

**United States Curling Association
Executive Committee Meeting Minutes
June 9-10, 2001, Chicago O'Hare Hilton**

Present:

Peggy Hatch	Jack McNelly	Grayland Cousins	Ann Swisshelm (June 9 only)
Amy Becher	Richard Maskel	Chris Moore	Warren Lowe
Pam Finch	Geoff Broadhurst	Jane Thompson	Andy Anderson

Not present:

Bob Fenson Donna Purkey

Also present:

David Garber, Executive Director Rick Patzke, Communications Director
Ed Lukowich, Athlete Development Director

1. President Hatch called the meeting to order at 9:40 a.m. **Motion approved to approve minutes of the Executive Committee meetings held in the past year.** Hatch introduced new committee members Amy Becher, Chris Moore, Pam Finch and Grayland Cousins.

2. President (Hatch)

a. Strategic Plan. Cousins suggested beginning the budget discussions with a top-level review of the strategic plan. Hatch summarized previous dollar allocation guidelines for the Strategic Plan. A general discussion ensued, of priorities over a quadrennial period and in an Olympic year. Cousins had compared actual versus goal for the five USCA Priority Issues, and found a close match. However, his numbers made assumptions that require further evaluation.

b. Olympic year spending. In view of a \$55,000 deficit in the last Olympic fiscal year, the committee considered ways to avoid a repeat in future Olympic years. Options considered included adding a 6th "Priority Issue, "Olympic year expenses," to reflect the special nature of the Olympic year; also, the committee considered recognizing that, in an Olympic year, attaining medals can generate future income to Grow the Sport, and thus allocating more expenses to Competitive Success in an Olympic year may make sense. No action was taken.

3. Treasurer's report

a. 2001 Surplus. Chris Moore reported that the USCA should realize a surplus of about \$66,000 in the current fiscal year. The USCA has budgeted surpluses since 1999, at the suggestion of the USCA Finance Committee and at the USCA board's direction. Moore believes that the USCA should reach its goal of a \$250,000 surplus at the end of the 2000-01 fiscal year. Moore reminded the committee that at the April Directors' meeting, the board directed the Executive Committee to invest all revenues from dues increases into Member Services programs.

b. Podium grant. McNelly reported that the USCA's Podium Grant request was over \$304,000, but the USOC responded with a grant of \$150,000. In addition, the USCA would be allowed to apply unused funds from the 2000-01 Podium grant to the 2002 grant, subject to USOC approval of the new use. The amount of this transfer to 2002 Podium is expected to be about \$75,000. This number is in addition to \$42,000 to be used starting in June for the summer ice in Rice Lake. The USCA was given just 24 hours to resubmit its proposal based on the lower grant amount. The committee again discussed best planning methods to cover the added expenses for each Olympic year.

4. FY2002 budget discussions

a. Staffing. Garber reviewed several options for hiring a new Member Services Manager to replace Doug Anderson, who left in March for another job. On the recommendation of the Human Resources Committee, and consultation with Vice President Member Services Broadhurst, the committee agreed that the member marketing and revenue enhancement roles were more important than the curling-

technical role, and therefore Garber should focus on hiring someone who can fulfill the member marketing role. Garber also noted that he would need to replace administrative assistants Sandy Robinson and Sandy Glodoski, both of whom will be leaving in the spring of 2002. Robinson has been with the USCA since 1986, Glodoski since 1993. Both have done superb jobs, and both are retiring from active employment. Robinson's major role in recent years has been bookkeeping, including relations with the USOC and with USCA directors and members. Garber recommends hiring Robinson's replacement as much as six months in advance to provide for a smooth transition with bookkeeping services. Broadhurst noted that WCF is giving various national curling federations supplemental funding for curling development managers. Lowe expressed uncertainty as to prospects for a successful grant application. The question was raised, what would happen if the Member Services Manager position was not filled. Garber said it would mean many missed opportunities for member services, member growth and possibly revenue growth.

b. Computer systems upgrade. Anderson's motion to adopt an office computer system upgrade proposal, at a cost of about \$3,000 in annual capital depreciation over the next three years, was withdrawn after Swisshelm asked for time to reconsider it after looking at the overall budget picture.

c. USCA liability insurance. Garber reported that the USCA (and member club) liability insurance premium may increase about \$1,500 this year. **The committee directed Garber to increase the USCA charge to its member clubs to offset this increase.** Garber estimates a nominal 25 cents per curler increase and noted that the original charge of \$4.00 per curler, established in 1987, had increased to only \$4.50 per curler in 2001. Most of the 60+ USCA member clubs who participate in the policy report substantial savings as against their previous liability insurance plans.

d. USCA office budget. Garber reviewed USCA office budget. He noted that much of the office telephone and copier expenses will now be covered by value-in-kind through the USCA/U.S. Olympic Committee Joint Marketing Agreement.

e. Donation program; Olympic pin sales. VP-Marketing Pam Finch explained the proposal to reduce the Donation Program projected revenue from \$75,000 to \$65,000. Hatch updated the board on the Olympic Pin sales program. The AAC has agreed to ask the Final 12 teams to try to sell at least 50 pins each. The Olympic pin revenue budget was increased from \$10,000 to \$15,000.

f. Internet collaborative agreement. Garber reported that the internet collaborative agreement completion has been extended another 60 days. Anderson voiced support for this project, saying the upside for Member Services could be tremendous, especially with an investment of substantial time on behalf of the organization and member clubs. If concluded, the agreement would result in substantial income to the USCA in fiscal year 2002. The committee agreed not to budget any revenue from the Collaborative at this time.

g. Sponsorship. Garber updated the committee on recent activity with potential sponsor inquiries, the most realistic being several expressions of interest in providing World and Olympic team apparel.

h. Gametracker. Patzke led a discussion of a proposal for use of GameTracker for the Olympic Trials and other USCA events. This software was very popular with members during the 2001 Nationals. The committee consensus was that the vendor's licensing rights fee may be beyond the USCA budget, and that the USCA may not be able to devote the effort to offset the fee through advertising sales.

Break for lunch at 12:15 p.m. Reconvened at 12:40 p.m.

i. Review of the proposed budget for Vice Presidential areas. After discussion, cuts were made to pare down the initial deficit. Broadhurst noted that 52 older curling stones in the USCA stone pool will be offered for sale at \$125 each, which includes delivery.

j. WCF loan, Potomac Curling Club construction. The World Curling Federation may loan the USCA \$100,000 to \$200,000 for use by the Potomac Curling Club for construction of a curling facility, but only if the USCA guarantees the loan. The guarantee amount may be close to the USCA net worth, and thus the USCA Treasurer and Finance Committee have expressed concern about a guarantee. The loan terms are very attractive: 10 year period, no payments until the third year, and no interest. The Potomac CC has submitted a detailed business plan for USCA consideration. An extensive discussion included these subjects: degree and type of collateral; should the USCA be in the business of helping clubs build, and if so, should all available funds be put into one club; the need to find a way to secure liquid, hard assets as collateral; the need to reduce all exposure to USCA's balance sheet to zero.

The committee welcomed two Potomac CC members as guests: Barry Nichols (attending) and Wayne Caskey (by conference telephone). Nichols made a presentation. Anderson then summed up the USCA position, which is that the request could only go forward if there is no risk to the USCA. An ice arena named The Gardens, which the curling club would be attached to, has about 35 years left on a 40-year lease for the land and buildings, with the county. Anderson asked if there was a way to be protected beyond the single guarantor, such as having an irrevocable letter of credit with a bank for payment of 100 cents on a dollar. Discussion lasted about 90 minutes. The Potomac people and USCA will continue to search for a way to conclude an arrangement that can meet both party's needs.

k. Championships. Cousins reported that no site has been selected for the 2002 Junior National Championships. He is following up with Site Selection Chairman Peggy Rotton.

5. Legal/By-laws issues

a. Grievance status. Hatch briefed the committee on the background and current status of a grievance filed under Article IX of the USOC constitution by the Jason Larway team. A proposal received from the Larway team attorney to try to settle prior to a demand for binding arbitration was sent to the committee earlier this week for evaluation. An extensive discussion ensued. **Motion by Anderson, Finch second, to accept the Larway team proposal to add a seventh men's team to the 2002 U.S. Olympic Team Trials--Curling, with Larway's team to playoff against the sixth and seventh place finishers from the April, 2001 National Men's Qualifier to determine that seventh team. The motion was amended to read: "Motion by Anderson, Finch second, that the USCA Executive Committee take action to petition the USOC for a change in the USCA 2002 U.S. Olympic Team selection procedures, to add a seventh men's team to the 2002 U.S. Olympic Team Trials--Curling, with the Larway team playing off against the sixth and seventh place finishers from the National Men's Qualifier to determine that seventh team, at a neutral site to be determined. Approved unanimously, with Maskel, Moore and Cousins abstaining for reasons of potential conflict of interest.**

b. Basic Grant ratification. Concern was raised about the application of the USCA selection criteria applied to awarding of Basic Grants. **The committee agreed to send the Basic Grant applications back to the Athlete Funding Committee along with the written USCA criteria for selection of USCA Basic Grant nominees, in a timely manner so as to select the nominees prior to July 1.**

Broke for dinner at 6:30 p.m. Reconvened at 8:20 p.m. (Swisshelm not present)

c. Further discussions. The committee discussed terms and conditions of the response to the Larway grievance, and continued the discussion regarding the Potomac Curling Club loan request. **Consensus of the committee was that they would support the loan request if suitable liquid collateral could be obtained.** The USCA would in essence be facilitating a WCF loan to the Potomac CC. Should acceptable collateral be secured, the committee will notify the full board that new information has been received and the WCF will be approached with a proposal for the loan. A full-board vote will be conducted when all of the information from Potomac and the WCF is available.

Meeting recessed at 9:25 p.m. Reconvened at 8 a.m. Sunday.

6. More budget discussions

a. Olympic housing. McNelly updated the committee on housing for athletes, team support personnel and athletes' families at the 2002 Olympics. Besides athletes' housing in the Olympic Village in Salt Lake City, the USCA has commitments with an enclave of private homeowners very close to The Ice Sheet in Ogden. The Village will be almost an hour's drive one way from the competition venue. For competitive reasons, local Ogden housing is desirable. Current commitments are for 12 houses, available at no cost, where athletes will always have at least an entire floor to themselves, plus houses for athletes' families. More houses will be available if needed. The Salt Lake 2002 Organizing Committee (SLOC) will provide meals for teams that are staying near the venue when they have more than one competition per day. The committee then discussed Ogden area housing for team support personnel, with communications center. McNelly proposed adding \$10,000 to the budget for Olympic housing and related expenses.

b. Trials sponsorship. Hatch led a discussion of sponsorship opportunities for the Olympic Trials. Additional efforts will be made to secure Trials sponsors.

c. Officers' meeting. McNelly proposed deleting the spring officer's meeting and its \$2,500 expense from the budget, to be replaced with \$2,500 to facilitate meetings via conference calls, which can be offset by Joint Marketing value-in-kind service through AT&T.

d. Filling junior nationals berths. The committee discussed changing the USCA policy for arbitrarily filling the junior national championship fields to the maximum number. Transporting teams to nationals impacts the budget. Cousin's Championship area would address this issue.

e. International Relations grant. Hatch raised the question of trying to secure a USOC International Relations Grant for Lisa Schoeneberg to attend WCF clinics in Fussen, Germany. Garber said it was usually a matching grant program, so that the USCA would have to provide funds if applying for this. **After discussion, the committee decided not to provide nor apply for any funding for this item.**

f. Budget summary update. After the cuts, the budget now stands at a \$49,520 deficit. The committee looked at how best to allocate USOC Joint Marketing Agreement (JMA) revenues as to fiscal year. The JMA covers a 4.5 year period through early 2005, with revenues from the USOC front-loaded. **The committee agreed to allocate \$50,000 more to fiscal year 2002, which would balance the 2002 budget, but would reduce revenue by a like amount in future years. This decision will be adjusted should additional revenue be realized from sponsorship or the internet collaborative.**

McNelly noted that the USOC Podium program will be replaced by a new "Performance Funding" system after this year. In effect, the "Centralized Funding" program will be rolled into Performance funding, but at a base level of \$250,000 annually, or about \$25,000 less than last year. Prospects for increasing the \$250,000 through added performance funding dollars are not yet certain.

Motion by Anderson, Finch second, that the Executive Committee approve a balanced budget for fiscal year 2002, with recognition of the unusual extra expenses related to the Olympic year. Approved unanimously.

7. Reports

a. Continental Cup. Anderson briefed the committee on the Continental Cup event brought forth by the Canadian Curling Association, now being reviewed by the World Curling Federation. The USCA will need a selection process for this event, which is first slated for November 2002. The current plan is to have three Canadian teams and one U.S. team of each gender competing against four European teams of each gender.

b. ADD at OTC. Lukowich reported on his recent trip to the Olympic Training Center in Colorado Springs, where he and McNelly met with USOC personnel regarding competitive planning.

c. Rules. The committee briefly reviewed the rules surrounding U.S. residency requirements as they pertain to USCA championship playdowns, and grievance review procedures.

d. Conflict of interest disclosure. Moore advised the committee of potential conflict of interest situations he will face as USCA Treasurer related to his professional work in the financial industry. He recommended appointing an assistant treasurer to prepare in advance for these situations, which should rarely occur. Hatch will review this and consider action at a later date.

e. Executive Director. Garber reviewed the pending staff changes, and budget needs for staff, USCA office and the Curling News. Garber lauded staff performance.

f. Communications Director. Patzke gave a brief overview of media relations area projects and plans.

g. Basic Grants. Thompson reviewed the Basic Grant selection process, which is handled by the USCA Athlete Funding Committee. That committee had recommended that, in this Olympic year, the Basic Grant applications go only to the Final 12 Trials teams. This excluded the Olympic-eligible players on the most recent men's national champions. Concern had been expressed that criteria other than that stated in the USCA selection policies was considered in committee discussions to determine this year's recipients. **Hatch recommended that the Basic Grant selections for 2001-02, which had been sent to the Executive Committee for ratification, be returned to the Athlete Funding Committee for reconsideration. Also, Basic Grant applications should be sent to the three men's teams that may now have an opportunity to reach the Trials, as a result of the proposed grievance settlement with Team Larway. Approved, with one opposed.**

h. Olympic team selection philosophy. McNelly reported that the USOC does not support the concept of providing financial support at high levels for multiple USCA teams through Trials so close to the Olympic Games. The USOC seems to favor an earlier selection of the Olympic team, which would allow for more funding to be directed at the actual Olympic team.

i. AAC. Maskel presented a written report summarizing twelve proposals raised at a recent meeting of the Athletes Advisory Council. He presented an abbreviated verbal report, as budget discussions had put the meeting behind schedule.

8. Other Business

a. Wheelchair curling. Hatch reported that a wheelchair curling team from Belfast, Maine is interested in competing in the World Wheelchair Curling Championships in Switzerland in 2002. The team understands that there is no USCA funding available. Hatch recommended that the USCA publicize the event opportunity in case there are other players or teams from around the country who are also interested in participating. **Motion by Anderson, Moore second, that the USCA commit to providing a team to participate in the 2002 WCF Wheelchair World Curling Championship, with no budget impact. Approved unanimously.**

b. Curling in the Gym. Hatch reported on a meeting with representatives from Mantua Industries, a company that wants to produce Curling in the Gym equipment.

c. Spring, 2002, board meeting. April, 2002, board meeting dates and location were discussed. Hatch proposed holding the meeting in Bismarck, N.D. around the 2002 Ford World Curling Championships. The logistics of this will be further considered and a decision made by September. After a discussion, it was agreed to continue the USCA Breakfast at the 2002 Worlds.

9. Unfinished Business

a. Member communications. Garber discussed ideas for communicating with USCA members and curlers regarding grass roots programs, the upcoming dues increase, etc.

b. Capital expenditure. Motion by Anderson, McNelly second, to purchase computer equipment upgrades and services for the national office as proposed. Approved unanimously.

10. Adjourn. Meeting adjourned at 12:15 p.m.

Respectfully submitted,
Rick Patzke and David Garber
Recording Secretaries

Reviewed and Authorized,
Chris Moore, Secretary