

Committee Name:	Board of Directors	Session #:	1
Committee Chair:	Peter Guadagni		
Minutes recorded by:	Carrie Stolar	Date/time of meeting:	2/21/2023 8:00pm ET

Actions Taken:

1. Approved: January 16, 2023 BOD meeting minutes.
2. Affirmed: The Compensation and Benefits charter as presented.
3. Approved: The Compensation and Benefits recommendation on the 2022 CEO bonus payout as presented.

Number of committee members present:	18	Absent:	0	Guests:	8
Committee members present (list all, including chair and vice chair): Peter Guadagni - President; Chris Colburn - VP of Administration; Chris Campbell - VP of Community Services; Ed Coates - VP of Local Operations; Robin Smith - VP of Programs; Carrie Stolar - Secretary; Teddy Decker (Treasurer); At-Large Directors: Sue Nutty (Breadbasket); Charles Cockrell (Colonies); Susan Ehringer (Great Lakes); Paige Buehler (Northwest); John King (Oceana); Kris Wingenroth (South Central); Britta O'Leary (Southeast); Jeff Commings (Southwest); Patty Miller (Immediate Past President); Katie Kenyon (Legal Counsel), Dawson Hughes – CEO.					
Not present: none					
Guests: Erika Braun, Ian King, Kirk Clear, Marilyn Fink, Sandi Rousseau, Anna Jordan, Linda Chapman, Gary Keehner (USMS Controller).					

Minutes

The meeting was called to order at 8:02 pm ET.

1. Agenda review and declarations of conflict of interest (Peter): No changes to the agenda or conflicts of interest.
2. Minutes (Carrie): Jan. 16, 2023 BOD Meeting Minutes (Carrie): **MSA for approval of the Jan 16, 2023 BOD meeting minutes.** Discussion: None. **The motion passed unanimously.**
3. Minute of good news (Patty): Patty talked about a meet held recently in Richmond, Virginia, at the pool where USMS Nationals were held. Over 160 enthused and excited swimmers participated and multiple records were set. It was the first time that the meet was held since 2019. For the clubs that Patty is affiliated with in Virginia, both clubs have grown in numbers, social events and enthusiasm. Patty attributes this growth to the continued benefit of hosting a big event such as nationals.
4. CEO update (Dawson):
 - a. Membership is running about 2000 members (3.5-4%) ahead of last year, which is slightly behind budget. January's membership numbers were slightly lighter than anticipated, probably because of the fee increase January 1st, causing some membership renewals to get pulled forward into December. Early returns on January's Try Masters Swimming are coming in, and we are running another Try Masters Swimming this summer.
 - b. Dawson shared an update on the club and event development communication plan. He has met with the Coaches Committee and will be meeting with the LMSC Development Committee tomorrow to enlist their help on some proactive outreach efforts to LMSCs about participation in this program. A communication has been sent out to the club contacts and event directors, and so far, 22 clubs and 7 events have responded asking for follow-up phone calls. A progress update will be provided at the March BOD meeting. Meanwhile, local input/knowledge is needed to identify clubs and events for this program.
 - c. About 700 members took advantage of the USMS+ offering last year, a \$35,000 addition to net revenue. While the target was 1500 members, the budget was for 1000 members. Dawson asked how the extra revenue should be distributed from these memberships. Should it be distributed to LMSCs? Is there any expectation on the LMSC level? Consensus among the BOD members was that, given the significant amount of work for the national office to distribute these funds and the real cost for some of the services provided by the program, the funds should stay with the national office for national programming given that there were no expectations from the LMSCs that the funds would be returned to them. Secretary's note: After the meeting it was discovered that the registration section of the website's Guide to Local Operations indicated that the net profit of the additional fee for USMS+ would be split 80-20 between the national organization and the LMSCs. Therefore, this allocation will be respected for USMS+ memberships received to date. The description of this allocation for USMS+ has been removed and, as per the

Board's consensus, the add on amount for USMS+ will be allocated entirely to the national budget. The base membership portion of USMS+ will be allocated 80-20.

- d. Webinar policy: The schedule of webinars has continued since the pandemic, but the participation has declined. A new scheduling policy is being developed. The webinar information (topic, presenters, etc.) must be submitted by the 1st of the previous month so that they can get on the communication calendar.
 - e. The CEO annual report to the president was shared with the BOD.
 - f. CRM launch: Development of the first phase of the launch will be completed this week. The launch is scheduled for April 1. Tutorials and phone calls with active membership coordinators and treasurers are ready to be shared/scheduled. Right now, Salesforce is running parallel to our current system. The BOD will get a short preview at the March BOD meeting. USA-S is using the same CRM platform to manage its membership. We should see some efficiencies with our partnership with USA-S and our desire to market to the parents of USA-swimmers and future masters swimmers that are USA-swimmers now. Since we will be aligned with them on software, cross-marketing should be easier.
5. Questions of 2022 preliminary financial results (Gary and Dawson): Financials were previously distributed. Dawson reviewed the year, explaining that the bottom line was good. In the last 3 years, the budget has needed adjusting each year. This year the membership and expenses that were budgeted are on track. The net operating loss is better than expected. We did not need to access cash reserves or the line of credit. Dawson mentioned that the budget format is under development, and its final form will be consistent from year to year. Peter noted that most of the IT consultants are funded from the membership services line item. The positive variance there is due to the capitalization issue (reclassifying from expense money to the capital budget because of the increased time spent on the capital project with a delayed implementation). Depreciation that was budgeted for 2022 was decreased and will hit the budget next year after the project is launched.
 6. Investment Committee report on 2022 results (Teddy): Investments are following the market and beginning to rise. We are conservative in our investments. Peter asked about donations to SSL. The goal will be to have increased transparency regarding the money that comes in with memberships. Teddy answered that we still have some money sitting in the SSL investment account and a proposal will be created and shared with the investment committee now that USA-S is handling the actual grants. The current year donations are essentially a pass through in the financials and given to USA-S for grants. We generally have \$120,000 - \$130,000 in donations earmarked for SSL. The agreement with USA-S is that they will fund \$130,000 in grants if we have that much in requests. We are trying to ensure that they are not subsidizing that amount but rather that we raise that amount of money.
 7. Policy review: Compensation and Benefits Committee Charter (Peter): The Comp and Benefits Committee Charter was distributed prior to the meeting. **MSA to affirm the Comp and Benefits policy as presented.** Discussion: Peter requested that the charter be posted on the website. **The motion passed unanimously.**
 8. Approval of 2022 CEO Bonus Payout (Ian King) The Board of Directors went into Executive Session to discuss confidential human resources issues. *(Secretary's Note: Dawson (conflict of interest) and all non-BOD guests other than Ian King and Erika Braun exited for the remainder of the call as the meeting went into Executive session). Erika Braun and Ian King remained on the call as members of the Compensation and Benefits Committee.* **MSA to approve the Compensation and Benefits recommendation of the 2022 CEO bonus payout as presented.**
 9. The next BOD meeting will be hybrid on Friday – Sunday, March 24 – 26.

The meeting was adjourned at 8:56 pm ET.

Respectfully Submitted,

Carrie Stolar, Secretary