

MINUTES

ABSF Board of Directors Meeting

Monday June 22, 2020

3:00 PM Microsoft Teams Meeting

Board Members Present: Paul Eckerline, Brett Rondeau, Jeff Tumbleson, Tom Duffy, Jan Guenther, Mike Brown, Kathie Pautsch, Charlie Dee, Sue Scheer, Mike Mandli

Absent: John Kotar, Yuri Gusev, Dennis Kruse

Staff Present: Ben Popp

Approval of Agenda: Pautsch move, Dee second. **Approved.**

Approval of Minutes from May 18, 2020 Board Meeting: Dee move, Brown second. **Approved**

President's Comments: Paul Eckerline

- Welcome.

Executive Director's Report: Ben Popp

Annual Meeting – Scheduled for August 8, 2020, 2:00pm to 3:00pm, at the American Birkebeiner Trailhead in Cable, WI. There will be live streaming so attendees may join virtually. This venue will allow ample room for social distancing. There will be no refreshments served; attendees may bring their own snacks and beverages.

- Endowment Committee Update – The Endowment Committee is donating \$24K to ABSF, all of which is coming from partial earnings from this year.
 - \$2K is from the Tusen Takk Volunteer Fund, to upgrade our volunteer software.
 - \$2K is from the Trail Support Fund, to repair the Mosquito Brook Bridge.
 - \$20K from the Endowment General Fund.
- US Ski and Snowboard has banned use of fluorinated ski waxes from all FIS sanctioned snow sports. Birkie has a working group in progress to determine how we will enforce this at our ski races and events.
- The Norwegian-American Historical Association, located on the campus of St. Olaf College in Northfield MN, has added an \$8M wing. They will be working with Allison

Slavik to store our American Birkebeiner archives and memorabilia, many of which are currently stored upstairs in the Samuel C. Johnson Family Outdoor Center at OO. This includes digitalizing all of our results from 1998 and earlier. (We have results after 1998 digitalized already.) This is all free of charge to us.

- Highway 77 Becker Law Link – The dirt work is done and pylons/cement in. After a 30-day cure, the bridge can be installed (anticipating by Labor Day).
- The Birkie staff have been discussing diversity and inclusion and feel strongly that this should become a bigger part of our sport/foundation development. The sentiment is that we should work hard in our own community to try to “build a bridge” between the Birkie and LCO. Ben has been talking to founder Ernie St. Germain about this as well. Plan to organize a meeting with tribal leaders and school personnel in the near future to discuss this further. Jan Guenther suggested talking to the Loppet Foundation/Wirth Park about their programs that focus on involving underserved youth. Jeff Tumbleson and Kathie Pautsch expressed interest in helping with this cause.

Committee Reports

Finance: Mike Brown

- We continue to have a very strong financial situation.
May 2020: Income \$664K, Expense \$189K, Net income Surplus \$474K
Year to date: Income \$4,085K; Expense \$2,926K; Net Income Surplus \$1159K
Bank Balance \$980K (this includes money received from the PPP and EIDL loans)
Earned Income YTD 76.2%
- There are continuous changes to the PPP/EIDL funds. PPP loan originally required to be used over an 8-week period; now a 24-week period is acceptable. This allows us to be able to spend the balance on items that make the entire loan forgivable.
- The July-August 2020 ABSF Operating Budget was presented and will be included as an addendum at the end of the minutes for interested readers.

Motion: Move that ABSF approve the 2020 July/August Budget as presented.
Mandli move. Tumbleson second. **Passed** unanimously.

- Registrations are strong for 2021 Birkie events with 4,615 registrations at end of May; 5,200 registrations as of yesterday (which is above last year at this time). Difference in revenue due to different cadence of increasing fees this year (ie, inventory system vs calendar date; the July 1 price hike from last year already went into effect this year based on volume of registrations received). We anticipate that registration volume for 2022 events to be similar to 2021.
- Discussion of factors that drive registration, recognizing that continued engagement with athletes is essential and may influence about 50% of registrations. Therefore, the ABSF staff will focus on continued engagement this year, with frequent updates on wave capacities and closures. We may need to close registration early this year due to Covid-19 concerns; in a worst-case scenario, we may need to close registration on November 1.
- Discussion on our ability to invest registration dollars that we receive many months before we need to utilize them, often up to 6-8 months. Would like to get into an annual habit of maximizing return on our dollars. The Finance Committee has been researching several options which include:
 - local money market (yields 0.01%)
 - national market, such as on-line savings account (yields 0.03-0.05%)
 - 3-6 month Treasury bill (yields 0.15%)
 - 3 or 6 month CD
 - high yield (no penalty) savings account

Chosen option would need to be liquid with known maturity and minimal expense fees. No decision made yet, but leaning toward an on-line savings account as this would be meet the criteria with a good interest rate, and is FDIC insured to a max of \$250K. We could open a second account if we had over \$250K surplus.

Motion: Move that ABSF shall invest annual excess revenue into high-yield savings or CDs for six months. The ABSF Finance Committee will choose from among the top ten accounts available and establish a consistent process to optimize annual excess revenue. Each account opened would not exceed the FDIC insured limit. Mandli move; Dee second. **Passed** unanimously.

Trail: Mike Mandli

- Telemark Redevelopment discussed.

Working on a deliberate and careful plan to purchase Telemark Property. There is a 4-phase development plan.

The Town of Cable passed a resolution of support for submission of an Idle Site Grant, which if received would grant \$500K toward removal of the building. This money may only be used for demolition, and is given as a reimbursement for costs incurred. The grant is submitted and we are waiting on word of approval.

The anonymous donor paperwork is completed.

Next steps include financing the purchase until the donor funds are available. A future purchase agreement is being prepared, and will be presented to the ABSF board when complete. At that time, the board will consider all factors involved with the purchase and decide whether to move forward with the purchase.

Mike Mandli quoted The Anonymous Donor: "Our actions now will be our legacy to generations far into the future."

Motion: Move that the ABSF authorize a Confidentiality and Non-Disclosure Agreement (NDA) for any entity who desires to submit a proposal for development on the Telemark property.

Mandli move. Tumbleson second. **Passed** unanimously.

Documentation: Charlie Dee

- Board of Directors election discussed. Charlie is working with Audun Mikkelson and John Oman on the administration of this. There were problems with the software last year. John (with Kristy Maki as back up) will be checking to make sure that all is working properly this year.
Deadline for candidate profile submission is Friday July 24 at 5pm.
Voting to take place from July 1-28 (with the same deadline for mail-in ballots).
- As the Annual Meeting is also a virtual meeting, the Bylaws were amended to specifically allow this. This motion was made electronically prior to the meeting and is included in these minutes for documentation.

Motion to amend Bylaws as below, Article II (4-6) with the changes in red ink:
Dee move. Pautsch second. **Passes** unanimously.

Section 4. Meetings.

(a) Annual Meeting. An annual meeting of the members shall be held on the second Saturday in August of each year, or as near to that date as the Board of Directors deems appropriate, at a time specified by the Board of Directors. Each member shall receive at least ten (10) days' notice of every such meeting. The annual meeting shall be for the transaction of such business as may come before the meeting. Failure to hold the annual meeting shall not work a forfeiture or dissolution of the Corporation.

(b) Special Meetings. Upon the receipt of a written request by the President, a majority of the Board of Directors, or ten percent of the existing members, the Secretary shall call a special meeting of the members. Such meeting shall be scheduled within thirty (30) days of the receipt of such request.

Section 5. Place of Meetings. All meetings of members shall be held either at the registered office of the Corporation in the City of Hayward, State of Wisconsin, or at such other place within or without the State, as the Board of Directors, upon majority vote, shall find to be convenient. **If a Board majority decides an in-person meeting would be impractical or unhealthy due to emergency or extenuating circumstances, a cyber Annual Meeting could be held in accordance with the other provisions of this Article.**

Section 6. Notices. Notice of any meeting of the members of the Corporation, in each case specifying the place, date and hour of the meeting and the purpose for which it is called, shall be provided to each member at least ten (10) days prior to the date of the meeting to the address as it appears in the records of the Corporation.

Competition: Dennis Kruse (unavailable today)

- Ben noted there are ongoing discussions regarding possibility of hosting a World Cup event in 2024. There has been interest from overseas athletes. We would need a minimum of 275 rooms for housing.

Skier Development: Jan Guenther

No report. (Anticipate that we will be in a better position to announce possible grants in the fall.)

New Business

- Next meeting scheduled for 7/20/20, 3-5 pm, Microsoft Teams electronically.

Adjournment at 4:25 pm by Acclimation

Addendum:

- To view July/August Budget, click on link below:



July-Aug2020.xlsx