

AMERICAN CRIBBAGE CONGRESS
BOARD OF DIRECTOR'S MEETING
JANUARY 30, 2003
THE SANDS REGENCY HOTEL/CASINO
RENO, NEVADA

Vice President of Operations Bob Julian called the meeting to order at 10:00 a.m.

Bob Julian explained that the executive committee had chosen him to conduct the meeting in Syl's absence. Bob also explained that there would be a phone call from Fred during the meeting to go over any questions about the financial report. The call would be held on a speaker phone so each member could personally talk with Fred if they have any questions.

Roll call was taken. Present were: Paul Barnes, Pat Barrett, Joe Bernard, Dwight Christiansen, DeLynn Colvert, Heidi Glashan, Larry Hassett, Rollie Heath, Sharon Hejtmanek, Jeanne Hofbauer, Roy Hofbauer, Jim Hornbacher, Lea Hornbeck, Bob Julian, Al Lindner, Ron Morgan, Cathy Perkins, Jim Ready, Joan Rein, Larry Samet, Todd Schaefer, Phyllis Schmidt and Jeff Shimp. Excused absences: Syl Lulinski, Fred McGibney.

At this time we departed from the agenda, as Rollie Heath had invited a representative from Chinook Winds Casino, Mr. Martin Wheeler, to make a presentation regarding the awarding of the 2005 Grand National tournament. Mr. Wheeler then discussed what Chinook Winds was offering which included free room rent for the playing area, the BoD meeting, and a tabulating room, 14 trophies, 6 cases of playing cards, complimentary coffee, tea & soft drinks, and \$1000 prize money. BoD members then had a question and answer period with Mr. Wheeler regarding transportation, accommodations, food service, etc. Bob and the BoD thanked Mr. Wheeler for coming to the meeting and told him that the board would discuss his presentation later on the agenda, and that Rollie would be contacting him regarding the outcome.

New BoD rosters which had been constructed by Larry Hassett were distributed.

Bob asked if anyone had any corrections to the October 2002 minutes of the last BoD meeting. Joan wanted it noted that there had been a mention of Fred getting a report from the ToC and the JPW/ACC Open in the minutes (page 6; paragraph 1) and that she wanted it stated that she has been giving a report to Fred from the ToC. Jim Ready moved to accept the minutes, seconded by George Bickford. Motion carried to accept minutes with correction noted.

Bob then explained that he had a letter from Fred asking the BoD to review the following: Fiscal year financial report as prepared by the outside audit firm, a review of management letter with auditor's recommendations, review of financial report for fiscal year 2003. Fred would be calling in about ten minutes, so Bob asked if there was anyone who had questions for Fred to be ready with them. There was then discussion of the financial statement which brought up the following: concern about a potential deficit especially since the equity reflected two one time amounts (Monroe recovery loss and Grass Roots Funds), the opinion that the equity was too large for a non-profit organization and should be reduced, life memberships, as they are "pre-paid" being put in a separate reserve to be drawn from yearly, concern about having to raise dues or sanctioning fees to a greater rate if we wait too long instead of anticipating the deficit with a

small raise at this time). Discussion ended with the decision of not taking any action at this time, but to monitor the situation for the next 6 months to two-year period.

Fred's call came, and Bob told them that there were no questions for him, but asked him to go over the financial report. Fred stated that the fiscal year ending June 30, 2002 ended with a net loss of \$30,654; \$18,487 generated by the ACC, and \$12,167 generated by the Grass Roots, leaving a net equity of \$151,114. He said that the outside auditor's financial report for 2002 is not yet complete, he said he should be receiving it shortly and will be mailing it out to us. He said that the auditor had made a significant adjustment to the 2002 operating statement regarding about \$20,000 that was expensed as software development cost. They capitalized that and then entered a depreciation amount of almost \$4000. The net effect of that adjustment increases our equity by \$16,000 and decreases our expenses by the same amount. For the period ended December 31, 2002 which he sent to us in January shows a loss of \$12,374; \$8,500 from the ACC and \$3,900 from Grass Roots. Because of this loss our equity declined from \$151,114 to \$138,537 for the 6-month period of June 30, 2002 to December 31, 2002. Fred projects that there will be about another \$1000 of loss, making \$13,370 the loss for the year ending June 30, 2003. The ratio of the equity account to the loss is about 10.4 x, which means the projected annual loss is covered in excess of ten times by the balance in the equity account. He stated that the treasury now has all Grass Roots funds except for a \$2000 operating fund for Joan. There were no questions for Fred. Cathy moved to accept the report as presented, seconded by Paul Barnes. Motion carried unanimously.

Agenda item 6, recommendation from the auditor for office centralization. Discussion followed that pointed out that our organization is not large, relies on volunteerism and the officers are located in several different areas. Bob asked how we wanted to proceed with this issue. Cathy made a motion to accept the recommendation, seconded by Larry Samet. Motion was defeated unanimously.

Agenda item 7, recommendation of the auditor for segregation of duties, regarding billing and receiving of dues by membership secretary. Discussion pointed out that this has been suggested by previous auditors and that there have been steps to safeguard: Bob Julian does compare membership secretary and treasurer's reports to each other and officers are now bonded. After more discussion, a motion was made by Larry Samet; to table this issue pending a discussion by Fred and/or Larry Hassett with the auditors regarding two alternative suggestions we have; 1-to separate out the billing function as the person rather than the receiving function and 2-if it would be adequate to send the bank statements to the VP. Seconded by Cathy. Motion carried. Jeff suggested that perhaps Larry should have the bank send the original statement to Fred now, and the BoD agreed.

Agenda item 8, recommendation of auditor for two signatures on checks. Discussion regarding current safeguards that the BoD has established followed. Larry Hassett suggested that the original bank statements from both him and Fred should go to Bob Julian, as VP Operations. Bob will contact Fred about this. Larry also said that if the statements go to Bob, all other bank correspondence will go to him also, such as NSF checks, and Bob would have to get these sent back to Larry quickly. Larry had already checked to see if the bank would send out duplicate statements, and the bank said no. It was suggested that he check again and ask if it could be done for a fee. Bob will talk with Fred about it also.

Larry Hassett presented a proposal to drop Grass Roots dues and increase ACC dues by \$3, instead of having two sets of dues. Larry and Joan had both had feedback from GR directors regarding this proposal, both pro and con. Discussion followed, then Larry Hassett made a motion to drop GR dues, increase the ACC dues by \$3 per person and that all GR administrative

expenses be paid from the ACC General Fund. Seconded by Rollie Heath. More discussion followed. Motion defeated

Pat Barrett updated the board about the ACC website, since Paul Gregson (webmaster) could not be at the meeting. He said that the website got about 250,000 visits in the last year, and that it is a very informative site with the tournament trail, stats, results, and that the most popular section was the rules. Paul has informed Pat that he is planning many things for the next years for the website. Pat mentioned that Paul was now the chairman of the publicity department. There is now "revenue sharing" with gamecolony.com, which means we get a fee for anyone who clicks from our site to their site. It made \$75 in the last six months, so maybe someday this will help to make the website self-sufficient. Pat mentioned that Paul did turn down the contractor's fee previously offered by the BoD, but that since he is putting a lot of time in, that perhaps the BoD should offer it again. Bob said that this issue would be discussed in Agenda item #21. There was some discussion during which the possibility of CW being posted on the website was brought up.

Lunch Break return at 1:15. (Agenda item #14)

After lunch Barbara Woodward introduced the BoD to Jennifer Mannix, who works for the Sands.

Agenda item #11: Bob said that the computer system Larry was working on was not yet ready, so there will be no comparison it at this time.

Agenda item #12: DeLynn addressed the fact that we had discussed the memberships dues in agenda item #9, that postage costs were skyrocketing and now cost as much as printing. He noted that advertising has gone up steadily and that CW costs have actually decreased over the last 4-6 years, except for postage. The printer we are now using saves us \$800 per month over what it would cost to have CW printed in Missoula. Larry Hassett mentioned that it was going to cost about \$1200 to send out the BoD election ballot in CW. Joan Rein talked about the positive feedback she has been getting with the added room Grass Roots now has in CW, and noted that Tom Lewis has doing great with getting GR info to DeLynn.

Agenda item #13: Jeff Shimp said that there was a problem that had not been anticipated when the judge's recertification was discontinued. There is now no way to handle incompetent judges. He is now putting together procedures to present at a future meeting and would like suggestions. Larry Hassett suggested the Senior Judges could help with this, perhaps as a committee.

Agenda item #15: Hall of Fame vote: Pat Barrett said there were 2 nominees for this year: Harry Palmer and Bill Irons. Pat asked if there was to be any discussion before the ballots were handed out. Bob asked if anyone had any comments regarding the candidates. Jack Shumate spoke about Bill Irons. Vote was then taken. Results: insufficient votes for any inductions.

Agenda item #16: Internet proposal by Paul Barnes. Paul asked if everyone had received the information that he had sent out. He said that the comments from the internet have so far been very positive. He said that he would like to see an internet steering committee established. He has been approached by one website that plays for money, they wanted the ACC to sanction their play, but he said by far most of the internet players do not want to play for money, but for points. He also said that he thought that a system such as used at the National Open would work best on the internet, with points going to the top 25%. He suggested Lois Fosdal, Bob Milk and Mike Schell, to be members of the committee, as they represent each of the 3 regions and are all knowledgeable about internet cribbage tournaments. After much discussion Joan Rein made a motion: That the BoD approve the set up of a site, labeled as an "ACC Trial Site", for tournament play, by the three people Paul had suggested (Fosdal/Milk/Schell) to work with Paul

and report back to the BoD at the next board meeting in September, and to that when the site is ready for tournament play, that the tournament director invite some of the BoD members to play so they can have some input regarding the site. Seconded by Cathy Perkins Motion carried unanimously.

Agenda item #17: Larry presented a new three-page section 4-Board of Directors section of the policy and procedures manual. It was suggested and Larry said he had planned to give out a complete updated set to each BoD member after the election. Also, Joan asked him to make a division of the Secretary General and the Recording Secretary. After some discussion he made a motion to adopt section 4 of the policy manual as presented. Seconded by Cathy, then amended by Cathy to add the corrections Joan mentioned, seconded by Joan. Motion carried unanimously.

Agenda item #18, Manual pg. 9-3 section IV B re; notarization> Joe said that he believes that this had already been voted on and so has already been approved.

Agenda item #19 Constitution Amendment Article Va: Cathy said that she did not present this. Bob made the motion : To accept the proposed change to Article Va that officers of the Congress be elected to a two year term instead of a one year term by a majority of the BoD at the annual meeting (Grand National). Seconded by Al Lindner Motion defeated

Agenda item #20 Constitution Amendment Article Vc: Paul presented the proposal to add the wording "with the approval of the majority of the Executive Committee" that the President is authorized to appoint Acting Officers to fill any vacancies that occur during the period that remains before the next election of officers. Paul made the motion to accept the change, Cathy Perkins seconded. Motion carried unanimously

Agenda item #21 DeLynn said that the executive committee had discussed giving Paul Gregson a one-time cash gift of \$1000 in appreciation of his work. Discussion brought out that Pat Barrett has talked to Paul, and though he had not wanted to be paid in the past, he is now ready to accept a stipend as ACC Webmaster/Publicity Director, since the Web Site is now up and running successfully. Cathy brought up that this would have to be brought before the compensation committee first. Joan mentioned that Paul is having his room comped by the Sands for the weekend, as a gesture of the ACC's appreciation for doing a great job. Joan made a motion that we pay Paul Gregson a one-time gift of appreciation of \$1000 and direct the compensation committee to bring a proposal to the September meeting regarding a monthly stipend for him. Seconded by George Bickford Motion carried.

Agenda item #22: Dwight Christiansen distributed an ACC Membership Campaign Plan. He feels that we need to market the ACC and suggested that a committee be formed to work on a membership drive. He suggested a 3 person committee be formed (one BoD member from each region) to come up with suggestions and ideas. Discussion about past and present ideas for membership building followed. Sharon Hejtmanek and Al Lindner volunteered to work with Dwight. Larry Hassett said that he has been concerned about dropped memberships also, and is going to send out a form to question why they have not renewed. He said that Paul Gregson had suggested he include a membership form with it.

Agenda item #23: On behalf of the BoD, Bob Julian thanked Jack Shumate & Emily DeHuff for doing an excellent job of directing the 2002 Grand National Tournament.

Agenda item #24: The BoD decided to vote on the location of the 2005 Grand National Tournament. Jeff moved to accept Rollie Heath's bid for the 2005 Grand National to be held in Lincoln City, Oregon. Seconded by Sharon Hejtmanek. Motion carried

Agenda item #25: Scott Kooistra updated the BoD on the 2003 Grand National in Sioux Falls, SD.

Grand National XXII will be held at the Holiday Inn (City Center) September 18-21. He said that BoD members will need to make their own room reservations, rates will be \$79, with \$10 extra for concierge level. The hotel has airport shuttle service, and is about 10 minutes from the airport.

Agenda item #26: Dave O'Neil was not at the meeting, Paul Barnes said that he has been updated about their progress at tournaments and that things are going well.

Agenda item #27: Joan Rein made a motion that the 2005 ToC and ACC open be held at the Sands Regency in Reno. Seconded by George Bickford. Motion carried unanimously.

Agenda item #28: Inadvertent agenda omissions: Larry asked if there were any questions regarding the membership report. Joan reported that 3140 GR tournaments had been reported for the year so far. Joan also suggested that BoD members should be taking or signing an oath of office and she had prepared one which read: "I will uphold the position of director of the ACC to the best of my ability by setting an example for other members of the ACC to follow, not only on the Cribbage boards but also in my position of authority on the BoD. I will not use my position on the BoD to influence players for the purpose of personal gain and I will follow the rules and regulations set forward by the BoD even when I do not believe they are correct, until they can be changed. I will listen to my constituents and bring any concerns that members may have to the BoD. Bob asked Joan to put this on the agenda for the next meeting, and Joan said she would send copies out to BoD members before the next meeting. Joan said she had a request for \$300 from the Grass Roots Club that sets up a booth at the Lassen County Fair in Susanville, CA, which is the same amount we had given them for the last 2 years. She passed around pictures taken at last years fair, and mentioned that the booth was going to cost them \$350 this year, but they were only requesting \$300 and that the request had come from Bob Winfield. Joe Bernard made a motion to grant them \$300 for the local GR roots club to have a booth at the Lassen County Fair. Seconded by Lea Hornbeck Motion carried unanimously Roy Hofbauer also mentioned that George Rasmussen had been granted \$300 for the Puyallup fair in Washington, but had only been sent \$200. Bob Julian said he would contact Fred to send the other \$100.

Agenda item #29: Bob asked for the spectators to leave the room while the BoD discussed this item. Joe Bernard reported about what the Ethics Committee had received on Todd Reynolds, and that the committee had recommended expulsion to the Executive Committee. DeLynn and Bob both commented on what they had seen and heard about him at tournaments in Las Vegas and Long Beach, CA. Joe had copies of the letters written about Todd for BoD members to see, and that Todd did not accept a letter notifying him that he could have a hearing. Jeff Shimp moved that we accept the recommendation of the Ethics Committee regarding the expulsion of Todd Reynolds. Seconded by Cathy Perkins Motion carried unanimously. DeLynn to publish the expulsion in Cribbage World

George Bickford made a motion to adjourn. Seconded by Cathy Perkins. Motion carried unanimously. Meeting adjourned at 3:35 p.m.

Agenda Item #30: Next BoD meeting scheduled for September 19, 2003 in Sioux Falls, South Dakota.