

EMPIRE RFU GU
FINANCE CALL
February 26, 2013

A Financial Report of the Empire GU was presented via conference call on Tuesday, February 26, 2013, at 8:30 p.m. Empire GU member clubs were invited to take part.

The call was moderated and led by Mike Crafton, VP of Finance for Empire GU.

LAND SALE / CASH-ON-HAND

In 2012, METNY sold a parcel of land, located in Monmouth County, for approximately \$29,000. The parcel was deemed unusable – it was landlocked from any access road and backed up against a State Park. It was acquired almost 25 years ago with the vision of developing a rugby complex, but that could not become a reality. The METNY Board was approached almost two years ago and the Board agreed the sale price was acceptable and the right time to move the property.

This sale brings the total cash available for Empire GU to a little over \$100,000.

Since the transition from METNY to Empire GU, the same checking account is in place with Chase, which has been for quite some time. Other than paying for METNY administrative needs (website, etc.), there are no remaining expenditures for METNY.

The current Empire GU account totals approximately \$32,000, which does not include receivables from the Colleges of approximately \$15,500. Empire GU is still determining the best way to invoice the Colleges, as it cannot use incompatible software from METNY. Empire GU is working to get bank accounts in line and a name change from METNY. Mike Crafton has been added as a signator to the bank accounts. Paperwork for name change will be submitted very soon. Should be on better footing with these changes.

OPERATING BUDGET MOVING FORWARD

When the Empire GU was established, the Board used a conservative estimate for players CIPPd through USAR. The GU was able to collect dues from approximately 1,500 players (that number does not include college players). The Empire GU Board is looking for the best way to spend GU money going forward, ensuring membership sees the most for its dues.

Target areas include a potential increase of support for 7s and high-performance 15s. Following USARs lead on a National scale, there is a plan to establish ODPs or Olympic Training Centers (three or four locations open currently). In the Northeast, one is scheduled for future, but a timeline is not set.

PLAYING FIELD DEVELOPMENT

Mike Crafton took the opportunity to introduce Toby Butterfield. Mike noted that Toby was instrumental in the land sale and has been a leader in the rugby community, especially through his work and focus on field acquisition and development.

Toby stated he and other volunteers worked to survey NYC area parks for Rugby opportunities and included the economic impact through events, athletes, etc. The surveys estimate was roughly \$4MM is spent annually through various activities. Toby and associates have been lobbying various political leaders for inclusion of rugby at city, borough and regionals parks for quite some time.

Toby touched on areas are being built or upgraded – Brooklyn, West Side, Pellham, Long Island, etc. NYC is a place where fields are at a premium – a high-density area. Toby invited anyone with knowledge of available or developing fields anywhere within Empire GU to pass along information. He is looking to compile a comprehensive list. Members can send info to Toby at tobymjbutterfield@yahoo.com.

A question was raised about expenditures on field development. Toby used the upgrade at Randalls Island and stated that no METNY money was spent on the project, but individual clubs helped to fund that.

CAPITAL TRUST FUND

Mike Crafton detailed how Southern CA Rugby Union established a Capital Trust Fund, and have grown it north of \$400,000. Mike has the Trust Document and it lays out the types of field development projects the Trust funds. One piece of their annual bylaws allocates a certain percentage (ie 10%) of collected dues toward the Capital Trust Fund.

The Southern CA Capital Trust is comprised by a Board which is separate from the Union Board, with Board members being active members of the Rugby community by not active on the Union Board.

Mike introduced the idea of replicating the Southern CA Capital Trust. The overall plan would be to take advantage of opportunities where land could be purchased, potentially place buildings and be able to host events and tournaments under Empire GU. Based on land availability, that would not be available in NYC or Hoboken, for example, but those areas could benefit from the ability to secure posts, pads and ancillary equipment to retrofit established or refurbished fields.

Any allocation of funds would not be a one-time expenditure for the benefit of an individual club. Mike has been seeking success stories from around the country to help use as examples.

Toby stated that much work has been done to lobby to include rugby when these fields are developed.

QUESTIONS

Expenditures of Reserves

- * Tom from Montauk asked if reserves were to go toward capital or operating costs.
- * Mike reiterated that the Board is seeking the best way to spend Empire GU money. He used examples of The Rugby Site (coaching portal) and Coaching Clinics (four clinics to supply CEUs to members) as valuable assets to the membership.

Funding of traveling sides

- * METNY provided nominal funds to players if they advanced to premier-level sides
- * There is a current discussion of funding representative clubs at any National finals

Why moving away from funding Colleges

- * USAR mandate for Colleges to assemble their own conferences
- * D2 / D3 clubs spinning off on their own

How can this money be spent to help people play more Rugby or attract people to Rugby

- * Question can also be posed for annual use of Empire GU funds
- * Welcome to any thoughts that come through as year progresses

Being no other business, the meeting was adjourned at 9:27 p.m.

Respectfully submitted,

J.C. Whipple
Empire GU Administrator