

AHRMA Board Meeting  
July 22, 2013 (Second 2013 Board Meeting)  
Auburn Ski Club Training Center  
Soda Springs, CA

*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 8:05am by AHRMA's Chairman of the Board, Dave Janiec.

In attendance were Executive Director Dave Lamberth and Trustees Rob Poole, Debbie Poole, Kelly Shane, Matt Hilgenberg, Dave Janiec, Jerry Grakauskas, Secretary Carl Anderson, Treasurer Mark Hatten, Beno Rodi, Fred Guidi and Fred Mork.

Trustee Craig Breckon was unable to attend; Anderson held Breckon's proxy.

**Approval of NOLA minutes**

Hilgenberg moved to formally approve the minutes of the first 2013 Board of Trustees meeting, held at NOLA Motorsports Park, as written, and R. Poole seconded. The final vote was 12 in favor.

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

Janiec called for a round table introduction of all Trustees present for the benefit of the AHRMA members in attendance.

Members observing the meeting included Chuck Bullwinkle, Ginger Hilgenberg, Dick Mann, Pat Riley and Bob Shannon.

**Treasurer's Report**

Hatten presented the Treasurer's report that was published in the August issue of Vintage Views in conjunction with AHRMA's financial reports for the past three fiscal years.

Hatten provided the following information to the Board:

- 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/gallon most areas
    - Housing market rebounding strongly; sales up, new starts up
  - Bad
    - Consumer confidence still shaky; discretionary spending still weak
    - GDP remains very low and sluggish
    - Worldwide political & economic uncertainty
    - Some lending rates rising

- Status of AHRMA Financial Health
  - ED doing overall excellent job of controlling costs, maximizing cash flow, setting aggressive budget goals and meeting them
  - Net revenue from operations barely above zero; need to move focus beyond controlling costs and create strategies to increase revenue
  
- AHRMA Investments
  - 2013 results through Q2
    - Beginning Securities Balance = \$183,024
    - Ending Securities Balance = \$186,325
    - Beginning Money Market = \$47,341
    - Ending Money Market = \$20,055 (\$30k withdrawn 3/20/13)
    - Ending Total Balance = \$206,380
    - Securities Gain of \$3301 or 1.8%
      - Fees of \$1038
      - Comparisons:
        - Dow Jones Industrials up 13.8%
        - S&P 500 up 9.84%
        - Barclays US Aggregate Bond Index down 3.37%
  
- Recommend setting up two investment & cash accounts
  - AHRMA General Fund
    - \$86,325 invested in long-term-growth securities
    - \$10,055 in money market account
  - AHRMA Benevolent Fund
    - \$100,000 invested in long-term-growth securities
      - Can assume higher risk due to longer investment horizon
    - \$10,000 in money market account
      - New donations deposited into this cash account. Ideal balance = \$20,000. Money moved into investment account at \$5000 increments when account exceeds \$25,000

Hatten did a quick overview and explanation of the above proposal which was approved at the NOLA meeting. After discussion, the proposal was modified as follows:

- AHRMA General Fund
  - \$86,325 invested in long-term-growth securities
  - \$20,055 in money market account
- AHRMA Benevolent Fund
  - \$90,000 invested in long-term-growth securities
    - Can assume higher risk due to longer investment horizon
  - \$10,000 in money market account

Guidi moved to accept the change as noted above with D. Poole seconding the motion. The vote was 12 in favor of implementing the above change in the AHRMA investment account.

### **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 June 30, 2013. For this period, AHRMA showed a loss of \$10,698, compared to a budgeted (expected) profit of \$9109. Lamberth advised that cash flow has been very tight so far in 2013 due to the entry policy put in place for the 2012 Barber roadrace event which

resulted in a lower number of entries. The additional cost of the Thursday track rental was also a factor in the reduced cash flow from that event.

Discussion took place on the budget-to-actual comparison for each line of the budget. Revenues overall have exceeded budget by \$10K, but expenses have exceeded budget by \$29K. Discussion centered on how the fiscal year of 2013 will look when finished. Lamberth noted that a large factor in the results will be the level of success of the 2013 Barber event.

Lamberth advised that the Bank of America operating account has a balance of \$32K presently and that membership is 3673. Overall full membership numbers have been impacted by the One Event Membership offered in regions where AHRMA has just one event each year. Lamberth's example was the June off-road events at Unadilla Valley Sports Center (NY), where 87 One Event Memberships were received; many of those came from people who were full members prior to the implementation of the One Event Membership program. It was discussed that follow-up tracking of One Event Memberships should be done to see how many opt to convert to a full membership. It was also noted that the situation might be different in 2014, due to the policy of accepting only one One Event Membership per person in any 13-month period. Lamberth pointed out that AHRMA is currently exceeding the membership revenue budget so far in 2013.

Lamberth reviewed the attendance for events that had been completed during the season. There was discussion regarding events in all disciplines, and it was noted that large numbers of post-entries were being received at off-road events.

Discussion took place regarding the dirt track program. Director Donnie Warf puts a lot of effort into the program, but is faced with the difficult task of securing venues when we are seeing very low turnouts. Lamberth pointed out that weather had impacted two DT events in 2013.

On the topic of road racing, a race at California's Sonoma Raceway (formerly Sears Point) was new to this year's schedule, and it delivered better-than-expected attendance; the plan is to move this event to a weekend date, as opposed to the Thursday/Friday format of 2013.

Lamberth advised the Board that effective September 1, 2013, Matt and Ginger Hilgenberg will be taking over the role of Director of Communications for AHRMA. Lamberth advised that the September issue of Vintage Views will be the last one assembled by Tim and Cathy Lile. The October issue of Vintage Views will be the first one assembled by the Hilgenbergs.

Due to this change, Janiec pointed out that Hilgenberg will be stepping down from the AHRMA Board effective September 1. This subject was discussed in detail later in the meeting.

Meeting went into recess at 9:45am.

Meeting reconvened at 10:00am in open session

Janiec reconvened the meeting in open session and invited member comments. Shannon said he liked using the SeriesTracker online event registration and membership system, and felt that there should be more emphasis in Vintage Views to get others to use it. Lamberth advised that such a notice is in each issue of Vintage Views, and that the website has several SeriesTracker links. Discussion then turned to ways to attract more and younger AHRMA members. Mann's input was that AHRMA needs to revitalize the regional programs as feeders for National events; he also emphasized that period-correct tracks are a critical component of the vintage MX experience, and that AHRMA should do everything possible to secure appropriate venues for Nationals. The topic of off-road events at the 2014 Sonoma Raceway event was then covered.

At 11:10am, Janiec closed the member comment session, and the Board began the process of reviewing the

2014 rules proposals. All rules discussion is contained in the separate rules proposals document.

Meeting went into recess at 12:00pm while lunch was served.

Meeting reconvened at 12:20pm for 2014 rules proposals discussion.

Meeting went into recess at 2:20pm

Meeting reconvened at 2:40pm for 2014 rules proposals discussion.

### **Other Business:**

#### **Planned Giving notice for Vintage Views and Gift Acceptance policy**

Lamberth reviewed the Planned Giving notice for Vintage Views and the Gift Acceptance policy that were drafted by Karena Bierman and provided to the Board at the NOLA meeting and via email shortly thereafter. Guidi made the motion to accept both documents, and Hatten seconded the motion. The vote was 12 in favor of the motion. Lamberth will work with Bierman to get the Planned Giving program into place.

#### **CalVMX running three-wheelers at regional events**

Hilgenberg brought up the topic of three-wheeled ATVs competing at CalVMX motocross events that are run in conjunction with AHRMA Southwestern Regional races. Lamberth advised that he spoke to AHRMA's event insurance carrier on this topic and that insurance is not available for any type of three-wheeler racing. The Board asked Off-Road Director Guidi to contact CalVMX to discuss this issue and to explain that AHRMA cannot be associated in any way with three-wheeler racing. If CalVMX does not drop the three-wheelers, AHRMA will be forced to sever the relationship to limit any liability.

#### **Process to fill open western Trustee position**

Janiec began the discussion of how to proceed on filling the western Trustee position being vacated by Hilgenberg on September 1, 2013. Discussion took place on this topic with the consensus being that AHRMA would call for resumes from qualified candidates to fill the open position, then select one of those candidates to complete Hilgenberg's term, which ends with the first Board meeting of 2014.

Lamberth was instructed to draft a call for candidates that would be reviewed by the Executive Committee before being posted on AHRMA's website. This call for candidates would explain the responsibilities and requirements for being a Trustee, as well as outlining the process and timetable for selection.

Open session closed and the Board went into closed session at 4:40 pm

Janiec reminded the Board that the next full board meeting was scheduled for October 14, 2013 at the Barber Vintage Museum in Leeds, AL.

Motion made by Hatten to adjourn. Shane seconded. There were 12 votes in favor.

Meeting adjourned at 5:30pm.