

AHRMA Board Meeting

**August 1, 2011 (Second 2011 Board Meeting)
Ramada Inn – Morgantown
Morgantown, WV**

NOTE: Unless indicated otherwise, all votes were unanimous. Items marked with an asterisk () are confidential and should not be discussed outside the Board.*

The meeting was called to order at 8:03am by AHRMA's Chairman of the Board, Dave Janiec.

In attendance were Trustees Kelly Shane, Carl Anderson, Bob Goodpaster, Dave Janiec, Fred Guidi, Fred Mork, Rob Poole, Debbie Poole, Matt Hilgenberg, Craig Breckon, Corky Root and Mark Hatten, Executive Director Dave Lamberth, and Communications Directors Cathy and Tim Lile.

AHRMA members in attendance were Zahn Lewis, Tamara Lewis and Patti Root.

Open Session

Minutes Approval

The first item of business was a formal review of the Lancaster, California, Board meeting minutes. Fred Guidi moved to approve the minutes and Carl Anderson seconded the motion. The vote was 12 to 0 to formally approve the minutes of the AHRMA Board meeting in Lancaster, California on April 25, 2011.

Treasurer's Report

Dave Janiec called on Mark Hatten to review the Treasurer's Report. Hatten expressed concern about the road racing event at Gingerman with regard to the conflicting date of the MotoGP in the area. Further concern was expressed over the nation's economy and the impact of that on the ability of our members to afford to go racing.

The AHRMA investments for the year have shown a gain of 5.09% as of June 30, 2011 as compared to the S&P 500 return of a -2.70% for the same period. Discussion centered on what options AHRMA has at this point with consideration being given to the uncertain future of the US economy as evidenced by the debt ceiling debate taking place during the time of this meeting. It was noted that the bond market has done well so far in 2011, but concern about a possible US default could cause further negative effects. AHRMA may be slightly overexposed in bonds at the current time, but Hatten felt there were no options clearly favorable to bonds in the current volatile investment climate. Hatten reviewed AHRMA's investment portfolio and noted the ROI was 8.36% and the 2011 YTD return

was 5.09%. Hatten recommended AHRMA remain conservative and not to change investment strategies at this time.

Executive Director's Report

Dave Lamberth discussed the MountainFest off-road national that took place on July 29-31, 2011. The MX attendance was down roughly 50% as compared to the previous year, the cross country was comparable to the prior year and the trial had only four riders. The subject of post-1979 "Twin Shock" trials motorcycles was raised in relation to increasing entries at trials events. Hatten asked if they could be run as a support class. It was pointed out that a support class is offered at AHRMA national trials events in which any machine may be entered. Fred Guidi confirmed that riders he knows of do not want to ride as a support class entrant, but want an official AHRMA class for these machines so they can compete for a national title. Rob Poole stated the MountainFest sections were too difficult in 2010, and this may have had an impact on the turnout for 2011. Lamberth said this year's sections were laid out by a different group from that of 2010 and that it was much better for vintage bikes. Lamberth determined that there will be no trial at MountainFest in 2012 due to the low turnout.

The discussion turned to June's events at Wisconsin's Road America. Lamberth stated that MX entries were down 50% from 2010. Feedback provided by those in attendance was that the event was fun and the riders had a great time and hoped that the event would return to the 2012 schedule. Janiec noted that the weather that weekend was extreme in all directions surrounding Road America and many people did not make the trip because of it. Even though there was little rain at the track facility the entire weekend, the weather could have influenced the lower attendance numbers.

A short discussion of post-entries took place with Janiec commenting that post-entries are now a much larger percent of the overall entry, due to 2011's reduced post-entry rate, the economy and weather impact, where applicable. This is causing a problem for volunteers who have to process many entries on race morning, which threatens to drive away our already over-burdened volunteer work force. It was agreed that the policy needs re-evaluating at the end of the season.

Lamberth stated we are ahead of budget by \$30K for the fiscal year thru June 30, 2011. Revenues are ahead of budget by \$24K with RR sponsorship and attendance accounting for a majority of this result. Membership is currently 4016, but it should be noted that we are ahead of budget in membership dues. Advertising revenues are ahead of budget as well. Lamberth noted that cash flow continues to be tight due to the fact that Daytona has been moved to the end of the year. This move will help the cash flow at the end of the year, which will put AHRMA in a good cash flow position to start the next fiscal year. Expenses are \$6K under budget for the same period of time.

Hatten asked about the AHRMA-branded merchandise and if we should continue to sell it at roadrace events. Lamberth stated we do generate a small positive gross margin on the sale of merchandise at events. He feels having the AHRMA merchandise available for sale is very important and that the merchandise program should be continued.

Lamberth reviewed the attendance numbers of the different competition disciplines thus far in 2011. Dirt track was down, as it was with competing organizations. Dirt Track Director Donnie Warf is doing a good job with the DT program, but the improved events have not resulted in increased participation. Overall off-road attendance was down, but recent RR events have been flat or slightly above the 2010 attendance numbers. Janiec commented that AHRMA is doing better attendance-wise than other similar organizations.

2012 rules proposals review, Vintage Roadracing.

See the rules proposal document.

Janiec called for a recess at 9:45am.
Janiec reconvened the meeting at 10:01am.

Open session for Membership comments

Tamara Lewis made comments regarding one-day membership and believes the number of potential entries would increase if AHRMA offered a one-day membership.

Hatten commented on the financial impact of offering a one-day membership. The one-day membership could potentially not provide benefits from a revenue perspective in that it could pull down the number of full memberships sold by AHRMA during the year.

Patti Root stated concern for the number of trophies given out at low-entry events. The high number of post-entries are reducing the number of available trophies, which are determined by pre-entries. Lamberth said this policy is printed in each issue of Vintage Views, and that race orders are not changed to accommodate post-entries.

2012 rules proposals review, Vintage Roadracing (continued).

See the rules proposal document.

2012 rules proposals review, Vintage Superbike.

See the rules proposal document.

2012 rules proposals review, Modern Roadracing.

See the rules proposal document.

Janiec called for a recess at 12:01pm for lunch.
Janiec reconvened the meeting at 12:25pm.

2012 rules proposals review, Dirt Track.

See the rules proposal document.

2012 rules proposals review, Vintage Motocross.

See the rules proposal document.

2012 rules proposals review, Observed Trials.

See the rules proposal document.

Janiec called for a recess at 1:59pm.

Janiec reconvened the meeting at 2:11pm.

2012 rules proposals review, Post-Vintage Motocross.

See the rules proposal document.

2012 rules proposals review, Cross Country.

See the rules proposal document.

Janiec called for a recess at 3:40pm

Janiec reconvened the meeting at 3:51pm, calling for any new business.

Roadracing planning

Janiec suggested the possibility of adding off-road events to run with the 2012 World Championship roadracing events. Larry Coleman, via email, inquired about international vintage sidecars racing at Daytona. The question was raised as to whether AHRMA should explore including sidecars in the program or not. Craig Breckon stated Coleman is great to work with and it would be good to explore. Janiec asked for a tentative schedule for the 2012 Daytona event.

Janiec asked Lamberth to present costs to the Board regarding possible new venues for western roadraces. Janiec asked if AHRMA could publish information about regional events to give more attention to their increased importance in a time when members are not traveling as much. It was noted that Grattan Raceway has acquired 80 acres of land adjacent to the facility, which could be used for AHRMA off-road events. Lamberth will investigate that possibility.

Off-road planning

Off-Road Director Fred Guidi stated AHRMA has held some poorly-attended events and possibly should not schedule back-to-back events in 2012. Consideration should be given in having more keystone events offering as many disciplines as appropriate for the venue to minimize travel. This would result in fewer events but more high-quality events. Janiec talked about regional equity in cutting events and how nationals can revitalize the regions. Guidi is looking for people to fill currently-vacant regional coordinator positions, but continues to have trouble finding volunteers. Lamberth

brought-up the possibility of running cross country and motocross on the same day at certain 2012 events where the facility and the participation could support it. Janiec expressed concern of over-scheduling on any given weekend, and the impact that might have on members. Many participants find they don't have the stamina, and mechanical trouble can also prevent them from competing in multiple events. It was noted that in the past, the number of entries is typically much lower on the second day of a two-day motocross national.

Guidi asked the Board for suggestions and evaluation of the off-road events, and indicated that there could be a reduction in the overall number of events in 2012. Matt Hilgenberg stated that determining the "correct" number of events on an annual schedule has always been difficult. Fewer events can lead to a more-manageable schedule and perhaps greater participation per event, while a greater number of events provides a more geographically-thorough service to the membership. Finding that balance is key.

It was noted that Hatten, Corky Root, Janiec and Debbie Poole are up for reelection this year.

Janiec asked for a motion to adjourn. Breckon made the motion and Root seconded.

The AHRMA Board meeting was adjourned at 5:22pm.