



Minutes of the Governing Board Meeting The Cruising Club of America Tuesday, October 8, 2024 via Zoom

1. The meeting was called to order at 4:03 pm ET.

There were 33 people in attendance constituting a quorum, including Commodore Jay Gowell, Vice Commodore Chace Anderson, Secretary Pat Montgomery, Treasurer Kathleen O'Donnell, Historian Doug Adkins, Membership Chair James Phyfe; the following Rear Commodores: Doug Adkins, Peter Becker, Bev Crump, Jim Eddy, Somers Kempe, Nick Orem, Chuck Hawley and Tom Wadlow; the following Elected Governors: Amanda Balasubramanian, Gretchen Biemesderfer, Sally Honey, Jonathon Wright, Mary Alice O'Neil, Dennis Durgan, Brevard Prevost, Buddy Rego, and Lloyd Hooper; Invited guests in attendance were: Post Captains Ned Jones, Ray Cullum, and Peter Driscoll; Fleet Captain Ernie Godshalk, Webmaster Michael Moradzadeh, Fleet Surgeon Jeff Wisch, Events Committee Chair Deanna Polizzo, Judge Advocate Christopher McNally, FAC Chair Peter Griffin, Richard Casner, and LRP Chair Tim Surgenor. (Please note that some names appear twice to reflect their multiple roles.)

2. Commodore's Welcome and Report

Commodore Gowell (Jay) welcomed everyone to our third meeting of 2024 and acknowledged the challenges that our friends and fellow members of Florida are facing with the second major hurricane approaching inside of ten days. Additionally, Jay acknowledged Ray Cullum's (Fleet Captain Buzzards Bay) new role as Yearbook Editor beginning 2026 taking over for Barbara Watson and also welcomed invited guest Richard Casner who has agreed to help with finances on both the Bermuda Race and the CCA. Richard comes with a long-time history of Bermuda Race participation and a career in real estate finance.

3. Approval of Minutes

Jay moved to approve the minutes from the June 4, 2024 meeting and the motion was seconded. Asking for comments or corrections and hearing none, the minutes were unanimously approved. Ernie Godshalk then offered a comment that the minutes of June 4 reflected the need to resurface discussion at the next Governing Board Meeting for a potential By-Law change due to the adoption of the Contract Authorization Policy. Jay suggested moving the topic off-line and noted that any By-Laws change would have to be presented to the members for approval at a future meeting. He asked that a group convene and propose recommended language for the change for the presentation to the members.

4. Vice Commodore's Report, Chace Anderson

Chace voiced that his report stands as submitted and added that he has had a productive six months shadowing the Commodore, planning cruises with the Fleet Captain and representing the CCA at various events, including two yacht club commissioning ceremonies and events during the Newport to Bermuda Race. Jay acknowledged the collaborative effort and appreciation for Chace's wise counsel.

5. Events Report, Events Chair Deanna Polizzo

Deanna was invited to report on the upcoming event calendar and listed the highlights for the Chesapeake Fall Meeting of Members beginning on Wednesday October 16 and concluding with the second Leadership Breakfast on Friday morning. Jay clarified that the purpose of the breakfast was to provide a forum for the Committee Chairs to exchange ideas. Unlike the Governing Board, who meets quarterly, the committees operate in silos and the breakfast provides an opportunity to sit in a room and talk things over.

Deanna reported that the targeted events surrounding the Bermuda race were successful in raising awareness of the club and queried whether we should begin planning similar activities on the west coast around the Transpac. Michael Moradzadeh, former Commodore of the Pac Cup offered that it was a good idea and there were opportunities to make ourselves present – both social and/or practical. Chuck Hawley (RC San Francisco) and Brendan Huffman (Southern California) were mentioned as potential contacts for ideas on coordinating participation in these events. Additional opportunities (i.e., the Mackinac Race) should be explored in other CCA stations. Jay suggested that Deanna and Michael take the discussion off-line and coordinate with James Phyfe and RC Chuck Hawley.

6. Fleet Captains Report, Ernie Godshalk

The Fleet Captain's report covered three topics: The updated Cruise Planning Guide, Summary of 2024 Cruises, and Planning for Future Cruises. First, the Cruise Planning Guide was updated and posted to the website. Secondly, 2024 was a banner year with six cruises: Antigua, Guadeloupe, Sea of Cortez, Bermuda, Downeast, ME and the Chesapeake. Lastly, future cruises and the challenges associated with cruise planning and leadership were discussed. Beginning 2025, the Transatlantic Cruise in Company, the Western Isles Cruise and the Pacific Northwest Fall Cruise planning are well underway. Various other cruise destinations were floated with Peter Driscoll mentioning the potential of another 1,000-Islands cruise which was a popular and successful event under Past Commodore Jim Binch.

In closing, Ernie emphasized the need for future cruise leaders and outlined their qualifications – a knowledge of the cruising grounds and a strong cruise committee. He encouraged everyone to identify potential organizers and discuss the idea at station lunches.

7. Financial Report, Treasurer Kathleen O'Donnell and FAC Chair Peter Griffin

Key Changes to Club Finances and Impact

- The Fiscal Year End changed from October 31st to December 31st creating a stub period for 2023 (November 1 through December 31). This change required two informational IRS returns and two payments for last year and some programs are scheduled for 2024 but were charged in December – the fiscal year end change + stub year accounts for some distortion in the budget numbers that we will be reviewing and will require adjustments.
- The bank account has been moved from Key Bank (Maine) to Bank of America. Our Stripe account (used for credit card payments) has also moved to BofA and we have been issued a credit card which was not available under Key Bank. Our current account balance is \$195,435.21. With the completion of this transition, stations will be issued their yearly allocation under the new account. The stations will be asked to report their account balances back to the Treasurer for our IRS filing.

Michael M questioned whether the change in fiscal year end would impact dues collection. It was agreed that it would not impact the current cycle. Dues are due in January, which is also noted in the By-laws. Members have always had the option to pay in advance of the due date and will continue to do so.

Kathleen referred us to the screen and reminded us of the objective of this meeting - to review the draft budget. Further refinements will be made for a Budget review and approval in the December Governing Board Meeting and discussion of any dues increase will be presented at that time.

Areas highlighted included:

Revenues

- Cruises have made a slight surplus and the BofA credit card has made paying foreign currencies easier than our past practices.
- Royalties from TeamOne are in and Ernie's oversight should ensure a positive change for the future.
- We own 1300 copies of *Adventurous Use of the Sea* with a storage cost of \$160/month
- Guides, sailing and safety have done very well, and the Safety at Sea program benefitted from a successful Newport to Bermuda Race year.

Expenses

- Credit Card processing fees are an opportunity for cost savings. The exploration of options, either bank draft systems or lower cost products, are on the table for review with the Financial Affairs Committee. Deanna mentioned that as treasurer for the NY station, they use a product called Zephy that is a foreign based product with a lower fee structure. *
- Insurance, bookkeeping, awards, trophies – all have seen increases. We are overdue for an audit. Communication costs and mailing costs are up and we have a branding initiative. The largest increase in expenses is publications. Voyages, the Gam, and the Yearbook all have increased and the *History of the CCA* is still in the works with the third and final payment due.
- Station allocations, calculated at \$1000 per station plus \$15 per member, will be net of insurance for the first time. There is a discussion on increasing the individual allocation to \$20 but that is being evaluated by the Financial Affairs Committee.

Discussion ensued on a variety of line items. Kathleen and Peter reiterated that this is a Draft, adjustments will be made, and a final version will be presented at the next meeting. Peter summarized that he anticipates a shortfall of approximately \$46,000 which leads to the discussion of a potential dues increase to offset expenses which Jay commented that a small annual increase every year or two may be better than waiting several years and then making a large increase. The question was asked, "how often have we had dues increase in the past 15 years," which prompted a discussion of the impact of dues increases on resignations. Jay and Chace requested that a graph be available for the next meeting.

Before closing the financial review, Ernie commented that we have three knobs (levers) available; dues, draws from the financial endowment, and cost controls. And if we choose to draw from the investment portfolio, we should have guidelines established for doing so. Jay and Chace noted that the Financial Affairs Committee is working on a policy and further discussion be taken offline and a recommendation to be presented at the next Governing Board meeting.

*The New York Station's change over to the Zephy system – a non-profit organization based in France that uses Stripe as it's platform - has eliminated the credit card fees for their station payments. Deanna estimated a potential \$10,000 savings for the Club based on the current budget.

8. Membership Report, Chair James Phyfe

James announced three areas of report. The first was the slate of candidates for Board review and approval, the second was a resignation withdrawal and the third was a progress report on the member database to identify volunteers.

The names and bios of thirty-one potential members were circulated in advance of the meeting and James moved for a vote unless anyone had questions. Jay asked for a distribution of candidates by station which James identified: 1 from Bermuda, Bras D'Or, New York and PNW, 2 from San Francisco, 3 from Chesapeake and Southern CA, 7 from Essex, and twelve from Boston. Great Lakes and Florida had 0. James asked for a motion to approve which was moved and seconded. The membership class was unanimously approved. James reminded us of the new membership class schedule, adding a third class to the process and timing all classes to coincide with the GB schedule. The first class in 2025 is January 2nd followed by April 21st and October 6th.

Member Ronald Weiss (NY Station) had previously resigned and has reconsidered. He is asking for reinstatement after bringing dues current. James asked for a motion to reinstate that was seconded and unanimously approved.

The Member Database project was developed to help the club and stations identify member resources with specific skillsets and interest in volunteering. The database has been designed to capture both individual interest and expertise and evolving interests over time. The “living” aspect of the database allows all members to update their profiles as their lives or experience base evolves and its searchable aspect provides leadership with a tool to mine for talent.

With the encouragement of Commodore Gowell and the support of Webmaster Michael Moradzadeh, this concept was tested with the Essex Station and rolled out to the club in the past few weeks. We encourage all CCA leaders to encourage the membership to participate by filling out the survey on their individual profiles.

9. Membership Trends Report, Long Range Planning Chair, Tim Surgenor

Tim gave a brief overview of the Long Range Planning (LRP) findings for club focus over a 5-10 year period. Three initiatives were identified: Return to activity that engages the membership post pandemic, Increase awareness of the CCA, and Return to membership growth while maintaining our traditional high standards. While the entire presentation was presented at the Annual Meeting and is available on the website, the focus of this discussion is the third initiative – Membership Growth.

As background, the club has historically grown at 1-2% per year. However, in 2016/2017 under Commodore Binch, the focus shifted to emphasize younger members. With this targeted focus, our growth increased to 2-3% with the membership increasing in both women and younger members in the period between 2017 to 2020. The pandemic hit and we have been on a growth holiday since.

Factors driving this include smaller membership classes and an increase in resignations. A number of factors may have contributed to the increase in resignations – more stringent dues collection processes, an increase in dues coupled with decreased club activity during the pandemic – all contributed making it difficult to identify any one driver.

After examining several charts which overviewed growth factors - Final Voyages (numbers have remained constant), Membership Growth by Station (a few stations continue to grow but most have flipped to slow decline) Average age (has begun to increase) and Women as a demographic (resignations have outpaced new memberships) – Tim offered that the LRP's view is *Steady as she goes*, maintaining a

1-2% growth model to the end of the decade. Additionally, Tim highlighted that focus on younger members and woman have and can continue to deliver results.

In summary, Tim concluded that a return to larger membership classes and maintaining fewer resignations should deliver the growth recommendation of the LRP.

Referring to an earlier discussion under Financial Affairs, Tim touched briefly on dues, stating that historically the dues have been flat. A combination of slight membership growth coupled with keeping expenses controlled has not required significant increases. Tim felt a worthwhile exercise would be to examine the membership data and due's structure to better understand the membership trends.

Group discussion followed. Ideas explored include social activities that invite prospective members, place a crew-finder feature on the website, reduce dues for long-term members (Fifty Year members for example), explore expansion strategies such as new geographic areas, assign a west coast working group, engage CCA ambassadors to encourage new membership, etc.

The prevailing theme centered on the importance of maintaining our high standards by finding qualified potential members and creating relationships between them and CCA members. Providing opportunities for command positions to young and female candidates, making introductions to club members, using prestigious races to identify prospective members in the racing world were all mentioned.

Jay emphasized that this is a critically important topic to the existence of the CCA and that it is up to the station leadership to spread the word. In our history, stations have come and gone and if the stations commit to a retail sales approach that will require us to go out and find people that are qualified, we can turn this situation around!

10. Old Business, New Business and Adjournment

Jay solicited questions, comments Old Business, New Business. Hearing none, the Governing Board was thanked for their attentiveness and time and the meeting was adjourned at 5:58 pm ET.

11. Upcoming Meetings (All Zoom are: 1700 Atlantic/1600 EST/1500 CST/1400 MST/1300 PST)

2024	GB	Monday, November 25 via Zoom, Revised from Tuesday, Dec. 3
2025	GB	Tuesday, February 18 via Zoom
		Annual Meeting of Members, NY, NY: March 6-7
	GB	Tuesday, June 3 via Zoom
	GB	TBD based on coordination with PNW Cruise and Fall Meeting
		Fall Meeting of Members, Bellevue, WA: September 18-20
	GB	Tuesday, December 2 via Zoom
2026	GB	Tuesday, February 17 via Zoom
		Annual Meeting of Members, NY, NY: March 5-6

Respectfully submitted,

Pat Montgomery,
Secretary, The Cruising Club of America