

Committee: Finance Committee

Committee Chair: Jeanne Ensign
Minutes recorded by: Laszlo Eger

Vice Chair: Laszlo Eger
Date/time of meeting: Mar. 5, 2013

Motions Passed

1. MSA to approve an over budget request of \$20,000 from the Open Water Committee, cost center 5380, for the purpose of administrating an Open Water Insurance Surcharge Rebate Program, with the following conditions:
 - a. That the relief be termed “rebate” not “grant” and that the word “rebate” replace the word ‘grant’ in all materials.
 - b. That the rebate be paid only to LMSCs.
 - c. That the panel overseeing the Relief Program to take into consideration the financial position of the LMSC in determining the amount of the award.

Number of committee members present: 13

Absent: 5

Number of others present: 0

Committee members present: Jeanne Ensign (Chair), Laszlo Eger (Vice-Chair), David Burgio, Ralph Davis (Treasurer, ex-officio), Elyce Dilworth, Phil Dodson, Betsy Durant, Harry Greenfield, Kildine Harms, Lucy Johnson, Susan Kuhlman (Controller, ex-officio), Homer Lane, Sarah Welch

Minutes

The telephone conference meeting was called to order at 7:00 pm EST.

1. The FC went through the request from the Open Water Committee entitled ‘Open Water Insurance Surcharge Relief Grant Program’. The FC was in agreement with almost the entire document, except:
 - a. The FC concluded that it should be called a ‘rebate’ program rather than a ‘grant’ program, as USMS would be providing partial or total relief from the \$1000 that the LMSC’s will be billed for the insurance surcharge per OW event sanctioned. In addition the use of the term “grant” raises a host of IRS and other compliance issues.
 - b. The FC found the bullet ‘Grant awards to LMSC’s shall not exceed the USMS insurance surcharge amount less any LMSC sanction fee’ unclear and recommended clarification.
 - c. The FC was in agreement that relief will be awarded primarily on the basis of financial need, with the details to be determined by the Panel, but recommends that the financial position of the LMSC concerned be taken into consideration. The FC offers the metrics developed by Phil Dodson for use in determining how much might be awarded based on number of participants, LMSC contribution, LMSC assets, etc. as guidance to the Panel.
 - d. The recipient of the relief was not specified in the request, but the FC concluded that it could only be an LMSC, as it is the LMSC who is held liable and charged by USMS for a share of the insurance premium for OW events it sanctions.
2. A motion was made to approve the Over Budget request of \$20,000. It was seconded and unanimously approved, with the following provisions:
 - a. The relief be termed “rebate” not “grant” – the word ‘grant’ to be replaced by the word “rebate” throughout the document.
 - b. The rebate will be paid to LMSCs only.
 - c. The Finance Committee recommends to the panel overseeing the Rebate Program to take into consideration the financial position of the LMSC in determining the amount of the rebate.
3. The FC asked that for accounting purposes the rebate be grouped in the ‘Insurance’ section of the ledger. Susan indicated that it can be shown both with the OW budget line item and insurance (although not duplicated).
4. Volunteers were requested for several sub-committees for projects going forward:
 - a. FC member of the Rebate Panel – to be determined.
 - b. A sub-committee to review the Club Membership fee and the imposition of a potential workout group/chapter fee – Laszlo Eger, Chair, members Ralph Davis, Betsy Durant and Harry Greenfield, with Phil Dodson as advisor.
 - c. Creation of an LMSC Best Practices document – Elyce Dilworth, Chair, Dave Burgio & Kildine Harms, members.
 - d. Review FOG and Accounting Procedures – Jeanne Ensign and Sherri Bogue.

The next meeting will be scheduled the week of April 22nd.

The committee recognized the extent of work done by members of the staff and board on this matter. The meeting was adjourned at 8:11 p.m. EST.