ANNUAL MEMBERSHIP MEETING
IDITAROD TRAIL COMMITTEE, INC.
Iditarod Headquarters
June 30, 2007

CALL TO ORDER

The meeting was called to order at 10:00 a.m. by President Richard Burmeister.

ESTABLISHMENT OF QUORUM

Members present: Bernadette Anne, Kay Arnold, Jerry Bengtson, Sonja Bengtson, Jake Berkowitz, Frank Beve, Greg Bill, Jane Blaile, Bill Borden, Brenda Borden, Sharon Brosamle, Richard Burmeister, Jack Campbell, Wayne Curtis, Michael Davis, Paul Foutz, Rae Foutz, Joe Garmie, C.J. Glasser, Brad Gore, Nancy Grota, Joe Gutowski, Helen Hegner, Stan Hooley, Greg Hopkins, Maria Jameson, Diane Johnson, DeeDee Jonrowe, Kathy Kerns, Leelan Larsen, Val Ledbetter, Mark Moderow, Bob Morgan, Maureen Morgan, Dale Myers, John Nagy, Maryann Nagy, Stuart Nelson, Mark Nordman, Warren Palfrey, Jim Palin, Joan Patterson, Mary Pignalberi, Joanne Potts, June Price, Donna Quante, Eric Rogers, Jessie Royer, Rachael Scdoris, Dan Seavey, Shirley Seavey, Charles Shipman, Chas St. George, Ed Sundeen, Jim Terry, Sally Terry, Deby Trosper, Carol Tvorak, Wendy Walters, Mike Williams, Cheryl Zachary and two additional names not written legibly enough to read

Sixty three (63) people present. The names with a strike through were present but not members. Sixteen (16) are not members and two names couldn't not be read. So there were forty five (45) verified members present. Those with a strike through their names are not members.

Proxies present:
John Barron – 1; Sharon Brosalme – 1; Richard Burmeister – 54; Martin Buser – 6; Wayne Curtis – 1; Zoya DeNure – 1; John Handeland – 19; Stan Hooley – 7; Greg Hopkins – 1; Diane Johnson – 1; DeeDee Jonrowe – 5; Trish Keef – 1; Jeff King – 6; Jean LaBaron – 1; Lee Larsen – 9; Max Lowe – 1; Lance Mackey – 2; Sam Maxwell – 25; Mark Moderow – 18; Maureen Morgan – 1; Mike Owens – 16; Jim Palin – 20; Gary Paulsen – 1; David Pike – 1; Joanne Potts – 7; June Price – 3; Donna Quante – 23; Joe Redington, Jr. – 1; Joe Redington, Sr. – 5; Gwen Redman – 1; Eric Rogers – 4; Dan Seavey – 93; Mitch Seavey – 1; Ed Sundeen – 1; Rick Swenson – 117; Deby Trosper – 4; Clint Warnke – 1; Aliy Zirkle – 1; Not specified – 4; Blanks – 65

There were a total of 530 proxies. There were a total of 250 valid proxies. There were 5 proxies given to non-members, 201 given to a deceased person, 201 given to members who were not present and 65 were blank, 4 were not specified for a total of 280 invalid proxies. Those with a strike through were not present. Those with an * are not members. ** means deceased.

One hundred eighty-seven (187) members are needed for a quorum. With 45 present in person and 250 present by proxy, that makes 295 present either by proxy or in person. A QUORUM WAS PRESENT.

APPROVAL OF AGENDA

Eric Rogers/ Wayne Curtis moved to approve the agenda. Motion passed.
INTRODUCTIONS
The president asked everyone to introduce themselves and tell where they were from. There were 45 people present. President Burmeister noted that Joe Redington Sr. was excused, as he was on the trail.

ADOPTION OF MINUTES

Eric Rogers/ Maureen Morgan moved to approve the minutes of the 2006 Annual Meeting. Motion passed.

ANNUAL REPORT – STAN HOOLEY

Stan Hooley reported the schedule for the day. He noted that the volunteer picnic would begin at noon and was being catered by the Millennium Hotel. Sign-ups for 2008 will begin at 1 p.m. and end at 4 p.m., at which time there will be a drawing for two free entry fees.

He announced that Tim Osmar had been badly injured in a four wheeler accident when trying to get to his home during the Caribou Hills fire. He noted that there is information circulating explaining how people who wish to do so, can donate to a bank account to help Tim.

Hooley noted that this had been a very competitive year with 82 mushers leaving the start line. He explained that due to snow conditions, the first 154 miles of the trail were the toughest and 14 teams scratched in that stretch. He said that glare ice on frozen ground and other obstacles led to serious injuries. Between Rainy Pass and Nikolai, the mushers contended with ground storm winds up to 60 miles per hour. At Rohn, it was Buser and King leading but from McGrath to Iditarod Mackey took the lead as they traveled a windblown trail and over uncovered tussocks. Buser was the first to Anvik and received the Millennium’s first musher to the Yukon dinner. King was an hour and a half behind. Lance Mackey soon pulled ahead using 13 of the same dogs he had used to win the Yukon Quest a few weeks before. He said Lance’s win in this race will stand out as the most historical accomplishment. He noted that Lance has now been nominated for an ESPY award.

Hooley showed a chart that showed that Iditarod’s revenue comes 31% from sponsors, 19% from sales, 15% from raffles, 10% from special events, 9% from the Insider, 8% from royalties, 4% from memberships and 4% from entry fees. The expenses go 43% to the Race, 14% to general and administrative, 15% to membership, 9% to merchandise, 7% to sponsors, 7% to raffles and 1% to entry fees.

He noted that the expected net revenue for the end of the year is $79,000. He explained that the $420,000 in revenues budgeted for next year is higher than revenues for this year and expenses are budgeted at $240,000 higher than this year.

Regarding the entry fee increase, he explained that in 1993, the race expenses were $200,000 and have gone up 332% to a projected $900,000. Since 1993, the purse has increased from $403,000 to $917,000, and increase of 127.19%. He noted that the $1249 entry fee in 1992 was as meaningful then in someone’s pocket as a $3,000 entry fee is today. He said if we had erred it all, it’s likely we should have been increasing the entry fee each year.

Hooley noted that this past fall, thanks to board member Mark Moderow, we began working with the Warsaw Sports Marketing Center at the University of Oregon on a strategic planning project. In summary, the purpose of the project was to assist the Iditarod in developing our core sports marketing position. Identifying both current and potential sports marketing assets will leverage that core position. The team recommended sports marketing strategies and implementation
tactics that will strengthen the Iditarod brand while creating value for our marketing partners. After months of work and interaction between the group from U of O and our staff, they made their final presentation to the Board of Directors on June 1. Many important issues were addressed and presented. Overall the experience was refreshing and encouraging. We believe the Iditarod can be positioned to capture a bigger piece of the sponsorship pie with a few changes. Over the next couple of months we will be determining how much we can implement now and how much we can implement in the future.

He explained that year two of the Insider was notably better than the first year. He said we learned a lot in the first year and produced a better product in the second year and met the budget projection for the number of subscribers.

He stated that last year's DVD, *Mother Nature's Turn to Dance*, had been awarded a regional Emmy award. He also noted that in February, the Iditarod was inducted into the Alaska Sports Hall of Fame.

PUBLIC COMMENT

Jim Terry noted that there are people who don’t like to put their credit card number on the Internet and asked if there is some other way those people can sign up for the Insider. Diane Johnson said she would meet with anyone present who wanted to sign up for the Insider without putting a credit card number on the Internet.

Rae Foutz noted that this year the website was fantastic.

Mike Williams commented that there should be a form that people can complete if they want to help mushers with their entry fee.

Carol Tvorak commented that the membership applications are only online through the mail order and therefore there is a shipping charge automatically charged. Deby Trosper agreed to take care of that.

Dale Meyers asked how the members would be made aware of the suggestions that are implemented that were submitted by the U of O students.

Maureen Morgan suggested that board meetings be held alternately in Anchorage and Wasilla. She said there are people who would like to attend meetings but can’t drive to Anchorage.

DeeDee Jonrowe commented that the entry fee had increased this year. She suggested that the mushers be given more notice when entry fees are changing, or that a formula be developed that people would know about ahead of time. She also asked about when the membership closed and encouraged the Board to consider giving more time for voting.

Kay Arnold noted there had been no notice that the membership rules had changed, i.e. that team dog members would receive only one vote. She also said there wasn’t enough time for people to get their ballots and get them back in time. She commented that it is important to grow the membership and to keep the members happy.

Mark Moderow commented that the entry fee is part of the budget cycle. He said the Board has a lot to look at over the next year as a result of the study down by the students from the University of Oregon.
Joanne Potts explained that we had received back this year 36.3% of the ballots we sent out. She also said we had received ballots back for several foreign countries. She explained that her concern is that if we send the ballots out too far ahead, then people will put them on their table and forget about them.

Paul Foutz noted that he felt there should be better communication between members and the Board. He said they (he and his wife) didn't receive their ballot. He said he'd like to see more financial information.

Donna Quante noted that she feels that we need to open the window for mailing ballots and that we should put out a notification early that if people want to run for the Board, they should contact a specific person.

Bill Borden noted that last year's minutes show things missing and asked why documents can't be put on the Web.

Dan Seavey reported that Melissa Owens from Nome had been the recipient of the Leonhard Seppala $10,000 grant.

Jim Palin requested those present to join him in thanking the staff for a job well done this past year.

Stan noted that the Governor Sarah Palin will arrive around 2:00 p.m. to attend the picnic.

ELECTION RESULTS

Richard Burmeister thanked everyone for coming and introduced Cheryl Zachary, chair of the election committee.

Zachary thanked the committee for getting up bright and early to count the ballots and read the results as follows:

<table>
<thead>
<tr>
<th>Seat H</th>
<th>Sam Maxwell - 320 votes</th>
<th>Donna Quante - 298 votes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seat I</td>
<td>Jim Palin - 604 votes</td>
<td>Lee Larsen - 601 votes</td>
</tr>
</tbody>
</table>

There were a number of write-in candidates for each seat, but none received more than 2 votes.

President Burmeister thanked Cheryl Zachary for her work with the committee.

It was moved and seconded that the meeting be adjourned. The meeting adjourned at 11:35 a.m.

James F. Palin
Board Secretary
Iditarod Trail Committee

jp