501 (c ) (3) charities and charitable projects, specifically whether the funding level should remain at \$40,000 or be increased because of the publicity developed recently that the 2006 rodeo had raised more funds than in the past. An email from John Jetter, President of LRI, was circulated indicating his ideas on the allocation of the \$55,000 among charities, contingency fund, and arena improvements.

5. After the discussion, the Board unanimously approved that (1) \$40,000 be allocated for charities and charitable projects, (2) \$10,000 be set aside for possible arena improvements, and (3) the remaining amount (between \$4,000 and \$6,000 depending on the final numbers) be added to the contingency fund to recover the approximate amount of the short fall in the previous two rodeos. The \$10,000 is to remain segregated in the contingency fund until the mutual decision is reached among the City, County, LRI, and any other user of the arena on how to proceed with the project (repairs or replacement) and the amount of funds available from all sources. LRI is to advise Judge Stoudt that he can budget the \$15,000 he has available for the project and the LRI will match it with the \$10,000 segregated funds and raise the additional money through other fund raising sources or appeals to sponsors to assist with the additional \$5,000 of funding needed. Should the project not be done, then subsequent LRI Boards shall decide how to use the \$10,000 of segregated funds (adding to the general contingency reserve, funding additional charities, or using for arena maintenance in whatever combination those future Boards see fit.)

6. Because of the tight time frame needed for the County budget cycle, the Board appointed Mary Ramos, Bob Metzler, and Julio Arriola represent the LRI Board (with other Directors and Officers being involved as desired) in a meeting with the City and County officials as soon as possible, with the LRI representatives taking a proactive role in getting the meeting set and decisions reached as quickly as possible.

- D. The Board of Directors considered nominations for new Directors. The Board acknowledged the service of John Jetter and Mary Ramos whose terms as Directors end June 30, 2006. The Board unanimously elected Bob Metzler and Joel Smith as new Directors whose terms run from July 1, 2006 through June 30, 2009, in accordance with the by-laws for staggered three-year terms for Directors.
- E. Because of a communication error between the President and Secretary, the slate of officers was amended for Kent Bryson to continue as Treasurer rather than nominating John Jetter as Treasurer. The Board unanimously elected Officers for the term from July 1, 2006 through June 30, 2007 as follows: David Yowell, President; Julio Arriola, Vice-President; Russ Brown, Secretary; and Kent Bryson, Treasurer.
- F. The Board unanimously adopted the attached resolution for signature authority on the bank account at Springhill State Bank effective July 1, 2006 (Yowell, Arriola, and Bryson).
- G. The resolution concerning the specific projects and organizations to be funded, adding to the contingency fund, segregating funds for arena improvements, designating LGRC as disbursing agent, requiring annual review of the contingency fund balance, and requiring any excess funds to be distributed to charitable projects and organizations in the future was tabled until LGRC's Board recommends to this Board which projects and charities are to be funded in 2006. That resolution will be handled by email vote as soon as the information is available.
- H. The following individuals are authorized by this Board to execute contracts related to the 2007 PRCA Rodeo:
1. Andrews Rodeo Company – Mary Ramos, Dave Yowell, Julio Arriola, or Russ Brown. (Mary Ramos is designated as the person to negotiate the contract; others may execute the negotiated contract.) See Item I below concerning provisions to be included in the 2007 contract.
  2. PRCA Fee Contract – Dave Yowell, Julio Arriola, Mary Ramos, or Russ Brown.
  3. Maude Cobb Activity Center – Mary Ramos, Kent Bryson, Joel Smith, Dave Yowell, Julio Arriola, or Russ Brown – (contract for the 2007 Rodeo has been executed by Joel Smith). The Board unanimously ratified the executed Maude Cobb Activity Center contract.
  4. Others not yet known – Dave Yowell, Julio Arriola, Russ Brown or Kent Bryson.

- I. The entire group discussed the history of the contracts with Sammy Andrews and the payments to him concerning the barrel man act and fuel adjustments. Mary advised that Andrews Rodeo was the registered PRCA entity until last year when he turned the PRCA registration over to LRI. Mary Ramos proposed that the contract for 2007 be expanded to cover two years, increase the base amount to \$25,000 (from \$21,500 plus Dodge money) and to leave the added money at \$1,200 per event. The Dodge money, which LRI has traditionally accounted for as a Specialty Act, has been a pass-through amount to Andrews Rodeo Company for Sammy to use for whatever reason, including the barrel men doubling as a specialty act. Under the new contract, Andrews Rodeo would have a set fee and the Dodge advertising money furnished to LRI will be retained in LRI as sponsorship income (rather than a pass through to Andrews Rodeo). It was agreed that the new Board (as of July 1, 2006) would vote on the proposal; all six Directors voted for the proposal. The 2007 Rodeo Committee was instructed to have the Andrews Rodeo check written and delivered to Sammy during the day on Saturday so any questions on the contract payments can be resolved before Saturday night. The 2007 LGRC Rodeo Committee will determine whether to add a separate specialty act (other than a barrel man act) for 2007, based on getting additional sponsorship money to cover such cost.
- J. Mary Ramos presented a report from the Long Range Planning Committee. As of June 6, 2006, two of the goals have been accomplished and others are still in process. Bob Metzler was appointed as the new Chair of the Long Range Planning Committee for 06-07 with instructions to add to his committee any Officers and Directors willing to serve and to add others outside the group as he deems appropriate.
- K. For new business, Kent Bryson had researched the start-up costs and annual maintenance fees for a possible Longview PRCA Rodeo website. In his research, he had received a proposal from the developer of the now defunct Cattle Barron's website for a reduced start up fee of \$500 and \$120 annual maintenance fee. The Board instructed Kent to pursue the establishment of a website, work with the 2007 LGRC Rodeo Committee to determine how to include sponsors and beneficiaries of the funds on the website, and to find a LGRC club member to assist in the maintenance of the website.
- L. Russ Brown agreed to get new bank signature card to add Dave Yowell and Julio Arriola, thereby having Dave Yowell, Julio Arriola, and Kent Bryson as signatories on the account.
- M. No additional other business arose from the above and the meeting was adjourned at 6pm.



Russell E. Brown, Secretary of the Corporation June 8, 2006

**LONGVIEW RODEO, INC.**  
A Texas Non-Profit Corporation

**Resolution from June 6, 2006 Board Meeting**  
**As revised for email vote on July 12, 2006**

The Leadership Group and Board of Directors of the Longview Greggton Rotary Club have provided this Board with a list of proposed projects and qualified charitable organizations to be benefited from the net proceeds of the 16th Annual (2006) Longview PRCA Rodeo. In the past, they also have recommended that a portion of the proceeds from such Rodeo be retained in Longview Rodeo, Inc. as a contingency fund should a future rodeo be cancelled. They continue to recommend that the contingency fund be reviewed annually so there are adequate funds available to cover costs of a cancellation and still have funds available to provide significant charitable funding in such a year.

The Longview Rodeo, Inc. Board, in its meeting on June 6, 2006 agreed to (1) distribute \$40,000 to qualified beneficiaries and projects from the \$55,000 raised from the 2006 PRCA Rodeo, (2) segregate and retain \$10,000 for a proposed arena improvement project, and (3) add the difference to the contingency fund (currently at \$24,132).

Financial reports on the 16th Annual PRCA Rodeo (held April 21-22, 2006) indicate, after collection of final receivables that net proceeds raised from the event were \$55,634.

*Be it resolved, as follows, that:*

1. *\$40,000 of the available net proceeds be returned to the Longview Greggton Rotary Club as agent to be distributed to community projects and qualified charitable organizations per the attached schedule.*
2. *\$10,000 of the available net proceeds be segregated and retained for a proposed joint City and County funded arena improvement project. (Should the project not be done, then subsequent LRI Boards shall determine how the \$10,000 will be used for return to the community, for adding to the contingency fund, or for other arena improvements, in any combination.)*
3. *To the extent the net proceeds from the 2006 Rodeo exceed the \$50,000 level, the difference shall be added to the existing contingency fund which was \$24,132 as of December 31, 2005.*
4. *In 2007 and the future, the Board shall review the level of the contingency fund annually to determine whether some proceeds from future rodeos should be added to the contingency fund.*
5. *All contingency funds, whenever designated for distribution, shall be made to qualified charitable organizations per the by-laws of the Corporation.*

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## LONGVIEW RODEO, INC.

Funds from April 2006 (16th Annual) PRCA Rodeo to be distributed to Longview Greggton Rotary Club as the Company's agent for it to distribute to qualified charitable organizations and community projects:

Windridge Therapeutic Equestrian Center	\$7,000
East Texas Literacy Council Spelling Bee	600
East Texas Literacy Council (Other programs)	2,400
Boys and Girls Club of Gregg County	1,000
Junior Achievement-Pinewood Park School (05-06 year)	3,000
Gregg County 4H Clubs	2,000
Longview Community Ministries	1,000
College Scholarships –PTISD and SHISD	8,000
Teacher of the Month Program – PTISD and SHISD (part)	1,200*
SHISD and PTISD-I Like Me Projects	2,300
RYLA Camp – PTISD	900
Campfire Boys and Girls-ET Area Council	3,000
Community Partners for Children	600
Parenting Resource Center	2,000
Crisman Preparatory School	3,000
Buckner Benevolent Programs	2,000
Police and Firefighter Recognition Day (partial)	0*
City of Longview – Bus Stop Shelter (partial)	0*
Non-Cash – Canned Goods to Hwy 80 Rescue Mission	---
Total	\$40,000

\*The Longview Greggton Rotary Club will use funds it raised in other activities to complete the funding of these projects.