

**Action Items:**

**MSA- The BOD to direct Finance to accept a unbalanced budget for 2011.**

**MSA- To reconsider the proposed Code of Conduct as approved at the Sarasota Board meeting in July.**

**MSA- To approve the proposed Code of Conduct as approved at the Sarasota Board meeting in July.**

**MSA – To give the Registration Committee responsibility for implementing inclusion of the Code of Conduct as part of the registration process.**

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Jeff Moxie - President called the meeting to order at 8:30 p.m. EDT. Also present were: Michael Heather - VP of Administration, Nadine Day - VP of Community Services, Dave Diehl - VP of Programs, C.J. Rushman - Secretary, Ralph Davis - Treasurer, Rob Copeland - Immediate Past President, Ed Tsuzuki - VP of Local Operations, Doug Church - Legal Counsel, At-Large Directors Betsy Durrant (Colonies), Meg Smath (Great Lakes), Jerry Clark (Dixie), Jeanne Ensign (Northwest), Michael Moore (Oceana), Don Mehl (South Central), Laura Winslow (Southwest); Executive Director - Rob Butcher; Past-Presidents Jim Miller, Tom Boak, Nancy Ridout, and Ted Haartz; Corporate Controller Susan Kuhlman.

Not present: At-Large Director Anthony Thompson (Breadbasket Zone), Past Presidents Mike Laux, June Krauser and Dan Gruender.

**Agenda Items:**

- Jeff gave an update that Rowdy Gaines will not be able to run for a Board seat. There will be an opening for the At-large director from the Dixie Zone. Rob C will be sending out election information to delegates.
- Ralph provided an overview of the conversations with the Finance Committee in which the ED and controller had participated. There had been two FC calls previously held to discuss the budget. The original budget presented had a roughly \$100,000 deficit and the direction given by the Finance Committee to the ED was to bring back a balanced budget. Ralph shared that the original budget had been submitted to the Board before going to the Finance Committee and only one comment from the Board was provided. Since the Board had not told the ED that the budget needed to be balanced, it was submitted as is. The ED had then taken the direction from the Finance Committee that a balanced budget would be required and presented a revised budget that eliminated planned new staff dedicated to IT. All agreed that investment into IT is a top priority for USMS. Rob B indicated that the IT investment included addition of one-full time programmer. Tom B explained that the Finance Committee unanimously agreed that we need to have a balanced budget, and also that Finance was supportive of having resources dedicated to IT. The Finance Committee requested the ED come back with a list of priorities, not that he cut addition of IT personnel from the budget. Jeanne E wanted to echo what Tom B shared, and reiterated that we need to have a priority list ready for Finance. Rob B said that payroll, not including the addition of the new IT position, will remain flat. A second budget request by the ED was for resources to support open water. Jim Miller made a

motion to the BOD to direct Finance to accept a unbalanced budget for 2011 is acceptable. Ed T seconded. Rob C was in favor from a conceptual level, but would like to know how much of a deficit could be presented. Jim M said that giving an amount would be micromanaging. Mike H spoke against the motion because he felt we should not bring unbalanced budgets before the House of Delegates. Ralph said that our budget shows a \$78,000 deficit, and Jeff asked Ralph what the average investment return over the past six months is. Ralph said we have been averaging about 1% return. Jeff then asked if sitting on \$2 million in cash is a good use of our money. Jeff said that the BOD can direct the Finance Committee that that an unbalanced budget is acceptable. The motion passed 13-1.

- Rob C spoke to one aspect of the budget about USMS giving dollars to Open Water National Championships. He does not believe that USMS should be paying for items such as timing chips or measuring the course. USMS can provide marketing items such as caps or banners. Tom said that we have not figured out the marketing side and communication side of promoting open water events.
- Code of Conduct was the next item on the agenda. One issue was regarding the policy passed by the Board at its Sarasota meeting in July to include the entire Code on the paper registration form, and the extra paperwork it will create for registrars. Nancy mentioned that in the waiver, we state we abide by the rules, but we do not list all the rules, and she didn't understand why we were singling out this rule. Doug stated that the Code of Conduct was put together in order to be signed by swimmers in the event that, if faced with a sanction, they cannot say they were not told about the rules. According to Tom, over 80% register online, so when people register why not have this available online? Mike H asked about the revised Article 402, because the Legislation Committee will have to make this change before we can make a policy about its distribution. Nancy asked why we are doing this. What is the message that we are sending to the members? Doug said that having a person sign enhances our position in case there is a violation. Jeanne asked how often people are violating the rules of conduct. Only two instances have happened in the past year. Mike H moved to reconsider the motion on the Code of Conduct, as voted at the Sarasota Board meeting July. Jeff seconded. The motion passed. Nadine noted that the recommended amendments to Article 402 would have to be submitted to the Legislation Committee as emergency legislation. Jeff suggested that we vote first on the revised article 402, and then give the Registration Committee responsibility for proceeding with it and implantation.

Motion to adjourn the call at 9:48 p.m. EDT.

Respectfully submitted,

C.J. Rushman  
Secretary