

IDITAROD TRAIL COMMITTEE, INC.
BOARD OF DIRECTORS MEETING

June 3, 2005

Millennium Alaskan Hotel
Anchorage, Alaska

CALL TO ORDER

The meeting was called to order by Vice President Sam Maxwell at 9:10 a.m.

ROLL CALL

Members present: Richard Burmeister, Lee Larsen, Sam Maxwell, Mark Moderow, Jim Palin, Dan Seavey (via phone)

Members absent: John Handeland, Mike Owens, Rick Swenson and Joe Redington, Sr.

Maxwell noted that Redington is excused and on the trail.

Others present: Greg Bill, Development Director; Stan Hooley, Executive Director; Stu Nelson, DVM, Chief Veterinarian; Don Patterson, Finance Director; Mark Nordman, Race Marshal; Joanne Potts, Race Director/Recording Secretary; Chas St. George, Public Relations Director; Dale Meyers; Mike Koskovich

PUBLIC COMMENT

Mike Koskovich, an Iditarod pilot, commented that the people in the Knik neighborhood wanted to see the Iditarod go through Knik. He noted that if it hadn't been for Dorothy Page and Joe Redington, Sr., the race wouldn't be here today and they wanted to see it go through Knik. He said he'd like to look at alternative routes from the sports complex and noted that he'd be willing to head up a group to explore the alternatives. He said for the race to go through Knik would be in keeping with the historic value of the race and the spirit of the race. He said he would be prepared to make a presentation at a subsequent board meeting.

Dale Meyer commented that Joe Redington, Sr. really wanted the race to go through Knik and thanked Koskovich for his interest.

Maxwell agreed with what Koskovich said and noted that he remembered well that Redington was adamant about the race going through Knik.

Moderow suggested Koskovich work with the Borough.

Koskovich noted that the impact on local merchants is a fringe benefit. The primary concern is going through Knik.

Maxwell welcomed whatever efforts Koskovich could put forward toward alternative routes.

APPROVAL OF THE AGENDA

Palin asked that Proposed By Law Amendments be added to the agenda.

Burmeister/Moderow moved to approve the agenda with the addition requested. Motion passed.

ADOPTION OF MINUTES OF APRIL 22 BOARD OF DIRECTORS MEETING

Burmeister/Moderow moved to adopt the minutes of the April 22 meeting. Motion passed.

REPORT OF THE EXECUTIVE DIRECTOR

Hooley submitted a written report.

He noted that Doug Swingley had asked that members of the IOFC who had checked in at Headquarters to sign up be allowed to leave headquarters to attend the IOFC meeting at Martin Buser's and then return after the meeting without losing their places in the sign up order.

Palin/Burmeister moved to authorize a temporary leave of absence for IOFC members to attend the IOFC meeting on June 24.

Hooley suggested that they be allowed to leave at 5:30 and required to be back at HQ by 11:30.

Palin/Burmeister motion passed.

Hooley explained that the communications costs this year were significantly higher than had been budgeted for. He explained that the projections were based on the in kind sponsorship over the years. We are now seeing bigger numbers than we've seen in the past. He said he is still negotiating and waiting on an explanation of what the larger numbers represent.

He reviewed the information in his written report regarding finding a marketing agency to work with Iditarod.

At the request of Hooley, Maxwell appointed Hooley, St. George and Greg Bill to the committee to work on securing grants.

Maxwell also noted that Lee Larsen had replaced Rick Koch on the committee to establish a financial reserve plan.

REPORT OF THE DEVELOPMENT DIRECTOR

Palin/Moderow moved to accept the staff reports subject to questions. Motion passed.

Greg Bill thanked the board members who had attended the sponsor luncheon.

He explained that he had asked the Rasmuson Foundation for \$250,000 to go toward long-term needs and capital projects. He said he hopes to have it finalized by the end of June and an answer from them in December.

He noted that he'd be meeting with Wells Fargo in late June to negotiate a new contract. Larsen asked to be kept advised of what's happening with Wells Fargo.

REPORT OF THE DIRECTOR OF PERSONNEL

At the request of Seavey, St. George explained that he works on research and development, keeping a positive image for the Iditarod and is working with the mushers and ITC to establish another level of relationship.

He explained that Hooley tasks him with certain projects, about which he will report to the board.

He showed the video that had been developed to showcase sponsors. Larsen suggested that the level of volume of the music should be modulated.

St. George said this would be available to mushers.

Seavey commented that it would be good to develop musher profiles.

REPORT OF THE RACE DIRECTOR

Potts noted that along with volunteer lists, thank you letters and other things she's been doing to finish up the 2005 race, she has spent a great amount of time on the contact list for the IOFC and has sent that list to Doug Swingley.

Seavey thanked Potts on behalf of the IOFC for her work on that project.

REPORT OF THE CHIEF VETERINARIAN

Nelson commented that his goal in asking for snow machines is not to have a gap in veterinary coverage along the trail, explaining that there are lots of conditions that prohibit flying but would allow snow machining.

Burmeister commented that it wouldn't be safe to send inexperienced veterinarians out on snow machines and suggested that it would be better to keep track of the weather and move the veterinarians sooner.

Moderow suggested that Nelson explore the idea of having veterinarians here just a short time to cover the back of the race.

Larsen commented that Nelson makes the best effort to get the veterinarians in and if it doesn't happen it does not mean he's failed in his job.

With regard to the e-mails Nelson has been getting, Moderow suggested that a policy be developed consistent with veterinary ethics and posted on the website.

Seavey noted that the veterinary committee that the IOFC wants to put together would be considered as a positive step in working on Goal 3 in the Strategic Plan. He said it would open a good channel of communication.

Hooley said he felt it would be better if that were endorsed as an ITC committee.

REPORT OF THE RACE MARSHAL/VILLAGE RELATIONS COORDINATOR

Nordman noted that he would have a schedule for village visits at the next board meeting. Maxwell asked him to forward that schedule to Hooley.

IOFC REPORT

Seavey noted that he is working with the IOFC to impress on them that reports should be given in writing.

He asked if the board had approved the request for new trail markers and Hooley noted that that would be done for 2006.

He talked about having an ultimate qualifier put on by the ITC and going to McGrath to Nenana. It wouldn't be a prize race, rather a learning experience with a stiff entry fee.

Palin suggested that the idea of an ultimate qualifier should be taken to the IOFC for their input.

APPOINTMENT OF RACE PERSONNEL

Palin/Larsen moved a vote of confidence and appreciation for the past performance of Dr. Stuart Nelson and Mark Nordman and to approve them for chief veterinarian and race marshal in 2006.

Seavey noted that the mushers have issues with the veterinary program last year.

Palin/Larsen motion passed unanimously. Seavey abstained.

ADOPTION OF FY06 OPERATING BUDGET

Maxwell noted that Jim Palin, Lee Larsen and Stan Hooley were the budget committee.

Larsen/Moderow moved the adoption of the budget as presented.

Larsen noted that the staff had done an outstanding job and said the committee recognized the need to broaden the support and increase revenue.

It was noted that pre-race grooming item had been increased by \$14,000.

Hooley noted that there were no Runner expenses in the budget because of our agreement with Alaska Newspapers. He noted that Iditarod might be reabsorbing that responsibility.

Hooley explained that the budget has \$650,000 in new expenses associated with the pay for view website. He explained further that this needs to be flushed out a lot more before the first check is written.

Hooley explained that there are other revenue possibilities with this. He said we may be able to sell footage, to lessen the cost locally by providing footage, so there are ways to eat away at that \$650,000.

Seavey asked about the tracking device affecting the race because of allowing people to know where the mushers are.

Hooley explained that this will show on a computer screen that represents over 1000 miles of trail. He said we are talking GIS technology. It doesn't require antennas. It is smaller and would be scheduled to provide a signal to the satellite at whatever interval we wanted. We'd probably err toward longer intervals in the interest of battery life.

St. George explained that the device weighs three pounds, is 7.5 inches wide and 12 to 14 inches long, flat with internal transmission system and internal antennal.

Hooley explained that the unit would need to go when sleds are changed and we would need to think of a couple of checkpoints where they aren't going to be inconvenienced to change the batteries.

Larsen suggested that someone with technical expertise be invited to the annual meeting.

St. George noted that this was referred to us by GCI. We still have research to do, but it seems to be the best option we have looked at so far.

Maxwell noted that this has to bullet proof. If he is going to pay \$10 and nothing happens by Rainy Pass, he said he wouldn't happy.

Hooley noted that there are three elements important to pay for view. He says he sees the musher tracking as important but not as important as the streaming video from the checkpoints and the written content from the insiders viewpoint. He said it might be possible to do a beta test this year and add it for the race in 2007.

Maxwell noted that to him, it is what is going on with mushers that is important.

Palin noted that pay for view is high risk but has high reward. He noted that we're looking at an expectation of a \$200,000 increase in sponsors and reducing the financial reserve. He said the cash reserve is being reduced from 525K to 400 K.

Patterson explained that the cash balance is going up \$52,800. He said the ending cash balance in 2005 is \$215,000 and at the end of 2006, it would be increased by \$52,776.

Hooley noted that the \$3,000 showing in the budget for the Jr. Iditarod is in excess if the money from the U of A College Savings Plan.

Potts noted that the \$15,000 Jr. Iditarod gets allows only \$4,000 for race expenses. The rest goes into scholarships. This Iditarod money is to assist with race expenses if needed.

Burmeister called for the question.

Larsen/Moderow motion passed unanimously.

Hooley noted that this budget is ambitious but attainable.

ADOPTION OF RULES FOR 2006 RACE

Moderow/Burmeister moved to adopt the rules including the prize money provided on the spreadsheet for rule 42.

Palin asked why sails are not allowed. Nordman noted that while sails were a traditional form of travel with dog sleds, they are not traditional in racing.

Moderow noted that this was a unanimous decision of the rules committee.

Maxwell asked about deleting the food and heat requirements. Nordman explained that it wasn't enforced and the rules committee felt that the mushers should be responsible for determining what they need.

Burmeister called for the question.

Moderow/Burmeister motion passed unanimously.

BY LAW AMENDMENTS

Burmeister/Larsen moved to approve the changes in the bylaws.

Palin reviewed the suggested changes in the bylaws.

Regarding article II, section 2.2, Potts noted that she has spoken with the gaming division in Juneau recently about that issue and was told that this applies to new applicants. Moderow suggests just leaving 2.2 the way it is.

In referring to the last sentence in 8.7, Moderow noted that the last sentence either should be deleted or the amount (\$5,000) should be higher. Hooley commented that with the boiler plate type of contracts with sponsors that he uses, we are violating the bylaws as they now read.

It was agreed to delete the last sentence of 8.7.

It was agreed to add the rules committee back into 11.1.

It was agreed to delete reference to Officials Manual in section 12.4 since there hasn't been an official's manual for many years.

Burmeister/Larsen moved a friendly amendment to the above motion including the items noted here. Motion passed.

Burmeister/Larsen motion as amended passed unanimously.

EXECUTIVE SESSION

Burmeister/Palin moved to go into executive session. Motion passed.

DIRECTOR'S COMMENTS

Maxwell – Staff reports are getting better. Website is better than is used to be.

Seavey – Seppala award will be announced soon.

Palin – no comment

Moderow – no comment

Burmeister – no comment

ADJOURNMENT

Burmeister/Moderow moved to adjourn. Motion passed.

Meeting adjourned at 2:50 p.m.