

USMS Convention — Jacksonville, Florida 2014

Committee Name: Finance

Session #: 1

Report #:

Committee Chair: Jeanne Ensign

Vice Chair: Laszlo Eger

Minutes recorded by: Laszlo Eger

Date/time of meeting: Sept. 17, 2014

Actions Requiring Approval by the HOD:

1. None

Motions Passed:

1. MSA – To approve minutes of 8/27 and 9/4 telephone conferences, and the minutes of all meetings since the 2013 Convention.
2. MSA – \$15,000 increase (to \$25,000) in the amount budgeted for LMSC Leadership Summit (#5064, VP – Local Operations) in 2015.
3. MSA – Reduce insurance premium budget by \$15,000 for 2015 based on latest input from ESIX.

Number of committee members present: 12

Absent: 4

Number of other delegates present: 35

Committee members present (list all, including chair and vice chair): Jeanne Ensign (Chair), Laszlo Eger (Vice-Chair), Tom Boak, Ralph Davis, Elyce Dilworth, Phil Dodson (Treasurer, ex-officio), Betsy Durrant, Harry Greenfield, Susan Kuhlman (CFO, ex-officio), Jeff Moxie, Sarah Welch and Laura Winslow.

Minutes

The meeting was called to order at 4 pm EDT.

1. Chair provided updates to the FC on the several issues from latest BOD meeting:
 - a. BOD approved the latest version of FOG with 2 changes – One in Section VI and one in Section XII. Chair will distribute the amended document to FC, then post on web site.
 - b. Several issues brought up in review of FOG by the BOD are housekeeping or of minor import and will be discussed by FC after the Convention.
 - c. Approval of the Financial Policy submitted to the BOD was deferred in their afternoon meeting as not all members had had a chance to review the changes.
 - d. Budget will be presented to HOD on Friday for comments. Revised Budget will go to BOD meeting Friday afternoon for approval. The BOD will present it to HOD on Saturday for final approval. The HOD may approve any Saturday changes by a two-thirds vote per Section 508.3.
2. FC members introduced themselves.
4. Minutes of teleconferences of 8/27 and 9/4 were reviewed and unanimously approved as presented. **MSA – To approve minutes of 8/27 and 9/4 telephone conferences, and the minutes of all meetings since the 2013 Convention.**
3. Report from Treasurer: Phil Dodson summarized major financial events of the year:
 - a. Thanked Chair for her leadership and for ensuring smooth functioning of FC.
 - b. Acknowledged Ralph Davis's role in the 5-year Financial Plan, new facilities task force and advising on the ESIX insurance contract.
 - c. FOG rewrite by the Sub-Committee and subsequent review and approval by FC.
 - d. Commented on the still to be completed work on the development of metrics to evaluate the effort on Coaches and Club Services development.
 - e. Revamped monthly reporting with Susan.
 - f. Pointed out 2 major financial issues – 2015 deficit budget and Open Water insurance costs.
 - g. Emphasized the importance of succession planning on the Finance Committee and for Treasurer.

4. Chief Financial Officer report: Susan added:
 - a. National Office brought member registration totally in-house.
 - b. Implemented new 16-month registration program starting this Sept.
5. Audit Committee – Elyce Dilworth reported that the Audit Committee met with Kerkering & Barbario, the outside auditors, in June. USMS received a ‘clean’ opinion on the 2013 financials and no Management Letter, the most positive outcome possible.
6. Investment Committee – Ralph Davis summarized increase of over \$100K so far this year (due to bullish Dow) and some \$500K in the 4 years since the inception of the Investment Committee.
7. The committee discussed some specific line items in the 2015 budget:
 - a. LMSC Leadership Summit - \$10,000 currently budgeted is insufficient. Quotes received from Marriott are in the \$24-\$30K range to cover room and meal costs. LMSC’s to pay transportation. LMSC Development Committee still reviewing but a motion to increase the budget to \$25,000 was unanimously approved. **MSA - \$15,000 increase (to \$25,000) in the amount budgeted for LMSC Leadership Summit (#5064, VP – Local Operations) in 2015.** Plan to hold training in the early March, after the winter BOD meeting. The conference will be held bi-annually and is modeled after a similar training program in USA-Swimming.
 - b. The insurance premium estimated for the 2015 calendar year based on the premium just obtained for the 10/1/14 to 9/30/15 year by ESIX, our risk management advisor, is \$15,000 less than included in the budget. Subsequently, the motion to reflect this decrease in the 2015 budget by \$15,000 was unanimously approved. **MSA – Reduce insurance premium budget by \$15,000 for 2015 based on latest input from ESIX.** The current budget also contains a pro-rated 10% increase for the last quarter of 2015.
 - c. OW Surcharge of \$61,000: the Open Water Task Force is reviewing the surcharge and rebate program. No change recommended and will leave as is in the 2015 Budget.
8. The process for the approving the \$2 per year membership fee increase for the coming 5 years at last year’s convention, was questioned. All agreed that in the future more opportunity for discussion should be provided and such an increase should be presented separately from the meeting minutes in the HOD for discussion and approval.

The meeting was adjourned at 5:28 p.m. EDT.
