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| <b>Committee Name:</b>      | Board of Directors | <b>Session #:</b>            | 1                    | <b>Report #:</b> | 1 |
| <b>Committee Chair:</b>     | Nadine Day         | <b>Vice Chair:</b>           |                      |                  |   |
| <b>Minutes recorded by:</b> | Chris Colburn      | <b>Date/time of meeting:</b> | 9/21/2015 8:30pm EDT |                  |   |

## Motions Passed:

1. MSA to approve a merit raise pool of 3% for eligible employees for 2016.
2. MSA to approve a bonus pool of 7% for 2016.
3. MSA to approve a discretionary fund of \$20,000 in 2016.
4. MSA to approve the minutes of the 2015 Board of Directors Summer Meeting.
5. MSA to approve the minutes of the August 17, 2015 Board of Directors Conference Call minutes as amended.
6. MSA to ratify the email vote approving the transfer of the corporation from Ohio to Florida.
7. MSA to present the recommended Changes to Standing Rules of the Annual Meeting at the first Session of the 2015 House of Delegates.

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| <b>Number of committee members present: 22</b>   | <b>Absent: 5</b> | <b>Number of other delegates present: 1</b> |
| <p><b>Committee members present (list all, including chair and vice chair):</b> Nadine Day - President called the meeting to order at 8:32 pm EDT. Also present were: Ed Tsuzuki - VP of Administration; Chris McGiffin - VP of Programs; Chris Stevenson - VP of Local Operations; Jody Smith -VP of Community Services; Chris Colburn – Secretary; Phil Dodson – Treasurer; Patty Miller - Legal Counsel; At-Large Directors: Bruce Hopson (Breadbasket); Dave Diehl (Colonies); Sean Fitzgerald (Dixie); Dan Cox (Great Lakes); Sarah Welch (Northwest); Leianne Crittenden (Oceana); Jill Gellatly (South Central); and Laura Winslow (Southwest); Rob Butcher – Executive Director; Past Presidents: Rob Copeland, Jim Miller, Nancy Ridout and Ted Haartz; Dave Coddington (USA Swimming Liaison to USMS);</p> <p>Not present: Past Presidents: Jeff Moxie, Mike Laux, Dan Gruender, and Tom Boak. Mel Goldstein is recused from the Board due to his contractor position with USMS.</p> <p>Guests: Susan Kuhlman - CFO.</p> |                  |   |

## Minutes

The meeting was called to order at 8:32pm EDT.

1. Susan Kuhlman attended the call to discuss the budget items discussed by the Finance Committee last week. Ed asked some questions related to Places to Swim with respect to IT project prioritization and the link between the IT Liaison Task Force and staff. Nadine mentioned that there will be an IT Report at the first BOD meeting at Convention, and we will discuss those items at that point. Nadine asked if there were any more questions about the budget, and Patty asked for some clarification. The Board then discussed the kinds of questions we expect from the HOD at Convention related to the Budget and the Business Plan. Further, the discussion centered on helping the Board better prepare for those questions as a group. Sarah brought up a topic related to Sanction fees to be discussed at Convention. Phil addressed a memo he sent to the Board.
2. Finance Committee Call Recap: The Finance Committee would like us to approve or agree to the Comp&Benefits recommendation of a pay raise pool for eligible employees at 3% of the total salary budget. MS to approve a merit raise pool of 3% for eligible employees for 2016. Jim provided some clarification around the pool of money used to provide appropriate raises to employees. Ed and Jim discussed how the Board would address changes in pay for significant changes in job description or duties in the middle of the year. Patty asked for clarification between this topic and another topic Phil presented for consideration. **MSA the merit raise pool recommendation.** MS to approve the recommended Bonus pool of 7%. Discussion centered around compensation analysis based on base salary vs. total compensation. **MSA to approve the recommended Bonus pool of 7% in 2016.** MS to approve the Comp&Benefits recommendation of a discretionary fund of \$20,000. Phil provided an explanation for his recommendation to reject this motion. Phil made some recommendations related to the nature of the fund and its long-term implications. Phil also recommended that we need to have a different overbudget procedure for payroll issues from regular budget items. Rob provided

some clarification about the motivations behind the discretionary fund, and his understanding of how and when the fund should be used, if the funds are used at all. **MSA (not unanimous) to approve the Comp&Benefits recommendation of a discretionary fund of \$20,000 for 2016.**

3. The Board entered Executive session at 9:15pm EDT to discuss the Sanction Fee Proposal and the metrics of the Sponsorship Program. The Board exited Executive Session at 9:35pm EDT.
4. **MSA to approve the Summer BOD Meeting Minutes. MSA to approve the minutes of the August Board of Directors conference call as amended.**
5. **MSA to ratify the email vote approving the transfer of the corporation from Ohio to Florida.** Patty provided some background on some suggested changes to our Articles of Incorporation, which date back to 1981, as well as what next steps are required to continue the process.
6. Changes to Standing Rules of the Annual Meeting (Rob Copeland): Rob Copeland presented a set of three changes to the Standing Rules that reflect the reality of the conduct of the House of Delegates (HOD), as well as procedures regarding eligible speakers on the floor. Rob recommends presenting these changes to the HOD during HOD 1. **MSA to present the recommended Changes to Standing Rules of the Annual Meeting at the first Session of the 2015 House of Delegates.** Rob asked Ed to work with Chris Stevenson on placement of the presentation.
7. Convention Update: Allegheny Mountain will not have any representation at Convention. LMSC Development will work with all the LMSCs to ensure that they have the ability to participate in Convention.
8. Election Operating Guidelines (EOG) changes will be discussed at Convention during the Wednesday Board meeting. Sean talked about the Legislative proposals that are being submitted at Convention.
9. New Business:
  - a. This week USMS is having a meeting with USAS regarding the outcomes of the WSCA unionization and its implications with FINA.
  - b. Chris McGiffin presented a request from the host of the 3000/6000 postal championship. The Board supports the Long Distance Committee's recommendation on the matter.
  - c. Rob Butcher informed the Board that he will be leaving USMS on December 31, 2015 to become the CEO/President of Swim Across America.
  - d. The Board entered Executive Session at 10:10 pm EDT to discuss a personnel matter.
10. Next meeting will be September 30, 2015 at 9:00am CDT, BOD 1 at Convention. Nadine asked the Board to get any updated documents for presentation to the Board by this Saturday (9/26).

The meeting was adjourned at 10:20pm EDT.

Respectfully Submitted,

Chris Colburn, Secretary