

**MHHA Board of Directors Meeting
October 19, 2016
Northville Downs Raceway, Northville, Michigan
Regular Session Minutes**

Attendance

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

Absent: M. Sweeney

Associates: L. Julian, V. Vail-Shirey

Four guests were present: Bill Gira, Dolores Timperley, Ed Embach and Steve Wing.

Call to Order & Moment of Silence

President Barrett called the meeting to order at 1:15 p.m.

A moment of silence was observed in memory of Carl Brock, Richard Brenay, Cecil Ashbay, Dean Luce, Sam Heron, Joe Konen, Charles Kessler and Ann Tomlinson.

1. Approval of Agenda

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

2. Approval of May Meeting Minutes

A motion made by Engle and supported by Barrett to approve the minutes of the May, 2016 board meeting was passed electronically on May 31, 2016 by a majority vote of the directors.

3. President's Report

President Barrett reported on the following issues:

- a. The Revised Racing Law was signed by Governor Snyder and became effective on July 1st. Since then, the MHHA has worked with our industry partners to change our business model in a way that operationally satisfies the legal requirements.
- b. The MHHA's 2016 contract with Northville Downs has been a success in its first year. We are now working together with Northville Downs to formulate the 2017 contract.
- c. The redesigned MHHA website is now complete. Crystal Serra was instrumental in the development process.
- d. The MHHA attended a hearing at the Michigan Gaming Control Board (MGCB) regarding 2017 race dates. Northville Downs requested 54 race dates for next spring and fall.
- e. The 2013 Hazel Park purse money now held in escrow will be available for Standardbred purses at Northville Downs on September 1, 2017.

- f. We anticipate that Governor Snyder will accept the ADW plan that is now being developed by the MGCB. They have requested our input regarding ADW. We will make a response that assures a fair deal for Michigan horseman. We estimate that ADW will be in place at the track by next spring.

4. Treasurer's Reports

Treasurer Serra presented 2016 fiscal year-end financial information that demonstrated the current status of our general fund and cash flow. An open discussion followed regarding future revenue enhancement and expense reduction.

A motion was made by Crawford and supported by Goodwin to go into Closed Session at 1:45 p.m. under Section 8(c) of the Open Meetings Act for strategy discussions regarding contract negotiations. Yes: 11; 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: 11; No: 0. The motion unanimously passed.

A 2017 financial budget was presented for board review. A final 2017 budget will be presented at our next board meeting for ratification.

5. Association Management Report

Association Manager Vail-Shirey pointed out that the MHHA and Julian-Veil have worked together for one year. During that time, Julian-Vail accomplished the following:

- Updated all forms and policies.
- Finalized website development.
- Implemented the USTA program for receiving fair and futurity entries.
- Maintained a positive MHHA/Michigan Department of Agriculture relationship.
- Modified our financial accounts and practices to accommodate the new racing law.
- Reconciled our 2015 fiscal income and expenses with Northville Down's records.
- Supported administration of the colt stakes racing at Northville Downs.

Ed Embach has requested a Lifetime MHHA Membership. Vail-Shirey advised the board that he qualifies. Barrett made a motion that was supported by West to approve a lifetime membership for Ed Embach. The motion was unanimously passed.

A discussion ensued regarding the resistance of some horseman who race at Northville Downs to join the MHHA. Various issues and enforcement methods were discussed. The common consensus was that membership should be a necessary prerequisite to racing in Michigan and must be enforced the same as Ohio enforces a similar requirement for horsemen racing in their jurisdiction. The discussion was tabled until a later time.

6. MHHA Member Comments

A number of issues were raised by MHHA members and discussed with the board.

7. Old Business

President Barrett led a discussion regarding horsemen insurance. Various policies and their costs were reviewed. Ohio horsemen have an insurance program that we will consider modeling. Vail-Shirey will investigate Ohio's insurance program and report her findings.

8. New Business

The following new business issues were addressed by the board:

a. 2017 Budget (See above under Treasurers Report)

b. Annual Meeting 2017

Cary-Davidson and Vail-Shirey recommended that the MHHA contract with the Johnson Center at Cleary College in Howell for the 2017 Annual Meeting. The Johnson Center will cater an excellent buffet menu; and provide a public address system and projection screens. They will set up and teardown the meeting room and provide a shuttle service to two area hotels. Their cost per person is reasonable with a cash bar and no attendance minimum. The food and service will be better than last year. We will continue our normal charge to members of \$75. No deposit is required. The date has been reserved for January 21, 2017. A motion was made by Earls and supported by Crawford to hold the 2017 annual meeting at the Johnson Center. The motion unanimously passed.

It was noted that MHHA Member Frank Utter donated 12 Currier and Ives prints; some of them will be included in for the annual meeting auction.

The Annual Meeting Committee will consist of Earls, Cary-Davidson and Vail-Shirey.

c. 2016 Fair Track Watering Invoice

The net cost for the 2016 fair track watering service was \$1,912.75. A motion was made by Barrett and supported by Cary-Davidson to pay the invoice. The motion was unanimously approved. The invoice and detail are attached. The fair track watering service and costs will be reviewed next year prior to making a contract.

d. 2017 Colt Stakes Report

Bolenbaugh presented a summary of the 2016 Colt Stakes Racing season. Cary-Davidson served as liaison between the MHHA and the fairs. Bolenbaugh's reviewed statistics generated by the 2016 season.

Bolenbaugh also discussed the potential 2017 Colt Stakes Program. When the plan is finalized, it will be featured on the MHHA web site. His report included:

- 19 days of colt racing; and 11 days of overnights.
- The number of horses eligible to race in the colt stakes program.
- The number of horses that will come into the program.
- Optimism that the colt stakes races will have full fields.
- Some races will be non-pari-mutuel races at Northville Downs in August.
- Some former futurities will become stakes races.
- Michigan sired horses will have greater opportunity.
- The final number of futurities and stake races will depend on the number of races that can be transferred to a Northville Downs.

When the final program is fully developed it will be published on the MHHA website.

e. 2017 Race Date Calendar

The 2017 Race Date Calendar was reviewed above under President Barrett's report.

f. Contract with MHHA and Northville Downs 2017

The MHHA/Northville Downs 2017 contract was reviewed above in President Barrett's report.

g. Review of By-Laws

Cary-Davidson provided a list of by-law concerns. Engle and Hartsook were directed by President Barrett to review her concerns and make recommendations to change the by-laws.

h. 2017 Michigan Stallion Directory and Foal Report

Cary-Davidson reported on the Michigan Breeding Industry. Michigan currently has 161 mares in foal. They are foals of 2017. A draft of the 2017 Michigan Stallion Directory was presented (a copy is attached).

A motion was made by Goodwin and supported by Crawford to publish the 2017 Michigan Stallion Directory with all costs paid by the MHHA. The motion was passed unanimously. The directory will be available at the 2017 annual banquet in January (or before on the MHHA website).

i. 2017 Board of Directors Election

Vail-Shirey reported that the current board terms of Hartsook, Barrett, Crawford and Engle will expire at the end of this year. Hartsook, Barrett and Crawford will seek re-election. Engle will not stand for re-election. The board will vote on the slate of new directors at the November election.

9. Legislative Report

Julian reported that ongoing meetings have been conducted with a number Representatives and Senators to promote MHHA interests with special focus on encouraging implementation of Advance Deposit Wagering.

Julian led an in-depth discussion regarding the legislature's appropriations process with the board.

10. Board of Director Comments

There were no comments by the directors.

11. Next Board Meeting

The next Board Meeting will be on November 16, 2016 at 12:30 p.m. in Lennon, Michigan.

12. Adjourn

A motion to adjourn was made by Crawford and supported by Cary-Davidson. The motion was unanimously passed. The meeting was adjourned at 4:50 p.m.

Ed Engle, Jr., MHHA Secretary

