

# MINUTES

## ABSF Board of Directors Meeting

Monday March 30, 2020

3:00 PM Microsoft Teams Meeting

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

**Absent:** Dennis Kruse

**Staff Present:** Ben Popp

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

**Approval of Minutes** from January 20, 2020 Board Meeting: Dee move, Rondeau second. Approved

### PRESIDENT'S COMMENTS: PAUL ECKERLINE

- Many accolades were given to Ben and the entire ABSF staff for the tremendous effort and work that they did for the 2020 Birkie! All agreed that it one of the best Birkie weekends ever! Congratulations and thank you to all!
- Discussion of Keyman Insurance (also called Key Person Insurance)

Best described as an insurance policy taken out by a business to compensate that business for financial losses that would arise from the death or extended incapacity of an important member of the business. It is a standard life insurance or trauma insurance policy used for business succession or business protection purposes.

Cost of the insurance is based on the probability that the insurance company will have to pay out on the policy. Cost is calculated using actuarial tables, which consider set factors such as the age, health and lifestyle of the insured. The longer the term, the more expensive the insurance.

The insurance policy becomes an asset of the organization. Alternatively, should Ben ever leave, we could give him the policy and he could make the payments to keep it active.

Paul recommends a 20-year term. He will send more information to board members, as well as competitive quotes.

This will be considered and discussed in more detail, and tied to Ben's upcoming evaluation and contract renewal.

## **EXECUTIVE DIRECTOR'S REPORT: BEN POPP**

- Acknowledged the difficulty that all businesses are facing during this time due to Covid-19 safety restrictions and concerns. Staff layoffs have been inevitable; this will be discussed later under Finance Committee. The Birnie Office and Museum and all Trailhead buildings are temporarily closed. We have 4.5 FTE staff members working from home.

- Prince Haakon Race

Staff have been working on securing a permanent start area, with agreement that the best place for this is Mosquito Brook. Two lots are needed, as well as a permanent easement. The Scheer family has generously offered to donate a lot if the ABSF purchases the second lot.

There is consideration to change the PH race to a morning start (9am), so that this would finish downtown before the Korte begins. Concerns were discussed that doing so could negatively affect the trail for the Kortelopt race.

- The Norwegian-American Historical Association is interested in housing our records in a digitalized format. The NAHA was founded in 1925 and is located on the campus of St. Olaf College in Northfield, Minnesota. It is "dedicated to locating, collecting, preserving, and interpreting the Norwegian-American experience with accuracy, integrity and liveliness". More to come on this!
- The FIS Congress Meeting scheduled to take place May 17-23, 2020 in Thailand has been canceled, along with World Cup race in Bangkok. Ben has been nominated to run for World Loppet President; his decision to run is due in May. Board should be involved in this decision as it would take time away from ABSF duties.

## **COMMITTEE REPORTS**

### **Finance: Brown**

- We continue to have a very strong financial situation.  
As of February 2020 we have:  
Income of \$323K; Expense \$702K; Net Income (\$378K)  
Year to date: Income \$3,280K; Expense \$2,226K; Net Income \$1,054K  
Income Variance to Budget \$286K  
Expense Variance to Budget (\$8.8K)

Bank Balance \$679K; Earned Income 91.9% Month; YTD 94.5%

- Covid-19 Impact on Events Industry:  
Looking at an 80 day period between March 12 - May 31 in the United States: 5,300 endurance events have been canceled or postponed; 2.3 M athletes are impacted; with a loss of \$135M in registration dollars.

- ABSF actions and response to this:

#1 Goal: Survival is critical.

Staff adjustments to manage cash flow have been necessary.

Staff decreased from 17 FTE to 4.5 FTE; some staff temporarily laid off; others decreased to part-time status during this uncertain time.

With these staff changes, our operational budget is \$35K/month and \$430 annual.

ABSF is in a position of financial strength with Bank Balance at end of March \$150K.

We have \$465K available as LOC if needed at 4.25% APR.

We have \$1M available in Endowment, but only as a last resort.

Upcoming membership/registrations start on April 1 for ABSF members, May 1 for all others.

ABSF has applied for CARES Act Disaster Assistance Loan which can loan up to \$2M with a 15-30 year term at 2.75% APR.

We have applied for Emergency Advance of \$10K; this is a forgiven loan and available within 3 days

We will also apply for Payroll Protection Plan, which is also forgivable. This will provide support for our payroll, healthcare, payroll taxes, rent, utilities, etc.

- (Close 2<sup>nd</sup>) #2 Goal: Keeping team together.

*If* we have no income generating events, we need \$800K annual budget.

However, we feel assured we will have some events (although they may be smaller and modified); therefore we will have additional income.

Creative ideas are being entertained in light of the fact that our events will likely be altered this year.

- #3 Goal: Provide as much consistency to our athletes as possible, as well as support to smaller ski clubs. We can do so by sharing what we have learned and helping them with loan applications, etc.

**Trail: Mandli**

- Discussion among board members in regards to grooming, reporting of grooming, and skier expectations.

The grooming in general was very good this year! All of the event grooming was excellent. The grooming grid and grooming comments on the website were also very good. There were 138 trail reports posted this season. This is a very effective communication tool.

There have been concerns from skiers that the grooming report/grid did not always accurately reflect the actual grooming. Several complaints heard from local and non-local skiers that there was very little grooming over the Christmas/New Year Holiday, and that only 3K area around the start was groomed on the Sunday of Birkie weekend.

Ben pointed out that skier expectations may be inflated due to the fact that our trail fees are set by the county. It is unrealistic to have daily grooming due to the lower volume of skiers here in the Northwoods vs trails in Minneapolis, for example.

It is felt the grooming reports need to be very transparent and accurate. People want to come to the Northwoods to ski; they would like at least a portion of the Birkie trail groomed; and they would like to know which part of the trail is groomed in advance.

- Telemark Redevelopment

Trail Committee has changed focus to “The Path to Purchase Telemark.” Brought in outside committee members and stake holders with business/finance background, real estate, and trail development expertise all with the goal of finding a viable way to purchase Telemark Property at the end, if not sooner, of our 2.5 year lease.

## **Documentation: Dee**

- Proposal from the documentation committee to approve the following language for the Bylaws in regards to electronic ballots, voting, and deadlines for same.

The changes below solve two problems:

1. Elimination of absentee ballots, as these no longer exist with electronic voting. This also updates and explains the two methods of voting.
2. A voting deadline that occurs on a weekend is a hardship for staff as new members are sent a ballot as soon as they sign up for membership to the ABSF. Last year July 28 fell on a Sunday, so Audun had to spend a portion of his weekend monitoring new members joining at the last minute. These changes eliminate that hardship.

Below is proposed changes to bylaws with present language in black, proposed new language in red, and proposed eliminations indicated.

## BYLAWS

### ARTICLE II MEMBERS

#### Section 4. Method of Voting

~~(a) Absentee Ballots. By July 1, every current paid member will be provided election information including a Board Candidate ballot and method of voting. Completed ballots must be returned to the American Birkebeiner office by business close by July 28. The Board of Directors, at its discretion, may allow voting by electronic ballot.~~

(a) Electronic Ballots. By July 1, every current, paid-up member will be provided election information via email, including a Board Candidate ballot and method of voting. Completed ballots must be returned to the American Birkebeiner office by 5:00 pm on July 28. In years when July 28 falls on a weekend, the following adjustments shall be made: members will be provided the information described above in sufficient time to have at least 28 days to vote, and the close of balloting will be on the Friday prior to July 28 at 5:00 pm.

(b) By mail. If a member has no access to email, that person may request from the ABSF office, either via phone call or letter, that a ballot be mailed to the member's address. Any completed ballot mailed to the ABSF office must be received by July 28, or the stated deadline if July 28 falls on a weekend.

(c) In person. Individuals may cast their votes in person at the ABSF office during regular business hours by 5:00 pm on July 28. In years when July 28 falls on a weekend, the close of balloting will be on the Friday prior to July 28 at 5:00 pm.

Motion to amend bylaws as above: Dee move. Scheer second.  
Passed unanimously.

### **Competition: Kruse**

- Dennis Kruse unavailable today. Ben noted recent discussions regarding Work Cup races are on hold. There is interest from Canada to collaborate in 2024.

Yuri feels that we need to get something in writing from US Ski and Snowboard indicating their full support for ABSF involvement in the World Cup in 2024.

There is a very good chance that Minneapolis will host a World Cup event in 2022.

## **Skier Development: Guenther**

- Discussed how the Birkie should and can support smaller clubs at this time of health and economic hardship.

## **New Business**

- ABSF membership drive starts next week.
- Next meeting scheduled for 4/20/20, 3-5 pm, again by Microsoft Teams electronically.

Adjournment: Dee move. **Acclimation.**