

laHHA Board Meeting

Tentative Minutes

December 3rd, 2011

The laHHA Board of Directors met at 12:45pm on December 3rd, 2011 at the Keokuk County Fair Grounds. All directors were present either in person or via conference call. Mark King was also present for the Iowa Sire Stakes Association.

Dan Roland presented the minutes from the prior board meeting for approval. **Motion by Mark Holtan, seconded by Bob Kohlwes, to approve the minutes. All Ayes.**

The board reviewed the treasurer's report. There is around \$400,000 in checking plus savings, as well as another \$80,000 still in the non-profit and around \$10,000 in the PAC fund. Breeders awards were mailed with \$48,000 going to mare owners and just over \$16,000 to stallion owners. The 2 year old payments go to the owner at time of foaling. **Motion by Jeff Carey, seconded by Scott Smith, to approve the treasurer's report. All Ayes.**

The board had extensive discussions on the ongoing track resurfacing projects. Royal is wanting to pay as much of the expenses as possible out of the 2012 Prairie Meadows funds that are restricted in what they can be used for, which includes repairs and maintenance. Prairie Meadows will be paying \$400,000 each on March 1, April 1 and May 1 with the remainder of the 2012 funds paid on June 1. It is estimated that the total will be \$1,680,000. The laHHA will be required to do an annual audit, which is estimated to cost \$5,000.

Larry Jenson gave the Hall Of Fame committee report. There were no nominees in the Immortal or Horse categories. The board voted to induct Paul Liles to the Living Hall Of Fame.

Royal gave the Promotion Committee report. The 1st newsletter was sent out and we are intending it to be a quarterly newsletter. We also started Horse Racing Bingo and Double Or Nothing games in 2011.

Under political issues the board agreed to retain Matt Eide as our lobbyist and had previously agreed to participate in the new joint horse racing association that employs Scott Newhard as its lobbyist.

Mark Holtan provided a report on Scholarship activities by the non-profit association. It was clarified that any member or direct relative of a member, including associate members is eligible for consideration. Applications are due by December 15th and are available on our website.

Under the officials committee discussion the board discussed trading in the current starting gate on a newer one. There have been a number of problems with both the throttle and the suspension on the existing one. The dealer who sold us our current one will take it in on trade and sell us a newer pickup style gate for just under \$20,000. **Motion by Bob Kohlwes, seconded by Jeff Carey to authorize Scott and Dan to pursue replacing the existing gate. All Aye.**

The board also discussed a proposal by Steve Huffman to go to a 0.00 tolerance level on the alcohol testing. The board authorized Scott to investigate purchasing our own breathalyzer. The board was unanimous in its position that drivers who blow over should be set down and fined, but that horses should not be scratched.

The by-laws committee had not received any proposed changes.

The main discussion of the meeting was the proposed 2012 budget. The board discussed numerous issues related to selling horses, restrictions on the use of certain funds by the new law and differing proposals on individual budget items. The board agreed to set the entry fees for colt stakes races to \$75 in the A class and \$25 in the B class.

The board received a proposal from the Iowa Sire Stakes Association regarding funding for Iowa Sired races. With losing the \$12,000 sire stakes races at Prairie Meadows the ISSA board requested funding for three sire stakes races at \$6,000 per race with an identical entry fee to the Iowa Registered A class races. Contingent on that funding the ISSA agreed to turn over all nomination payments and entry fees to the laHHA to supplement the fund of unrestricted money the laHHA could use to pay officials and other expenses. The ISSA board proposed having these races on June 30th at What Cheer, July 28th at Humboldt and August 9th at the Iowa State Fair. Mark Holtan informed the ISSA representatives that July 28th was during the Humboldt County Fair and would not be a possible race day. It was agreed to reevaluate the dates after a more firm calendar was set and to have the 3 races at \$6,000 per race.

The board had extensive discussions regarding methods of dividing up the colt money. Some felt the same purse for every horse was the fairest way. Some felt the prior method of splitting per gate/age was best.

Motion by Scott Smith, seconded by Rick Huffman to set the A class at per meet cap of \$96,000 with a per race cap of \$6,000 with the exception for rainout carryforwards. Aye – Jim Reese, Rick Huffman, Scott Smith, Larry Jenson, Mark Holtan Nay – Dan Roland

The board agreed to set the B class at a flat \$1,500 plus any applicable rainout carryforwards.

The board discussed raising the cap since the purse was going up. It was noted that the cap did not go down when the purse went down. It was generally agreed that it was not the boards intention to let horses that were successful in the B class stay in that class all season.

Motion by Dan Roland, seconded by Jeff Carey, to leave the B class cap at \$2,000. Aye – Mark Holtan, Jeff Carey, Dan Roland, Larry Jenson, Rick Huffman Nay – Scott Smith Abstained – Jim Reese

The board debated different ways of evaluating support for aged horses. The board agreed that aged horses were best to try to draw in new owner/trainers to the sport and agreed there was a need to support horses that were too good to amish but not good enough to sell back east. Some felt it wouldn't be fair to set the purse too high after people had just sold their three year olds but would consider increasing the purses more in the future. There was significant disagreement on how to evaluate the impact of the loss of Prairie Meadows races on the earnings potential of the aged horses.

Motion by Mark Holtan, seconded by Bob Kohlwes, to set the Aged Iowa purse at \$2,000 per race with a cap of \$6,000 per location/gait. Aye – Bob Kohlwes, Jeff Carey, Scott Smith, Rick Huffman, Mark Holtan, Larry Jenson Nay – Dan Roland, Jim Reese

The next annual membership meeting is January 14th in Marshalltown.

The meeting adjourned at 5:05 pm.