

laHHA Board Meeting

Tentative Minutes

November 18th, 2006

The laHHA Board of Directors met at 1:00 pm on November 18th, 2006 in Ankeny, Iowa. Directors present were Royal Roland, Scott Smith, Dan Roland, Larry Jenson, Rick Mishler, Jim Reese and Mark Holtan. Nolan Van Otterloo and Kermit Hinshaw were absent.

The board reviewed the minutes from the prior meeting. **Motion by Mark Holtan, seconded by Larry Jenson, to approve the minutes as presented. All ayes.**

Jim Reese presented the Treasurer's Report. There are an estimated \$100,000 still to pay for 2006 including Breeders Awards, program expenses, scholarship awards and lobbyist fees. **Motion by Mark Holtan, seconded by Scott Smith to approve the treasurer's report as presented. All Ayes.**

Royal discussed the Racing Commission meeting and the discussions that led to the agreement with Prairie Meadows for 2007. The proposed schedule for the 18 days of racing at Prairie Meadows would start on September 22nd and be for four weeks (five weekends) with a Friday, Saturday, Monday, Tuesday format with one Wednesday (October 10th). The board agreed it would be better to try to start on September 21st and race Friday – Monday. This will be discussed with Prairie Meadows. The board also agreed to propose to Prairie Meadows that stakes eliminations be raised to \$5,000 with \$10,000 stakes finals and also to propose a "county fair championship" race the opening weekend with entry priority based on some criteria of performance from the summer fair season (points or earnings). The board also agreed that the 50% Iowa Registered bonus should be in any contract that is signed.

Hall of Fame nominations collected by Nancy Carey were distributed to the directors for review. **In the "Horse" category a motion was made by Larry Jenson, seconded by Mark Holtan, to elect Homestead Dreamer to the Iowa Harness Racing Hall Of Fame. All Ayes.** No other motions were made in any of the categories.

Mark Holtan gave the Promotion Committee report. Jody Bennett of Humboldt won the \$1,500 drawing at Prairie Meadows. This was awarded by Mary Lou's association, not the laHHA and was not the \$1,500 from the Pick 10 prize pool. The board discussed what an insurance policy would cost to cover making the Pick 10 pool \$10,000. The idea will be researched prior to the 2007 season. It was also agreed that the biggest promotion to increase race attendance would be to regain our pari-mutual license for the fairs. Mark and Dan agreed to investigate that idea further.

Mark Holtan also gave the scholarship committee report. Applications are due December 1st for the two scholarships, \$500 for a current college student and \$1,000 for a graduating senior. The board discussed whether scholarships should be given in light of the need to cut the 2007 budget. The majority of board members thought that since the money was budgeted for 2006 and the applications were already out that the current scholarships should be given. Next year the issue will be discussed again and will be dependent on the financial situation.

Scott Smith gave the officials committee report. Garry Phillips, Gene Williams and one of the Titus's from Illinois have expressed initial interest in the starter position for 2007. It was agreed that whomever got the job should not have any horses racing at the Iowa fairs. There has also been interest in the announcer position from Richard Kranzel.

One of the directors mentioned that the issue had been raised about pay for the clerks and covering expenses. The clerks have been paid in the past by the fair out of their daily money and pay rates have varied. It was discussed that since the introduction of electronic eligibilities the job is much easier for a person that isn't as familiar with the forms. It was agreed to discuss it further at a future meeting.

Dan Roland gave the By-Laws committee update. These minutes will be the second notice of the proposed by-law change to be voted on at the annual meeting. The proposed change is as follows...

A director who misses three (3) consecutive regularly scheduled board meetings may be removed from the board by a unanimous vote of the remaining directors. In such case a replacement will be appointed by the board to serve the remainder of the term of the removed director.

The annual meeting is January 20th, 2007. The three directors up for election are Royal Roland in district 3, Kermit Hinshaw in district 1 and Nolan Van Otterloo At-Large.

Royal reiterated that the Roland office is not going to do the programs in 2007 and the board would like to receive proposals from interested parties. The office will continue to collect stakes payments, write out purse checks and 1099's, and print the Pick 10 stubs. They will not take entries, do draws, print programs, deliver programs or enter the results.

The board did a final discussion on the rainout policy. **Motion by Mark Holtan, seconded by Dan Roland that we continue with the same rainout policy. All Ayes.**

Royal mentioned that he had located a CPA firm willing to do an independent audit of the IaHHA books. Anderson Larkin of Ottumwa will be retained to do the audit.

The final item discussed was the need to reduce the budget for 2007 in light of \$300,000 less funding from Prairie Meadows. It was agreed that this would be a tentative 2007 budget to allow for membership feedback through the annual meeting. Royal and Dan discussed having regional meetings to get more direct feedback on the proposed changes. The southeast Iowa meeting is tentatively scheduled for Saturday, December 2nd at 4:00 pm at the What Cheer fairgrounds.

The first item on the budget discussed was the funding of the Iowa Sire Stakes program. In 2006 the IaHHA gave \$36,000 to the Iowa Sire Stakes Association for stakes purses. It was agreed to cut that to \$20,000 for 2007. It was also agreed that none of this funding could be spent at race meets outside the state of Iowa. It is expected that the sire stakes races would be at two of the three locations between the Iowa State Fair in August, Sioux Center in July and Eldon in June. That decision will be made by the Iowa Sire Stakes Association board.

The Iowa Registered colt races were discussed next. It was agreed to cut the per class cap from \$24,000 to \$20,000 but keep the same nine locations. The NW \$2,000 in 2007 colt overnights will have a purse of \$1,000. Entry fee for the feature races will be a fixed \$50 and \$25 for the NW overnights.

It was agreed to reduce the purse on the standard overnight races to \$750 from \$900. The early meet purses at What Cheer and Humboldt will be limited to a \$500 "baby race" purse level.

The Iowa Owned or Registered overnight races will have a purse of \$1,000 instead of \$1,400 and will also be open to any DHA eligible horses.

With the Iowa Registered Aged horses it was agreed to cut four locations instead of lowering the purse. The purse will be the same as 2006 but there will be no Aged Iowa Registered races at Kahoka, Central City, Bloomfield and the Humboldt early meet. This will cut the aged funding from \$132,000 to \$90,000.

There was a great deal of discussion regarding the overnight races at Bloomfield and Central City. Rather than cancel those meets the board agreed to fund them at fixed level of \$2,500 with those fairs required to make up the difference if they want to have races.

The board also agreed to go back to the single presiding judge format and to no longer offer a free subscription to the Illinois Standardbred magazine for all members.

Finally, the expected savings in breeders awards from the purse reductions is expected to be \$16,000. The total net expected reductions is \$263,000. It was discussed that in each of the prior two years the total expenditures had come in at roughly \$40,000 less than budgeted. In light of that it was agreed to go at this level pending feedback from the membership.

As part of the budget discussions the board discussed the drug testing policy. It was agreed that the validity of the blood gas testing and the decision to have no urine testing has been questioned. It was agreed to discuss any potential changes at the annual meeting and a future board meeting.

The board continued a prior meeting discussion regarding who receives breeders awards. It was agreed that the current policy was set in an attempt to avoid paying breeders awards to breeders who weren't the person bringing mares into the state of Iowa, but changes in the Minnesota breeding program have led to people being excluded that are sending mares to foal in Iowa. **Motion by Rick Mishler, seconded by Dan Roland, that beginning in 2007 to pay county fair breeders awards to the breeders of Iowa Registered horses who are Iowa Residents or the breeders of horses sired by DHA eligible stallions. The breeder is the owner of the mare at the time of conception. All ayes.**

The final item on the agenda was the issue of judges using video cameras to decide race infractions. This issue was tabled to the next board meeting.

The annual membership meeting is scheduled for January 20th, 2007 in Marshalltown Iowa.

The meeting was adjourned at 7:00pm.