



**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS
June 15, 2019**

The Directors named in these minutes of the California State Soccer Association-South, constituting the Board of Directors of said California Corporation, held its regular meeting on June 15, 2019 at the Ayres Lodge and Suites Corona West. President and Chairman of the Board, Cindy Quan, called the meeting to order at 9:01am. A quorum was present.

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| <input checked="" type="checkbox"/> Cindy Quan, President | <input checked="" type="checkbox"/> Robert Pennoyer, District 1 Commissioner |
| <input checked="" type="checkbox"/> Roy Carlson, Exec. Vice President | <input checked="" type="checkbox"/> Luca Pacelli, District 2, Commissioner |
| <input checked="" type="checkbox"/> Jerry Selby, VP-Youth | <input checked="" type="checkbox"/> Grant Nadell, District 3 Commissioner [joined late] |
| <input checked="" type="checkbox"/> Chris Haitz, Vice President-Adults [partial-conference] | <input type="checkbox"/> [Vacant], District 4 Commissioner |
| <input type="checkbox"/> Mike Green, Treasurer | <input checked="" type="checkbox"/> Louie de la Cruz, District 5 Commissioner |
| <input checked="" type="checkbox"/> Monica Jara Guerra, Secretary | <input checked="" type="checkbox"/> Jack Larkin, District 6 Commissioner |
| <input checked="" type="checkbox"/> Johnnie Garza, Chief Executive Officer | <input type="checkbox"/> Christie Paulson, District 7, Commissioner |

Also present for various parts of the meeting:

Steve Marquez, Cal South Compliance Manager
Jonathan Smith, Cal South Chief Financial Officer [partial-conference]

1. CALL TO ORDER at 9:01am

2. PUBLIC COMMENTS

There were no public comments.

3. APPROVAL OF THE AGENDA

The board discussed the need to update the agenda to reflect items that can be discussed during this board meeting for which the appropriate documents were made available in a timely manner.

Motion #1 Luca Pacelli motioned to add to the agenda an appointment for the vacant position of District 4 Commissioner after the CEO report and an update on the foundation.
Jerry Selby seconded
Motion passes

Financials were also moved up following public comment.

4. FINANCIALS

Johnnie referred the Board to SharePoint to highlight the financial documents posted.

The requested data on apparel sales was compiled and sent to Mike a few days prior to the meeting. This information was not shared with the Board prior to the meeting. This item was moved to a list of items to be discussed at the next Board meeting with an understanding that this item cannot be discussed without the appropriate information and reports made available to the Board.

Motion #2 Roy Carlson motioned to have all reports for a Board meeting available by the Monday prior to the meeting to the extent possible. If the reports/information are not available, the item will not appear on the final agenda.
Luca Pacelli seconded
Motion passes

The Board reviewed the agenda and removed all items the Board was not prepared to discuss during the course of this meeting. These items will be on the list of unfinished business to be discussed at the next meeting where information is available to have an informed discussion and conclusion. This section shall include the spreadsheet of unfinished business.

The Board discussed the need to find an appropriate method to discriminate the executive session minutes with the goal of maintaining documents confidential to the Board. Robert Pennoyer was asked by Cindy Quan to assist with identifying a secure method of communicating and storing executive session minutes.

5. FINANCIALS

The Board reviewed the financial report on SharePoint and discussed the significant variances from the projected budget. Cal South is under budget in several areas, but over budget in fields and referee expenditures as a result of weather delays. Although youth and adult player registration was down 2+%, total revenue was up \$150,000 over the budget estimated revenue. Jonathan also shared how revenue is being track, specifically revenue for tournaments will be realized as games are played rather than at the start of a tournament. Revenue for youth registrations will follow a similar procedure and be recognized on a monthly basis rather than as a lump sum in September. The Board expressed concern about overspending. Jonathan shared that once May financials are closed, he will create a forecast for the remainder of the year. Johnnie assured the board that cash has not been withdrawn from reserves this year.

The Board discuss affiliate member service and what was included. A request was made for a breakdown of what costs are included in the Affiliate Member Services line item.

The Board requested additional documents, YTD and P&L statements, to get a better understanding of where registration is down and what the plan is to counter it. Additionally, the Board requested for all money from the federation to be listed on a separate line item rather than being lumped in with reserves.

The Board requested to review a cash flow analysis by month. The Board requested the Investment Plan be put on the agenda to ensure that funds are deposited into reserve on an annual basis. The Board requested to establish a forecast process to be able to review quarterly with 9 months of actuals and a quarter of forecasting data. The Board expressed interest in a statement of activities by program with a variance ratio.

The Board discussed increases in expenses as a result of insurance premiums and the increase fee to US Youth Soccer. The Board clarified that it is the responsibility of Cal South to assist our members in knowing the purchase process and how to make it work for them.

The Board requested research be done and information be presented on the cause of the decline with registration, both in competitive and recreational registration. This information is to include data from the past 3-4 years, location/area players are in geographically as compared to the population density. This data should include what age a player joins us, when they leave, how long they were members and how many become coaches or referees. Similarly, the Board ask for the same be done with referees coaches, players, clubs, etc. to better understand the landscape and identify losses over one year in specific areas. This request is for more than a market analysis, rather an activity analysis to determine what is driving decisions to remain or leave Cal South in all 10 counties included in Cal South. The Board request this analysis be done and reported back to the Board in 3 months-time (September).

The Board requested a cost analysis of a competitive player verses a recreational player.

The Board discussed a potential platform model to that would be attractive for members to continue with us over time.

Motion #3 Luca Pacelli motioned to begin the process for a Market Analysis (of players and demographics) to be done by the next meeting to give the Board of Directors a timeline of what Cal South is going to do, how long it is going to take, and what it is going to cost.
Robert Pennoyer seconded
Motion passes

6. INSURANCE RENEWAL

Johnnie referred the Board to documents on SharePoint as a follow up from a discussion and motion at the previous meeting. Johnnie discussed the options of increasing coverage for an increased premium or maintaining current coverage. What was presented at the last meeting did not include coverage for concussion. Following that meeting Cal South staff was able to get a quote that provides an excess liability policy that includes NDI coverage for all Cal South sanctioned events. The Board discussed the available options and reviewed the documents.

Motion #4 Luca Pacelli motioned to approve proposed insurance package option 2 (excluding active assailant coverage at this time), so long as we can make sure that signing with Lloyd's does not impact the remainder of the Everest Premiums.
Jonathan will confirm this prior to the execution of said motion.
Robert Pennoyer seconded
Motion passes

Last month, the Board requested a document be created that is to be provided to affiliates explaining insurance coverage. Jonathan assured the Board that this would be available by the end of the month. The Board requested specific wording that indicates this document is not fully representative of Cal South's insurance package, but is for membership only and should include an approved timeline of coverage.

The Board discussed the situation of try outs and non-registered players as related to insurance.

Motion #5 Robert Pennoyer **motioned** to establish a process to manage registration for camps, try outs and clinics that enables clubs and leagues to have participants who are properly registered with Cal South prior to formally being registered with Cal South.
Jack Larkin seconded
Motion passes

7. SAFE SPORT

Johnnie referred the Board to documents on SharePoint. Staff has drafted an athlete participant safety policy to align with federation policy 212-3. Draft contains all primary elements of the federation policy with a projected timeline. Staff is asking to engage the BRPC and other board groups to continue to work on this policy. Adrian Marquez was asked to draft a report on this item for a future board meeting. Federation wants SafeSport training done by September 1st. The Affinity system will track certificate upload. As of June 7th, nearly 3,000 individuals had completed the training. This training must be done to activate a team. The Board requested staff move quickly to identify additional requirements and communicate them with membership as soon as possible. Luca asked to create a synopsis of any and all additional requirements that need to be done between now and September and communicate it out to leagues and clubs. Regarding background checks, Adrian shared the goal is to roll out what is needed for the national background check in 2021, beginning January 2, 2020. Board engaged in a discussion regarding what counsel should be used for this.

Next steps for this:

- 1 – staff will go through the policy and pull out minimum requirements (to be completed by next week)
- 2 – send it out to Board, BRPC and have a discussion to get aligned
- 3 – concurrent with previous step, continue messaging for training and send out information on the policy to membership (by July 1st)

The Board requested the creation of a simple diagram on “who to call” in case of various situations.

8. CEO REPORT

Motion #6 Cindy Quan motioned to go into executive session.
Roy Carlson seconded
Motion passes

Motion #8 Monica Jara Guerra motioned to exit executive session.
Cindy Quan seconded
Motion passes

Motion #9 Roy Carlson motioned to ratify motions passed during executive session.
Jack Larkin seconded
Motion passes

9. CONFLICT OF INTEREST REVIEWS

Motion #10 Roy Carlson motioned approve Christie Paulson’s conflict of interest form.
Cindy Quan seconded
Motion passes

Motion #11 Cindy Quan motioned approve Grant Nadell’s conflict of interest form.
Roy Carlson seconded
Motion passes

Motion #12 Cindy Quan motioned approve Robert Pennoyer’s conflict of interest form.
Jerry Selby seconded
Motion passes

10. COMMITTEES

The Board reviewed committee assignments and took volunteers for committee chairs when there were none. The Board discussed committees that were inactive. The Board discussed the need to ensure we are following procedure and protocol as has been outlined for committees. A call scheduled for special meeting on Wednesday to discuss adult soccer initiatives and committee assignments.

11. Adjournment

Motion #13 Cindy Quan motioned to adjourn the meeting at 5:11pm
 Louie de la Cruz seconded
 Motion passes