

**Oahe Hockey Association
July 2016 Board Meeting Minutes
First National Bank Board Room – Pierre, SD
Monday, July 25, 2016**

Board President, Nathan Sanderson, called the July Board meeting to order at 6:30 p.m. CST.

Board Members Present: Nathan Sanderson, Tiffany Sanchez, Lee Axdahl, Lisa Lee, Rick Miller, Craig Davis, Bob Gray, and Stephanie Lyons.

I. APPROVAL OF MINUTES FROM JUNE BOARD MEETING

Board President Sanderson entertained a Motion to approve the June Board Meeting Minutes. Motion made by Lee Axdahl. Second by Craig Davis. Motion passed unanimously.

APPROVAL OF MINUTES FROM ANNUAL BOARD MEETING

Board President Sanderson entertained a Motion to approve the Annual Board Meeting Minutes. Motion made by Craig Davis. Second by Tiffany Sanchez. Motion passed unanimously.

II. TREASURER'S REPORT

Treasurer, Tiffany Sanchez, had no changes to the July report from her June report. **President Sanderson asked for a Motion to approve the July Treasurer's report. Motion made by Lee Axdahl. Second by Rick Miller. Motion passed unanimously.**

III. EXECUTIVE SESSION - PAYSА RINK ACQUISITION

The board went into Executive Session at 6:32 p.m. CST. **Craig Davis Made a Motion to empower President Nathan Sanderson in being able to sign a promissory note, contingent upon approval of a resolution, to purchase the PAYSА facility. Second by Lee Axdahl. Motion passed unanimously.** The board came out of Executive Session at 6:35 p.m. CST.

IV. OLD BUSINESS

POTENTIAL PAYSA RINK ACQUISITION – ACTION

The board entered into discussion and the public comment period for 1 hour. Much public input has already been given during the past 4 months of board meetings, as well as on the website.

Craig Davis went through the details of the PAYSA purchase proposal (attached), highlighting how it will be paid for and who will run it (management team). The PAYSA operating budget was also reviewed and discussed in depth; as was the condition of the PAYSA compressors and Zamboni as well.

The appraised value of the land, building, equipment, and fixtures is \$900,000.

Two of the four existing compressors were replaced last summer, as well as a new exchanger and fan being installed, all by Rink-Tek (out of Minnesota). These are being purchased “as is”, and Rink-Tek has agreed to recertify the compressors before closing should the board approve the PAYSA purchase.

The Zamboni runs on propane and Keith Briggs (part of management team) has done a good job of maintaining it. There is not much expense incurred to keep it going throughout the year (approximately \$200). It is an older model, and not many moving parts to fix on it. If maintained properly it runs well.

Blue Sombrero will stay with PAYSA, and NGIN with OHA. Two separate set of books will be run for at least 2 years to make sure that PAYSA pays for itself.

Craig Davis has put together an OHA Board resolution (attached) authorizing OHA to purchase the land, building, equipment, and fixtures that are tied to PAYSA. **President Sanderson entertained a Motion to Adopt this OHA Board Resolution as Presented. Motion made by Lee Axdahl. Second by Tiffany Sanchez. Motion approved unanimously with Craig Davis abstaining.**

POTENTIAL APPROVAL OF REVISED FY2017 BUDGET

With the approval of the PAYSA acquisition, discussion took place on the revision of the FY2017 Budget. No comments or concerns were expressed with the proposed

revision. **President Sanderson entertained a Motion to Adopt the Revised FY2017 Budget. Motion made by Craig Davis. Second by Lisa Lee. Motion approved unanimously.**

V. DIRECTOR AND OFFICER REPORTS

REGISTRAR – RICK MILLER (REGISTRATION & DIBS SYSTEM)

On-line OHA registration should be ready to go on August 1st. There will be no Registration Day this year. Flyers will be distributed to the schools. There is no “end” day for on-line registration at this time.

Kathy Norwick will work with Rick and Lisa Lee on the set-up of the volunteer system within NGIN called “DIBS”. Nothing more to report on the DIBS system at this time.

PLAYERS – KATIE STARR

Katie was absent. Nathan reported that coordinators are still needed at the levels of Learn To Skate, Mites, and Peewees.

COACHING – PAUL BACHAND

Paul was absent. Craig reported that Jacob Parsons (old Bantam B coach) will assist Curtis Egan at the Boys JV level. Sitting good with coaches and will soon finalize the Bantam coaches’ roster.

LEAGUE PLAY – CRAIG DAVIS

Discussion of state recommendation for Pee Wee and Bantam level splits. The state is recommending Oahe split Pee Wees into A & C divisions and Bantams into A & C divisions. (The state is recommending a “C” division at the Bantam level league wide this season due to increased statewide numbers.)

Craig Davis made a motion that OHA goes against the state recommendation and submits a play up request to move from a Bantam “C” team back up to a Bantam “B” team; thus Oahe would have a Bantam A and Bantam B team as before. Second by Lee Axdahl. Motion approved unanimously.

Craig and Nathan recommend that as many OHA members attend the SDAHA Fall meeting on September 24th, as possible. It is being held in Pierre at the Pierre Chamber of Commerce. They hope OHA will have a huge voice present as discussion will take place regarding Oahe not having enough numbers to field a Girls JV and Varsity team this season, as well as discussion regarding the numbers and team splits in Rapid City, Sioux Center, and Sioux Falls.

RINK OPERATIONS – JON HERMAN

Absent. No Report Given.

FUNDRAISING – SERENA SWENSON

Absent. No Report Given.

MARKETING – BOB GRAY

Will get the word out that sign sponsors are needed at PAYSAs well. Hoping to increase the sign revenue at PAYSAs, as he has at the EXPO.

COMMUNICATIONS – LISA LEE

Will get the word out that registration is open come August 1st.

VICE-PRESIDENT – LEE AXDAHL

There was NO East and West “split” adopted for the SDAHA during the June 22nd phone call he was on.

VI. NEW BUSINESS

Tiffany and Bob opened up discussion regarding communications with MIDCO, in hopes of possibly being able to accommodate live feeds/streams of state tournaments held at the EXPO in the future. Nathan, Tiffany, Bob, and Mike Mueller will continue to pursue further conversations with MIDCO on this possibility.

No Board Action was Taken or Needed at This Time.

The August OHA Board Meeting will be held on Monday, August 22nd at the First National Bank Board Room in Pierre, SD at 6:30 pm CST.

President Sanderson entertained a Motion to Adjourn the July Board Meeting. Motion made by Tiffany Sanchez. Second by Craig Davis. Motion passed unanimously. The July Board Meeting was adjourned at 8:35 p.m. CST.

Oahe Hockey Association: PAYSА Rink Acquisition Proposal

July 12, 2016

PAYSА Purchase Proposal

The Oahe Hockey Association (OHA) will purchase the PAYSА ice rink from the PAYSА Foundation, Inc., including the land (1.55 acres), building, and all equipment and fixtures (Zamboni, boards, lawn mower, exterior building, etc.) for \$620,000. Recent appraisals place its current value at more than \$800,000. OHA's annual debt service on the loan (financed through First National Bank for 25 years at 4.25%) would be about \$40,400 per year. While OHA will own the facility outright, Chad and Sandra Griese will retain an interest of \$70,000 in the facility as a guarantee on the loan, which OHA would buy out sometime before October 1, 2021. The PAYSА Foundation will be dissolved.

How do we pay for it?

The Oahe Hockey Association must pay about \$40,400 per year in debt service. Four components will be necessary to pay for the facility, two of which are achieved within the current budget structure.

1. OHA is currently paying PAYSА \$15,000 per year in rent, which can offset the debt service.
2. We propose to adjust the raffle ticket sales structure. Currently, each family must sell 10 raffle tickets per season. OHA can generate \$7,000 per year by changing the requirement to 12 tickets per skater per season; additional skaters within a family will be required to sell an additional five tickets per skater, with a maximum of 22 tickets per family. [A family with two skaters would be required to sell 17 tickets (12+5=17); a family with three or more skaters would sell 22 (12+5+5=22).]
3. We propose an adjustment to registration fees, which are among the lowest in the South Dakota Amateur Hockey Association and have not been changed in two years. The proposed rate structure is listed below and would generate approximately \$5,000 per year.

Varsity/JV	\$275
Girls	\$235
Bantam	\$235
PeeWee	\$210
Squirt	\$175
Mite Travel	\$90

Mite In-House	\$25
Mini-Mite Travel	\$60
Mini-Mite In-House	\$25
Learn to Skate	\$25

4. The remaining \$13,400 in revenue would come from a variety of expense reductions and budget adjustments within the current Oahe Hockey Association budget.

<u>Item</u>	<u>2015-2016</u>	<u>Projected 2016-2017</u>	<u>Funds Generated or Saved</u>
1. Rent	\$15,000	\$0	\$15,000
2. Raffle	\$37,000	\$44,000	\$7,000
3. Dues	\$28,000	\$33,000	\$5,000
4. Sponsors	\$25,000	\$27,500	\$2,500
Tournaments	\$0	\$2,200	\$2,200
Gate	\$15,000	\$20,000	\$5,000
Passes	\$5,700	\$6,700	\$1,000
Advertising	\$1,200	\$300	\$900
Printing	\$1,000	\$0	\$1,000
Shadow Box	\$4,000	\$0	\$4,000

Total additional revenue generated (or saved) in 2016-2017 = \$43,600

In addition, discussions are ongoing regarding a number of different one-time payment options to reduce the amount necessary for annual debt service – building naming rights, additional sponsorships, grants, and other possibilities. Should any/all of these one-time revenue sources be realized, the overall OHA budget may be adjusted accordingly.

It is anticipated that PAYSA will generate enough revenue (from figure skating, summer recreation, camps, etc.) to pay its operating expenses (utilities). This had been the case prior to the OHA lease. However, OHA has a contingency fund of about \$10,000 if operating expenses exceed expectations. Should that happen, we can re-evaluate options next year. It also demonstrates the need for a solid team of individuals for PAYSA scheduling and management.

Who runs it?

The Oahe Hockey Association will need a team of individuals to assist in operating PAYSA. We anticipate no additional increase in volunteer hours, though some duties may be shifted from Expo to PAYSA. The current process of each team/level caring for and maintaining the PAYSA ice and facility during/after each use (Zamming the ice, cleaning up the benches, locker rooms, and warmup room, etc.) will continue as it has in the past.

The potential management team would include:

Management Committee: Craig Davis, Chad Griese, Jim Wedin, Keith Briggs

Director of Non-League Activities: Jim Wedin

Scheduler: Craig Davis

Website: Manage in concert with OHA website - Lisa Lee

Facilities: Jon Herman, Chad Griese, Volunteers

Opening Team: TBD