

MINUTES FROM THE BOARD OF DIRECTORS MEETING
ROAD RUNNERS CLUB OF AMERICA
Wednesday, April 19, 2006

The Board of Directors of the Road Runners Club of America (RRCA) met in regular session via teleconference on the above-specified date. The following Officers and Directors were in attendance: President Bee McLeod; Vice-President Tom Downing (joined at 7:08 p.m.); Treasurer Dennis Novak; and Directors Beth Onines (joined at 7:18 p.m.), David Epstein, Dennis Novak, Bob Holmes, Lisa Paige, Ken Bendy, and John Farrow. Also present were Executive Director Jean Knaack and Steve Nearman was an invited guest. Director Brent Ayer was absent.

A quorum being present, President Bee McLeod called the session to order at 7:05 p.m. EDT.

Approval of March 7, 2006, Board Meeting Minutes. President McLeod and others made some grammatical changes to the minutes, which were duly noted. Director Novak moved, and Vice-President Downing seconded, that the minutes be approved as amended. A vote was taken and the motion passed, with Directors Bendy and Holmes abstaining, inasmuch as they were not present for the March 7 meeting.

Directors' Reports. President McLeod welcomed the new Board to its first session. She then proceeded to announce the appointment of Director Epstein to the Secretary position. President McLeod reported that she sent a thank-you note to Al Becken, who had made a sizeable donation to the State Rep Program. Thank you notes were drafted and co-signed by President McLeod and Executive Director Knaack. These were sent to the organizations and companies that sponsored the 49th Convention. As requested in our January meeting, the Roads Scholar Committee provided a report on their teleconference held in March. President McLeod forwarded the notes of the call to the Board. Over 37 people have submitted Roads Scholar applications for 2006-2007. The Board will meet in person in Columbia on July 21-22, for a business session and Board training. The July 21 session should meet from 2 pm until 4 pm, or 3 pm until 5 pm, depending on whether or not we want to do a group run on Friday. President McLeod offered to take care of the hotel reservation planning.

Vice-President Downing had no report.

Director Bendy reported on two new State Representatives, and a new regional 8-K championship (to be held this November in Clarksville, TN). State championships are doing well, with Alabama and Arkansas leading the pack. Director Bendy is still handling the state championship awards for the 10-K and requested that the associated cost be taken out of his remaining state rep funds. He and Executive Director Knaack will discuss this.

Director Onines stated that she has a new Iowa State Representative, and Executive Director Knaack noted that President McLeod met him at the Road Race Management meeting last October. With regard to the 2007 Convention, the final dates are yet to be confirmed. The date may be March 20-25, or it could be March 27-April 1. It depends on when the Shamrock Shuffle will be held. Beth will confirm the dates as soon as possible and report back.

Director Paige reported that she had implemented the split date for submission of applications for championships that will be held early January 2007.

Review of RRCA Financial Status. Executive Director Knaack and Treasurer Novak presented the balance sheet and revenue and expense report to the Board. Director Holmes sought clarification regarding presentation of the restricted contributions. Executive Director Knaack clarified the presentation of information in the statements with regard to restricted contributions.

Review of Investment Policy. Steve Nearman of Nearman Financial Consulting, Inc. was introduced to the Board. Nearman Financial has handled the investment of RRCA funds for many years. Executive Director Knaack worked with President McLeod and Treasurer Novak on an investment policy for the RRCA. This policy was also reviewed by Mr. Nearman. In addition, Executive Director requested a proposal on an investment portfolio in accordance with the draft investment policy from Nearman Financial. This proposal specifically outlines how the Board Restricted Reserve Fund of \$100K will be invested along with the unrestricted operating funds.

Director Paige asked Mr. Nearman about the management fees he would charge RRCA and if they were transaction-based. Mr. Nearman reviewed the fee structure with the Board and Director Holmes commented that the rates were excellent. There was discussion on rebalancing the portfolio and at minimum it will be done on a quarterly basis. Following a question-and-answer session, Mr. Nearman departed the teleconference at 7:51 p.m. EDT.

Director Holmes moved to accept the RRCA Investment Policy Statement as proposed by Treasurer Novak. Director Farrow seconded the motion. A vote was taken and the motion passed. Director Holmes moved to accept the investment portfolio proposal submitted by Nearman Financial Consulting, Inc. to execute the investment strategy as outlined in his letter from March 29, 2006. Director Bendy seconded the motion. A vote was taken and the motion passed unanimously.

Executive Director Knaack will contact Mr. Nearman to execute the implementation of the investment strategy.

Executive Director's Report. Executive Director Knaack had provided Board members with the draft RRCA general brochure that will be distributed at races through the 2006 Penlac "Best Feet Forward" campaign. It is also posted on the State Rep web site. The RRCA website re-design will be a primary focus for May. The next edition of Inside Track is forthcoming. RRCA safety tips will be published in the July issue of Shape magazine. Accordingly, we will get our name out in another national publication! The RRCA National Run@Work Day fact sheet draft version was provided to the Board. Executive Director Knaack is going to disseminate it to as many media people as she can. She has sent out \$25,000 worth of sponsorship proposals for Run@Work Day. Executive Director Knaack announced that a communications intern would be coming to the national office to get some real-world experience. We are only \$5,000 away from our membership revenue goal for 2006. Membership is strong and we have 674 current clubs with 39 new members as of January. There are 85,000 household members in the database, not including 40,000 NYRR households. Thirty-seven applicants will be considered for this year's Roads Scholar program, in contrast to twenty-two applicants last year. Executive Director Knaack reviewed the In-Motion Financial Coaching Program. It is a service targeting the running community as a source of potential clients for financial service companies. The developers of the program want the RRCA to offer it as a "service" to our members. The board agreed that the proposed "service" is not in line with our core mission, i.e. we are not in the business of promoting personal investing. Executive Director Knaack had previously told them they could pay for a banner ad on the RRCA web site, but felt that should be the extent of our involvement. The Board felt this was a proper response. Executive Director Knaack reviewed the status of sponsorship proposals and contributions to the organization.

50th Anniversary Celebrations Update. No report provided

New Business. None.

Closure. There being no further business to come before the Board, the session was brought to closure at 8:28 p.m. EDT by President Bee McLeod. This action was based upon a motion by Director Bendy that was seconded by Director Holmes. It passed by unanimous voice vote.

Respectfully submitted,

David B. Epstein
Director-at-Large
Road Runners Club of America