

USSA BOARD OF DIRECTORS' MEETING MINUTES

Center of Excellence, 2nd floor Conference Rooms, Park City, UT
Sunday, May 17, 2009 from 7:30 a.m. – 10:45 a.m.

USSA BOARD OF DIRECTORS' ATTENDANCE

Dexter Paine – Chairman

FOUNDATION

John Bucksbaum – absent

Andy Daly

Jeanne Jackson – absent

Kipp Nelson

David Pottruck – absent

Hank Tauber

SPORT REPRESENTATIVES

Alpine Representative: Bob Dart

Snowboard Representative: Mike Mallon

Freestyle Representative: Glenn Eddy

Cross Country Representative: Jon Engen

Jumping/Nordic Combined Representative: Joe Holland – absent

Disabled Representative: Chris Waddell – absent

ATHLETES

Alpine Athlete: Scott Macartney

Snowboard Athlete: Lisa Kosglow

Freestyle Athlete: Curtis Tischler

Cross Country Athlete: Patrick Weaver

Jumping/Nordic Combined Athlete: Tim Tetreault

Disabled Athlete: Greg Mallory – absent

CEO Bill Marolt

AT-LARGE Greg Boester – absent

EX-OFFICIO/NON VOTING

USOC Athletes' Advisory Council Representative: TBD

NSAA President/Chair: Michael Berry – absent

SIA President/Chair: David Ingemie – absent

FIS Representative: Bill Marolt

USOC Representative: Bill Marolt

HONORARY

Dr. Bud Little

GUESTS

Dion Agee

Sheryl Barnes

Julena Bonner

Dick Coe

Bruce Crane

Walt Evans

Ruth Flanagan

Kathryn Fleck

Tom Kelly

Dave Knoop

Lisa Kramer

Chip LaCasse

Ted Morris

Katie Murphy

Calum Clark

Mark Lampe
Luke Bodensteiner
Kelly Nielsen
Alex Natt
Gordon Strachan

TRUSTEES

John Bloomberg
Erik Borgen
John Cumming
Spence Eccles
Rusty Gregory
Bob Hatcher
Dennis Keller
Barry MacLean
Andy McLane
Bill Shiebler
Steve Strandberg

1. Chairman Convenes the Board Meeting: Dexter Paine

Dexter Paine opened the meeting with instructions on how to use the microphones.

Paine thanked John Cumming for hosting the dinner which took place the previous night at his home.

Paine then asked for a moment of silence in recognition of the passing of a number of people who were affiliated with the USSA or active in the ski business. (See Addendum A for list.)

2. Chairman's Introduction of Board Members: Dexter Paine

Paine said that he always found it helpful for people to introduce themselves. He said that with the mixed foundation and USSA board meeting it would be helpful to have all the USSA Board of Directors and the USSTF Board of Trustees introduce themselves. (Introductions were made by all present.)

3. Establishment of USSA Quorum: Alex Natt

Natt confirmed the requisite number of members present for a quorum.

4. USSA Agenda Approval: Dexter Paine

Paine asked for a motion to approve the USSA Board of Directors' agenda as submitted.

Motion # 1: To approve the USSA Board of Directors' meeting agenda.

M/S/C – Bob Dart/Glenn Eddy, approved by acclamation

5. USSA October 2008 Meeting Minutes' Approval: Dexter Paine

Paine asked if there were any changes to the minutes from the last board meeting, then asked for a motion to approve the October 2008 USSA teleconference meeting minutes.

Motion # 2: To approve the USSA Board of Directors' meeting minutes as presented.

M/S/C – Patrick Weaver/Andy Daly, approved by acclamation

6. USSA Bylaw Amendments: Alex Natt

Paine asked Alex Natt to discuss the bylaw amendment and then take the vote to ensure the vote was taken with the full quorum present.

Natt stated that the board had previously received, in Tab P of their USSA board books, the bylaw amendments being proposed. These amendments in sum extend the term limits for directors on the USSA board from four to six consecutive terms. The amendment was proposed to maintain consistency and continuity on the current board in light of the extraordinary economic times in which we were in, and he reviewed the following:

"The first amendment would modify Article VI(A)(3)(a) of the Bylaws to extend the length of a Board member's term from four (4) to six (6) consecutive terms. This amendment is desirable because, due to the current international economic turmoil, together with the USSA's intention to build a sustainable strategic plan, it is prudent to extend the ability of Directors to serve on the Board for longer periods. This amendment will allow Directors the opportunity to use their expertise through at least three (3) Olympic Games, thereby maintaining continuity for the USSA's constituent groups.

The next amendment is found in Article VI(A)(7)(a). This amendment permits the Chair to serve more than two (2) consecutive terms and clarifies that notwithstanding the change made in Article VI(A)(3)(a), the election of a Director currently serving on the Board, to the office of Chairman does not permit that Director to serve more than the six (6) consecutive terms on the Board as is specified in the Article. This amendment is desirable as it permits continuity in leadership on the Board during these difficult economic times.

The next amendments are found in Articles VII(A)(7)(b) and (c). These amendments track the amendments to Article (VI)(A)(7)(a) and permit the Vice Chair and Treasurer to serve more than two (2) consecutive terms. The amendment is desirable because it permits continuity in leadership on the Board during these difficult economic times."

Natt said he would take any questions on this before asking for a motion to accept the bylaw amendments. Paine said that this had been discussed a couple of times in different meetings. As Natt stated, we are in a difficult period in terms of revenue generation over the next few years and the feeling was that consistency among all board members during this period of time, particularly given Bill's willingness to stay through 2014, would be very important and he asked if he could get a motion to approve the bylaw amendments.

Motion # 3: To ratify the USSA Bylaw Amendments as presented.

M/S/C – Hank Tauber/Andy Daly, approved by acclamation

Paine asked if Natt had anything else he needed to address while a full quorum was present.

Natt replied that we had the quorum necessary for conducting the meeting as well as for approving the bylaw amendment so the regular conduct of the meeting would be fine at this time.

7. **Chairman's Report: Dexter Paine**

Paine said that he wanted to say a couple of things about the past year. It was an extraordinary year in terms of athletic results, particularly athletic results across all of the disciplines. Winning in aerials in Moscow, or winning World Championships in a lot of different places, the performance of the athletes and their handling of their performances was really terrific. He said that we had great athlete representatives as well for the US and USSA. People did an extraordinary job. The interaction with the athletes and their reaction to the Center of Excellence over the last few days had also been terrific. He said that all of this set the stage for 2010 in Vancouver. He said that a great job had been done in setting that stage and that we were well positioned for the Olympics.

In terms of the organization, he said that Bill Marolt had agreed to stay through 2014, which was an extraordinary commitment on his part. Marolt had said originally that 2010 would be the end and we were extremely lucky to get him to agree to stay until 2014.

He commented that Luke Bodensteiner had been promoted to run all athletics and it was a well deserved promotion and one that would serve the organization well for years to come. He said that he had had the opportunity to work with Luke and that he was smart, decisive and would be a great leader in that position.

Bill would address the turnover on the Foundation front, but in the meanwhile, Dick Coe had agreed to step in as the interim vice president for the second time in the last year. That is a position, he stated, that we found challenging to fill and needed to do a better job next time in filling that position, which had been challenging since the departure of Tricia Worthington.

Finally, the Center of Excellence, he said, was an incredible building and would serve the organization well for a long time. He encouraged anyone who had not yet taken a tour to do so. In terms of challenges, the current financial situation was one which had already required effort on the organization front. He stated that the entire organization had taken a 10% reduction in pay in January. In his eyes, this made the employees the largest donors to the organization. It impacted the CEO down to the receptionist. He said that this year would also be difficult.

The priorities over the next year would be Vancouver and he said that we were well positioned for Vancouver. We had not cut the elite programs. We were focused on winning medals and, finally, as a board, we had undertaken a strategic planning process, centered on what the organization looks like over the next four to eight years. Andy Daly agreed to chair that and the work would conclude sometime next spring; and when that was done, the communication of that to the membership would be really important. They were focused on where the USSA could be successful over the next four to eight years. Where resources could be best used to maximize medals and trying to deal with the situation of getting more and more events thrown at the organization by the IOC and the FIS and trying to figure out how, with limited resources, we use those resources best.

Going through that process, everyone on the USSA board needed to remember that they were fiduciaries and that they were not representing alpine or nordic combined or snowboarding. The goal was to make the decisions that were ultimately best for the organization to move the organization forward. The job was to make sure that the organization was strong and successful not just next week, but ten and 20 years from now.

He said that these meetings were always easy when there were no difficult decisions, but there would be difficult decisions that would have to be made given the financial outlook over the next few years. One of the reasons for this term extension was that we have a great working group at the USSA board level, but he warned we would have to work hard and be required to do some things that were difficult. Given this group and the staff, the right

decisions would be made, he said. He mentioned that the strategic planning group was being led by Luke on the staff side. We will make the right decisions, he said, but some of them would not be easy. With that, he turned the meeting over to Bill Marolt.

8. Chief Executive Officer's Report: Bill Marolt

Marolt stated that he would echo what Dexter had said. This has been a terrific weekend, he said, as he looked back over the past few days. He realized the quality of the work and the enthusiasm on the part of everyone who was here working together. He also thanked John Cumming for the previous evening.

Marolt said that he would discuss four items. He said he would be reiterating some of the things that Dexter had commented on – the 2008-09 season and a bit more on the strategic plan and summarize the Center of Excellence and look at the opportunities as we moved forward to Vancouver.

In terms of the past year, as the season unfolded, as we saw the increasing number of medals and World Cup titles and podiums across the board, it really was a remarkable year. I spoke about this – that all of the athletes and coaches had done a great job and the one area that was truly outstanding was the nordic and nordic combined effort, he said. They were the athletes who had utilized this facility to its fullest. They figured it out early. They moved to Park City and all the athletes had spent a lot of time here. He said that last night Bill Demong had addressed the group, discussing his progression, which had been steadily upward. That was a result of his being here and spending the time and doing the work that it took to be great. The results provide great momentum going forward. It was good for attitude and summer training preparation and looking forward to next year.

The only critical issue in the entire athletic staff right now was the fact that Jesse Hunt had resigned, so a new alpine director would be needed. He said that one of the great frustrations of the organization was that good quality people were developed and over a period of time and, for many reasons, such as family and the work of travel and moving throughout the world, wore people out. Fortunately, he said that Jesse would be remaining in town and would continue to be a resource for the organization. He would be involved with the FIS and the USSA alpine committees.

In terms of the economic climate, that had been mentioned and would be further discussed by Mark Lampe. FY '08/09 was the first time in the last 13 years that we were not able to operate at a surplus, he commented. Ultimately, the way the challenges were managed, the organization was still ok, but FY '09/10 would be a challenging year. Every bit as challenging and perhaps more so than the one we just went through, he said.

Many of the meetings in which fundraising and corporate sponsorships were discussed; these were discussed as needing a new business model, as requiring a paradigm shift. We would be unable to find the big gifts that we'd been accustomed to receiving. There would need to be a lot more grass roots work and a lot more increasing the numbers rather than the amount of the donation. The staff understood this. He used the gold pass as an illustration of the cornerstone of the fundraising effort. He said that they were targeting the start of the program June 1 and targeting September to have all 400 of the gold passes sold.

The executive staff, he said, as Dexter mentioned, Luke Bodensteiner was given the vice president, Athletics title and in a short period of time, he moved from Nordic program director to high performance director to vice president, Athletics. He had done a terrific job. He exhibited great leadership. He understood delegation and managing. The work he has done with the program directors leading to Vancouver has been extraordinary, he stated.

In terms of the vice president, Foundation, it was unfortunate that the most recent hire turned out to not be a good match. He said that it was critical to find those individuals who understood and had a love for skiing and for what we do. You have to be willing to put in extra effort. He said that they would be looking for someone who had really good people skills and understood what we were doing athletically and a leader. The other can be taught. He said that under Dick Coe, he was confident that the Foundation staff was focused and going in the right direction.

On the strategic plan, he said, that it had occurred to him about a year ago that we needed to take a serious look at where we wanted to be four, eight and 12 years down the road. He said that we did a very good job of annual planning and had a good five-year plan always in front of us, but he wanted to put together a group that would take a deeper and a more long-term look at how to operate and leave this company. He spent a long time discussing this and selecting the members of the committee, which were a good cross section: athletes, USSA board members, trustees, and industry. The meetings have been terrific, especially the one recently concluded.

The goal was simply to construct a sustainable business model that provides consistent funding to programs and capitalizes on the opportunities to achieve being best in the world. He said that providing consistent funding was the key. There needed to be consistency so that programs did not suffer ups and downs in revenue streams. When up, we tended to spend and add and then in the down, we have had to reduce and that is not the way to offer the best service and leadership to athletes and staff.

In good times, when we have incremental dollars, invest them in something that would benefit the entire company. This building, he said, was an example of that. Creating a place for early snow in the fall was another project that would help all programs. He was looking at places in Colorado where there were opportunities for early snow, elevation to blow snow and have the month of November to train. This would benefit all the clubs. He mentioned Erich Sailer and the number of kids he had coached, and he said these were the kinds of guys we needed to provide leadership and support to and this Center of Excellence would do that.

The strategic plan was looking primarily at Athletics, but it also included marketing, communications, events and fundraising, the entire cross section of the company was being reviewed. In terms of a timetable, the plan was to be ready to make recommendations by March of 2010 and in time for the USSA Congress.

The Center of Excellence, he said, was a world-class facility. He said that he did not know of many of these facilities around and that this was as good as any in the world. The goal of providing best in the world service to the athletes was paramount in the thinking and as the athletes had taken part in this – everyone had been included in the planning of this. This is the home of the athletes.

In terms of the future, building the development program was absolutely critical, he said. This building would be a large part of that with the ability to communicate more effectively, bring coaches and clubs into this building to provide education. He said it would be a while before it was up and fully running. The staff and athletes would have a learning period and, after that, it would be opened up as a tool for the entire program.

In looking at Vancouver, he said that the organizing committee and city had done a really good job and had great coordination among the government entities and this would provide a great Olympic opportunity. Anyone who goes, he said, would have a really good time. Coming out of the last year with the momentum we've accrued, we've an across the board opportunity and could literally medal in any event in which USSA athletes compete. That has not happened often in the past, he said.

The lessons from Torino, where we had a strong team and a good effort, but not a great effort, he said - we want a great effort in Vancouver. We want a sense of getting it done in Vancouver. He said we would be focused and ready. There were certain things that could happen in a big athletic competition: "When you go in, your athletes are prepared and they carry the day; when it's the best is when the athletes are prepared and the staff is prepared; on game day everyone has to be ready. Physical preparation, on-snow preparation, and sense the opportunity and made sure we've created the sense of urgency. It's all out – the time is now."

9. Financial Report: Mark Lampe

Lampe said that all had heard from Dexter and Bill and many had sat in a number of meetings where the finances were discussed; the strategic planning committee, the executive committee meeting and others, and in October at the USSA teleconference meeting. At that time, we were just starting to realize what the economy and the change in the financial markets would mean to this organization. In December at the Foundation board meeting, it was becoming clearer what would happen. At one point, we were looking at a possible \$3 million shortfall. We've done midyear cuts before and they are tough to do. We've done cuts at the beginning of the year, which were also difficult to do. This one, we could also see on the horizon that the economy was not likely to change any time soon and knew that it would have significant impact going into 2010.

The actions we needed to take needed to benefit FY '09/10 and also FY '10/11. The first thing done was to go into an immediate hire and travel freeze. Only essential travel was approved. We started to look at all administrative departments looking for where we could cut costs in Events, Marketing, PR and Foundation. The Center of Excellence grand opening plans for March were eliminated.

At the end of December and realizing how deep this problem would be, the 10% wage cut became a reality and it also included a number of layoffs in the organization. Nevertheless, in the face of adversity the program directors and coaches did an amazing job. They put that back into the bottom line and did not significantly impact the athletic programs.

We ended up with a \$1.4 million decline year over year partially offset by savings in Athletics and S, G & A. As Bill mentioned, we will end the year with a deficit for the first time in 13 years. The reason for that is that we were also trying to identify the kind of challenge ahead. Historically, a sense of pride wanted us to always be break even with a small surplus but also this was due to requirements of our financial institutions.

The forecast for this next year is that we need to run a \$177,000 surplus. Our debt service climbs significantly so we need to deliver this surplus. Knowing that, that is where we started to build our budgets. We knew coming out of FY '09/10 that this would be a very challenging year to get everything to balance. We've been digging to find the savings and still achieve our goals for Vancouver, first and foremost.

We are left with a \$2 million challenge. If we find that the revenue starts to pick up, we always have a function in the organization where we periodically release mid-year initiatives based on that revenue getting stronger. Some of the teams are hoping that March will be funded, but are advising their coaches and athletes to be fully prepared that that part of the program may not get funded. Other areas may include higher levels of self-funding for lower ranks of the teams. It's not something that we like to do, but given our financial state, it is something that we have to do.

He then mentioned the endowment grant which had dropped from providing \$1.5 million down to \$1.2 million in funding to the teams. The endowment suffered like any other in the country.

There is also a new number of revenue to find or reductions of \$774,000. To hit the surplus required, we need this additional funding. That cut would be extremely painful and would start to impact Olympic-level performance. There are some unique one-time revenue opportunities that look likely, including a trustee who has taken on the challenge of doing a one-time specific fundraising for the organization to help close this number. It will be a lifeline to the organization this year. We also have some USOC core projects and Olympic-related projects to fund. The USOC is also struggling with a tough financial year and are also dealing with layoffs and similar situations. They will most likely deficit spend to support the winter sports going into the Games.

A lot of questions came up regarding the Center of Excellence and its costs. As Bill mentioned, it was an amazing project with many staff having a lot of input, starting with Andy Walshe and other sport staff asking what we really need and the building was designed to have multiple functions. Each room has many functions. They could provide revenue opportunities in almost every room and built them with flexibility to deliver more revenue to the organization. He mentioned the additional space that was not yet needed and that was going to be leased space to help support the building over the next five to ten years. Athletics, he said, would grow over time and eventually expand into those spaces on the 2nd floor; the 3rd floor would most likely be permanent space to generate revenue for the organization.

Lampe said that that concluded his financial report and Paine asked him to continue with the Investment Committee report.

10. Investment Committee Report: Mark Lampe for Jim Swartz

Lampe said that the Investment Committee, chaired by Jim Swartz and J. Crandall had a number of trustee participants who were very active and a blessing for the organization to have that kind of expertise and participation. He reviewed the endowment balances. He said that it was easy to see how tough the calendar year for '08 had been. He said that they had asked Weisel Partners to do a peer study and found that the endowment was in the middle of the pack and the median loss was 26% so ours was in a similar ballpark.

He mentioned that the portfolio was recovering, currently up 2% for the first four months of the year. The Investment Committee made a call to go to cash about a year and a half ago for new contributions and liquidated a couple of funds which helped to weather the storm a little better. If that action had not been taken, the loss would have been greater. As the troubles were viewed for Bear Stearns and Shearson, they checked the portfolio to ensure no troubled managers were in the portfolio and we were fortunate to not have any of those.

11. Audit Committee Report: Mark Lampe for Greg Boester

Bill Shiebler commented that there was the review of the audit process which was about to be finished and they would be meeting with the auditors sometime next month.

Lampe said that we needed to ratify the selection of the auditors and the committee felt that it was important to remain with the current firm. There was no reason to leave them and we were currently negotiating for a fee reduction given the environment, and they were considering that. The audit firm is Schmidt, Griffiths, Smith. Paine asked whether the outside committee members were comfortable with the firm, which was confirmed.

Motion # 4: To ratify the selection of auditors.

M/S/C – Hank Tauber/Andy Daly, approved by acclamation

12. Athletics Report: Luke Bodensteiner

Bodensteiner started with the report card against the vision of being best in the world. He stated that it was an exceptional season for the team. Congratulations were due, he said, to the athletes and the athlete reps, but also to the board for providing the leadership to allow this to happen. He said that there were two basic components that went into performance like this – great athletes and great leadership – including the long-term strategies that had been in place for a length of time and it took a long time to generate performances like these.

He said that we were confident as an association coming into the next nine months. All were keeping their focus and continuing to refine the programs. There were notable team performances such as snowboarding. This is a sport in which the entire team does not participate in the World Championships so that number will change next year. He said that we were confident that we would exceed the performance next year in snowboarding. In alpine, also a strong season overall. Switzerland was a resurgent team and Austria was ranked in their typical position. We had three medals and a lot of athletes bubbling up into position to make more strikes in that area. We had dominating performances in nordic combined, they won all the individual competitions. In freestyle, the performances are picking up. Austria won three medals in skicross and capitalized on the new discipline.

Performance over time shows an upswing. Austria and Norway were dominant in halfpipe and have been best in the world and are the challenge for the USSA. He mentioned that we were nine months out to Vancouver and showed the slide from last year where we attempted to gauge progress toward goals with podium potential athletes and strike rates, which are how good we are at delivering athletes to the podium and started to draw some conclusions about what the outcome would be for this year. It was a good gauge for us, he said.

He explained that overall, we saw progress leading into this year. He explained that medal projections were useful in that they helped to define and target programming to capitalize on the different medal opportunities. This comes in handy when going through budget reductions as we did this year. We were able to manage a process where we were able to select the least impactful programs to eliminate and to protect the most impactful. We use the process to drive development of the teams. We know where the performing athletes are in the teams. And then we can push the elite teams and dive down to bring in the younger athletes. It also allows us to hone in on maximum team sizes.

Until now, there was not a great way of managing the size and scope of the different teams, which created difficulty in planning. It also created difficulties in consistency in providing programming for those teams, where you could have 30% swings in terms of athletes you were trying to put in a program. Now, we are going through a process of learning how many athletes a squad needs to generate the results that were needed now and down the road.

In the adaptive program, there were great results with the team also in an upswing.

- 7 World Championship medals
- 4 World Cup titles
- 3rd in Nation's Cup

They were currently focused on development and were having success in bringing athletes onto the team. Over time, the team has become a team of sit skiers predominately and now there is an effort to recruit more standing and visually-impaired skiers into the program. They are engaging more people with development camps.

He mentioned the continued strong fundraising with SkiTam. It was important to get that sustainability created for them. Finally, as part of the USOC cutbacks, there was a huge work force reduction which creates a good opportunity for us to get into a better leadership position with that team. USOC had definitely cut back on the man power support to the USP.

On the sport education side, Finn Gundersen was hired as the director of sport education. He worked for years on the alpine education program. He now has stepped into the lead role. He is working on hiring an alpine education manager to replace his duties.

The Center of Excellence is a great educational opportunity and it will feature into the education moving forward with a new strategy to drive information out of the building to the clubs. In July a series of vignettes will be produced weekly through the web to broadcast out to the membership and clubs and coaches to feature what is going on at the Center of Excellence. They will focus on multi-sport, multi-disciplines, sport science, medicine, nutrition and targeted at the entire membership. Some will focus on youth athletes; others on pro coaches and the whole broad spectrum. He commented that we would be learning a lot in here and what was learned would be shared with the community.

He said that we were now installing the beginnings of education programs for the other sports. He said that clinics had been started in freestyle, snowboard and nordic. DVDs had been produced as well as manuals for the first depths of the certification systems.

Finally, under Walt Evans' leadership, the pipelines have been re-developed. Last year we showed you a revised pipeline which would focus on the steps with a descriptor of the technical and physical capacities that need to be built in so that coaches, clubs and parents could understand the system better. All of the sports are piecing this together. It is a strong model for us with a lot of detail being developed behind those summaries to direct the clubs in a similar fashion and to focus on maturity-based training and preparation so clubs and parents understand what needs to be delivered to their athletes.

In sport science and medicine the following continue to be the focus:

- Physiology
- Strength and Conditioning
- Biomechanics and Technology
- Psychology
- Sports Dietetics
- Education
- Prehab/rehab

He discussed a new focus of preventative rehabilitation to reduce injury cases and repairing athletes and protecting them on the front end. He discussed back injuries and repetitive movement injuries. All the sports are now looked at and strategies are being developed to protect the numbers of days and the training volume of the athletes.

In the Athlete Services program, changes were made to make that department run more efficiently. He explained that the Athlete Services program has been retained but the position broadened to include supplier relations. The on-line store has been outsourced and reduced the workload such that this position could take on the Athlete services area, overseeing the education program/career services with our partners such as the USOC, alumni relations, and supplier programs.

Bodensteiner said that this was not an easy time for the suppliers and they were facing challenges as well. However, it was good to have someone to manage these relationships that are so important to the athletes.

Finally, the athlete survey was introduced and he said that it had been a good tool to uncover areas where programming could be improved and improve the communication back to the athletes on how we operate as we do. We have been working Athletes' Council to staff and then pushing the initiatives out to the sport staff to generate the appropriate activity and response. There was a great meeting yesterday and a good action plan has been developed moving forward.

Bodensteiner said that he needed to provide an update on the competition services piece. There were changes made to the delivery of the competition guides. They will be sent to the officials and coaches, but not the athletes. All the information will still be available on line and we believe that is appropriate for the athletes. We started the on-line enrollment process this year, which streamlined things and provided better customer service for members. The next piece of that will be on-line event management and competitor registration. That will be another good customer service for the athletes and clubs.

13. USSTF Report: Dick Coe

Coe said that he wanted to speak to a couple of things on the Center of Excellence. He said that Bill had asked that it be as environmentally sensitive as possible. As we chose the construction team and designed the building, we tried to get as far as we could toward LEED certification. We hired Jacobsen Construction because they had four of the five LEED-certified buildings in the state. The whole construction team was focused on that.

Even though this is an athletic facility, Bill also did not want it to look like a Gold's Gym and it doesn't. He said that the mandate was to put the 'wow' factor into the building. In the halls, you'll see the posters from all the Olympic Games. Those were purchased in anticipation of the building being constructed. Renditions of the USSA's Olympic athletes and World Championship medalists will be hung, so the building is aspirational as well as inspirational.

Coe said that the numbers had been discussed by Mark Lampe and that it was a tough year right in the sprint of fundraising season. The economy started to sag and the impact was noted. 325 of 400 gold passes were sold. We are going to sell all those out this year and that will have a significant impact on the bottom line for the FY '10/11 budget.

Special events did better than expected due to the efforts of Ruth Flanagan and her staff who cut costs in all of the special events. That number would not have been as good without her attention to detail. Major gifts were where a huge hit was taken. As people began to retrench it became difficult to raise money.

Direct marketing - We are in the process of trying to find another firm. We stopped direct marketing during the year since it was not getting any lift at all.

The goal for next year is a significant increase. We are focused on that and we have the opportunity to make those numbers with some creativity. He said that the bar had been set at 340 gold passes sold. We are looking to sell all 400 of those this year, he said. This provides significant revenue for all of us. The campaign will start on June 1.

In major gifts, we will try to expand the donor and fan base so that new revenue can be found for the major gifts area.

The goal for special events this year is tough. Staff has already gone out and met with the regional committees. They are fired up to help as much as they can. Each of the committee members is committed to getting us to the numbers needed this year. With their help in the communities, we should do well.

In addition to ski balls, we are attempting to set up as many local events as we can in donors' and trustees' home across the US. In Dallas, for example, Julie Silcock has been able to raise a significant amount of money with virtually no expense to us.

Team Vancouver Wave I is completely sold out; Wave II has nine packages to be sold. Staff would travel to Vancouver in a few weeks to continue to work on the details.

The Center of Excellence has a package for extra equipment. Richard Quincy put together his own campaign to fundraise with his own 125 doctors and they have stepped up by opening their wallets to fund items in the sports medicine area.

The Medals campaign was discussed with the trustees (similar to a college brick campaign). It is \$1,000 for gold medal, \$500 for a silver medal, and \$100 for a bronze medal. All areas associated with skiing and snowboarding will be targets.

The Legacy campaign is not yet complete. Over the next few weeks, we'll put together our plan for completing that campaign.

In direct marketing, there are two firms currently being assessed. Both have good packages and should enable us to meet the goal of \$200,000.

In conclusion, there are some great revenue programs that the trustee group and staff have put together and we will continue to execute those programs as best we can. If we build out the Team Vancouver to capacity, that will help crack the \$770,000 revenue to be found.

Once more money is in the Legacy campaign that will generate more money for the Athletic program. The Medals campaign is important. He added a kudos to the trustees and donors who made the building possible. A goal was to continue to provide strong customer service to them.

From the fall meeting came the request to expand the fan base and donor base. Internally, this has been discussed over the last six months as to how to activate this. Again, we need to figure out ways to partner with the resorts. Without them, there is no place for the athletes to compete, train and do the things they need to do. We are working through how we can provide value to the resorts. Between the two of us in an Olympic year, we can have an impact on the American public and increase their awareness of skiing, snowboarding and our organization and how they can help.

14. Sales and Marketing Report: Ted Morris

Morris said that they ended up 10% down vs. last year, which was disappointing but compared to other league properties and national governing bodies, we probably did a little better than everyone else. What was disappointing was that, as we were headed into a No. American Olympic Games, we weren't able to turn this into a positive 10%.

As we head to Vancouver, you are looking at Snowboard halfpipe and moguls and aerials being live on NBC in prime time. This is the first time in the history of the Olympics that any USSA sports are presented live on prime time, which should be a huge opportunity.

Overall, from the past year, we were down 10% in net revenue. All major areas were down with the exception of TV rights where we were able to grow that slightly. We did what we could when we saw what was happening in September. We tried to cut what we could in sponsor hospitality and we cut TV production where we could by making reductions in cameras and staff on-site.

The big key for us was that the Snowboard Grand Prix went unsold this year. Chevrolet was the sponsor for over ten years, he commented, and it is a great property with a lot of value in the marketplace and we had four or five near misses on this from partners with whom we thought we had deals done, but could never get them to paper for budget cuts or other reasons. It was disappointing. The Grand Prix this year is the competition that qualifies the SB halfpipe team for the Olympics and we are optimistic about getting some positive momentum for the Olympic year.

Weak TV sales – we'd go into the year with 30 to 40% of the inventory unsold. The rest is sold to our long-term partners and traditionally we get that sold throughout the season. This year there was absolutely no marketplace. It was very hard for us to compete with the NFL and NCAA inventory when they had a lot of inventory available.

On the good news, we are lucky to have so many good long-term partners. We were also able to renew Sprint in late August, which was good for us as they renewed for three more years.

Finally, we were able to add three new partners; Alka-Seltzer Plus and X-box and Namco, which is a software video company producing the video game, we ski and snowboard.

From the content distribution side, 12 1/2 hours is schedule this year on NBC, 45 hours on Versus. Universal Sports (formerly WCSN) was purchased by NBC and rebranded as Universal Sports and provided fantastic coverage. They are heavily vested in our sports covering the World Cup top to bottom. They are now approaching 60 million households. That is due to the NBC purchase which expanded their distribution. Same day coverage with multiple re-airs.

GO211 had live coverage of the Grand Prix and became a fantastic promotional partner, getting the word out on the Grand Prix.

On the brand building front, we received over \$1.2 million in media value on a zero budget. This is one in which we work with our partners. Since the inventory did not sell on NBC we aired these spots on NBC, Versus, Delta ran it in flight and RSN ran them. We also ran print ads in *Outside*, *Snowboarder*, *Ski*, *Skiing*, *Newsweek* and a campaign ran in ski resorts.

Another part of getting the brand out is what our partners do with it, and Nature Valley granola bars appeared in over 8 million boxes with logos and athletes. Sprint did a campaign featuring the athletes and he closed showing the Audi and the Alka-Seltzer commercial spots.

15. Events Report: Calum Clark

Clark stated that he wanted to talk about Beaver Creek and that those who were there, suffered some very significant weather issues with significant snow and in response to that Beaver Creek responded with more winch cats ever put on any World Cup hill in history in order to deliver an outstanding competition.

The Freestyle World Cup in Deer Valley is a huge event with great entertainment. This year we also partnered with Park City Mountain Resort to deliver the first halfpipe World Cup in the US. This was a tremendous event with great support from the community. It was great to see an absolutely outstanding competition. It also provided an opportunity for communication with the freestyle and halfpipe community. We have had ski halfpipe now in the national championships, but an elite level World Cup provided an opportunity to engage with that community to discuss the future of that sport.

The Snowboard World Cup was moved to Sunday River, Maine. They were very proud to be hosting a Snowboard World Cup with a snowboardcross and PGS. They consider Seth Wescott their home athlete. The community responded in spades. They turned out masses. They threw everything at the event. He commented that it is a major undertaking to take on a World Cup in a first year and they responded as pros, delivering an outstanding, memorable event and the community had an excellent experience.

There was record attendance at Sunday River, Deer Valley and Beaver Creek. There were incremental improvements in the turnout; however, the overall experience was a 15% fall. Some of those were not economic. At the national championships in Alaska, it proved difficult to get outside most of those days due to the volcano and the airport was shut down, which had a significant impact. Sometimes, it was the economy; sometimes it was the mountain blowing up...

On the VIP experience, we had record attendance at Beaver Creek and Deer Valley. The classic World Cups continue to bring value to the organization and the Killington Grand Prix, the final of the season had a great turnout from the eastern sponsors to watch a great event.

Yesterday in speaking with the board of trustees he talked about how we treat our elite events as not only an opportunity to host the event, but as a platform for leveraging the events for maximum athletic success. A part of this is delivering home team advantage and preparing ourselves in the best way for the Olympics. This year we worked with Walt Evans and Aspen to deliver a post-World Cup national development system training camp, which was an outstanding opportunity for a young athlete to get on a World Cup prepared hill and the kids got a lot out of this and delivered more revenue to the resorts with additional room nights and a bunch of young kids who could roll B net.

Beaver Creek has an ongoing commitment to deliver to USSA a training program and this continues to be the home town advantage at Beaver Creek. The athletes develop a familiarity with the course as a launch pad for success on that hill - enabling athletes to be able to go out with confidence on that hill.

This year, in freestyle, we took a challenge and turned it into an opportunity. We hosted the aerial portion of the national championships at the Utah Olympic Park and in partnership with them were able to rebuild the aerial venue and deliver a training camp at the end of season for the aerial team. They got onto a World Class aerial site dedicated to them and refocused on basics in getting ready for the Olympics.

In Snowboarding, we had early season training opportunities at Copper. They delivered an outstanding venue early season and we are looking to continue that this year. We delivered two 22' domestic pipes which was more than was delivered by the FIS in World Cup. The 22' pipe is the Olympic specification. We are aiming to deliver that specification to help our athletes be familiar with it prior to the Olympics.

Finally, we have built a relationship with the builder of the Olympic SBX course. He has been working with us over the past four years and we have a tremendous relationship here. The story is developing familiarity with the courses, developing that partnership and he is open to sharing his skills and knowledge and developing that knowledge to the domestic programs.

Looking ahead to next year, he reviewed the World Cup calendar:

Nov 28-29	Women's Alpine WC – Aspen	SL/GS
Dec 4-6	Men's Alpine WC – Beaver Creek	DH/SC/SG
Dec 18-20	Snowboard WC – Telluride	SBX/PGS
Jan 14-16	Freestyle WC – Deer Valley	MO/AE/MO
Jan 22-24	Freestyle WC – Lake Placid	MO/AE/SX

He next reviewed the Snowboard Grand Prix calendar:

Dec 11-12	Grand Prix #1 – Copper Mountain	22' HP/Exhibition
Jan 09-10	Grand Prix #2 – TBD	Double 22' HP/Exhibition
Jan 22-23	Grand Prix #3 – TBD	Double 22' HP/Olympic Team Announcement

Olympic Selection Events (partnered with the USOC; 1 ½ hrs on NBC):

Dec 29-31	Olympic Trials – Steamboat Springs Nordic Combined; Freestyle Aerials; Freestyle Moguls
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Dexter commented that coverage on Universal was terrific.

16. Communications: Tom Kelly

Kelly thanked those who had participated in the Resources and Marketing Communications meeting the prior day. The meetings had been productive. He said he wanted to start with where we were on the communications audit. This was an audit undertaken two years ago and it continues to be our roadmap and continues to provide a focus for the organization's communications, he said.

A year ago we implemented a communications plan and started a succinct company messaging program, hired a communications manager, re-launched the USSA.org website to provide better content access and started stakeholder and athletes' communications' training. This year this was expanded. We deployed two new websites. USSkiTeam.com and USSnowboarding.com. We expanded the stakeholder communications and individualized the communications training.

In the stakeholder communications, he said, we are now going out with products to all groups and many of you receive these. Excellence goes out to the membership base and its primary purpose is to drive the members to important athletic content on the USSA.org website. Gold is the communication to fans. It's fun. It has interviews with athletes. It has Q & A and provides insight into what is going on behind the scenes.

Champions is a piece that goes out to all elite athletes and we have internal pieces that go out to the staff and specialty pieces that go out to our key athletic staff. Thanks to input from last December we are getting out a weekly update, which provides a complete executive summary of what happened over the weekend.

Communications training is an area we have invested in as a company to help educate athletes and staff on how to best communicate. One of the main purposes is to create athlete advocates so the athletes go out and tell their story and incorporate the story of the organization. One of the key tools in this is the agency Fleischman Hillard. This year they were brought in not to do group training but individualized training. Last year they trained between 15 and 20 of our top athletes. The same program will be implemented this year. Last week they did training for 11 of the athletes. Another session is planned this fall in Chicago. They are top notch and have done a good job with the training.

In addition, we will be using the facilities here at the Center of Excellence to develop athlete and staff training workshops throughout the summer as athletes and staff are here, helping to educate them. We want to make sure that staff is well educated on the scope of the Olympics and what to expect when they get there so they understand that there will be a lot more media interest in what we do.

Lastly, he said he wished to cover a couple of points from the trustee working group from last December. Ted would report on the outcome of yesterday's meeting. There were two main areas that we looked at. One was fan communication and revenue support.

One of the interesting projects that came out of this was to look at a way that we could build the fan base through interaction with skiers and snowboarders at the ticket window at resorts with an add-on contribution that would come back to the USSA. As this has evolved, it has changed form, but he wanted to thank the resorts who have helped with this program, particularly John Cumming, over the past few months. We should have more to report on this program in December.

Marketing and social media was a big topic to help us reach youth. We have now deployed Facebook, Youtube and Twitter channels. These will help us collect fan information and allow us to communicate directly to those fans and they provide us with additional news channels so if you are a follower on Twitter, if you see a story on Todd Lodwick, you click on it and it brings you back to our web site.

17. **Sport Committee Reports/Action Items:**

Adaptive: Luke Bodensteiner for Chris Waddell: Bodensteiner announced that Chris Waddell had been selected and accepted the position on the USSA board and Erik Petersen would continue to serve as chairman of the Adaptive Committee. It's great to have Chris back involved.

Recruitment and development as mentioned previously are key areas of focus for them. They are redeveloping that team and have done some outstanding work as a staff, including recruitment among the Wounded Warriors. We have Jon Kreamelmeyer in place as the new Cross Country development and recruitment coach. He has run a number of outstanding programs at different resorts and has had some immediate impact on bringing new athletes to the sport. On the same front, they have been working with U. S. Paralympics working with their development coordinator on the recruitment of alpine athletes.

On the international front, the sport committee chairman is part of the Alpine Technical Committee and Sandy Metzger is taking an active role on the IPC Cross Country Sport Technical Committee and works with the FIS subcommittee for Skiers with a Disability. They are headed over to their meetings in Europe today.

Alpine: Bob Dart said that there were two action items for the board. One was to recognize a J6 category for athletes 8 years of age and younger, to keep them from feeling frustrated about skiing against 9 and 10 year olds.

He then referred the board to Section R in the USSA board meeting book regarding the restructuring and amendments to the Alpine Sport Committee Operating Procedures. The changes were outlined in the book and that is what was done in the committee meetings and approved by the Alpine Sport Committee.

Lastly, he wanted to thank all the alpine volunteers and staff who put the hard work in over the season and putting the focus for 2010 and forward. We had over 100 volunteers here with over 50 hours of meetings – over 2,000 man hours over the last four days of meeting.

Paine asked whether to approve the motions individually or hold them to the end. Natt recommended asking the board members if they had questions on the specifics of each sport's action items and then ask for sport-by-sport approval. There were no questions.

Motion # 5: To approve the revisions proposed to the Alpine Sport Committee operating procedures and the addition of the J6 category of athletes eight years of age and younger.

M/S/C – Bob Dart/Patrick Weaver, approved by acclamation

Cross Country: Jon Engen said that he had three items for the board and one that would require the approval of the board. He thanked the central office in Park City as well as all the regional clubs working for cross country at this time. He said that we had incredible momentum and that clubs were eager to host events. He commented on the increased appreciation of nordic skiing in general and the resurrection of the appreciation for endurance sports. The results reflect this as well, he said.

He had a rule addition for TD expense reimbursement at USSA sanctioned National Ranking List events (non-FIS/US Championship) to be reimbursed for travel, room, and per diem. Travel arrangements to be approved one month in advance between OC & TD; Least expensive travel option should generally apply; Mileage reimbursement cannot exceed \$.50 per mile; Per diem not to exceed \$30 per day; Private room will be provided in local home or hotel.

Motion # 6: To approve the addition of the TD expense reimbursement rule as proposed.

M/S/C – Andy Daly/Tim Tetreault, approved by acclamation

He then discussed the need to extend the national championships by one day to finish on January 8 rather than the 7th of January, which means a move to the Olympic Selection criteria. That takes a little work.

The final item he wanted to introduce at this time was that the CCSC supports the creation of a Business Development Subcommittee to promote: a greater network of USSA participation from the large Cross Country base with collaboration between this group and the Foundation. He said that this could also easily be named a CC Promotion subcommittee. He said that what they were trying to do was to identify people and create a network that could be channeled to the organization because historically there was very little participation in the larger scope of the organization outside our sport committee. He hoped to improve the participation product and how to receive people and this will be built from the Friends of Cross Country initiative in the Foundation. There is a working group that has started working on this with the Foundation staff. In the fall meeting, there will be a better scope to put on the table as to formalization of this group, he explained.

Paine said that this gets to a broader conversation, whether snowboard, cross country or alpine, there are a lot of different groups out there whom the USSA has not brought into the fold. We need to do a better job of growing our overall membership, our fan base and get people into the USSA fold. This needs to be part of the strategic planning process as well. We needed to be sure to coordinate with the Foundation and everyone else in Park City on all these programs to be sure to remain one organization focused on a similar set of goals.

Freestyle: Glenn Eddy said that there were a few items to report. First, he was re-nominated at the Freestyle board representative.

Last year we implemented an on-snow qualification component to mogul aerials. This winter was the first winter it was in place. There were six or seven areas across the country where the qualifications were conducted and it was a very successful program. Everyone felt that it

would help to raise the bar on the skill level for mogul aerials and should result in higher quality and much safer performances going forward.

The last item is a large project that has been undertaken to edit the entire freestyle competition guide, which has gotten huge over the past 20 years and not as well organized as it could be.

We had an ongoing project with skier halfpipe and slopestyle and moving toward Olympic status. There are a lot of areas not affiliated with the USSA working in these areas so that is an ongoing project and next year, we should see progress in bringing these athletes into the USSA events.

In the fall, there will be a re-alignment of membership votes on the Freestyle Sport Committee with the re-start of the Alaska division. That prompted a change of the voting, which will be presented at the fall teleconference meeting.

Paine commented that the Freestyle program has suffered the most in terms of being thrown more and more events and he said that he appreciated their willingness to tackle all of these items.

Jumping/Nordic Combined: Tim Tetreault for Joe Holland: Tetreault said that there was one actionable item and that was to add the JI category back into the Junior Olympics. The idea had been to get some of the transition athletes onto the larger hills, but that had not worked out that well so they were bringing it back into the JI category. He asked for a motion to approve this addition.

Motion # 7: To approve the addition of the JI category back into the JOs as proposed.

M/S/C – Jon Engen/Bob Dart, approved by acclamation

He had just a couple of items to also report. Chuck Heckert had stepped down as chair and Joe Holland was elected his replacement. Joe is a two-time Olympian in nordic combined. He is still involved in the sport. He has been involved as a Jumping Judge, not yet at the FIS level.

Also, we are currently working on revising the committee membership in time for the fall meeting. There will be a change to that committee and its subset to increase its membership. We are likely to add one at-large spot. That is it.

Snowboarding: Mike Mallon stated that they did not have any action items for the board to vote on today. He wanted simply to provide an update on the meetings. There was great participation at the meetings this year. One of the most active groups continues to be the coaches' education working group. They were successful in building out the Level 100 and 200 programs and hosting over 20 clinics this year and certifying some coaches. The 300 Level is in place and the first clinics at this level will take place at the end of this year. The last few days of the clinic will take place here at the Center of Excellence so they were looking forward to utilizing this resource.

The relationship with the USASA, the grass roots section of snowboarding, continues to grow. He said that the president of USASA was present today and worked with the USSA on the Revolution Tour as a technical advisor.

New for next year, building off the success of the Revolution Tour and our Race to the Cup series, is the creation of the Hole Shot SBX tour. This is basically re-branding of the NorAm boardercross competition.

Lastly he wanted to mention the Center of Excellence and the excitement that it has generated in the group. He commented that everyone wanted to jump on the tramps and get into the foam pit, which created a lot of excitement, but the reaction from our snowboard community to bring the athletes in to the Center created a lot of enthusiasm in the meetings, so thank you.

Paine commented that the snowboard folks thought that they had gotten the best of the facility. For the folks here from the Foundation board, just to explain, each of the people who gave an update is responsible for what is a lengthy set of meetings during the course of this week, which culminate in these rather short reports. They are also responsible for the huge volunteer organization that is under each of these in terms of what goes on during the course of the year and what goes on in terms of rules and structure. He thanked each of them and everyone involved in volunteering in helping us create the kind of grass roots organization that has made us successful.

18. USSA Athletes' Council Report: Tim Tetreault

Tetreault confirmed that there were no action items from the meetings of the Athletes' Council. As Luke mentioned, they did have a great meeting and reviewed the items from the athlete survey from last year and how best to communicate back some of the information that was asked for in the survey. "We had three or four really good outcomes from the survey and the plan is to continue with the survey every few years and refine some of the questions as the survey develops. Luke provided great guidance in the meeting," he said.

The other item that we discussed was that we need to find a replacement for Nina Kemmpel on the USOC Athletes' Advisory Council. Originally we sent a blast to the athletes looking for interest. Now we will take a more targeted approach. We came up with a list of seven or eight names that we all think would be good candidates and approach them. Nina will help with this process so that we can get someone to fill that position as soon as possible.

Paine explained that Nina was elected to take a more senior role within the USOC AAC, which for us is actually a terrific thing in terms of influence and ability to impact the USOC; unfortunately, they believe that she will be conflicted in also holding the AAC role for us. It's good in that ultimately we will have two people vs. all the other NGBs who will have one. He said that she had done a great job in representing us over the last few years in that role. Paine thanked Tim for his work on the USSA's Athletes' Council and thanked him for his leadership.

Paine said that Bill would give the FIS and the USOC reports. He stated that it was fair to say that these were both organizations that we needed to do a better job working with – that they were both very involved in our success and at different times provided challenges with which to deal.

19. FIS Report: Bill Marolt

Marolt said that a group would be leaving tomorrow to travel to the annual spring meetings of the FIS in Dubrovnik. This will be an interesting time with the international federation as a European Ski Federation was being proposed as an association of central European federations led by the Austrians. The Austrians, the French, Italians and Swiss formed a group with the ultimate goal of centralizing the Alpine World Cup back in Europe to the exclusion of North America and Asia. When we first heard of this, we believed it was a threat and upon further evaluation, we believe it to be a serious threat. It's a threat to the overall world-wide ski industry.

For the Europeans to take that narrow a view of the industry and the business of the sport, is non-productive, self-serving and will require us to be aggressive in our response to this organization. We are a good partner in the FIS and it will be incumbent upon us to spend time with the other FIS Council members to ensure that all understand what this federation is about.

The Optimization Plan is a PR program that the FIS put together a year or so ago to do a better job of promoting the Alpine World Cup. Realistically, this European ski problem is potentially a good opportunity to come back and review what is going on with the leadership, particularly with the Austrian member. We need to look at how to make the World Cup an overall better opportunity for all the National Associations, all the sponsors and resorts that host the events. Not much had been done with the plan, but it is a real opportunity for us, he said.

Finally, Vail/Beaver Creek has submitted a bid for the 2015 World Championships as the host federation. It is part of our job to make sure that that is well presented to the international community. There is a big job to do there. There have been two bids that have not done well over the last decade. We need to put our best foot forward and secure this bid. It's important to us, it's important to our overall ability to promote the sport and it's important to the teams to compete in the World Championships on home snow.

20. USOC Report: Bill Marolt

Marolt stated that the USOC was also facing challenges. In terms of current status, they were very focused on the Chicago bid and as I listen to the leadership, they have a good shot to secure the Summer Games, which has been their focus since the close of the Beijing Games. They have had tremendous leadership changes.

Jim Scheer who was the Executive Director for the USOC for the last eight years left the USOC, which was too bad since he understood how these organizations work. He was an Olympic athlete, he ran an NGB, he was the sport performance leader and ultimately was doing a very good job as Executive Director.

These organizations are professionally driven at the top and everything done at the base is volunteer. You have to figure out how to dovetail those two things to make it all work. When you work with volunteers, relationships are important. You have to spend the time to get to know them and that will be a major challenge for her. In addition, her management team has changed so there are a lot of moving parts and we have to keep our eye on that, but we also have to be a part of the solution. As a member of the NGB Council, it's incumbent upon me to make sure that we find solutions and provide good leadership, he said.

In terms of economic challenges, they are going through the same things. Sponsorship, TV rights, the expense side of the formula are being dealt with – while they are in good shape, they are nervous about the revenue for the next quadrennial. The reserve will slip away, if they can't turn the corner on sponsorships and revenue opportunities. The positive thing with the USOC is that we have excellent staff-to-staff relationships. When we work with our peers in that organization, that relationship is really strong. It started with Alan and Luke is carrying on that tradition.

We made our presentation to the USOC a few weeks ago, and from the reports I've received from Colorado Springs, we continue to be well received. They like what we do as an organization and that will reflect on incremental support as we go to Vancouver. Some of the add-ons could make a difference in making that \$177,000 surplus that we need. Ultimately, the USOC will survive and we need to be a positive part of driving that organization forward.

Marolt commented that there were other economic challenges. The ski industry, which has traditionally supported the athletes with endorsement and winnings opportunities, they also provide service. Many of the companies are having difficulty balancing budgets and we see some threats there in terms of service from the various ski companies, which are primarily in Europe. Some of those expenses may well fall back on USSA. We were in the position a number of years ago and ultimately the ski industry recovered and took on that expense but that is another clear problem on the expense side.

Dennis Keller asked how the European Federation could rationalize holding all the competitions in Europe as part of a world-wide organization. Marolt said that we had just learned of this about ten days ago. Basically, it was from the president of the Austrian federation, who had been there for a long time. He is a good business person. He is smart and aggressive and only sees the world through the Austrian prism. He sees full TV coverage and big crowds at all his events, good sponsorship and that's how he views it. He is taking a shot at the U. S. He feels that we are a threat. We've taken our organization another step through great cooperation with Vail/Beaver Creek. We go there every year and they provide tremendous opportunity for development. Our kids come off that downhill and in competition they are strong.

We gain a lot of early-season momentum for ski sport in the country and they have targeted that weekend specifically to push us back a week, which is a threat since we need to make snow, so he can put more races in Austria. He sees Eastern Europe and Asia, as they come on line and those markets open up, they will be organizers and resorts that will want to have races so we will all have to take less. We know that. He does not want to take less. So there is an agenda here. It's a basic conflict with the leadership at the FIS, in reality.

Borgen asked has the calendar for FY '09/10 been approved by the FIS? Marolt confirmed that it was. Paine said that Peter was removed from the FIS Council for some issues surrounding the Austrian teams in Torino. His sense is that it is both a personal and an economic issue, of which given our relationship with the FIS, we are involved. Marolt commented that what was surprising was that the Italians were involved because their new president is trying to move some races around in Italy. He wants to bid those races and pass it out to resorts who have not had World Cups, and have not done a great job with the European Cups so that is his interest. He said he was not sure why the French were interested and for sure could not understand the Swiss position. He said that he would know more about this next week.

21. Executive/Nomination Screening Report: Alex Natt

Natt stated that the Executive and the Nomination Screening committees met and recommended that David Pottruck be re-nominated to the board from the Foundation. The members in attendance vetted the individuals.

Motion # 8: To ratify the Foundation re-nomination to the USSA BOD: David Pottruck

M/S/C – Hank Tauber/Bob Dart, by acclamation.

Motion # 9: To ratify the Sport Committee nominations to the USSA Board: Joe Holland, Jumping/Nordic Combined; Chris Waddell, Adaptive; and Glenn Eddy, Freestyle.

M/S/C – Dexter Paine/Curtis Tischler, by acclamation.

22. U.S. Skiing Foundation Report: Mark Lampe for Bill Slattery

Lampe said there was one point he wished to touch on, which was that the Investment Committee had approved the 5% grant from that endowment. Likewise in the USSF board meeting, there was significant discussion on how that entity could help the athletic program in this tough financial time and the outcome of the meeting was that the committee approved a 10% grant, effectively doubling their grant so that will be helpful to the budget situation. They had one action item and that was to re-nominate three members of their board to another three-year term.

Motion # 10: To ratify the re-nominations of Lee Todd, John Bucksbaum, and Jim Swartz to the U. S. Skiing Foundation board as presented.

M/S/C – Dexter Paine/Andy Daly, approved by acclamation.

23. Judicial Committee Report: Alex Natt for Todd Wakefield

Natt provided the Judicial Committee report on Todd Wakefield's behalf. There were no Judicial Committee actions reported since the last meeting of the board.

24. USSA Legal Report: Alex Natt

Natt said that he had briefed the Executive committee in detail the prior day. He offered to any board member, if they wanted more in depth discussion of legal exposures to the company, to please call him directly. He had reported over the years about pending lawsuits for the organization.

This was an effective year in resolving a number of litigations since the board last met. He stated that he had previously reported on the Bjorgung case that went to appeal and prevailed and provided a very favorable written decision which went into detail on listing the risks of ski racing, which was a very helpful opinion. He also discussed the fact that the USSA had resolved the Hilliman and Desautel matters.

He mentioned a new matter entitled Pendleton vs. Park City Mountain Resort and USSA. This is a master ski racer wrongful death claim – the case has been filed and is in its infancy. He then asked Gordon Strachan to address the board on some items that he and Dick Coe dealt with at the NSAA conference in Florida.

Strachan mentioned that Rusty Gregory chaired the NSAA board and at the convention last week an issue that was rumbling among the resorts came to a head and Mike Berry chaired a meeting with Andy Daly and Dick Coe present on behalf of USSA and I attended as general counsel. There was a very candid discussion over the core issue of what should occur if there is litigation arising out of one of our events.

The upshot was that he and Dick Coe were given the task of bidding out the current policy, which has been well handled by a company called American Specialty but there were a number of other companies who had long been in the ski industry who wanted an opportunity to bid on that business and so they will be provided that opportunity through an RFP.

25. USSA Old Business: Dexter Paine

Paine asked if there were any old business. None.

26. USSA New Business: Dexter Paine

Paine asked Alex Natt to address the new item on the agenda, which was in Tab Q of the USSA meeting binder. The cafeteria plan administrator had asked the USSA for a corporate resolution on a minor change in the definition of eligible employees. Heretofore they were defined as people who worked fewer than 32 hours a week, which was now being changed to 36 hours a week. That was the substance of the change requested. He asked for a motion to approve the amendment.

"1. Section 1.10 However, any Employee who is a "part time" Employee shall not be eligible to participate in this Plan. A "part time" Employee is any Employee who works, or is expected to work on a regular basis, less than 36 hours a week and is designated as a part time Employee on the Employer's personnel records. Seasonal/ Temporary Employee shall not be eligible to participate in the Plan."

Motion # 11: To ratify the USSA Cafeteria plan amendment & its accompanying corporate resolution.

M/S/C – Andy Daly/Dexter Paine, approved by acclamation

Paine had no further business at this time and asked if there were any further comments from the floor.

Hatcher said that there had been a good deal of discussion re: expanding the membership base and the new model looking forward to expand that base from 30,000 to a substantial number. In viewing the memberships that we have to sell right now, the targeted member would be the associate member and I would suggest that you look at that title and expand it so that there would be several giving levels, maybe call it a full membership so they feel part of it, rather than an associate. It may help in selling some more memberships. Marolt said that they would develop this over the summer and have a report back in December.

Paine asked if there were any other questions or comments. There were none.

27. Meeting dates for 2009/10: Dexter Paine

Paine reviewed the potential USSA meeting dates. On the fall teleconference, he commented that we did this last fall and it was very efficient and helpful and participation was encouraged. He asked everyone to be available.

USSA Fall Teleconference Meeting, October 19, 2009 @ noon mountain time

Paine asked that staff check to ensure that there were no conflicts with the NSAA meetings before confirming the USSA Congress and BOD/Annual meeting dates. He stated that, after the FIS spring meetings, the date would be confirmed and the information sent to the board. (Note the NSAA convention does not conflict with the selected dates in 2010).

USSA Congress 2010: May 12–16, 2010, Park City, UT

USSA BOD & Annual Meeting: May 16, 2010

28. Chairman's Closing Comments & Adjournment: Dexter Paine

Paine stated that the Opening of the Center of Excellence was terrific and what was even more impressive was that ultimately every organization needed to have a huge component

driven by its alumni base. He said that we were trying to do a better job with the alumni and since his involvement, the alumni had taken a more active role in the Athletes' Council, in what we are doing in the Foundation and with the trustee board and it would be even more important to us to work with the alumni, as ultimately that was a significant core support base. He said that he had enjoyed working with the Athletes' Council and the working relationship had improved and was very positive and that he appreciated everyone's efforts there.

Finally, he said that it was a great group of people on the USSA board. It was fun to come to these meetings and we were making a lot of headway and the building was an indication of success and positive movement. He stated that there were a lot of things being done to make this organization better and he appreciated everyone's efforts in doing this in a way that was fun and made everyone feel passionate so he thanked everyone for that and mentioned that he personally enjoyed working with everyone.

He closed saying that he thought all the athletes were incredibly articulate. "Walking around and seeing the athletes here and seeing the enthusiasm was a great signal for what we are doing at the grass roots level. We just need to provide enough funding to support all these programs," he said.

He said a final thanks to the board, and asked for a motion to adjourn.

Motion # 12: To adjourn.

M/S/C – Bob Dart/Mike Mallon, approved by acclamation

ADDENDUM A: USSA CONGRESS 2009 – IN MEMORIAM

Athletes

- Andrea Mead Lawrence – One of America's greatest Olympians who swept two gold medals in the 1952 Olympics.
- Hannah Locke Carter – Member of the pioneering 1936 "Red Stockings" Olympic Team who went on to become a key USSA trustee and board member.

Key USSA Leaders

- Bob Bernard – Passionate volunteer and leader of the USSA's alpine masters racing program for decades.
- Nick Badami – One of the USSA's leading visionaries who pioneered a new age of World Cup marketing, was instrumental in bringing the Olympics to Salt Lake City and provided decades of leadership to the USSA.
- Brad Briggs – Publisher of Skiing Magazine who played a key role in the early formation of the U.S. Ski Educational Foundation.

Other Key USSA

- Edgar Stern – Visionary resort and hotel developer, most noted for Deer Valley Resort, who was responsible for bringing the U.S. Ski Team to Park City in the early '70s.
- Margo Eaton – Rocky Mountain officials chairman for 25 years and instrumental in national officiating.
- John Fetcher – Instrumental in Steamboat Springs Winter Sports club and one of founders of Steamboat. Ski Resort.
- Jim Temple – One of founders of Steamboat Ski Resort and longtime supporter ski competition in Steamboat.

- Clay Beck – Inspirational Tahoe freestyle coach who was instrumental in development of the sport and advancement of great skiers including Olympic medalist Shannon Bahrke.

Hall of Fame Honored Members

- William "Sarge" Brown – Former 10th Mountain Division soldier/skier who was instrumental in Vail 1989 and key board member of Ski Club Vail for decades
- Michael Strauss, longtime ski editor of The New York Times who was influential in his coverage of the sport, including the U.S. Ski Team.
- Darcy Brown, former owner of Aspen who was influential in his work with the U.S. Ski Team.
- Macolm McLane – Lifelong ski official who served on the board of the National Ski Association and the U.S. Olympic Committee
- Bob Oden – One of the originators of the U.S. Ski Team's volunteer physician's pool and a founding trustee of the U.S. Ski Educational Foundation.

Other Notables

- Nick Hock – Noted industry publisher.
- Doug Burden – Aspen resident and top ski racer in '50s.
- Jim McKay, noted ABC Sports commentator who was influential in coverage of the U.S. Ski Team.
- Ann Taylor - Alternate on the non-competing 1940 Olympic Team
- Edna Dercum – Distinguished athlete and longtime Rocky Mountain volunteer
- Ralph Bietila – Olympic ski jumper
- George Bauer, longtime publisher of SKI Magazine and fundraising organizer for the U.S. Ski Team.
- David Bradley – A longtime ski jumping official, he was the coach of the 1960 Olympic Team and medical official at the 1980 Lake Placid Games.
- Dick Barrymore – Noted ski film maker

Minutes transcribed by Suzette 6/4/09.
Legal review 6/15/09; Exec review 7/3/09.