

US Chess
Executive Board Meeting
July 13, 2021
Zoom

This document is a summary of the proceedings of this meeting. It includes motions made, action items accepted, and subjects discussed. Details of discussions, etc., may be obtained from the video file online.

OPEN SESSIONS

Tuesday, June 8

Executive Board members present:

Mike Hoffpauir, President

Ryan Velez, Secretary

David Hater, Member

Chuck Unruh, VP of Finance

Fun Fong, Member

Carol Meyer, Executive Director

A quorum was established and the meeting was called to order.

Open Session 1

President Hoffpauir opened the meeting by noting that Vice President Bauer was not able to attend due to a family emergency and that member David Day was not present. He welcomed Executive Board candidates Kevin Pryor and John Fernandez, who were invited to sit in on the meeting since the board has only three open positions and three candidates, one of which is Board Member Randy Bauer. President Hoffpauir made it clear that the visiting candidates would not be voting on any motions but that their input was invited since they also represented the membership.

President Hoffpauir then turned the floor over to Secretary Velez to present the first motion.

EB21-082 – Hoffpauir – I move that the minutes for the June 2021 Executive Board meeting be accepted as written. **PASSED 5-0** with Randy Bauer and David Day absent and not voting

President Hoffpauir asked Executive Director Meyer to introduce the process of reviewing and adopting the budget. Executive Director Meyer drew members' attention to the following additions to the latest draft budget:

- Updated investment figures
- Capital budget items

She addressed the biennial nature of the budgeting cycle because of the financial impact of the biennial FIDE Olympiad.

President Hoffpauir asked her to confirm that US Chess would not be funding for any international events until 2022. Executive Director Meyer indicated that US Chess would probably be asked to fund the participation of the top players in the 2021 online FIDE Olympiad, which is an event that came to light after the budget was crafted. She noted that a previous board motion placed a moratorium on sending delegations to international in-person events through the end of 2021 due to the continuing threat of COVID-19 and its variants.

President Hoffpauir asked if the amount budgeted for 2022 events covered all international events, including youth events. Executive Director Meyer confirmed that all events were included up to June of 2022.

Vice President of Finance Unruh commented that he considered the budget both realistic and conservative.

Executive Director Meyer indicated that revenue from membership has started to rebound in spring of 2021.

Due to the two board members absent from the meeting, President Hoffpauir opted to delay voting on the budget.

President Hoffpauir then turned the discussion to the need for board liaisons to communicate with committee chairs to determine if there is a need for any committee member changes that can be acted on during the board meetings that occur during US Open week.

The board then entered closed session

Open Session 2

President Hoffpauir announced that there was one motion coming out of closed session. Secretary Velez read the content of the motion authored by Vice President of Finance Unruh.

EB21-083 – Unruh – I move that the Executive Board approve the addition of a 3% reserve fund portfolio allocation of diversified equity closed end fund. Currently the approved reserve fund investment allocation targets a 45% position in cash deposits. This motion would not reduce the cash deposit allocation but add a new equity fund with strong dividend distributions from primarily the financial sector. The reserve fund investment policy has a primary objective of capital preservation with a secondary objective of value preservation by dividend/interest returns equal to or greater than the rate of inflation in the economy. This portfolio addition of a diversified equity closed end fund improves the overall yield distributions with key equities outside the previous 4% additions in the health care sector. The Reserve Fund Investment Committee recommends Executive Board approval to purchase this investment.
PASSED 5-0 with Randy Bauer and David Day absent and not voting.

President Hoffpauir then addressed the membership to inform them that the board and the Executive Director continued to monitor pandemic conditions that could impact the board's policy regarding pandemic precautions for the US Open. He encouraged members attending that event to be alert to a possible change to that policy from the board.

President Hoffpauir thanked everyone for their hard work and participation. He thanked everyone who had put forth motions for the upcoming Delegates Meeting. He encouraged state chapters to have representation by sending delegates to the meeting.

The board will meet again on Thursday, August 5, 2021.

The meeting adjourned.