

United States Masters Swimming Board of Directors Meeting September 4th, 2012

FINAL

Action Items:

- **MSA – The BOD agrees to keep the IMSHOF donation at thirty five cents per registered member.**
- **MSA – The BOD agrees to increase the 2013 Convention Hospitality budget for to Fifteen Thousand.**
- **MSA – The Board makes a recommendation to the Finance Committee to review the cost of two separate liaisons at Open Water events.**
- **MSA – The Board makes a recommendation to the Finance Committee to evaluate the surcharge for Open Water Championship events.**

Nadine Day - President called the meeting to order at 8:35 p.m. EDT. Also present were: Michael Heather -VP of Administration, Jody Smith-VP of Community Service, C.J. Rushman -Secretary, Ralph Davis- Treasurer, Dave Diehl-VP of Programs, Ed Tsuzuki- VP of Local Operations, Jeff Moxie -Immediate Past President, Patty Miller – Legal Counsel: At-Large Directors; Phil Dodson (Great Lakes), Anthony Thompson (Breadbasket Zone), Maria E. Williams (Dixie), Hugh Moore (Northwest), Don Mehl (South Central), Phil Whitten (Southwest Zone), Jim Clemmons (Oceana), Executive Director - Rob Butcher; Past-Presidents Tom Boak, Rob Copeland, Jim Miller, Ted Haartz and Nancy Ridout.

Not present: Jeff Gudman (USA-Swimming Liaison), Past Presidents - Dan Gruender, Mike Laux and June Krauser. Past President Mel Goldstein is recused from the BOD due to his contract positions with USMS.

Agenda Items:

Nadine opened up to the BOD regarding the budget. Jeff asked about membership growth percentage of 2% increase over 2012. Jeff asked is this the number we going to hold Rob B regarding bonus review. Nadine commented on that due to that we have focusing on membership growth and retention and historically we have increased membership on Olympic years. Phil D said if you look at the numbers that it only gives a budget number Mike said this is a Compensation and Benefits questions. Nadine said should show what we anticipate and increase revenue due to the cuts to require a balanced budget and offsets the expenses. Ralph said in over the last three years the average was 2%, but the trend is moving down. Ralph gave historically USMS had a 4.4, then 2.0, and we are on target for 1.65%.

Ralph said the Finance committee is having a call tomorrow night regarding the budget and fees for the Club and Coaches Services. Nadine said that the Finance committee task Force was just formed last week and not had enough time to review the Club fees. Phil D said that the newly formed Task Force is reviewing and will make recommendations to the Finance Committee. tomorrow Mike asked has the Task Force thought about dropping the club fee. Phil D said no. Jim M said if that is the recommendation of the task force, please include the rationale. Nancy wanted the task force to list the benefits because she felt that clubs are not taking advantage of the value of the club fee. She also asked if new benefits would be included

Third topic of budget discussion was event revenue. Hugh asked how the Pam Am event is being handling from a revenue perspective is. Jim M said that UANA has a standard surcharge. Hugh asked is that why there is a difference? Phil D said that the host, Sarasota YMCA is assuming the risk. Rob B said that USMS is collecting the money and sending UANA their fee, while the difference stays with USMS. Jim M said the UANA contract is based on similiarities to our own USMS contracts. Jim explained that \$15.00 fee: \$8.00 goes to UANA and \$7.00 to USMS.

Jeff asked how much was deposited into the SSL from the check off from registration Ralph believes that is around \$12K. Phil D said that the SSL budget is not part of the operating budget. Tom B asked about the draft budget notes. Ralph said all notes should reflect the 2013 budget, and there are a few corrections which Susan Kuhlman will correct. Jeff asked about the cash pledges and how much is going to be coming in 2013. Ralph will send out those figures.

Jeff asked why Benefits are increased by thirty percent. Ralph said we have \$78K related to the two new employees and merit increase for staff which will show in 2013. Rob B said its twelve percent increase.

Jeff asked as we expand into open Water events, has the Finance committee taken into account about the potential increase in Insurance premiums. Ralph will take this back to the committee and discuss with Sandi Blummitt.

Jeff asked about moving IT to a cloud format, and should the BOD formally adopt this. Ralph this is a critical year for our IT Department. Nadine mentioned that PTI made recommendations. Ralph said that Jim Matesayk's focus should be on the IT Priorities. Mike agreed with Ralph that the Cloud services are still in their infancy and we should wait until they become more cost effective. Jeff M said we should mention we should remove the Cloud service cost from the budget, and once other priorities are completed then request the money for investment into cloud services. Rob C reminded we would have an additional \$20K to help general contract IT budget. Phil D said there is a capital improvement line item of \$14K. The Cloud Services could be reclassified under a general contracting budget and not tied to a specific project. Discussion took place to ensure that the money should only be allocated for that purpose and not move to other areas.

Jeff asked about the merchant fees increase on the USMS Credit Card. Phil D said that the credit cards fees increased 9% and the total volume only increased 2%.

Rob B said that the IMSHOF donation should be thirty five cents per member, not the forty cents as shown in the budget. Phil D asked should we increase our donation or revert back to the twenty five cents per registered swimmer. **MSA – The BOD agrees to keep the IMSHOF donation at thirty five cents per registered member.**

Club and Coach Services Nadine made a point to the BOD regarding Club and Coach Services. Bill Brenner and Mel Goldstein were asked to present to the Board the database of the coach's certification attendees and location by demographic location and correlation with membership growth . BOD wants feedback on the impact of the program nationally.

Jeff asked a question about the USMS Logo merchandise, and why the \$10K increase. Rob B said that this is timing because they are ordering all the caps and stickers at the beginning of this year. Mike asked if there are items that are reserved. Jeff said that donors to SSL would receive these items.

Nadine asked about the development line item and what this entails. Jeff said that this is a place holder for the SSL budget. Phil D said that Jeff should speak to Homer Lane about this item. Nadine recommended that the line item title be changed instead of development.

Jeff asked about the 2013 Hospitality line item and how it is greatly increased due to location of convention. Maria said that there is a significant cost savings in Greensboro. Jeff said that we should increase this item to \$15K. **Seconded. MSA – The BOD agrees to increase the 2013 Convention Hospitality budget for to Fifteen Thousand.**

Rob C asked about the UANA budget is located. Rob B said that is under the Pan Am tab. Rob C asked is there is a way for USMS to recover assets as host. Rob B did mention that he spoke with Mel and USAS is willing to host a luncheon for the dignitaries.

Rob C had a question for Dave D regarding the Open Water and Long Distance liaisons to the Open Water National Championships. Should this be one person to fill both roles? Jim M said there are two persons charged with different roles, one reviewing the event and the other reviewing operation of medical procedures. Tom B asked how much revenue USMS generates from Open Water Championships. Rob C said that the amount is not much. **MSA – The Board makes a recommendation to the Finance Committee to review the cost of two separate liaisons at Open Water events. MSA – The Board makes a recommendation to the Finance Committee to evaluate the surcharge for Open Water Championship events.**

Nadine asked Jody if the coaches committee is still considering the seven online coaches for members; there was previous discussion about possibilities of other ways online workouts would be available, The coaches committee was not aware of any other projects.

Jeff asked if the auditor's fee is a fixed amount. Ralph confirmed that the audit fee is a fixed amount for the service that we request.

No other further questions were brought up about the budget.

Ralph is schedule to give the BOD an update on the budget during the BOD meeting on Wednesday

The next Board of Directors meeting will be held on Wednesday September 12th at 8:30 am EDT.

MSA – to adjourn the meeting at 9:55 p.m. EDT.

Respectfully submitted,
C.J. Rushman, Corporate Secretary