



USA RUGBY BOARD MEETING

Friday, July 28, 2017

Arlington, Virginia

Friday 1 pm, Roll Call: Dan Payne, Rob King, Tim Jones, Will Chang, Todd Clever, Jeremiah Johnson, Chad Keck, David Sternberg, Dean Barrett (via Phone), Alex Magleby (via Phone), Phaidra Knight (via Phone/In person, 2:15pm), Bob Kimmitt (2pm), Bob Latham (2pm).

Chairman's Welcome:

- Prior meeting minutes (June 9/10, 2017) approved, electronically
- Highlighted RWC ticket sales-on track towards goal

CEO Report, Dan Payne:

- Even though faced with challenges, USAR continues to deliver on promises and expectations
- Messaging from USAR should be proactive, substantive and systematic
- Staffing:
 - CIO (Aaron Ewerdt) joined the team; working on necessary IT upgrade;
 - CFO (Tim Jones) is rolling out PO system;
 - CDO (Chris Reed) has been hired and is moving to CO in August;
 - RDO has been hired in TX to serve as a local asset to Austin/Houston pre high school.
- World Cup update:
 - Youth rugby—awareness and participation—is growing in the bay area by virtue of RWC Sevens event;
 - Nine Regional Development officers will be hired in bay area, to drive awareness, participation, etc., throughout the next 12 months
 - Ticket sales and PR campaign for week 1 was robust on both fronts, lots of support, Mayor Lee's office very supportive

RIM Report, David Sternberg

- Budget presentation:
 - Budget variance due to delay in sponsorship negotiations, absence of tier 1 testing (fall event), addition of RWC Sevens event to RIM
 - 2018 is looking strong-growth in sponsorship and events revenue; inclusion of "middle-case" budget projection for RWC event.
- Cash flow-Overall, status quo
 - Remains positive until the end of 2018, and only then if we do nothing.
 - Options open for further ask for capital investment (existing investors, new investors, TRC specific investment)

- TRC update:
 - Challenges revealed in financial performance to date.
 - Subscriber count ahead of plan
 - Ad revenue is lagging and expenses are greater than expected (development/production)
 - C. Keck and D. Sternberg recommended to consider a 60 day work plan to bring a proposal re: next steps for TRC; Board agreed.
 - Desire remains to build The Rugby Channel into a true avenue for growing awareness, developing rugby heroes and thereby increasing viewership. This is a longer term investment.
 - USAR remains committed to being fiscally responsible, “good stewards,” of the union. Reiterated that RIM holds a licensing proposition which created a financial engine (harnessed potential) to fund the growth of the game, long term...did not sell a portion of the union.

World Rugby Update, Bob Latham

- World Cup 2023 vote coming up
 - B. Latham will coordinate with D. Payne; more details to be discussed at the board meeting in NYC, Friday November 10th.
- Working to ensure that rugby stays in the Olympics and that doors remain open for other Americans to be involved in World Rugby...applauded Jen Gray’s appointment/opportunity. Great to have an American taking a position in World Rugby.

Executive Session, 4pm, Privileged and Confidential.

USAR Financial Update, Tim Jones

- January – June 30, 2017: Positive
 - Fundraising revenue over due to timing issues with closure
 - Expense savings due attitude of staff and culture of fiscal responsibility to the organization Dan has championed
 - Cash flow reaches lowest points in June/July...membership cycle and grants begin in Aug/Sept and restores comfortable operating levels
 - 2017 year forecast reviewed-projected to close the year better than expected, includes establishing a contingency/reserve fund, will be share this with Congress; Dan feels strongly there needs to be a reserve/contingency fund that has annual contributions put away for future emergency and/or organizational financial health...CFO/Board agree

Congress Update

- Board supports
 - existing bylaws that reflect Chairman of the Board as presiding officer of Congress
 - Congress playing an active role within the guardrails of the bylaws.
- R. King provided a monthly oversight calendar, which will be reviewed with Congress, documenting meeting dates for Executive Committee (monthly), Audit Committee (quarterly) and Board meetings through summer of 2018.

- Defined five areas of oversight (legal and board) for CEO/CFO: Hiring/firing, Salary negotiations, Contracts, Capital expenditures and Direct expenditures

Next board meeting: November 10th in NYC at Needham & Company, 445 Park Avenue

7:15 pm, Meeting Adjourned