

ANNUAL MEMBERSHIP MEETING
IDITAROD TRAIL COMMITTEE, INC.
Iditarod Trail Committee Headquarters
June 30, 2012

CALL TO ORDER

The meeting was called to order at 10:08 a.m. by President Andy Baker.

ESTABLISHMENT OF QUORUM

Members present: Marie Anderson, Andy Baker, ~~Jerome Bengtson~~, Sonja Bengtson, Greg Bill, Jane Blaile, Aaron Burmeister, Bob Chlupach, J. Michael Devitt, ~~Paul Foutz~~, C.J. Glasser, Sally Hamm, Stan Hooley, Greg Hopkins, Diane Johnson, DeeDee Jonrowe, Mike Jonrowe (via phone), Janet E Linnell, Nancy Livingston, Erin McLarnon, Sue Miles, Bob Morgan, Maureen Morgan, ~~Anne Mulford~~, Kelly Mulford, Margaret Murphy, John Nagy, Maryanne Nagy, Stuart Nelson, Jr., ~~Mark Nordman~~, Maureen Pedigo, Roy Pedigo, Joanne Potts, Donna Quante, Ray Redington, Jr., Waneta Redmond, Pat Schue, Larry Schmidt, David Schwantes, Dan Seavey, Sally Smith, Peg Stout, Helena Wisniewski, and Aliy Zirkle

Forty four (44) people present. The names with strike through were present but not members. There were forty (40) verified members present.

Proxies present: ~~Jennifer Ambrose, 1~~; Andy Baker, 39; ~~Jake Berkowitz, 1~~; Greg Bill, 2; Aaron Burmeister, 20; ~~Martin Buser, 6~~; Stan Foo, 1; *John Handeland, 14; ~~Karen Hendrickson, 1~~; Stan Hooley, 3; Mike Jonrowe, 20; DeeDee Jonrowe, 6; Erin McLarnon, 1; *Denise Michels, 2; ~~Mark Moderow, 7~~; ~~Pat Moon, 1~~; Stuart Nelson, Jr., 2; *Mark Nordman, 2; *Mike Owens, 12; Joanne Potts, 7; Donna Quante, 7; ~~Gary Rawson, 1~~; Ray Redington, Jr., 1; Larry Schmidt, 1; Dan Seavey, 9; ~~Danny Seybert, 3~~; ~~Jane Shelley, 1~~; ~~Rick Swenson, 58~~; *Deby Trosper, 2; ~~Rich Wenrich, 1~~; Aliy Zirkle, 79; ~~Blanks, 60~~; *non-members not listed, 3.

There were a total of 374 proxies cast. There were a total of 198 valid proxies. 113 proxies went to nonmembers or members who were not present. There were 60 blanks and 3 for nonmembers that were not listed. Members who were not present have a strike through through their name and those who got proxies and aren't members are indicated by an *.

One hundred seventeen members were needed for a quorum. With 40 members present and 119 valid proxies, that was a total of 159 present either in person or by proxy. A quorum was present.

APPROVAL OF THE AGENDA

Dan Seavey/Maureen Morgan moved to approve the agenda as presented. Motion passed.

ADOPTION OF THE MINUTES OF THE ANNUAL MEETING IN 2011

Kelly Mulford/David Schwantes moved to adopt the minutes of the 2011 annual meeting. Motion passed.

BOARD MEMBERS COMMENTS

Baker thanked the members of the ITC for their moral and financial support and noted that we have a good team moving forward and doing great thing: mushers who have committed their lives; sponsors who have committed the lion's share of the resources; board who have established objectives and staff who make it all happen. He noted that today we are celebrating the end of one year and the beginning of another.

Burmeister reiterated what Baker had said and noted that since he's been on the board what it takes to put on this race. He said it's an amazing undertaking for everyone involved and it's a pleasure for him to be involved in it. He asked the membership to feel free to give comments and input. They can write letters or send e-mails. The board members want to know what the membership is thinking.

Aliy Zirkle commented that she's learned a lot in this last year as the mushers' rep on the Board of Directors. She noted that she looks for input from the mushers. She said she is also chairman of the Rules Committee and the committee had worked hard to come up with the 2013 rules. She further noted that the Board continues to work for an increased purse.

RECAP OF FY2012

Executive Director, Stan Hooley noted that Iditarod 40 had been very successful, 66 teams entered, 15 rookies, 53 teams finished and 12 finishing teams were rookies. He noted that the 700 barrier had been cracked. As of the end of Iditarod 40, 707 mushers were official finishers of the Iditarod Trail Sled Dog Race.

A DVD was shown featuring Dallas Seavey, 2012 champion. Hooley noted that Greg Heister had put that together.

Hooley welcomed the 21 educators who attended the Iditarod summer camp and talked about the outreach of all the teachers who have been involved with the Iditarod.

He presented a power point showing Iditarod's expenses and revenues for the years ending 2011 and 2012. He noted that the gross revenues in 2011 were \$3,924,142 and in 2012, \$3,820,340. Expenses in 2011 were \$3,573,891 and in 2012, \$3,640,157. Net revenues for 2012 ended up as \$180,074. He showed graphs showing where the expenses and revenues were and what the percent was in each area. He showed that sponsorship revenues constituted 40% of the total revenues and raffles were 16%. Next was merchandise at 13%, special events at 10%, Insider VOD/Licensing, 7%, entry fees 5%, Insider tracker, 4%, membership 3%, General and Administrative and advertising, both 1% and Royalties, 0%.

On the expense side, the race made up the largest expense, 43% of the total budget. That was followed by General and Administration expenses at 17%, Insider VOD/Licensing, 8%, Raffles, Sponsorship and Merchandise, all at 6%, special events at 5%, Public Relations and Insider tracker at 4%, and membership at 1%.

Hooley noted that some of the good things that happened during the fiscal year included:

- 1) \$100K appropriation from the State of Alaska for FY 13:
- 2) Lowered entry fee last year by \$1K
- 3) For 2013, absorbing \$1K in shipping expenses per musher
- 4) Prize money increasing by \$50K for 2013
- 5) Production of highly informational and informative 33 minute documentary entitled "Why do they Run?"

He reported that over 1,400 media entities from around the world reported news about the Iditarod Trail Sled Dog Race in March. These media sources represented 46 different countries and generated more than 9,500 original stories about the Race. Three hundred twenty nine members of the media were credentialed to cover the 2012 Race, representing those who were on site. Approximately one fourth of them were from outside or across the oceans. They came from 17 states and nine foreign countries. They ranged from advertising and public relations agencies to radio and television stations...and in between were free-lance journalists and photographers magazines, news services, newspapers, production companies and publishing companies.

He noted that the Iditarod website, www.iditarod.com, had been redesigned with an eye toward further enhancement. This year there were 18.4 million page views in 170 countries, 3 million visits, 6.01 pages per visit (average), and 9.01 minutes spent online per visit (average). Approximately 90% of the traffic comes from the US, 3% from Canada, 2.5% from Norway and just over .6% in Germany, Austria, Switzerland, Sweden, New Zealand, and the Netherlands. The Iditarod receives widespread attention across the US, with Alaska accounting for 16 percent and the top 9 states (California, Illinois, Washington, New York, Wisconsin, Ohio, Michigan, Texas and Pennsylvania) totaling less than 50% of the overall traffic.

PUBLIC COMMENT

President Andy Baker welcomed everyone and explained that this is the time for comments from members of the Iditarod Trail Committee.

DeeDee Jonrowe noted that the entry fee had gone down and thanked the board and staff for that.

Dan Seavey asked about paying a professional auctioneer for the auctions at the banquet in Anchorage and in Nome.

Seavey asked about the amount of film footage that had been sold this year and Hooley noted that it was roughly \$20K worth. He also asked about growth of the Insider and the Tracker. Hooley noted that those are growing at a rate of about 10% a year and the expenses stay static.

Kelly Mulford asked about the situation with the FAA and the donation spot on the website being removed. Hooley explained that we are currently enjoying the ability to operate under an exemption that has been extended for two year. The issue with the FAA will come up again. Hooley also explained that we are talking with Elevator 10 about rolling out a social giving campaign. But that isn't finalized yet.

Mike Devitt noted that in the phone room there are many calls from people who have problems with the Insider and asked if Iditarod could provide tech people to be there at least through the first weekend. He said this is a big frustration for the volunteers in the phone room. Baker noted that it is Hooley's plan to have Elevator 10 staff there which will make it much easier. He further noted that he is excited about having the good team from E10 working with us.

David Schwantes asked about Iditarod getting on the Permanent Fund Dividend donation list and commented that people who go to Nome for the finish are frustrated because they can't get good photos of the finish. Hooley noted that Iditarod is applying to get on the PFD check list. Baker noted that we're trying to solve the sound issue at the finish in Nome.

Donna Quante asked about the status of the Willow re-start. Baker noted that that is not solved. This will be the fifth year. Iditarod is working with the governor and Senator Murkowski to get the bureaucratic issue solved.

Maureen asked if the burlled arch in Nome could be elevated higher which would help to see the finish better and to get photos.

Ray Redington, Jr. asked about the status of the building for the volunteers at the dog lot in Nome. Burmeister reported that this was in process.

Eleanora Wands commented that she can't find any place on the website for interaction among the volunteers and suggested that this be something to consider with the new website.

Margaret Murphy noted that it would be helpful if Iditarod would send a tax letter to Idita-Riders so they could deduct a portion of what they pay for the ride. Hooley will follow up on that.

Peg Stout asked if there has been a growth in merchandise sales. She said it's mostly women buying Iditarod merchandise and we should come up with some brighter colors. Hooley explained that merchandise sales are not growing like it needs to. We don't have the in house ability to focus of this to the extent it needs. We are trying to finalize a relationship with a third party to handle the merchandise totally.

John Baker introduced Mike Dunleavy who is running for the Alaska State Senate. Dunleavy spoke a few words.

Waneta Redmond announced that the Willow Chamber of Commerce is sponsoring a golf tournament on the ice following the re-start.

ELECTION RESULTS

Baker introduced Sally Smith who thanked all her ballot counters for coming out at 7 a.m. on a Saturday morning.

She explained that there were 438 ballots submitted and 421 counted. (The others were invalid for one reason or another.)

For Seat A, John Handeland received 411 votes.

For Seat B, Stan Foo received 399 votes.

For Seat C, Rick Swenson received 231 votes. Dan Seavey received 188 votes.

Smith noted there were 10 write ins with one vote each except for one person who had two write in votes.

The president thanked Mark Moderow for his many years of service to the Board of Directors and Dan Seavey for his board service and others things he's done for the Iditarod. He welcomed Handeland and Swenson back to the Board and welcomed the new board member, Stan Foo.

ADJOURNMENT

Baker thanked everyone for coming and asked for a motion to adjourn.

Dan Seavey/Kelly Mulford moved that the meeting be adjourned. Motion passed. The meeting adjourned at 11:30 a.m.

DRAFT