

MHHA Board of Directors Meeting

November 16, 2016

Spartan Hall of Fame Café,

Lansing, Michigan

Regular Session Minutes

Attendance

Present: : E. Engle, T. Barrett, C. Serra, C. Cary-Davidson, K. Goodwin, K. Crawford, G. West, J. Earls, D. Bolenbaugh

Absent: D. Hartsook, M. Sweeney

Associates: V. Vail-Shirey

No guests were present.

- **Call to Order & Moment of Silence**

President Barrett called the meeting to order at 1:00 p.m.

A moment of silence was observed in memory of Al Pedon, Ivan Watters, Thomas Lenhard and Ed Underwood.

1. **Approval of November Agenda**

A motion was made by Earls and supported by Cary-Davidson to approve the November Meeting Agenda. Motion unanimously passed.

- 2.5 Approval of October Meeting Minutes

A motion was made by Engle and supported by Earls to approve the regular session minutes of the October 19, 2016 board meeting. The motion was passed electronically on November 10, 2016 by a majority vote of the directors.

A motion was made by Engle and supported by Barrett to approve the closed session minutes of the October 19, 2016 board meeting. The motion was passed unanimously.

- **President's Report**

President Barrett reported on the results of the 2014 contract amendment negotiations with Northville Downs. The amended contract has an effect date of July 1, 2016 and will be implemented for the 2017 racing season. Significant terms of the agreement include:

- Elimination of Starting Fees: Horsemen racing at Northville Downs will not pay starting fees.
- Additional Race Dates: Northville Downs has applied to the Michigan Gaming Control Board for an additional 10 race dates in 2017: Four (4) in June and six (6) in December. The new race dates are subject to availability of the escrowed money at Hazel Park to fund purses for the additional races. So there will be 64 live racing dates in 2017.

A motion was made by Crawford and supported by Goodwin to go into Closed Session at 1:30 p.m. under Section 8(c) of the Open Meetings Act for strategy discussions regarding contract negotiations. Yes: 9; No: 0. Motion unanimously passed. A motion was made by Crawford and supported by Goodwin to come out of the Closed Session and return to the Regular Session at 2:00 p.m. Yes: 9; No: 0. The motion unanimously passed.

A motion to approve the Northville Downs contract amendments was made by Crawford and supported by Goodwin. The motion was unanimously passed.

- **Treasurer's Reports**

Serra presented a General Fund Budget Report for the year ending on September 30, 2016; and a Cash Flow Report for the period ending October 31, 2016. The 2016-2017 operational budget was discussed along with cost savings related to change credit card acceptance providers.

Due to changes in the racing law effective July 1, 2016, the association will make a minor adjustment to the statutory commission available to assist with operational expenses associated with managing a certified horsemen's organization (CHO).

MHHA membership numbers and dues were thoroughly discussed. Primary questions evaluated include:

- By what authority may MHHA membership be requiring for all horsemen racing in Michigan's jurisdiction?
- Is MHHA membership an appropriate exchange in return for our services that support the Michigan racing opportunity?
- Is MHHA membership strictly voluntary?
- Is the MHHA membership appropriate for all horsemen racing in Michigan, including those from other racing jurisdictions?
- What services will attract all Michigan horsemen to become MHHA members?

The membership discussion was tabled and will be added to the next Board meetings agenda.

A motion to approve the Treasurer's Report was made by Crawford and supported by Goodwin. The motion was unanimously passed.

- **Association Management Report**

Association Management matters were reported as part of the discussion of other agenda issues.

- **Membership Report/List:**

The MHHA membership list was distributed and each director was instructed to review it for accuracy and to report their conclusions to Association Manager Vail-Shirey. After the list is updated, it will be used for internal purposes and for improved communications with association members.

- **MHHA Member Comments**

No comments were offered by MHHA members.

- **Old Business**

The following old business issues were addressed:

- Walter Beagle has tendered his resignation from the MHHA Board of Directors
- The 2017 Budget is being developed and will demonstrate a positive cash flow. The final draft will be distributed by email to board members and approved electronically. It will then be presented to the MHHA membership at our annual meeting in January. Other details are above as part of the Treasurer's report.
- Details regarding the 2017 Annual Meeting were reviewed; they will be publically announced to our membership on the association website.
- 2017 Colt Stakes Report

A preliminary 2017 Colt Stakes racing program developed by Bolenbaugh was reviewed. The plan included the following details:

1. Two year olds will have nine weeks of fair racing. Two weeks will be contested at Northville Downs; and seven weeks at fairs venues. In addition, two year olds may race in eliminations and a fair final.
2. No point system will be used to qualify for the fair final. Instead, earnings for the season and finish position in the eliminations will determine what horses will race in the final.
3. Three year olds will have thirteen weeks of racing. The races will be early closers with nominating and sustaining payments due in February.
4. The Spartan and Michigan Futurities will be eliminated and other races will be substituted for them.
5. If Advance Deposit Wagering is developed, the Sires Stake purses may substantially increase.
6. The proposed Colt Stakes racing program is subject to the approval of the Michigan Agriculture Appropriations Committee.

A motion was made by Crawford and supported by Goodwin to adopt the 2017 Colt Stakes Program that was proposed by Bolenbaugh. The motion was unanimously adopted.

Other related Colt Stakes details reported by Bolenbaugh included:

1. The Michigan Department of Agriculture and the Michigan Fair Association are working closely with the MHHA to locate fairs that will sponsor the August races; some races may be scheduled during off-fair weeks.
2. The 2017 Sires Stakes will be raced in August at Northville Downs.
3. A final racing calendar will be published when all the details are completed developed.
4. The 2017 Sires Stakes will be raced in August at Northville Downs.

- The 2017 MHHA/Northville Downs Contract

See the Presidents Report above.

- Review of the Association By-Laws (Engle).

The association by-laws were reviewed and specific changes were recommended. The proposed changes involved the following by-laws: board membership categories; board terms; membership classes; board size; and language that is inaccurate or obsolete because it was time or place specific. Each change was individually discussed and approved by consensus; and then all the changes that had been approved by consensus were collectively voted on as a whole. A motion was made by Barret and supported by Cary-Davidson to adopt all the by-law changes that were

approved by consensus and to recommend their adoption by the association membership at the annual meeting. The motion was unanimously passed. Rather than specifically identify each recommended change in these minutes, a draft of the revised by-laws will be written and published for members to review.

## 1. New Business

The following new business issues were addressed:

- Board of Directors Election:

At the current time, the terms of Crawford, Barret, Hartsook and Engle will expire in 2016. Crawford, Barrett and Hartsook will stand for re-election; Engle will not. A nomination petition for board membership has been submitted by Ed Embach.

A slate of 2017 candidates for board membership will be communicated via Facebook, the MHHA website and by other electronic means to the membership. The 2017 slate of candidates will be voted on at the annual meeting in January.

- Unexpired Term:

The unexpired term caused by the resignation of Walter Beagle has created a board vacancy that must be filled.

- **Legislative Report (Vail-Shirey)**

Vail-Shirey reported that Tom Leonard has been elected Michigan Speaker of the House.

She also reported that meetings are conducted on an ongoing basis with many members of the Michigan House and Senate that focus on issues important to the MHHA and Michigan horsemen. Whenever rule changes are required, our legislature will be open to working with us. Vail-Shirey led a discussion regarding the legislative rule change process.

- **Board of Director Comments**

There were no comments by the directors.

- **Next Board Meeting**

The next Board Meeting will be by conference call on December 22<sup>nd</sup> at 7:00 p.m.

- **Adjourn**

A motion to adjourn was made by Earls and supported by Goodwin. The motion was unanimously passed. The meeting was adjourned at 4:30 p.m.

Ed Engle, Jr., MHHA Secretary