

AHRMA Board Meeting

April 26, 2010
Holiday Inn – Palmdale
Palmdale, CA

NOTE: Any item marked with an asterisk () is confidential and may be discussed only among the Board of Trustees or with legal counsel. These include legal, contract and/or personnel issues. Unless indicated, all votes were unanimous*

The meeting was called to order at 8:00 am by AHRMA's Chairman of the Board, Dave Janiec.

In attendance were Trustees Kelly Shane, Tom Bentley, Bob Goodpaster, Dave Janiec, Fred Guidi, Fred Mork, Debbie Poole, Matt Hilgenberg, Beno Rodi, Craig Breckon, Corky Root and Mark Hatten. Dave Lamberth (Executive Director) and Cathy and Tim Lile (Communications Directors) were also in attendance.

Janiec recognized and welcomed the new trustees – Kelly Shane and Fred Guidi.

Janiec called for the election of new officers Chairman of the Board, Secretary and Treasurer which are the officers forming the executive committee.

The nominations were opened for the office of Chairman of the Board. Dave Janiec was nominated by Mark Hatten and seconded by Craig Breckon. There were no other nominations. The vote was 12 to 0 in favor of the nomination.

The nominations were opened for the office of Treasurer. Mark Hatten was nominated by Craig Breckon and seconded by Corky Root. There were no other nominations. The vote was 12 to 0 in favor of the nomination.

The nominations were opened for the office of Secretary. Debbie Poole was nominated by Craig Breckon and seconded by Matt Hilgenberg. There were no other nominations. The vote was 12 to 0 in favor of the nomination.

Formal approval of minutes from Auburn, California meeting

A review of the Auburn, Ca Board meeting minutes followed. Mark Hatten moved to approve the minutes and Bob Goodpaster seconded the motion. The vote was 10 to 0 with Fred Guidi and Kelly Shane abstaining.

Treasurer's report

Janiec called on Lamberth to provide the Treasurers report and present the results of the independent CPA formal Review of our financial accounting for our Fiscal Year Ending 11/30/2009. Lamberth reported AHRMA typically obtains an independent CPA "Audit"

every three years, with an Independent CPA "Review" in the years between. During the bankruptcy proceedings the US Attorney monthly reporting and review of AHRMA Finances substituted for formal audit.

Lamberth reviewed the AHRMA Budget for FYE 11/30/10. There was a discussion of the Fiscal Year End date and why it was 11/30. The date had to do with the initial articles of incorporation and the timing of the racing season end. Hatten asked if this reasoning was still valid. Lamberth stated that it is still advantageous for AHRMA to have its fiscal year end on November 30. Janiec stated that with the last Board meeting in October and the fiscal year end being November 30, this allows the board to review 11 months of operations and to review the budget plans for the upcoming year.

Bentley asked how much Ted Bendelow billed AHRMA for attendance at Board meetings and other work. Lamberth stated that Bendelow billed approximately \$55,000 for post bankruptcy work. This work was comprised of retaining corporate 501c (4) status, trademarks, and pursuing the recoupment of Reliance Receivership funds owed AHRMA.

Hatten asked about the differences in revenues and expenses between the various AHRMA disciplines. It was agreed that a Vintage Views article would be generated, explaining the different ways that each discipline of AHRMA contributes to the organization overall.

Breckon asked that AHRMA review compensation for skilled people including coordinators working with AHRMA.

Lamberth discussed the Jones Brown Motorsports liability insurance rates for AHRMA events. The rates have resulted in lower overhead for our promoters, and the umbrella policies available are very beneficial for AHRMA's cornerstone events. Jones Brown insurance provides coverage equal to or exceeding previous coverage at substantial savings - often less than 40% of the old cost. Additionally, AHRMA members now have the option of purchasing a rider medical insurance plan similar to that available in the past from the AMA.

Janiec discussed the strengths of AHRMA and that the cornerstone events which include many of the AHRMA disciplines are what makes the organization what it is. Janiec stated that it is reflected in our charter to expose the public to vintage motorcycles and racing, and to hold period-style events. These multi-discipline cornerstone events are part of our business plan and the planning commission recommendations. Janiec also noted as Trustees we serve all AHRMA members.

Hatten started a discussion involving the American Motorcyclist Association (AMA), and its exploration into running season-long vintage competition series across the nation.

Lamberth stated that one aspect which makes AHRMA attractive to event promoters is that they can choose their own insurance. Insurance for the Regional motocross events is about \$450 or 1/3 of AMA's rate, which may make the regions more profitable. AHRMA currently purchases insurance through Jones Brown Motorsports, a 3A-rated company.

Executive Directors report

Lamberth reviewed the 2010 budget and noted that he budgeted for a 10% decrease in the attendance numbers for road racing and MX for 2010 from 2009. This 10% decrease was factored into the 2010 budget in light of the current economic status of the country and was felt to be both prudent and conservative. Lamberth stated that it is important that the RR attendance and revenue numbers stay flat for 2010, rather than decrease. For new RR events, 125 entries each day were budgeted. A discussion followed on planning of new events.

Lamberth informed the Board that our increase in membership fee to \$65.00 has not negatively affected the membership numbers.

A discussion followed with regards to having an AHRMA dirt track race at Willow Springs Raceway, coinciding with the RR. Although it was decided that event would not be a good business decision for AHRMA as a promoter, it may be possible to find an outside promoter to work with us on this event.

Breckon opened a discussion regarding AHRMA's dirt track events. Lamberth stated that the schedule this year is much better than the 2009 schedule, and in some cases, a race promoter pays AHRMA to run our show at his/her facility. Breckon expressed concern about the current attendance numbers.

Lamberth reported the 2010 Daytona road race went well and that at the time of this meeting, he was speaking with Daytona to secure 2011 and future dates. Lamberth will finalize all details with Daytona in the near future.

Janiec reported Daytona will shut down in July this year to repave the oval.

Recess at 9:45 am

Call to order at 10:00am in open session.

Open Membership

Member Ken Mertz expressed concern about the perception of a rift between the off-road and road racing membership. Janiec led a discussion of the contributions each of our disciplines makes to the "whole" of AHRMA. Our breadth of disciplines has made us unique in the world of vintage motorcycle racing. Fred Mork suggested all members reread the article Janiec wrote on the "Whole of AHRMA" earlier this year and ensure

that it is available on the website and occasionally reprinted. Janiec stated that the Board itself was not divided among the disciplines. Bentley noted there had been some concern regarding the relative compensation of volunteers on the off-road side of AHRMA as opposed to the road racing side.

Bentley discussed how off-road and road racing works with national and regional level and the pay of the workers. Hatten expressed that most groups, not just AHRMA, have differences within their membership bases, but that most of our members are happy with the organization and our events.

Hatten noted that virtually all groups or organizations have differences, but agreed with Janiec that it is the diversity of disciplines that make AHRMA unique and also allows us to continue to be the premier vintage racing organization in the U.S., if not the world. Janiec discussed what it is to be a Trustee and referenced the documents on the AHRMA web site explaining the requirements and responsibilities. He also noted when elected they represent “all members” regardless of discipline.

Ken Mertz inquired about a letter from Greg Bonelli that was sent to the AHRMA board about two years ago. He noted while the issue was laid to rest, it cost AHRMA in additional legal fees. Janiec explained as the letter threatened legal action; it had to be turned over to our legal council for review and a response.

Bentley noted this meeting is important in that two long-standing trustees, Dick Mann and Jeff Smith, were not present and that two new trustees are now in place to help lead the organization. Mork stated that an audio/video recording of an interview of Smith, Mork and Mann was recorded in March, 2010 that covered a lot of AHRMA history, and that it might be appropriate to have it available on the AHRMA web site.

Janiec discussed the need for a Historian as AHRMA is now 21 years old. Member Patty Root stated that she has several copies of all Legends programs and posters to contribute to an archive. Hatten stated that we need to put these on the web site. Discussion followed on how and what to put on the web site.

Mertz asked about how dirt track is promoted. Lamberth explained the types of promotion; AHRMA may promote, or a club or track may promote the event. A discussion followed as to the importance of the ‘60s and ‘70s dirt track classes and it was stated that they are the backbone of AHRMA’s dirt track events.

Other Business

Transponders and their availability for rental were discussed. Lile noted several issues that have cropped up at Willow Springs and previous events, many due to the fact AHRMA essentially rents its rental transponders from AMB, which then ships them to the event location. Problems with uncharged transponders, missing transponders, etc., were noted. Guidi made a motion to review the cost and feasibility of AHRMA purchasing a set of 34 AMB transponders and charger case to rent to AHRMA members

at events. Mork seconded. Lile and Lamberth will research and get back to executive committee with their report. Motion passed 12 to 0. Lamberth pointed out Tim and Cathy Lile personally financed the purchase of the AMB system for AHRMA, and said he felt strongly they should not be put in the position with the purchase of rental transponders. Hatten agreed, and pointed out not only will providing rental transponders be a service to our members, but noted the resale value of used AMB transponders remains quite high, which minimizes the risk of AHRMA's investment.

A discussion about the proposal for an Enders Cup special award from Larry Coleman followed. Breckon discussed the actual trophy and how to award this perpetual trophy to the Sidecar class. Hatten made motion to make recommendation to Board by July and Breckon seconded. The vote was 12 to 0 approved.

Lamberth discussed the recently-completed Diamond Don's off-road events in Texas. Entries were up. The finances and event concerns were discussed. The Banquet was late and ran long due to added speakers not planned on. The event's non-refund status was discussed; the promoters have stated in the past they will have non-refund status or no event. A discussion followed regarding the off-road banquet location and affect of moving the location on other promoters.

Janiec discussed the location of the tech and registration set up at Diamond Don's relative to the announcing station. The registration discussion was really about the senior race official's availability in the vicinity of signup and tech where typically membership goes with problems/questions. This was amplified by the lack of communication radios so that the signup/registration/tech/scoring officials could be fully knowledgeable to answer members. The weak PA system across the extended property contributed to the issue. Guidi discussed radios and the need for about six working radios. Lile and Lamberth will work on getting radios. Hatten suggested time term with contract negotiations regarding non-refund in the 2011 contract.

Janiec expressed that AHRMA should move ahead with implementing an online registration system. Lamberth stated we are working toward offering online race registration this year.

Janiec discussed concern of AMA moving to DT and MX vintage series. Hatten said as ARHMA continues to face competition in all disciplines; we must continue to strive to concentrate on offering the best racing experience in the market. He also expressed the need to project a positive image and attitude throughout the organization, from Trustees, to staff, to volunteers. Rodi stated that an AMA dirt track two weeks prior had 28 entries. Janiec stated that the best thing we can do is to keep quality events and up our advertising.

Guidi discussed off-road post entry fees. Reducing the fee from \$75 to \$50 may be more member-friendly, but when the number of post entries goes up, it puts a tremendous burden on the volunteer workers. The main issue is developing a race order that quickly deconflicts large numbers of multiple-class riders with 48+ classes, minimizes back to

backs, and safely group's riders and machines of different speed and skill levels on the track. Additionally, the purchase of awards is based on the number of pre-entries, so a trophy shortage is possible. Patty Root mentioned that making racers aware of the entry refund policy may help encourage them to always pre-enter events.

Lamberth stated that AHRMA will allow post entries at all races and he will look at what our competition is doing relative to the post entry and post entry fees.

Corky Root discussed MX track layout and how it affects MX and PVMX. Root stated that AHRMA has scheduled tracks that do not meet the qualifications of a vintage track and that we need to select racks and choose new venues that are "vintage appropriate".

Janiec adjourned the board for lunch at 12:10 PM

Janiec reconvened meeting at 12:25 pm

Goodpaster asked who the contact for RA bike corral is. Will Stoner is the contact. Janiec stated weekly status calls on this as this event draws near are very important.

Goodpaster discussed the Benevolent Fund. There are members who do not understand what happened to the funds. Janiec reiterated that the AHRMA Board had previously committed to restoring the full value of the fund at the time of the bankruptcy (~200K) and that all funds disbursement and contributions have been closely tracked and accounted for by the Executive Director since then. Also important - no qualifying request for funds had been denied during or since the bankruptcy and the fund has continued to meet members' needs as originally intended.

We could make the Fund a separate line item, but any funds need to be accessible if needed. A statement of the goal of funds is needed. Goodpaster discussed he is putting together a book of RR info to sell and have funds go to the AHRMA Benevolent Fund. Lamberth stated that AHRMA needs to put funds in an account separate from the reserve account. The advantages and drawbacks of putting funds in 501 C (3) account was discussed. Lamberth and committee should track and publish the fund transactions. Hatten moved to instruct the Benevolent Fund committee to investigate potential options to structure the Benevolent Fund that best represents AHRMA and its members needs. The Benevolent Fund committee chairperson will report findings and recommendations to the entire Board prior to the July meeting. Corky seconded the motion. Lamberth stated that before and during our bankruptcy proceedings, in order to keep the Benevolent Fund alive, we had to keep AHRMA alive, which made possibly by having access to the money in the Fund. The vote was 12 to 0 in favor of the motion with no abstentions or refusals.

Poole discussed a report on the status of the western regions. Guidi also gave a brief update of the eastern regions and Poole confirmed the Off Road committee of Poole, Guidi and Mann plan to continue work on ideas to revitalize the regions. Hatten said it

would be beneficial if all regional websites had the same look and design as AHRMA's website. He noted it is important to preserve and promote the AHRMA brand in this time of increasing competition. He said providing this template to the regions would be beneficial to those regions that had little or no support in that area.

Mork discussed the VV electronic archives and computer search of topics for Board use. Many key topics could be scanned and then later searched. T Lile will start to review the old site for the minutes of past meetings.

Goodpaster asked why there are two sets of conflicting results at the previous day's Willow Springs road race. The Liles explained the process of mixing two scoring systems manually, stressing that AHRMA road racing would benefit from a move to the Series Tracker scoring and registration system.

Janiec discussed the Barnett Clutches and Joker Machine displays at Willow Springs, and that these two companies were interested in going to our event at Miller Motorsports Park in September. He also mentioned a local Honda shop and their involvement in the CB160 class.

Guidi made the motion to adjourn at 1:51 pm and Goodpaster seconded the motion. The vote was 12 to 0 in favor of the motion. The next AHRMA Trustee meeting is scheduled for July 26, 2010, in Morgantown, West Virginia, the Monday following the AHRMA Mountain Fest off-road event.