

Board of Directors
Teleconference Meeting – Minutes
4:00PM (ET)
Thursday, July 17, 2014

Members Present: Dwight Bell, Erin Warren, Mary Ann Deignan, Adam Berlew, Pete Gillwald, Jeff Stratton, Chris Mazdzer, Julia Clukey, Brian Martin, Paul Baribault

Staff Present: Jim Leahy, Beverly Detwiler

Call to Order: Dwight Bell called the meeting to Order at 4:07pm

APPROVAL of Previous Minutes:

As part of the documents sent out for this meeting pursuant to the bylaws, Mr. Bell ask the board for approval of the minutes from the previous three meeting.

The Approval of the minutes for May 31, 2014. Mr. Stratton stated that his last name was not properly spelled and asked for the correction to be made. No other discussion took place. A motion to approve the minutes of May 31, 2014 made by Mr. Stratton and seconded by Mr. Gillwald. Motion carried unanimously.

The Approval of the minutes for June 10, 2014. With no discussion heard, a motion to approve the minutes of June 10, 2014 made by Ms. Warren and seconded by Ms. Deignan. Motion carried unanimously.

The Approval of the minutes June 13, 2014. The minutes incorrectly reflected Mr. Mazdzer presence on the call. The minutes should properly reflect Mr. Mazdzer absence. No other discussion was heard. A motion to approve the minutes of June 13, 2014 made by Mr. Stratton and seconded by Mr. Gillwald. Motion carried unanimously.

2014-2015 USLA Budget

As part of the documents sent out for this meeting pursuant to the bylaws, Mr. Bell gave the floor to Ms. Warren, chair of the Finance and Compensation Committee.

The 2014-2015 Budget was presented by Mr. Leahy and Ms. Warren. Ms. Warren stated that her committee spent a great deal of time reviewing the budget with the USLA staff. The committee made several recommendations during the process. After reviewing several drafts, the committee unanimously approved the budget being presented to the full board for their approval. Ms. Warren noted that there is an increase in the operating budget over the previous year. The committee, along with the USLA, felt that the presented \$2.1M budget was on the aggressive side, but reflected the necessary resources needed to move the program forward. Ms. Warren stated that the proposed budget shows a budget shortfall of a little more than \$274k.

An active and lengthy discussion took place about various revenue and expense line items. Mr. Gillwald asked Mr. Leahy about the bulk of the deficit. Mr. Leahy explained that the budget reflected an increase in coaching salaries over the previous year. He stated that several new hires were being brought in to better the program. He referenced the USLA's intent to pay off the

\$85,000 line of credit taken back in March and June of 2013. Mr. Leahy also addressed the increase in team travel. He also stressed the need to further fund the technical sled development program.

With no other questions, Ms. Warren suggested the board approve the budget with a shortfall / budget gap of \$274,103.

The board did ask Mr. Leahy a philosophical question...if the USLA had access to an additional \$500k, what would he do with the additional funding? He stated the following:

1) Focus on finding the best coaches. 2) More athlete funding for Juniors and Development Teams to further support development. 3) Spend more on sled development. 4) Look at initiating a coach's certification program for improving coaching at the club level. 5) An awareness campaign using major media outlets.

Ms. Deignan asked Mr. Leahy, in view of the budget shortfall, what steps would the USLA need to take if the revenue shortfall was not met. Mr. Leahy stated that we will need to reduce the Junior and National Team fall and winter trips and possibly reduce or cut staffing and coaching. He further stated that the budget is fairly lean as presented, thus other core programs will need to be cut. He did explain that he sent a letter to the FIL to see if they might subsidize the SNT trips to Konigssee and Sochi. He stated that he will not have an answer until at least mid-September. These trips are currently in the budget. If cuts are warranted the Junior National winter trip would be cancelled before any Senior National Team trips.

Ms. Deignan asked about the timing of the trips and if we could cancel or delay based on cash flow? Mr. Leahy stated USOC funding will start in August. FIL Board will meet in September and we should know if a subsidy is available to us by late September. Ms. Deignan expressed that if the USLA foresees cash flow problem, we must address it early.

Mr. Bell asked that in lieu of the budget shortfall, whether the USLA should postpone paying off the line of credit until such a time that additional revenues warranted the payment. He also suggested we work with the USLFF if additional dollars are needed. The entire board agreed with Mr. Bell's suggestion.

With no further discussion, Mr. Bell asked for a motion to approve the budget presented by the Finance and Compensation committee.

Motion made by Mr. Stratton to Approve the Budget as presented and with a stipulation not to pay off the \$85,000 LOC until the unrealized income (budget shortfall) is realized. Motion seconded by Ms. Deignan. Motion passed unanimously.

At this point (5:18pm), Mr. Gillwald asked to step off the call. Mr. Baribault, Mr. Berlew and Ms. Warren had to leave the call as well.

Mr. Bell took another roll call and Mr. Mazdzer, Ms. Deignan, Mr. Stratton and Ms. Clukey were still on the call.

Mr. Bell discussed #3 agenda item – the approval of Mr. Gerry Tate as Chair of the Audit & Ethics Committee. Mr. Bell stated that Mr. Tate is willing to serve the board in that capacity.

At this point Mr. Bell suggested, with the approval of the remaining board members on the call, that Mr. Leahy send out to the board a notice of action without a meeting to allow the board to vote on agenda item #3 (Approval of Mr. Tate as Chair of the Audit and Ethics Committee) and agenda item #5 (Approval of additional National Team Committee members). Mr. Leahy suggested July 24 for the vote, which would give the board adequate time to review Agenda items #3 and #5. Mr. Stratton agreed. Mr. Leahy was instructed by Mr. Bell to send the notice to the board.

Mr. Bell adjourned the meeting at 5:29PM with the intention to carry over Agenda items #3 and #5 with an email vote to take place on July 24, 2014.

**Notice of Action without a Meeting
Thursday, July 24, 2014**

Pursuant to the Board of Directors instructions, Mr. Leahy sent the following email to all Board Members:

Please email your YES / NO votes on the following items and then we can ratify when we meet in person on August 23, 2014

Item #3 – Approve Gerry Tate as Chair of the Audit & Ethics Committee. – You all know Gerry and he brings to the table the utmost in ethical behavior. He has already told me that if he were approved he would gladly serve.

MOTION carried unanimously.

Item #5 – Approval of additional National Team Committee members – We previously approved Frank Masley as the Chair of the National Team Committee. He put forward the following names to me for board approval. Olympian and previous Executive Director of USA Luge Ron Rossi. Renee Myers, previous Junior National team member and Fred Anderson, nominee from Natural Track.

MOTION carried unanimously.