

**MINUTES OF A MEETING OF THE BOARD OF DIRECTORS
OF THE CALIFORNIA HARNESS HORSEMEN'S ASSOCIATION
APRIL 19, 2017**

Proceedings of a meeting of the Board of Directors of the California Harness Horsemen's Association (CHHA) held on April 29, 2017.

PRESENT:

David Neumeister (Phone)
David Siegel
Bob Johnson
Luke Plano
Steve Wiseman
Robin Clements (Phone)
Richard Thomas
Wayne Knittel (Phone)
Nichole Hudson

As a result, all nine members of the board of directors were present. Also in attendance for the first agenda item were Chris Schick and Ben Kenney of Watch and Wager.

Mr. Siegel presided. Minutes from the previous meeting had already been approved via an email vote so there were no minutes to approve.

Mr. Kenney (Watch and Wager) presented the board with an overview of the financial position of the purse pool. In sum, relative to the start of the current meet, the start of the 2017/18 is expected to be about \$300,000 more overpaid. About \$100,000 of this amount would be reduced due to a lower negative SCOTWINC impact, lower TVG fees and miscellaneous other impacts. Related to an item appearing next in these minutes, a \$100,000 reduction is anticipated through reduced benefits of the 2017/18 Horse Incentive Program. So a "gap" of roughly \$100,000 is anticipated to remain without any further action. A number of options were discussed including a reduction in overnight purses, a further reduction or elimination of the Horse Incentive Program, and a deferral of the Sires Stakes subsidy of \$108,000 for the 2017/18 meet. It should be noted that the CHHA board previously approved taking what would have otherwise been a purse-pool subsidy and "banking it" to be used for the 2021 Sire Stakes season. However, given the projected shortfall for the 2017/18 meet, the board voted and approved with an 7-1 vote (Ms. Clements dissenting) using this \$108,000 for overnight purses in 2017/18 but recognizing this obligation of the purse pool in the 2017/18 horsemen's agreement. After this vote, Mr. Kenney and Mr. Schick left the meeting after this discussion.

The 2017/18 Horse Incentive Program was discussed and formally approved with unanimous vote. A copy of the details of that program is attached to these minutes.

Mr. Siegel outlined a number of conceptual changes to the CHHA By-laws which included election-related disclosure of legal or by-blood relationships between board members and/or prospective board members and the role of the Horsemen's Representative. Mr. Siegel committed to drafting specific language for these updates which will be distributed and voted on by email in the coming months.

Mr. Siegel then outlined a number of conceptual changes to be included in the 2017/18 Horsemen's Agreement with Watch and Wager, conditioned upon Watch and Wager's acceptance of such changes. These included definitions of a "one class drop", tying claiming levels to non-winners levels when claiming races do not fill, specifying DHA allowances (claiming and non-winners), preference dates related to a common entry date, announcements for changes to the condition sheet, and purse levels for combined races. Mr. Siegel committed to work with Watch and Wager to include these changes into the 2017/18 Horsemen's agreement and will present a final version for the Board's approval in the coming months.

A short discussion was held regarding the publishing of Board meeting agenda's for the directors. There was a clear consensus that this should be implemented and by these minutes, the board so directs Executive Director Perez to do so for all upcoming meetings.

The final agenda items addressed 2017/18 committee assignments. The following were all appointed and accepted.

-) Executive Committee: Neumeister (Chair), Siegel, Johnson, Perez
-) Finance Committee: Neumeister (Chair), Clements, Perez, Desomer
-) Track Committee: Johnson (Chair), Plano, Wiseman
-) Purse-Race Office Committee: Plano (Chair), Clements, Wiseman, Johnson
-) Hall of Fame Committee: Clements (Chair), Wiseman, Johnson, Kuebler Rick, Kuebler, Fred, Desomer

There being no further business to come before the CHHA board, the meeting was, upon motion, duly seconded and approved, adjourned.

Respectfully submitted,

David Siegel

Secretary of the meeting

Cal-Expo 2017/2018 Horse Incentive Program

1. Two-tiered structure includes higher incentive for horses starting early
 - a. If first start on or before November 4, 2017 (first two-day week)
 - i. \$800 1st start
 - ii. \$400 8th start
 - b. If first start after November 4, 2017 and on or before November 25, 2017
 - i. \$500 1st start
 - ii. \$250 8th start
2. Restrictions
 - a. Not started at Cal-Expo since 6/1/2016.
 - b. Must have at least 1 race in 2017 for a purse greater than or equal to \$1500 at a track other than Cal-Expo (Pari-mutuel or non-pari-mutuel).
 - c. Must not have raced for purse greater than or equal to \$15,000 in each of its last 5 PM overnight starts.
 - d. All payments will be made to the owner of record as of the date the new horse records its first Cal-Expo start.
 - e. The 8th start must be made prior to the end of the meet in May of 2018.
 - f. An individual trainer and/or owner is limited to a maximum of 20 “new horse” incentives.
3. Returning Horses
 - a. Amount
 - i. \$400 per horse, paid at first start if start is on or before November 4, 2017
 - ii. \$250 per horse, if starts after November 4, 2017 and before November 25, 2017
 - b. Covers ALL horses that have raced at Cal-Expo since 6/1/2016 excluding those falling within 2c above.
4. CHHA Membership – required for new or returning horses to receive payment. (Note, this would require some to be members in both 2017 and 2018 for timely payments)