

Committee Name:	Board of Directors	Session #:	1
Committee Chair:	Peter Guadagni		
Minutes recorded by:	Greg Danner	Date/time of meeting:	8/21/2021 10:30am ET

Actions Taken:

1. Approved: July 19, 2021 BOD meeting minutes as amended.
2. Approved: Ratification of all actions taken since the 2021 Winter BOD meeting.
3. Approved: Affirmed the policy titled Standards for the USMS Board of Directors.
4. Approved: K&B's audit report and Draft 990 tax return.
5. Approved: 5% disbursement from CICF.
6. Withdrawn: Support the holding of an in person annual volunteer meeting in spring of 2022 with the intent that during the annual business meeting in 2021 we get a sense of the HOD whether to continue in that direction annually.
7. Approved: Support the holding of an in person annual volunteer meeting in spring of 2022 and a virtual annual business meeting in the fall of 2022.
8. Approved: Recommend the Proposed Standing Rules of the USMS Virtual Annual Meeting of 2021 as amended to the HOD.
9. Approved: Officer reports as consent agenda along with additions to the reports made during the meeting.

Number of committee members present:	18	Absent:	0	Guests:	10
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; Donn Livoni - VP of Programs; Greg Danner - Secretary; Teddy Decker - Treasurer; At-Large Directors: Carrie Stolar (Breadbasket); Jeff Strahota (Colonies); Britta O'Leary (Southeast); Mel Goldstein (Great Lakes); Paige Buehler (Northwest); John King (Oceana); Kris Wingenroth (South Central); Jill Gellatly (Southwest), Past Presidents: Patty Miller (Immediate Past President), Dawson Hughes - CEO; Maria Elias-Williams - Legal Counsel.					
Not present: None.					
Guests: Susan Kuhlman - CFO, Kyle Deery - Chief Marketing Officer, Jessica Reilly - Sr. Director, Marketing Technology and Volunteer Services, Jay Eckert - Sr. Director, Membership and Business Development, Adrienne McKee - Staff Accountant, Nadine Day, Sandi Rousseau, Doug Sayles, Guy Davis, Marilyn Fink.					

Minutes

The meeting was called to order at 10:31 am ET.

1. Agenda review and declarations of conflict of interest (Peter): No conflicts reported.
2. Minutes and ratification (Greg):
 - a. July 19, 2021 BOD Meeting Minutes (Greg): **MSA for approval of July 19, 2021 BOD Meeting minutes.** Discussion: None. **The motion passed unanimously.**
 - b. Actions Taken since Winter 2021 BOD Meeting: **MSA to ratify all the actions taken since the 2021 Winter BOD meeting.** Discussion: None. **The motion passed unanimously.**
3. Minute of good news (Paige): Paige's son registered for USMS for the first time and received his new member welcome packet. Also, highlighted their participation at the Coeur d'Alene Crossing open water event.
4. Board Education: Ensuring Resources (Paige/Ed/Chris Colburn):
 - a. Paige spoke about solid streams of revenue and diverse sources of revenue are items to consider as we look to the future. Paige offered several questions to consider long-term:
 - i. How do we focus our resources on accomplishing our vision and enhancing member value?
 - ii. Do we have clear guidelines for which programs should be funded locally?
 - iii. How should we measure our success in accomplishing our strategic vision?
 - b. Ed spoke about retaining skilled employees by continuing education/training, avoiding burnout, and having a synergistic workplace. Volunteers need to be trained for the mission, with access to opportunities that impact the mission. Fulfilling these goals will lead to sustainability.
 - c. Chris Colburn spoke about aggregating data to create meaningful information for market development and to learn if we are meeting the mission.
 - d. Discussion/comments:
 - i. Chris Campbell emphasized Colburn's section by stating that data points do not equate to knowledge, that we must convert the data into actionable knowledge.

- ii. Peter suggested that in sustaining resources, some beneficiaries of programming should bear the cost of those programs.
 - iii. Patty challenged the Board to get away from our old model. She noted that some nonprofits get revenue from certification, conferences, or education. Peter added that fees attached to competition could be a greater revenue source. Dawson said revenue is driven at the LMSC level and summarily flowing through all our clubs and events. The overall economic impact of USMS is much greater than what is seen with the national budget.
- 5. Policy Review Topic – Board Standards (Peter): **MSA to affirm Board Standards.** Discussion: Chris Colburn said these standards created in 2019 were distilled down to where we are as a Board and he was in continued support of them. Chris Campbell said that many of these are applicable at the local level and so he shared it with his local club team Board. **The motion passed unanimously.**
- 6. Recommendations from Ad Hoc Committee on Volunteer Committees and Functions (Peter):
 - a. Survey results yielded Board consensus on the volunteer committees and functions.
 - b. Breakout groups:
 - i. Term limits – consensus that these should be implemented, variable limit depending on committees and skillsets required. Stagger the departures and ensure mix of new with experienced members. Committee membership should be decoupled with annual meeting attendance. Pass term limits down to LMSC level.
 - ii. Long term committee structure – consensus that committee restructuring is necessary, though some questions remain about feasibility. Rules and Legislation - may be difficult to combine so we need to have a decreased workload mentality. Other committees (ALTS or D&I) we may lack experience in the national office staff – this should be established before any changes are made.
 - iii. Implementation plan – general support to propose changes now via the BOD, difference in opinion on whether to enact immediately or set several years down the road. Communication to general membership and delegates is very important to the buy-in.
 - c. Next steps: Peter planned to report this out at a conceptual level at the Town Hall meeting and at his general HOD address. Several BOD members suggested that this could distract from other initiatives and we should instead build out a communication group to discuss it further with the LMSCs.
- 7. Ice Breaker (Britta): Board members shared various physical items and stories surrounding important personal events while being a member of USMS.
- 8. Approval of Audit, draft IRS Form 990, and CICF Disbursement (Teddy):
 - a. The financial presentation slideshow covered: net assets, changes in net assets, expense composition, revenues and expenses, common ratios, and other areas of interest.
 - b. **MSA to approve Kerkering, Barberio, & Co.’s audit report and Draft 990 tax return. The motion passed unanimously.**
 - c. Disbursement from Central Indiana Community Fund: **MSA to approve 5% disbursement from CICF.** Discussion: Peter provided some background on the CICF for new Board members, primarily that it was an investment strategy prior to our existing investment approach. **The motion passed unanimously.**
- 9. Club Development Strategy (Dawson):
 - a. Prioritization: Rebuild membership, grow the number of clubs delivering masters programming, add pricing/packaging options, and repackage/improve the value proposition for independent swimmers.
 - b. Club structure: Pool + coach + club/team admin = successful formula
 - c. Data analysis: Top 160 clubs (in size) have 75+ members and 44% of our membership. 141 of them require membership, 140 offer trial memberships, 34 are currently at capacity, 59 are gold clubs, 117 have at least one certified coach, and 124 participate in the Fitness Series. From 105 survey responses: 80% have 7 or more practices per week (55% >10).
 - d. Pool database development objective: determine viable facilities without a masters team or current clubs with growth potential. Provide startup support (new clubs) or ongoing support (existing clubs).
 - e. Club Admin key skills: team management, marketing, facility relations, communication, and registration. Admin must be able to execute on leadership, coach, volunteer, facility, and possible connection to USA Swimming.
 - f. Coach recruitment objective: National effort to find coaches with a passion for swimming and have the intangibles of an entrepreneurial mindset and charisma (interest and potential). From there, we can lead them to training certification and mentorship, ongoing education, and connect them with coaching opportunities.
 - g. Start-up/growth timeline (3-6 months):
 - i. Provide new startup club with guidance on registration, admin, fee structure, and ROI.
 - ii. Facility negotiation support.
 - iii. Lane rental subsidy.
 - iv. Hyper-localized digital marketing.

- v. Incorporate on-site clinic/clinic course to engage facility, local swimmers with coach.
- h. LMSC Support: LMSCs may be able to help identify potential facilities and coaches; should have a shared investment in these efforts. Suggested investment could be covering hospitality for clinics or funding team socials (have a LMSC rep at those events), reimbursements for ongoing coach training and education. Investment resources: ~\$5,000 investment for every club growth effort. USMS would start in LMSCs willing to support the engagement.
- i. Invest a portion of our reserves in growth strategy. Ability to scale up will need staffing.
- j. Messaging and implementation: CEO to send messaging during the annual meeting schedule. An October survey will be issued to begin building out the facility/club database. In November, we will aim to identify the top prospects. By December, we should have targeted 3-5 clubs for the 1st half of 2022. This will require execution by multiple people and there will be regional resources involved. In addition to the survey, Patty encouraged outreach directly to clubs and LMSCs.

10. Preliminary Budget Priorities for 2022 (Dawson/Susan):

- a. Membership: 52,500 (30k renew, 5k year plus, 6,250 returning and 12,250 new). This is in line with the “moderate” or “moderately aggressive” categories previously used. No fee changes are recommended.
- b. USMS+: This membership tier may include all virtual national events, a member package with card/cap/branded item, webinars (motivational and/or goal setting with Olympic caliber speaker), special patches, online community badge, and a built-in foundation donation. \$199 member price before 2022 or \$229 when registering in 2022. Forecast for 1,500 members at this tier would bring in \$58,500 new/incremental revenue (\$11,700 to LMSCs and \$46,800 to national).
- c. Digital capabilities: The Salesforce CRM implementation is the last component from the original digital transformation project (“5 year – \$1m plan”). It is targeted for completion by Q2 2022. An additional \$75k expense is needed to finalize implementation and there will be a short term (6-9 month) increase in IT expense post implementation until staff has been trained and the necessary items have been transitioned to them from the consulting group. Tech support with Bonfire will continue post CRM implementation.
- d. Club development strategy: Level 1 coach cert to be offered online. Level 2-3 coach cert, clinic course, and ALTS instructor training will continue to be in person with regional resources. Additional classes will be made available when requested and supported by LMSCs. The mentorship program and National Coaches Clinic should be available in 2022 as well.
- e. Return of all events: Continue the (pandemic) surcharge as part of regular meet fee for Pool Nationals. E-postals will begin the transition to National Office management. Greater marketing emphasis on open water events with an incentive for event directors that provide participation and results data in a timely manner. LMSCs should prepare to support a full slate of local events.
- f. Communications and publications: Expansion of digital content upgrades including SWIMMER magazine and member only access to content. National Office will continue to utilize marketing automation and analytics to drive campaigns and member communication.
- g. Partner revenues: We have 14 partnerships, +10% over 2021 forecast, with similar advertising/royalty and in-kind revenue structure as previous years.
- h. College Club Swimming: We will continue to maintain CCS as universities/facilities loosen restrictions. Clubs are estimated to be around 135, with 4-5k members. Targeting 2023 to bring CCS registration into Salesforce CRM.
- i. Compensation/staffing: No change in FTE, benefits increase, and merit pool is under review by the Comp and Benefits Committee.
- j. Insurance: Increases ranging from 10-25% are expected to various insurance categories of coverage.
- k. Admin-Volunteers: One national volunteer meeting in-person (either a summit or annual meeting). Board meetings: one coinciding with the volunteer summit and the Summer BOD to be in-person or virtual.
- l. Admin-National: Hybrid office/remote work for staff. \$43k office space savings due to decrease in office footprint.
- m. Reserves: Investment spending transfer around \$144k.
- n. Big picture: Prioritize club development, continue to rebuild, conservative membership growth, 2022 negative budget with goal of breakeven in 2023. Estimated net operating loss of \$350,000.
- o. Questions: Paige asked if any staff hiring would be necessary for club development plans. Dawson responded that our volunteer expertise will cover until we have reached a point where our future can be more specifically mapped out.

11. Proposal for Volunteer Summit:

- a. **MS to support the holding of an in person annual volunteer meeting in spring of 2022 with the intent that during the annual business meeting in 2021 we get a sense of the HOD whether to continue in that direction annually.** Discussion: Survey results indicated Board consensus for a volunteer summit. Patty asked about the potential size of the in-person meeting; Peter responded that broad involvement of volunteers would be planned, so the size might be similar to that of the traditional in person annual meeting. Ed suggested that getting the sense of the House of Delegates might be a separate question to evaluate after the volunteer summit experience. **Motion withdrawn. MSA to support the holding of an in person annual volunteer meeting in spring of 2022 and a virtual annual business meeting in the fall of 2022. The motion passed unanimously.**

- b. Breakout groups:
 - i. Club development is the foundation to membership and received the most support for the ideal initial theme. It was recognized that the ad hoc committee developed this theme thoroughly. Membership & Community, as a theme, was met positively on the survey and in breakout groups as well, though the curriculum is not yet developed suitably. Club development aligns with our national priorities.
 - ii. Steering committee members should have experience in project management, event planning, training, technical expertise, knowledge and connection to clubs/LMSCs, and be willing to accept feedback.
 - iii. Event name: various event name suggestions were offered, though none were formally selected.
 - c. Next steps: Likely dates of March 4-6 (before spring break).
12. Review and recommendation of Proposed Standing Rules of the USMS Virtual Annual Meeting of 2021 (Peter): Peter highlighted a recent Governance edit. **MSA to recommend the Proposed Standing Rules of the USMS Virtual Annual Meeting of 2021 as amended to the HOD. The motion passed unanimously.**
13. Starting review of Strategic Plan (Patty/Jill):
- a. Kickoff of a thorough review: included background on 2011 plan created from scratch, the four pillars from the 2016 plan that was an upgrade upon the 2011 version, and a strategic plan check-in (what has or has not been done). Deliverables for all the pillars were identified: digital transformation, gold club creation, Fitness Series, Swim.com partnership, USA Swimming sponsorship/foundation, Try Masters Swimming campaigns, College Club Swimming, Board communication groups, monthly President/CEO communications, exploration of committee structure, OW strategy changes, and more. It was noted that measures of success were largely based on membership numbers, which has been particularly difficult during the pandemic and our dependency on pools. Ed offered that we could be ready to move on from brand. Chris Campbell spoke of membership value being a journey rather than a destination and Peter agreed that we may have matured enough membership value is accepted as something we always have to be concerned with. We may be missing innovation in programming, as in, alternate concepts of swimming workouts. Paige would like to see innovation remain and bring it to the top of the strategic plan. Mel seeks improved educational programs. In considering key words within the strategic plan, Board members agreed words such as: service, respect, diversity, and inclusiveness are missing. It was also debated whether “excellence” was an appropriate word to use due to our support for varying levels of swimming skill. Peter added that we have an incredibly resilient organization and further review will follow this brief exercise.
14. Consent agenda and hot topics for 2021 Annual Meeting (Officers):
- a. President (Peter): Peter noted he and the National Office have received numerous communications regarding issues that are within the purview of clubs. He indicated we may need to develop messaging to indicate most club issues should be addressed at the local level. No questions.
 - b. VP Administration (Chris Colburn): Hot topics: Potential rule suspensions/additions related to long course nationals. Added that entries close in two weeks, with approximately 400 swimmers entered so far. No questions.
 - c. VP Local Operations (Ed): Nothing to add. No questions.
 - d. VP Programs (Donn): Disbanding of the Open Water Committee could be a hot topic. No questions.
 - e. VP Community Services (Chris Campbell): Wanted to add that that term limits being discussed for national committees should also flow down to local levels. No questions.
 - f. Treasurer (Teddy): Nothing to add.
 - g. Secretary (Greg): Nothing to add.
 - h. Immediate Past President (Patty): Nothing to share.
 - i. Legal (Maria): Nothing to share.
 - j. **MSA to accept officer reports as consent agenda along with additions to the reports made during the meeting. The motion passed unanimously.**
15. The next EC call will be held on Monday, October 4, 2021 at 8:00 pm ET. The next BOD call will be held on Monday, September 20, 2021 at 8:00 pm ET.

The meeting was adjourned at 5:30 pm ET.

Respectfully Submitted,

Greg Danner, Secretary