

IDITAROD TRAIL COMMITTEE  
BOARD OF DIRECTORS  
LAKEFRONT HOTEL  
FEBRUARY 10, 2017

### **CALL TO ORDER**

The meeting was called to order at 9:10 a.m. by President Andy Baker.

### **ROLL CALL**

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

**Members absent:** Danny Seybert

**Others Present:** Stan Hooley, CEO; Chas St. George COO; Mark Nordman, Race Director/Marshall; Zack Steer; Race Coordinator; Don Patterson, Finance Director, Bri Kelley, Thompson & Co

A quorum was established

### **PUBLIC COMMENT**

No Public Comment

### **APPROVAL OF AGENDA**

Baker noted moving the executive session (8) to the beginning of the meeting after adoption of minutes (5).

*Handeland moved to approve the agenda as amended/Jonrowe seconded. Motion passed unanimously.*

### **ADOPTION OF MINUTES OF DECEMBER 02, 2016 MINUTES**

*Jonrowe move to pass adoption of minutes/Burmeister second. Motion passed unanimously.*

### **EXECUTIVE SESSION**

*Jonrowe moved to go into executive session for the purpose of discussing trail conditions and restart location (7.1)/Handeland seconded*

### **EXECUTIVE SESSION FOR THE PURPOSES OF DISCUSSING TRAIL CONDITIONS AND RESTART LOCATION ENDED AT 10:30 a.m.**

*The Iditarod Trail Committee Board of Directors voted unanimously to relocate the 2017 Iditarod Restart to Fairbanks Alaska. The agreed upon start date and time is March 6, 2017 at 11:00 a.m.*

### **CONTINUANCE OF THE REGULAR MEETING:**

*Handeland moved to go into executive session for the purpose of discussing budgetary adjustments (7.2) Foo seconded*

### **EXECUTIVE SESSION FOR THE PURPOSES OF DISCUSSING BUDGET ADJUSTMENTS ENDED AT 12:40 p.m.**

The Board reconvened following an executive session on financial matters. President Baker advised current revenue and expense projections were reviewed and will require budget revisions, as were covenants ITC made to the Iditarod Trail Race Foundation in connection with a loan agreement.

*John Handeland moved to recess the current meeting temporarily and convene a special meeting of the Board for the purpose of considering action on the race rules, seconded by Mike Jonrowe. The motion carried unanimously.*

**The Board recessed the regular meeting.**

### **SPECIAL MEETING:**

President Andy Baker convened a special meeting of the ITC Board of Directors. In addition to President Baker, directors Mike Jonrowe and John Handeland called for the Special Meeting pursuant to Bylaws Section 5.9. All directors were present, except Danny Seybert. Pursuant to Bylaws Section 5.10 Director Seybert was contacted by telephone and concurred to the waiver of the 24-hour notice for a Special Board Meeting.

The stated agenda for the special meeting was to allow the Board to consider immediate action on race rules. Bylaws Article 12 was reviewed. Section 12.1 states not later than four (4) months before any race sponsored by the Corporation, the Board shall adopt racing rules to govern such race, and that the Board may adopt new rules or amend existing rules less than four months prior to a race if two-thirds (2/3rds) of the entire Board of Directors finds that exigent circumstances exist require such action to be taken in order to prevent potential or actual harm to the Corporation.

Based on current finance projections, the Board determined such exigent circumstances exist and immediate action is required.

*John Handeland moved to consider Bylaw Sections 12.1 and 12.3, that at this special meeting Rule #11 be amended to strike the last sentence "In addition, beginning with 31<sup>st</sup> place, \$1,049.00 will be paid to each remaining finisher." and to change "at least \$750,000" to "at least \$700,000." The motion was seconded by Mike Owens*

Andy Baker clarified that the purpose of the rule change was to allow the Board to proceed with a required budget amendment.

Director Gebhardt asked whether further flexibility was required.

*Rick Swenson suggested that the amended rule state “A purse to be determined will be shared among those placing in the top thirty (30). Every effort will be made to supplement a baseline purse.*

*Handeland and Owens agreed to the friendly amendment. Additional discussion included that whatever the total purse be, any reduction or addition should be on an equal percentage basis between all 30 places.*

**The question was called on the question: to Amend Rule #11 – Purse to read: “A purse to be determined will be shared among those placing in the top thirty (30). Every effort will be made to supplement a baseline purse.”**

*The motion passed unanimously on a voice vote.*

There being no further business, President Baker declared the special meeting adjourned.”

The Board returned to regular session. The next item on the agenda for consideration was an amendment to the budget.

Mike Jonrowe made a motion to reduce the purse between finishers 1-30 by 5% and the elimination of the \$1,049 refund to number 31 through the remaining finishers in this year’s race.

Arron Burmeister made a friendly amendment to include the following cuts:

- \$39K – Insider - Iditarod Live
- \$37.5K - Race - Purse Reduction 1-30 Finishers
- \$33.5K – Race – Purse Reduction 31-Red Lantern (\$1049.00)
- \$25K – Race – Air Transportation – Airfare
- \$24K – Race – Fairbanks Restart
- \$13K – Sponsorship - Sponsor Relations
- \$10K - Staff Compensation
- \$4K – Race - Checkpoint Supplies
- \$4K – Insider - E&O Insurance
- \$3.5K – G& A - Election Legal Costs
- \$3.5K – Race - Vet/Volunteer Stipends
- \$3K – Race - Drop Dog Supplies
- \$3K – Race – Sat Phone Costs
- \$2K – Race - Checkpoint Food

The total is a reduction of \$205,000 in cost savings.

*Jonrowe agreed to the friendly amendment made by Burmeister and the motion passed unanimously.*

Last Items of business were the Herbie Nayokpuk Spirit of Iditarod and Honorary Musher Awards.

Aaron Burmeister announced that the Honorary Musher for 2017 is Leo Rasmussen.

He also announced that this year the Herbie Nayokpuk Spirit of Iditarod Award will be presented to Austin Esmailka Sr's family in Kaltag. Austin passed away this past fall. He has been a leader in his community and a volunteer for the race for many years.

Director Swenson asked about the status of those mushers who were required to run qualifiers in order to race in the 2017 Iditarod.

Race Director/Manager updated the board that four people were required to run qualifiers. One musher who has not withdrawn and has qualified will be running the Iditarod this year. Another musher who did not complete the qualifier was allowed to race because we (the Qualifying Review Committee) did not meet with that individual within the required fifteen days after that person was notified. The bylaws require the musher to be notified. Therefore that musher will be allowed to race.

Director Swenson also added that the Qualifying Review Committee has to do a better job of communicating the rules more effectively in the future.

Director Burmeister brought up the status of race timers in Nome. Mark Nordman stated that Director Mike Owens was the lead on ensuring the race timers were in place for the finishers in Nome.

***The meeting was adjourned by Andy Baker at 1:30 PM***