

USMS Convention — Kansas City, Missouri 2015

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| Committee Name: Finance Committee | Session #: 1 |
| Committee Chair: Jeanne Ensign | Vice Chair: Laszlo Eger |
| Minutes recorded by: Elyce Dilworth | Date/time of meeting: Sept. 30, 2015/4:00 p.m. CT |

Actions Requiring Approval by the HOD:

1. None.

Motions Passed:

1. MSA to approve a 2015 overbudget request from the Board of Directors in the amount of \$50,000 to begin the search for a new executive director.
2. MSA - The Committee recommends the Finance Committee remain a committee of 10 to 13 members with zone representation recommended but not required and keeping the focus on expertise.

Number of committee members present: 9

Absent: 4

Number of other delegates present: 18

Committee members present (list all, including chair and vice chair): Jeanne Ensign (Chair), Ralph Davis, Elyce Dilworth, Don Gilchrist, Lucy Johnson, Homer Lane, Helen Naylor, Sarah Welch, Laura Winslow, Phil Dodson (ex-officio), Susan Kuhlman (ex-officio), Jeff Moxie (ex-officio)

Committee Members Absent: Laszlo Eger, Jon Blank, Harry Greenfield, Peter Guadagni

Minutes

The meeting was called to order at 4:00 p.m.

1. Report of the Chief Financial Officer – Susan Kuhlman provided a financial overview highlighting programs and areas including Adult Learn to Swim, Coach Certification, Coaches Conference, Swimming Saves Lives, marketing, insurance, staffing and the LMSC Leadership Summit. She also discussed the office relocation and expanded use of local (Florida) legal counsel, procedures for reviewing contracts and the budget process.
2. Report of the Treasurer – Phil Dodson presented the Treasurer’s Report. He noted USMS received an unmodified opinion on the 2014 financial statements. He also discussed the sanction fee proposal, the 2014 year-end financial results and 2015 financial forecast, the 5 year forward looking projections and the recent establishment of an investment account for Swimming Saves Lives. Phil also discussed the requested goals and objectives for new programs and the compensation analysis.
3. Report from the Audit Committee – Elyce Dilworth noted USMS received an unmodified opinion on the 2014 financial statements, which are posted to the USMS website. Ralph Davis also noted that no management recommendations were made by the auditors and thanked Susan for her great work.
4. Report from the Investment Committee – Ralph Davis reviewed the investment portfolio and discussed an increase in Northern Trust’s investment advisory fees beginning in 2016. Ralph noted Northern had agreed to lock in fees for a three year period. He also noted Northern had recently agreed to manage the investment portfolio for Swimming Saves Lives.
5. 2015 Overbudget Request for Executive Director Search Committee – Jeanne Ensign presented an overbudget request from the Board of Directors in the amount of \$50,000 to begin the search for a new Executive Director.

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6. Committee Purpose and Size – The Committee discussed the purpose and size of the Committee which is currently 13 plus 3 ex-officio. Committee members noted they felt it was important that representatives of the Audit, Investment and Compensation and Benefits Committees were also members of the Finance Committee. The Committee also noted that the Finance Committee was tasked with a variety of responsibilities and required a depth of skills and experience to meet this task. The Committee also discussed whether representation from each zone was important. Lastly, the Committee noted succession planning should also be considered

MSA - The Committee recommends the Finance Committee remain a committee of 10 to 13 members with zone representation recommended but not required and keeping the focus on expertise.

7. Deficit Budget – Jeanne relayed that the Board had approved the submission of a deficit budget.
8. Changes to Budget – The following changes to the budget were noted: Insurance costs decreased \$19,500; sanction fee rebate increased by \$3,000 to \$6,000; \$4,500 in revenue for the open water education clinic was added. Susan also noted line 4310 had been changed to 4300 and expanded to two lines for discussion purposes to show the open water sanction fee and the event participation fee. The Committee discussed adding budget items for relocation costs for the new executive director and one in-person meeting for the committee re-writing the strategic plan. The Committee also discussed the need to develop a relocation policy, then determined that relocation expenses should not be a policy matter, but rather a matter to be individually negotiated with a newly named Exec. Dir. or other future hiree for which USMS may determine paying relocation expenses are needed/justified. Sarah Welch agreed to communicate this to the Compensation and Benefits Committee.

The Committee responded to questions from the audience on specific budget items.

The meeting was recessed at 5:25 p.m.
