

Michigan Harness Horsemen's Association

March 17th, 2022 4pm – Northville Downs

MEETING MINUTES

1. Meetings Call to Order
2. Moment of Silence for John Surbrook and Dick Wilson
3. Motion to Excuse Absent Members - None
4. Guests: Tim Roach, Ron Merritt, Marilyn Bertera
5. Approval of Consent Agenda - (Motion: Terrell, 2nd Claudia, Unanimous)
 - a. Approval of March Agenda
 - b. Approval of February Minutes
 - c. Approval of February Financial Statements and reviewed check register - Brett Boyd had a question about what fell under contract labor. Crystal Terrell indicated it was related to the summer program track maintenance. The costs include any work that needs to be made on the water wagon and other equipment ahead of the summer program season as daily rates and travel expenses during the fairs.
6. Reports:
 - a. **President** – Tom Barrett gave an update focused on a potential purse increase, the opening of the live spring meet, and the reason (short horses) for cancelling the opening Friday and only racing Saturday that week. He noted that the lingering winter weather likely impacted the ability for horsemen to have their home tracks in training condition and their horses ready.
 - b. **Treasurer** – Crystal Terrell gave an update highlighting the monthly P+L. She referenced that later in the meeting the board would be looking at the annual budget. She did note that YTD ADW handle was roughly 6.5million and NDs YTD simulcast handle was approx. 1.2M. The on track wagering on live races \$37,338.00. The MHHA currently has 1.7 million in purse funding available (earmarked for the 2022 meet)
 - c. **Legislative** – Midwest Strategy Group gave an update highlighting our work both on the budget related to AEIDF funding and that we continue to wait for a substitute bill to be drafted related to the Senate Gaming Package. The goal is to review that substitute bill and then work with the Speakers office to seek movement on the legislation. The number of voting days (session days) left in Lansing is less than normal due to the election year. Additionally, any new racetracks would have to apply for their 2023 license by September of 2022, meaning the legislation must get to the Governor's desk before the lawmakers break for the summer (end of June). Brett Boyd asked about the impact of the legislation on the summer program including the matching requirements (currently 75/25) and the ability to change that requirement to allow a smaller match from

nominating and sustaining payments. He also suggested bringing in Daymond Thayer, the Kentucky Senate Majority Leader, to speak to the impact of HHR in Kentucky.

- d. **Scholarship** – Claudia Davidson gave an update on the annual scholarship program. Applications are due to the MHHA by April 15th. The scholarship committee will be made of up Chuck Taylor and Claudia Davidson and one non-board member to be named later.
- e. **Pari-Mutuel Track** – The board discussed several concerns with Northville Downs and the race office. Concerns and complaints continue to come in weekly about the race office. The president asked for suggestions he could take to Northville Downs on a potential new hire as the race secretary.
- f. **Colt Stakes** – The numbers of horses nominated/sustained through the March 15th deadline are up year over year and the list of eligible horses for each program has been posted to the website. The board did discuss the potential of changing the nominating forms for 2023 to forms by horse rather than by program. This would allow individuals to nominate each horse for each program they are eligible to rather than filling out each different program form with multiple horses. While this does potentially make it easier to see what each horse has been nominated to, it also potentially complicated programs with multiple deadlines that are used to split up payments over several months. The MHHA is exploring options.
- g. **Horse racing Advisory** – Tom Barrett gave a brief update on the latest meeting of the Horse Racing Advisory Council. At the last meeting the HRAC approved spending the 125K budget in three basic buckets; up to 50k on an economic impact study, up to 50k on marketing for horse racing, and 25k to create and distribute materials related to how to own a race horse and fractional shares. The next HRAC meeting is April 12th at 2pm.

7. Old Business:

- a. Michigan Horse Expo Recap – Crystal Terrell gave an update on the MI Horse Council expo and the booth staffed by the MHHA and volunteers. The event was relatively well attended.
- b. Trot & Pace Marketing – Video – The board briefly continued discussion about the summer fair videos. After the fair schedule is finalized we will work to coordinate with Trot and Pace marketing to ensure that each fair race gets taped.
- c. MI Horse Council Legislative Day – The MHHA, and its members, will have the option to participate fully in MI Horse councils legislative day set for September of 2022. More details to follow.
- d. Click Members – Membership Database Management – MWSG gave an update about the onboarding process of the new member management software. The new software is likely to have back desk functions in April, but the timeline to roll out the full member log-in interface is likely a few months out. There was discussion about rolling it out to members in

January ahead of 2023 states payments, which will be able to be made/submitted online.

8. New Business:

- a. Budget approval FY22 – Crystal Terrell presented an annual budget proposal to the board that represented mostly flat funding from last year. It did include an increase in a promotional line item, and a higher budget for legal fees in the event that the MHHA needed to defend a law change related to HHR. The hope is not to have to expend that money in 2022.
- b. 2022-2023 AEIDF Budget Update – Crystal Terrell/MWSG – The MHHA is meeting with MDARD on March 25th to talk about the impact of the 8M cap on the AEIDF fund and how those dollars impact programming and how the cap would be processed annually. We expect to have more detail at the April meeting.
- c. Content Management – Crystal Terrell led a discussion about content management and the potential desire of the board to have someone writing news content related to Michigan racing.
- d. 2nd mini- series conditions – The board had a discussion related to a potential 2nd mini series after several issues/questions arose after the start of the first mini series. The goal is to offer another mini-series to utilize available state funding for MOB races. The state provides the funding for 75% of the purse and the MHHA purse account at NDs provides 25%. However, these races can only be for MI Owned and Bred Horses if the state is providing funding.
- e. HHR Findings and Information from Kentucky – Brett Boyd presented some information he reviewed based on the HHR numbers out of Kentucky. He highlighted the volume of purse money being generated by the tool.
- f. Discussion on 2022 Supplemental Budgets (SB 885) – Brett Boyd wanted to talk in more detail about the potential of utilizing supplemental budgets to spend AEIDF funding sooner. With the meeting scheduled with MDARD on March 25th, this discussion was more high level as the MHHA hopes to have good resolution on sustainably spending AEIDF money approved by the Dept. shortly.
- g. Fair Track Maintenance and Water Wagon Costs – Crystal Terrell provided the board with an update on the costs of providing track maintenance and the water wagon to the fairs. With the increased summer fair race dates those costs will continue to grow. The MHHA expects the cost of providing summer fair track maintenance, the water wagon, video recordings, charting, blankets, etc. is likely to be roughly \$82,000.00
- h. Summer Fair Overnights – Kim Pluta presented to the board a plan/desire to have the MHHA pay to increase the overnight purses at the fair to \$3,000.00. The law caps the state aid for overnight purses at 75% of 1000.00 or 750.00. The MHHA would need to identify a funding source to increase these purses. The board, treasurer, and management team are

working on potential funding sources and will report back at the April meeting.

- i. Standardbred Transition Alliance Industry Supporter – Crystal Terrell presented, and the board approved being an official industry supporter of Standardbred Transition Alliance (Boyd, Davidson, Unanimous).

9. MHHA Member Comments

-Marilyn Bertera asked about the opportunity to add a make up race date to the end of the meet to accommodate for the lost race day at the start due to weather and being short horses.

10. Board of Director Comments

-Claudia Davidson let the board know that the 2023 Annual Banquet has been scheduled for January 21st, 2023 at Crystal Gardens in Howell. She also highlighted that Fowlerville would be hosting a yearling sale on Sept 29th 2022.

-Kim Pluta highlighted the need to continue to work on solutions related the NDs race office. Additionally he suggested shooting for a later start to the spring meet next year due to the weathers impact on horses being ready this year.

The meeting adjourned at 7:23pm

11. Next Meeting – Northville Downs April 21st, 2022

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