

CBA Board Special Meeting Minutes – August 26, 2014

The meeting was called to order at 5:01 P.M. In attendance were John Meinking, Susan Wisner, A. J. Stephani, Steve Moese, Mike Purcell, Ron Manne, Tom Mess, and Sonya Wilson with Barb Levinson attending by phone.

Minutes

There was agreement to adopt the minutes of the August 19, 2014 meeting.

Appointment of New Vice-President

With former Vice-President now serving as President, President Moese asked the Board to suggest a replacement Vice-President. John Meinking and Mike Purcell were both nominated as potential replacements. Mike Purcell in a voice vote was elected as the new Vice-President to serve out the balance of Mr. Moese's term as Vice-President.

Letter to ACBL

President Moese advised the Board that he wanted to focus the majority of the meeting on how to approach the ACBL to resolve the issues raised by Ms. Mulford and the Netherwoods in the August 19 meeting. The Board had previously agreed in an exchange of e-mails that the Board would contact the ACBL. President Moese identified Carol Robertson, Director of Club & Member Services of the ACBL as the appropriate contact. President Moese recommended that he initially contact Ms. Robertson to determine the appropriate next steps to take, including providing a written letter stating the facts as understood by the Board and the issues the Board is asking the ACBL resolve. The Board agreed with this approach.

Mr. Mess remarked that he had been working on a draft letter to the ACBL, which was shared with President Moese and Mr. Stephani. Mr. Stephani had provided comments on the draft to Mr. Mess. Pending the outcome of the balance of the meeting and Mr. Moese's conversation with Ms. Robertson, Mr. Mess agreed to revise the draft and share with the other Board members.

President Moese then led a discussion with the Board on what are the key issues and who has the proper jurisdiction to resolve each issue. After considerable debate and discussion with full participation by the Board, it was decided that the issues that should be resolved by the ACBL were:

1. Is Unit 124 as the owner and operator of a bridge center permitted to own sanctions?
2. Is Unit 124 permitted to purchase sanctions for the bridge center from retiring directors?

Depending on how the ACBL would answer these two questions, the Board would need to meet again to determine the next steps.

In the discussion of the two issues above, a question was raised by Mr. Manne on what paperwork was submitted to the ACBL when the Comer sanctions were transitioned to the CBA. Mr. Stephani confirmed that paperwork was submitted to the ACBL as required, naming Potter Orr as the sanction holder for the prior Comer sanctions. He further explained that the ACBL Handbook of Rules and Regulations required that a sanction be held in the name of an ACBL member in good standing to allow that individual to download various materials from the ACBL. The Unit is not permitted to hold a sanction in its own name given the way the ACBL manages this downloading process. Mr. Mess raised the point that Mr. Orr, who agreed to this arrangement, was functioning as an agent for the CBA. Mr. Orr did not hold the sanctions as an individual.

Additional questions prompted were:

3. Does the Board have the power to pay retiring directors an honorarium or fee for their sanctions?

4. Is there a conflict of interest in the Board paying for a sanction that is subsequently leased to a recent president of CBA?

President Moese thought that Article XIII of the CBA By Laws addressed both of these issues. He read into the record the entire Article XIII provisions as follows:

ARTICLE XIII: Prohibitions Against Sharing Unit Profits and Assets, and Against Discrimination

A. Other than in a fiduciary capacity, no member, Trustee, or officer, employee or private individual shall personally receive any of the assets (including cash) or earnings of the Unit. Nor shall any member, Trustee, officer, employee or private individual profit personally from the operations of the Unit. However, this shall not prevent payment to an individual or organization of reasonable compensation or services performed for the Unit, **nor prevent use of the Unit-owned property in a manner which furthers the general interests of the Unit.** The Board may not discriminate in favor of individuals, clubs (sanction owners), or other organizations within the Unit in granting permission to use property of the Unit. All members, if any, of the Unit shall be deemed to have expressly consented and agreed that upon dissolution or cessation of the affairs of the Unit, whether voluntarily or involuntarily, the assets of Unit, after all debts have been satisfied, then remaining in the hands of the Board of Trustees shall be distributed in accordance with the Articles of Incorporation.

B. Members of the Board of Trustees who are also sanctioned game owners must abstain on votes taken on matters pertaining to sanctioned game owners.

Several Board members mentioned that the 3rd sentence of Article XIII allows the Board to use Unit-owned property to further the general interests of the Unit. The Board has the responsibility to exercise its business judgment to the best of its ability in such use of Unit-owned property.

On the Conflict of Interest issue, it was acknowledged that there are many instances of prior Board Members holding sanctions while serving on the Board. Vice-President Purcell specifically noted that early on the Board recognized that as a sanction holder, Mr. Stephani could not vote on matters pertaining to sanctioned games. As such, Mr. Stephani carefully avoided commenting or voting on issues related to the transitioned game sanctions, in compliance with By Law XIII, Section B.

Mr. Manne asked if the prior minutes stated that when the Comers transitioned the sanctions to the CBA, the Board agreed that the leasing of sanctions to Messrs. Lipp and Stephani was a temporary solution to resolve an immediate problem. Mr. Manne requested that the Board review the minutes and if such was not stated in the minutes, he wanted these minutes to reflect that the Board from the beginning intended for the leasing of the sanctions to be temporary.

Ms. Wilson asked if the Board was aware that Annease Comer had told Ms. Mulford that the Comers would transfer the Saturday afternoon sanction to Ms. Mulford. The Comer Committee (now disbanded), comprised of Messrs. Wisner, Meinking, and Manne, stated that they were unaware of any prior commitment to Ms. Mulford. Ms. Wisner and Mr. Manne both compared asking a sanction holder about prior commitments to asking a home seller if there were alternative offers.

At this point, President Moese promised that he would be contacting the ACBL on August 27. If a letter would be submitted to the ACBL, he intended for the letter to be ready by Friday, August 29. He also asked the Board to think about how to communicate this issue in non-technical terms to the general membership and stressed the importance of working closely with the current sanction holders to build a stronger bridge community in Unit 124.

Nominating Committee

President Moese asked if the Board had any suggestions for candidates for Joe Muenks. The following names were suggested:

- Bob Fisk
- John Altman, Sr.
- Nalin Mehta
- Pam Campbell

- Lisa Eisenstein
- Sharon Koster
- Salty Robert Roark,
- Annette or Tom Keriakes
- Al Beaupre
- Larry Newman
- Denny Schulz
- Amy Gerowitz
- Lorna Davis

President Moese reminded the Board that Unit 124 members are permitted to nominate members for the Board, so this list of names is not exclusive, only suggestions to help Joe Muenks find potential candidates.

The meeting was adjourned at about 6:41 p.m.

Tom Mess
Secretary *pro tempore*