

BOARD OF DIRECTORS' MEETING MINUTES

3rd Floor Entry Conf. Room, U.S. Ski & Snowboard Center of Excellence, 1 Victory Lane, Park City, UT;
Tuesday, November 20, 2018; 11:00 a.m. -12:30 p.m.; via teleconference

Chairman: Dexter Paine, New York, NY
Chair Elect: Kipp Nelson, Ketchum, ID (At-Large)
Vice Chair: Eric Resnick, Vail, CO (Foundation)
Liz Arky, Washington, DC (Foundation)
Rosie Brennan, Anchorage, AK (Cross Country Athlete) - absent
Holly Brooks, Anchorage, AK (USOC Athletes' Advisory Council)
Tricia Byrnes, Aspen, CO (Snowboarding Athlete)
Bryan Fletcher, Steamboat Springs, CO (Jumping/Nordic Combined Athlete)
Kenneth Graham, Newtown Square, PA (Foundation)
Cami Thompson Graves, East Thetford, VT (Cross Country)
Lisa Kosglow, Hood River, OR (At-Large)
Darryl Landstrom, Minneapolis, MN (Alpine)
Martina Lussi, Lake Placid, NY (Jumping/Combined)
Andy McLane, Weston, MA (Foundation) - absent
Heather McPhie, Salt Lake City, UT (Freestyle Athlete)
Warner Nickerson, Tilton, NH (Alpine Athlete)
Dylan Omlin, Truckee, CA (Snowboarding)
Chris Seemann, Winter Park, CO (Freestyle)
Tiger Shaw, Park City, UT (CEO)
Steve Strandberg, San Francisco, CA (Foundation)
Tom Wallisch, Park City, UT (Freeskiing Athlete)
Andy Wirth, Squaw Valley, CA (At-Large)
Tom Yaps, New York, NY (Freeskiing)
TBD (Foundation)
Ex-Officio
Kelly Pawlak, Lakewood, CO (National Ski Areas Association)
Bill Marolt, Paradise Valley, AZ (USOC) - absent
Nick Sargent, Park City, UT (SnowSports Industries America)
Bill Shiebler, Park City, UT (Audit Chair) - absent
Hank Tauber, Park City, UT (FIS)

Also in attendance: Alex Natt, Brooke McAfee, Charlotte Miller, Dan Barnett, Mark Schneider, Calum Clark, Trisha Worthington, Luke Bodensteiner, Tom Webb and Dillon Essley

1. Chairman Calls the Board Meeting to Order: Dexter Paine

Paine noted that we had a packed agenda and asked Natt to call the roll.

2. Roll Call of Board Members & Establishment of Quorum: Alex Natt

Natt affirmed the presence of a quorum to conduct the meeting.

3. September 2018 Board Meeting Minutes' Ratification: Alex Natt

Natt requested a motion to approve the minutes from the September board meeting.

- Motion #1: to approve the meeting minutes as presented.

M/S/C Cami Thompson Graves/Eric Resnick

4. Chairman's Comments: Dexter Paine

Paine wished everyone a happy thanksgiving and thanked everyone for taking the time to get together and the terrific attendance. Today's primary topic would be follow up to the Nomination & Governance Committee on the selection process. He said there had been four great candidates and, ultimately, at the end of the process, we ended up with Kipp Nelson. He appreciated their thorough and thoughtful process. It was not the easiest committee on which to participate and they did a great job, with a great outcome. His intention was also to focus on finance. There were challenges on the income side to be addressed. He felt it was important to hear from Luke on the competition season which was just starting with the Big Air in Italy and opening races in Sölden. There would also be an update on SafeSport and the USOC. There was also activity around future events in the U.S. Paine said that the strategic plan had been distributed and that, if we did not cover it completely, we had an in-person meeting in February to discuss in detail.

5. Nomination & Governance Committee: Eric Resnick/L Kosglow/K Nelson

Eric Resnick reviewed the detailed Chairmanship selection process since inception. He was thankful for everyone's engagement and feedback. Ken Graham has been asked to work on the ideas that he and the other candidates shared, with more consensus than differences among them. Both finalists had gone through background checks. He explained the reasons why Kipp Nelson was supported as the candidate for Chair elect. He thanked all members of the committee for their efforts.

He explained that, as Kipp Nelson was not a board member, we need to first waive the term limit restriction as permitted in the bylaws: "Article VI, Sec. 5 (i) The Board shall be empowered to vote to vacate any term limits set forth herein. Any vote to vacate a term limit shall require a simple majority of directors at any meeting at which a quorum is achieved." And then approve the election of Kipp to the vacant at-large seat, followed by a vote on the Chair elect position.

- Motion #2: to vacate the term limit for Kipp Nelson

M/S/C Andy Wirth/Darryl Landstrom, approved by acclamation, no dissent

- Motion #3: to nominate Kipp Nelson to the vacant at-large Board position

M/S/C Andy Wirth/ Darryl Landstrom, approved by acclamation, no dissent

Chairmanship Election: Kipp Nelson candidate. There were no other nominations proposed from the board; approved by acclamation, no dissent.

Kipp Nelson is confirmed as Chair-elect until Dexter Paine relinquishes his role in May at the annual meeting and, at that time, the At-Large seat will be vacated.

Paine indicated that he had asked Kipp Nelson to join the call and he and Kipp had spent a lot of time discussing the organization and will continue to do so over the next six months. Nelson thanked everyone for their confidence and said it was nice to be back and he was very motivated. All the candidates felt that the selection group had run a great process. The process had allowed everyone to get to know each other better and learn particular vantage points and points of interest and the athletes also had made their voices heard. He will reconnect with everyone on leadership issues going forward to achieve our athletic ambitions. He thanked Paine for being so generous with his time and that he would remain to help in the transition. He was familiar with Tiger's team whom he had known for most of a decade and looked forward to supporting and challenging them. He said he would attend all three world championships and to let him know who would be there to use these as another opportunity to connect.

6. Chief Executive Officer's Report: Tiger Shaw

State of the Organization - Shaw began by thanking Paine for his years of service and mentoring. He welcomed Kipp and congratulated him. He then discussed how important cultural change was to us and supported transparency and communication; athlete outreach, and employee safety remained paramount. It would be a continuing focus. Not something that you begin and put away.

He described the multiple athlete meetings that had been held, at the COE and in camps and with coaches and the strategic plan which had been shared with all staff.

Financially, we remain cautiously optimistic but face significant challenges relative to the budget. He said his goals had also been listed in the meeting materials and he was bullish on our ability to achieve them. It's just the beginning of achieving them. He noted the employee survey appears to be positive. On the athlete survey front, Luke has been hard at work there and the results will be shared and relate to a lot of the cultural work he has done with his teams.

Preparation to date has gone well and he noted the upcoming competitions for the various teams with different snow conditions. The teams look good but we always face losing athletes to injuries. He spoke about the athlete fundraisers which were just held for alpine and freestyle as successes, driving down costs for C & D team members.

On the SafeSport front our sport education departments along with membership have rolled out the new SafeSport policies and procedures, an ongoing work to refine the interaction with athletes and coaches and the situations they are in, transporting minors, etc. Clubs are working to comply and provide feedback which we bring back to the Center. The SafeSport Committee is going well. We have provided the outline for you and the committee continues to guide us in our interactions with the Center on athlete safety and SafeSport. He stated he was one of the NGB liaisons to the U.S. Committee for SafeSport and the goal is representation from the NGBs as we fund \$2.5M of an \$11M budget, 50% higher than what was funded a year ago. Paine declared our contribution had increased despite our significantly lesser caseload than many other NGBs.

Shaw indicated last year's budget was \$6M. Fees were also based on usage so our fees did not go up as much as some. He shared that the Center was struggling, overwhelmed by the caseload. It takes a lot of work and time and manpower to work through each case, resulting in very slow turnaround times. This committee spent a day meeting with the CEO and staff to work through a number of things. We are trying to help them manage properly and shore up the Center; there is another meeting scheduled in December. It remains a major focus of ours and the USOC.

He added that he was vice chair of the NGB Council which reports to the CEO of the USOC so he had become more integrated into the operation of the USOC and gotten to know its leadership well. He discussed the upcoming changes in leadership. He also explained the USOPP, the marketing body, a merger of LA 2028 and the USOC's marketing department. The merger is a mandate of the IOC. Our revenue will come from that entity now, not the USOC's own marketing department. He discussed the de-certification of USA Gymnastics whose proceedings were moving forward.

Paine stated that the challenges at the USOC continued to be significant. SafeSport, athlete safety issues continue to be top of the agenda but it's unclear that they have a plan to resolve those. Lyons as the new chairperson is a great choice; interactions with her have all been very positive.

Nelson asked a question re the pipeline of SafeSport cases if a case is sent to them and no immediate response is forthcoming. Shaw responded that if a case is reported to them, they want to investigate it, not the NGB. We defer to them when they take jurisdiction of the case. However, we decide what we will do for interim measures based on what we know. We are free to suspend a coach or an athlete the moment something happens based on what we know. We interact with the Center to let them know what we have done. They can say you can let the coach continue to be a coaching member or during the investigation they may come back and say that the interim measure is to suspend the coach.

Paine said one case was decided in favor of the coach in a different sport and that coach immediately turned around and sued the NGB. It's fair to say there are multiple NGBs with cases outstanding. We need to continue to be really diligent and this continues front and center for the USOC and the NGBs going forward. Charlotte Miller, Tiger and Team are doing a good job managing this. With Alex, we have been well in front of this for a long time so we are well ahead of some of the NGBs. Please get up to speed because this will continue to be a major focus for Olympic sport organizations for some time.

7. Athletics Update & Outlook: Luke Bodensteiner

Through our long term planning this summer and in consultation with the USOC, who are highly invested in our success, we've set our Beijing 2022 goal at 22 medals, which will be a big milestone for us, in that it would exceed our previous best of 21 in a single Olympic Games; and if it's not enough to be best in the world, it will be a significant step forward. We believe it's a realistic and achievable goal, but also a challenging one. To put it into context, only one other team in history, beyond our own, has managed to win more than 20 medals in an Olympic Games, and that was Norway's 2018 team. We will be challenged by this goal.

This year, we have set our championship goals at 22 medals. We will have some retirements after the season and leading up to the Olympics, but other athletes are coming up to regenerate the teams and maintain performance over the quad.

Of podium-level athletes, a couple are out for the season, eight are coming back into action from injuries so athlete availability is good, but in most cases, with our returning athletes, the prep season for those athletes was compromised, which we anticipate will have impact on 3-4 medal opportunities overall.

By and large the prep season was good. On-snow camps as expected, with a few exceptions, had some days lost to weather. We made much use of the conditions in Colorado, Copper in particular, especially moguls and SBX where we're still seeking a good early-season training partner. He thanked the additional training site partners Squaw, Mammoth and Timberline that were particularly useful in building on-snow volume over the summer. The Airbag at the UOP was also very useful, and this is the first season it will be available for full prep.

Conditioning training is solid overall, but we identified alpine as an area where we can make some improvements going forward – we've had quite a turnover in our alpine conditioning staff and philosophy, a number of veteran athletes largely training on their own, and many athletes attended school in the spring/summer. Conditioning staff solidified mid-summer and integration into teams at camps was good with testing and monitoring in the field. We also focused on enhancements to the gym for tumbling; helping our acrobatic athletes but also useful for alpine and rehabilitation. Norway opened a similar facility at their Olympic training center.

He shared that he and Tiger had signed an MOU with China to use our facilities here in exchange for training privileges on the Olympic venues. We are in the process of identifying how to take advantage of that.

We are midway through building the new athlete management system designed with vendor Smartabase. Entering electronic medical records will allow better analysis on our injury data to help us determine why certain injuries occur and deter injuries from re-occurring. The next phase of that will be the training data recording what we do with our athletes and have better records to look back on to determine what we did in training that made a performance difference. Long term, we will maximize training volumes and acute performance and better inform clubs about training best practices.

We are one year into the Skills Quest fitness testing for alpine, an in-field testing battery that we have been deploying at the club and regional level. We have over 4,000 records at all levels in that system. We are beginning to correlate fitness scores with competition performance and driving that information into the club system. We are also early in discussing identifying minimum physical standards that we may deploy in terms of team activity.

Coach education has a new head in Gar Trayner. He is focused on course development and deployment. We are re-investing in rounding out course levels and curriculum across all sports. When we compare ourselves worldwide, we are considering mandatory certification for our coach members. We are one of the few NGBs in the U.S. who do not have a mandated level of certification for its coaches and we are at the beginning stages of elite team coach development.

Athlete exit interviews and team experience survey was mentioned by Tiger:

- 91% view overall value of team to their career as extremely valuable/valuable.
- 76% of athletes rate their experience with the team as excellent or very good.
- 86% are satisfied or extremely satisfied with this season's camp schedule.
- Majority of athletes feel that the on-snow and dryland facilities and performance services are good to excellent.
- Areas coaches can improve are in communication and athlete relations.
- They view team budgets, and the publicity and promotion of the team as average/poor.
- Action items:
 - Team cohesion/identity sessions to strengthen cultural charter in teams (currently being worked on by individual teams; i.e. what they want to be known for and what we hold them accountable for, etc.).
 - Appointing athlete liaisons as conduits in each of our teams to strengthen communications between them and management.
 - Developing ongoing professional development program for coaches with the USOC (early stages of discussion, recognizing that our coaches have largely technical and tactical expertise in their sports, but need work in leadership, team relations and other aspects – to roll out next year).

8. Financial & Revenue Update: Brooke McAfee/Dan Barnett/Trisha Worthington

Paine said that in the packet there was detailed information on the financials and the challenges facing us this year. He asked Brooke McAfee to provide an overview and highlight where the biggest challenges are to the remaining six months of the fiscal year.

McAfee noted where the detailed narrative was in the packet as well as the operating budget, the finance 101 document which was widely reviewed and the latest on the athlete travel costs. We will update the athlete travel costs with the fundraisers recently held in the next few weeks. There is a lot of material there so she would be happy to have individual discussions with any of the board members. She reviewed the operating budget which was tracking behind in revenue by \$731K with corresponding \$630K reduction in expenses. She then reviewed the total revenue projections which were reduced largely in the marketing area. The USOC grant is pledged. Membership is on track to meet budget. The endowment grant was completed on May 1. NASTAR is also tracking behind budget as Putnam did not renew its sponsorship.

Dan Barnett explained that Putnam Investments did not renew. Proctor & Gamble is finalizing arrangements with the IOC and we expect them to return. Paine stated that the post-Olympic year is always a huge challenge. Barnett added that a lot of the USOC deals are up after Tokyo 2020 and because the new marketing arm, including LA, has not gone to market yet there is no new Olympic interest coming into the market and that may take some time. We need to operate in the non-Olympic space for a while as we've done with FedEx, Bose and others.

Trisha Worthington reported that they were planning to hit budget. She highlighted the areas that she needed to reach the \$10.1M goal. They were still in need of sales of the Gold Pass (30) and in the Champions Club (5) for Cortina or Beijing for a total of \$1M before the fiscal year end.

Paine asked if Steve Strandberg would like to add any comments. He said no, we were confident of reaching our goal and asked Trisha to outline the revenue to date for the Marolt Athlete Endowment campaign. She said it was a \$50M five-year campaign and two years into the campaign. We've secured \$24M in pledges and have a handful of asks still pending. Bob Beattie Athlete Travel Fund - \$10.8M; Elite Coaching Fund - \$8.7M; Borgen Swartz Education Fund - \$3M; Career Skills & Transition Fund - \$1.5M. Phill Gross and the task force, including athletes, Heather McPhie Watanabe, Liz Stephen, Steve Nyman, Tommy Biesemeyer, and Hannah Kearney are also working on this campaign and included in the asks.

Strandberg said the Gold Pass was the single most important program, raising \$4.5M, if all are sold. Paine said the trustee board meeting was next week at Birds of Prey.

McAfee provided the detail on the \$630K savings from expenses. She added that she would be sending out the 990 tax forms and the board would receive an email on that.

Paine affirmed that there was still risk in the budget and any further cuts would be more painful to the extent that we don't hit that budget. He also added that due to time constraints he urged everyone to read through the strategic plan and that we would set aside time in February to go through it and provide the board time to ask questions.

9. FIS Update: Dexter Paine

Paine expressed that, on the FIS front, we had a Council meeting last week and there were items worth mentioning. There is discussion on replacing alpine combined with a parallel event on the alpine side. It is likely that will happen in Are despite opposition from Switzerland, Austria and France. We made good headway on a number of gender equity proposals and will continue to work on that but there should be some proposals mandated relatively quickly to encourage more women to be involved from committee and Council as well as jury and TD perspective. We did not make a lot of headway on corporate governance; although that is a topic for the Are meeting, some of that dovetails with the significant turnover in the FIS Council in 18 months. The three longstanding members from Austria, Slovenia and Canada will not likely stand again with 80+ years of service among them. There is also the question of will Gian-Franco Kasper continue. It will require that change for some of these proposals to ultimately succeed.

10. USOC Update: Tiger Shaw/Dexter Paine

Paine disclosed that, on the Olympic front, Calgary turned down the Olympics for 2026 last week in a referendum. There are two potential cities left in the bidding, Stockholm and Milan; both have significant risk. The USOC has begun the process of picking a U.S. winter bid city. There were three contenders, Reno/Tahoe, Salt Lake City, and Denver. Reno/Tahoe dropped out last week. The USOC leadership visited with the two venues and will make a decision at their board meeting in December between the two. The city chosen will be bidding for 2030 but there is a lot of discussion in the press that if there is not a viable 2026 bid, that city could become the 2026 Winter Olympic host city de facto. The other item on the agenda was the SafeSport update which was previously covered. Paine asked Shaw if there was anything else related to the USOC that he wished to address. Shaw thanked Dexter saying that everything was well covered.

11. Next NGB Board Meetings: Dexter Paine

The next meeting is during the FIS Snowboard, Freeski and Freestyle World Championships on February 3, 2019 at 8:00 a.m. Mountain, in Park City, in person and he looks forward to seeing everyone there. This is followed by the Congress meetings with the board meeting on May 18, 2019, 7:30 a.m. Mountain, also in Park City.

12. Closing Comments & Motion to Adjourn: Dexter Paine

Not having further business, Paine asked for any questions or comments from the board. He asserted that it had been a constructive meeting and thanked Kipp for agreeing to take on the chairmanship and thanked everyone for actively participating in that choice. With that, he said he hoped to see many of the board members in Killington or Birds of Prey and wished all the athletes a safe and successful winter of competing. It will be an exciting winter with all the world championships. He asked Alex if he needed anything. Alex simply requested a motion to adjourn.

- Motion to adjourn the Board of Directors' Meeting.

M/S/C Dexter Paine/Cami Thompson Graves

Slc 11/29/18
Legal review 12/4/18