

Date: Sunday July 21, 2019

D11 Attendance: Steve Moese, Cheryl Schneider, Judy Auer, Kit Overpeck, Vangie Smith, AJ Stephani (D11 Board of Directors (BoD)).

BOG (Board of Governors) meeting documents: <http://www.acbl.org/bog-meeting-docs>

D11 BoG Library: http://www.district11bridge.com/ACBL_board_reports.html

Meeting Video: <https://www.youtube.com/watch?v=XPq75biDOIQ> advance to **7:52 minutes** manually for start.

Meeting Playlist (past videos): https://www.youtube.com/playlist?list=PLcAft4FoUHdTbWH2eG7XjDUD6clO_TLLd

Executive Summary

- Governance to focus on Committees and rationalizing work. Executive Committee improvement motion defeated by 1 vote largely due to technical issues.
- BoD to focus more on strategy and less effort on operations.
- Finances: 2019 projects \$214K over budget. Expenses (Operations & IT) down sharply. Some reason for optimism.
- Membership **Down** – 163,766. **Down 719** members vs Jan 1, 2019. 5679 New members is **8.3% below** last year.
- Junior Members 1,747. +4% year on year, and +26% versus 2 years ago.
- Club Tables up +1.09% (May vs year ago). Face to face tables **down 1.83%** and online tables up +7.14%.
- No Tournament Table Count Data shared with the Board of Governors (two meetings in a row).
- Management Focus: *Growth: Membership, Marketing & Promotions, Operations*
- Las Vegas NABC Table Count met expectations at: 13,622, below Las Vegas 2014 (16,616.5) and Las Vegas 2008 (19,720) but above break even.
- **Free Guest Memberships** approved. Implemented as soon as ACBL capable. Before year end.
- **Unit Recorders and Discipline Chairs** are eliminated Jan 1, 2020. Work will be assumed by the District Recorder. Units with need for a recorder can nominate an Assistant Recorder reporting to the District.
- Cheating players convicted after Aug 2015 will lose all awards earned over their lifetime in the ACBL. All such titles remain vacated.

BoG Motions (When passed, the Board of Directors will deliberate on them in the next NABC)

- Reconsider Redefinition of Executive Committee with technical improvements - Passed
- Grandfather all current Seniors in new Senior age definition – Passed
- Allow Hybrid Sectionals – Failed
- Marketing Centers of Excellence – under Mgmt advisement
- ByLaw Amend BoG Duties to Include Communication – Passed
- Recruiting Incentives – Failed
- Task Force to define plan for BoD size Reduction in SF 2019 – Passed
- Use Identical Hand Records in all NABC events – Passed
- Create a BoG Committee to continue the Restructuring work – Failed.
- Require all player memos be shared with home player's District Recorder – Passed.

Submitted Respectfully,
Stephen Moese, D11 2nd Alternate, K082411

Membership Meeting

The Membership Meeting was called to order at 9:00 AM promptly by Russ Jones, President. The announcement for this change of time was made as per bylaws in the July Bulletin. The reason given was to offer more time to the Board of Governors deliberations. The impact was to guarantee a quorum (250) of members was **not present**. Only 47 members registered. Detailed reports were presented at the Membership Meeting.

President Report

Financials improved (\$480 gain from operations). Membership down.

Vacating of titles of convicted cheaters (conviction 2015-present) vacates all titles earned in their ACBL career.

Governance 1 ½ days –

Master Point Committee rolled off the Board. Focus on strategic issues and not on day to day bridge issues. Intent to move more executional work (tournament planning, COCs etc.) will be delegated to committees. Strategic Plan group (Outside group not familiar with bridge) counsel leads to task force. No strategic plan exists.

Recommended ACBL work on:

- Strategic plan – (forming a task force)
- Marketing & promotions
- memberships
- supporting clubs and teachers better
- Rewarding recruiting members
- a better website. Not have one that attracts people to playing bridge. Too focused on members and tournaments
- Social media
- Mobile app
- Governance structure improvements

We identified 3 things to work on this year

- 1) Membership growth & Member retention
- 2) How we work with Clubs & Teachers
- 3) Tournament allocation improvements

Passed a free guest membership allows people to earn MPs up to a certain point in exchange for all contact information. Club Appreciation Game in October will now pay up to 1 Gold Point to winners. Clubs want more pigmented points and more special games.

Litigation Report Full Report at: http://www.district11bridge.com/Monitors/Litigation-Report_2019_Jul.pdf



By Linda Dunn

Blakely vs. ACBL – Settled in Quarter 1 2019. Insurance paid settlement and ACBL dismissed all charges. With 2 credible allegations of sexual harassment Blakely must take sexual harassment training before reinstatement as a member in good standing. This protects the League from future lawsuits about not dealing with the underlying issue.

Peter Marcus et al. – Overtime play for full time TD's under FLSA guidelines. 3 directors certified and 16 have joined the class. The class is closed. Discovery completed. Now taking depositions.

No comment on Schreiber at this time.

Q&A –

(Peter Markus) –

Q - Why was the membership meeting scheduled early?

A – To provide more time for the Board of Governors.

Q – District of Massachusetts not Massachusetts State Court

A - Discussed at every BoG meeting, every BANC Bulletin at least twice, Every bulletin at least 3 times, and binding arbitration notice is on every single entry for every single game.

Q – Ken Van Cleve has died so must reduce number in class by one.

A – Ken’s estate continues on as plaintiff so 19 is correct.

Q – Why don’t we negotiate a solution? Am I correct ACBL is not interested in negotiated settlement?

A – We met and the ACBL will not negotiate.

Q – (Stu Goodgold) Has the Bahar settlement been settled? If so how much?

A – Yes it has been settled. Please see the Bulletin for the amount.

Q – (Unknown) The March report said litigation \$900K+ settlements for 2 actions. What were the two actions?

A – Blakely & Bahar

Q – (Chris Compton) Past legal failures last 5 years,

- Lost the Hammond Technical Services contract because we miswrote the work for hire paragraph
- Lost the Blakely suit because the general counsel created legal malpractice
- Contract with the Dolphin Hotel (Orlando) cancellation would be OK if the Hotel agreed to it at the time.

In view of all the legal malpractice. The Corporation needs its own counsel. A Federal Judge will not be happy looking at a 165K member size given the errors and no corporate counsel. Please get a corporate counsel.

Q – (Peter Marcus) Regarding the Blakely settlement, how much did the ACBL have to pay out of pocket.

A – Will be answered in the BoG meeting.

Financial Report <http://www.district11bridge.com/Monitors/Financials-Summer-2019.pdf>



Slides: <http://www.district11bridge.com/Monitors/BOG-2019-Las-Vegas.pptx>

Russ Jones introduced the **new Financial Director - Peyton Dodson.**

Operations Year to Date: Revenues up \$204K over last year from Regional Table Count +1.6% over budget and TD Session & tournament Sanction Fees up 1.1% and 3.3% over budget. 34 more tournaments than budgeted but 14 fewer sessions. \$54K increase for NABC. Bulletin Sales did well.

Expenses \$124 under budget (\$96K IT Costs – lower overtime but moving initiatives forward). Net Assets increased \$572K due to higher revenue and lower cost. 2019 projects \$204K over budget. Membership assumed flat for the rest of the year. Revenues and fees up for tournament directors. NABC – Memphis was \$44K over on expense and Las Vegas projects to \$70 K over budget. Net assets up \$1MM since 12/31/2018. ½ due to gain on investments. ½ from operations.

Q -- \$200+ increase on directors fees? Why cant project better?

A -- \$33K due to directors fees.

Q – (Blakely) Why account for the expenses for Blakely & Gidwani in 2018 instead of 2019 when it occurred?

A – GAAP allows accrual when the act occurs not when the payment is made.

Q – Does ACBL operate on accrual or cash basis?

A – Accrual.

Q – Did insurance cover all the legal fees for my case?

A – Yes other than the deductible.

Q – (Marcus) Where did all the savings come from?

A – did not present a large number of small line items that add up to the total presented.

Q – what is the remaining detail? How to roll up to a manageable topic.

A – The details are in the BoG packet.

Q – Set aside for Marcus et al. – why was the original estimate liability lower before?

A – Total cost of the litigation.

Management Report <http://www.district11bridge.com/Monitors/Summer-2019-Management-Report.pdf>



Joe Jones gave the Executive Director Report.

Focus on three most important areas:

- 1) **Growing Bridge**
- 2) **Improving Operations**
- 3) **Advancing our use of technology.**

Growing Bridge

New website – point prospective players to a new website where they can find a teacher or a class and begin to learn to play bridge. Ed Foundation Committee (Robert Todd, Chair) has pledged \$35 K to fund ½ the new website.

New recruiter incentive. 25 C&T beta testing to ensure program works. Recruiters who didn't participate in the beta test will be paid the new amount.

Upgraded points and new **guest memberships** will help recruitments.

Old temporary membership plan was ineffective. Most people bought to avoid incremental tournament fees.

Two new leaders improving operations: Peyton Dodson (Finance Director) and Greg Coles (System Analyst – project manager)

YtD Financials – Expenses down \$689K year on year. Fewer outside contractors for It and lower admin costs for field services.

ConferenceDirect replaces onPeak as housing and contract manager for NABCs. Standard Contract Template – no last-minute Hotel negotiations. Current contracts under review and renegotiation is possible. ConferenceDirect has already improved the contract for Reno with lower room rates, no added fees and lower food costs.

In 2010 technology was a serious issue. Still true today. Lot of work to do but we are focused on right things.

Live For Clubs – allows clubs to use any scoring software that meets data format outputs. Allows ACBL to assign masterpoints.

AS400 (Mainframe to Cloud transition) – Transactional data is moved to the cloud. Mainframe 50% moved to web applications. Moving financial transaction detail to accounting software. Licensed Tableau for business data analytics (This was shown by S. Moese to Management 18 months ago) better analytics at half the cost. Improved data integrity. Over the next 12 months we will standardize clean and harmonize all data. Long overdue.

Questions:

Q – (Moese) Where are the regional tables/sectional tables reports?

A – (J. Jones) Standard information. Should have been in the Management Report. We will provide it.

Q – (Marcus) Was Last Year's loss an expense item?

A – No. It was a capital loss and written off last year.

Q – (Unknown) Marketing and retain middle aged potential ACBL members. "Middle Aged people are not our demographic". Is the new emphasis going to attract this target?

A – The new website and digital market campaign will be focused on that demographic.

Q – Need to find a way to have more night games. Middle ages potential players like to play at night.

A – That is a known issue.

Q – (Blakely) Lost employee Wendy Sullivan terminated. Why?

A – Out of respect for Wendy and all former employees, not speak to the issue.

Recommendations/Open Floor

(Chris Compton) – Wonderful place to have a tournament. Thanks to the Unit & District. Time and placement of the annual membership meeting is evidence that the ACBL has interest or focus to allow a quorum to form. League is hindering formation but giving insufficient notice and scheduling at an inconvenient time. This abrogates the right of the membership to amend the bylaws. (Multiple examples) BoD is negligent to do business without legal counsel for the Corporation. A Federal Judge will take the evidence of interfering with the membership meeting and examples of legal malfeasance will lead to the appointment of a special counsel.

(Bob Heller) – Task Forces are 100% BoD members? Please include people who know things. Get a better cross section of members skilled in the areas of inquiry.

Having the meeting at 9 AM on Sunday is an outrage. Set a standard time for membership meetings so members feel encouraged to attend. Saturday at 11 AM is a good time.

(Anne Farmer – D19, U446 Seattle) Reach One to Teach One. Do more community outreach. Go out into the community to create local awareness. There are lots of videos and online things being done. Toronto tournament did an 8 minute piece. Units and Districts should put references on the website.

(Jay Apfelbaum) – YouTube Video Sunil Bridge the Greatest Mind Game.

<https://www.youtube.com/watch?v=YICFXRPFek0>

(Linda Dunn) – Corporation did provide the proper notice in the July Bulletin as per NY State Law and the ACBL Bylaws. Linda does not make the determinations about the time.

Membership Meeting Adjourned.

Board of Governors Meeting Called to order.

Introduction of new and proxy representatives. Memphis BoG Minutes approved. Quorum present for BoG meeting. All reports heard at Membership Meeting – review online. Short summaries from everyone now.

Board of Governor’s Chairman’s Report - Richard Popper

http://www.district11bridge.com/Monitors/2019-Las-Vegas_BoG_Excerpts.docx

| Motion | Topic | Action |
|---------------|---|-------------------|
| 191-48 | WBF Exec Council Appointment: Al Levy ACBL Nominee to NABF election of reps to WBF Executive Council. Immediately until Dec 31, 2021. | Passed 25-0 |
| 192---- | Non agenda item: NABC Regional and Single Sessions Event Fees Focus on Montreal NABC. | Failed |
| 192-15 | 4-Session Region Events. MP increased by 60% not to exceed 50 MPs. Effective 8/1/2019 | Passed 25-0 |
| 192-16 | Flight C CNT Champ & CMT Champ Sets awards for Canadian Tournament | Passed 25-0 |
| 192-17 | Opportunities for ACBL members residing outside ACBL Member Countries. Readdress in SF. Include Black Points, not limit to NABC time, and factor awards down as it’s a limited event. | Failed 1-24 |
| 192-18 | Club Incentive. 25% Gold up to 1 MP for team membership appreciation and Club Championships Effective 1/1/2020 | Passed 25-0 |
| 192-19 | Update Conditions of Contest. Exhibits A-1 to A-6. Effective 8/1/2019 | Passed 25-0 |
| 192-20 | GNT Special Conditions of Contest. Effective 9/1/2019 | Passed 25-0 |
| 192-21 | General Conditions of Contest for STaCs. Effective 9/1/2019 | Passed 25-0 |
| 192-22 | Permanent Unit Residency – Each member declares their primary Unit. That Unit receives all compensation, and that unit is the home unit for GNT and NAP. | Failed 3-20-2 |
| 192-23 | Robot Daylong Tournaments. Increases number of daylong tournaments allowed from 2 to 4, from 18 to 24 hours, and either 12 or 18 boards. | Passed 24-1 |
| 192-24 | Use of Tournament Assistants at ACBL Sanctioned Tournaments. | Passed 22-3 |
| 192-25A | Super Senior Events. Min 75 up from 70 yrs old. Effective 1/1/2020 | Passed 25-0 |
| 192-25B | Senior Age. Beginning 2020 Senior Age will be 62, aging up 1 year through 2023 at 65. Effective 1/1/2020 | Passed 19-6-1 |
| 192-35 | Month of Funding. February will be Education Fund Month. | Passed 21-3-1 |
| 192-36 | I/N Tournament Staffing. Eliminate fee charged for ACBL Live | Defeated 10-15 |
| 192-37 | Guest Memberships. Details of the new free guest membership, benefits and limitations. Effective as soon as ACBL is capable to manage the change. Expected end of 2019. | Passed 22-2-1 |
| 192-38 | WBF Management Meeting – ACBL to Sponsor meeting in San Francisco 2019. | Passed 14-11 |
| 192-39 | Education Fund. Fund Raising process for Ed Fund and Ed Foundation. Contravened 1922-35 so defeated. | Failed 5-18-2 |
| 192-30 | Stipend Payment. Changes requiring expense reports from BoD members. | Failed 4-21 |
| 192-60 | Conflict of Interest. Defines improper affiliations for ACBL President. If a non-financial interest is created, that person must not vote on any issue affecting that interest. | Passed 13-9-3 |

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|---------|--|----------------|
| 192-02A | Vacating Title Resolution. The Board must pass either 192-02 or 192-03. Effective immediately | Passed 20-5 |
| 192-02 | Vacating Title Resolutions | Withdrawn |
| 192-03 | Vacating Title Resolutions. Convicted after Aug 15, 2015 all players and their partners are stripped of titles and second place finishes won back to the first date of any recorded partnership of that pair. NABC+ event titles so removed shall remain vacant. | Passed 18-7 |
| 192-04 | Collusive Cheaters. Amendment to CDR 10.2.4. Not hear any request for readmission | Failed 6-19 |
| 192-05 | Member in Good Standing. Defines clear language for what good standing privileges there are | Passed 25-0 |
| 192-06 | Collusive Cheating Definition. Definition added to the CDR | Passed 25-0 |
| 192-07 | NABC Tournament Conduct Committee. ACBL Management replaces ACBL Discipline Coordinator for establishing said committee. Effective 1/1/2020 | Passed 25-0 |
| 192-09 | Resignation to Avoid Discipline Publication. Resignation makes the member convicted as charges, assigns maximum penalty, and publication is left to Management. | Passed 25-0 |
| 192-10 | Statute of Limitations. No limitation for complaints involving CDR 3.20 Cheating and other ethical violations. | Passed 24-1 |
| 192-11 | Unit Disciplinary. Unit Recorder and Unit Disciplinary Chair are eliminated. All managed by Districts. District Recorders shall appoint Assistant Recorders and provide on eto any Unit so asking. Effective 1/1/2020 | Passed 22-3 |
| 192-13 | Relinquishment of Titles and Second Place Finishes. Procedure to relinquish title and 2 nd place finish. All relinquished positions vacated (remain unfilled). | Passed 25-0 |
| 192-51 | Bylaws – Executive Committee. Number and method of selecting to be approved by the full board. (Bylaw requires 2/3 or 17 yes votes to pass). | Failed 16-9 |

All BoD Motions for Las Vegas: <http://www.district11bridge.com/Monitors/Monitors/192-LVWebMotions.pdf>

Governance Task Force – Kevin Wilson, Barbara Heller Stu Goodgold, Steve Moese, AJ Stephani, Margot Hennings, Sharon Roe-Anderson and Richard Popper recognized and thanked. Expect delegation plan to export bridge related work to committees, allowing the Board to focus on strategy.

Amendment to restructure the Executive Committee failed to get 2/3 vote required. Unfortunate we do not have the flexibility to manage Board decisions more effectively.

Q&A –

Q – (Michael Eamon D16). The change in Senior Age eliminates 2 years of players who are playing this year. We can't do this.

A -- D25 Director felt this approach was OK for their regional.

Q – (Larry Sealey) What's the basis for 2015 cutoff for cheaters stripped of titles?

A – (AJ Stephani) Last 4 years most critical stage in history for cheating in our game. 8/15/15 is symbolic – a reference to Boye Brogelund. Needed to avoid going back too far in the past where confidence in the deliberations is not high. C&A Committee felt comfortable recommending that specific date.

Q – Displeasure that no 2nd place pairs are to be elevated to fill vacated spots.

A – Board consensus reached on no change.

Q – Guest Members. Life Members or Life Masters?

A – Will check wording.

Q – (Marcus) Conflict between Exec Committee and entire Board of Directors?

A – Executive committee meets only when Board is not in session.

Q – (Steve Moese) 192-22 & 192-24 status?

A – 192-22 failed. 192-24 passed.

Q – (Jean – Tournament Chair for Montreal 2020) 1st since 2025. Non agenda item for regional entry fees. Increase represents a 55% increase over going regional entries in Canada. Rate increase to \$20 will have a negative impact on attendance. Asked for show of hands to see if folks expect a significant negative impact on attendance. Regional games are a cornerstone for recruiting new members (?). Roughly 50/50 among BoG members.

Need for Check and Balance to replace BoG role. We need ideas from the Board of Governors.

Is there any consideration to redistricting to even out the number of members per district? We have chosen to separate this issue from the governance change at this time. Some discussion on proportional representation in the Senate.

Reconsideration Motions

| BoG Motion | Topic | BoG Decision |
|------------|--|--------------------------|
| 192-51 | (Steve Moese) Bylaws – Executive Committee. Number and method of selecting to be approved by the full board. Resolve technical flaws in the original presentation. | Passed Overwhelmingly |

New Business

| BoG Motion | Topic | BoG Decision |
|------------|--|--|
| 192-00BG | (Mike) Change how Seniors are defined. Grandfather all currently eligible Senior Players for future Senior Games. | Passed |
| 192-01BG | (Jay Apfelbaum) Allow Hybrid Sectionals – Able to hold sectionals at clubs over a sectional weekend, split by flight. Current sectional sanction process allows this to be done by specifying the site and flight. Requires ACBL director for combining results. | Failed |
| 192-02BG | (Steve Moese D11) Marketing Centers Of Excellence Provide training guidance to club managers to use available versions of internet advertising to help reach new bridge player prospects. Joe Jones – ACBL is at the beginning of the learning curve here. They need to learn first. But do want to be considered how to help club owners do this. | Taken Under Advisement by Mgmt. for further discussion |
| 192-03BG | (Steve Moese D11) Amend BoG Duties (ACBL Bylaw Amendment) Requires 2/3 majority. Will publish in the ACBL Bulletin. Must pass again by 2/3 majority at second reading. | Passed 44-16 |
| 192-04BG | Recruiting Incentives | Failed overwhelmingly |
| 192-05BG | Allison Brandt (D4) - ACBL BoG: Current President will create a task force for a reduction in size for the Board of Directors. This plan must be delivered to the Board by the December 2019 meeting. | Passed |
| Floor | (Mike Flader D14) – Use of identical hand records across all events at an NABC that start at the same time. | Passed |
| Floor | (Stu Goodgold D21) – BoG create a committee to continue restructuring of the BoD and BoG. | Failed |
| Floor | (Joanne Sprung) All player forms be shared with the recorder in the player's home District. | Passed |

Hybrid Sectionals

Bob Heller – strongly objects to Hybrid Sectionals. Separate tournament for open at one club, credited for all tables at other club sites. Concern that fragmenting Flights B&C would cause small fields with poor rewards.

Jay A. – All this motion does is move the A game to a separate venue. B/C flights played at two separate locations. B/C games will not be split so small as to hurt results. B/C scoring would be across all B/C fields.

Joanne Sprung D17 – If you are a club owner with B/C players you wont want to have your club designated as an A club. Will be hard to find a club that will do the A Flight.

Kathy MacNab D1 – Many things will go wrong with this. I drive to go away to a tournament. Don't want to make it restricted.

Marketing Center of Excellence.

How many actively manage a club today? Many hands (30 – 40 or so, no exact count).

How many have face book? (1-2 dozen).

How many attract players to club by facebook? One person

Facebook scams seniors. Data is at risk. Bridge should stay away from Facebook

Recruiting Incentives

Stu Goodgold – numbers don't work \$40000 per new member? No, the cost works to about \$23 per new member.

Taxing Units and Districts. Wants Mgmt. to do it themselves rather than taking money from those sources. (Where will that money come from!!! - Everyone wants a free lunch).

Kathy MacNab – How can this be bad for a club or a Unit or a District? This can only be good. We would love to have this incentive.

Steve – Big clubs (East Coast) say this isn't big enough.

BoG Governance

Bob Heller – friendly modification – Let's focus on restructuring the BoG first. Make the Board of Governors a Legitimate body. (Rejected)

Allison Brandt – This motion confuses the process before the Board based on the motion already passed prior.

(Len Fettig D15) – Task Force made an excellent first step. Need more planning and engagement because we need a lot more definition around what to do and how to do it.

BoD survey suggested they were not in favor of the original proposal.

Steve Moese D11 – Russ Jones, can't you do this anyway? Can't you form or reenergize a new task force to continue the effort?

Old Business

Barbara Heller – Past President Ed Foundation.

Sign up for REACH for education Aug 1, 2019 – benefits the ACBL and Ed Foundation. More MPs for Section Tops. \$30 play 6 times. Gold Points at Clubs.

Executive Director Ed Foundation, Kristin Fredrick

President Education Foundation, Joel Kramer, Minneapolis

Kid's Table Movie – Hulu et al. in September.

Reaching out to Units, social bridge players, education liaisons and more. Helping with new website.

Joanne Sprung - No requirement to share forms with player's home district.

Sandy DiMartino - New Life Masters were approved by the BoG. Thanks for the volunteers and the host hotels.

Meeting adjourned 12:00 Noon.

END