

USMS Convention — Jacksonville, Florida. 2011

Committee Name: Finance	Session #: 2	Report #: 12
Committee Chair: Homer Lane	Vice Chair: Sarah Welch	
Minutes recorded by: Jill Gellatly	Date/time of meeting: Thursday Sept. 16 th , 9:45-10:45	

Actions Requiring Approval by the HOD:

1. Approve the 2012 Operating Budget which reflects a net operating loss of \$70,765.
2. Approve the 2012 Capital Budget of \$61,000.

Motions Passed:

1. MSA to approve minutes from Wednesday, September 14th meeting
2. MSA to approve the 2012 operating budget at a net deficit loss at \$70,765.
3. MSA to approve the 2012 Capital budget of \$61,000
4. MSA accepted the recommendation from the AC to approve an addition to MAP (Segregation of Duties section)

Number of committee members present: 13

Absent: 1

Number of other delegates present: 13

Committee members present (list all, including chair and vice chair): Homer Lane, Sarah Welch, Tom Boak, Joan Campbell, Betsy Durrant, Kildine Harms, Conrad Johnson, Phil Dodson, Rob Copeland, Lucy Johnson, Dave Burgio, Jill Gellatly, Ralph Davis (ex-officio)

Minutes

The meeting was called to order at 10:00 a.m.

1. MSA to approve minutes from Wednesday, September 14th meeting
2. Committee members were briefly introduced again.
3. Homer asked Tom Boak, Omaha Meet Director, to give more detail regarding the Omaha budget which is currently budgeted at a \$73k loss. Tom explained the most current estimate is \$63k loss but there is still some unknown variables related to food, security and cleaning. Tom updated the committee on his most recent meeting with the Omaha representatives and indicated he will be traveling to Omaha in late October to clarify certain unresolved open items mentioned above (primarily meeting with the food vendor). He will ensure total transparency with the committee regarding the budget. Phil Dodson questioned the staff budget at Omaha which is at 7 days vs. the meet only being 4 days. Tom indicated he is working closely with Rob Butcher regarding the staff plans as a pre-meet clinic with Olympians is preliminarily planned which would require the staff to stay longer. Rob Copeland inquired about the coach's budget at Omaha and indicated he is concerned the coaches' number may exceed the budgeted amount of 50 coaches. Discussion ensued about the policy regarding what requirements coaches must meet to get credentials for hospitality. Homer asked Tom what he worries about from the financial side. Tom indicated the attendance is the most significant unknown concern from the revenue side. From the expense side he is worried about the open expense items which are not fixed at this point of time. Dave Burgio asked Tom what attendance number is currently forecasted and he indicated it is at 1,000 swimmers but to determine a break-even point is unattainable at this moment due to the uncertainties noted above. The committee endorsed the confidence we have in Tom and his ability to manage the budget in the best of USMS interests.
4. The committee was asked if anyone had any additional questions related to the 2012 operating budget. Phil asked Susan for an update on the \$40,000 pledge which was reclassified in the budget to properly reflects its nature. An additional line item for the ISHOF expense of \$1,400 was added which makes the final budgeted net operating loss at (\$70,765).
5. MSA to approve the 2012 operating budget at a net operating loss of \$70,765.
6. Tom Boak began discussion regarding the Swimming Saves Lives Fund and its related expenses. Several members expressed concern about the SSL future financial plans and detailed budget. Homer encouraged our members to attend the SSL meetings scheduled at the convention. Additionally, a special meeting has been planned with our committee and an expert in

fund raising to help educate us on fund raising planning. It was also agreed that a sub-committee for the finance committee would be established to monitor the implementation of this effort to make sure it is meeting expectations and is a good return on our investment of resources. Homer agreed to chair the group and David also agreed to serve. Other volunteers are welcomed.

7. Susan Kuhlman reported that the capital budget stands at \$61,000. This amount primarily represents the remodel of the National Office (\$9.50/sq. foot) or \$35,000.
8. MSA to approve the Capital Budget at total of \$61,000. This amount is not included in the 2012 operating budget.
9. Jill Gellatly, Audit Committee Chair gave an update on its meeting and activities of the year. Additionally, she presented the drafted Segregation of Duties MAP (Manual of Accounting of Procedures). Rob Copeland asked to the define what is “a limited period of time” with regards to occasional lapses of operating procedures and it was determined “not to exceed 30 days” should be inserted. Homer also noted that the 2010 audited financial statements have been posted on the USMS website and that we go a clean opinion in the audit.
10. MSA accepted the recommendation from the AC to approve an addition to MAP (Segregation of Duties section)
11. Topics for next meeting will be the Financial Operating Guidelines (FOG) updates, review of the budget presentation to the HOD for Saturday.
12. Homer reminded the committee of the invitation to attend the Investment Committee meeting this afternoon to meet the consultant from Northern Trust who is helping us manage these funds.

The meeting was adjourned at 11:00 a.m.
