

ANNOUNCEMENT; CHESSS SPRING GENERAL MEMBERSHIP MEETING

DATE: March 3 2018 TIME 12:00 noon
LOCATION Union Jack's British Pub- 2072 Somerville Rd, Annapolis, MD 21401

The CHESSS Constitution requires that there be two General Membership Meetings each year. This meeting will be the first General Membership Meeting of 2018. Your attendance will be important since there are a number of critical votes scheduled to occur during this meeting.

Background:

At the December 2, 2017 CHESSS General Membership meeting, Joe Gillis, who is the CHESSS treasurer, reported on the general procedures for incorporation. As a part of the report, Treasurer Gillis explained that the Incorporation process will require that dues be levied to cover the costs of that process as well as, other operating expenses for CHESSS. (The minutes of the meeting are available on the CHESSS webpage).

A straw poll was then taken and the members unanimously approved the Board proceeding with the process to incorporate as a 501 (C)(3) non-profit corporation, and then obtaining insurance with the first step a membership vote on Dues and Incorporation at the Spring Meeting

The CHESSS Constitution does not address incorporation or insurance. As a result, the Board has determined that a vote of the members on these issues would be consistent with CHESSS as a grassroots organization.

The CHESSS Constitution does address dues and financial decisions as follows :

Section 1. Members shall be responsible for payment of dues in the amount and by a method as set forth by the Board of Directors.

Section 2. The Board of Directors shall control all CHESSS finances and will furnish an annual report for the membership at the second bi-annual meeting each year.

Similar to the decisions surrounding incorporation or insurance, and given previous discussions on dues, the Board believes that a formal vote of approval should be taken prior to proceeding with charging dues for the first time.

The CHESSS Constitution does not fully address the issues of who is a dues paying member and who is not, nor does it address any associated privileges. The current CHESSS Constitution has the following three categories of members:

1. Regular Membership- Shall be conveyed upon those individuals who petition the club for membership with the approval of the majority of the Board.
2. Honorary Membership- Shall be conveyed upon those individuals that exemplify the spirit of this Society as determined by a simple majority vote of the Board of Directors. Honorary Members are not eligible to serve on the Board of Directors, and are not entitled to vote as with Regular Members. Honorary Members shall be exempt from annual dues.

3. Charter Membership- Shall be conveyed upon those individuals that are listed on the Society Member Roster on the day upon which the Constitution is adopted.

The Board recommends clarifying the dues and privileges for these categories and inserting a fourth membership category for members who do not participate in CHESSS events and who would also not pay dues.

Any CHESSS Constitution change requires a three-fourths majority approval of the voting members present or who have voted by proxy.

Incorporation, Insurance and Dues Vote(s):

From a parliamentary procedural basis, there are four separate items under consideration. These will be entered into a motion at the meeting. The members present may elect to combine the discussions and the vote into a single motion or discuss and vote on each separately.

The four propositions are as follows:

1. The CHESSS Board is directed to proceed with the process of incorporating CHESSS as a 501 (C)(3) and expend the funds as required by that process.
2. The CHESSS Board is authorized to open a checking account to manage the CHESSS finances.
3. The CHESSS Board shall be authorized to competitively price and purchase liability insurance for CHESSS.
4. The CHESSS Board is authorized to levy annual dues of an amount that will be determined by the Board based on the number of Regular Members and the projected average annual budget for the first two years.

Budget:

A two-year budget will be presented for approval at this meeting. (It will be circulated in advance of this meeting.) In most organizations, budget approvals are normally proforma votes. In this case, the approved budget will have added importance since it will form key component in establishing the dues rate.

Number of Board Members:

The CHESSS Constitution established a six (6) person Board. At the December 2017 meeting, the members voted in seven board members. The board would like to change from the current constitutionally mandated board from six members to a seven person board. The constitution did not include At Large Board Members in the Article III, Section 3 description of the composition of the board. A vote is scheduled to change Article III, Section 3 to read as follows (Changes shown in **bold**):

“The Board of Directors (Board) shall consist of **Seven (7)** members including a Commodore, Vice Commodore, Secretary and Treasurer, **and Three (3) At Large Board Members** each of whom will be elected by a simple majority vote of the total membership present or by proxy during the second bi-annual meeting every two years. Changes in the description and number of board members must be approved by a 2/3 majority vote of total membership present or by proxy during a bi-annual meeting.

Constitutional Change to the Member Categories

As mentioned as 'Background' section above, the current CHESSS Constitution contains three categories of membership; 1. Regular Membership, 2. Honorary Membership, and 3. Charter Membership. The Board recommends revising the language to address dues and privileges more specifically, and recommends adding a fourth category of membership for non-paying, non-participant members. If approved, the language in the CHESSS Constitution would be revised to read as follows: (Changes shown in **bold**):

"Article V – MEMBERSHIP

"Section 1. This Society shall have **4** classes of membership (Member):

"1. Regular Membership- Shall be conveyed upon those individuals who petition the club for membership with the approval of the majority of the Board. **Regular Members shall pay the full dues, shall be permitted to serve on the Board, shall have voting privileges and shall be permitted to participate in all CHESSS sponsored events.**

"2. Honorary Membership- Shall be conveyed upon those individuals that exemplify the spirit of this Society as determined by a simple majority vote of the Board of Directors. Honorary Members are not eligible to serve on the Board of Directors, and are not entitled to vote as with Regular Members. **Honorary Members are permitted to participate in CHESSS Sponsored events.** Honorary Members shall be exempt from annual dues.

"3. Charter Membership- Shall be conveyed upon those individuals that are listed on the Society Member Roster on the day upon which the Constitution is adopted. **Charter Members shall pay the full dues, shall be permitted to serve on the Board, shall have voting privileges and shall be permitted to participate in all CHESSS sponsored events.**

"4. Corresponding Membership: Shall be conveyed upon those individuals who petition the club for membership with the approval of the majority of the Board. Corresponding Members shall not pay dues, shall not be permitted to serve on the Board, shall not have voting privileges and shall not be permitted to participate in CHESSS sponsored events. "

Limit of Liability:

The CHESSS Constitution does not provide the usual protections for the Board and CHESSS members that are typically found in organizational documents for most organizations of this type. As CHESSS has expanded its services to members, it has become increasingly important to at least minimally protect Board members and other CHESSS volunteers from legal liability jeopardy. A vote to insert the following language into the CHESSS Constitution has been scheduled for this meeting:

“For any form of consideration, including permission to voluntarily participate in any event sponsored, promoted, or directed by the Chesapeake Bay Shorthanded Sailing Society (CHESSE) it is understood that any CHESSE Board of Director, volunteer, or participant in any CHESSE event is intending to be legally bound for himself/herself, his/her personal representatives, heirs, assigns, and next of kin:

“Hereby releases Chesapeake Bay Shorthanded Sailing Society, its officers, members, organizers, volunteers, and race committees of all liability for any harm or damage however caused including any act or omission, directly or indirectly the result of any event. It is understood and accepted by each member and listed party above that there is inherit risk associated with all events, including but not limited to bodily injury, and vessel damage, that is assumed by each participant.

“In addition, All Chesapeake Bay Shorthanded Sailing Society, its officers, members, organizers, volunteers, and race committees, and their personal representatives, heirs, assigns, and next of kin understand that while attending some events, the chance of being photographed is possible, and that agrees any/all photographs taken by the club officers, volunteers, members, or their designees can be used for purposes to promote the organization and its events.”

CBYRA SANCTIONED CLASS STATUS

Members of the Board have attempted to clarify how CBYRA and PHRF views CHESSE. We have preliminarily determined that CHESSE is not a sanctioned class under CBYRA. CBYRA has classified us a sub-class of PHRF which is a sanctioned class. This has several negative impacts on CHESSE members who chose to race under a CHESSE start in CBYRA events.

To begin with CHESSE has adopted its own class rules. Since CHESSE is not a sanctioned class, CHESSE rules need to be voluntarily appended to the SI's for each race by the sponsoring club. If CHESSE were a CBYRA sanctioned class, CHESSE rules would automatically apply since each sanctioned class sails under its class rules. This would not alter the rating rule under which CHESSE is scored. Also without being sanctioned, CHESSE racers are not entitled to high point trophies in the CHESSE class.

A vote will be taken to authorize the CHESSE Board to pursue application to become a CBYRA Sanctioned Class.

Member Status and Voting:

The CHESSE Constitution states that “All Regular and Charter Members in good standing shall be eligible to vote at all meetings of the general membership of the Society.” Because dues have not been previously levied all members will be permitted to vote at this meeting. To be considered to be a member, a member information form needs to be filled out prior to this meeting. Many of you have filled out this form already. If you have not, or are not sure whether you have, please go to the CHESSE webpage and fill out a member information form if you plan to vote.

If you cannot attend the meeting, per the constitution, "At all meetings of Members, a member may vote by proxy executed in writing by the member or by his duly authorized representative. Such proxy shall be filed with the Secretary of the Society before or at the time of the meeting." And "Any Member in good standing may vote by absentee ballot, executed in writing. Absentee ballots shall be filed with the Secretary of the Society before or at the time of the meeting."

If the motions described above pass at the meeting, members will be asked to advise the Board on whether they want to be a 'Regular Member' or request an 'Corresponding Member' status. This should be addressed to the Secretary, Jeff Halpern JHHalpern@Hotmail.com and copy the Membership coordinator, Chuck Schaeffer at [cgscheaffer@gmail.com](mailto:cdscheaffer@gmail.com) .