HRND Board Meeting Agenda FRIDAY DECEMBER 20, 2024 2PM

**Call in number is** 470-735-5889 PIN: 278 438 144#

Jay A – Pres, Doug P – VP, Billy B – Treas Members: John B., Leigh B., Kenny A., Wally C. Gaming Board – Jay, John and Leigh

1. **Welcome- Jay (Board president) calls the meeting to order at 2:05PM CT.**
2. **Treasurer report – Cindy (Accountant) ran financials through November. Net income $380k all sources of income. $289,000 through the 3rd quarter of the previous year. This indicated an Increase of $93k year over year. Race meet numbers have been finalized. $318,000 net loss. We can use some of the trust funds for equipment purchase. $585,000 current funds in the trust account. $700,000 in the gaming/operating accounts. The additional weekend cost $148,000 up from last season. The concern would be about property taxes in 2026. The money in the trust account must remain in a simple checking account, but the gaming/operating accounts can be moved into interest bearing accounts.**
3. **New Business –**
	1. **Race Dates – July 12th through August 3rd Combination of Friday-Saturdays and Saturday-Sundays. The cost of the 4th weekend is significant, so we will need to discuss that before moving forward in 2026. Cindy feels there will be no issue running a 4th weekend in 2025. The board sees no issue in running a 4th weekend. No vote is needed and the board understands the race meet will be a combination of Friday/Saturday or Saturday/Sunday between July 12th and August 3rd depending on competing events in the Summer.**
	2. **Equipment – Summer of 2024 was the last year of the Bobcat of Mandan sponsorship. We are still looking for a tractor and skid steer. Chippewa does have a new tractor that they purchased and would be willing to lease it to us. Any connections. Wally has a few connections and Kenny does as well. RDO has a few. Leigh makes a motion to explore purchasing equipment or leasing equipment. Kenny seconds the motion to purchase. On spending $100,000 on equipment but will come together as board on final piece of equipment. All in favor. Non opposed.**

**Jay and Kenny both have Skid Steers for sale that they would be willing to sell.**

* 1. **Track Surface – The track was consistent throughout. Javier recommends the racetrack be graded to get uniform 38 to 40 inches from top of rail to the cushion material. Javier suggests making weep holes every 40 feet on the stretches and 20 feet on the turns so water can run off for better drainage. He also suggests buying new track conditioner teeth that have better carbide so it will last longer. Kenny can shoot the rail, determine how much material is needed and determine cost. Hugh will work on this with Kenny.**
	2. **Main water line shutoff replacement – Repair has been completed; the concrete will be poured in the Spring once the weather warms up. The final cost will be between $13,000-$14,000. Quotes were secured and reviewed from three different companies.**
	3. **Starting gate – Jay discussed the potential of using the starting gate for parades moving forward. The sign would have to be taken down in order for it to go through Fargo streets. Jay also discussed cutting boards to fit in between the stalls so that children can dress up and sit or stand in the stalls. Jay and Ryan have used the truck in several parades this year and it seems to have been a fan favorite.**
	4. **HHR – There are a lot of moving parts in the HHR world. CDI has started the process of talking to legislators and getting a bill drafted. Jay set up a meeting with two of the CDI members that were in attendance at the latest commission meeting. CDI has reached out to Hugh requesting information on the operation. Hugh mentioned that he has another group that would be interested in teaming up with the horse park to explore HHR. Hugh also presented three separate options for the board to consider. 1. Focus on charitable gaming. 2. Cooperate with CDI in hopes of working together. 3. Team up with a group that helped Kentucky Downs secure HHR in Kentucky. The board has decided to sit and wait to see what CDI is going to do next and focus on growing the charitable gaming side.**
	5. **Events – Renaissance Faire, Sanford health event and Wingfest return for the 2025 season. We have some room at the end of May and late August if we want to add any additional events.**
	6. **Gaming – Pete is giving the gaming update. Pete needs certain documentation from the board. Top sites are Chubbs ($103k), Labbys $75k, Sidestreet $73k similar numbers to last year. Spent $204k towards operations. Since Pete came aboard, he opened a new site in Fargo and Northwood. Working on another site in Grand Forks. 2024 Q3 $271k funds after taxes and expenses. Profits are up. Pete is looking for a motion to approve opening a bank account for sites outside of Fargo. Pete is looking to add different types of game types, and he will need board approval. He will have an updated internal control manual for board approval soon.**

**Doug Plummer moves that they approve the opening of both bank accounts. Leigh Backhaus seconds. All those in favor say I, nobody opposed. Motion carries.**

* 1. **Board positions/members – Discussion regarding having a secretary to take notes as Hugh does most of the talking during the meetings and Dean Meyer has not been on the board in over a year. John asked about parking for the college rodeo. Hugh said there were certain restrictions and HRND had been leasing the gravel lot and one of the paved parking lots to a trucking company, but that agreement ended in August. There was nothing that would have prevented NDSU from using some of the parking for the college rodeo. Jay mentioned that he will talk to his office secretary about taking notes at the next meeting. Nobody on the board expressed interest in the secretary position.**
	2. **Property taxes/specials update – The deferment on the specials for the Horse Park foundation has expired and the assessment will go up between $80k-$90k for the 2025 assessment. Hugh asked Leigh if he has any contacts that are legislators in order to find someone that can draft a bill to exclude the horse park and horse park foundation from paying property tax as a non-profit. A majority of the funds from gaming go to pay the property taxes and special assessments.**

A. Other new business – No other new business to come before the board.

VIII. Adjourn – Jay calls the meeting to a close at 3:45PM CT