

IDITAROD TRAIL COMMITTEE INC.  
BOARD OF DIRECTORS MEETING  
October 1, 2011  
Millennium Alaskan Hotel  
Anchorage, Alaska

#### CALL TO ORDER

The meeting was called to order by the President at 9:12 a.m. on Saturday, October 1.

#### ROLL CALL

Members present:

Andy Baker, Aaron Burmeister, Mike Jonrowe, Mark Moderow, Mike Owens and Aliy Zirkle

Members absent:

John Handeland, Danny Seybert, Rick Swenson and Joe Redington Sr.

A quorum was present.

The president noted that Redington's absence is excused. He is on the trail.

He also noted that Handeland was ill and thus excused and Swenson was closing up his gold camp and thus excused. Seybert had been excused on Friday because of a conflicting meeting.

#### PUBLIC COMMENT

There was no public comment

#### APPROVAL OF AGENDA

**Moderow/Jonrowe moved to approve the agenda.**

Jonrowe noted that items to be added to the agenda are approval of reimbursement for board travel and giving the Executive Committee the power to approve the qualifiers following the meeting of the Rules Committee.

**Moderow/Jonrowe motion was approved as amended.**

#### ADOPTION OF MINUTES

**Moderow/Burmeister moved to adopt the minutes of the June 30 Board Meeting. Motion passed.**

#### PRESIDENT'S REPORT

Baker noted that he is excited about the bi weekly meetings and complimented Hooley on the information provided to the Board for those meetings. He encouraged all the board members to participate.

## EXECUTIVE DIRECTOR'S REPORT

Stan Hooley submitted a written report.

He noted that eight of the top 10, 13 of the top 20 and 20 of the top 30 from last year have signed up for this year's race. He said we expect a field of between 60 and 65 to start the 2012 Race.

He explained that we have signed an agreement with Elevator 10 for the development of a content management system and overall re-design of [www.iditarod.com](http://www.iditarod.com). He explained that the financial changes in this agreement are not predictable enough to be a budget issue.

He presented the time line with the project start date as September 15 and the launch date as December 15.

He presented the financial information stating that since the budget was passed in June, we are not forecasting an increase of \$7K over budget in revenues, and increase of \$53K over budget in expenses and a decrease of \$46K under budget in net revenues. He noted that for this to happen, all fund raising activities must perform at budgeted/forecasted levels and all existing partnership relationships which are in various stages of negotiations, must also renew.

He explained that as of today, the budgeted cash sponsors are at \$1,609,184 and in kind at \$1,022,500. The committee sponsors are at \$1,042,500 in cash and \$493,500, the existing but not finalized sponsors, \$416,000 in cash and \$454,500 in kind. He explained that to meet budget, \$150,684 is needed in new cash sponsorships and \$74,500 is needed in in-kind sponsorships.

He explained that Iridium is no longer in the business of donating minutes. He said he expects to negotiate with them for a rate close to their cost.

Baker suggested we should find other companies that are clients of Iridium and see what we can work out for minutes. He asked if Donlin was a client of Iridium.

It was noted that on he list of sponsors, Donlin Creek needs to be changed to Donlin Gold.

## IOFC/MUSHERS' REPRESENTATIVE

Hooley explained to Zirkle that this is a standard part of the board agenda.

Zirkle noted that she was concerned about the qualifying races and noted they they will need to be approved by the Board after the Rules Committee meeting. She noted that the report cards would be discussed at the Rules Committee meeting. She also suggested that while the website is being redone, there needs to be a musher section where mushers can easily find any information that they need.

## STAFF REPORTS

Nordman noted that the trail will not be going down the Steps this year. He also explained that there is more grant money available for a spring or fall trail project.

He explained that regarding drug testing, we are trying to learn whether Beacon will still want to be involved in the same capacity as before.

Hooley said that the the program has been administered so that when a musher applies for a TUE, regardless of what the drug or drugs they are asking about, the TUE is granted. He explained that performance enhancing drugs are not being tested for. It was also explained that the drug testing can not tell the difference between marijuana and Marinol, which people can get a prescription for.

Hooley was asked to come back to the Board after he has more information on drug testing.

## QUALIFYING REVIEW BOARD

Nordman noted that all the rookies so far entered have been reviewed by the QRB, except the latest to enter and there will be no problem with him.

Moderow asked for an Executive Session so the Board can be updated on the situation with Brennan Norden. That will take place later in the meeting.

## BOARD EXPENSES

**Jonrowe/Moderow moved that the Iditarod reimburse reasonable expenses for board members to attend board and committee meetings and any other travel with approval by the Executive Committee.**

Moderow commented that normally the Executive Committee is used in an emergency or as sort of a sounding board. They are not generally utilized to have board meetings every two weeks.

**A friendly amendment required that \$15,000 be added to the budget to accommodate board travel.**

**Jonrowe/Moderow motion as amended passed unanimously.**

## RULE 25 DISCUSSION WITH MARTIN BUSER

Buser passed around photos to show his dogs loose in checkpoints. He urged the Board not to pass reactionary rules and rules that were not good for the dogs. He noted that just because every musher can't turn his/her dogs loose in the checkpoint isn't a reason that those who can not be allowed to do so. He asked the Board to reconsider the rule that was recently passed that required that dogs be tethered at all times. He asked that the evolution of the sport not be stifled.

Baker asked the Rules Committee to take a look at this rule again when it meets next and come back to the Board with a recommendation.

#### ADOPTION OF FIVE YEAR PLAN

Hooley presented a five year plan in which he had plugged in numbers that were discussed during the planning session on Friday.

The entry fee was discussed and it was suggested that it was noted that it is at \$3000 through the out years on the plan. It was suggested that it be dropped to \$2500. Then there was discussion about rather than lowering the entry fee, the Iditarod pick up part of the food drop expenses. It was decided to put in for next year a budget expense of \$62,000 to cover the first \$1,000 of each mushers' food drop costs. It was noted that this was a just a proposal. It appears that bypass mail may be a think of the past after this year and we need to find out how that works out too as well as how the budget and whether it can take on that \$62,000 expense.

The purse stayed the same as on the plan submitted on Friday.

Hooley noted that the real adjustments are on the income part of the plan.

He noted that the Tracker has stayed flat with a 50% increase projected or the final year of the plan.

There is no change in the raffle as long as we continue to sell the same number of tickets.

He explained that the VOD/Footage line was reduced in 2013 to the actual form 2011 and it should increase in the next three years.

Special Events showed a modest growth.

The sponsorship income forecasts a \$150K increase for 2012, and moves up to \$1.7 mil in 2013, \$1.8 mil in 2014, \$2 mil in 2015 and \$2.2 mil in 2016.

Membership is showing a modest growth. Entry fees have stayed flat in the out years.

Royalties are showing a modest growth.

Moderow noted that the largest source of cash income is from sponsorship. We're looking at doubling sponsorship income in five years. We need to think about what the sponsors are going to say when we show this. We will need five new \$50K sponsors every year. He asked if that is doable. He commented that we can ask the sponsors for help in making this happen.

**Moderow/Owens moved to adopt the Five Year Plan as presented. Motion passed.**

#### EXECUTIVE COMMITTEE POWER

**Moderow/Jonrowe moved that the Executive Committee be empowered to approve the qualifying race recommendations that come from the next Rules Committee meeting. Motion passed.**

#### EXECUTIVE SESSION

**Moderow/Jonrowe moved to go into executive session.** Motion passed. They went into executive session at 11:12 a.m.

#### DIRECTORS' COMMENTS

Aliy Zirkle: Looking forward to the Rules Committee meeting in two weeks

Mike Owens: Appreciates the energy and time for the two days of board meetings and is looking forward to moving forward

Mark Moderow: Great meeting

Mike Jonrowe: Productive meeting. Appreciates everyone's work and input

Aaron Burmeister: Encouraged people to show up for the bi-weekly meetings, good chance to get lots of information

Stan Hooley: Appreciates everyone's effort to be here for two days and will do best he can to keep Board updated at the bi weekly meetings.

Andy Baker: Thanked everyone. Felt this meeting was upbeat. Will get back to the issue of the perpetuating board. Excited, thinks this is a great Board. It's been fun.

Mark Nordman: Invited everyone to come in and visit the rookie meeting on the first Saturday of December

Joanne Potts: Good meeting

#### ADJOURNMENT

**Moderow/Owens moved to adjourn. Motion passed.**

The meeting adjourned at 12:06 p.m.