

**US SAILING Board of Directors Meeting**  
**Monday, May 22, 2006**  
**Minutes**

President Janet Baxter called the meeting to order at 8:06 PM EDT.

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

**Action Items:**

A motion to approve the April, 2006 Board of Directors Minutes as corrected was moved, seconded and passed.

President Janet Baxter opened the meeting by inquiring of the Board if scheduling a Board Meeting on the Wednesday evening of the AGM would be appropriate. It was decided that there should be a Wednesday evening Board meeting at 7:30 PM on November 15, 2006. The Secretary was directed to contact the US SAILING staff to make the appropriate arrangements.

Baxter invited Charlie Leighton to give the Executive Director's report. Mr. Leighton reported that US SAILING year-to-date net results through April, without Olympics, show a net improvement over last year by \$432,489 and exceed budget by \$511,251. The key number for comparison by year end is that in order to break even we must exceed last year by \$136,000. Leighton suggested that the excellent work of the staff was a contributing factor in the improved results.

Leighton repeated the four objectives of US SAILING for this year, from his report:

1. Financial
  - a. Break even for US SAILING while maintaining the quality of its programs
  - b. Olympics continue to operate in positive cash flow for the Quad
2. Membership - reverse the downward trend in a cost effective manner
3. IT - update to meet the needs of the organization within the budget guidelines
4. Branding
  - a. Determine what is US SAILING's brand (the intangible promise to its members)
  - b. Greater US SAILING exposure to its members and potential members that is cost effective.

In assessing the outlook for these 4 objectives being achieved in 2006:

- Financial and membership are green;
- Branding is yellow going towards green (a work in progress), and
- IT is still a major question mark.

There were two items the Board discussed and acted upon, at Leighton's request. One was the issue of the 2008 Annual General meeting. The other was authorization to apply for MasterCard.

**Action Item**

It was moved that the 2008 Annual General (Fall) Meeting be held in Florida. Motion was seconded and passed.

## **Action Item**

Charlie Leighton presented the following resolution:

RESOLVED that the organization is authorized to apply for MasterCard from MBNA for Bobbi Warren, Katie Kelly, Janine Connelly, Dan Cooney, Hart Kelley, Joe Costa, Lee Parks, Gary Bodie, Luther Carpenter, Skip Whyte, and Betsy Alison, and that the total credit line be limited to \$100,000 in any one month.

The resolution was seconded and approved.

Leighton asked what would be considered a significant response in the upcoming general election this fall in the voting for the Board. It was agreed that a response of over 10% would be successful and less than 5 % would be considered a failure. Leighton also noted that many strong candidates for the Board have expressed reluctance to run against another for a Board seat. One issue is that they do not want to “campaign” against fellow members, and another is that these are elections with several candidates, some of whom will not be elected and therefore “lose.” Leighton explained that there are persons of national standing who do not like to “lose” and therefore may decline a nomination. The guidelines that are in place call for short profiles of the candidates to be published in a letter that will be sent to the membership. No other campaigning will be allowed. It was agreed that this election will take place under the regulations in place, and that it will be recommended that the next Board revisit the election process to determine its effectiveness.

The issue of the race officer badges was discussed, and though the vast majority of respondents thought it a good idea, a number of committee chairs apparently felt that the decision was made without their input. President Baxter will personally contact them to apologize for the oversight. It was noted that the badges are to be paid for from the Presidents Club funds.

In presenting the Treasurer’s report, Leslie Keller reported that the organization is temporarily out of the line of credit but still has borrowings against deferred revenues. US SAILING has decided to bring the preparation of Federal form 990 in-house. The Investment Committee has moved \$250,000 into higher yielding fully insured short term paper. Keller requested that the Board come up with several more committee members to assist the Chairman, Malcolm “Doc” Clarke, in his duties. Leighton said that he had a meeting scheduled with Mr. Clarke in the near future and he would solicit a list from him, too. It was requested by the Secretary that on a monthly basis, a short summary report be presented to the Board by the CFO of any activity regarding the opening of new accounts or transfers of the sort reported this month, so that these transactions can be made part of the monthly minutes and, correspondingly, meet various reporting requirements. President Baxter asked the status of the 2007 Budget process. Currently, Keller is preparing a questionnaire that will be sent to the Division Directors, the CFO and the Board. The audit report is due next month.

Olympic Sailing Committee Chair, Dean Brenner, reported that there are 808 days to the start of the 2008 Games and 499 days left to the start of the US Trials. He reported that there were four more medals won at the World Sailing games and two medals (Gold) at Hyeres Week. Already in 2006 there have been 21 podium finishes compared to 30 in all of 2005. There are more sailors training full time and this concentration of effort is showing great results. An unfortunate situation occurred at the recent World Games. A Multihull event which was originally announced as an Open event was changed to a Men’s event by the event organizers, after the NOR’s were first published. The US conducted trials and sent a mixed team (male and female members), and when they arrived in Austria they were not allowed to compete. The US Team is very disturbed at the actions of ISAF and the organizers. A written copy of the decision of the

International Jury will be coming and Jim Capron will ask the Head Judge of the event for background on the incident and will report to the Board next month. Gary Bodie will also be asked to supply a report to the Board. The BOD will then weigh its options regarding an action to ISAF.

Brenner reported that Sara Hawkins will start as Katie Kelly's assistant in the near future.

A discussion took place as to whether or not US SAILING was considering renewing its participation in the USOC Joint Marketing Agreement. At the start of this quad, US SAILING did not sign the agreement. The USOC has indicated that US SAILING could sign up at this time, and staff is reviewing the contract. The concern raised was that this agreement could prevent local organizing authorities from signing up sponsors in the same product categories as the USOC sponsors, and that this may cause technical violations of the contract. An example would be a local regatta signing up a car dealership, soft drink distributor or a bank as a sponsor. The President requested that a report on the possible ramifications of the Joint Marketing Agreement be put on the agenda of the next BOD meeting.

Tom Hubbell reported that draft 10 of the Regulations was released. The edits of a few Articles were still being compiled. Ruth Creighton raised concerns about the Investment Oversight Committee. There was a question whether that committee reported directly to the Board or reported through the Administrative Committee. It was determined that significant investment decisions were to be reported to the BOD. There was a discussion lead by President Baxter that the Division Chairs were co-coordinators and not gatekeepers. By this she meant that the Divisional groups organized their committees and stimulated a flow of information and discourse, but would not limit the individual committees from bringing issues and questions directly to the BOD. It was requested that Creighton's proposal be put into writing and circulated to the BOD for immediate feed-back. Patty Lawrence asked whether the Class Measurers should be under Race Administration or Inshore. There were arguments for both sides but it was decided to move it to Inshore. Hubbell said that the Regulations will be forwarded to the HOD for comment and then voted on at the next meeting.

John Strassman introduced the issue of which category of advertising would be allowed at the Youth Championship next month. Dick Rose summarized the ISAF Advertising Regulations that apply to competitor-owned boats and equipment in the Olympic Classes. These regulations state that competitors who bring their own Olympic Class boats or equipment to an event are always permitted to display Category C advertising on those boats and equipment, and that neither US SAILING nor an event organizer may change these regulations.

Dick Rose commented that, when US SAILING or an event organizer signs up a sponsor for events involving the Olympic Classes, it must be made clear to the sponsor that the ISAF Regulations permit competitors in Olympic Classes who bring their own boats or equipment to an event to display advertising on them, and there is nothing that either US SAILING or an organizing authority is permitted by the racing rules to do to restrict such advertising. The only circumstance under which advertising on Olympic Class boats may be restricted to Category A ads is the following: When an organizing authority supplies boats or equipment, it may specify that only Category A ads are permitted on the supplied boats and equipment.

There is one item that requires Board action. The Board is asked to restrict advertising on the seven 29ers entered in the Youth Championship to Category A. The 29er is an ISAF International Class that normally permits Category C advertising. ISAF Regulation 20.4.3 permits a national authority to limit advertising on 29ers during an invitational event to Category A advertising. The Youth Sailing Championship Committee seeks the Board's support of its decision to limit

advertising on 29ers to Category A. In order for that committee's decision to have the force of a rule at the Youth Championship, the Board must support the Proposed Resolution.

**Action Item:**

RESOLVED: As required by ISAF Regulation 20.4.3, the National Authority (US SAILING) provides its approval for the 2006 US Youth Sailing Championship, an Invitational Event, to restrict advertising to Category A for the 29er Class. Resolution was seconded and passed.

The Secretary introduced a discussion on the review of the recently received bylaws of several of the Councils. James Capron suggested that all these bylaws are so varied and disorganized that the BOD cannot make any recommendations at this time. Capron continued that he would like to see a working group produce a template that would be given to the Councils. The Councils would then use that template to create their bylaws, assuring that all requirements would be met, while explaining their unique missions.

**Action Item:**

It was moved that a working party of Walt Chamberlain, Fred Hagedorn, Tom Hubbell and Jim Capron draw up a template to assist the Council in writing their bylaws. Motion was seconded and passed.

**Action Item:**

It was moved that Ruth Creighton be approved as Administrative Division Chair and that Dean Brenner be approved as Olympic Division Chair. Motion was seconded and passed.

Rich Jepsen gave a short report regarding the interaction between the jobs of Training Committee Chair and Education Division Chair. The BOD saw no conflict in Jepsen's holding both positions, for the time being.

**Action Item:**

It was moved that Rich Jepsen be approved as Education Division Chair. Motion was seconded and passed.

Ruth Creighton as Administrative Division Chair reported that this year's Stewardship Report noted that all eighteen yacht clubs that suffered damage during last year's hurricanes have received the insurance policy benefits due to them. She wishes to acknowledge the diligent work of Gowrie, Barden and Brett. She will supply a full report next meeting.

President Baxter urged the BOD to review the Regulations, so they can be voted on and approved next month.

Meeting Adjourned at 10:16 PM EDT.

Respectfully submitted,

John Strassman, Secretary