

**Special Meeting of the  
Prairie Meadows Board of Directors  
December 11, 2018  
2:00 p.m.**

The Monthly Meeting of the Prairie Meadows Board of Directors was called to order by Mr. Palmer in the James Rasmussen Board Room at Prairie Meadows in Altoona, Iowa at 2:00 p.m.

Roll Call.

Dennis Albaugh

Bob Chittenden

Mark Cooper

Michael Gartner - phone

Marty Martin - absent

Lisa Moody-Tunks - phone

Gerry Neugent - phone

Bob O'Hollearn – phone

Suku Radia - phone

Kurt Rasmussen - phone

Mary Simon

Karen Novak Swalwell – absent

John Irving - absent

Gene Meyer

Also in attendance were:

Gary Palmer, President/CEO

Ann Atkin, Senior Vice President/COO

Brad Rhines, Senior Vice President/CSO

Tom Flynn, Legal Counsel

Nancy Winget, Its Recording Secretary

Members of the Press, Public, and Staff

Action Item – Proposed Polk County Lease. Mr. Palmer said staff has met with two Supervisors and have reached a tentative agreement; the County will vote on the proposal next Tuesday; the proposal is an eight year contract that stays the same except there will be an increase in rent of \$300,000 annually - rent will go from \$15.6 million to \$15.9 million a year. Mr. Neugent moved to approve the proposal to keep the contract as is except increase the rent \$300,000 a year and the motion was seconded by Mr. Radia. Mr. Flynn reminded the Board about Section 12.1 of Board's Bylaws, "... no Director shall vote on any matter which grants, confers or otherwise conveys economic benefit to such Director or to any group or organization which appointed such Director or of which any Director or any member of his or her immediate family is an officer, director, shareholder or employee." Such Section further provides that annually "each Director shall confirm in writing that he or she (and his or her family) have no conflicts of interest with the Corporation, or, if so, the nature of such conflicts." and noted that any County appointee who has relatives that work for the City of Des Moines may want to abstain from the next Action Item. Mr. Cooper asked if this vote is for the County contract or the City agreement and Mr. Palmer said the County contract. Mr. Albaugh asked if this is a flat level fee for eight years or can the County ask for more in four years; Mr. Palmer said it is a flat level fee – it's rent plus 5% AGR, only the rent goes up for the next eight years; Mr. Flynn noted any other request would need to be discussed. The motion passed on a Roll Call Vote (8 yes, 0 no, 2 abstained – Moody-Tunks and Gartner, 2 absent).

Action Item – Proposed City of Des Moines Revenue Sharing Agreement. Mr. Palmer said this is a revenue sharing agreement, with a percentage going to the public schools; PM pays 2/3 (\$32,600,000) and the County pays 1/3 (\$16,319,000) for a total of \$48,932,000; PM has also

given \$58,450,000 in grants to Des Moines for schools, the skate park, etc.; the total given to the City of Des Moines proper the last eight years is \$107,369,000; we are proposing the agreement remain the same with an exception – have a cap of \$48 million for the next eight years to help us with property taxes which go up 370%; the County agrees to the cap. Mr. Cooper asked if we've been negotiating with the City of DM, and Mr. Palmer not yet, we'll meet with Scott Sanders, the City Manager on Thursday. Mr. Cooper moved to approve to keep the proposal the same as the last eight years with a cap of \$48 million; the motion was seconded by Mr. Neugent, and passed on a Roll Call Vote (9 yes, 0 no, 1 abstained – Moody-Tunks, 2 absent).

Other Business. None

Adjournment. Mr. Cooper moved to adjourn the meeting and the motion was seconded by Mr. Meyer. There being no further business, the meeting adjourned at 2:10 p.m.

Respectfully submitted,

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Suku Radia, Its Secretary