

AHRMA Board Meeting
October 14, 2013 (Third 2013 Board Meeting)
Barber Vintage Motorsports Museum
Leeds, AL

NOTE: Unless indicated otherwise, all votes were unanimous.

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

In attendance were Executive Director Dave Lamberth, Communications Directors Matt Hilgenberg and Ginger Hilgenberg, and Trustees Carl Anderson (Secretary), Craig Breckon, Fred Guidi, Jerry Grakauskas, Mark Hatten (Treasurer), Dave Janiec (Chairman), Fred Mork, Rob Poole, Pat Riley, Beno Rodi and Kelly Shane.

Trustee Debbie Poole was unable to attend; R. Poole held her proxy.

The meeting began in open session, with Janiec explaining that M. Hilgenberg had stepped down from his Trustee position on September 1, and assumed the role of Communications Director. He then outlined the procedure which led to the selection of Riley to fill that Trustee seat. Janiec went on to thank Cathy Lile and Tim Lile for their service as Communications Directors since November of 2008.

Introduction of Trustees present for the benefit of the AHRMA members in attendance

Janiec called for a round-table introduction of all staff and Trustees present for the benefit of the AHRMA members in attendance, then explained how the meeting would be conducted as it pertained to the open and closed portions of the meeting.

Approval of Soda Springs, CA minutes

Guidi moved to approve the minutes of the second 2013 Board of Trustees meeting, held July 22 at the Auburn Ski Club, as written, and Hatten seconded. Final vote to formally approve those minutes was 12 yes.

Treasurer's Report

Hatten presented to the Board the Treasurer's report, as follows:

AHRMA Treasurer's Report – 10/14/13

- **US Economic Overview**
 - **Good**
 - Stock market reaching new highs

- Fed to keep interest rates at current historical low at least through the end of 2014
 - Unemployment steady, trending slightly lower
 - Fuel prices remain below \$4 most areas
 - Housing market rebounding strongly; sales up, new starts up
 - **Bad**
 - Government shutdown pulling down economy; affecting jobs
 - U.S. defaulting on debt, potentially this week, would have a devastating effect on world financial markets
 - Consumer confidence still shaky; discretionary spend still weak
 - GDP remains very low and sluggish
 - Worldwide political & economic uncertainty
 - Some lending rates rising
- **Status of AHRMA Financial Health**
 - Continuing to struggle with cash flow and profitability
 - Net revenue from operations barely above break-even last fiscal year; could end FY 2013 in the red. Need to continue to focus on controlling costs, but it is critical to focus on and develop strategies to increase revenue
- **AHRMA Investments**
 - **Quarterly Results for Q3 2013**
 - Beginning Securities Balance = \$186,325
 - Ending Securities Balance = \$202,720
 - Beginning Money Market = \$20,055
 - Ending Money Market = \$20,444
 - Beginning Total Balance = \$206,380
 - Ending Total Balance = \$223,164
 - Securities Gain of \$16,395 or 8.8%
 - **Comparisons:**
 - Dow Jones Industrials up 2.24%
 - S&P 500 up 5.25%
 - Barclays US Aggregate Bond Index up 0.26%
 - **YTD Results through Q3 2013**
 - Beginning Securities Balance = \$183,024
 - Ending Securities Balance = \$202,720
 - Beginning Money Market = \$47,341
 - Ending Money Market = \$20,444 (\$30k withdrawn 3/20/13)
 - Beginning Total Balance = \$230,365
 - Ending Total Balance = \$209,465
 - Securities Gain of \$19,696 or 10.8%
 - Fees of \$1,038 (\$18,658 or 10.2%)

- **Comparisons:**
 - Dow Jones Industrials up 12.8%
 - S&P 500 up 14.98%
 - Barclays US Aggregate Bond Index down 1.91%

- **Setting up two investment & cash accounts**
 - **AHRMA General Fund**
 - \$86,000 invested in long-term-growth securities
 - \$30,000 in Money Market checking
 - **AHRMA Benevolent Fund**
 - \$80,000 invested in long-term-growth securities
 - \$20,000 in Money Market checking
 - New donations deposited into this MM account. When account balance hits \$25,000, \$5,000 will be moved into securities

Below is the outline of how the investment funds will be broken down:

AHRMA Investment Account

Fund	Symbol	Amount	Percentage
Money Market Account		\$30,000	25%
Vanguard Intermediate-Term Investment-Grade Bond Fund Investor Shares	VFICX	\$10,000	9%
Vanguard 500 Index Admiral Shares	VFIAX	\$23,000	20%
Vanguard International Explorer Fund	VINEX	\$15,000	13%
Vanguard Extended Market Index Fund Admiral Shares	VEXAX	\$15,000	13%
Vanguard REIT Index Fund Admiral Shares	VGSLX	\$23,000	20%
		\$116,000	100%

Benevolent Fund Account

Fund	Symbol	Amount	Percentage
Money Market Account		\$20,000	20%
Vanguard Intermediate-Term Investment-Grade Bond Fund Investor Shares	VFICX	\$10,000	10%
Vanguard 500 Index Admiral Shares	VFIAX	\$20,000	20%
Vanguard International Explorer Fund	VINEX	\$15,000	15%
Vanguard Extended Market Index Fund Admiral Shares	VEXAX	\$15,000	20%
Vanguard REIT Index Fund Admiral Shares	VGSLX	\$20,000	15%
		\$100,000	100%

Janiec noted that the 80% was approved by the Executive Committee. This was a change from what the Board originally approved at the Soda Springs meeting.

Executive Director's Report

Lamberth reviewed the financial results as compared to budget for the current fiscal year. The period covered by the report was December 1, 2012 to September 30, 2013. The budgeted income-over-expense/(loss) for this period was approximately \$35,000, but actual results were \$6700, resulting in a variance from budget of around \$28,300. Lamberth reviewed in detail the source of this variance as he presented the report to the Board.

Lamberth reviewed the attendance for events that had been completed during the season. He brought to the attention of the Board the strong turnouts at both the Louisiana and the Illinois Vintage and Post Vintage MX events, both of which were new to the AHRMA schedule for 2013.

The attendance at both the New Jersey Motorsports Park and Sonoma Raceway roadrace events was discussed, since both were new AHRMA events for 2013.

Discussion took place on the Dirt Track program attendance for 2013. Lamberth again asked that the individual Trustees contact Donnie Warf (National Dirt Track Coordinator) to show their support of the effort that Donnie is putting into the program.

As of October 8, membership stood at 3613.

Lamberth continued with a review of the weekend's activities at the Barber Vintage Festival (BVF). By working with the Barber Motorsports Park staff, the public-tent-camper problems experienced in 2012 in the off-road paddock were solved. Saturday's trial hosted 48 entries, and Lamberth thanked Mike Parsley, Mike Collier and Graham Foster for conducting that event. The cross country race had 110 entries, featured a three-mile loop, and received excellent feedback from the riders. A number of spectators attended both of these events, venturing into the woods to observe the action.

Sunday's vintage motocross at Barber saw 172 entries. Lamberth credited Corky Root for an excellent grass-track layout, Patti Root for her scoring work, and Wayne Mount and Rob Poole for their efforts in watering the course.

The Barber roadraces hosted 470 entries (from 277 riders) on Saturday, and 467 entries (265 riders) on Sunday, with one participant (Hannah Matthews, pelvis and ribs) transported to the hospital during the events. The races were scheduled in cooperation with the Barber staff, so that classes with higher spectator appeal ran immediately after the lunch break, and the overall presentation was maximized. Janiec expressed that AHRMA should work on several items for future events with large spectator attendance, including: Providing very specific bike and rider information to the race announcers; better explanation of spectator paddock access; encouraging spectators to visit the

machines and riders in the paddock; and detailed discipline and class descriptions, in both verbal and written forms. Hatten added that he'd like to see AHRMA-specific information included on the BVF website, and Breckon noted that it would help AHRMA if everyone attending the event purchased their tickets at the AHRMA window of Barber's credential building.

Jeff Ray and Brian Slark of the Barber Vintage Motorsports Museum visited the meeting, and thanked AHRMA for its contribution to the overall BVF weekend, which announced an official total attendance of 61,437. Ray opined that AHRMA would benefit in 2014 by circulating printed matter to Festival attendees, with information on AHRMA competition. Ray advised that the off-road area that AHRMA is currently using will see major change for the 2014 event, but no further details were provided.

Meeting went into recess at 9:48am.

Meeting reconvened at 10:03am in open session.

Janiec reconvened the meeting in open session and invited member comments. Members in attendance included: Ryan Ambrose, Kevin Burns, Paul Busick, Mike Gilkey, Keith Martin, Ron Perconti, Corky Root and Patti Root. Martin began by saying that the weekend ran well, and was very safe. He would prefer to have a raceday morning practice session, but understood the time constraints, and felt that the overall program was much improved over the oversubscribed 2011 Barber event. He continued by saying that there should be mandatory morning roadrace rider's meetings at every event, giving the example of changes to the racetrack exit at June's Road America (WI) event between practice day and raceday. Hatten and Janiec agreed, and elaborated on the subject.

Burns commented that if he was to attend just one event each year, it would be the BVF, and that he liked the more-relaxed four-day roadrace format. He said that the Public Address system there could be improved, and closed by voicing concern about the health of the smaller roadrace events.

Ambrose suggested a designated scanner channel might improve raceday communication between staff and participants.

Janiec revealed a proposal from Roadrace Director Cindy Cowell to modify the roadracer eligibility requirements for the 2014 BVF. The most-significant suggested change was to allow any rider who successfully competes with a recognized organization during the year, and who is not competing in his/her first-ever AHRMA roadrace, to enter. In 2013, the requirement was for the rider to have ridden at least one *AHRMA* race before the BVF weekend. A limit of 600 entries per day will be established for 2014.

Perconti shared his experience of riding the BVF tram system to the roadrace paddock. He thought improvements were in order to better clarify what tram stop spectators should use, what wristbands were required for paddock entry, and other procedural details. He also asked for some details regarding the 2014 roadrace schedule.

Gilkey mentioned AHRMA's exhaust sound limits, and enforcement thereof.

The member comment session was closed, and the meeting continued in open session at 11:02am.

The Executive Director's Report concluded with a review of the provisional 2014 operating budget. Lamberth advised that the budget will be finalized as soon as the motocross and roadrace schedules are 100-percent finalized. Any change in costs for the roadrace program will be factored into the final draft of the budget as well. The final 2014 budget will be presented for approval at the first full Board meeting of 2014.

Meeting went into lunch recess at 11:16am.

Meeting reconvened at 11:40am in open session, focused on final review and voting on the 2014 rules proposals. Those results are contained in a separate rules proposals document.

Meeting went into recess at 12:46pm.

Meeting reconvened at 12:56pm in open session, continuing the 2014 rules proposals review and voting.

Meeting went into recess at 2:28pm.

Meeting reconvened at 2:45pm in open session, continuing the 2014 rules proposals review and voting.

The 2014 National roadrace schedule was then reviewed. Janiec mentioned the possibility of a motorcycle-festival-type of event (an established and successful originally-Milwaukee-based event) that could join AHRMA's Road America race next year.

The 2014 National motocross and cross country schedules were reviewed.

The dates and locations of the 2014 Board of Trustee meetings were selected. They are: May 3 (Sat), Sonoma, CA; July 14 (Mon), Millville, NJ; and October 13, Leeds, AL. Grakauskas suggested that the First Meeting of the year might become a video teleconference as technology progresses.

Janiec appointed Chairmen for the 2014 Committees, as follows: Vintage Roadrace Rules & Eligibility, Mork; Sound of Singles / Battle of Twins / Sound of Thunder R&E, Hatten; Vintage Superbike R&E, Hatten; Vintage MX R&E, Hilgenberg; Post Vintage MX R&E, Guidi; Trials R&E, R. Poole; Dirt Track R&E, Breckon; Cross Country R&E, Grakauskas; Awards, D. Poole; Risk Management, Rob Stickler; Benevolent Fund, Bob Goodpaster; Editorial, D. Poole.

Lamberth announced that the Roots are stepping away from their volunteer off-road work in 2014, and thanked them for many years of effort.

Janiec moved the meeting from open into closed session at 4:10pm.

At this point, Lamberth, Guidi and the Hilgenbergs were asked to step out of the room so that a discussion of Lamberth's 2013 performance and 2014 compensation could be discussed.

Lamberth was called back into the meeting for a short discussion of his 2013 performance and areas where the Board is looking for improvement in 2014, as well as additional tasks to be assigned through the Executive Committee.

Janiec advised that Lamberth's compensation program would remain the same for 2014.

Lamberth thanked the Board for its continued support in what was described as a very difficult financial year for the organization.

Meeting adjourned at 5:05pm