

IDITAROD TRAIL COMMITTEE
BOARD OF DIRECTOR'S MEETING
October 30, 2015
Lakefront Alaska Hotel

CALL TO ORDER

The meeting was called to order by President Andy Baker at 8:11 a.m. at the Lakefront Alaska Hotel.

ROLL CALL

Members present: Andy Baker, Aaron Burmeister, Stan Foo, Paul Gebhardt, John Handeland, Mike Jonrowe and Mike Owens (via phone)

Members absent: Danny Seybert & Rick Swenson

Others present: Stan Hooley, Chief Executive Officer; Willie Karidis, Chief Operations Officer; Mark Nordman, Race Marshal/Race Director; Stuart Nelson, Jr., Chief Veterinarian; Don Patterson, Finance Director; Joanne Potts, Recording Secretary

APPROVAL OF AGENDA

Baker explained that the attorney, Bob Stewart, would be at the meeting at noon.

Burmeister asked to add 11.2, Ophir Checkpoint and Award.

The agenda was approved with the addition.

ADOPTION OF MINUTES OF JUNE 27, 2015

The adoption of the minutes of June 27, 2015 was unanimously approved.

PRESIDENT'S REPORT – ANDY BAKER

Baker explained that now is a bad time to try and get any money from the State. Even the tax credit is looking bad. He noted that there is a program for a tax credit for education and suggested Iditarod look into what it would take to change our program to fit those guidelines.

CHIEF EXECUTIVE OFFICER'S REPORT – STAN HOOLEY

Hooley submitted a written report.

While discussing the mushing field for 2016, the number of female mushers and where they're from was discussed. It was also suggested we look into publicizing in areas of the United States where mushing is really big.

Hooley noted the operating plan for FY 16 was to increase revenues of \$98K over FY 15, to increase expenses of \$144K over FY 15, realizing \$97K in net revenues placing \$70K into financial reserve. After

the first four months of the fiscal year, we are now forecasting revenue \$75K under budget, expenses \$37K under budget with net revenues of \$59K, a decrease of \$38K.

ITC needs to realize \$3,242,093, in revenue to meet the forecast.

ITC made a commitment to fund the Jr. Iditarod for up to \$25K, and he is working with Lynden Transport trying to get them to bring their funding for Jr. Iditarod to this level.

In outstanding debt, ITC has two lines of credit and a loan from the ITRF. There is a balance owed to ITRF of \$250K. The first line of credit through Wells Fargo is currently \$150K and is forecasted to be 0 at the end of the fiscal year. The second Wells Fargo line of credit has a current balance of \$85,526 with the year-end forecasted balance of \$50K.

Hooley explained that ITC is working on an agreement with Wildlife Trading Company to manage and develop our retail and e-commerce operations. WTC has agreed to make capital investments in excess of \$100K in fixtures, displays and point of sale equipment, all of which are needed. When this agreement is in place, ITC will be better able to focus on race operations.

Foo/Jonrowe moved to approved Hooley working on details of the agreement with the Wildlife Trading Company. Motion passed unanimously.

He noted that in sponsorship, there is a \$135K gap in what's needed to meet the budget and what renewals are expected. He explained that Tidewater's \$40K is out, and Alaska Serigraphics \$15 K will potentially be out when the new merchandising agreement is in place. We budgeted for \$65K in new growth which hasn't been realized.

He explained that the Sportsman Channel has elected not to extend its licensing agreement with the financial terms we've had. They paid us \$108K for the right to air our documentary. He is now working with ESPN on an agreement that they would air our documentary domestically but there would be no fee here either. But this could be good thing for Iditarod in the long run.

There have been changes in leadership in all the boroughs we work with: In Anchorage, Ethan Berkowitz has succeeded Dan Sullivan as mayor; in Wasilla Bert Cottle has succeeded Vern Rupright as mayor; in Nome, Richard Beneville has defeated incumbent Denise Michels as mayor. In the Mat-Su Borough, Vern Halter has defeated incumbent Larry Devilbiss.

Jonrowe suggested that we try some fundraising with fans purchasing lunch with mushers. It would have to be a date convenient to the musher. Gebhardt suggested it could be done in several locations to accommodate the mushers. It was felt that there are people out there who would pay \$500 to \$1000 a plate for such a dinner and this should be explored.

Gebhardt asked if the headquarters roof had been fixed and the answer was no, we're still waiting on board member individual donations before we can apply for the Rasmuson Foundation grant. The success of the grant is not guaranteed. Gebhardt noted that this has to be done and this needs to go out to bid by the April board meeting.

CHIEF OPERATIONS OFFICER'S REPORT – WILLIE KARIDIS

Karidis submitted a written report.

Karidis noted that the agreement for creating the new Joe Redington trophy has been finalized. This will save Iditarod approximately \$7000 per year and will bring the production of the trophy to Alaska, a great thing. Pat Garley from Palmer is our Sculptor.

Working with E10 to upgrade the fan experience on the website. He said he hopes Insider subscriptions to go up approximately 5-7% through social media, newsletter outreach, new market advertising and the website.

We received a \$50K grant from DNR which is being used to work on trail clearing from Bonfire Lake to the confluence of the Happy River.

He said we are preparing for Google Trekker footage to be released in late January to promote the 2016 race and the Iditarod insider.

He noted that he met with the Rasmusen Foundation and they made it clear that Board giving is tied to any successful Tier I or II grant application.

RACE MARSHAL/RACE DIRECTOR'S REPORT – MARK NORDMAN

Nordman submitted a written report.

Nordman noted that we are looking at the Minchumina Trail but will probably run the same route this year as last if we have to go to Fairbanks for the re-start. He explained that there is a bench through Hells Gate that could be cleared and he's looking at that too.

There was discussion about covering the arch in Nome to keep it out of the weather. Handeland explained the old building between the Nugget and the Mini is now gone and possibly it could go there. Several ways of protecting the arch were discussed. Handeland also explained that Nome has ordered replacement pieces for the PA system.

Nordman explained that he wants to spend some time in Ruby and Elim.

Foo/ Handeland moved that Mark Nordman should be the Iditarod delegate for another 3 years on the INHT board. Motion as unanimously approved.

Nordman noted that he's looking at another way to get a cheaper rate to get AV Gas to McGrath. He's talking to a couple out there who will get back to him if they can get it together to bring it in cheaper.

Gebhardt noted that Nordman needs to be working on "the book of stuff that he knows." Nordman realizes the need and is working on that.

CHIEF VETERINARIAN'S REPORT – STUART NELSON, JR., DVM

Nelson submitted a written report.

He noted that Jim Atwell has retired from Providence and he will be working with a new person this year.

He noted that he and Nordman had decided that Koyuk was the place to go for a vaccination clinic for this year.

Nelson discussed his views on the Seppala Award to follow up on concerns at the last meeting about selecting the recipient. His thoughts are explained in his written report. Musher's had expressed concerns about all dogs in the team not being counted in the scoring. The mushers felt that finishing dogs should not be removed from scoring, that they are part of the team that the musher is responsible for and would make for a higher score for that musher. After a lengthy discussion, Dr. Nelson and the mushers agreed to two changes: It was decided that if a dog scores "0" in any of the evaluation categories, that dog will still be considered to be a finisher and included in the calculations of average value per dog for that team. Also the adjustment of the number of finishing dogs greater or less than 10 will be changed from plus or minus 16 to plus or minus 8 per dog.

Handeland explained that Nome does not have a veterinarian at this time and there is a group working on coordinating veterinarian care in Nome. He said it is a big deal to get health certificates for dogs that will be traveling and wondered if Iditarod could help with that. It was suggested that Nelson, Owens, Handeland and Burmeister should have a meeting to talk about how Iditarod could help.

Nordman noted that the Qualifying Review Board has reviewed all but one musher, the last one to enter. They have met telephonically.

RULES COMMITTEE REPORT

Gebhardt explained that the Tobacco Trail Race had asked for qualifier states and sent in all the required paperwork and then some, and the rules committee had approved it.

Gebhardt/Jonrowe moved to approve the Tobacco Trail as a qualifier. Motion approved unanimously.

IOFC REPORT – AARON BURMEISTER

Burmeister noted that some mushers had expressed a desire to see a web cam in Unalakleet.

Handeland noted that while mushers seem to want to keep their strategy to themselves, web cams would not allow that. But he said he's for web cams everywhere.

Old BUSINESS

Handeland/Jonrowe moved to approve the conflict resolution as negotiated.

Karidis explained that Pat Garley, of Palmer, will make the trophy. He also made the Joe Redington Sr. Trophy at the new high school. The cost of this trophy will be the \$3500 as opposed to \$10,000. It will be very similar to the original trophy but will have some changes.

Handeland/Jonrowe moved to approve the conflict resolution as negotiated. Motion passed unanimously.

NEW BUSINESS

The motion has already been passed earlier today to continue negotiating with Wildlife Trading Company.

AGENDA ITEM 11.2 – OPHIR CHECKPOINT AND AWARD

Burmeister noted that Roger Roberts has a mining claim out near Ophir and one of the last things he wanted to do was put it in Iditarod's name. Burmeister said it is in his name now. He suggested that he turn it over to Iditarod for use as the Ophir checkpoint. He has a cabin there, it is near the airstrip and it would work perfectly.

Handeland suggested that if someone makes a contribution of that magnitude, shouldn't it reflect his name moving forward. Burmeister explained that the directors of his estate wanted a simple plaque for the first musher to Ophir and they would produce the plaque. He said it's a mile away from Forsgren's property.

Handeland/Jonrowe moved to work with the executors of the Roger Roberts estate relative to a "Loafer" award and property transfer that he wished to have done. Motion passed unanimously.

DIRECTOR'S COMMENTS

Aaron Burmeister: Thanks so much. Good to get our heads back in the game.

John Handeland: Took note of the monument. New City Manager (Tom Moran) and mayor. First thing he said was "do I get to greet the first musher?" Mayor will be great as is Tom. We will find them big supporters. New museum should be ready by Iditarod 2017. We want to have library done by Iditarod 2016. New Wells Fargo Manager, but don't know who that is yet.

Mike Owens: Hopefully, we will be able to renovate the rec center with the new mayor. Been a good meeting.

Stan Hooley: Lots of work to be done. Prepared to make things happen.

Stu Nelson: Thank you. We dealt with some serious issues.

Adjournment