

USSA BOARD OF DIRECTORS' MEETING MINUTES

Summit C - The Yarrow Hotel & Conference Center, Park City, UT
Sunday, May 15, 2005 from 7:30 a.m. – 10:30 a.m.

USSA BOARD OF DIRECTORS' ATTENDANCE

Chuck Ferries – Chairman

FIS/USOC

FIS Ranking Representative: Bill Marolt

USOC Ranking Representative: vacancy

USSTF

Bill Bindley – Vice Chairman - teleconference

Dexter Paine - Treasurer

Jeanne Jackson

David Pottruck – teleconference

Hank Tauber

Thom Weisel - absent

SPORT REPRESENTATIVES

Alpine Representative: Bob Dart

Snowboard Representative: Mike Mallon

Freestyle Representative: Andy Wise

Cross Country Representative: Lee Todd

Jumping/Nordic Combined Representative: Chuck Heckert

Disabled Representative: Jack Benedick

ATHLETES

Alpine Athlete: Andre Horton

Snowboard Athlete: Lisa Kosglow

Freestyle Athlete: Mariano Ferrario

Cross Country Athlete: Jon Engen

Jumping/Nordic Combined Athlete: Ryan Heckman - teleconference

Disabled Athlete: Clay Fox

EX-OFFICIO/NON VOTING

USOC Athletes' Advisory Council Representative: Nina Kempel

NSAA President/Chair: Michael Berry - absent

SIA President/Chair: David Ingemie - absent

HONORARY

Dr. Bud Little – absent

Dr. Leland Sosman

GUESTS

Bill Gorton

Dave Galusha

Alex Natt

Tom West

Tom Kelly

Faye Malnar

Annette Royle

Irene Sherman

Trisha Worthington

Jeremy Forster

Gordon Strachan

Polly-Jo Clark

Todd Wakefield

Dale Schoon

Alan Ashley

Becky Woolley

Mark Lampe

Brian Seim

Suzette Cantin

Dave Tengdin

Paul Robbins

Brewster McVicker

Andy Walshe

1. Chairman's Meeting Opening & Welcome: Chuck Ferries

Ferries welcomed everyone to the USSA breakfast club. He hoped that he could change that in future but was uncertain if he would be successful. He stated that there were a lot of new athletes on board and asked the entire board to stand up and introduce

themselves as well as the board members teleconferencing. Ferries said that the board was a fantastic group and that the board meeting would be run as efficiently as possible.

2. USSA Agenda Approval: Chuck Ferries

Ferries then asked for a motion to approve the agenda as submitted.

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

M/S/C – Bill Marolt/Dexter Paine, approved by acclamation

3. USSA Meeting Minutes' Approval: Chuck Ferries

Ferries then asked for a motion to approve the December USSA meeting minutes.

Motion #2: To approve the USSA Board of Directors' meeting minutes from December 2004.

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

4. Chairman's Report: Chuck Ferries

Ferries stated that he would say a few brief words. During the four years that he had been doing this job, it had been one of the easier things that he tended to do because of the staff and everyone who worked for the organization. The company was in very good shape in all aspects with great athletes, great volunteers and that the foundation had done an outstanding job of providing money in really tough times for the organization.

As the company moved forward, Ferries said, there would be a number of challenges that the staff kept in the forefront and one was the ability to change and to grow. He said that the competition would be changing as the world was changing and everyone was getting better and the bar continued to rise. He said that USSA would have to change to meet the increased competition and illustrated with the Chinese who were getting significantly better in aerial competition and, he said, that these things would continue to happen.

Ferries commented that the second thing that would be a challenge would be continuity of management moving forward at all levels. He stated that there was a tendency post-Olympics to have staff changes and the challenge was to try to keep the staff. In 2010, he said, there would be an additional challenge, and all of these things would be in the background and USSA would have to manage through those, and that he saw these items as the greatest challenge moving forward.

Ferries stated that the last item he identified was getting additional money for the development program. This was the final challenge if USSA was to grow and continue to be really good. More and more resources would be needed in development.

5. Nomination Screening Committee Report: Chuck Ferries

Ferries said there was nothing coming forward to the board from the committee. Natt stated that the nominations for USSF would need a motion from the board.

Motion #3: To approve the three members coming onto the USSA board: David Pottruck, for a second term; Andy Wise for another term; and a new member from Jumping/Nordic Combined, Chuck Heckert.

M/S/C – Jeanne Jackson/Dexter Paine, approved by acclamation

6. Ratification of the Actions of the Executive Committee: Chuck Ferries

There were no action items requiring approval of the USSA board.

7. USSA Bylaw Amendments: Alex Natt

Natt stated that the amendments had been distributed on April 11th and that there were essentially three amendments. The first two were the same issue, which was that it had become necessary to change the USOC and FIS seats into ex-officio non-voting seats, which since 1996 had been voting seats. The reason, he stated, was that the USOC direction was going to be to have the seats held not by volunteers but by the executive directors of the various National Governing Bodies, which in the case of USSA was Bill Marolt. He stated that Bill Marolt also held the FIS seat, the result of which was the voting strength of the board had been diluted to 20 votes.

Natt stated that it was desirable to have 21 votes for obvious reasons and that what was being proposed was the alteration of those seats to non-voting seats held by the executive director in most instances which would most likely be obligatory in the near future by the USOC. In place of that, the proposal was an independent director seat and a voting seat for the CEO, which was the first amendment.

He then asked if there were any questions and for a motion to adopt the amendment as presented at the meeting.

Motion #4: To adopt the first segment of the amendment as presented.

M/S/C – Lee Todd/Dexter Paine, approved by acclamation

Natt stated that the next amendment modified the removal procedure for a board member. He stated that the removal procedure for directors on the board required a 2/3 majority of the board; however, the CEO served at the pleasure of the board, which presumably would mean a 50% plus one majority to terminate the CEO, which would require that he lose his seat on the board.

Natt confirmed that the point of the amendment was to avoid a conflict where the CEO was removed and claimed that he needed a 2/3 vote to be removed from the board. He stated that this was an overabundance of caution but asked for a motion to approve that.

Motion #5: To adopt the amendment as presented.

M/S/C – David Pottruck/Dexter Paine, approved by acclamation

The last amendment, Natt commented, was a housekeeping issue in which the USOC had eliminated the USOC Constitution and replaced this document with an amended set of USOC Bylaws, so anywhere that the USOC Constitution appeared in the USSA Bylaws, the phrase would be stricken and replaced with the phrase USOC Bylaws. He then asked for a motion to approve this change.

Motion #6: To adopt the first segment of the amendment as presented.

M/S/C – David Pottruck/Dexter Paine, approved by acclamation

Ferries stated that Bill Marolt and he had attended the USOC Olympic Assembly in Phoenix and that Marolt would discuss this in his presentation.

8. CEO Report: Bill Marolt

Marolt welcomed everyone and said that he was excited to be there and report that USSA had had an outstanding season and that the report he would give would be brief and followed by the reports from the USSA vice presidents. He said that he would discuss four things: (1) activities since December, (2) current status of a number of programs, (3) preparation for Torino and then (4) a quick look ahead to 2010.

Marolt stated from an athletic standpoint, everyone had over the last few days reviewed what the teams had done over the year, a year which was the best in the history of the organization across the board in every sport. He stated that the teams performed at a high level individually in all teams. He said staff did a very good job in their respective areas and the men and women on the teams performed with the best in the world.

From a financial standpoint, USSA would end its tenth year with a small surplus. He attributed this to the entire organization from both the revenue and expense sides. He acknowledged that every year there were revenue challenges and that the expense side was extremely well managed by the athletic staff. He said that translated into the ability to fund the athletic program with an allocation of an additional \$350,000 for programs, which was an indicator of the financial strength of the company.

Marolt complimented Trisha Worthington and her staff for their record year in all four areas of fundraising and noted that the major gifts program was the future for USSA's revenue. Staff had been increased in that area to meet the challenges. In Sales and Marketing, a turnaround in the economy was noted with the Olympic year coming up. He said that the staff had taken advantage of that and good opportunities were being noted.

Marolt stated that the company had developed its first marketing plan, which was being executed by the Marketing Communications staff, Tom Kelly and his team. The Events department under Annette Royle had done a terrific job in running USSA's major events: World Cups, NorAms, and National Championships. He said these were done to provide athletic opportunity and to provide value to USSA's corporate sponsors.

Marolt discussed the Legacy Campaign to build an endowment with the goal of \$60 million. To date, \$34 million was pledged and \$17 million was in the fund, generating approximately \$1 million to the athletic programs annually. He said this would be an area in which the focus would continue to solidify USSA's future.

Marolt stated that Ferries had alluded to one of the main challenges being the funding of development programs. For the last two years, the development programs had to be retrenched and going forward, some of the development programs had been added back in but not to the level of the past. Staff, however, was in the process of putting together a consistent development program and a consistent development philosophy across the company. There was a gap between the elite programs and the club and academy programs. USSA's challenge was to fund that level and make the transition from the pipeline into the elite programs. He stated that would be one of the major focuses for the future. Marolt stated that the additional financial need for this as \$2.5 million.

Marolt stated that in December he took a hard look at what needed to be done and determined that an additional \$2.5 million above the current funding level would close the gap. In the FY 05/06 budget, \$1 million would fund the initiatives in development.

Torino and the next ten months were topics discussed by Marolt in the keynote and in many other meetings. USSA ended the past year in good shape with good results and good planning sessions and was now in the process of executing the plan for October with the best prepared team that USSA had ever had. He expressed his confidence in that team, but commented that, while much work remained to be done, he was confident in the staff leadership, in the athletes being ready to do the work and make the sacrifices to be best in the world. USSA would be fully prepared to take on that challenge.

Marolt discussed USSA in 2010; he said that, while the focus had been in readying for Torino, thought had been given to what USSA would be doing beyond the Games from next year at this time and that the company would always remain athletically focused on performance and continue to invest in the four cornerstones: (1) elite program, (2) development, (3) sport science and sport medicine and (4) coaches' education.

Marolt explained that a goal was to grow the company to \$30 million and complete the \$60 million endowment campaign and find the resources to complete the training center, which would be discussed later in the day by Bill Gorton. He stated that USSA was in the process of receiving a donation of land from a local family and that, once the real estate was in hand, the impetus would be provided for moving forward and completing the project. Marolt said this would be meaningful to the company. It would provide permanency and stature, and provide everyone in the country with an opportunity to come to Park City to train and work with other athletes and staff.

Marolt closed stating that he hoped USSA could also find someplace, most likely in Colorado, for a permanent early-season on-snow training facility so that the teams could be guaranteed adequate training in October and early November.

Marolt commented that there was a lot of substance in terms of the challenges being undertaken in defining what the company would look like in 2010.

Marolt also said that the last eight and a half years had been fantastic and that he remained delighted to be the president and CEO of the organization. He enjoyed what he did and the people with whom he worked. He said that USSA's staff, volunteers and board members were committed and that it was a great time to be involved.

9. Financial Report: Mark Lampe

Lampe said that he was distributing a copy of the slides to be presented and a copy of the third quarter summary financials to be reviewed at leisure. The latter contained brief summary notes as to the status of accounts and forecast.

Lampe said that he would touch briefly on three items (1) current year-end forecast and (2) update on the endowment and touch on (3) the FY 05/06 budget. Lampe stated that as Bill Marolt had mentioned and Doc Sosman's proclamation the evening before highlighted, this was the tenth year of an operating surplus and that much of the credit had to be extended to all of the coaches and departments who managed those budgets.

He stated that the revenue area was showing growth. Although there had been a couple of very tough years in the sports marketing area as, post September 11, the market had dried up. Challenges remained but the market was beginning to climb. The foundation was very strong thanks to the efforts of the foundation staff and the efforts of the trustees.

The major gifts area was showing a second year of double-digit growth. He also stated that the membership continued to grow, despite a fee increase. He credited the efforts of athletics and membership for that growth. He said that the goal remained to accelerate the growth of revenue areas to increase funding into the athletic programs.

He mentioned the comparative figures between FY 04/05 and the growth in the revenue. He cited the growth in the athletics budget due to mid-year funding of athletic initiatives, in the amount of \$350,000, which brought the company to an \$11 million budget. The S,G&A growth was attributable to the revenue oriented initiatives that included the addition of two major gifts managers and the effort to put out more information to the marketing world. This included funding the branding initiatives as well as hiring a PR agency to promote USSA athletes and programs, similar to what was done prior to 2002.

In the endowment update, the goal was \$60 million. Currently, \$17 million was funded and managed by Thomas Weisel Partners. Earnings in FY 04 were \$1.6 million. Returns in FY 05 earned almost a 7% return. Total campaign pledges to date were almost \$34 million. \$26 million still needed to be secured to reach the targeted goal. Lampe stated that gifts in FY 05 were \$2.7 million with pending pledges of \$1 million.

Lampe then discussed the FY 06 budget. The goal was to increase the athletic budget to \$13.5 million from \$11 million. He stated that was a large challenge and that currently an additional \$1.1 million was added to athletic budgets for a total of \$12.1 million. He said that there was quite a bit of revenue risk to reach \$13.5 million.

Currently budgets funded for the elite teams were funded for optimal success at Torino, including a number of Olympic year projects and costs. A commitment, he said, had been made to development spending. He said that USSA would like to spend more but that the commitment would be made, as USSA was closer to reaching revenue targets.

Lampe then reviewed the FY 06 budget. Sales were targeted for a dramatic increase from \$6.6 to \$8.4 million. Growth would continue in fundraising. He explained that while the growth was not as dramatic in FY 06, it reflected an aberrant ski ball season in FY 05, which netted over \$300,000 favorable variance, which USSA knew would not recur (primarily from the Chicago fundraiser and the outstanding efforts of John Bucksbaum). There was a goal of selling an additional four Team Torino packages as well.

He moved on to the expense side and the growth of the athletic budget by \$1.1 million. Two years ago, he commented, USSA was down to \$10 million. He stated that headway was being made to grow back that program.

Lampe explained the two line items that were reserves against sponsor sales risks and Torino sales risks. He explained there were currently no revenue commitments to these line items, but USSA remained hopeful to achieve those numbers but until firm commitments were achieved, that spending was being held out. He detailed the risks, as they currently existed in Sales in terms of new sponsor sales, sale of TV commercial inventory, sale of alpine World Cup bibs and the uniform patches. Lampe stated that these items concluded his report and was available to answer any questions.

10. Athletics Report: Alan Ashley

Ashley commented that he was glad that he was not in the marketing area and said that he was happy to be reporting to the board and said that he would briefly cover the year in review. He knew that most of the board was aware of how well the athletes had done over the year. He wanted to discuss the development of sports and cover an evaluation

of where USSA stood and challenges in the future, the planning process for the Olympics and conclude with one motion for the approval of the Olympic snowboard criteria.

Ashley stated that, as a nation, USSA had a fantastic year, which was an effort of the national partnerships formed between the disciplines in the sports from the lowest rung of competition to the elite athletes and the staff to support that effort. He said that what was being seen was a common focus and purpose to help athletes be the best they could be. He explained that that might be a tenth place in the Jr. Olympics or a gold medal in the Olympic Games. The momentum of the community was currently very strong, he voiced, as to how to work together to be best in the world.

Ashley thanked his staff who had a challenging spring in that the competition season concluded into the Athletic Summit, followed by FIS meetings right into the USSA Congress. He commented that the USSA Congress meetings were an awesome opportunity to firm up relations with the volunteer community. He then said that the athletic staff would be off the following Monday to Torino to finalize planning for February.

Ashley explained that he usually started his reporting with a review of how programs were designed and organized. After the 2002 Olympics, the focus was on getting the elite performance programs to be the best – look at what the rest of the world was doing and how to organize USSA to support its athletic programs to perform at elite levels: Olympic Winter Games, World Championships and the World Cups.

Since then, he reported, the focus had been on how to be innovative and add new technologies to move the programs forward with a best practices concept that looked outside of skiing and snowboarding into others sports and businesses to see what things were done that could apply to elite programs to help them to perform better.

In addition, he wanted to drive the materials down to the grassroots programs, the national development effort and how that was manifested in each sport. In coaches' education, a number of materials had been developed that were multi-discipline in nature.

Ashley stated that the elite programs had very successful seasons. In alpine, the athletes had achieved second in the Nations Cup, with strength from a team effort and not by just one or two individuals. This, he said, was a barometer of the depth as a group. Six medals were obtained from World Championships with Bode and Daron both in the top five of overall World Cup finals. He said there had been a strong effort on the women's team. He said that looking at the evolution of the women's team program, there were many young athletes who were poised to perform at a consistent level for not only 2006 but also moving forward to the 2010 Games. Ashley stated that the area of concern was the Europa Cup group and how to move that forward.

Ashley stated that the Freestyle athletes won the Nations Cup and Jeremy Bloom won six straight moguls competitions. There had been a revival of the aerial program largely based upon the staff, athletes and sport science department getting together and deciding that they would change their approach to training. In taking on China, he said, the Navy Seals would be used to help get the job done.

The U. S. Snowboarding program, he said, had made a lot of progress and credited the efforts of Jeremy, Becky and Peter with the athletes working on how to present U. S. Snowboarding to the rest of the world. He said there were great performances at the World Championships. Going into the Olympic year, he said, USSA had a very strong halfpipe team. He credited the creation of the Evolution Tour as a development tool that was very successful in getting kids involved in the pipeline.

Nordic Combined saw Todd Lodwick have a great season. There were strategic issues to be addressed in preparation, which were addressed in this year's planning process. He said the core group was still strong who could perform at the Olympic Games.

Cross Country and Ski Jumping, Ashley explained, were two areas that had good development efforts with the start of a SuperTour in both sports. The superTours were a development level series that were gaining momentum.

In Disabled, the Nations Cup was achieved. He said that many athletes from both alpine and cross country contributed. He illustrated with Steve Cook, who won three medals at the World Championships.

In sports science, the focus was to continue to provide consistent service to the teams. He illustrated with the addition of the high-speed video used with all programs to help the programs develop in equipment and better the technical approach in many of the sports.

National Development Systems have begun to grow again, he said, with systems being developed in all of the sports. He said that there were currently varying levels of development in place.

Coaches' education had produced five CD's that supported the coaches' education curriculum. Three of the CD's, he said, were multi-sport in nature: nutrition, psychology, strength and conditioning. Two CD's were alpine-specific. He said that USSA was establishing itself in the area of coaches' education as one of the best NGB's in the implementation of programs. He said that this was hugely important to the future.

Ashley reviewed the traditional table of Olympic medals. He said that there were challenges to achieving the goals. He said that the goal for the World Championships had been 14 podiums and 12 podiums were achieved. He explained that fortunately, there had been some very near misses.

Ashley said that now was the time to set the programs to ensure that all the athletes were able to get to the podium in 2006. Ashley explained that the Norwegians won 21 medals in the World Championships in Olympic disciplines – 14 achieved in cross country skiing alone. He said that in 2010, there was a lot of opportunity for medals in cross country and going forward the primary goal was to deliver on the Olympic goals. Resources were primarily allocated to achieve those goals.

Next, Ashley stated that he was supportive of the development systems and the coaches' education programs, but that in the end, people would remember how USSA athletes performed in Torino in February.

In planning for the future, Ashley committed to build and maintain the best in the world effort. He stated that USSA was not there in every sport, citing holes in the programs that needed to be filled and support services that needed to be provided to the elite teams. USSA needed to finish hammering out the development philosophy of a consistent strategy and structure for each sport, regardless of funding, to evolve all athletes through a good, practical system of development.

He reaffirmed the need to continue to build out the sport science efforts, especially in the consistent service provided to elite athletes, as well as in research and development to get cutting edge things done. The long-term success and health of the organization had a lot to do with how well coaches were educated around the country, he stated. If a really good job was done with that, then athletes would come out of the clubs at a higher level and allow USSA to maintain best in the world.

Ashley reiterated that after an Olympic Games, things changed. He said that he was focused on how to best evolve USSA's systems and that every change provided an opportunity and that would be one of the challenges of the summer. Lastly, he said that USSA would continue to focus on best practices around the world.

Ashley stated that USSA was now poised to be best in the world with a great group of athletes who would represent the USA and the organization at a very high level. As an organization, he said, he was accountable to get the job done. The plan had been established and it was now time to deliver on that plan, and that leadership would be key. He said that translated into athletes who did not have to worry about anything except showing up at the venue and competing at the Games as a team. He said that everything that was done to get athletes to the start was done by teamwork.

Ashley then moved onto the Snowboarding selection criteria and asked for their approval as athletes and staff had reviewed them.

Motion #7: To approve the Snowboard criteria as submitted.

M/S/C – Andy Wise/Bob Dart, approved by acclamation

11. Sales and Marketing Report: Ted Morris

Morris stated that \$6.7 million in net revenue was being forecasted for the FY 04/05 season. He said this was based on \$11.2 million in gross sales. He stated there was over \$4 million in expense on the TV side in production and time buys. He explained that at the same time last year, 50% of the goal was not on the books with a lot of renewals and new money being chased. He said this reflected \$5 million in new or renewed gross sales. One of the biggest challenges faced was the Chevrolet renewal and the fact that the global deal done by the FIS was with Audi, which eliminated that category for USSA revenue. That, he stated, cost USSA approximately \$1 million in revenue that had to be replaced. \$400,000 was found, leaving \$600,000 not replaced. The other challenge, he stated, was declining ratings on NBC. The last few years, the ratings had been going down, not dramatically, but enough to affect unit sales for TV. On the plus side, there were five renewals entering this season with four of the five renewed. He said that the athletic success was helping, which was a huge change from five or six years ago.

Morris stated that nine new partners were added for this season. He listed the group who had signed multi- and one-year agreements. He stated that on the television front, nine hours were on NBC. A new agreement was signed with OLN that provided 22 hours in prime time. In combination with the Winter Revolution program, this brought the coverage for US athletes to three nights a week. This was significantly different from the relationship with ESPN. Ratings were not as strong as hoped. On NBC inventory, 90% was sold; average cost was \$11,800 net.

Morris discussed licensing. The deal with Select Designs saw growth of about 110%. The company was aggressively selling the line and would remain an area of good growth opportunity. Select Design was at SIA this year. The on-line store was also up significantly and plans were in place to do more on-line promotions to drive that growth.

Morris stated the marketing plan was introduced this past year and had potential. Morris explained that an attempt was made to identify USSA's top athletes and get the 18 sponsors to use them; 14 sponsors signed individual athlete agreements with the athletes with the goal to have all of the top sponsors have agreements with USSA's athletes.

Affinity marketing programs achieved growth – the goal was to have 100,000 e-mail addresses that could be passed on to USSA's partners. Choice Hotels did a deal with USSA in which the company provided money back to USSA for rooms booked by members with Choice Hotels.

Morris stated that the sponsors used the marks and athletes more aggressively in advertising and their promotional plans. He stated that was a great opportunity provided to USSA and helped to grow the fan base. One of the best, he stated, was Chevrolet, who created a TV ad that featured almost 20 of USSA's athletes and the benefit was also the residuals that went to all of the athletes. (The commercial was shown.) He said that the ad ran on NBC in a lot of its sports programming in addition to USSA's programming, as well as on Outdoor Life. Chevrolet was happy with the ad and will use it again next year and, Morris hoped that more of USSA's partners would do the same.

FY 05/06, Morris stated that the goal was \$8.4 million in net revenue. He mentioned that this was the first time that USSA was endeavoring to do an Olympic Trial. The Gold Cup had been done in the past as unofficial Olympic Trials but that this year, USSA was working with the USOC in doing this event. He said that USSA was the only NGB doing an Olympic Trial leading up to the Games. None of the other sports were doing an event, which should provide a lot of focus from NBC. Airing, he said, was scheduled for December 31st, the weekend that the competition took place. He said that helped USSA tap into USOC's sponsors as they activated around the Olympic Games.

Morris stated that the Aspen World Cup event was the only event that did not have title sponsorship. He said this provided opportunity due to the alpine team's success of the past year. He said the women's SuperG would be televised on NBC on December 11th.

Additional opportunities were the two patches on the alpine uniform; one was renewed with Sprint, for a three-year renewal even with the ongoing merger with Nextel. He said another goal was the addition of three or four big partners. Morris said the interest was not in adding 10 or 12 new sponsors but a few large sponsors to focus on the goals.

He said that there should be a boost in licensed product sales due to the Olympic season and USSA would remain focused on the marketing plan leading into Torino. He listed the companies being pursued for USSA's outstanding inventory. He closed with a listing of the 18 current USSA sponsors.

12. Events Report: Annette Royle

Royle said that she would start out with a snapshot of what the 2006 Olympic season looked like. She said that everyone was focused on February and what opportunities were available in Torino but, she stated, the Events department had 10 weeks of great intensity with the Olympic selection process and events that were key to generating revenue to the company. The competition began the first weeks of December, running through the end of January. She said USSA had fabulous events at fabulous resorts. She stated that in the last 12 years this was the best calendar for USSA.

Royle stated that a focus of the past several years was making sure that USSA had venues in the US to host the best events possible, making sure that the venues were considered the best internationally. She said that USSA had reached the point where we held the best events with the best venues, best infrastructure and best organizing committees. She said this was very important because this provided a level of credibility internationally that helped to move forward some other agendas.

One of the key items was the alpine World Cup calendar reform, which had been worked on aggressively over the last several years. Royle stated the alpine calendar had been consolidated to begin the first week of December, moving Aspen off the Thanksgiving weekend. She said this had been a very important initiative for USSA because it provided USSA the ability to host a spectacular event at a time of year that would be less risky in terms of having the snow conditions needed, which was hugely important to USSA financially. This was one of the biggest changes in recent history. USSA was excited to have been able to make this change, which took much effort on the part of staff with relationships with USSA's international partners. She stated that USSA would continue to work to keep the calendar consolidated.

Royle described how revenue was growing and required greater hospitality at USSA events to the point where the ability to entertain was maxed at some events. With additional sponsors and donors, the department had to focus on how to create more hospitality opportunities. This year, two additional events: the Aspen World Cup and the Olympic Trials were examples of such opportunities. Looking ahead, there would be continued focus on creating value for sponsors and donors to participate at USSA events.

Royle discussed the entertainment factor at USSA events and stated that the focus was to get some night events and host music types of events. This past year saw USSA hosting its first downtown exhibit: snowboard events in downtown Breckenridge and one in downtown Lake Placid. Temporary infrastructures were created to host those competitions. Creating entertainment opportunities helped to frame USSA's sports, she said, attracting spectators and fans who might not participate otherwise. She said that once they came, they were hooked. Developing entertaining events helped to develop USSA's fan base and create more value to the properties.

Royle then stated that USSA worked with the University of Utah to undertake economic studies for USSA. USSA believed that these events carried a lot of value and had been telling sites this for many years but having third party confirmation was very important. The information helped when approaching communities and Chambers of Commerce. Three surveys were conducted: alpine at Beaver Creek, freestyle at Deer Valley and Breckenridge for the Snowboard Grand Prix.

The results indicated strong economic activity. On average, top events showed a \$16 million economic impact in activity on the community while USSA was there for a week's event. The incremental impact on the communities was approximately \$4 million. Of the guests in attendance, she said, 63% came specifically for the event and 50% of those were from out of state; 73% skied or snowboarded during their stay for an average of four days; 65% stayed overnight for an average of six nights and USSA's guests held incomes twice that of the national average. Sharing this information with USSA's partners justified the value of the events.

Royle said that the group that came in to do the study was blown away by how passionate USSA's fans were. They quickly learned as they mingled through the crowds to conduct interviews prior or subsequent to the race/competition start, or no one would talk to them, which was a new experience for them.

Marolt stated that the report numbers were reviewed in great detail with the people who prepared the report because USSA wanted to ensure that the numbers shared were accurate and that, if anything, these were conservative figures. This group was surprised that USSA was so aggressive in trying to get realistic numbers. Most times when these studies were conducted, the people preparing the reports were pushed to provide better numbers so they were surprised by USSA's approach.

To close, Royle listed the resorts with which USSA worked on a consistent basis - all great partners and put a lot of money into the sport in hosting the events and helping with the training programs. She said that USSA was fortunate to have such great partners.

13. Foundation Report: Trisha Worthington

Worthington said that she would begin with an update on each of the foundation's fundraising programs and on the education program. She explained that the Gold Pass program sold for \$6,000 and she had had concerns with having raised the price from \$5,000 whether they would be able to sell out the program (350 passes), which they did. Next year, the price would remain the same. She explained that this program remained the most reliable and consistent fundraiser for the team.

Worthington discussed the direct marketing program with direct mail, telemarketing and e-mail solicitations. This year saw great results with the t-shirt and hat appeals. This appeal, mailed to 20,000 donors and asking for a contribution of \$35, generated a 12% response rate (industry average 8%); the average gift was \$58 (industry average \$35). She indicated that this response showed the passion of the donors.

Worthington stated that one of the most expensive aspects of direct marketing was buying the mailing lists. She said that the foundation was always looking for donated lists and that homeowners and golf club lists worked well for this program.

In special events, she cited a record year, raising almost \$300,000 more in this area thanks to John Bucksbaum in Chicago and New York raising \$1.4 million in one night.

She indicated that the major gifts area had received great focus over the last few years. She explained that major gifts' focus was to identify, cultivate and solicit prospects. The foundation had a team of major gifts officers across the country. Each represented different regions. Most of the leads were generated from the board, special events, and the direct marketing program. She said that the donors were growing for each level, with the donor level giving names changed this year.

She cited the various levels and the fulfillment for the major gifts donors, changing the emphasis to access and interaction with the athletes. The more involved they became, she said, the more they gave and the longer they stayed involved. She also stated that a regional chair program had been established this year for each region to rally the other trustees in their area to get more involved in the major gifts fundraising to identify potential donors. David Pottruck, Jim Riepe and Craig Brown were the regional chairs.

Worthington outlined the Team Torino program. For a \$228,000 contribution, the donor and guest go to the Olympics for eight days with lodging, tickets, and transportation – a very high-end hospitality program. There remained four packages to sell in this program.

She then described the Legacy Campaign to raise funds for the endowment and the training center in Park City. She said the current focus was working on cultivating and soliciting people specifically interested in supporting the training center.

She then outlined the education program, which supported 45 athletes with tuition assistance, expenses reimbursed basis. A new relationship was established with Westminster College, a liberal arts college in SLC offering full-ride scholarships for athletes accepted into the college. The Laptops for Learning program currently supported 36 athletes with on-line classes, she said. The Hoyt Dartmouth Language Program would have 10 athletes and staff participating in the program supported by Spence Eccles, Jim Swartz, Erik Borgen and Judy Hoyt.

14. Marketing Communications: Tom Kelly

Kelly stated that he would discuss four areas: (1) membership growth, (2) fanbase development, (3) merchandizing, (4) athlete PR and marketing programs.

Kelly described the membership as undergoing its fifth year of growth. His program was responsible for the administrative aspects of member services working together with athletics to take advantage of the opportunities through USSA. Kelly said this was done even with fee increases, which would mellow out in this next year. He said this beat the paradigm of the past where fee increases realized a drop off in membership. The last few years the membership had increased. He then highlighted the member bonus pack, which was up by 15% this year with \$100,000 in net revenue.

Kelly described the dropoff in membership for snowboard in '04, which the sport committee worked on by creating the Evolution Tour and brought the membership numbers back up. Freestyle was down a bit this year and this was being analyzed.

Kelly discussed the fanbase marketing projects that were designed to bring the fanbase to 100,000; USSA reached 50,000 and learned a lot on how to design programs, what worked and what did not. He outlined the various projects undertaken. He said the names were used for marketing and merchandising, as an avenue for sales for the coaches' education materials and the sole promotional vehicle for FanBuzz. This year two million plus e-mails were sent with a very low unsubscribe rate.

Kelly described the athlete PR and marketing program with a goal of having five of the top 10 US Olympic team stories. This focusing of attention on a small group of athletes did not cost USSA. USSA made a conscious decision that the proactive campaign would focus on the top athletes in whom the public was interested. He explained that the other athletes were not ignored, particularly reflecting athletic results, but USSA wanted to ensure making the most of the resources available by taking a small group of athletes to the public.

In this effort, Alan Taylor Communications was focused on a smaller set of tasks. He stated that USSA was far ahead of where it had been four years ago, the year before the Salt Lake Winter Olympic Games. He then pointed out the numerous publications in which athletes were featured.

He closed by explaining that the focused campaign that was discussed at the trustee meetings would be implemented prior to Torino and called 10 Weeks to Torino, leading up to Opening Ceremonies on February 10.

15. Sport Committee Reports/Action Items:

Alpine: Bob Dart said that he was very happy to be a part of the alpine committee and this organization, working with Alan, Jesse and the number of volunteers who helped to make the past season so successful. He wanted to thank the athlete reps for their participation. Dart stated that the alpine sport committee had two action items on minimum penalties and slalom vertical drop, which were being proposed to be consistent with FIS regulations. (See Addendum 1.)

Motion #8: To approve the action items of the alpine sport committee relating.

M/S/C – Bob Dart/Chuck Heckert, approved by acclamation

Cross Country: Lee Todd stated that it was his last meeting as committee chairman, but that he would remain as the board representative. He started as committee chairman around the time that Luke started as the program director. The committee was headed in a great direction and staff had been critical in driving that direction. He thanked Luke and his staff for everything they had done. The committee was comprised of new people who had a lot of drive and energy including the new chairman, which was a great sign. He said that cross country had no action items. He then introduced the new chairman, Jon Engen, whom he had met in 1987 when Jon had the foresight to look at cross country and went through the selection process and was part of the team for which Lee had been the team leader in 1988.

Jon Engen agreed that the cross country program had made some good progress but so had the rest of the world. He said the team was very lean. He said that he appreciated the new development plans from the staff that would help to bring the sport forward and thanked USSA for its support in that effort.

Disabled: Jack Benedick stated that the team had won the Nations Cup – the sixth in seven years. Steve Cook won three events at the World Championships and the team had a great fundraiser in Vail with SkiTAM. SkiTAM committed to an additional ten years and that was good for the team. The corporations that made up SkiTAM were picking up individual athletes in alpine and cross country so that almost all the athletes had some type of corporate sponsorship. There were no action items for disabled.

Freestyle: Andy Wise said that there was one action item and that he, too, wanted to thank Polly-Jo and Emily for all of their support and hard work. He said that the meetings had a very good turnout with attendance up a bit from years past. He mentioned the addition of slopestyle and halfpipe and that the committee felt the need to give those individuals someplace to take their sport. Right now there was no national championship for those disciplines and it needed to be added in to continue further growth. If not, freestyle would start to lose those athletes.

Wise then stated that freestyle wished to eliminate about six rules relating to helmets that had different wording and go to one rule under competitor responsibilities that stated that all competitors must wear a helmet during competition and official training. He asked if there were any questions as to why. He elaborated that there were different types of helmets in use and that until a specific helmet was designed for skiing, it was felt that the language should be very generic. (See Addendum 1.)

Natt stated that this was a desirable change because this rule was already in place within USSA. The rules being deleted were confusing. The new rule placed the burden on the competitor to select the helmet he or she wanted to wear, which was what USSA and the FIS wanted. He said that this was ready for board approval and asked for a motion.

Motion # 9: To approve the freestyle motion regarding the wearing of helmets in competition and official training.

M/S/C – Jeanne Jackson/Dexter Paine, approved by acclamation

Jumping/Nordic Combined: Ferries introduced and welcomed Chuck Heckert, newly appointed chair of the committee. Ferries stated that he was very happy to be the new chairman and had been a member of the organization his entire life essentially. He said he loved the sport of ski jumping and was proud to be here. He also thanked Luke and the members of the committee who were working hard to improve the sport. He stated that there were two action items from the committee regarding target jumping and K-70 m hill specifications. (See Addendum 1.)

Natt added that target jumping as a concept was approved at the last May meeting and that this was a more formal requirement and guideline for organizers. The K-70 was a matter of first impression before the board.

Heckert added that women's ski jumping had a very good year with three ladies in the top 10 of Continental Cup competition: a second, fifth and ninth finish. He said that the committee would be distributing a video of the women's team.

Motion # 10: To approve the Jumping/NC committee action items as presented.

M/S/C – Andy Wise/Bob Dart, approved by acclamation

Snowboard: Mike Mallon said that there was great attendance at the snowboard committee meetings, which were very progressive. Mallon reported that the Evolution Tour was very successful and the reason for the 20% increase in membership. He explained that USASA controlled grassroots snowboarding in the US with a 5,000 membership. A challenge for USSA was to get some of those members moved into the USSA pipeline. The Evolution Tour helped to fill that need for a competition environment. He said these events were FIS level and had an exhibition component that added to the excitement. He said that, with Tom Collins, the committee identified some items of common ground in education and calendar, and would work with them to take the winners of the Evolution Tour into their open class at their nationals and take some of their athletes into the Grand Prix Tour. There were no action items from snowboard.

16. FIS Report: Bill Marolt

Marolt stated that he was excited about the possibilities offered to the CEO. He stated that two critical partnerships were with the FIS and the USOC. It was important that the CEO had the opportunity to sit at the table when those two organizations met and discussed current and future business.

Marolt said he was delighted when Hank Tauber agreed with that direction. He said that he was starting his third year as a FIS vice president and that, as with any new experience, it took a while to understand how things worked and develop relationships.

Marolt was pleased with how USSA was represented at the FIS. In the meetings in Amsterdam, the staff and volunteers did a tremendous amount of work. He highlighted the long-term strategy on the development of calendars that worked athletically and from a business standpoint, condensing calendars and putting events together.

Another area in which USSA had made strides was with the Medical Committee with Melinda Roalstad a tireless worker in writing the committee's rulebook. She devoted a lot of time, effort and USSA resources to get that job done but it was done very well.

Moving forward, the focus would be to remain active with the FIS and drive agendas. He believed that USSA would have success.

In anti-doping, he believed that the FIS did want to create a level playing field but much work remained to be done. He stated that in out of season testing, we needed to know how aggressive WADA and FIS were going to be and needed to know which countries with national testing agencies were doing the job. He said it was USSA's and the FIS's responsibilities to make sure these things were being done correctly.

TV strategy had also been ongoing and the last Congress in Miami directed the FIS Council and president to go into the marketplace and secure the international TV rights to the properties. Media Partners owned 90% of the rights and managed those rights, which should be done by the FIS. Due diligence was in progress to determine the value of what Media Partners owned to buy those rights back. He indicated that the target of getting this done by the next Congress was viable. Once the rights were back the FIS could develop a sales and marketing strategy with the necessary incremental support and staffing to carry that forward.

17. USOC Report: Bill Marolt

Marolt stated that the USOC had undergone a huge reorganization, which started a few years back. He said that USSA had played a primary role with Jim McCarthy. He said that Jim had been an incredible leader and volunteer with USSA and took the same level of interest and enthusiasm and passion to the USOC. Ultimately, the USOC had reduced the size of its board to 11 members with four standing committees, which rendered the USOC extremely streamlined. He said that the plan was to make the organization staff driven and that was moving forward. The USOC was in the process of directing the NGBs to do the same thing: to have either the CEO or volunteer president (or chairman in the case of USSA) sit at the table of the NGB Council. In half of the NGBs, he said, it would take some time to get that done.

Marolt said that with Peter Ueberroth as chair and Jim Scherr the CEO, the leadership of the USOC was in good hands. Marolt said that they were committed to athletes and athletic performance, citing the way they had managed over the past 18 months with reductions in staff and delving into expenses and creating more new opportunities for athlete support and challenging the NGBs simultaneously to do better jobs. He said the leadership challenged the NGBs to move away from the old politically-motivated leadership to organizations that were staff driven and focused on athletic performance.

Marolt went on to state the USSA's role on the NGB Council was to have Bill Marolt and Chuck Ferries on the Council. Marolt stated that he had run to become chairman of the NGB Council and won, so he had taken on another role and another responsibility, which some board members had some concerns about – diluting USSA's emphasis on athletic performance.

Marolt confirmed that he had a great staff and that a lot of the tasks would be undertaken by Bill Gorton since this was something that he enjoyed and knew how to accomplish. He was certain that the NGB Council would be reformed to identify issues that were important to athletes and to NGBs.

Marolt said that there would be strong collaboration with the USOC's Athletes Advisory Council to figure out what the issues were that both bodies needed to take forward to staff and to the board of the USOC. He said that this would be a really good partnership.

Marolt stated that his goals were to improve USOC funding to NGBs and develop a partnership with the AAC and to make USSA's situation more positive. He said that he was excited about that and that he was pleased with where the organization was at this time and the direction in which it was headed.

Ferries commented that USSA was continuing to work with the FIS and doing a good job. The FIS would only go so fast in reforms; everything would be incremental and USSA was positioned well to work with them. The USOC was totally different in that it was ready to go with the reorganization. It had a vision of what it wanted to do and would get it done. Ueberroth in no uncertain terms said this would be done, which provided a real

opportunity. He discussed the concerns about having Bill take on this position but came to the conclusion that it was something that he should do. After attending the Olympic Assembly and seeing what was going on, he confirmed this had been a great move.

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

Lampe stated that the USSF had just held its annual meeting. He explained that this entity held the funds from the LA Olympics, which were given to the organization and that the assets had grown to \$2.1 million. The board had elected to provide a 5% spending grant to the athletic program from those assets similar to what was done with the athletic endowment. He asked for the action item of re-nominating three board members - Bill Slattery, Dexter Paine and Nikki Stone and new board member, Hank Tauber.

Motion #11: To ratify the re-nomination of Slattery, Paine and Stone and the nomination of Tauber to serve on the USSF BOT.

M/S/C – Dexter Paine/Jeanne Jackson, approved by acclamation

19. Audit Committee Report: Dexter Paine

Paine stated that, as USSA looked at the changes occurring in corporate America and started to think about what was required for non-profits under Bill Bindley's leadership, USSA formed an Audit Committee, which was an audit corporate governance type of committee. He stated that its current membership was three: Bill Bindley, himself and Greg Boester. He stated that they would be expanding that membership. The committee had primarily two functions: to approve the financial statements and to look at governance and ethics issues. Last year, USSA undertook a change in auditing firms. He said that USSA had moved to a regional firm called Schmidt, Griffiths and Smith, which did a great job for USSA. The action item was to obtain board approval to retain the firm again for this year and that the committee recommended this with no hesitation.

The second area that was under discussion were potential conflicts of interest among board members in the organization and to that end, the committee had asked the staff to come back with any place where there was potentially a conflict, whether a sponsor sitting on the board or other. He stated that the committee knew where there were potential issues and had dealt with these and were comfortable that dealings had been at arms length. He stated that these were the kinds of items that had to be reviewed annually to ensure that these did not end in being large issues.

He closed stating that the Audit Committee continued to hear great things about the staff and Mark's leadership and the job staff did in watching the budgets and balancing expenses and how efficient the organization was from an S,G&A perspective relative to other non-profit organizations with which they were involved.

Motion #12: To approve the Audit Committee report and the audit firm selection recommended by the committee as presented.

M/S/C – Dexter Paine/Jeanne Jackson, approved by acclamation

20. Investment Committee Report: Dexter Paine

Paine stated that Mark in his report had briefly covered the endowment, which had money raised with the recent capital campaign as well as the money from the LA

Organizing Committee. There was a balance of \$17 million in the endowment and an additional \$2 million from the LA funds. He said that the Investment Committee had the responsibility for overseeing how those funds were invested as well as how much of that was given to the ski team annually. The policy was to provide 5%, which was typical for not-for-profit organizations as a spending policy. That 5% then went into the operating budget. This year that number was approximately \$1 million. He said that a huge portion of the development program was funded by the endowment.

Paine said that Jim Swartz did a phenomenal job and was very engaged in overseeing the endowment asset allocation and chaired the Investment Committee. The committee had a number of very talented people, who had done an outstanding job in managing the money and recommended letting them continue doing what they were doing.

Ferries stated that the funds received in 1986 from the LA Olympics was \$1 million invested for approximately 15 years in CDs with the revenue spent by the program but at the end of that time, USSA still had \$1 million. USSA decided to change the investment strategy moving forward and invested the funds differently and not taken money out for a few years to allow for growth, with the resulting \$2 million. He said the money was now invested properly for growth and allowed for taking 5% out, which was more than before. This showed how sophisticated a job that the Investment Committee was doing. He said they were all top people and thanked Dexter and the other committee members.

21. Judicial Committee Report: Todd Wakefield

Wakefield stated that coming up on 10 years of involvement with this organization, he said this would go down as the most memorable, having nothing to do with the Judicial Committee but having everything to do with his three seven-year-olds having started competitive skiing this year, which made it that much more exciting for him to be here.

He stated that USSA continued to experience a low level of formal grievance and appeal activity. For the FY 04/05 season, USSA went 11 and a half months without a grievance or appeal, "quiet but not silent." He said that a matter came in on April 20th, a men's freestyle athlete who was named to the C team and the allegations were that he was diagnosed early in the season with some injuries which left him out of competition and was not renamed to the team for the FY 05/06 season. He stated this was an open matter so he could not provide substantive information but that procedurally, the Judicial Committee had the discretion to retain and hear or refer down matters of this type, and that the decision was to retain and hear this matter. He said this would require an investigation before the hearing and that counsel would represent both sides. Gordon Strachan would represent USSA and the expectation was that the matter would be wrapped up in 30 to 60 days.

22. Legal Report: Alex Natt

Natt said that, at the last meeting in December, he reported that the two personal injury lawsuits that had been pending against USSA were dismissed. Currently, the plaintiff in one of those had tried to refile the action in a different federal court. Counsel retained by the insurance company believed that the matter would be barred by the statute of limitations and was moving aggressively to get the matter dismissed. Even if not dismissed, the athlete had returned to working and attending school and had had a substantial recovery; and in no event would the claim damages exceed the limits of USSA's insurance. He stated that the company was the subject of no other lawsuits and was not the plaintiff in any lawsuits at this time and continued to be a soundly-managed organization and that it was his pleasure to continue to represent USSA.

23. Athletes' Council Report: Ryan Heckman

Since Heckman was no longer teleconferencing, Ferries asked for the USOC Athletes Advisory Council Report:

Nina Kemppel stated that it was her first term to the USOC AAC and that she was very excited to be in this position. She said that the new USOC leadership was very excited and very motivated to make changes. Ueberroth came in to the AAC meeting and made a very strong impression on all the athletes restating the message that they were there to help increase athletic performance at the Olympics.

Kemppel stated that there was a unique opportunity with the restructuring of the USOC with the two committees having a direct ear to the board being the AAC and the NGB Council. She stated that it would be a good opportunity to work together on behalf of the athletes. She looked forward to working with Bill, Chuck and Bill Gorton.

She stated that a lot of the ideas would be coming from the athletes, staff and this board and that all of these would be keeping in mind the best interests of the athletes. She said she was happy to receive input from all sources and that ,in the past, the NGB Council and AAC had not worked well together but that Bill's stance was to work in symmetry to be more productive.

The AAC developed six committees: Athlete Support; Anti-Doping to work on Education and New Testing Protocol; ACC Governance/NCAA; AAC Operations; NGB/IF Relations; and a USOC/IOC committee to work with the boards.

Kemppel explained that she ran on a platform of extending the support to athletes. Her main focus was to increase funding to athletes and there were unique possibilities in the future with restructuring of basic grant funding. Another passion was to expand the OJOP program to bring new companies to have a program that supported athletes all the way down to the development levels. She discussed with Bill Gorton ways in which to expand athlete insurance with more comprehensive policies for all athletes.

Kemppel stated that she was most surprised in attending her first meeting at how amazing the working relationship was between the athletes and USSA, which she had never really understood before until she noted other athletes discussing contentious relationships with their NGBs, so her focus would be to keep this relationship strong. She also mentioned the anti-doping focus and that a lot was changing there and that she felt strongly it was part of her job to educate athletes on anything new coming down the pipeline so that they were not surprised and to protect their rights in the testing protocol.

She concluded stating that there was an ability to work together and that she and USSA's alternate to the USOC AAC, David Babic, fully encouraged input and feedback from coaches, athletes, staff, and anyone on the board (Nina.Kemppel@Dartmouth.edu, 907/248 0667; babicdavid@aol.com 802/249 3879). She stated that the stronger the representation at the USOC level, the better.

Ferries stated that the Athletes' Council had elected Ryan Heckman to represent them. He stated that there were six excellent choices for athletes. He then thanked Greg Boester who had done an outstanding job heading up the Athletes' Council. Ferries asked the athletes for a few words.

(Note: Andre Horton not caught on tape.)

Lisa Kosglow stated that she was very excited to be a member of the board. She had a lot of energy and was wanted to bring some of the ideas that U. S. Snowboarding had come up with in terms of being a non-traditional sport. She stated that "we see ourselves as professional athletes" and she was excited to bring some creative solutions from limited budgets for development and coaches' education and sport science to the board. She commented that she was pleased to hear the comments about development for the future and where the organization was headed.

Mariano Ferrario stated that he was excited to be back working with USSA and helping freestyle, having been retired for three years. The freestyle program had come a long way since he'd begun and there were new and interesting aspects of the sport coming along with new school, slopestyle and halfpipe. He said it would bring more kids into the program and get them moved into the more traditional aspects of aerials and moguls.

Jon Engen stated that this was the most exciting new group of athletes in the last several years, that this was a bright group of young people who were current in their sport and showed a lot of initiative and energy and would make very valuable contributions.

Clay Fox stated he was excited to be here. His team also had a lot of ideas for the future and was excited to have voice at the board and the Athletes' Council once again. He reiterated that it was a great group.

24. Old Business: Chuck Ferries

Ferries stated that the two Bills had been working on the training center forever and that Bill Gorton had done a terrific job with the opportunity for free land.

Bill Gorton stated that he would like to point out that good things were worth doing slowly or that he had failed to achieve his first assignment. He said, however, that he was optimistic that USSA had a great opportunity to embark upon the location of land and the building of the training center. He explained where the potential five acres of land could be donated and that the land was involved in an annexation by the city of 157 acres of land for an Intermountain Health Care Hospital and that he would outline the footprint of the training center and review very preliminary cost estimates.

Gorton emphasized that the cost estimates were very preliminary since there had not been any architectural and engineering work done to date. Gorton then described the location of the land and what part it played in the city's recreational plans.

For the annexation process by the city of county land, he said he had attended all of the planning commission hearings and that the vast majority of questions had been directed to the Intermountain Health Care personnel. Two questions had been addressed to him. He said that the planning commission hearings were ongoing but that it was anticipated that a recommendation from the planning commission would be made at the end of the month to the City Council, which, in turn, would hold public hearings. Assuming that the approval was granted to annex the 157 acres, then USSA would finalize discussions with the owners of the 157 acres to culminate in the donation of the five acres of land. The next process would be for the city, IHC and USSA to flesh out how the land would be used with detailed site plans, etc. under the master plan development process.

Given the financial resources, Gorton stated, USSA could start as early as the fall when the MPD (Master Planning Document) process was approved. He outlined the training center functions: a 75,000 square foot facility with a full scale gymnasium; a ski and snowboard tuning room; expanded strength and conditioning facility with sport science/medical/rehab, coaches' education, and a nutrition center; shipping, receiving and

storage center; staff and coaches office space, and room for growth. He referenced USSA's current office as occupying 12,000 square feet, with the strength and conditioning center occupying approximately 17,000 square feet. He stated that all of this would be fleshed out in the design phase, which he hoped would be later on in the year.

Preliminary cost estimates without a design were at a cost of \$167 per square foot, including infrastructure, A&E and build out for \$12.5 million with a contingency of \$1.3 million and then furniture and equipment allowance to replace all of the equipment in the strength and conditioning facility at \$1.8 million. An RFP had been put out to five A&E companies for preliminary design work and the results would be available this month.

He closed stating that if USSA did not have the resources to build a first-class facility and have the resources to maintain that facility into the future, building the training center would not be undertaken. He acknowledged, however, that USSA was as close to getting this off the ground as it ever had been.

Question regarding adding housing to the facility to which Bill Gorton replied that there was no component for this in the plan. Ferries stated that, when USSA had looked at this issue earlier, USSA had been strongly advised not to add the housing, that it would not be cost effective, and that USSA would be much better off locating housing as needed.

Gorton also stated that part of the plan was to lease out some of the additional office space to other NGBs.

25. New Business: Chuck Ferries

Ferries asked for a motion to approve the board of directors of USSA Enterprises, Inc. and U. S. Ski Team, Inc.: Charles Ferries, Stew Turley and Dexter Paine.

Motion #13: To ratify the nominations presented for the two corporations.

M/S/C – Andy Wise/Jeanne Jackson, approved by acclamation

Introduction of Tom West, President and CEO of the U. S. Ski Hall of Fame. Ferries asked him to say a few words.

West said he was here to bring greetings from the Hall of Fame and congratulations on USSA's 100th anniversary and the great successes enjoyed this past season and the vision explained so passionately in Ishpeming by Bill Marolt last week.

West explained that, under the past leadership, time had been spent to cast a new vision and mission for the organization. He said that he had been hired just over a month ago and, at the same time, that the board had been reconstituted to be better plugged into the ski industry as a whole and that his appointment as president and CEO made him the first fulltime professional staff person at the Hall of Fame.

West stated that he was Canadian by birth and citizenship and that he had 30 years of experience working in high performance sport in Ottawa and Calgary and was looking forward to his work with the Hall of Fame. As the organization that provided the lasting recognition for athletes and those who had contributed substantially, he stated, that the Hall of Fame should reflect the same level of excellence that USSA had sought.

West commented that there were many hurdles to cross. He said that the Hall of Fame had tremendous community support from the city of Ishpeming and that financial sustainability was also an issue on which he would be focused. He stated that skiing had

one of the most dramatic buildings for a sports hall of fame, both externally and internally. He stated that the facility was 15 years old and presented some challenges.

Finally, he expressed his gratitude to USSA, and in particular to Tom Kelly for his enthusiastic support of what they were trying to do at the Hall of Fame. He and Tom had identified a number of projects for the future. He restated his congratulations to USSA.

Floor Open for Member Comments: No comments.

26. Meeting dates for 2005/06: Chuck Ferries

Ferries stated that the next board meeting between Foundation & USSA would take place December 1-4, 2005, in Beaver Creek, Colorado and that this meeting had tremendous foundation support and USSA tagged along and that it would be very nice if the athletes and other board members could attend since there were quite a few changes that would take place in the organization, with a new chairman next spring, and that work would be done in the December meeting.

Paine stated that it might be a difficult date for the athletes but that the foundation membership was 60 strong from very diverse backgrounds who were all very passionate about skiing, many of whom have had very successful careers in a variety of industries and, he stated, this was a great opportunity for the athletes to interact with the board of trustees.

The key to the organization, Paine said, was the people who volunteered and were the members. It would be very beneficial for the trustees to interact with the athletes so that they had a better opportunity to understand how the organization worked and why it was so successful. He said there were great events around the meeting with the World Cup.

Ferries stated that the board would be back again in the spring between May 10-14, 2006; the USSA BOD & Annual Meeting would take place on May 14, 2005; and the next trustee meeting would be in Martha's Vineyard in June for anyone who was in the area.

27. Closing Comments & Adjournment: Chuck Ferries

Ferries thanked everyone for their time and adjourned the meeting.

Minutes prepared by Suzette 5/25/05
Natt legal review 6/1/05
Posted to web

Addendum 1

Alpine Sport Committee Action Items

USSA Minimum Penalties

Non-FIS USSA scored alpine races will have a minimum penalty of 25.00.

Slalom Vertical Drop

USSA will adopt the FIS regulations for slalom course setting, changing the minimum distance from turning pole to turning pole from 15m to 13m.

Freestyle Sport Committee Action Items

Motion: To follow the spirit of the current FIS rules regarding helmets in Freestyle.

USSA Rule # 3054.8, Competitor Responsibilities

All competitors must wear a helmet during competition and official training.

Delete all of the following:

USSA Rule # 3036.5, Organization

All divisional competitions in moguls and dual moguls, including official training days prior to the competition, shall require all competitors to wear helmets during official training and competition.

USSA Rule # 4008.2.2, Aerials

Competitors must wear a helmet in the aerial event when jumping in practice or competition. Helmets must be hard shelled and lightweight.

USSA Rule # 4154.1.5.7, Halfpipe

Helmets are required. All competitors and forerunners must wear helmets manufactured for snowboarding and/or ski racing.

USSA Rule # 4206.1.2

Competitors must wear a helmet in the moguls event when skiing in practice or competition. Helmets manufactured for ski racing are required for all competitors in moguls competition and official training, for all age categories. USSA neither specifies nor recommends any particular helmet design or brand name and undertakes no responsibility or liability in connection with the requirement that helmets be utilized. It is the sole responsibility of the competitor to select an appropriate helmet. Caution: the protective qualities of all safety are affected by age and use. Some older helmets and any helmets that have been damaged either in a racing fall or from other impact may no longer provide sufficient protection – even if there are no visible indications of damage. USSA neither specifies nor makes any warranties as to the fitness for use of any particular ski helmet nor assumes any responsibilities or duties to any competitor by requiring the use of a helmet.

USSA Rule # 4306.1.2, Dual Moguls

Competitors must wear a helmet in the dual moguls event when skiing in practice or competition. Helmets manufactured for ski racing are required for all competitors in dual moguls competition and official training, for all age categories. USSA neither specifies nor recommends any particular helmet design or brand name and undertakes no responsibility or liability in connection with the requirement that helmets be utilized. It is the sole responsibility of the competitor to select an appropriate helmet. Caution: the protective qualities of all safety are affected by age and use. Some older helmets and any helmets that have been damaged either in a racing fall or from other impact may no longer provide sufficient protection – even if there are no visible indications of damage. USSA neither specifies nor makes any warranties as to the fitness for use of any particular ski helmet nor assumes any responsibilities or duties to any competitor by requiring the use of a helmet.

USSA Rule 4602.1.5.7, Big Air, Quarterpipe, Slopestyle

Helmets are required. All competitors and forerunners must wear helmets manufactured for snowboarding and/or ski racing.

USSA Rule 4608.2.2, Special Procedures (Big Air, Quarterpipe, Slopestyle)

Competitors must wear a helmet when in practice or competition.

Jumping Sport Committee Action Items

1. Accept the “target jumping” competition format as a USSA sanctioned ski jumping competition format, when run according to the following guidelines:
 - The target distance is a safe distance, set by the competition jury. If the distance is set prior to the competition, it may be stated in the event announcement. However, the jury may change that distance. The target distance will never exceed the HS of the ski jump.
 - Any skier exceeding the target distance will be disqualified.
 - The jury may elect to set a maximum inrun length depending on the conditions and caliber of skiers competing in the event.
2. K-70m and larger competition hills for USSA sanctioned events are required to follow the hill specifications and rules required by ICR 411.5.1, 411.5.2 and 411.5.3 beginning in the 2008/2009 competition season (FIS requires FIS hill to conform to these standards by the 2006/2007 season).