

US SAILING Board of Directors Meeting
Monday, December 19, 2005
Minutes

President Janet Baxter called the meeting to order at 8:01 PM EST.

Board of Directors members present were: Janet Baxter, Jerelyn Biehl, Bob Billingham, Dean Brenner, Jim Capron, Ruth Creighton, Susan Epstein, Tom Hubbell, Rich Jepsen, Leslie Keller, Patty Lawrence, Charlie Leighton, Dick Rose, John Siegel, John Strassman, Jim Tichenor, Absent was Bill Sandberg. Budget Committee Chairman James Appel also participated.

Action Items:

A motion to approve the November 21, 2005 Board of Directors Minutes as corrected was moved, seconded and passed.

President Janet Baxter gave the President's Report:

The National Sailing Hall of Fame in Annapolis, Maryland is having its Dedication Ceremony on December 21, 2005. The National Sailing Hall of Fame has connections with a number of notable sailing organizations and historical groups. US SAILING does not have financial obligation with this organization but has been named a partner.

President Baxter is planning to attend the opening to offer support.

Baxter continued by announcing that the Positive Coaching Alliance will be hosting a session at the National Sailing Program Symposium. The Positive Coaching Alliance is a group sport specialists who have developed a program that promotes a coaching plan that emphasizes sportsmanship as well as performance. Several NGBs have incorporated the PCA program into their standard coaching methodologies.

Charlie Leighton presented the Executive Director's Report and highlighted several items:

- November was a good month financially. Due to good cost controls the monthly budget showed a positive variance.
- Leighton extended congratulations to the US team at the recent Laser Radial Worlds. Paige Railey won and Anna Tunnicliffe came in third in the Women's Division. Brad Funk finished second in the Open Division.
- The CFO transition from Cindi Leary-Johnson to Bobbi Warren has gone very smoothly even though this is a difficult period due to end-of-year reports and preparations for the up coming audit.
- In November, we acquired two new Medalist donors. Joe Fogg became a Gold Medalist with a \$75,000 pledge and Bryan (Hunt) Lawrence as a Silver Medalist with a paid gift of \$50,000. These two contributions bring the YTD total of cash in hand to \$314,000 from the Medalist program.

Leighton asked James Appel to discuss the budget process progress. The Divisional Directors applied more details into the budget and found several discrepancies that netted

a negative variance of \$30,000. Appel said that the budget is not yet ready for approval. After some modifications the budget will be ready for approval in time for the January meeting. Appel then reviewed the Olympic Sailing Committee cash flow spreadsheet. Due to very successful fundraising, the OSC is \$250,000 ahead of its projected cash position and as a result will be able to increase its 2006 budget. Dean Brenner added that the OSC is budgeting 2006 activities based on actual funds collected or pledges committed in 2005. The USOC has rearranged its priorities by directing more funds directly to the athletes and less to the NGBs. Due to the success of the fundraising there will not be shock to the OSC budget.

Leighton then suggested a possible source of increase revenue could be an increase in the fees charged for Appeals and Grievance Review Board hearings. Dick Rose countered that increased appeals fees had been previously discussed and he said that it was widely agreed that the cost of the appeal process should remain as low as possible as a matter of fairness. Rose and Leighton promised to report back to the board regarding Race Administration revenues and expenses after an off-line discussion.

Leighton then told the board that the Grievance Review Board ruled on the matter of Andrew Casey. Mr. Casey was disqualified from an event for a RRS 69 infraction and the decision was reported to US SAILING. The Grievance Review Board formed a Hearing Panel and the Panel held a hearing on December 6, 2005. After holding the hearing, the Hearing Panel determined that Mr. Casey should not participate as either a skipper or crew member in any sailing competition in the United States during the period from January 1, 2006 through May 30, 2006. President Baxter directed the staff to post this information on the US SAILING website.

Leighton then ran through a number of miscellaneous issues

- He questioned whether the US SAILING logo could be displayed opposite the Rolex logo on race buoys and promised to research the issue.
- He asked President Baxter to describe the situation that occurred during the creation of the short list for the Rolex US SAILING Yachtsman/Yachtswoman of the year. Baxter explained that two of the nominee were from U.S. possessions territories (Puerto Rico and the U.S. Virgin Islands) and were excluded because of eligibility issues. The rationale is that since both the Puerto Rico and the USVI's have their own National Authorities, they would not be eligible for the US SAILING Yachtsman/Yachtswoman person of the year. Baxter said US SAILING described this reasoning to all parties involved and all parties accepted the explanation.
- US IRC, US SAILING, New York YC and the Storm Trysail had a meeting at which US IRC requested funds from US SAILING. US SAILING was not able to contribute funds but a compromise solution was reached.

A question was asked about how an \$113,000 expense line item was split between resolving the former ED contract and legal fees for the reorganization. Leighton responded that approximately \$90,000 went to resolving the former ED's contract and

\$23,000 was for the legal fees. President Baxter added that some portion of the legal fees was spent on Grievance Review Board expenses.

Treasurer Leslie Keller reported that the December projections were not available. Keller also said that the target of having the Audit presented at the Spring Meeting is at risk due to the fact that the meeting will be a week earlier than normal and a new CFO.

Tom Hubbell gave the transition report and said that progress was being made on reorganizing and editing the Regulations. Working group members Sandy Grosvenor and Fred Hagedorn are very helpful but the progress is slow. Jim Capron continues to work on reorganizing the Grievance and Disciplinary Procedure. Hubbell solicited suggestions for a new meeting schedule for the Spring Meeting. Susan Epstein reported that Walter Chamberlain is distributing a draft set of Bylaws for the House of Delegates and amendments for the CSA Bylaws and is soliciting comments.

Action Item:

Janet Baxter nominated Deborah Schoenherr to be the Chair of the Match Racing Committee.

Nomination was seconded and passed.

Action Item:

Janet Baxter moved that the corrected list of Committee members be approved.

Motion was seconded and passed.

A corrected copy of the Committee Lists will be sent to the SAC to assess if the required 20% Athlete composition of the several committees is met. SAC will respond with their results and recommendations if required.

James Appel presented a proposal to switch to a free conference call program. It would require each member participating to place a long-distance call to a non-800 number. US SAILING spends approximately \$2500 a year on Board of Director conference calls.

Action Item:

Dean Brenner moved that the Board of Directors use a free conference call system for its monthly meetings.

Motion was seconded and passed.

Secretary John Strassman was directed to obtain the service's procedures from the US SAILING staff and distribute a memo with instructions to the Board.

Leslie Keller presented a proposal to create a new Area by dividing the current Area H/E and H/W into two separate areas. This would create a separate Area for Hawaii. After discussion President Baxter suggested that this would be a matter for the House of Delegates to consider at the Spring Meeting. Jim Capron suggested a submission process in which a document would be prepared that would describe the proposal and list all of the changes that would be made and all of the committees and councils that would be affected. This submission would be made available well in advance of the Spring

Meeting so all affected parties could comment. Baxter requested that Keller prepare the submission.

Baxter requested suggestions on the distribution of the monthly Executive Directors Report. It was agreed that wide distribution was desirable and it was decided that it should be sent to the Board and all Committee Chairs as well as published on the website.

Action Item:

It was moved that the Mark H. Baxter Memorial Trophy be awarded to the winner of the Farr 40 Winter Series.

Motion was seconded and passed.

President Baxter said that a Deed of Gift is being drafted and the necessary steps are being done to assure that US SAILING maintains control of the trophy and that a trust is funded to maintain the trophy.

Rich Jepsen received approval for the use of the US SAILING logo on the Community Sailing Council awards.

A discussion on race administration issues was led by John Siegel. At issue is an apparent shortage of certified judges, race officers, and instructors in Area G. Siegel is concerned that the process of determining who become Race Administration instructors is not based on objective measures. Siegel suggested that he believes the certification and training programs are excellent, but are underutilized. Siegel offered five informal recommendations for the Race Administration committees:

1. The ranks of Race Administration need new blood
2. The number of race officers, judges, and instructors needs to increase
3. Our race administration committees need to provide honest feedback when denying certification and committee involvement.
4. Ineffective Area representatives need to be replaced
5. The above needs to be accomplished without sacrificing quality

Jim Tichenor provided the Board with additional information regarding the operation of the committees. Several Board members agreed that these concerns warranted further analysis and suggested that Mr. Siegel contact the Chairs of the Judge's Committee and the ARO Working Group and set up face-to-face meetings at the Spring US SAILING Meeting.

Dean Brenner reported that the 30 podium finishes this year has helped to increase the USOC funding to sailing athletes from \$900,000 to \$1,300,000. Brenner reported that USC is studying different platforms for fund raising especially for Youth Development. Brenner also reported continued that there was a recent grievance concerning the structuring of the ranking regattas.

Under old business Leslie Keller reported on the Cascade Locks request from the last meeting. Keller reported that she talked to the administrator at the Cascade Locks facility

and ascertained that the Cascade Locks organization did not fully understand US SAILING's capabilities and roles and did not understand that they could become a member of US SAILING. Keller will continue to work with the group.

An Executive Session followed.

The meeting was adjourned at 10.43 PM.

Respectfully submitted,

John Strassman
Secretary

The meeting will be Monday, January 23, 2006 at 8:00 PM EST