

USMS CONVENTION – DALLAS, TEXAS - 2002

Committee Name: Board of Directors

Wednesday, September 11 5:30 PM

ACTION ITEMS

MS that we approve line item 5710 – marketing expense. It was MSA that we amend the motion to include \$7500 to include the expense from Cleveland that was also missed. It was MSA to approve over budget expenses as above. . (There was no budget but the financial report shows a \$6500 action Cathy Pennington explained that this item was inadvertently missed last year. It is associated with the cost for booth space for sponsors and there is a revenue screen for this item.)

It MSA to approve the actions of the EC during the past year as they have been represented in the minutes from the various meetings.

The Board of Directors present were Jim Miller, Scott Rabalais, Sally Dillon, Doug Church, Nancy Ridout, and Jack Geoghegan, Marcia Anziano, Barb Protzman, June Krauser, Melssa Rinker, Joan Alexander, Wayne McCauley, Barry Fasbender, Michael Collins, Hugh Moore, Michael Heather, Tom Boak, Pam Himstreet, Carl House, Colleen Driscoll, Rob Copeland, Peter Crumbine, Rich Burns, David Diehl, Betsy Durrant, Meg Smath, Pieter Cath, Anna Lea Roof, Leo Letendre, Patty Powis, Jessica Seaton, Mel Goldstein, Ted Haartz, Mike Laux, and John Walker

MINUTES

The meeting was called to order at 5:35 PM by President Jim Miller.

1. Jim welcomed everyone to the meeting and asked that a moment of silence was held in honor of the victims of 9/11.
2. Introductions were made and the Secretary took roll.
3. Reports and comments from the Executive Committee:
 - a. President: President Jim Miller mentioned that the items mentioned in the convention packet are things we will be discussing. It was noted that this convention is significantly different. The intention is to put people in one room and let them work together so they can be productive as a group. WE will be “teaming together” to get these groups as well as others to work together. He explained the timeline for the block meetings. Jim reviewed some of the items that we will be discussing; data base project, webmasters and SWIM Magazine presentations. We will be having a financial review this evening.
Jim announced that Patty Powis has been appointed as the new Legal Counsel.
 - b. Vice President: Scott Rabalais expressed his appreciation to Jim Miller and the rest of the team for the hard work that has taken place this past year. He wanted to welcome the first time delegates and encourages them to ask questions.
 - c. Secretary: Sally Dillon reported on the procedures for taking and reporting minutes.
 - d. Treasurer: Doug Church reported that there is money in the bank, the bills are paid and “your checks are in the mail”.
 - e. Past President: Nancy Ridout had no report but she noted that she was happy to be with us. She also announced that some USMS vests are available and can be purchased for \$20. If interested, see Mel Goldstein.
 - f. Legal Counsel: Jack Geoghegan had no report.
4. Concerns of the Board of Directors:

Jim solicited comments from the board about issues facing the delegates. Rob Copeland asked about a task force committee for discussing our management structure. Scott Rabalais reported that he is interested in talking to people who have ideas and opinions about it. Noting this was a later agenda item that we can discuss now, Jim mentioned that USA-S has been discussing governance and has a number of issues on their convention agenda. John Walker, the USA-Swimming delegate to USMS said it has been a long process and there a number of meetings taking place during this convention. We are watching the situation closely. Jim announced that both Ted Haartz and Mike Laux will act as representatives to USA Swimming this year.

Ginger Pierson inquired about the logistics of the block meeting. She’s concerned about the committee members who are on other committees and expects very low attendance for her committee due to conflicts. Jim emphasized that the work of the committees needs to have taken place outside of

convention with ratification taking place here. The groups are put together that are like minded so it's not unusual that they will conflict. Rob Copeland asked about membership dues and Jim said **WHAT?**

5. Rule Proposals of interest or concern to the Board of Directors:
Jeanne Ensign expressed a concern with the proposal for allied and affiliated members. She is concerned that the size of our BOD is already 41 that more members will dilute it. Jim mentioned that FINA and USAS asked about what method we have for recognizing other bodies which necessitated our asking the Legislation committee to put forth language. For the most part, the language in this proposal comes from USA-S and sources. Barry Fasbender pointed out that people affiliated with swimming organizations are more appropriate Board members than people who are representatives of non-swimming organizations are. Possibly they should be "ex officio" members rather than voting Board members. Jim reiterated that this proposal is a result of requests by FINA and USAS.
6. Workshop on "finance for committee chairs"; the budget process.
Doug stated that as treasurer, he has duties as prescribed in the rules. He introduced the key players in our financial organization: Cathy Pennington, Controller, Jeanne Ensign, Internal Auditor, and Tom Boak, Financial Chair.

Our primary source of revenue is our dues. \$15 per person comes to USMS to purchase all the benefits associated with membership. Non-dues revenues include simple things like selling championship patches and less simple things like sponsorship monies. Expenses – we have capital expenditures – purchasing an asset that has a life over one year and annual/ operating expenses which are used each year.

For our budgeting this year each of the committee chairs received three forms: capital expense, revenue and committee expense. When you complete the forms it is critically important that you do so with an eye toward accuracy. We have some per/capita expenses; i.e. insurance and SWIM Magazine. The committee expenses are what are expected. We have nearly a million in our reserves because people haven't done accurate budgeting; we end up with a surplus at the end of the year. The budget has been driven internally by the person making the budget. The EC hasn't dictated what to do but this year we made a concerted effort to have the liaisons work with the committee chairs in preparing the budgets. Tom Boak made an effort to get the budget information out early.

Doug explained that this is the third year in a row that that we have had a budget deficit proposed. This afternoon the EC decided that they need to give more specific direction and they voted to direct the Finance Committee to develop a budget for 2003 with a deficit no greater than \$100,000. In order to accomplish such a budget they consider the following options: a dues increase of not more than \$6, cutting expenses, and/or non-dues revenue sources. Furthermore they should anticipate a balanced 2004 budget. This actions means that all of the committees need to work with the Finance Committee to make an effort to cut expenses. Some expenses cannot be cut without violating contract; i.e. insurance and SWIM Magazine. Regarding a dues increase, if we have cut everything possible and still have a significant deficit we may have to look at increasing the income through dues. Looking at the budget figures it can be seen that the insurance costs have increased dramatically. The committee chairs can help the finance committee by looking at cutting costs. Doug commented that, in his opinion, \$15 to belong to this organization is the value of the century.

Regarding FOG – our Financial Operating Guidelines are a living, breathing document that addresses the financial affairs of our organization. If you have issues about FOG please bring them to the first Finance Committee meeting. Finally, regarding financial questions during the course of the year, the EC asks that the questions be directed to the EC Liaisons first. Doug was asked about dues increases and what their history has been. The last increase was around 1991. The increase could go into affect for 2003 if we have a motion from the house. Doug stated that about 20% of the total budget is discretionary. We budgeted a deficit of \$37K in 2000 and \$100K in 2001. If a dues increase were necessary the recommendation would come from the Finance Committee.

Colleen Driscoll explained some of the insurance issues. The industry is not quoting numbers and is holding off with that until January. It was pointed out that our safety record is very good and also that our budget has increased due to greater services being provided to our membership.

7. Responsibility of committee chair and committee members:
Jim mentioned that we want the committee reports to reflect the actions of the committees. We do not expect the chairs to be producing the work – the committee members need to participate. Pay attention to the process; not all good workers are good leaders. Every chair was sent a survey to report on the productivity of their committee members. This year, the individuals who have been non-responders will be dropped. They will be replaced by new members who may or may not attend convention. If the work is done outside convention, members may be people who can contribute during the year even though they don't attend convention.
8. Mission statement
Scott shared a little history of our organization while noting that our goals have evolved over the years. The new EC has looked at the current mission, To promote fitness and health in adults by offering and supporting Masters swimming programs, which we think is still correct. But we would like to have a mission statement that is simple yet accurate. We would like to have a "tag line" that could be used. The proposed new mission statement is "To promote swimming for life among adults in the United States". Swimming for life has a dual meaning – not just for the length of their life but also because it keeps us young, gives us a zest for life. Scott would like us think about it during this weekend
9. Other business
Jim advised the BOD of some things that have occurred this past year:
Two individuals have been sanctioned and removed from Masters Swimming because of falsification of age. We have also had written notice by a competitor to have a time recognized when they swam an event illegally. We have an action being threatened against the organization due to a dispute within an LMSC.
10. Closing remarks:
Convention Chair, Michael Heather, outlined some of the convention procedures. Copy requests should be for 250 with the exception of the zone reports which should be just enough for the members. Each chair should be able to sign for having copies made. Reimbursements need to be on the forms which can be obtained from Cathy Pennington or Mike. Refer to FOG if necessary. The Convention registration amount is charged to each person's committee. Expenses for hotel and transportation are charged to the Convention Committee (#5300). Hotel cost is \$112 plus tax which equals \$125.44/day. Workouts, daily through Saturday, will depart from in front of the hotel at 5:45 AM and practice will be from 6-7:15 AM. The hospitality suite is 3348 and it will not be open during HOD meetings. Tonight there will be a "joke off" led by Jim Wheeler.

Rob Copeland asked about apparent over budget items; the first being account # 4750 for the planner. Apparently the expense was brought forward from last year. The planner was purchased in 2001 but paid for 2002 and the amount was not accounted for properly so it wasn't actually over budget.

The other issue was account #5710 – Marketing sponsor. There was no budget but the financial report shows a \$6500 action. **MS that we approve line item 5710 – marketing expense.** Cathy Pennington explained that this item was inadvertently missed last year. It is associated with the cost for booth space for sponsors and there is a revenue screen for this item. **It was MSA that we amend the motion to include \$7500 to include the expense from Cleveland that was also missed. It was MSA to approve over budget expenses as above.**

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The meeting adjourned at 7:22 PM.

Respectfully submitted by:
Sally Ann Dillon
USMS Secretary