

USA HOCKEY, INC.
2017 WINTER MEETING
BOARD OF DIRECTORS
2016-17 Season
MINUTES (of Record)

CALL TO ORDER

Jim Smith welcomed everyone and turned the meeting over to Ron DeGregorio to call the meeting to order. Ron welcomed everyone to the meeting and thanked Jim Smith for his leadership over the years as well as Dave Ogreaan for all he continues to do for the sport, as it will be difficult to find someone to follow him. Ron congratulated everyone connected to USA Hockey as we are living in a good period right now. He quoted Winston Churchill, "Success is not final, failure is not fatal; it is the courage to continue that counts." He asked everyone to remember these words as USA Hockey continues with innovated initiatives that grow participation in the game, improve development and manage the risks in and around the game. Walter would like it a lot that we keep courageously moving forward. Ron then called the meeting to order.

ROLL CALL

Bill Hall, Secretary, called the roll and gave the following results. There are 91 eligible voters. Bill noted that it is a majority or 2/3 of those who vote on any particular issue.

Voting Directors	Present:	67	
	2/3rds:	45	(if all are voting)
	Majority:	34	(if all are voting)

ATTENDANCE

PRESENT (VOTING MEMBERS)

OFFICER DIRECTORS

Jim Smith	Larry Reid
John Beadle	Gavin Regan
Bill Hall	Donna Guariglia
Dave Klasnick	John Vanbiesbrouck

SECTION DIRECTORS

Tom Branden, Registrars	Al Murdoch, College
Don Gould, Girls/Women	JJ O'Connor, Disabled
Mike MacMillan, Coaches	Jim Dewhirst, Referee
Bob Mathson, High School	

AT-LARGE DIRECTORS

Shawna Davidson	Dave Meisner
Sarah Fraser	Bruce Urban
Shelley Looney	

ATHLETE DIRECTORS

Chris Clark	Taylor Lipsett
Tricia Dunn Luoma	

DISTRICT DIRECTORS

Jay Finnigan, Atlantic
Glenn Hefferan, Atlantic
Frank McGady Atlantic
Gene Palecco, Atlantic
Larry Hellwig, Central
Don Mulder, Central
Mike Mullally, Central
Mary Ann Robinson, Central
Mike Bonish, Massachusetts
Don Derosia, Massachusetts
John Tobin, Massachusetts
Gordon Bowman, Michigan
Larry Johnson, Michigan
Roger Mauritho, Michigan
Steve Stapleton, Michigan
Tom Cline, Mid-American
Paul Day, Mid-American
John Karolcik, Mid-American
Kaye Pinkowski, Mid-American
Scott Gray, Minnesota
Doug Kephart, Minnesota

David Margenau, Minnesota
Steve Oleheiser, Minnesota
Keith Barrett, New England
Cheri Bonawitz, New England
Tom Regan, New England
Joe Baudo, New York
Joe Eppolito, New York
Gary Lebrun, New York
Mike Trimboli, New York
Dwayne Dillinger, Northern Plains
Greg Evenson, Northern Plains
Donna Kaufman, Pacific
Kris Knauss, Pacific
Steve Laing, Pacific
Chris Kenney, Rocky Mountain
TC Lewis, Rocky Mountain
Geoff Pashkowski, Rocky Mountain
Mark Servaes, Rocky Mountain
Marc Friedman, Southeastern
Mike Mulhall, Southeastern
Chris Powers, Southeastern

NCAA/PROFESSIONAL SPORTS ORGANIZATION DIRECTORS

Mike Snee Bill Daly

PRESENT (NON-VOTING MEMBERS)

CHAIR OF THE BOARD

Ron DeGregorio

DIRECTORS EMERITUS

Alan Ashare Peter Lindberg
Dennis Green Bill Spohn

ABSENT (VOTING MEMBERS)

Charles Fuertsch, Vice President, Legal
Chris Van Timmeren, College Section
Phil Verchota, At-Large Director
Joe Bertagna, NCAA
Don Fehr, NHLPA
Taylor Chace, Athlete Director
Julie Chu, Athlete Director
Craig Conroy, Athlete Director
Pam Dreyer, Athlete Director
Meghan Duggan, Athlete Director
Molly Engstrom, Athlete Director
Robert Esche, Athlete Director
Manuel Guerra, Jr., Athlete Director
Jamie Hagerman, Athlete Director
Mike Komisarek, Athlete Director
Jamie Langenbrunner, Athlete Director
Freddy Meyer, Athlete Director
Josh Pauls, Athlete Director
Jenny Potter, Athlete Director
Blake Sloan, Athlete Director
Tom McGrath, Dist. Director Massachusetts
Richard Oliver, Dist. Director New England
Jon Gustafson, Dist. Director Pacific
Tom Lenz, Dist. Director Southeastern

ABSENT (NON-VOTING MEMBERS)

DIRECTORS EMERITUS

Brad Bekkedahl
Al Bloomer
Dick Coombs
Ron DiFilippo
John Dotte
Jerry Edwards
Bob Fleming
Tom Koester
Mark Kumpel
Frank Lang

Karen Lundgren
Joan Mariconda
Jack McCatherin
Jim McGlynn
Tony Rossi
Neil Sheehy
Dave Tyler
Allen Wright

MOMENT OF SILENCE

Jim Smith requested a moment of silence for everyone to stand and honor those who have passed away since the 2016 Annual Congress in June:

Jim Prior, Associate Registrar Massachusetts
Paul Johnson, 1960 Olympian
Wendell Anderson, 1956 Olympian
Glen Young, Minnesota Hockey
Patrick Gannon, Neshaminy Ice Hockey Club, Atlantic District
Darlene Tragis, Jack Tragis's wife
Sam Oden, Shattuck St. Mary's, Minnesota District
Mary Rast, Bob Cunningham's wife
Eddie Samuels, Las Vegas Mustangs, Pacific District
Justin Kinnunen, former junior hockey player
Clarence "Kelly" Tatro, Steve Tatro's father
Jerry Wilkins, Director Emeritus
Mary Humphrey, Carol Rauch's mother
Kathleen Figenshau, former National Office Employee
Zach Ewing, Becky Ewing's son
Glen Dearing, Adult Director Extreme Ice Center
Marshall Neilson, Johanna Boynton's brother
Marv Jorde, former Adult Council Member
Walter L Bush, Co-Chair of the Board
Jack Kirrane, 1960 Olympic Team
Andy Gambucci, 1952 Olympic Team
Damon McLaughlin, Long time Montana Coach & Official
Gordon Jukuri, Past President Michigan Amateur Hockey Association
Elaine Foster, Dick Foster's wife
Oliver Bekkedahl, Bruce & Brad Bekkedahl's father
Bruce Kruger, Risk Manager Minnesota District
Ray Kraemer, Director Michigan District & Adult Council member
Mary Lou Terwilliger, Mike Terwilliger's mother Minnesota Hockey
Baaron Pittenger III, Baaron Pittenger's son
Shayne Sanborn, Coach Omaha AAA Hockey Club
Bette Weldon, Bob Weldon's mom
Tom Laing, Steve Laing's father
Jean Byrnes, Patricia Wallace's mom
Bob Hetrick, Anne Hetrick's husband
Linda Skinner, Richard Bennett's mother
Richard "Lefty" Marr, UNC Chapel Hill Assistant Coach
John Voss, High Point University Head Coach
Gladys Wiitanen, Dave Wiitanen (2014 Thayer Tutt Award Winner) wife

POINT OF ORDER

Larry Johnson motioned to appoint Steve Stapleton temporarily as Director, Michigan District for the 2017 Winter Meeting until the district held their elections to fill the position previously held by Ray Kraemer who passed away. Roger Mauritho seconded the motion. The motion carried and Steve Stapleton would be a voting member for the current meeting.

APPROVAL OF THE MINUTES

Paul Day moved to approve the minutes of the Board of Directors meeting at the 2016 Annual Congress. Joe Eppolito seconded the motion. THE MOTION CARRIED.

PRESIDENT'S REPORT

Jim Smith submitted a written report that was sent to the board members. It is an exciting time for USA Hockey and many upcoming events including the 2018 Olympics. Our goals continue to be to grow the game, expand the opportunities for players to be the best they can be and reduce our risk while keeping the game as safe as possible. Jim indicated that he had the opportunity to sit in on several council, committee and section meetings and was very encouraged to listen to the passion that all the volunteers have for hockey.

Jim recognized the retirement of Dave Ogreaan and reviewed the timeline process for applications and interviews. The goal is to have recommendations to the Executive Committee by first week in May and announce by mid-May. The committee conducting the search will be Dave Klasnick (chair), Jim Smith, John Beadle, Gavin Regan, Shelley Looney, Paul George, Don Waddell, Ron DeGregorio and Donna Guariglia. Dave Ogreaan will be with USA Hockey in an advisory role and report to the President for the next three years. Jim discussed succession planning and asked those to start planning to look for volunteers to train for future positions and roles within the organization. He will be sending a letter to all councils, committees and sections to start establishing this for each area.

EXECUTIVE DIRECTOR REPORT

Dave Ogreaan welcomed everyone and then spoke about Kathy Figenshau who was mentioned in the memorial. Kathy was employee number two at USA Hockey and assistant to Hal Trumble. The organization certainly has grown over the past 30 years.

He informed every one of the budget timeline and stated that we have been in a very health financial state for several years. It is important for departments review all programs and wish lists during this process. It is important not to increase fees to the membership and spend our resources correctly.

Dave spoke about succession planning and reminded everyone to keep diversity in mind when filling roles within the affiliates and districts. During the World Junior Championships, Team USA had three African Americans on the team and this is very encouraging. The USOC will be publishing a report card on each National Governing Body showing the diversity within all the sports. Currently, USA Hockey report card is very poor. However, we also need to recognize that we do not track this information. It is recognized that this is a challenge. The purpose is not to establish a quota system; it is to expand the pool from which you can choose. As new members are elected it is important to think about diversity.

USA HOCKEY FOUNDATION REPORT

Paul George updated everyone on the USA Hockey Foundation. In 1994, the foundation had \$3.4M in assets, \$2.4M long-term investments and a simple balance sheet. Today we have \$52M in assets. The grant profile continues to be the same as in the past to include the \$8M received from the NHL grant that flows through the Foundation and supports USA Hockey programs. In addition, the Foundation has awarded approximately \$800K in grants that support the affiliates, disabled hockey, SPEC and other areas.

Paul provide an update on the USA Hockey Arena in Plymouth indicating the facility is running well. It is a complex facility with a restaurant, two ice surfaces and new building for the NTDP. Recently, new boards were installed that are considered the safest in the world. These boards cost \$750K to install and

was an important expenditure. We also purchased newly redesigned sled accessible boards for one of the ice surfaces.

The development initiatives were discussed to include the Starts with a Stick campaign, the trustee program and Circle of Champions. These programs provide many sources of revenue. Paul indicated that the Foundation is managing \$1.25M of affiliate monies and in addition, HARP has over \$6M in reserves for insurance needs. The insurance program is an enormous benefit provided to the members and important to have these reserves.

Dave Klasnick updated everyone on the Investment Committee and its objectives. Dave reviewed the portfolio indicating that we were up 8.2% net of all fees for last year, which is an outstanding performance. He reviewed the balances over the years. The Foundation a year ago was \$16.6M and in June \$17M and as of December 31 we are at \$18M; this is the result of the growth and power of compounding and wise investing. The affiliates are at \$1.2M and during the Winter Meeting, other affiliates indicated they are looking to join. It is a \$50K minimum for affiliates to be a part of the plan and it is a long-term growth model. Dave did indicate that the future holds volatility with changes in tax laws and a projected 2-3% rate increase, which could affect the fixed income of the portfolio.

TREASURER REPORT

Donna Guariglia reviewed the proposed 2015-16 Audited Financial Statements that was sent to everyone prior to the Winter Meeting. The financials were reviewed and accepted by the Executive, Finance and Audit Committees. The auditors did express a "clean" opinion meaning the financials were presented in accordance with Generally Accepted Accounting Practices and Standards.

Donna reviewed USA Hockey, Inc.'s activity and then summarized the activity for the USA Hockey Foundation, Arena, Restaurant and HARP. Current assets had a net change of \$580K less than last year. This was primarily due to the transfer of \$1M in cash from USA Hockey Inc. to the Foundation. These funds were used in the purchase of two sets of boards for the Arena as Paul George had previously noted. Property and equipment increased by \$460K principally due to the purchase of furniture and fixtures for the NTDP offices at the Arena. The total assets showed little changed at \$20.5M. On the liabilities side, accounts payable and accrued expenses were up due to an influx of expenses at year-end that were unforeseen. Deferred revenue (next year registrations) was up \$300K from last year.

Donna presented the significant variances on the Income Statement. Membership registration was up due to increased online registrations of \$380K and the master level symposium. Tournament and events was down due to some events that were not hosted. Sales were down of which a significant portion was due to the Annual Congress Gala. In the end, total revenue was up \$300K. On the expense side, member services was down due to a reduction in premiums and claims. International was up with increased expenses for the National Junior Team, Women's Elite, Youth Olympic Games and the USHL Grant. NTDP and ADM were close to last year expenses. Player Development was up due to higher camp expenses and the U17 team event. Officiating was up due to minor equipment purchases, ice rental, honorariums, travel, off-ice equipment and cost of living increases. Coaching was up due to the master level symposium, which is offset by the increased revenues. Adult was down as we did not have the World University Games this year versus last year. Youth was up due to additional staff, printing and publications. General and Administration was higher due to higher legal costs, added staff and cost of living increases. Marketing was up and offset mostly by having the U18 Men's World Championships this year. Overall, expenses were up \$837K from last year. USA Hockey, Inc. is reflecting a \$41K surplus; compared to the \$663K last year.

She reported from the budget side, we missed the budget by approximately \$1M. Unfortunately, through July, we were well above budget projections but for August, we were hit with expenses that resulted in a significant loss in August. In summary, there was an increased expense in travel, legal costs and overspending versus budget. In the end, each of the department managers and volunteer staff need to take better ownership to hitting their forecasted numbers. The unnecessary expenses will be reviewed and they will be questioning the needs of programs that we have had in the past that may be no longer be warranted. Donna reminded everyone that we knew this was going to occur. As time goes on, new programs, added expenses, added staff, cost of living increases, etc. was going to chip away at the surplus since the 2012-13 increase. Currently, we are in a good cash position and unless we can find ways to increase revenues and/or decrease expenses, we will be talking about a fee increase in the near future, but not now.

Jim Smith had set a goal to have our registration number under 50% of our total revenue. Presently, it is at 62%. Grants is the other major category showing 23% of total revenue. On the expense side, the breakdown of the larger programs are:

- Player development, coaching and officiating at 19%
- Membership services (membership insurance) at 23%
- International at 16%
- Support services 13%

Donna reviewed the breakdown of how the \$8M received from the NHL is utilized. \$400K is for officiating, USHL grants of \$1.5M, NTDP of \$3.4M, membership development uses \$700K and ADM spends \$2M.

Donna then presented the Audit Report. The role of the Audit Committee is to assist the Board of Directors in its oversight of USA Hockey's accounting, internal controls and financial reporting processes and the annual audit of the financial statements of USA Hockey. The Audit Committee engaged the independent accounting firm of Waugh & Goodwin to perform the audit for the Fiscal Year Ended August 31, 2016.

In the performance of its oversight function, the Audit Committee has reviewed and discussed with management and USA Hockey's independent auditors the Company's audited financial statements, the audit report and the Management representation letter. The Committee has also discussed with the independent auditors the matters required to be discussed by Statement on Auditing Standards No. 114 relating to communication with those charged with governance. This included discussions of the results of Waugh & Goodwin's examinations, their evaluations of the Company's internal controls and the overall quality of USA Hockey's financial reporting.

In reliance on these reviews and discussions, the Audit Committee has approved USA Hockey's audited financial statements included in the Company's 2015-16 Annual Report for the Fiscal Year Ended August 31, 2016. The formal report of the Audit Committee was submitted to the USA Hockey Board of Directors through its Executive Committee on December 15, 2016.

Donna asked for a motion to accept the August 31, 2016 Audited Financial Statements. Motioned by Donna Kaufman, seconded by Glenn Hefferan. Motion passed.

Donna then asked for a motion to not have a fee increase for the 2017-18 season. Motioned by Keith Barrett, seconded by Jay Finnigan. Motion passed.

COUNCIL & COMMITTEE REPORTS

Gavin Regan recognized the coaching staff and teams from the IIHF World Junior Championships and the IIHF Women's U18 World Championships for their recent success. He also thanked Kelley Lynch and those behind the scene at USA Hockey that help these teams been successful.

LEGISLATIVE & PLAYING RULE PROPOSALS

Bill Hall conducted the review of the legislative proposals and the playing rule proposals.

Legal Council #1 – This proposal had been amended in its entirety. Tom Regan motioned to put the item on the table for discussion, seconded by Joe Baudo. Casey Jorgensen provided some background on the proposal and reviewed the amended language. The US Center for Safe Sport (USCCS) will open in late February and our expectation is the new membership will be beginning April 1. The proposal was amended to match up with the document from the USOC. Joe Eppolito moved to accept the document as amended, seconded by Dave Margenau. All in favor - passed.

Bill Hall called for a motion on Junior Proposal #4. No motion was received and no vote was held on the proposal.

Bill Hall indicated there was a legislative proposal that was recommended by the Executive Committee, Junior Council and International Council and needs to be ratified by the board. The proposal is to permit an increase in the number of imports for junior Tier I. Bill asked for a motion on the proposal. John Vanbiesbrouck motioned, seconded by Gavin Regan. John explained the proposal indicating the need to be able to recruit players from a wider player pool. The proposal is specifically for Tier I and protects the opportunities for US born goaltenders. No further discussion was held. All in favor – passed.

Bill reviewed the next proposal recommended by the Executive Committee and Youth Council and needed to be ratified by the board. The proposal is to amended language to Tier I document that was passed at the last annual congress and a copy of the amendments was distributed. Motioned by Dave Margenau, seconded by Joe Baudo. Dave Klasnick explained the amendments, which are designed to not eliminate any of the existing Tier, I programs and the other insertion is to add the word hockey to define contracts. Glenn Hefferan asked about the recruiting language and asking coaches to not recruit is not a reality; rules need to be created that can be reasonably enforced. Dave indicated that this was discussed at length in the council meeting. This does provides language in the bylaw that affiliates can point to and provides them some support. No further discussion was held. All in favor – passed.

Bill Hall advised that a playing rule change amendments were provided along with a summary sheet. A new booklet and summary sheet will be provided in June at the Annual Congress.

#20 – Was a point of information to notify the board that the Playing Rules Committee has changed their recommendation from defeat to approve.

#38 – Amended by the Playing Rules Committee to add the bolded language

(a) For a "MINOR PENALTY," any player, other than a goalkeeper, shall be ruled off the ice for two minutes during which time no substitute shall be permitted. **However (Except for Adults), for games with period lengths of 15 minutes or less, the penalty time shall be one and one-half minutes.**

(b) For a "BENCH MINOR" penalty one player shall be ruled off the ice for a period of two minutes **(one and one-half minutes for games with period lengths of 15 minutes or less - Except for Adults)**, during which time no substitute shall be permitted. Any non-penalized player of the team who was on the ice at the time of the infraction, except the goalkeeper, may be designated to serve the penalty by the Manager or Coach through the playing captain, and such player shall promptly take his place on the penalty bench.

John Karolcik motioned to accept the amendments, seconded by Bruce Urban. All in favor – passed.

#64 – Has been amended to delete the word unidentified in paragraph (b) and then to add the subsection (1) as below and renumber other subsections.

(1) Unsportsmanlike conduct or disputing the rulings of any official by an unidentified player or a Team Official.

Sarah Fraser motioned to accept the amendments, seconded by Chris Kenney. All in favor – passed. Bill also noted that this was originally recommended to defeat but now as amended, it is recommended to approve by the Playing Rules Committee.

#68 - Has been amended to delete the word insulting and insert the below language.

Uses language that is offensive, hateful or discriminatory in nature anywhere in the rink before, during or after the game.

John Karolcik motioned to accept the amendments, seconded by Gordon Bowman. All in favor – passed.

#112 – Amended to restructure the original sub section 6 and separate the phrases as below.

(6) The team scoring committed an infraction (prior to the goal scored) that is reported to the Referee by a Linesman.

(7) As otherwise specified in the Official Playing Rules

Glenn Hefferan motioned to accept the amendments, seconded by Jim Dewhirst. All in favor – passed. Bill also noted that this was originally recommended to defeat but now as amended, it is recommended to approve by the Playing Rules Committee.

#128 – Amended to insert the bold language below.

(1) (For Adults [male and female], High School and Youth/Girls' 16 and Under Age Classifications and above only) The offending team is shorthanded (below the on-ice numerical strength of their opponent) when the puck is shot. The determination is made at the time the penalty expires and if the puck was shot prior to the penalty time expiration, regardless as to the position of the penalized player, no icing shall be called.

TC Lewis motioned to accept the amendments, seconded by Keith Barrett. All in favor – passed.

#148 – Amended to change the rule in these age classification by adding the bold language

(d) (For Adults [male and female], High School and Youth/Girls' 14 16 and Under Age Classifications and above only) The Official shall signal a delayed off-side if an attacking player proceeds the puck into the Attacking Zone and the delayed off-side will be nullified if:

Donna Kaufman motioned to accept the amendments, seconded by Gary Lebrun. TC Lewis noted that the change for rationale would need to be updated for the Annual Congress. All in favor – passed.

#178 – This is a glossary definition and amended to strike language below.

HECC- The Hockey Equipment Certification Council is an independent organization responsible for the ~~development, evaluation and testing of~~ performance standards for prospective ice hockey equipment. ~~To date there are standards for facemasks, helmets and goalkeepers head protection.~~

John Karolcik motioned to accept the amendments, seconded by Kaye Pinkowski. All in favor – passed.

Bill indicated there are no amendments to the junior playing rule proposals. He asked if there were any other amendments from the floor. No other amendments were presented. The playing rule proposals will be voted on in June at the Annual Congress.

PRESIDENT'S AWARDS

Jim Smith recognized Shawna Davidson, Don Mulder, Paul Day and Gavin Regan for their long time dedication to USA Hockey. Shawna is currently the head coach of the Women's Sled Team; Don Mulder, Director Central District and Wisconsin Amateur Hockey Association; Paul Day, Director Mid-American District and Gavin Regan Vice President, International Chair. All of these individuals have been strong fixtures in USA Hockey and have given a lot back to the organization.

ANNOUNCEMENTS

Jim Smith announced that the Annual Reports were distributed. The following individuals have been appointed since 2016 Annual Congress:

Dru Hammond, President PNAHA
John Coleman, High School Section Southeastern District
Todd Elmer, Registrar Minnesota District
Kristen Huber, Associate Registrar Minnesota District 5
Marie Sly, Disabled Hockey Section Michigan District
Mike Svac, Disabled Hockey Section Central District

The next meetings will be as follows:

USA Hockey Annual Congress will be June 7-10, 2017 in Colorado Springs at the Hotel Elegante
Winter Meeting will be January 11-14, 2018 in Orlando at the Renaissance Sea World

ADJOURNMENT

**Donna Kaufman moved that the meeting be adjourned. John Vanbiesbrouck seconded the motion.
THE MOTION CARRIED AND THE MEETING WAS ADJOURNED.**