

Date: Sunday November 25, 2018

D11 Attendance: Steve Moese, Suman Agarwal (for Cheryl Schneider), AJ Stephani (D11 BoD).

All BOG meeting documents are on <http://www.acbl.org/bog-meeting-docs>

You can see the same materials on our D11 website at http://www.district11bridge.com/ACBL_board_reports.html

See the video of the meeting at: <https://www.youtube.com/watch?v=zyC7GD8jzuY> advance to **1:10 minutes** manually for start. Audio difficult for first 20 minutes or so.

Executive Summary

- Finances: another large hit – up to a **\$683,000 loss** (1 time) for missing the room quota at host hotel in Honolulu.
- Membership Down slightly – 165,369. **Down 1400** members YrAgo.
- Club Tables Down **2.26%**
- Online Tables Down **7.46%**
- Regional Tables Down **7%** Total Tables Down **7%** Avg Tables down **10%**
- Sectional Tables Down **5%** Total Tables Down **5%** Avg Tables down **1%**
- STaC Total Tables down **6%** Avg Tables down **11%**
- Hawaii NABC Table Count fell far short of expectations at: 6034.5 (lowest attendance since Saskatchewan in 1985).

Please see this page for all electronic reports and prepared motions:

http://www.district11bridge.com/ACBL_board_reports.html

Submitted Respectfully,

Stephen Moese, D11 2nd Alternate

K082411

Summary

The meeting was called to order at 10:00 AM promptly. New BoG members and first time attendees were recognized, a quorum confirmed, and minutes from Atlanta were approved.

President Report

Jay Whipple praised Richard Popper for his hard work at the BoD meetings. Jay thanked 5 Board of Director Members (Marv Norden D19, Mark Aquino D25, Bob Heller D7, Phyllis Harlan D15, Sharon Fairchild D5) who go off the board after Honolulu. Jay recognized the hard work of all ACBL employees who make tournaments and day to day operations possible. Russ Jones will be the President of the ACBL Board of Directors for 2019. Praise for Joe Jones the new Executive Director of the ACBL. 2018 was a tough year.

Management Report

Joe Jones gave the Management Report and the Financial Report. Joe was appointed executive Director of the ACBL (no longer using CEO) earlier in the week.

- Membership 165,369 – **down 1400** members.
- Clubs tables are down **2.26%** and online bridge is down **7.46%**.
- 1598 temporary members were sold last year and led to no increase in full time members. 67% were buying them to play in single tournaments. The temporary membership program will end with 2018. Management will propose a new introductory membership program. The introductory membership will enable the ACBL to capture the prospects contact information. Auto-renewal is now available with credit cards.
- Recruiter incentives raised to \$10 per year for each year signed up for first 3 years.
- Employee Headcount – 96 FTE (Full Time) and 96 PTE (Part Time). **15% increase in cost** of employee medical insurance.
- AS/400 Migration to be complete by Q2 2020.
- Joe mentioned that major IT benefits for clubs results will be coming in 2019. This likely includes matchpointing club games centrally. Live4Clubs – replaces ACBL Club Results.
- The ACBL moves their data and accounting applications from Amazon Cloud to the ACBL cloud **saving \$36K** per year.
- Tournament Tables down. Avg Regionals - **-10%**. Average Sectionals **-1%**
- Pianola: Unit and Districts have their own update lists. This allows members to unsubscribe each level independently.
- YTD Financials – **gain of \$127**, or \$239 better than budget (**\$417 loss** budgeted for 2018)
- Hawaii loss: **\$630K** expected due to missing room quota. Negotiations underway to lower impact.
- Forecasting **\$680** operating loss and **\$318** impaired asset write-off.
- 2019 Preliminary budget: Increased NABC revenue from fees offsets lower Club and tournament fees. Reduced field ops costs, NABC costs back to normal, fewer IT contractor hours.
- Fees increased: All NABC games (\$30, \$20 for Regionals at NABC) except I/N plus screen fee \$10 per pair and \$20 per team. Club Short Game Sanction Fees \$0.55 to \$0.58 per table (primarily affects online clubs).
- Various capital projects totaling \$187K for 2019.
- Full Report at: <http://www.district11bridge.com/Monitors/183-MGMT-REPORT-Hawaii-FINAL.pdf>

Litigation Report

By Linda Dunn

Litigations not progressing quickly.

Blakely – motion for attorney’s fees by Blakely denied. Arguments in 4th quarter. Over 5000 documents involved in discovery. Still in discovery.

Peter Marcus et al. – Overtime pay for full time TD’s under FLSA. Class action can proceed against ACBL. Notice to be sent to all TDs to establish class. ACBL neutral in their participation.

Schreiber – ACBL not directly involved. Unit is covered by ACBL insurance.

Q&A –

Q: Brett Kunin D3: Coverage if any for adverse results in the class action suit?

A: FLSA insurance is very difficult to secure. Insurance covers \$150K and the ACBL covers the rest.

Q: Bruce Blakely D21 (Litigant) – 2 claims not covered by insurance. Discussion regarding reserve. What are the 2 claims not covered? Why no reserve given the ACBL has offered 6 figures to settle my case?

A: Cannot address questions because you are the defendant.

Further conversation by litigant asking for response to BoG. Denied by Counsel. Only share progress, do not discuss strategy or settlement agreements (agreements are confidential). No discussion in any open forum

Q: Gene Simpson D21 – repeated Blakely questions.

A: Refer to last BoG meeting. Cannot answer Blakely’s question in an open forum. Reserves are based on the probability and assessment of the size of damages. If unknown, no reserve is taken.

A: Brian Trent – Reserve are not for speculation. No other discussion should occur except in BoD executive sessions.

Q: Treble Damages?

A: Claimed statutory benefits only.

Board of Governor’s Chairman’s Report

Richard Popper

- Two BoG motions from Atlanta BoG were adopted by Management after BoD Committee deliberation. These were our 2 motions: Districts use Regional Tournaments to support teaching and recruiting and peer to peer best practice, and to create appropriate business analytics for the purpose of enabling growth. See my Atlanta Report for links to these motions: <http://www.district11bridge.com/Monitors/20180729-BoG-Meeting-Summary-D11.pdf>
- Average cost for BoG Meeting is \$4000 per year. Sense of room to eliminate refreshments? Modify to include coffee and tea. Motion passed to eliminate food but retain hot beverages.
- Richard reviewed Board of Director Actions:

Motion	Topic	Action
183 - 10	KO at Regionals – allows for slammer brackets and improves MP awards. Mini Soloway Style.	Passed
183 - 11	Club Master Points – special game simplification. Effective 2020	Passed
183 - 12	No NT announcement for 15-17	Defeated
183 - 15	Allows NLM sectionals to be staffed by non ACBL Directors	Passed
183 - 16	Flight C NAP – correction for section awards	Passed
183 - 18	Baze Senior KO – Reconsider eliminate of BSKOT; Board will see if a senior KO might go to spring or summer.	Defeated
183 - 19	GNT Special CoC – Reconsideration; increase # teams in flights B and C for Districts with at least 8 teams in a bracket. Effective 2019	Passed
183 – 42	Increase in NABC Entry Fees effective Summer 2019. NABC_ \$25 → \$30 per person. Other NABC \$22. Regional \$20 I/N \$15. Modification of original motion with rebate.	Passed
183 - 45	\$10 per pair and \$20 per team screen fees. Includes fees for screens paid by players using them.	Passed
183 - 44	ACBL Temporary Membership Reconsideration – Mgmt will eliminate this program because it isn’t working.	Defeated

183 – 51	Masterpoint Committee – Delegate MP management to a special standing committee. 2 members appointed by BoD President, 2 members from Management, 2 members from a list of 3 by BoG Chair to be approved by BoD.	Passed
183 – 52	Relocate and Reduce # BoD meetings effective 2020. One winter meeting in Horn Lake, and one meeting in Summer.	Defeated
183 – 53	BoD Behavioral Code – Administratively deal with improper behavior – reinstitute proper	Passed
183 – 86	WBF no longer recognizes ACBL as Zonal authority. North American Bridge Federation is being formed. (Several clean up motions included)	Passed
183 - 02	Bar all cheaters who were expelled from ACBL from ever rejoining. <i>Resubmit with “collusive cheating” and the BoD will reconsider.</i>	Defeated

Joint Governance Task force BoG & BoD members to deliberate on reducing the number of members – pending Committee Chair appointment.

Q&A –

Q - Members from BoG or anymember?

A – Anybody

Q – Does NABF mean we stop sending money?

A – Will continue to fund NBOs. No provision to fund NABF.

Q – What impact does NABF have on ACBL role managing rules for bridge.

A - No answer – too speculative

Q – Fee increase – if we are seeing a decrease in attendance, doesn’t increasing fees make it worse?

A – Regional fees have not changed in 10 years. On NABC+ events players are likely to attend even with the increase. Contributes \$380K to bottom line next year. Costs are rising too.

Q- Status of Objectionable Fragrance policy.

A – Was considered in committee but no action taken. NABC Review. Advertising and awareness used. Cannot enforce scents regulations. Defining the way we want the league to interact with our membership on this issue. Smoking is different but difficult.

Q – Can directors take action if someone is dousing themselves in fragrance? What’s the difference between CDR on body odor as opposed to fragrances?

A – No plan for punishment for offenders. We hope people care about each other and that awareness will allow this to work. Possible legal issue.

No Motions for Reconsideration

Old Business

Analytics Committee Update – Steve Moese for David Rodney and the Committee

Teacher & Clubs Committee Update – Steve Moese, Chair

Richard Popper Reappoints all members in place for this committee (2 years).

BoG Motion	Topic	BoG Decision
183-1	Rewarding Top Sponsors of New Members	Passed
183-2	Reward Members who Refer Prospects to clubs and Teachers. Amended to allow transfer of award to a third party.	Passed

183-3	Jane Johnson Club Games any month of the year	Failed
183-4	Hybrid Sectionals	Withdrawn
183-5	183-02 BoD Motion Modified to include "Collusive Cheating"	Passed
183-6	Child Care Options available at NABC Tournaments	Passed
Discussion	Three Proposals for reducing the Board of Directors to 9 members	Discussed

Lanzarotti has been readmitted to the ACBL.

The Task Force is considering proposals for a smaller BoD and other ideas to improve governance. They are also working on transition plans for this huge change.

New Life Masters were approved by the BoG. Thaks fo the volunteers and the host hotels.

Meeting adjourned 11:43 AM.