Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

OMB No 1545-0047

2012

Open to Public Inspection

A For the 2012 calendar year, or tax year beginning 01-01-2012 , 2012, and ending 12-31-2012 , 20

B Check if applicable
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Terminated
- ☐ Amended return
- ☐ Application pending

C Name of organization Maine Harness Horsemen.s Association

Doing Business As MHHA

Number and street (or P.O box if mail is not delivered to street address) PO BOX 436 — Room/suite

City, town or post office, state, and ZIP code Augusta, Kennebec County, Maine 04332-0436

D Employer identification number 01-0377632

E Telephone number 207-623-6442

G Gross receipts $ $219,966.

F Name and address of principal officer:

H(a) Is this a group return for affiliates? ☐ Yes ☑ No

H(b) Are all affiliates included? ☐ Yes ☐ No
If "No," attach a list. (see instructions)

H(c) Group exemption number ▶

I Tax-exempt status: ☐ 501(c)(3) ☑ 501(c) (6) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527

J Website: ▶ www.maineHHA.com

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation

M State of legal domicile

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities:

see: BY-Laws attached

2 Check this box ▶ ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets.

3	Number of voting members of the governing body (Part VI, line 1a)	3	9
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	9
5	Total number of individuals employed in calendar year 2012 (Part V, line 2a)	5	2
6	Total number of volunteers (estimate if necessary)	6	0
7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	0
b	Net unrelated business taxable income from Form 990-T, line 34	7b	0

			Prior Year	Current Year
Revenue	8	Contributions and grants (Part VIII, line 1h)	$36,590.	
	9	Program service revenue (Part VIII, line 2g)	$169,555.	
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	$303.	
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	0	
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	$206,448.	
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	0	
	14	Benefits paid to or for members (Part IX, column (A), line 4)	0	
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	$73,700.	
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶		
	17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	$131,119.	
	18	Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)	$204,819.	
	19	Revenue less expenses. Subtract line 18 from line 12	$1,619.	

			Beginning of Current Year	End of Year
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	$98,380.	
	21	Total liabilities (Part X, line 26)	$311.	
	22	Net assets or fund balances. Subtract line 21 from line 20	$98,069.	

RECEIVED

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

Sign Here

Signature of officer: Timothy C Powers — Date: 4/17/13

Type or print name and title: Timothy C Powers President

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
David R. Slocomb, Retired IRS Auditor	David R Slocomb	4-5-2013		00442116?

[redacted] name ▶ 2522 North Belfast Avenue — [redacted] EIN ▶ 004-42-1163

[redacted] address ▶ Augusta, Maine 04330 — Phone no 207-622-9289

May the IRS discuss this return with the preparer shown above? (see instructions) ☑ Yes ☐ No

For Paperwork Reduction Act Notice, see the separate instructions. Cat No 11282Y Form **990** (2012)

SCANNED MAY 07 2013

Part III **Statement of Program Service Accomplishments**

Check if Schedule O contains a response to any question in this Part III . . . . ☐

1 Briefly describe the organization's mission:

Promote the welfare of Harness Rcaing in the State of maine

SEE: By-Laws attached

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? . . . ☐ Yes ☑ No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? . . . ☐ Yes ☑ No

If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code: 501 C-6) (Expenses $ $192,999, including grants of $ 0) (Revenue $ $206,070)

Maine Harness Horsemen,s Association (MHHA)

MHHA membership for 2012 was 706. Associates members for 2012 was 5.

State of maine has two commerical tracks and nine agriculture fair tracks which promotes live harness racing.

The eleven race tracks are operated under the rules and regulations of the Maine State Harness Racing commission (MSHRC).

4b (Code:) (Expenses $ including grants of $) (Revenue $)

4c (Code:) (Expenses $ including grants of $) (Revenue $)

4d Other program services (Describe in Schedule O.)

(Expenses $ including grants of $) (Revenue $)

4e **Total program service expenses** ▶

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1		✓
2	Is the organization required to complete *Schedule B, Schedule of Contributors* (see instructions)?	2		✓
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		✓
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4		
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5	✓	
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		✓
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? *If "Yes," complete Schedule D, Part II*	7		✓
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		✓
9	Did the organization report an amount in Part X, line 21, for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		✓
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10		✓
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? *If "Yes," complete Schedule D, Part VI*	11a		✓
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII*	11b		✓
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII*	11c		✓
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX*	11d		✓
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X*	11e		✓
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X*	11f		✓
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI and XII*	12a	✓	
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional*	12b		✓
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		✓
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		✓
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? *If "Yes," complete Schedule F, Parts I and IV*	14b		✓
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the United States? *If "Yes," complete Schedule F, Parts II and IV*	15		✓
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the United States? *If "Yes," complete Schedule F, Parts III and IV*	16		✓
17	Did the organization report a total of more than $15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I (see instructions)*	17		✓
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18		✓
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		✓
20a	Did the organization operate one or more hospital facilities? *If "Yes," complete Schedule H*	20a		✓
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b		✓

Part IV Checklist of Required Schedules *(continued)*

			Yes	No
21	Did the organization report more than $5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	21		✓
22	Did the organization report more than $5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	22		✓
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	23		✓
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25*	24a		✓
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		✓
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		✓
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		✓
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	25a		
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	25b		
26	Was a loan to or by a current or former officer, director, trustee, key employee, highest compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II*	26		✓
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? *If "Yes," complete Schedule L, Part III*	27		✓
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28a		✓
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28b		✓
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	28c		✓
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	29		✓
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	30		✓
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	31		✓
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	32		✓
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? *If "Yes," complete Schedule R, Part I*	33		✓
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1*	34		✓
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a		✓
b	If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	35b		✓
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	36		
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	37		✓
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? **Note.** All Form 990 filers are required to complete Schedule O	38		

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V . . . . ☐

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a 2			
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b 0			
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		1c		
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a 2			
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?		2b	✓	
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to *e-file* (see instructions)				
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?		3a		✓
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*		3b		✓
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		4a		✓
b	If "Yes," enter the name of the foreign country: ▶ See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		5a		✓
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		5b		✓
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?		5c		✓
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?		6a		✓
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		6b		
7	**Organizations that may receive deductible contributions under section 170(c).**				
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?		7a		✓
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		7b		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		7c		✓
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		7e		✓
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		7f		✓
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		7g		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		7h		
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		8		
9	**Sponsoring organizations maintaining donor advised funds.**				
a	Did the organization make any taxable distributions under section 4966?		9a		
b	Did the organization make a distribution to a donor, donor advisor, or related person?		9b		
10	**Section 501(c)(7) organizations.** Enter:				
a	Initiation fees and capital contributions included on Part VIII, line 12	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	**Section 501(c)(12) organizations.** Enter:				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?		12a		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**				
a	Is the organization licensed to issue qualified health plans in more than one state? **Note.** See the instructions for additional information the organization must report on Schedule O.		13a		
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b			
c	Enter the amount of reserves on hand	13c			
14a	Did the organization receive any payments for indoor tanning services during the tax year?		14a		✓
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O*		14b		

Part VI Governance, Management, and Disclosure *For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.*

Check if Schedule O contains a response to any question in this Part VI . . . ☑

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year. If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.	1a			
b	Enter the number of voting members included in line 1a, above, who are independent	1b			
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		2		✓
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?		3		✓
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		4		✓
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		5		✓
6	Did the organization have members or stockholders?		6		✓
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?		7a	✓	
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?		7b	✓	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:				
a	The governing body?		8a	✓	
b	Each committee with authority to act on behalf of the governing body?		8b	✓	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O*		9		✓

Section B. Policies *(This Section B requests information about policies not required by the Internal Revenue Code.)*

			Yes	No
10a	Did the organization have local chapters, branches, or affiliates?	10a		✓
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b		
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a		✓
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990.			
12a	Did the organization have a written conflict of interest policy? *If "No," go to line 13*	12a		✓
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b		✓
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? *If "Yes," describe in Schedule O how this was done*	12c		✓
13	Did the organization have a written whistleblower policy?	13		✓
14	Did the organization have a written document retention and destruction policy?	14		✓
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a	The organization's CEO, Executive Director, or top management official	15a		✓
b	Other officers or key employees of the organization	15b		✓
	If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a		✓
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b		

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ▶ Maine

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.

☐ Own website ☐ Another's website ☑ Upon request ☐ Other *(explain in Schedule O)*

19 Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ▶ ms. Wendy Ireland, Excutive Director 1-207-623-6442 185 State Street Augusta, Maine 04330

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response to any question in this Part VII . . . . ☐

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than $100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than $100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than $10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position: Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
(1) Timothy Powers, DVM, President of MHHA PO Box 339 - Pittsfield, Maine 04967	10-20+	✓		✓						
(2) Wallace Watson - Vice President of MHHA PO Box 878 - Gray, Maine 04039	2-4	✓		✓						
(3) Amy Taggart - Secretary of MHHA 386 Gorham Road - Scarborough, Maine 04074	2-4	✓		✓						
(4) Scott Mackenize - Treasurer of MHHA 88 Etna Road - Plymouth, Maine 04969	2-4	✓		✓						
(5) David Crochere 94 Goodhue Road - Sidney, Maine 04330	2-4	✓								
(6) Don Marean - Lobbyist for MHHA 223 Bonney Eagle Road - Hollis, Maine 04042	20-40	✓						$9,000	$5,145	
(7) Robert Marston 175 Sabbathday Rd - New Gloucester, Maine 04260	2-4	✓								
(8) Mike Cushing 435 Farmington Falls Rd - Farmington, Me 04938	2-4	✓								
(9) Eric Bickmore 150 Albee Road - Augusta, Maine 04330	2-4	✓								
(10) Wendy Ireland 468 Indiana Road - West Gardiner, Maine 04345	40+				✓			$57,000	$5,565	
(11) Rhonda Miller PO Box 436 - Augusta, Maine 04330	10-20							$10,451		
(12)										
(13)										
(14)										

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees *(continued)*

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position: Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
(15)										
(16)										
(17)										
(18)										
(19)										
(20)										
(21)										
(22)										
(23)										
(24)										
(25)										

		(D)	(E)	(F)
1b	**Sub-total** . . . ▶			
c	**Total from continuation sheets to Part VII, Section A** . . . ▶			
d	**Total (add lines 1b and 1c)** . . . ▶			

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 of reportable compensation from the organization ▶

			Yes	No
3	Did the organization list any **former** officer, director, or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*	3		✓
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than $150,000? *If "Yes," complete Schedule J for such individual*	4		✓
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? *If "Yes," complete Schedule J for such person*	5		✓

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than $100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 of compensation from the organization ▶

Part VIII Statement of Revenue

Check if Schedule O contains a response to any question in this Part VIII. . . . ☐

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns	1a				
	b	Membership dues	1b $35,400.				
	c	Fundraising events	1c				
	d	Related organizations	1d				
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f				
	g	Noncash contributions included in lines 1a-1f: $					
	h	**Total.** Add lines 1a–1f ▶		$35,400.			
Program Service Revenue			Business Code				
	2a	Race Track Income	900099	$166,550.			
	b	Banquet Reversation Income	900099	$4,100.			
	c	Year Book Income	900099	$1,075.			
	d	Other Income - USTA	900099	$750.			
	e						
	f	All other program service revenue					
	g	**Total.** Add lines 2a–2f ▶		$172,475.			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts) ▶					
	4	Income from investment of tax-exempt bond proceeds ▶					
	5	Royalties ▶					
			(i) Real / (ii) Personal				
	6a	Gross rents					
	b	Less: rental expenses					
	c	Rental income or (loss)					
	d	Net rental income or (loss) ▶					
			(i) Securities / (ii) Other				
	7a	Gross amount from sales of assets other than inventory					
	b	Less: cost or other basis and sales expenses					
	c	Gain or (loss)					
	d	Net gain or (loss) ▶					
	8a	Gross income from fundraising events (not including $ of contributions reported on line 1c). See Part IV, line 18	a				
	b	Less: direct expenses	b				
	c	Net income or (loss) from fundraising events ▶					
	9a	Gross income from gaming activities. See Part IV, line 19	a				
	b	Less: direct expenses	b				
	c	Net income or (loss) from gaming activities ▶					
	10a	Gross sales of inventory, less returns and allowances	a				
	b	Less: cost of goods sold	b				
	c	Net income or (loss) from sales of inventory ▶					
		Miscellaneous Revenue	Business Code				
	11a						
	b						
	c						
	d	All other revenue					
	e	**Total.** Add lines 11a–11d ▶					
	12	**Total revenue.** See instructions. ▶		$207,875.			

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response to any question in this Part IX . . . . ☐

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21	-0-			
2 Grants and other assistance to individuals in the United States. See Part IV, line 22	-0-			
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16	-0-			
4 Benefits paid to or for members	-0-			
5 Compensation of current officers, directors, trustees, and key employees	$57,000.			
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	-0-			
7 Other salaries and wages	$10,451.			
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	-0-			
9 Other employee benefits	-0-			
10 Payroll taxes	$6,650.			
11 Fees for services (non-employees):				
a Management	$914.			
b Legal	$1,035.			
c Accounting	$4,208.			
d Lobbying	$9,000.			
e Professional fundraising services. See Part IV, line 17	-0-			
f Investment management fees	-0-			
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.)	-0-			
12 Advertising and promotion	$3,795.			
13 Office expenses	$6,666.			
14 Information technology	-0-			
15 Royalties	-0-			
16 Occupancy	$10,200.			
17 Travel	$11,886.			
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	-0-			
19 Conferences, conventions, and meetings	$1,275.			
20 Interest	-0-			
21 Payments to affiliates	-0-			
22 Depreciation, depletion, and amortization	-0-			
23 Insurance	$49,331.			
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a Awards-Banquet-Year Book	$12,780.			
b News Letter - Web site	$6,082.			
c HHI Expenses	$5,491.			
d Bank Fees	$1,210.			
e All other expenses	-0-			
25 **Total functional expenses.** Add lines 1 through 24e	$197,975.			
26 **Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

Check if Schedule O contains a response to any question in this Part X . . . ☐

			(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing	$68,902.	1	$62,574.
	2	Savings and temporary cash investments	$8,967.	2	$9,325.
	3	Pledges and grants receivable, net	-0-	3	-0-
	4	Accounts receivable, net	$8,327.	4	$10,343.
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L	-0-	5	-0-
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L	-0-	6	-0-
	7	Notes and loans receivable, net	-0-	7	-0-
	8	Inventories for sale or use	-0-	8	-0-
	9	Prepaid expenses and deferred charges	-0-	9	-0-
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D — 10a $12,148.			
	b	Less: accumulated depreciation — 10b -0-	$12,148.	10c	$12,184.
	11	Investments—publicly traded securities	-0-	11	-0-
	12	Investments—other securities. See Part IV, line 11	-0-	12	-0-
	13	Investments—program-related. See Part IV, line 11	-0-	13	-0-
	14	Intangible assets	-0-	14	-0-
	15	Other assets. See Part IV, line 11	-0-	15	-0-
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)	$98,380.	16	$94,426.
Liabilities	17	Accounts payable and accrued expenses	$310.	17	$1,349.
	18	Grants payable	-0-	18	-0-
	19	Deferred revenue	-0-	19	-0-
	20	Tax-exempt bond liabilities	-0-	20	-0-
	21	Escrow or custodial account liability. Complete Part IV of Schedule D	-0-	21	-0-
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L	-0-	22	-0-
	23	Secured mortgages and notes payable to unrelated third parties	-0-	23	-0-
	24	Unsecured notes and loans payable to unrelated third parties	-0-	24	-0-
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	-0-	25	-0-
	26	**Total liabilities.** Add lines 17 through 25	$310.	26	$1,349.
Net Assets or Fund Balances		**Organizations that follow SFAS 117 (ASC 958), check here ▶ ☐ and complete lines 27 through 29, and lines 33 and 34.**			
	27	Unrestricted net assets		27	
	28	Temporarily restricted net assets		28	
	29	Permanently restricted net assets		29	
		Organizations that do not follow SFAS 117 (ASC 958), check here ▶ ☐ and complete lines 30 through 34.			
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building, or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
	33	Total net assets or fund balances	$98,069	33	$93,077.
	34	Total liabilities and net assets/fund balances		34	

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI . . . ☑

1	Total revenue (must equal Part VIII, column (A), line 12)	1	$207,875.
2	Total expenses (must equal Part IX, column (A), line 25)	2	$197,975.
3	Revenue less expenses. Subtract line 2 from line 1	3	$9,900.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	-0-
5	Net unrealized gains (losses) on investments	5	-0-
6	Donated services and use of facilities	6	-0-
7	Investment expenses	7	-0-
8	Prior period adjustments	8	-0-
9	Other changes in net assets or fund balances (explain in Schedule O)	9	($14,892.)
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	$93,077.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII . . . ☐

			Yes	No
1	Accounting method used to prepare the Form 990: ☐ Cash ☑ Accrual ☐ Other If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: ☑ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis	2a	✓	
b	Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: ☑ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis	2b	✓	
c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	2c	✓	
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a		
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	3b		

SCHEDULE C
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

For Organizations Exempt From Income Tax Under section 501(c) and section 527

▶ Complete if the organization is described below. ▶ Attach to Form 990 or Form 990-EZ.
▶ See separate instructions.

OMB No 1545-0047

2012

Open to Public Inspection

If the organization answered "Yes," to Form 990, Part IV, line 3, or Form 990-EZ, Part V, line 46 (Political Campaign Activities), then

- Section 501(c)(3) organizations: Complete Parts I-A and B. Do not complete Part I-C.
- Section 501(c) (other than section 501(c)(3)) organizations: Complete Parts I-A and C below. Do not complete Part I-B.
- Section 527 organizations: Complete Part I-A only.

If the organization answered "Yes," to Form 990, Part IV, line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)): Complete Part II-A. Do not complete Part II-B.
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)): Complete Part II-B. Do not complete Part II-A.

If the organization answered "Yes," to Form 990, Part IV, line 5 (Proxy Tax) or Form 990-EZ, Part V, line 35c (Proxy Tax), then

- Section 501(c)(4), (5), or (6) organizations: Complete Part III.

Name of organization	Employer identification number
Maine harness Horsemen's Association (MHHA)	01-0377632

Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

1 Provide a description of the organization's direct and indirect political campaign activities in Part IV.
2 Political expenditures . . . ▶ $ $9,000.
3 Volunteer hours . . . de minim is

Part I-B Complete if the organization is exempt under section 501(c)(3).

1 Enter the amount of any excise tax incurred by the organization under section 4955 . . . ▶ $
2 Enter the amount of any excise tax incurred by organization managers under section 4955 . . ▶ $
3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? . . . ☐ Yes ☐ No
4a Was a correction made? . . . ☐ Yes ☐ No
b If "Yes," describe in Part IV.

Part I-C Complete if the organization is exempt under section 501(c), except section 501(c)(3).

1 Enter the amount directly expended by the filing organization for section 527 exempt function activities . . . ▶ $
2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities . . . ▶ $
3 Total exempt function expenditures. Add lines 1 and 2. Enter here and on Form 1120-POL, line 17b . . . ▶ $
4 Did the filing organization file **Form 1120-POL** for this year? . . . ☐ Yes ☐ No
5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments. For each organization listed, enter the amount paid from the filing organization's funds. Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC). If additional space is needed, provide information in Part IV.

	(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's funds. If none, enter -0-	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization. If none, enter -0-.
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					

Part II-A Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).

A Check ▶ ☐ if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures).

B Check ▶ ☐ if the filing organization checked box A and "limited control" provisions apply.

	Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)	(a) Filing organization's totals	(b) Affiliated group totals
1a	Total lobbying expenditures to influence public opinion (grass roots lobbying)		
b	Total lobbying expenditures to influence a legislative body (direct lobbying)		
c	Total lobbying expenditures (add lines 1a and 1b)		
d	Other exempt purpose expenditures		
e	Total exempt purpose expenditures (add lines 1c and 1d)		
f	Lobbying nontaxable amount. Enter the amount from the following table in both columns.		

If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:
Not over $500,000	20% of the amount on line 1e.
Over $500,000 but not over $1,000,000	$100,000 plus 15% of the excess over $500,000.
Over $1,000,000 but not over $1,500,000	$175,000 plus 10% of the excess over $1,000,000.
Over $1,500,000 but not over $17,000,000	$225,000 plus 5% of the excess over $1,500,000.
Over $17,000,000	$1,000,000.

		(a)	(b)
g	Grassroots nontaxable amount (enter 25% of line 1f)		
h	Subtract line 1g from line 1a. If zero or less, enter -0-		
i	Subtract line 1f from line 1c. If zero or less, enter -0-		
j	If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year? ☐ Yes ☐ No		

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 2a through 2f on page 4.)

Lobbying Expenditures During 4-Year Averaging Period						
	Calendar year (or fiscal year beginning in)	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) Total
2a	Lobbying nontaxable amount					
b	Lobbying ceiling amount (150% of line 2a, column (e))					
c	Total lobbying expenditures					
d	Grassroots nontaxable amount					
e	Grassroots ceiling amount (150% of line 2d, column (e))					
f	Grassroots lobbying expenditures					

Part II-B **Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).**

For each "Yes," response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.		(a) Yes	(a) No	(b) Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
a	Volunteers?			
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?			
c	Media advertisements?			
d	Mailings to members, legislators, or the public?			
e	Publications, or published or broadcast statements?			
f	Grants to other organizations for lobbying purposes?			
g	Direct contact with legislators, their staffs, government officials, or a legislative body?			
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?			
i	Other activities?			
j	Total. Add lines 1c through 1i			
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?			
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A **Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).**

			Yes	No
1	Were substantially all (90% or more) dues received nondeductible by members?	1	✓	
2	Did the organization make only in-house lobbying expenditures of $2,000 or less?	2	✓	
3	Did the organization agree to carry over lobbying and political expenditures from the prior year?	3		✓

Part III-B **Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) and if either (a) BOTH Part III-A, lines 1 and 2, are answered "No," OR (b) Part III-A, line 3, is answered "Yes."**

1	Dues, assessments and similar amounts from members	1	
2	Section 162(e) nondeductible lobbying and political expenditures **(do not include amounts of political expenses for which the section 527(f) tax was paid).**		
a	Current year	2a	
b	Carryover from last year	2b	
c	Total	2c	
3	Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3	
4	If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?	4	
5	Taxable amount of lobbying and political expenditures (see instructions)	5	

Part IV **Supplemental Information**

Complete this part to provide the descriptions required for Part I-A, line 1; Part I-B, line 4; Part I-C, line 5; Part II-A (affiliated group list); Part II-A, line 2; and Part II-B, line 1. Also, complete this part for any additional information.

Part IV **Supplemental Information** *(continued)*

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization	Employer identification number
Maine Harness Horsemen's association (MHHA)	01-0377632

Part # XI Line # 5 Other changes in Net Assets; ($14,892.)

MHHA maintains three checking accounts during the period 01-01-2012 through 12-31-2012.

MHHA business checking: All financial data has been reported on Part VIII and Part IX of the FORM 990 for 2012.

MHHA Sulky Fund checking account for 2012: net decrease ($15,825.)

MHHA Scholarship checking account for 2012: net increase $1,167.

MHHA Downeast CD for 2012: net increase $358.

MHHA year end adjustment for 12-31-2012 = $592.

Summary of 2012 adjustments to net assets (-$15,825. + $1,167. + 4358. + $592.) = ($14,892.)

I completed a 100% audit on all three checking for the period 01-01-2012 through 12-31-2012.

I prepared and provided a complete copy of the MHHA audit for FY 12-31-2012 to all MHHA officers and directors on March 6, 2013.

A copy of the MHHA audit for FY 12-31-2012 is attached to the FORM 990 for FY 12-31-2012.

David R. Slocomb, retired IRS Revenue Agent

David R Slocomb 8405-2013

February 27, 2013

David R. Slocomb
2522 North Belfast Avenue
Augusta, Maine 04330
1-207-622-9289

Mr. Tim Powers, DVM, President, MHHA
Ms. Wendy Ireland, Executive Director, MHHA
MHHA Board of Directors
Maine Harness Horsemen's Association
PO BOX 436
Augusta, Maine 04330

Ladies and Gentlemen,

I have completed my audit of the Maine Harness Horsemen's Association (MHHA) financial records for the period January 1, 2012 through December 31, 2012. I reviewed all income and all expenses for the period. The books and records are maintained on the cash method of accounting and converted to the accrual method with year end adjustments.

The audit was conducted in accordance with general accepted auditing standards and the Internal Revenue Service audit guidelines which I worked with for 28 years.

I have prepared a detailed worksheets showing that MHHA has recorded all its income for the period. I prepared a summary worksheet showing the 2012 estimated budget compared with the 2012 actual budget. I have reviewed detailed worksheets on all expenses. I found the expenses to be ordinary, necessary, and reasonable.

Based on my review for the period, I found MHHA maintained an excellent set of books and records. Based on that review, I am not aware of any material modification that should be made to the financial statements in order for them to be in conformity with general accepted accounting principles.

February 27, 2013

David R Slocomb

David R. Slocomb,
Accountant

David R. Slocomb
February 25, 2013

Maine Harness Horsemen's Association
Page Index to the Financial Statements
Period January 1, 2012 through December 31, 2012

Exhibit Number	Comments
# 1	Audit Cover Letter
# 2	Index to Audit report for MHHA Directors
# 3	Balance Sheet
# 4	Audit Foot Notes
# 5	2012 Budget as approved by its members
# 6	2012 Audit work paper index
# 7	Summary of Race Track Income
# 8	Summary of Bangor Savings Account - Primary Account
# 9	Summary of Bangor Savings Account - Sulky Fund Account
# 10	Summary of Bangor Savings Account - Scholarship Account
# 11	Copy of Certificate of Deposit - Downeast Horseman's Association
# 12	Audit Proof of 2012 Income

MHHA BALANCE SHEET AS OF 12-31-2012

Assets	as of 12-31-2011	as of 12-31-2012	Increase / (Decrease)
Cash in the Bank	$26,167.17	$34,495.75	$8,328.58
Accounts Receivable Track Income	$8,326.80	$10,343.49	$2,016.69
Accounts Receivable - Refund	$0.00	$0.00	$0.00
Pre Paid Expense	$0.00	$0.00	$0.00
Office Furniture at cost	$12,183.81	$12,183.81	$0.00
Sulky Fund Account	$31,354.46	$15,529.96	($15,824.50)
Scholarship Fund Account	$11,381.07	$12,548.07	$1,167.00
Down East Horsemen Scholarship	$8,967.49	$9,325.11	$357.62
Total Assets	$98,380.80	$94,426.19	($3,954.61)

Liabilities

Current Liabilities	$310.49	$1,349.00	$1,038.51
Short Term Liabilities	$0.00	$0.00	$0.00
Long Term Liabilities	$0.00	$0.00	$0.00
Total Liabilities	$310.49	$1,349.00	$1,038.51

Net Worth	$98,070.31	$93,077.19	($4,993.12)

February 25, 2013

David R Slocomb

David R. Slocomb,
Accountant

Exhibit #3

Maine Harness Horsemen's Association
Notes to the Financial Statements
Period January 1, 2012 through December 31, 2012

NOTE #1:

Maine Harness Horsemen's Association (MHHA) was incorporated on March 5, 1965. MHHA is a tax exempt organization under the Internal revenue Code. IRC 501 (C)(6)

MHHA is an organization of owners, breeders, trainers and drivers of harness race horses. It purpose is to represent the business interests of the members as outlined in the by laws.

NOTE #2:

MHHA's books and records are maintained on the cash method of accounting and converted to the accrual method of accounting with year end adjustments.

NOTE #3:

MHHA's Accounts Receivable as of 12-31-12

Bangor Raceway	$9,120.95
Scarborough Downs	$1,222.54
TOTAL	$10,343.49

NOTE #4:

MHHA's Accounts Payable as of 12-31-12

Date Paid	CK #	Name	
12/6/2012	1728	Treasure State of Maine	$34.00
12/10/2012	1731	Farmington Horsemen"s Associat	$50.00
12/19/2012	1732	J S McCarthy Printers	$139.44
12/20/2012	1733	DED Photography	$180.00
12/28/2012	1734	Fairpoint Communication	$148.00
12/27/2012	1735	Don Marean - Lobbyist	$414.95
12/27/2012	1735	Don Marean - Travel	$273.75
12/31/2013	1736	Wendy Ireland - Travel	$108.78
	TOTAL		$1,348.92

David R Slocomb

David R. Slocomb
February 25, 2013

Exhibit #4

MHHA BUDGET for 2013

Ireland

Accounting Period January 1, 2013 through December 31, 2013

1/14/2013

INCOME	2012 BUDGET	2012 Year to Date	2012 Variance	2013 BUDGET
CASH IN BANK	$25,856	$34,496	$8,640	$33,147
ACCOUNTS RECEIVABLE- RACE TRACK INCOME	$7,674	$8,295	$621	$7,700
ACCOUNTS PAYABLE-2012 OPERATING EXPENSES	($2,500)	($1,349)	$1,151	($1,000)
ADVERTISING INCOME FOR 2012	$3,000	$1,075	($1,925)	$2,500
BANQUET RES. (Members * $25.00)for 2012	$3,500	$4,100	$600	$4,000
MEMBERSHIPS (729 Members * $50.00) (Actual 706)	$36,500	$35,300	($1,200)	$35,300
ASSOCIATE MEMBERSHIPS (10 * $20.00)(Actual 5)	$120	$100	($20)	$100
RACE TRACK & SIRE STAKES FUNDING	$154,452	$163,906	$9,454	$137,019
USTA & Other Income	$1,200	$1,589	$389	$1,200
TOTALS	$229,802	$247,511	$17,709	$219,966

MHHA BUDGET for 2013

Accounting Period January 1, 2013 through December 31, 2013

	EXPENSES	2012 BUDGET	2012 Year to Date	2012 Variance	2013 BUDGET
1	ACCOUNTING/AUDIT	$4,000	$4,207.50	($208)	$2,000
2	ADs/BLANKETs/DONATIONS	$6,500	$3,795	$2,705	$6,500
3	ADMINISTRATION COST 2012 = $80,300				
	ADMINISTRATION COST 2013 = $79,800				
	A.) Executive Director's Salary	$57,000	$57,000	$0	$57,000
	B.) Employee Benefits	$0	$0	$0	$0
	C.) Payroll Taxes	$5,200	$4,778	$422	$5,200
	D.) Administrative Assistant's Salary	$15,500	$10,166	$5,334	$15,000
	E.) Payroll Taxes	$1,600	$1,169	$431	$1,600
	F.) Workmen's Compensation	$1,000	$703	$297	$1,000
4	ANNUAL / SPECIAL MEETINGS	$9,000	$6,398	$2,602	$8,000
5	AWARDS	$2,000	$1,322	$678	$2,000
6	BANK CHARGES/REFUNDS/CREDIT CARD CHARGES	$2,000	$1,210	$790	$2,000
7	ELECTION COST	$2,000	$0	$2,000	$2,000
8	HHI DUES	$6,300	$5,491	$809	$6,300
9	Total INSURANCE 2012=$51,001				
	Total INSURANCE 2013=$48,166				
	A.) HHI Third Party Liab. (729* $39.00)	$29,600	$28,431	$1,169	$27,417
	B.) HHI Fire & Disaster (223 days raced * $60.00)	$13,500	$13,380	$120	$13,200
	C.) Director's Liability Policy	$6,959	$6,523	$436	$6,523
	D.) Office Equipment Policy	$942	$997	($55)	$1,026
10	HHI MEETINGS	$2,500	$469	$2,031	$2,500
11	LEGAL, PROFESSIONAL & Associated Fees	$3,000	$1,035	$1,965	$3,000
12	MHHA MEEETINGS	$1,000	$806	$194	$1,000
13	WEBSITE	$4,000	$2,441	$1,559	$3,500
14	MHHA NEWSLETTER	$5,000	$3,641	$1,359	$5,000
15	OFFICE RENT	$10,200	$10,200	$0	$10,200
16	OFFICE SUPPLIES	$2,000	$2,120	($120)	$3,000
17	POSTAGES / PRINTING	$2,500	$1,915	$585	$2,500
18	TELEPHONE	$3,000	$2,631	$369	$3,000
19	TRAVEL - EXC. DIRECTOR	$8,000	$5,664	$2,336	$8,000
20	TRAVEL - DIRECTORS	$2,000	$662	$1,338	$2,000
21	YEARBOOK for 2012	$6,500	$5,060	$1,440	$4,500
22	LOBBYIST	$15,000	$14,560	$440	$15,000
23	RACING EMERGENCY FUNDS	$2,000	$0	$2,000	$2,000
24	WELFARE SUPPORT FUND	$0	$0	$0	$5,000
	TOTALS	$229,801	$196,775	$33,026	$219,966

Funding rate for 2009= 1.4017% for 2010= 1.8087% for 2011= 1.7926% for 2012= 1.7327% 5 YEAR AVERAGE=1.7691% for 2013=1.6199%

Submitted by Wendy Ireland Date 12/04/2012

Exhibit #5

MHHA BUDGET for 2013

Accounting Period January 1, 2013 through December 31, 2013

INCOME	2012 BUDGET	12-31-2012 Year to Date	2012 Variance	Ireland 1/14/2013 2013 BUDGET	Slocomb 2/27/2013 MHHA AUDIT	MHHA Audit Difference
CASH IN BANK	$25,856	$34,496	$8,640	$33,147	$34,496	$0
ACCOUNTS RECEIVABLE- RACE TRACK INCOME	$7,674	$8,295	$621	$7,700	$10,344	$2,049
ACCOUNTS PAYABLE-2012 OPERATING EXPENSES	($2,500)	($1,349)	$1,151	($1,000)	($1,349)	$0
ADVERTISING INCOME FOR 2012	$3,000	$1,075	($1,925)	$2,500	$1,075	$0
BANQUET RES. (Members * $25.00)for 2012	$3,500	$4,100	$600	$4,000	$4,100	$0
MEMBERSHIPS (729 Members * $50.00) (Actual 706)	$36,500	$35,300	($1,200)	$35,300	$35,300	$0
ASSOCIATE MEMBERSHIPS (10 * $20.00)(Actual 5)	$120	$100	($20)	$100	$100	$0
RACE TRACK & SIRE STAKES FUNDING	$154,452	$163,906	$9,454	$137,019	$166,550	$2,644
USTA & Other Income	$1,200	$1,589	$389	$1,200	$750	($839)
TOTALS	$229,802	$247,511	$17,709	$219,966	$251,366	$3,855

MHHA BUDGET for 2013

Accounting Period January 1, 2013 through December 31, 2013

	EXPENSES	2012 BUDGET	12-31-2012 Year to Date	2012 Variance	2013 BUDGET	Slocomb 2/27/2013 MHHA AUDIT	MHHA Audit Difference
1	ACCOUNTING/AUDIT	$4,000	$4,208	($208)	$2,000	$4,208	$0
2	ADs/BLANKETs/DONATIONS	$6,500	$3,795	$2,705	$6,500	$3,795	$0
3	ADMINISTRATION COST 2012 = $80,300						
	ADMINISTRATION COST 2013 = $79,800						
	A.) Executive Director's Salary	$57,000	$57,000	$0	$57,000	$57,000	$0
	B.) Employee Benefits	$0	$0	$0	$0		$0
	C.) Payroll Taxes	$5,200	$4,778	$422	$5,200	$4,778	$0
	D.) Administrative Assistant's Salary	$15,500	$10,166	$5,334	$15,000	$10,451	$285
	E.) Payroll Taxes	$1,600	$1,169	$431	$1,600	$1,169	$0
	F.) Workmen's Compensation	$1,000	$703	$297	$1,000	$703	$0
	G.) Administration Processing Fees	$0	$0	$0	$0	$914	$914
4	ANNUAL / SPECIAL MEETINGS	$9,000	$6,398	$2,602	$8,000	$6,398	$0
5	AWARDS	$2,000	$1,322	$678	$2,000	$1,322	$0
6	BANK CHARGES/REFUNDS/CREDIT CARD CHARGES	$2,000	$1,210	$790	$2,000	$1,210	$0
7	ELECTION COST	$2,000	$0	$2,000	$2,000	$0	$0
8	HHI DUES	$6,300	$5,491	$809	$6,300	$5,491	$0
9	Total INSURANCE 2012=$51,001						
	Total INSURANCE 2013=$48,166						
	A.) HHI Third Party Liab. (729* $39.00)	$29,600	$28,431	$1,169	$27,417	$28,431	$0
	B.) HHI Fire & Disaster (223 days raced * $60.00)	$13,500	$13,380	$120	$13,200	$13,380	$0
	C.) Director's Liability Policy	$6,959	$6,523	$436	$6,523	$6,523	$0
	D.) Office Equipment Policy	$942	$997	($55)	$1,026	$997	$0
10	HHI MEETINGS	$2,500	$469	$2,031	$2,500	$469	$0
11	LEGAL, PROFESSIONAL & Associated Fees	$3,000	$1,035	$1,965	$3,000	$1,035	$0
12	MHHA MEEETINGS	$1,000	$806	$194	$1,000	$806	$0
13	WEBSITE	$4,000	$2,441	$1,559	$3,500	$2,441	$0
14	MHHA NEWSLETTER	$5,000	$3,641	$1,359	$5,000	$3,641	$0
15	OFFICE RENT	$10,200	$10,200	$0	$10,200	$10,200	$0
16	OFFICE SUPPLIES	$2,000	$2,120	($120)	$3,000	$2,120	$0
17	POSTAGES / PRINTING	$2,500	$1,915	$585	$2,500	$1,915	$0
18	TELEPHONE	$3,000	$2,631	$369	$3,000	$2,631	$0
19	TRAVEL - EXC. DIRECTOR	$8,000	$5,664	$2,336	$8,000	$5,664	$0
20	TRAVEL - DIRECTORS	$2,000	$662	$1,338	$2,000	$662	$0
21	YEARBOOK for 2012	$6,500	$5,060	$1,440	$4,500	$5,060	$0
22	LOBBYIST	$15,000	$14,560	$440	$15,000	$14,560	$0
23	RACING EMERGENCY FUNDS	$2,000	$0	$2,000	$2,000	$0	$0
24	WELFARE SUPPORT FUND	$0	$0	$0	$5,000	$0	$0
	TOTALS	$229,801	$196,775	$33,026	$219,966	$197,975	$1,200

Funding rate for 2009= 1.4017% for 2010= 1.8087% for 2011= 1.7926% for 2012= 1.7327% 5 YEAR AVERAGE=1.7691% for 2013=1.6199%

Submitted by Wendy Ireland — Date 01-19-2013

Exhibit #6

MHHA 2012 RACE TRACK INCOME

Slocomb
02-27-2013

TRACK	TOTAL INCOME CASH METHOD	ACCOUNTS RECEIVABLE as of 12/31/2011	ACCOUNTS RECEIVABLE as of 12/31/2012	TOTAL INCOME ACCRUAL METHOD
Scarborough Downs	$83,968.55	$694.64	$1,222.54	$84,496.45
Bangor Raceway	$35,672.98	$7,600.02	$9,120.95	$37,193.91
Northern Maine Fair	$5,183.20			$5,183.20
Topsham Fair	$3,288.16			$3,288.16
Skowhegan Fair	$6,673.14			$6,673.14
Union Fair	$3,256.88			$3,256.88
Windsor Fair	$6,721.37			$6,721.37
Oxford Fair	$4,381.91			$4,381.91
Farmington Fair	$5,119.01			$5,119.01
Cumberland Fair	$5,226.54			$5,226.54
Cumberland Fair Ext	$289.67			$289.67
Fryeburg Fair	$4,719.59			$4,719.59
TOTALS	$164,501.00	$8,294.66	$10,343.49	$166,549.83

Comments:

Scarborough Downs' purse account is maintained on the cash method of accounting.

Scarborough Downs' purse asccount is mainatined on the fiscal year: 01-01-2012 through 12-31-2012.

Bangor Raceway's purse account is maintained on the accrual method of accounting.

Bangor Raceway's purse asccount is mainatined on the fiscal year: 01-01-2012 through 12-31-2012.

The nine fairs' purse account is maintained on the cash method of accounting.

The nine fairs' purse asccount is mainatined on the fiscal year: 10-01-2011 through 09-31-2012.

Accounts Receivable as of 12-31-2011 was paid during 2012.

Accounts Receivable as of 12-31-2012 was paid during 2013.

Exhibit #7

MHHA Audit for 2012

Slocomb

2/25/2013

Bangor Savings Bank - MHHA Primary Account - 2012 Account # 2010074018

Month 2011	Beginning Balance	Deposits	Withdrawal Payroll Management	Withdrawal Debit Memo	Withdrawal Checks	Ending Balance	Scholarship fund Transferred	Sulky fund Transferred
January	$28,285.37	$12,355.00	$5,833.17	$882.35	$17,364.09	$16,560.76		
February	$16,560.76	$13,670.02	$7,706.57	$607.21	$4,811.75	$17,105.25		
March	$17,105.25	$11,224.64	$5,070.01	$392.22	$11,637.05	$11,230.61		
April	$11,230.61	$5,875.00	$5,615.29	$528.53	$4,392.07	$6,569.72		
May	$6,569.72	$36,988.00	$6,238.29	$451.53	$3,848.24	$33,019.66		
June	$33,019.66	$12,262.65	$6,306.82	$413.67	$18,938.41	$19,623.41		
July	$19,623.41	$6,287.81	$5,921.25	$1,767.13	$5,577.50	$12,645.34		
August	$12,645.34	$55,944.78	$8,031.12	$304.58	$17,080.98	$43,173.44		
September	$43,173.44	$11,281.60	$6,043.10	$7,034.14	$2,726.08	$38,651.72		
October	$38,651.72	$12,521.84	$6,051.29	$1,468.38	$11,997.92	$31,655.97		
November	$31,655.97	$6,875.31	$6,084.00	$696.29	$15,438.95	$16,312.04		
December	$16,312.04	$28,547.91	$6,307.42	$2,373.04	$1,683.74	$34,495.75		
Various Dates							$630.00	$7,275.00
Totals	n/a	$213,834.56	$75,208.33	$16,919.07	$115,496.78	$34,495.75	$630.00	$7,275.00

NOTES:

Withdrawal Debit Memo:	
Total amount transferred to Sulky Account on various dates	$7,275.00
Total amount transferred to Scholarship Account on various dates	$630.00
Total amount transferred =	$7,905.00

Summary of 2012 Business Expenses per Cash Method:	
Total Expenses paid by Debit Memos - Payroll Management =	$75,208.33
Total Expenses paid by Debit Memos =	$16,919.07
Total Expenses paid Check =	$115,496.78
Less: Transfers to Sulky and Scholarship Funds =	($7,905.00)
Total Expenses paid during 2012 year =	$199,719.18

Summary of 2012 Business Expenses per Accrual Method of Accounting:	
Total Expenses paid during 2012 year =	$199,719.18
Less: Accounts Payable on January 1, 2012	($310.49)
Plus: Accounts payable on December 31, 2012	$1,348.92
Total Business Expenses for 2012	$200,757.61

Exhibit #8

	A	B	C	D	E	F
1	MHHA Audit for 2012 - Sulky Fund review					Ireland
2	Bangor Savings Bank - Sulky Fund Account - # 2010078745					1/8/2013
3	DATE	Deposit	Check #	Amount	Payee / Comment	Balance
4						
5	1-Jan-12				Balance Forward 01-01-2012	$31,354.46
6	10-Apr-12		1024	$137.00	Robin Crochere	$31,217.46
7	8-Aug-12		1025		VOID	
8	13-Aug-12		1026	$450.00	Ruel Goodblood	$30,767.46
9	24-Aug-12		1027	$3,750.00	Bo Sowers	$27,017.46
10	27-Aug-12		1028	$1,150.00	Gretchen Athearn	$25,867.46
11	17-Sep-12	$6,850.00			transfer from general fund	$32,717.46
12	19-Sep-12	$50.00			transfer from general fund	$32,767.46
13	13-Sep-12		1029	$687.50	Dan Deslandes	$32,079.96
14	13-Sep-12		1030	$1,525.00	Mike Hitchcock	$30,554.96
15	13-Sep-12		1031	$5,450.00	Mike Hitchcock	$25,104.96
16	18-Sep-12		1032	$1,200.00	Scott macKenzie	$23,904.96
17	18-Oct-12	$50.00			transfer from general fund	$23,954.96
18	5-Nov-12	$325.00			transfer from general fund	$24,279.96
19	28-Nov-12		1033	$3,300.00	Steve Nason	$20,979.96
20	10-Dec-12		1034	$5,450.00	Kevin Gee	$15,529.96
21	31-Dec-12				Ending Balance 12-31-2012	$15,529.96
22	Year to date Totals	$7,275.00	n/a	$23,099.50	Ending Balance 12-31-2012	$15,529.96

Exhbt #9

	A	B	C	D	E	F
1	MHHA Audit for 2012- Scholarship Account Review					Ireland
2	Bangor Savings Bank - Scholarship Account - # 2010078744					1/8/2013
3	DATE	Deposit	Check #	Amount	Payee or Comment	Balance
4						
5	1-Jan-12				Balance	$11,381.07
6	23-Jan-12	$3,390.00			Auction = $3,390.00	$14,771.07
7	24-Jan-12	$25.00			Auction $25.00	$14,796.07
8	27-Jan-12	$250.00			Auction $250.00	$15,046.07
9	26-Jan-12		1043	$500.00	Charlene Cushing	$14,546.07
10	26-Jan-12		1049	$500.00	Dylan Plissey	$14,046.07
11	26-Jan-12		1050	$500.00	Jacob Plissey	$13,546.07
12	26-Jan-12		1053	$500.00	Samantha Robinson	$13,046.07
13	26-Jan-12		1055	$1,000.00	Samantha Robinson	$12,046.07
14	3-Feb-12	$130.00			In memory = $120.00 Hat = $10.00	$12,176.07
15	6-Feb-12	$150.00			In memory -transfer form general fund	$12,326.07
16	10-Feb-12	$50.00			In memory = $50.00	$12,376.07
17	15-Feb-12		1042	$500.00	Claire Bickmore	$11,876.07
18	13-Feb-12		1046	$500.00	Dawn Gray	$11,376.07
19	27-Feb-12		1048	$500.00	Karen Letteney	$10,876.07
20	10-Feb-12		1051	$500.00	James Ramsdell, Jr.	$10,376.07
21	9-Mar-12	$10.00			Donation - $10.00	$10,386.07
22	23-Mar-12	$10.00			Hat = $10.00	$10,396.07
23	5-Mar-12		1047	$500.00	Alyssa Hamilton	$9,896.07
24	19-Mar-12		1052	$500.00	Elizabeth Richarson	$9,396.07
25	11-Apr-12	$20.00			Hats = $20.00	$9,416.07
26	9-May-12	$100.00			Donation - $100.00	$9,516.07
27	27-Jun-12	$50.00			In memory -transfer form general fund	$9,566.07
28	13-Jul-12	$50.00			In memory -transfer form general fund	$9,616.07
29	19-Jul-12	$60.00			Hats =$60.00	$9,676.07
30	1-Aug-12	$30.00			Hats =$30.00	$9,706.07
31	27-Aug-12	$504.00			Windsor Fair 50/50	$10,210.07
32	16-Aug-12			$32.00	stop payment CK # 1044 lost (see 1056)	$10,178.07
33	4-Sep-12	$3,050.00			Windsor Fair 50/50	$13,228.07
34	10-Sep-12	$120.00			Donation - $120.00	$13,348.07
35	26-Sep-12		1054	$500.00	Jenna Wing	$12,848.07
36	20-Sep-12		1056	$500.00	Jessic Cushing	$12,348.07
37	20-Nov-12	$50.00			In memory -transfer form general fund	$12,398.07
38	4-Dec-12	$50.00			In memory -transfer form general fund	$12,448.07
39	20-Dec-12	$50.00			In memory -transfer form general fund	$12,498.07
40	28-Dec-12	$50.00			In memory -transfer form general fund	$12,548.07
41						
42	Year to date Totals	$8,199.00	n/a	$7,032.00	Ending Balance	$12,448.07
43						
44	Check Outstanding:		19-Jan-12	CK # 1045	Katelin Emerson	$500.00
45						
46						
47					Summary of Income for 2012	
48					Banquet Auction	$3,665.00
49					Windsor Fair 50 /50	$3,554.00
50					Hats	$120.00
51					Donations	$860.00
52					Totals Income for 2012	$8,199.00

Exhibit #10

Bangor Savings Bank
PO Box 930
Bangor, ME 04402-0930

RECEIVED
JAN ...
By_______

9587 1 AB 0.374

09587

MAINE HARNESS HORSEMAN'S ASSOCIATION
DOWNEAST HORSEMAN'S ASSOCIATION
PO BOX 436
AUGUSTA ME 04332-0436

Time Deposit Statement
From January to December, 2012

Account number	920629528	Transactions	Totals
Interest Rate	4.390000%	Deposits	.00
Interest Rate Date	12/10/12	Withdrawals	.00
Purchase Date	12/10/08	Interest	357.62
Renewal Date		Withholding	.00
Maturity Date	12/10/13	Forfeitures	.00
Certificate Term	60 MONTHS		

Type of Account 60 MO STEP RATE CD

Date	Additions	Subtractions	Interest	Balance
Balance Last Statement				8,967.49
1/10/12			29.81	8,997.30
2/10/12			29.84	9,027.14
3/09/12			28.01	9,055.15
4/10/12			30.04	9,085.19
5/10/12			29.16	9,114.35
6/08/12			30.23	9,144.58
7/10/12			29.35	9,173.93
8/10/12			30.43	9,204.36
9/10/12			30.54	9,234.90
10/10/12			29.64	9,264.54
11/09/12			30.73	9,295.27
12/10/12		Rate Change	4.390000%	9,295.27
12/10/12			29.84	9,325.11

Exhibit #11

MHHA Proof of INCOME for 2012

2/25/2013

Summary of Bank Statement for 2012

Bank Balance as 01-01-2012	$28,285.37	
Bank Balance as 12-31-2012	$34,495.75	
Increase in Bank Balance		$6,210.38

Proof of MHHA INCOME for 2012

2012 Deposits per bank statements		$213,834.56

MHHA SOURCE of INCOME for 2012:

Advertising Income received during 2012	$1,075.00	
Banquet Reservation received during 2012	$4,100.00	
Active Membership Received during 2012	$35,300.00	
Associate Membership recd during 2012	$100.00	
Race Track Income received during 2012	$163,906.00	
USTA received during 2012	$750.00	
Membership Income for Sulky Fund (wash)	$7,275.00	
Scholarship Fund (wash)	$630.00	
Lee Fitch Fund (wash)	$571.00	
Workers Com Refund - MEMIC	$85.55	
Staples Refund	$4.99	
Total Income for 2012		$213,797.54
Difference		($37.02)

Exhibit #12

MAINE HARNESS HORSEMEN'S ASSOCIATION

BY-LAWS

ARTICLE I
PROLOGUE

SECTION I Purpose

The Maine Harness Horsemen's Association was incorporated in 1965.

The MHHA is an organization of owners, breeders, trainers, drivers and grooms of standardbred horses whose purpose is to promote the welfare of harness racing in the United States and Canada with special regard to the State of Maine area, and in so doing to promote the welfare of its members. Its objects are:

(a) To co-operate with all authority charged with the government of harness racing and to render such authority all possible assistance in the discharge of their duties.

(b) To recommend to governing authority changes in rules or regulations which, after due consideration by this association, seem to it to be in the best interest of harness racing.

(c) To co-operate with all associations conducting harness racing meetings, and advise them on the problems affecting the interest of the standardbred horse. To suggest to such associations possible improvements which after due consideration the MHHA believes will be beneficial to all concerned.

(d) To stand ready to advise all horsemen interested in the sport of harness racing concerning their mutual problems.

(e) To affiliate with other organizations interested in harness racing upon such terms and conditions as may be mutually agreeable.

ARTICLE II
MEMBERSHIP

SECTION I Classes

There shall be three classes of membership as follows:

(a) Active members:

Owners, breeders, trainers, drivers or grooms of standardbred horses who hold a valid Maine Harness Racing License during the current or preceding year, or having registered a horse or horses with the United States Trotting Association during the preceding year. In the event a horse is owned in partnership under a stable name, or by a corporation, only the partner or partners, or owner or owners of the stable, or the corporation who pays the annual dues of the association shall be a member.

(b) Associate Members

Any person, firm, corporation or association not qualified for active membership, but interested in the sport of harness racing.

(c) Honorary Members:

Any person, firm, corporation or association so honored by the Board of Directors of the Association at a regular meeting by the unanimous vote of those present.

SECTION II Application (Amended January 2002)

Application for Membership: All applications for membership shall be in writing to the Secretary and signed by the applicant. The applicant shall show that he or she has the necessary qualifications for membership and will accompany his or her application with the full amount of the annual dues for the current year, which will be returned to him or her if the application for membership is not accepted.

SECTION III Voting Privileges

Voting privileges of members: Only active members who shall have paid the annual dues of the association during the current year and shall be otherwise in good standing shall be eligible to vote at an annual meeting of the membership in each year, provided, however, that for the purpose of this section, a member shall have a grace period of sixty (60) days in which to pay his or her dues for the current year after the date on which they become due, during which time he or she shall remain eligible to vote.

SECTION IV Rejection or Revocation

Rejection or revocation of membership: The Board of Directors of the Association may reject the application for membership of any applicant whose membership in the Association would not be in the best interest of the sport of racing or this association. If the membership of any applicant is opposed by a member in good standing, his or her application shall be referred to the Board of Directors for determination. Such objection shall be filed in writing with the Secretary of this Association. The Board of Directors by a two-thirds vote of those present at a regularly called meeting may revoke or suspend the membership of any member who has been guilty of conduct prejudicial to the interest of the sport of harness racing and this Association, provided that any persons affected by this section shall have been afforded an opportunity to appear before the Board to present facts or make a statement with respect to such matter.

ARTICLE III
MEETINGS

SECTION I Annual and Special

Annual and Special meetings of the membership:

(a) Annual Meeting: The Annual business meeting of all members shall be held each year designated by the Board of Directors.

(I) An annual meeting of all members of the association shall be held once each calendar year at a time and place designated by the Board of Directors to act on the business as outlined under Article III, Section 3.

(b) Special Meetings: Special meeting of the membership of the Association may be called by the Board of Directors. The officers of the Association shall call a special meeting of the membership upon request in writing of 10% of active members as of the prior December 31, who are qualified to vote at such meeting. The time and place of such meeting shall be designated by the Board of Directors or the officers, dependent upon which is calling the meeting.

(c) Notice of meetings: Written notice of the time and place of such meetings, annual or special, shall be served by mail upon all members not less than seven (7) days nor more than (30) days before the meeting. Such notice shall be directed to the member at his or her address as recorded with the Association, and it shall be the duty and responsibility of the members to file with the Association his or her correct address or any change thereof.

(d) Purpose of meeting: The purpose of the meeting shall be the election of directors, election of officers, and the transaction of such other business as may properly come before such meeting as outlined in Article III, Section 3.

(e) Quorum: At least three times more Active Members of the Association than that of the active Board of Directors present must be present in order to constitute a quorum for the transaction of business at an annual or special meeting.

(f) Any active member may submit items to be included on agenda of any annual meeting. Request must be in writing and received forty five (45) days prior to the date of the meeting. All items are subject to approval by the Board of Directors.

SECTION II Adjournment

Adjournment of annual or special meeting: Whenever at any meeting of the membership there shall be less than a quorum present, such meeting may be adjourned from time to time by a majority of those present, provided, however, that no adjournments shall be for a period exceeding twenty (20) days at any one time. Any meeting at which a quorum is present may be adjourned for such time as may be fixed by the vote of the majority of the members present at the meeting. At any adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the original meeting.

SECTION III Order of Business

Order of business: At the annual meeting of the Association, the order of business shall be as follows:

1. Filing of proof of notice of meeting.
2. Calling the roll of members entitled to vote.
3. Report of officers.
4. Reports of committees, if any.
5. Election of Directors.
6. Election of Officers.
7. Other business- if item to be voted on is not on the agenda, it first must have approval by a simple majority of active members present before being placed on the agenda to be acted upon.

ARTICLE IV (4)
BOARD OF DIRECTORS

SECTION I Management and Control

The Management, direction, and control of all policy, business, and the affairs of the Association shall be vested in the Board of Directors consisting of nine (9) members. The name and prestige of the Association shall not be used by any one unless specifically authorized by the Board of Directors.

SECTION II Qualifications

Members of the Board of Directors must be active members of this Association in good standing and must maintain their standing at all times. Failure to do so shall automatically eliminate any member of the Board of Directors from the Board.

(Addendum: January 1990) Members seeking election by District, as provided in Section III hereinafter, must maintain a residence within the District to be represented and must so specify upon announcing candidacy or accepting nomination.

SECTION III Terms (amended January 1990)

Election to the Board of Directors shall be for a three (3) year term. Each year two (2) of the Directors shall be elected at large, and one (1) District. For purposes of this Section, the State shall be divided into three (3) Districts.

(a) District 1 consisting of York and Cumberland Counties;

(b) District 2 consisting of Sagadahoc, Kennebec, Androscoggin, Oxford, Franklin, Lincoln and Knox Counties;

(c) District 3 consisting of Penobscot, Aroostook, Washington, Piscataquis, Somerset, Hancock and Waldo Counties.

SECTION IV Election of (amended August 1982, 2002 & 2008)

Voting for members of the Board of Directors by qualified members of MHHA shall be in person or by absentee ballot, as follows;

(1) All notices of annual meetings of the membership must be accompanied by a printed ballot in blank with a return self-addressed envelope. The ballots shall contain all names to come before the meeting. Amended January 2002 as follows: Article 4 Board of Directors; added to Section 4(1) - When all vacancies are uncontested because of a lack of members seeking election, the positions shall be filled from existing candidates. In that event, the mailing of ballots and balloting at the Annual Meeting shall not be necessary.

(2) Only ballots duly and completely executed by qualified members who shall be in good standing shall be valid. In order to be valid, each member shall sign and legibly print his or her name on the return envelope marked BALLOT ENVELOPE in which the ballot is contained. None other than the active member in good standing shall be entitled to vote on any ballot at any meeting.

(3) In the event that a qualified member wishes to revoke or change his or her ballot or issue another in its place, he or she may do so provided that he or she exercises that right at least one (1) calendar day prior to the scheduled meeting. The execution or issuance of a new ballot shall be considered a revocation of any previous ballot and such new ballot shall be effective as of the date upon which it is issued.

(4) A qualified member who is personally at an annual or special meeting and has not already voted, may cast his or her ballot at the site of the meeting for a period of time of one (1) hour prior to the scheduled meeting to one half (½) hour after the designated time of the meeting.

(5) Any qualified member of the Association who desires to become a candidate for membership on the Board of Directors may do so by notifying the Executive Director of the Association of his or her intentions by registered letter, return receipt requested, mailed at least sixty (60) calendar days before the annual meeting. This is needed in order to give us time to get the list of candidates mailed forty five (45) calendar days before the annual meeting. At least seventy five (75) calendar days prior to the Annual Meeting, the Executive Director shall provide notice to the members of all Directors' terms that need to be filled at the Annual Meeting.

(a) Any incumbent director shall automatically become a candidate unless at least 60 days prior to said election
, he/she files a written declination with the Executive Director of the Association.

(6) At least forty five (45) calendar days before the date of the meeting the Executive Director shall mail to all members of the Association, the names of all candidates nominated for membership to the Board of Directors and those who have become candidates by announcing their intention to do so by letter to the Executive Director as above described.

(7) Absentee ballots must be postmarked no later than three (3) calendar days before the annual meeting or special meeting.

SECTION V Vacancy

Any vacancy on the Board of Directors through death, resignation, removal or other causes shall be filled by appointment by the Board of Directors of an active member until the next annual meeting of the Association, at which time the general membership will elect a director to serve the remaining time of the term. If the vacancy occurs more than 40 days and fewer than 60 days prior to the published date of the next annual meeting, the vacancy shall not be filled by the Board of Directors, but rather only by an election of the general membership at the annual meeting.

SECTION VI Quorum

The presence of five (5) of the qualified Directors in person shall be necessary to constitute a quorum for the transaction of business.

SECTION VII Certificates of Membership

The certificate of membership shall be in such form as may be adopted by the Board of Directors.

SECTION VIII Meetings

The Board of Directors shall meet at least every sixty (60) days. They shall also meet whenever called by the President. On the request of three (3) members of the Board of Directors, the President shall call a meeting of the Board. Notices of all meetings of the Board shall be sent at least three (3) days prior to the meeting.

(Addendum: January 1995) In the event that a Director misses three (3) consecutive meetings, that Director may be removed by the Board by a majority vote of the other members of the Board.

SECTION IX Newsletter

The Board of Directors shall be responsible for a quarterly newsletter which will be sent to all members. The newsletters shall contain relevant action of the Board of Directors, Director's terms that need to be filled at the Annual Meeting, and other pertinent information not of a personal nature.

SECTION X Executive Director

The Board of Directors shall be responsible for employing an Executive Director and setting his or her salary and expense allotment and providing him or her with a job description.

SECTION XI Agenda for Meetings

The Board of Directors shall be responsible for preparing an agenda for annual and special meetings and notifying membership of same in advance of meeting.

ARTICLE V (5)
OFFICERS

SECTION I Election of

Election of officers:

(a) At each annual meeting, the President, under the order of business "Election of Officers", shall call for nominations individually for the offices of President, Vice-President, Secretary and Treasurer to succeed those who have the offices for the preceding year. Nominees for officers must be members of the Board of Directors for that year.

(b) If there is a contest for any office, the President of the Association shall appoint an election committee of three (3) from the qualified list of membership, in good standing, excluding the Board of Directors, to determine the qualifications of the members entitled to vote and to act as inspectors and tellers of such election.

(c) An officer of the Association shall attend upon the election committee and have available for their use a roster of all members of the Association in good standing.

(d) Each candidate may personally watch the vote count and check the report of the tellers.

(e) The election committee shall have the full power and authority to pass on any questions raised at such election.

(f) The election committee shall report in writing to the President of the Association giving the number of qualified votes cast and the final vote.

(g) The candidate receiving the greatest number of votes shall be declared elected to that office for the coming year.

(h) In case any questions are raised as to the legality of such election, the President shall take into custody the ballots cast and keep them safely for a period of at least ninety (90) days.

SECTION II Vacancy

Any vacancy for any office through death, resignation, or other cause shall be filled by the majority vote of the Board of Directors. Members eligible shall be the existing Board of Directors.

SECTION III Duties of President

The President, subject to approval of the Board of Directors, shall have the general management of the Association. He or she shall be responsible for the general enforcement of the by-laws of the Association, the transaction of business of the Association, and reporting to the Board of Directors. He or she shall perform all duties incident to his or her office and such other duties as may be required of him or her by the Board of Directors. He or she shall preside at all meetings of the membership and all meetings of the Board of Directors. He or she shall delegate any of his or her duties and require the assistance of any of the elected officers of the Association. Whenever a situation occurs or a problem arises that is not covered under the by-laws of this Association, the President and Board of Directors will refer to Roberts Rules of Order.

SECTION IV Duties of Vice-President

The Vice-President shall perform all of the duties of the President in the event of the incapacity or absence of the latter, also all duties delegated to him or her by the President and such other duties as may be directed by the Board of Directors from time to time.

SECTION V Duties of Secretary

The Secretary shall keep the minutes of the meetings of the Association, the meetings of the Board of Directors, and the meeting of the committee when designated. He or she shall attend to the giving and service of all notices of the Association. He or she shall have charge of the membership roll of the Association and such other books and papers as the Board may direct. He or she shall prepare such reports as may be required of him or her by the President of the Board of Directors. He or she shall be the custodian of the seal of the Association. The duties of the Secretary may be assumed by the Executive Director by a vote of the Board of Directors.

SECTION VI Duties of the Treasurer

The Treasurer shall have the care and custody of all funds and securities of the Association and shall deposit the same in the name of the Association in such banks, or trust company or trust companies as the Directors may elect. He or she shall cause to be maintained books of account and shall exhibit the same at any reasonable time to any Director or member of the Association upon application. He or she shall furnish such bond or bonds for the faithful performance of his or her duties as the Board of Directors may require. He or she shall report annually a statement of the Board of Directors from time to time. The duties of the Treasurer may be assumed by the Executive Director by a vote of the Board of Directors, with bond as the Board of Directors may require.

ARTICLE VI (6)
COMMITTEES

SECTION I - Joint Coordinating Committee MSBOA and MHHA

(a) Membership - Three (3) members of the Board of Directors shall be appointed by the President of the MHHA to serve on a joint committee containing two (2) members of the MSBOA Board of Directors.

(b) Chairperson - The Committee shall elect one of its members as chairperson at its first yearly meeting.

(c) Duties - The Committee shall meet at least twice per year to guide the work of the MHHA Executive Director and staff with attention to the following:

(i)-encouraging that race associations contribute their base purse to all betting sire stakes races;

(ii)-encouraging that races with five or more separate betting interests be considered betting races;

(iii)-encouraging that the Executive Director or hired lobbyist, and Staff of MHHA lobby on behalf of common interests of the MHHA and MSBOA; and

(iv)-encouraging that the staff of the MHHA is available for reasonable support for MSBOA activities which are not in conflict with activities and policies of the MHHA.

ARTICLE VII (7)
FISCAL

SECTION I Fiscal Year

The fiscal year of this Association shall be January 1st through December 31st.

SECTION II Signatures

All notes, checks, drafts and orders for payment of money, certificates and papers, or documents of any kind requiring the signature of the Association or its seal shall be signed in the corporate name of the Association by such official as the Board of Directors may from time to time designate.

SECTION III Authorization to Expand

All proceeds, from whatever source or whatever nature, received or owned by the corporation shall be expended or distributed only as directed by the Board of Directors. The President and the Treasurer, however, shall have the authority to expend a sum not in excess of two hundred dollars ($200.00) without further authority. The Board of Directors shall annually draw up and approve a budget for expenditures for the fiscal year to be expended by the assigned official. The budget must be approved by a majority of the active members present at the Annual Meeting.

SECTION IV Compensation

(a) No Director of this Association shall receive compensation for his or her services as a Director.

(b) No officer of this Association shall receive compensation for his or her services except as specifically established and authorized by the Board of Directors.

ARTICLE VIII (8)
SEAL

The Association shall have a common seal. A circular seal bearing the name of the Association and the year of its incorporation so hereby adopted as such common seal.

ARTICLE IX (9)
AMENDMENTS

These by-laws may be amended or repealed by two-thirds vote of the membership present at a duly called meeting of the general membership, provided, however, that the notice of the meeting at which a change in the by-laws is to be acted upon shall contain a statement of the proposed change.

AMENDMENTS
Incorporated in these
REVISED BY-LAWS
May 1995

ARTICLE IV (4), Section II
Amended: January 1990
ARTICLE IV (4), Section III
Amended: January 1990
ARTICLE IV (4), Section IV
Amended: August 1982
ARTICLE IV (4), Section VIII
Amended: January 1995
ARTICLE IV (4), Section IV (1)
Amended: January 2002
ARTICLE II (2), Section II
Amended: January 2002
ARTICLE II, Section II a & b
Deleted: March, 2008
ARTICLE III, Section 1b
Deleted: March, 2008

ARTICLE III, Section 1e
Amended: March, 2008
ARTICLE IV, Section IV, Subsection 2
Amended: March, 2008
ARTICLE IV, Section IV, Subsection 5
Amended: March, 2008
ARTICLE IV, Section IV, Subsection 7
Amended: March, 2008
ARTICLE IV, Section IX
Amended: March, 2008
ARTICLE IV, Section X
Amended: March, 2008
ARTICLE V, Section III
Amended: March, 2008
ARTICLE VI, Section 1
Amended: March, 2008
ARTICLE VI - COMMITTEES
Added - March, 2008
ARTICLE VI - FISCAL
Re-numbered to Article VII - March, 2008
ARTICLE VII - SEAL
Re-numbered to Article VIII - March, 2008
ARTICLE VIII - AMENDMENTS
Re-numbered to Article IX - March, 2008
ARTICLE III, Section III, Subsection 7
Amended: March 2009
ARTICLE IV, Section IV, Subsection 1
Amended: March 2009
ARTICLE IV, Section IV, Subsection 3
Amended: March 2009
ARTICLE IV, Section IV, Subsection 5
Amended: March 2009
ARTICLE IV, Section IV, Subsection 6
Amended: March 2009
ARTICLE IV, Section IV, Subsection 7
Amended: March 2009
ARTICLE IV, Section IX
Amended: March 2009
ARTICLE XI, Section XI
Amended: March 2009
ARTICLE V, Section VI
Amended: March 2009
ARTICLE VI, Section I (c), (i)
Amended: March 2009
ARTICLE VI, Section I, (c), (ii)
Amended: March 2009

ARTICLE VI, Section I, (c), (iii)
Amended: March 2009
ARTICLE VI, Section I, (c), (iv)
Amended: March 2009
ARTICLE VII, Section III
Amended: March 2009
ARTICLE II, Section I, (a) (1 & 2)
Amended: January, 2010
ARTICLE III, Section I (e)
Amended: January, 2010

ARTICLE IV, Section 5 (a)
Amended (added) January, 2011
ARTICLE IV, Section V
Amended: January, 2011
ARTICLE I, Section I
Amended: January, 2012