

**Madison Curling Club
Minutes of Board of Directors Meeting**

Date - Thursday, August 13, 2009 at the Madison Curling Club (MCC).

Board Members Present - Larry Baeder, Ericka Balgord, Richard Berling, Janet Crnich, Tim Ebert, Mark Hartman, Kellie Krake (Past President), Steve Schally, and Toni Swandby (President).

Board Members Absent - Mike Fonger

Officers Present - Dae Jean Jahnke and Jeff Sailor

Guests - Steve Day, Dan Dettmers, Don Kind, and Rob Wixson.

The MCC Board of Directors went into Executive Closed Session

Agenda Continued following Closed Session

Rob Wixson was excused at 6:34 P.M.

- 1) **Call to Order** - Meeting called to order at 6:35 P. M. by Toni Swandby, President.
- 2) **Approval of the July 23, 2009 Meeting Minutes - MOTION** by Larry Baeder, Tim Ebert second, to approve the meeting minutes as presented without reading. **Motion unanimously carried.**
- 3) **Treasurer's Report**
 - a) **July Month End** - Jeff Sailor reviewed the financial summary for 2009 - 2010 as of 7/31/09. This month's income was \$2,250 greater than expenses. The majority of revenue was generated from club rentals (\$4,500). Revenue was also received from the sale of Curling Club Cookbooks by the Wisconsin Historical Society (\$216) and from the payment of back dues. The total revenue for the month was \$5,101. The total expense for the month was about \$2,851. Expenses include payment of an insurance invoice, utilities (\$1,528), and repairs (\$1,114). A credit was received from our soda vendor. The year to date deficit is \$1,617.

Jeff asked if part of the repair bill should be paid from the operating budget or the capital budget. He explained that the refrigeration system needs preventative maintenance which has been put off for 12 years. So far, \$300 has been paid for pre-maintenance oil testing. The filter dryer replacement and post-maintenance

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oil testing will cost \$1,900 and \$300 respectively. The Board agreed that, because this cost involved the compressors, this should be part of the capital budget. Jeff will bring this up again later when he reports on the Draft 2009 - 2010 Budget.

The process for getting money to the capital budget (also known as the Capital Reserve Fund and the Capital Account) was discussed. In the operating budget, under 'Other Expenditures', \$2500 is budgeted to go to the Capital Account. Any surplus in the operating budget may be transferred to the Capital Account. Any surplus over \$10,000 must go to the Capital Account.

The process for getting money to the Madison Curling Foundation (MCF) was discussed. Money made from certain fund raising events is earmarked to go to the MCF for debt reduction and is used to pay extra principle on the mortgage. The Board can transfer money from the Capital Account to the MCF as it sees fit. If the Capital Account exceeds \$100,000, the Board may transfer money to the MCF for the purpose of pre-payment of principle

Jeff used \$40,000 from the Morgan Stanley fund to purchase a Certificate of Deposit (CD) from Ally Bank (formerly General Motors Acceptance Corporation, or GMAC) which is a Federal Deposit Insurance Corporation (FDIC) approved bank. The CD will mature on October 7, 2009 and is earning a *whopping* .3% interest. Jeff calculated the interest earned on the CD at maturity would be about \$40.

Jump ahead on agenda.

4) President's Report

a) **Bylaw Review** - Toni Swandby and Richard Berling postponed an interim report on the bylaws until such time as the Board has time for a full discussion. They will schedule a meeting. Toni stressed the importance of bringing the bylaws up to date and abiding by them.

b) **Capital Expense Projection Reports** - Toni Swandby explained that the two top priorities on the Capital Expenditure Priority List, flooring (through the Vision Committee) and dehumidification, were next on the agenda and would be discussed under Current Business.

5) Current Business

a) **Vision Committee** - Larry Baeder reported that he and Sandy Gordon have not had a chance to get much done in the last 3 weeks. Their goal for the next two months is to get the final concept drawing finished (so it can be displayed at the

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Open House), create a budget for the remodeling project, and develop a plan on how to finance the remodeling. Next, the plan will be put into action to raise the money needed. Scheduling the work to be done will be determined by the fund raising efforts. Nothing can start until the funding is in place.

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Larry raised several points regarding fund raising. It has been 10 years since the members have been exposed to a major fund raising effort by the club. Of the original group at the club 10 years ago, only about 80 members remain. Larry qualified this as a rumor (that the number was only 80) but it seemed feasible. Even 10 years ago, the members were not formally asked to make donations. Larry did an informal 'walk around and ask' kind of campaign for funds. A more formal fund raising effort came through the sales of raffle tickets where \$25,000 was raised raffling off a Harley - Davidson motorcycle.

Steve Day arrived at 6:57 P. M.

Larry feels it would be best to combine efforts to raise money for the Vision Committee project, the dehumidification project, and debt reduction into a single campaign. There would be a member education effort first to give the members the big picture of what is being proposed, explain why they are being asked to contribute, and define a per person goal amount. Then, members would be asked to make a contribution, through the MCF, to the project of their choice. Larry thinks a contribution of at least \$50 received per member would be a good goal.

Jump ahead on agenda.

6) New Business

- a) **Web Site** - Steve Day has developed a new web site for the club with moving content. He brought up the site on his laptop and showed the screens to the Board, who were quite impressed. There is a large amount of information within the site that needs to be updated and edited. Steve was wondering how he can determine the best person to contact to do the editing and updating for each area within the web site. Kellie Krake asked Steve to create a master list of areas to be reviewed. He will compile a list and send it to Toni Swandby. Toni can distribute tasks to the Board members who can delegate tasks to the appropriate sub-committee chairs.

Dan Dettmers and Don Kind arrived at 7:00 P. M.

Steve was asked about the Members Section area on the web site. Would people be locked out of the section? Steve said that Nick Schleicher is working on that now. There will be sections, such as the club directory, that will be password

protected so that only members can view the information.

Steve Day was excused at 7:09 P. M.

Return to agenda.

5) Current Business

b) **Dehumidification** - Dan Dettmers began his presentation by stating that the dehumidifier would improve ice conditions by improving air conditions. The ability to remove more moisture from the air in the fall during ice making will stop the condensation in the ceiling and subsequent dripping. In the winter, removing the humidity will eliminate frost build on the ice surface. We currently have 2 Dectron units, one of which broke down in June.

Dan sent an e-mail to the Board before the meeting listing 10 options for handling dehumidification. These options included several variations on those presented by Don Kind in July plus 3 additional options. Dan reviewed the 3 new options.

- Repair the Dectron at a cost up to \$5,000 . This solution would not improve ice conditions.
- Install condensing unit coils into existing or new duct work at a cost between \$5,000 and \$15,000. This solution would improve conditions in the fall during ice making but would not have much impact during the season. These coils could be installed by member volunteers.
- Install a Quest Dry DDS (Desiccant Drying System) 43 at a cost between \$16,000 to \$21,000. This would improve conditions in the fall during ice making and would have an impact during the season. However, the unit may be undersized to handle dehumidification when all sheets are filled to capacity.

Kellie Krake left at 7:30 P. M.

Dan went into detail as to how these different options work. He brought charts and graphs to help explain the options. He described the pros and cons of each option. He recommended the Quest Dry DDS 43 as the best option for the cost. The systems are sold by Therma-Stor, a company located in Madison. Therma-Stor is looking to expand their clientele by installing systems in ice arena environments and would work closely with the MCC as a beta site. There are still more estimates to collect regarding installation charges.

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Don is still willing to make a donation of \$5,000 toward the dehumidification unit however he has yet to mentioned anything about this to his wife.

Toni Swandby thanked Dan and Don for their efforts and for the presentation.

Dan Dettmers and Don Kind were excused at 7:54 P. M.

Steve, Dan, and Don left at 7:55 P. M.

Discussions began regarding the dehumidification options. **MOTION** by Mark Hartman, Richard Berling second, to approve the purchase and installation of the Therma-Stor dehumidification system at a cost not to exceed \$20,000. Toni Swandby opened the floor to further discussion.

Jeff Sailor reviewed the capital budget funds available to pay for the solution that Dan recommended. Jeff was concerned that such a large expenditure would leave the ending balance in the fund unacceptably low. There was discussion about waiting to make a decision but there were issues regarding delivery timing and scheduling of the installation of a new unit if it was ordered for this season. All agreed that if the money was available, the solution Dan suggested would be approved.

Ideas on how to pay for the unit were discussed. **SUBSIDIARY MOTION** by Larry Baeder, Tim Ebert second, to amend the main motion on the floor, to approve the purchase of the dehumidification system contingent upon receiving the \$5,000 donation from Don Kind and an amount matching that to be raised by September 8, 2009 with the intent that the funds go toward the purchase of the unit. **Subsidiary motion unanimously carried.**

Richard agreed to contact Don and work with him to launch a fund raiser to get the \$5,000 matching funds. Toni called for a vote on the original motion. **Motion as amended unanimously carried.**

- c) **Host US National Club Championships 2010** - Mark Hartman reported that he and Jeremy Roe developed a budget for the event. The preliminary budget has a \$10,000 surplus before adding promotion and sponsor dollars. Dave Davidson (a marketing expert from Portage) feels more sponsors can be lured by packaging the US National Club Championships with the US National Junior Championships. So Mark and Jeremy have also developed a rough budget for that event. Their next meeting with Dave will take place August 25 to discuss sponsorships. Mark knows they must also pick a headquarter hotel soon as that will play a big part in sponsorships. Dave would also like to see a charity connected to the events. He feels this will attract more sponsors.

The US Curling Association (USCA) has sent the revised contract, regarding the MCC hosting the US National Club Championships, to Toni Swandby for her signature. She will read it, and assuming all is well, sign it, and send it back.

Mark will also send a draw schedule to the USCA for their approval. Mark and Jeremy will schedule another committee meeting after the draw schedule has been completed.

d) **Club Calendar, 2009 - 2010** - Mark Hartman reported that additional rentals had been added to the calendar. The second curling clinic of the season is slated for January 16 and 17, 2010. The Saturday clinic will be held in the afternoon instead of the morning to allow pick up curling to take place in the morning as normal. The Curl vs. Cancer event will tentatively be held January 23 - 24, 2010. Mark will contact Jennifer Rhude Krug to see if this will be acceptable to her. The Madison Mixed has been moved to January 29 - 31, 2010.

e) **Rating Committee Report** - Tim Ebert reported that the Men's Rating were complete. Bill Buckingham will be forwarding the ratings to the shift captains and Mary Ann Jerred for verification.

Tim is also setting up a meeting with Melissa Abbott where they will draft a new ratings sheet. He hopes to have the draft finished by September 1. This is part of the continuing effort on Tim's part to see the rating process simplified and balanced.

f) **Committee Assignments** - Dae Jean Jahnke stated there are 2 sub-committee chairs that still need to be contacted. She will send the most recently updated Committee Assignment list to Mary Ann Jerred for the Hogline. The rest of the information should be confirmed soon. The sub-committee chairs listed as To Be Determined (TBD) will be highlighted in the Hogline and Mary Ann will ask for volunteers to fill the 12 vacant slots.

g) **Summer/Fall Member Mailing** - Toni Swandby reported that a space has been provided on the reply sheet for members to list their profession. The draft of the reply sheet will be sent to Larry Baeder, Mary Ann Jerred, Lori Mountford, and Steve Schally for editing and will be finalized in the next few days. Larry Baeder will contact Jack Jerred regarding the updates to the Open House poster. The welcome letter will be forwarded to the Board soon for review. Mary Ann is currently working on the summer Hogline. The mailing is scheduled to be sent at the end of August.

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Janet Crnich is working on setting a date for the women skips' meeting. Larry and Steve are working on setting up a men skip's meeting.

- h) **Halloween Bonspiel** -Mark Hartman reported that Brian Bergen has sent out the flyers for the Halloween Bonspiel. When asked if the entry fee had remained the same as last year, Mark said yes.

Because of the MCC budget concerns, there was a discussion about bonspiel fees and who controls them. Two points came out the discussion. The organizer should be able to determine the bonspiel fee they feel will best attract teams and cover costs. However, the bonspiel organizer needs to keep in mind that some of the operational costs of running a bonspiel are covered by the club and, as these costs rise, an increase in bonspiel fees should be considered.

Discussion continued off agenda.

Toni Swandby took this opportunity to bring up an interesting statistic. The budgeted amount for beer expenses has gone up 58.7% since the 2006 -2007 season. Jeff Sailor will research whether this increase is due to rising prices or increased consumption.

Jump back on agenda.

3) Treasurer's Report

- b) **Draft 2009 - 2010 Budget** - Jeff Sailor repeated, from earlier in the evening, the decision to move the compressor repair and maintenance expense out of the operational budget and into the capital budget. He reviewed the dollar amounts again. **MOTION** by Mark Hartman, Larry Baeder second, to make the \$2,500 refrigeration system oil filter dryer replacement costs (the \$300 spent so far plus the additional \$1,900 in maintenance and parts plus the \$300 post maintenance testing amounts) an expense in the capital budget. **Motion unanimously carried.**

With this change, the capital budget will have \$9,950 deficit leaving an ending fund balance of \$20,677.

Jeff moved on to review the draft operational budget for 2009 -2010. The current draft operational budget is running a deficit of about \$4,000. He broke down the deficit in terms of membership and stated it works out to about \$8.50 per member. Utility costs continue to rise. Furnace break downs have caused unexpected repair costs in the past 2 seasons so dollars are being added to the budget this season to cover those costs that are now being anticipated.

The Board began discussing various options to lower expenses and raise revenues.

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Changing the policy regarding beer was debated at length as was adjusting dues and increasing membership. There was a general agreement that these are emotional topics which will trigger all levels of reactions from the members. It was decided that during the season, a campaign to educate members regarding rising operating costs would be needed to help reduce the impact of any future dues increases and increase the amount of voluntary contributions, in terms of both time and money.

Seeing no obvious immediate solution to balancing the operational budget, the idea of passing a deficit budget was raised. Jeff stated it was an option. He also mentioned he is conservative in his revenue estimates and liberal when assigning expenses. The operational budgets for the last two years were approved in balance and ended in surplus. **MOTION** by Larry Baeder, Steve Schally second, to accept the 2009 - 2010 draft budget as presented with the projected \$4,000 deficit in the operating budget. **Motion unanimously carried.**

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7) **Adjournment - MOTION** by Mark Hartman, Richard Berling second, to adjourn. **Motion unanimously carried.** Adjournment at 9:17 P.M.

Submitted by Dae Jean Jahnke, Secretary