

UNITED STATES CURLING ASSOCIATION

Directors Meeting

September 11-12, 2004

Holiday Inn Select Hotel, Bloomington, Minnesota

Final

Minutes

Present:

Mark Swandby, in the chair

Andy Anderson

Paul Badgero

Geoff Broadhurst

Maureen Brunt

Grayland Cousins

Bob Fenson

Peggy Hatch

Nicole Joraanstad

Art Jytyla

Suzanne Liapis

Warren Lowe

Judy Maier

Richard Maskel

Jack McNelly

Chris Moore

Jay Packard

Bob Pelletier

James Pleasants

Paul Pustovar

Leland Rich

Anne Robertson

Chris Sjue

Dick Urevig

Greg Volk

Georgia West

Jon Wilson

Not-present:

Andy Borland

Allison Pottinger

Ann Swisshelm Silver

Bill Todhunter

Also present:

Dave Carlson, chair, USCA Legal & By-Laws Committee (*September 11 only*)

David Garber, Chief Operating Officer

Rick Patzke, Director of Communications

Bev Schroeder, Member Services Manager

1. Call to order. **Swandby called the meeting to order at 1:28 p.m.**

2. Welcome, introductions, welcome & ratify new directors. Swandby welcomed new directors Bob Pelletier (GNCC-elected) and Maureen Brunt and Bill Todhunter (AAC-selected).
3. Roll call. Anderson took the roll, listed above, and announced there is a quorum.
4. Appoint parliamentarian. Swandby appointed Lowe as meeting Parliamentarian.
5. Additions to printed agenda. Swandby added a Governance Task Force report under Miscellaneous items.
6. Elect AAC-selected directors. **Motion by Anderson, Moore second, to elect AAC-selected nominees Brunt, Todhunter, Joraanstad, Maskel, Silver and Pottinger as board-elected directors. Approved.**
7. Approve minutes of previous board meeting. **Motion by Rich, Maier second, to approve the minutes of the April 3-4, 2004, USCA directors meeting. Approved.**
8. Approve actions of Executive Committee Special Meetings. **Motion by Robertson, Wilson second, to ratify the actions taken by the USCA Executive Committee at its meetings held April 2, 2004; July 26, 2004; and August 2, 2004. Approved.**
9. Miscellaneous items: Strategic Plan update. Cousins reported. He chairs the USCA Strategic Planning Task Force. The Task Force met in June to review the current Strategic Plan and started the process to update the plan. The last major planning process occurred in the late 1990s. Since then, realities have changed. A re-evaluation and possible modification of priorities is needed. A draft update has been sent to each director. Once priorities are set, the USCA will budget and plan programs to support the plan, including the difficult step of allocating funding in accordance with the plan. Cousin's goal today is to secure board approval for the "Priorities" listed below. Approval of strategies and tactics to support the priorities will come later. Cousins led the board in an extensive discussion of the draft plan. Anderson noted that the USCA Mission Statement will continue to describe the growth of the sport as the major USCA mission.

- Priority #1 Grow the Sport through Sustained Competitive Excellence
- Priority #2 Grow the Sport by Increasing Total Revenue
- Priority #3 Grow the Sport Support through Club/Curler Programs
- Priority #4 Grow the Sport by Maximizing Stakeholder Satisfaction
- Priority #5 Grow the Sport by Enhancing the Efficiency and Effectiveness of Governance and Management

Motion by Cousins, Joraanstad second, to approve the Priorities as listed above. Approved. Cousins will edit the draft and resend to directors, along with a communication plan and a narrative summary.

10. Finance and Treasurer. Anderson reported. (The Finance Committee chair position is temporarily vacant due to Lowe's selection as World Curling Federation Director of Finance and his subsequent resignation as chair of the USCA Finance Committee.) Anderson distributed fiscal year 2004 year-to-date results compared with FY2004 budget. The Finance Committee has met and reviewed results from the annual CPA audit held August 18-20. The audit was clean. The final audit letter will be finalized and published just after the bi-annual

USOC audit scheduled for September 28-29. The USCA insurance program was reviewed, and the liability Insurance program changes summarized. Clubs will now have separate policies and deal directly with the insurer. Results show a deficit for fiscal year 2004 of \$94,000 vs. a budgeted deficit of \$11,000. The excess deficit is the result of a poor ad sales market in the run-up to the "Ice 2003" NBC-TV program costs. As a result of the large deficit, the USCA took \$56,000 of deferred Joint Marketing revenue into income one year sooner than planned. The USCA underspent its USOC Performance Funding grant by about \$19,000, mostly in the "Enhance Cashspiels" and Early Ice programs. The USCA has increased its allocation to USOC Base Funding of staff expenses needed to operate USOC-related programs. The USCA Balance Sheet is secure and the cash position is adequate. The allocation of playdown entry fees for Field of Play expenses for FY2004 was unspent and will be deferred for future use.

FY2005 Budget. The Executive Committee has not finalized a budget as of yesterday. The board mandate to set a budget by July 1 of each year has not been met. This is due primarily to the difficulty balancing the budget while retaining core programs, with difficult cuts needed, due to reduced income in two key areas: USOC Base Funding has been reduced from \$275,000 to \$250,000 over the past three years; and USCA-USOC Joint Marketing Agreement revenue (which can be used for any USCA programs) has been reduced by about \$48,000 per year effective with the January 1, 2005 renewal. Increased dues revenues have been offset somewhat by a reduction in Donation Program revenues. On the positive side, generous grants to USCA totaling about \$110,000 have been approved by the World Curling Federation to fund television and several Development Programs this season; in addition, ACF&M has granted the USCA \$5,000 for Ice2004, reducing its net cost to USCA to \$5,000. NBC has assumed the financial risk for this year's program beyond the fixed costs for the three participating National Governing Bodies (the USCA, USA Luge and the U.S. Bobsled & Skeleton Federation).

Further budget fine tuning is needed. In the future, additional revenue must be developed from sponsorships in order to avoid further cuts, such as cutting salaries, reducing staff, eliminating the *U.S. Curling News*, and other steps. Anderson feels our cash position is adequate at present. In the context of the difficult situation, the Finance Committee does not support a dues increase at this time. The committee will support deferring the board-mandated \$20,000 annual budgeted operating surplus for one year, and the committee will accept a deficit budget for FY2005 of \$10,000-15,000.

Anderson complimented Controller Sandy Robinson for her management of the USCA bookkeeping/accounting operations.

Motion by Wilson, Badgero second, to approve a budget deficit of \$10,000 to \$15,000 for fiscal year 2005. Approved.

Swandby presented a one page summary of USCA budgeted income in several categories for the board's review. The summary separated income by "competitive" and "non-competitive" sources and by revenue that can be spent any way ("flexible") and with restrictions ("directed").

11. Nominating Committee. McNelly reported. Warren Lowe, former USCA World Curling Federation representative, was appointed by the USCA in July to replace Denis Fox on the WCF Executive Board, after Fox's retirement. Lowe was subsequently selected by the WCF Executive Board to be WCF Director of Finance. WCF Executive Board members may not be nation representatives, so Lowe resigned his USCA "WCF rep" position. The USCA will need

to select a replacement for Lowe, although not necessarily immediately, as the USCA has several options. The USCA can stay with three reps for the time being, while maintaining its eight votes in the WCF General Assembly; it can elect a replacement “rep” in near future and either increase WCF travel budget, keep budget the same but ask the WCF reps to share some travel costs, or replace Lowe now but send just three reps to Sofia and Paisley WCF meetings. The committee proposes staying with three reps, and conducting a normal nominating process and election for the spring USCA directors meeting. **Motion by Urevig, Wilson second, to defer selecting a replacement WCF representative until the spring directors meeting.** Discussion of the pros and cons of the options presented above. **Approved.**

12. Chief Operating Officer. Garber commended his staff for their efforts and expressed appreciation for the efforts of the volunteers in conducting USCA programs. Moore commended the USCA staff for its efforts and stated his opinion that the USCA gets a great return for its investment in staff.

13. Hall of Fame. Maskel reported. The USCA Athlete/Curler Recognition Committee presented an athlete name for election into the USCA Hall of Fame in the Curler Category. Biographical information was distributed. The vote will be held Sunday morning. A two-thirds majority vote is required for election. Maskel reviewed the USCA Hall of Fame election process. Nominations may be made by member associations, by the USCA Executive Committee, or by the Athlete/Curler Recognition Committee. There are two categories, “Curler” and “Builder” (can be combined as “Curler/Builder”). Nominations are due annually by June 1 in the USCA office for consideration by directors at their fall meeting. Nominations for unsuccessful candidates remain active for up to three years, after which time a person may be re-nominated. Currently there are no other active nominations. Maskel reminded directors that the very high standard initially set by the board for election is still in force. The board can change the standard at its discretion.

Vice Presidential areas, reports:

14. Championships. Cousins reported on several major subjects.

a. AAC Proposal on Men’s Trials Format. Maskel provided background on the evolution of the proposal since its initiation in May, 2004, and spoke to the importance of the U.S. men and women both qualifying for the 2006 Winter Games and the demonstrated importance of Olympic TV coverage for membership building, including increased coverage should one or both genders medal in 2006. Maskel reiterated that the proposal was designed to enhance the original proposal and to increase the chance of having the strongest possible field at the Trials final and subsequently the best Team to the Games. He also reiterated that to further the goal of competitive success at Worlds and Olympic competition, the Trials is about elite athletes and the strongest possible field, while the new Nationals is about participation. He stated his criteria of three principles comprising the litmus test for a good format: 1. Take geography out of the equation. 2. Level the playing field (at each level of competition a team will play about the same number of games against teams of roughly comparable ability). 3. Make the system progressive (the better your team is, the better your team’s chances should be to succeed). The format for 2006 Olympic team selection is untested. The AAC proposal tries to ensure that the format will be as effective as possible at meeting the litmus test. Maskel’s presentation was followed by an extensive board discussion, including discussion of the potential impact on host sites for men’s Qualifying Round 1. The vote was deferred until Sunday to allow additional discussion and consideration of the proposal during the evening.

b. Championships committees. Cousins' committee leaders met as a group. The calendar and host sites are all set for the upcoming season. Promotion for the new National Championships is in process. Wilson is the chair of the Nationals Committee, which will advocate for the new event. Anderson is liaison to the 2005 site, the Chicago Curling Club. Directors and staff are encouraged to enter playdowns for the Nationals and/or to encourage players at their home clubs to enter playdowns. In the Field of Play area, a sheet or two of sensor handles will be purchased for use at the 2005 Trials, using USOC grant funds. A general discussion of the costs of operating championships versus revenues generated by entry fees ensued.

Motion by Cousins, Joraanstad second, to raise the entry fee for juniors from \$100 to \$150 per team. Discussion. **Rich moved to amend to \$200, Maskel second. Approved 15-9. Motion as amended passes 18-4, with Jytyla and Urevig abstaining.**

Recess at 5:32 p.m.

Reconvene at 8:01 a.m. Sunday

15. Presentation of subjects for votes.

a. **Motion by Maskel, Sjue second, that the USCA directors elect the proposed candidate into the USCA Hall of Fame.** A two-thirds majority vote is required. Paper ballots were distributed and collected. The results will be tallied and the result announced later in the meeting.

b. **Motion by Maskel, Joraanstad second, that the USCA adopt the AAC proposal to modify the current men's Trials playdown format.** Swandby allowed 30 more minutes for discussion. **Approved, 15-9.** Patzke was directed to post this board action on the USCA web site, with a note that the Trials procedure is subject to USOC approval.

c. **Motion by Cousins, Maskel second, to remove the restriction that the Qualifying Round 2 sites must be in the Midwest. Approved unanimously.**

d. **Motion by Wilson, West second, to remove the restriction that the Challenge Round site must be in the Midwest. Approved unanimously.**

16. Operations & Marketing. West reported. New USCA merchandise items sold through XP Apparel were displayed for directors. A design contest is underway for the 2006 Olympic Team—Curling pin. Curlers may join in the U.S. Olympic Fan Club and designate curling as their sport. The USCA will receive a share of the membership fee. Available through a link on the USCA web site.

West is evaluating the USCA Directors and Officers insurance coverage for volunteers who give advice to the USCA in their professional capacities.

A By-Law amendment adding sanctions for club non-payment of dues is under development for Notice to the Board prior to the Spring USCA meeting.

Swandby authorized Garber to sign the USCA-USOC Joint Marketing Agreement for the period 2005-2008; and the database agreement with USCA sponsor AmerAust.

b. ACF&M. Urevig reported. The ACF&M is a separate corporate entity most of whose operations have been merged with the USCA. The ACF&M has a new Curator, Jim Miller, and four board members including Urevig and Anderson. The ACF&M is developing fund raising ideas.

c. PR/Media/sponsorship. Patzke reported.

Sponsorship. Patzke summarized extensive sponsor solicitation efforts underway. The USCA is negotiating final contract terms for a sponsorship with a transportation company. The USCA is always in need of leads for prospective sponsors. The Athlete Marketing Agreement will be a major tool for sponsor solicitation.

Television. The Olympic Trials may be televised on February 27 (the day after the Trials end). The USOC (the rights owner) has been asked to allow the USCA to broadcast the event under the name "World Team Trials" (the event can remain the "Olympic Trials" in the local Madison non-broadcast market). Potential financial supporters for the six-figure broadcast costs are the WCF and corporate ads/sponsorship. The USOC will be approached for production support. Ice 2004 will be broadcast on NBC December 11-12 at 4:30-6:00 p.m. EST. A national cable network has offered the USCA an attractive deal structured so that, with WCF grant support, there would be no cost to the USCA for several hours of programming. The 2005 World Championships would be one subject for the program. Clubs are encouraged to schedule an Open House during or shortly after curling TV broadcasts as a membership building project.

d. Revenue Development. Packard reported. Updated curler demographic information will be developed at minimal cost for use in sponsor solicitation. The 2005 Donation Program materials will include a question to allow donors to advise the USCA as to where donations should be used. A concern was expressed about the quality level of Donation Pins. The suggestion was made to solicit (and then to publicize) directors' pin donations as a group. A "Pillars of Curling" fund raising campaign is being considered to attract and recognize larger donations. The Athlete Marketing Agreement is in development, with the goal to present the Executive Committee with an Agreement for their approval by the end of September.

17. Member Services. Sjue reported. Under the new board-approved governance structure, non-director committee members have been encouraged. The member services committees have a large number of non-directors. Two committees are chaired by non-directors. This reflects well on the governance changes. A member services conference was conducted in July in Bismarck, with over a dozen clubs represented, including a number of new clubs. A new USCA drills manual is being developed for use by all curlers to enhance their curling skills. Training and Instruction Committee chair Jon Mielke hopes to utilize new "train the trainer" materials provided by the Canadian Curling Association. Wilson is developing new materials for member building seminars.

The Mountain Pacific Region has been most recently active to develop curling clubs Reno and Boise. One benefit of the recent Development Assistance Program (DAP) Grant from the World Curling Federation is to facilitate a traveling kit of curling stones and other equipment for use by potential new clubs for demonstrations. The WCF "DAP" grant will also fund travel expenses for a new Junior Athlete Development Director position.

The WCF DAP grant will provide matching funds support this season and next for the USCA Junior Camps. This season, the Eau Claire camp was full with 96 kids, with an overflow of 32

attending an advanced camp at Rice Lake. Cape Cod had 32 kids, and over 50 are expected for the Bismarck camp in October.

The committees are developing a "Bantam" league concept for competitions for curlers age 17 and under.

Funding for the College Curling program budget has been eliminated for this season due to budget constraints.

18. Competitive Programs. Moore reported. He reviewed the role of the Competitive programs area. The Elite Programs Committee deals with the USCA/USOC Performance Partnership Agreement; and provides oversight of ADD Ed Lukowich and his program. New committee chairs are Lynita Delaney, Coaching, and Greg Volk, World Team Preparation.

Moore reviewed the Performance Funding program, in which the USOC funds Elite Athletes, provides coaching support, ice quality enhancement, and the Athlete Development Director fee and expenses; plus direct financial grants to selected athletes. Funding programs are designed to encourage elite teams to develop aggressive training programs.

The Seattle Granite, Bemidji and Poynette Curling Clubs have been approved as early ice sites.

Team funding decisions have been made, with the teams informed yesterday (Friday afternoon). Eight men's teams and three women's teams applied for funding. Moore provided the board with the names of the funded teams but reminded directors that, per USCA board policy, the names are not to be made public.

Selection Procedures for the 2006 Olympic and Paralympic Teams is under development. 2006 Olympic Staff Selection Procedures have been finalized and the Team Leader Selection process is underway. The USCA will select a team by November for the annual Karuizawa Winter Festival (teams are funded by the Japan Curling Association).

The Coaching Committee selected Cyndee Johnson as USCA Coach of the Year and John Lesnak as Developmental Coach of the Year. Athlete Development Director Ed Lukowich is in Calgary this weekend with two USCA teams. He has provided Moore with an ADD report. Lukowich was honored with his selection as Captain of Team North America for the 2004 Continental Cup.

19. Governance. Anderson reported as Governance Task Force Chair. The size of the USCA Executive Committee, two-thirds of the board, is a problem, due to an unintended consequence of the requirement that 50% or more of the votes on the Executive Committee be held by member-elected directors. The Task Force has no specific proposals now, but will draft a proposal for the next meeting. The Task Force also discussed whether By-Laws Amendments are needed to address the authority of the Members Meeting as opposed to the Board of Directors. The By-Laws grant specific authority to the Members, but the Members authority beyond that are uncertain. The By-Laws Committee is working to draft language to clarify policy regarding a member's paid membership and any subsequent change in allocation of USCA directors, to more quickly recognize fast growing regions. Also to be clarified is the process to recognize paid membership counts for any Special Members Meetings. Proposals will be duly Noticed to directors by the By-Laws Committee. Wilson noted the perception that the USCA should speed up its processes and decision-making in these areas.

20. USOC. McNelly reported. After the reduction in the U.S. Olympic Committee board size from 123 to 11, the National Governing Body (NGB) Council is now the main forum for NGB involvement in USOC Governance, and is thus the forum for the USCA representative to the USOC. To provide a forum for the USOC constituent groups, there is also supposed to be an annual Congress, although McNelly has no word on this yet. The USA did well at the Summer Olympic Games in several ways—103 medals beat the USOC goal of 100. U.S. athletes did well on and off the athletic venue, with their image duly enhanced. This performance will benefit the USCA and will strengthen the credibility of the USOC staff, which has assumed much more authority under the new USOC governance structure. NBC and its cable affiliates TV ratings were excellent. Due to the swing in focus away from volunteers to NGB-USOC staff-to-staff relationships, it is important for USCA staff to maintain excellent relationships with the USOC staff.

21. Athletes Advisory Council. Maskel reported. He thanked the board for supporting the format revision. The AAC had a productive annual meeting in late May. An ongoing concern is the world team prep process, which has improved in recent years but needs constant monitoring to maintain standards. The AAC reviews athlete reports after each world event as a means to evaluate world team preparation efforts. The World Team Leader program was reviewed. The World Team Leader is now an administrative, not a coaching, role. The AAC is evaluating the need for a permanent/ongoing world team leader, and to integrate the World and Olympic Team Leader programs.

22. World Curling Federation. Anderson congratulated Lowe on his selection as WCF Director of Finance. The next WCF meeting is the Semi-Annual General Assembly, held during the European Curling Championships in Sofia, Bulgaria, in December 2004. Anderson expressed appreciation for the WCF Grant support of the USCA in the television and member services areas. Lowe announced that the 2007 World Junior Curling Championships Host Organizing role has been awarded to the Curl Mesabi Committee in Eveleth, Minnesota. Anderson encouraged more USCA involvement in WCF events that are hosted in the USA. On behalf of the Lowell 2006 World Men's Curling Championship Host Committee, Robertson encouraged volunteers to step forward, and noted volunteers can sign up via the Lowell web site.

23. U. S. Women's Curling Association. Purkey reported. Margie Knitter is the USWCA president for 2004-2005. The USWCA has approved \$5,000 in grants designated to purchase curling equipment for use by junior curlers. A new base and shipping container for the Women's Trials Trophy has been funded by the USWCA. The USWCA is also funding the new trophy for the Women's National Championship. The USWCA is trying to locate a Men's Championship trophy, and will have the base and traveling case made, but is not providing funding for this project. The USWCA has created a committee to explore ways to expand mutual efforts with the USCA on programs.

24. Open board action items. There were no open board action items.

25. Unfinished business. Swandby announced ballot results: **Scott Baird has been elected to the USCA Hall of Fame in the Curler category**. Swandby will notify Baird. A site and date for a ceremony for Baird's Induction will be determined.

26. New business.

a. Hog line. Cousins commented on a possible rules change for future action: discuss

a more workable hog line rule for USCA championships namely, use the words “clearly violated” rather than “clearly released.”

b. Event sites. Maier encouraged directors to solicit USCA event sites in their areas.

c. Next USCA Board of Directors meeting. Swandby announced that the spring USCA directors meeting will be held April 22-24, 2005, in the Minneapolis area, preferably at the same location.

27. Adjourn. **Motion by Anderson, Pustovar second to adjourn. Approved at 10:12 a.m.**

Respectfully submitted,
David Garber
Recording Secretary

Reviewed and authorized,
Albert Anderson
Secretary