



**Minutes
Cruising Club of America
Meeting of the Governing Board
Via Zoom
Tuesday, December 6, 2022 1500 hrs.**

1. Commodore Otorowski called the meeting to order at 1500 hours and welcomed attendees. He noted that Steve James, Awards Committee Chair, would be joining the call to propose an award that was not on the agenda. The Commodore thanked the Governing Board for its hard work over the past year. He also reminded us of the upcoming cruises in St. Lucia in March and Mallorca in September, and then the Fall meeting in Lunenburg, Nova Scotia. He went on to state that the accounting for the 100th is not yet complete. The Commodore thanked Webmaster Michael Moradzadeh for his tireless work in connecting the CCA website to the fulfillment center for the books, *Adventurous Use of the Sea*.
2. There were 28 people in attendance to start, constituting a quorum, ultimately reaching 32 participants including Commodore Chris Otorowski, Vice Commodore Jay Gowell, Secretary Molly Barnes, Treasurer Kathleen O'Donnell, Historian Doug Adkins, Membership Chair Ernie Godshalk; the following Rear Commodores: Peter Balasubramanian, Steve Calhoun, Les Crane, Bev Crump, Ernest Hamilton, Pat Montgomery, Dennis Powers, Jim Quanci, David Tunick, and David Utley; the following Elected Governors: Amanda Balasubramanian, Dennis Durgan, Jeff Gonsalves, Ami Green, Hans Himmelman, Chris Terajewicz, and Jonathan Wright; Invited guests in attendance were: Post Captains Paul Bushueff, Peter Driscoll, and Dick Waterman, Financial Affairs Committee Chair Chace Anderson, Fleet Captain Paul Hamilton, Events Committee Chair Anne Kolker, Fleet Surgeon Jeff Wisch, Webmaster Michael Moradzadeh, and Awards Committee Chair Steve James
3. There was a motion made and seconded to approve the minutes from the November 1, 2022 Special Meeting of the Board of Governors as presented and to approve the minutes from the September 8, 2022 meeting with one edit. That was to change from “as originally thought” to “as originally budgeted” in the Treasurer’s Report. The updated sentence is: Kathleen noted that there had been some concern about the profitability of the Safety at Sea courses and stated that the profit was not as large as originally budgeted. **The motion to approve the minutes passed unanimously.**
4. Vice Commodore Jay Gowell presented his report. He began by noting that planning of the cruises continues. The March cruise in the Caribbean is now just going to be in St. Lucia and will be oriented toward kids. Drew Kellogg will be updating the information about that cruise.

Jay then addressed the Tri-Party Agreement between the CCA, the Royal Bermuda Yacht Club, and the Bermuda Race Foundation. Jay noted that after the race was cancelled in 2020, we realized that the CCA had some financial jeopardy as a result of the club’s sponsorship of an event that rivals the annual operating budget of the club. We concluded that it might make sense to segregate the operation away from the club and at the same time, form it as a 501c3 public charity so that we could accept tax deductible donations to build an endowment to insure the longevity of the race, regardless of the financial circumstances of the CCA or the RBYC. The newly formed 501c3, the Bermuda Race Foundation, was the organizing authority for the 2022 race. Traditionally, the CCA and the RBYC had a

short-term agreement for each race, including roles, responsibilities and accounting. Now we need a tri-party agreement between the three entities. Jay noted that the agreement has been vetted by the RBYC and by the BRF and has been carefully reviewed by a number of people in the CCA, including the Flags and several past Commodores.

There was a motion made and seconded to approve the Tri-Party Agreement as presented. The motion passed unanimously.

Jay then addressed the status of the CCA's relationship with IYRS. In the past, our agreement included more administrative support from Helen, the Librarian at IYRS. For example, she scanned all of the CCA yearbooks for us. Helen then moved on from IYRS and we realized that we did not utilize the administrative services. The updated agreement is that IYRS will continue to provide a permanent mailing address for the CCA, so that we do not lose mail in the changing of the watch. IYRS serves primarily as a mail forwarding service for \$500/year instead of the \$5,000/year we were paying for more support. Jay noted that the Executive Director of IYRS, Jay Coogan, made the new arrangement retroactive. In addition, we lease space in the foyer for the display and storage of CCA and Bermuda Race trophies. Jay reminded us that the IYRS Library is a lovely reading room that CCA members are welcome to utilize whenever it is open.

5. Kathleen O'Donnell gave the Treasurer's Report. She noted that she had submitted a written report in advance of the meeting and began by pointing out some highlights.

We have organized our relationship with the Bermuda Race Foundation (BRF). In the past, our balance sheet looked great because we had \$99,000 showing as an asset even though it was not ours since we were acting as custodian for the BRF. Those funds have now been forwarded to the BRF. In addition, we have straightened out the expenses between the two organizations and now have a clean slate going forward.

Kathleen is working to show the *Adventurous Use of the Sea* books as capital inventory and noted that the fulfillment center had 2,004 books to start and now has 1,464. We will have the expense of the publication costs going into next year for the *History of the CCA* and we already have revenue coming in for that.

Kathleen sent a working draft of the budget, which is subject to review by the officers and also the Financial Affairs Committee. It is a work in progress as we wait for the bookkeeper to share more updated records. We do have to report to the IRS the amounts being held by the stations and Kathleen noted that she is waiting on those reports from the following stations and posts: Buzzards Bay, Florida, Gulf of Maine, New York, and San Francisco. Kathleen needs those reports no later than January.

Kathleen separated out the 100th anniversary from the rest of the budget and noted that we collected \$202,290 in revenue. Kathleen thanked the members who paid to sponsor the event. We had approved a draw of \$150,00 from our Fidelity account to offset the cost and ultimately took \$121,185. Those funds were appreciated because we would have had a loss without them.

We had talked about changing the club's fiscal year from November 1 thru October 31 to match the calendar year. Kathleen reported that it is a work in progress as the CCA needs permission from the IRS to do so and will also have to file a return for the short tax year of November-December. Kathleen does not yet know what the fees involved will be.

A motion was made and seconded to adopt the attached Fidelity Bank Resolutions, and to designate Commodore Chris Otorowski, Vice Commodore Jay Gowell and Treasurer Kathleen O'Donnell as authorized signatories on the Fidelity accounts. The motion passed unanimously.

Kathleen noted that we have a bookkeeper in Falmouth, Maine and have accounts with Key Bank. There have been some bookkeeping challenges, especially around the 100th, with long delays. Kathleen is looking into having a bookkeeper that is physically closer and also a bank that has more options for wire transfers and wire payments. Kathleen would welcome suggestions for possible bookkeepers in the Newport area.

There was a motion made and seconded to approve the pro-forma budget subject to fine tuning that will later be brought before the board for final approval. There was some discussion and questions about the budget and the process for approving the dues increase. After noting that there has been a very compressed timetable with the development of the budget, Chace Anderson noted that the Financial Affairs Committee has not yet had the opportunity to review the budget carefully and hopes to have complete confidence in the final budget before the board will need to vote to approve it. Bev Crump asked the purpose of the Fidelity Account and it was noted that it is being used as a rainy-day fund, not as an endowment from which we draw annually to support the operating budget. The motion passed with one member opposing.

6. Ernie Godshalk gave the Membership Committee Report. He began by announcing that David Elliot, a former member of the Gulf of Maine post, has changed his mind and would like to withdraw his resignation. Ernie noted that the constitution specifically provides for that. There was a motion made and seconded to accept the withdrawal of David Elliot's resignation and thereby reinstate his membership. The motion passed unanimously.

Ernie next noted that there has been some discussion of listing member names only on the public side of the website for the purpose of making it easier for candidates to discover who else they know in the club. One proposal is to list the names only (no contact information) in a format that is searchable by name and by station and to give the CCA Members notice of our intent to do so with the option to opt out from having their name listed.

A motion was made and seconded to provide three months' notice to the membership, with an opt-out option, before then listing on the public side of the website the names (no contact information) of the members both alphabetically and by station. There was quite a bit of discussion on the topic including concern about any membership list being made public, concern about how the press might use the list, a suggestion to have a password protected list that we could share with prospective members, and an observation that such a list is better than sharing the blue book. It was noted that this proposal is targeted to a limited situation when a person is interested in the CCA but does not know who they know in the club. Ultimately, we decided to delay voting on the proposal until the next board meeting.

7. Michael then told us that the electronic membership cards are fully operational now. Members can have their membership card on their iPhone or, less conveniently, on their Android. As you pay your dues, the expiration date is automatically updated and the card includes a calendar of events and an easy login to the website. Michael will be extending electronic cards to spouses and surviving spouses so that they can sign up for events.

8. Anne Kolker presented on the upcoming events. The cruises are all in process in terms of planning. But before that, the annual meeting will be in New York on March 3rd and 4th, Friday and Saturday. We have been pushing to have the meeting on Saturday so that those who are working full

time do not have to take two days off in order to participate. Anne is hoping to have Zoom be a permanent part of the meetings in order to be more inclusive and accessible for all members.

There was some discussion about the timing of the annual meeting on Friday vs. Saturday. The original shift was done in hopes of making it possible for more younger members to participate either in person or via Zoom. It was suggested that we start tracking who comes to the meeting to see if there is an increase in younger members participating and perhaps to ask Alli Bell to poll the Next Watch members about their interest in the meeting. There was also some discussion about whether to make Zoom an option for the annual meeting and fall membership meeting as some stations have decided to resume in -person meetings only in order to encourage participation.

Anne noted the following upcoming events: Annual Meeting in NYC in March 2023, St Lucia Cruise in March 2023, Mallorca Cruise in September 2023, the 2023 Fall Membership Meeting in Lunenburg, Annual Meeting in NYC in March 2024, Baja Cruise in April/May 2024, Bermuda Race June 2024, Malta/Sicily Cruise in September 2024, the 2024 Fall Membership Meeting hosted by the Chesapeake Station, and the Scotland Cruise in June 2025.

9. Fleet Surgeon, Jeff Wisch, gave an update noting that while we are in better shape than we were, there are still 300 COVID deaths per day and 36,000 hospitalizations and we are seeing surges post-Thanksgiving in most of the country. It is a different disease than before but it is still not benign. Jeff congratulated the Commodore and the Members as he noted that we had a fairly low rate of reported infections from the Centennial, with 47 documented cases from voluntary reporters. The Task Force has suggested that local stations make their own choices based on local recommendations from the CDC and local authorities. Jeff noted that there have been 4,500 deaths already this year from the flu, so he encouraged people to get a flu vaccine. The Commodore thanked Jeff and the Task Force for all that they have done over the last few years.

10. Secretary Molly Barnes gave an update on Dues Collection. At the September meeting, Kathleen suggested that the Treasurer, Secretary and Membership Chair develop a plan for how to collect dues going forward. This was in part a result of not having a set of clear steps to follow last year which resulted in a large number of members being in arrears. Late last spring, we had over 100 delinquents. After months of effort on the part of many people, including the RCs, we ultimately dropped only 13 members and two of those reached out to ask to be reinstated. We included the new Dues Collection Plan in the packet. While it looks like a lot of steps, many of them are plug and play repeated actions that are not onerous. Molly drew attention to the first of April when Rear Commodores will receive their list of delinquents with a request to contact them to see if there is a problem paying dues etc, so that we can drop them from the membership sooner.

11. Ernie Godshalk presented the proposed dues plan for 2023. He noted that an ad hoc group got together several weeks ago which resulted in the memo from the Commodore. The essence of the memo is that we are proposing to increase individual dues by 6.6% to \$240 per year. Ernie noted that inflation is running at about 8% and that we have not raised dues in the last couple of years and that historically the dues have gone up on average 3% per year; thus despite the higher inflation rate, our increase is consistent with the past rate of increase. The memo also recommends to set annual dues for members 35 and younger at \$160; to provide a discounted rate of \$195 per member for people with a shared address who share mailings; to set the shared mailing rate for members 35 and younger at \$130; and to set initiation fees at \$240 and at \$120 for those 35 years or younger.

There was a motion made and seconded to approve the dues as proposed in the attached memo. Some discussion followed.

Chase Anderson, Chair of the Financial Affairs committee, noted that the justification for the increase in dues rests in the fact that a lot of our expenses are subject to inflationary pressures. Kathleen pointed out that the publications are one-third of our annual budget. She also noted that the cost of the awards and in-person meetings have gone up significantly.

There were some questions about offering discounted membership fees for older, long-term members who are less active in the club than they used to be. Ernie noted that while there is no discount for senior members, there is the Seafarer program for dues relief, which has a board-approved procedure associated with it. Bob Medland and Ernie did a fair bit of research into age-based or years of membership-based discounts and concluded that given the average age and tenure of the membership, it did not make sense to provide those discounts except as provided for in the Seafarer program.

Pat Montgomery noted that in the last round of dues increases, the Florida station (which skews older) lost 6% of their membership. Pat noted that Florida station members are experiencing inflationary pressures on all aspects of the CCA membership and asked about the assumptions being made relative to the dues, including whether or not there is an assumption that the increase will cause a reduction in the membership by some percentage. She asked that we look into ways to reduce the cost of our publications instead, or try to find 147 new members so that we don't have to increase dues. Jim Quanci suggested that we could provide an opportunity for members to opt out of receiving publications, which might reduce the overall cost and therefore reduce the pressure on membership dues. Chace Anderson noted that we have attrition every year, regardless of dues increases.

The last dues increase went from \$175 to \$225, which is a shocking one-year rise on a percentage basis. It was suggested that we consider a modest cost of living-based or inflation-based increase each year to avoid the big jumps.

The motion to approve the dues as proposed in the attached memo dated 11/16/2022 passed with two members opposing.

12. Commodore Otorowski read a letter that Steve James, Chair of the Awards Committee, sent to the Governing Board stating that the Awards Committee requests approval to award the Rod Stephens Trophy for Outstanding Seamanship to Kirsten Neuschäfer for her rescue of fellow Golden Globe Race competitor Tapio Lehtinen after his boat sank 460 miles SE of Port Elizabeth, South Africa.

There was a motion made and seconded to approve the award. The motion passed unanimously. The Commodore thanked Steve and the Awards Committee for bringing this to our attention.

13. The Commodore made a request that each station and post take a hard look at the associated content and events on the website and bring all of the content up to date.

14. The Commodore reviewed the dates for the 2023 Governing Board meetings. While they are subject to change, this is our starting point. They are:

February 21, 1600, Tuesday via Zoom

March 3-4 at NYYC

June 6, 1600 ET, Tuesday via Zoom

September 5, 1600 ET, Tuesday via Zoom

September 28-30, Day and Time TBD- Lunenburg Fall Meeting

December 5, 1600 ET, Tuesday via Zoom

15. Commodore Otorowski noted that there has been some good publicity for the CCA lately. He encouraged us to purchase CCA clothing and burgees from Team One and The Sailbag Lady

respectively. Tom Ehman recently interviewed Commodore Otorowski and Tim Murphy for Sailing Illustrated, where it had 750 views. Also there have been about 1600 views of the CCA movie and the books are selling well on the website.

16. The Commodore thanked all of the members who are active in the club and especially all of the individuals who volunteer their time to make this complicated club function.

17. Commodore Otorowski noted that the Yacht Racing Association on Long Island Sound gave a special award to the Shorthanded Bermuda Return race. The YRA noted that the race, co-sponsored by the RBYC, the NYYC and the CCA, is the most important addition to offshore racing in a generation.

18. Vice Commodore Gowell asked if it is time to change the CCA policy requiring vaccination to participate in in-person events. After some discussion, we encouraged the Covid Task Force to meet and provide ongoing guidance for CCA policy.

There being no further business, the meeting was adjourned at 16:55 Eastern

Respectfully Submitted,

Molly P. Barnes
Secretary, CCA