Board members:
Kris Beecroft present
Charlie Bleau not present
Pete Dady present via phone
Donna Fluegel present
Bob Forgrave present via phone
Peter Goodwin present
Greg Lennon present
Pat Meehan present
Lou Pataki present
Tom Strat present via phone
Lee Todd not present

Staff:
Glen Schorr present
Erin Schirm present

Guests:
Bob Minto, Andrea Schneider, Sandy Fillebrown, Brenda Blacklock, Matt Robbins, Guy Olsen

Called to order 4:15 pm.


- Tabled the vote for the 2017 U.S. Classic Champs because of multiple possible bids.

- Voted to allow the Senior Team ESC to accept petitions from anyone for a slot on the WOC team, but keeping the restrictions on how they will be slotted as before.


Action item: Lou will check to see what portion of endowment gains or losses must be attributed to the restricted endowment funds and what portion may be so attributed.
2016 Budget Review Cash Flow situation – Money was transferred from Vanguard to cover outstanding bills. Money will be transferred back in a timely manner.

Long Range Financial Planning – What options are available?

In 2017 the US will celebrate 50 years of amateur orienteering. We are planning a 50th anniversary challenge with the objective to raise $50,000 in board designated funds in both 2016-2017. We are looking for ideas and volunteers. Contact Glen Schorr (gjs@orienteeringusa.org).

Use NEON member database as a tool for these fundraisers. Contact Greg Lennon (greg_lennon@orienteeringusa.org)

**Action item:** Greg will send the BOD a link to all the functions of NEON.

- Voted to approve Hilton as the OUSA partner hotel, effective immediately through 2017 with annual renewals.

- The motion to take new November Fiscal Year to AGM for vote was rejected 4-4 with a tie breaking vote of the President who commented that it should not go to the AGM with such a divided vote.

- In preparation for easier mapping in the U.S., Bob Forgrave and others are working on a directory of qualified U.S. mappers.

- Course setting and mapping is moving forward for the NAOC in September 2016. We are still looking for volunteers for all other jobs.

- New Coaching Program – Erin is working on a coaching plan which is a work in progress. He is running all by Glen Schorr to keep things on track. Greg comments that more of this should be disseminated through the OUSA website and social media. Bob suggests that the JTESC needs a secretary and he’s working on that.

- Marketing Program Update – Glen and Donna are interviewing people/firms who will be hired to lead our marketing plan. We are looking for a third person in the O community to work with us. We will make a presentation to the board at the March meeting.

2016 Meeting dates and locations:

- Mar 19 – US Individual Champs – BAOC, CA
- July 2 or 3 – Rocky Mountain Orienteering National Meet and O Fest – Laramie, WY
- Sep 17 – US Classic Champs and Annual General Meeting – NY

6:26 pm Adjourn
Our 2016 financial results are now available and have been posted on the Orienteering USA website under the “Documents” tab. The results are mixed. Our budget for 2015 allowed for a $14,690 deficit while our results show an $8,423 excess of income over expenses. While this result is certainly far better than we budgeted, I must caution that there are two items, one perennial, one unique to 2016 that make our results look better than they are. First, there was a total of $8,755 in income related to the endowment fund, $8,055 in contributions to the fund and $700 in life member payments which are Board Restricted to the Endowment Fund. While this income is accounted for as income, there is no offsetting accounting charge. The funds transferred to the Endowment Fund are on the books as an asset and there is no expense associated with the transfer. Thus we in fact had $8,755 less income actually available to cover 2015 expenses. This is understood in the budget process and, to some degree happens every year, but it makes our financials look better than they are. Similarly, this year about $22,000 was received in the Gagarin Marathon Challenge. These funds are donor restricted and will be spent over the next three years for the designated purpose. While it is hard to overestimate the importance of these gifts which will be used to benefit the Junior Team over the next three years, again, this money shows up as income but was not available to pay the 2015 bills.

Thus, while I am pleased that we came out in the black, realistically, spendable income last year missed budget by $16,000 and missed covering expenses by $30,700. Two items alone account for the budget miss and almost the entire break-even miss. Program income missed budget by $15,000 and Sponsorships missed by $11,000. On the plus side, our results would have been much worse had it not been for reducing expenses where practical and for the fact that contributions in all categories exceeded budget. We are very grateful to all our donors.

We as a Board have taken steps to improve program income with the recent increases in fees for meets and membership, but the Finance Committee will take a very close look at every item in our budget to make our income estimates as accurate as possible and, with guidance from the Board, to understand the value and priority of each expense dollar budgeted.

This would normally end my report, but as I sat through October, November and December hoping that contributions would save us from a disastrous financial year, I realized as I have every year, how close to meaningless this exercise is. Our financials are accurate and in accordance with accounting principles. If I explain, as I do above, that in terms of paying the bills things are not as they seem, we get a reasonably accurate picture of 2015 finances. But that is not how we operate. A large portion of the contributions that came in at the end of the 2015 calendar year will fund team expenses next year. Major variable team income comes in in November and December and major variable team expenses are over after the world championship competitions. We take care of this through a carry over of unspent team funds to the following year, but that does not show up in the financials. Our variable team expenses are over by October and the variable income that purports to tell us if we had a good year comes in after the expenses have been paid. At the very least that makes our budgets less transparent and creates additional work keeping track of team funds.

I have posted on Board-Net a proposal to change our fiscal year to a November 1 – October 31 year. This will not improve our financial situation, but will provide a more realistic match in our financial statements of income with expenses that that income is intended to cover. This will make the financials more meaningful. This change has been under discussion at least since I became VP-Finance and, I strongly believe, will improve both the budget process and team accounting. If the Board votes to recommend this change it will go to the membership at the Annual General Meeting and we will have further discussion at that time.

Louis Pataki, Vice-President, Finance