

## **WTBOA Board of Trustees Minutes December 3, 2015**

Board members present: William P. Brewer, Mary Lou Griffin, Nina Hagen, Dana Halvorson, Debra Pabst, John Parker and Steve Zerda. Absent: Dr. Duane Hopp, Darrin Paul, Keith Swagerty, Candice Tollett and Jennifer Webber. Staff present: M. Anne Sweet.

The meeting was called to order at 12:15 p.m. at the WTBOA offices by President Brewer.

**Previous Board Minutes:** Minutes from the October 27, 2015, meeting were presented and reviewed. *Halvorson moved to approve the minutes as presented. Pabst seconded the motion and the minutes were approved.*

**Finance Committee Report:** Treasurer Pabst reported that a draft budget for 2016 had been reviewed by the Finance Committee. On the revenue side, membership dues (account 4200) were increased to \$45,000. On the expense side, printing for the magazine (account 6540) was reduced to \$13,000 and utilities (account 6900) was reduced to \$7,900. Sweet will make these adjustments in the draft budget and send it to Board members for their review prior to the January Board meeting, at which time it will be voted on for approval. Pabst noted that on the current Profit & Loss reports, the bottom line will be \$21,000 better than shown once the refund for B&O taxes (inadvertently overpaid) has been received.

A new Stallion Register option for advertised stallions was reviewed and approved by the Finance Committee. A Blood-Horse style online statistical page will be provided for each stallion in this year's Stallion Register. The staff will be working with The Jockey Club to have these pages available beginning in January 2016. Statistical information will be updated weekly. There is a one-time setup fee of \$4,000, which will be absorbed by the WTBOA, plus \$150 per stallion per year. For this year, as an introductory offer, this option will be made available to all stallions at no additional cost. Beginning with the 2017 breeding season, a \$50 per stallion fee will be charged. The \$100 difference will be included as part of the current cost of the Stallion Register statistical pages (\$700 per stallion).

Zerda has been researching some alternative options for cash management. The total cash in all WTBOA accounts bottoms out at about \$249,000. He has been looking at various investment proposals. Bank of America invests through Charles Schwab, which requires a minimum investment of \$200,000. That might tie up more dollars than would be comfortable, so it was suggested that other investment companies could be explored, such as Vanguard, Edward Jones or others, or investment in a CD or variety of CDs might be considered. Bank of America also felt that they could cut our merchant fees in half. Sweet will also request a written proposal from our current bank, US Bank. It was noted that the various accounts, including the previous RBC Wealth Management account, earned a total of about \$350 this past year, which probably should be better. Brewer stated that he knows someone whom he might ask for suggestions.

**Sale:** Griffin reported on the Sales Committee meeting that took place on December 1. The purpose of that meeting was to discuss stakes versus black-type rules for the sales catalogs. The WTBOA currently uses stakes rules (actually, a hybrid created specifically for our catalog). There was debate and discussion at the meeting with good points being made in support of both sides. The topic was tabled for further consideration; in the meantime, the catalog will be kept status quo. It was suggested that magazine articles could be written to explain the differences, along with presenting sample catalog pages for comparison between the styles. Brewer noted that the Longacres Mile is tentatively set for Sunday, August 14, so the tentative date for the Summer Yearling and Mixed Sale would be Tuesday, August 16. Emerald Downs' stakes schedule is due out in January 2016.

**Northwest Race Series (NWRS):** The deadline to provisionally or fully nominate for the 2016 and 2017 series is December 31, 2015. All are encouraged to nominate their weanlings and yearlings and to encourage others to nominate to this lucrative series.

**Washington Horse Racing Commission (WHRC)/Emerald Downs:** Sweet reported on the November 13 Commission meeting. There being no December meeting, it was Commissioner Paul George's last meeting, as he had announced earlier in the year that he would be stepping down at the end of 2015. Former WHRC Executive Secretary Bob Lopez will be replacing George as the new commissioner. Emerald Downs President Phil Ziegler reported that Emerald had done very well on Breeders' Cup Day. In spite of the earlier start time they had almost the same handle as the previous year. It will be a busy time for Emerald's food and beverage service with holiday banquets, etc. WHBPA Executive Director MaryAnn O'Connell announced that they have a new president, Pat LePley, and a new Board of Directors. WTBOA Board members Pabst and Swagerty are also on the WHBPA Board. Swagerty had already been serving on the WHBPA Board and Pabst had been representing the WTBOA as a guest member on the Condition Book Committee. She will now serve as an official member of that committee. Sweet reported for the WTBOA, stating that there were some positive numbers to report. The number of mares bred in Washington was up, as is the number of stallions included in the Stallion Register – 23 for 2016 compared to 21 for 2015. Shorty Martin reported that they have a new Board of Directors representing Eastern Washington racing and a new contract with the Fair Board.

It was anticipated that checks for Breeders' Awards and Owners' Bonuses would be mailed on November 17 or 18. The total amount distributed for 2015 was \$539,014, up from the previous year's amount of around \$533,000. The factor was just over 13 percent. Leading the owners' award recipients were Jim and Mona Hour and John Parker. Breeders' Awards totaled \$355,846, up from around \$350,000 in 2014. The factors were 11.59 percent (1st), 6.17 percent (2nd), and 5.62 percent (3rd).

Brewer and Pabst reported that they had worked on a couple of proposed stakes schedule scenarios, which had been submitted to Ziegler and Jack Hodge. Washington Cup Day has been slated for Sunday, August 28. It is anticipated that Emerald Downs' stakes schedule will be released in January.

**WTBOA Broodmare Club:** As of this date there are 13 members in the Club, which includes five sponsorships offered by Parker. Although it is not looking promising for the Club to move forward at this time, Brewer stated his belief in the program and a commitment to pursuing it for the future. As with the Emerald Racing Club, it is believed that involvement in the program will lead to members wanting to become more involved in the industry, especially with the breeding aspect of the industry. Brewer will work to perhaps integrate this program with the Racing Club program. Parker suggested increased advertising at the track. A tie-in to Christmas, Mother's Day ("the perfect gift") and/or New Year's ("make a resolution to get to know more about breeding") was also suggested.

There was also discussion about bringing mares and foals to the track for Mother's Day to help promote the Broodmare Club. Promote it earlier in the year and throughout the Emerald Downs meet (when there is a larger audience) for the following year. Suggestions were also made to approach 4-H and FFA groups, as well as perhaps reaching out to British Columbia people to become involved. Also suggested was offering open houses at some of the breeding farms in March or April when there are foals on the ground.

**Washington Cup 2016 Sponsorships:** Brewer had received a packet outlining the various sponsorship levels that are available, as well as a list of Emerald Downs' sponsors and potential sponsors. The sponsorship packet was distributed to Board members. Brewer emphasized that help is needed to seek contacts who might specifically sponsor a WA Cup race. Otherwise, there is a risk that those races could drop from their current \$50,000 black-type level to non-black-type level of \$35,000. Brewer requested that all Board members review their contacts and send him a list of any potential sponsors. Potential sponsors that were mentioned were 14 Hands Winery, Woodinville Whiskey Company and/or other Woodinville wineries.

It was suggested that perhaps former Board member Karla Laird might have suggestions for wineries that might be contacted.

**Annual Awards Banquet:** This year's banquet will take place on Saturday, February 27, 2016. Tollett will be spearheading the event, especially once she returns from California. In order to get the process started, a list of Board members' prior procurements was provided, and it was requested that they try to procure these same items again.

**Publications/Social Media:** The Stallion Register statistical pages are currently online, as is the list of stallions that have had seasons donated to the Stallion Season Auction. The need to help promote the Stallion Season Auction was noted. The print edition of the Stallion Register is in progress. Brewer stated that he will be meeting with Sweet to discuss moving away from print media for some issues of the magazine, perhaps keeping just the Stallion Register as a print issue. Right now the magazine goes out only to members. The Finance/Executive Committee agreed to looking at other potential avenues for delivering an online version of the magazine.

Sweet reported that she will be meeting with the designer for the new website on December 19 to assess the status of the website redesign and a deadline for when it would be completed. *[In spite of several attempts, Sweet was unable to confirm a time and location for this meeting, so it was not held. Since then a meeting between Sweet and web designer Venessa Koehn as been scheduled for Saturday, January 9, at 10 a.m. in Buckley.]* A suggestion was made that in order to help facilitate getting the new website active and no longer "under construction," perhaps we could use the existing website (wtboa.com) as an archive site until such time as all of the information could be migrated to the new website (washingonthoroughbred.com). Sweet pointed out that it should be a priority that updates and new information just need to be made at one site, rather than both sites (reserving the other site for archived information only), since the two sites currently require two different formatting modes and thus each must be updated independently of the other. The hope is that eventually both sites will be merged, so that updates can be made in one location for both sites.

**Executive Officer and Finance Committee Nominations:** Nominations for the six officer positions – President, 1st Vice President, 2nd Vice President, Secretary, Treasurer, and Finance Committee (1) – will be taken at the January 2016 meeting. Nominees will then be informed and have the chance to accept or decline running for the position(s). Voting will take place at the February 2016 Board meeting.

**Next Meeting Date:** The next meeting was scheduled for Thursday, January 7, 2016. *[The meeting date was later changed to Friday, January 8, 2016.]*

**Other Business:** Hagen invited any who were interested to attend an informal question and answer session with internationally-recognized nutritionist Steve Duren. To be held on Wednesday, December 16, 2016.

It was noted that the memorial service for longtime industry member Rick Pasko will take place on Wednesday, December 9, 2016, at 2 p.m. in Kent. The church and location will be provided later via e-mail.

Halvorson and Sweet had attended the memorial for former Board member Stan Gillman. It was a very nice gathering that took place on Monday, November 23, 2016, at Dimitriou's Jazz Alley in Seattle.

Sweet read a thank you note from Wanda Crockett that was addressed to the Board and staff, thanking all for the Hall of Fame article about Ron Crockett, written by Susie Sharp, which appeared in the Fall 2015 issue of the magazine.

The meeting was adjourned at 1:45 p.m.